CITY COUNCIL MEETING MINUTES
MONDAY, OCTOBER 14, 2013

The City Council of the City of Bellaire, Texas, met in Special Session (Bond Forum) on Monday, October 14, 2013, in the Bellaire Civic Center, First Floor of City Hall, 7008 South Rice Avenue, Bellaire, Texas 77401, for the following purpose(s):

A. CALL TO ORDER, ANNOUNCEMENT OF A QUORUM, AND OPENING REMARKS – Mayor Philip L. Nauert.

Mayor Philip L. Nauert called the City Council of the City of Bellaire, Texas, to order at 6:34 p.m. on Monday, October 14, 2013. Mayor Nauert announced that a quorum was present consisting of himself and the following members of City Council: Mayor Pro Tem Amanda B. Nathan and Councilmen Roman F. Reed, James P. Avioli, Sr., Corbett Daniel Parker, and Pat B. McLaughlan. City Manager Bernard M. Satterwhite, Jr., Assistant City Manager Diane K. White, and City Clerk Tracy L. Dutton were also present.

Councilman Andrew S. Friedberg was absent.

Mayor Nauert thanked those in attendance and summarized a few rules for the meeting. He indicated that since the meeting was an agendaed, called meeting of the Bellaire City Council, discussion was restricted by law to one item—the Bond Election. Mayor Nauert also indicated that the presentations to be given this evening were informational and factual and did not imply support for or against the material presented. Residents were invited to ask questions or make comments at the end of the presentations (i.e., item G. on the agenda).

Overview of Bond Referendum

Mayor Nauert provided a brief overview of what residents would be considering on their bond election ballot on Tuesday, November 5, 2013. He advised that the first proposition asked residents to decide whether to fund the construction of a new Police Station, Municipal Court, City Hall, and Civic Center.

The second proposition asked residents to decide whether funds would be provided for the acquisition of land in the commercial area, if land was available and if it was determined that relocation of the new facilities was desired by the community. The second proposition was only a valid
consideration if the first proposition passed. In other words, if the first proposition failed, there was no need to consider the acquisition of new land.

Mayor Nauert summarized the third proposition, which asked residents to decide whether funding assistance should be provided to supplement funds raised by the Evelyn’s Park Conservancy Board, if needed, to help develop and construct Evelyn’s Park on the site of the former Teas Nursery.

The fourth proposition asked residents to decide whether funding assistance should be provided for renovations to the Henshaw House and park improvements located in Russ Pitman Park.

**Issuance of Bonds Process**

Mayor Nauert summarized the process to be followed for the issuance of bonds. He noted that the first step in the process was the bond forum held this evening. Following the bond forum, the residents would have an opportunity to cast their ballots for each bond proposition during the City’s General and Bond Election to be held on Tuesday, November 5, 2013. If the bond referendums were approved, then there would be a process of planning and designing the project. To some extent, the numbers to be discussed this evening were estimates only. The City had not planned or designed the projects. Following planning and design, City Council would vote on the plan and design. Another vote of City Council would be required to actually issue the bonds. If City Council authorized the issuance of bonds, a bond auction would be held, bonds would be sold, and the project would be funded.

**B. PRESENTATION** regarding the bond election to be held within the City of Bellaire, Texas, on Tuesday, November 5, 2013, for the purpose of funding improvements to municipal buildings and facilities, to wit: City Hall, Civic Center, Police Station, and Municipal Court Buildings — **Mayor Philip L. Nauert.**

**Mayor Philip L. Nauert** reviewed bond proposition one, which read as follows: The issuance of $11,000,000 in bonds for improvements to municipal buildings, to wit: City Hall, Civic Center, Police Station, and Municipal Court Buildings.

Mayor Nauert advised that the bond language appeared to suggest that four individual buildings would be constructed for the City Hall, Civic Center, Police Station, and Municipal Court. All four of the functional centers (City Hall, Civic Center, Police Station, and Municipal Court) could be housed in one building or two buildings, for example.

Mayor Nauert continued by summarizing the process followed to determine the amount of bond funding that would be needed for improvements to municipal buildings and facilities. He noted that the process began in 2004 with a Facilities Assessment Study performed by 3DI. The City engaged the
firm of Pierce Goodwin Alexander & Linville (PGAL) in June of 2012 to review and update the 2004 facilities assessment study. The results of the 2012 study were reported to City Council in early 2013.

With respect to the Police Station/Municipal Court Building and City Hall/Civic Center, PGAL’s findings as to necessary maintenance, renovation, and new construction were as follows:

<table>
<thead>
<tr>
<th>Facility</th>
<th>Option</th>
<th>Estimated Cost for Both Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing Police Station/</td>
<td>Maintenance Maintenance</td>
<td>$686,000/5 Years</td>
</tr>
<tr>
<td>Existing Municipal Court Building</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Police Station/</td>
<td>Renovation</td>
<td>$4,148,315</td>
</tr>
<tr>
<td>Existing Municipal Court Building</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal Court Bldg. Addition/</td>
<td>New Construction</td>
<td>$6,035,900</td>
</tr>
<tr>
<td>Existing Police Station</td>
<td>Renovation</td>
<td></td>
</tr>
<tr>
<td>Municipal Court Building/</td>
<td>New Construction</td>
<td>$6,369,300</td>
</tr>
<tr>
<td>Existing Police Station</td>
<td>Renovation</td>
<td></td>
</tr>
<tr>
<td>Police Station/</td>
<td>New Construction</td>
<td>$9,447,000</td>
</tr>
<tr>
<td>Existing Municipal Court Building</td>
<td>Renovation</td>
<td></td>
</tr>
<tr>
<td>Existing City Hall/</td>
<td>Maintenance Maintenance</td>
<td>$1,595,000</td>
</tr>
<tr>
<td>Existing Civic Center</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing City Hall/</td>
<td>Renovation</td>
<td>$4,901,570</td>
</tr>
<tr>
<td>Existing Civic Center</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City Hall/Civic Center</td>
<td>New Construction</td>
<td>$5,506,000</td>
</tr>
<tr>
<td>Police Station/Municipal Court Building</td>
<td>New Construction</td>
<td>$11,700,000</td>
</tr>
</tbody>
</table>

Mayor Nauert advised that one member of City Council had asked for the estimated cost of construction of a new library, as well as construction of a new City Hall/Civic Center and Police Station/Municipal Court Building. PGAL advised that the total estimated cost would be $15,250,000.

Mayor Nauert advised further that City Council had been told that in updating the cost estimates, new facilities could cost as much as $14 million. The City still had $3 million remaining from the 2005 bond referendum which could be added to the proposed $11 million 2013 bond referendum, if successful, to fund the entire project. Additionally, Mayor Nauert asked residents to keep in mind that the City was not required to issue bond financed debt in excess of the true cost of the project.

C. PRESENTATION regarding the bond election to be held within the City of Bellaire, Texas, on Tuesday, November 5, 2013, for the purpose of funding the acquisition of land and relocation of municipal facilities,
to wit: City Hall, Civic Center, Police Station, and Municipal Court Buildings if proposition one is approved – Mayor Philip L. Nauert.

Mayor Philip L. Nauert reviewed bond proposition two, which read as follows: The issuance of $5,000,000 in bonds for the acquisition of land and relocation of City facilities, to wit: City Hall, Civic Center, Police Station, and Municipal Court Buildings if proposition one is approved. Mayor Nauert reiterated that proposition two would only become legitimate if proposition one was approved.

Mayor Nauert reviewed the objectives of proposition two as follows:

- To increase green space in Bellaire Town Square;
- To relocate business-function buildings to a business district away from residential areas; and
- To serve as an anchor for economic development of the business area.

At the conclusion of his presentation, Mayor Nauert indicated that he would be available to answer questions during agenda item G.

D. PRESENTATION regarding the bond election to be held within the City of Bellaire, Texas, on Tuesday, November 5, 2013, for the purpose of funding the construction of improvements at Evelyn’s Park – Keith Rubenstein, President, Evelyn’s Park Conservancy Board.

Mayor Philip L. Nauert introduced Keith Rubenstein, President of Evelyn’s Park Conservancy Board, to provide an overview of proposition three.

Keith Rubenstein, President, Evelyn’s Park Conservancy Board, advised that Evelyn’s Park was located on the site of the former Teas Nursery, 4400 Bellaire Boulevard, Bellaire, Texas. He advised that the property was purchased by The Jerry and Maury Rubenstein Foundation (the "Foundation") in 2011 and gifted to the City of Bellaire with the condition that it be turned into a park.

The Evelyn’s Park Conservancy Board (the “Conservancy”) was subsequently formed and charged with designing, raising the funds for, and developing the park. It was agreed from its inception that the funds would be collectively raised through the efforts of the Foundation, the City of Bellaire, and the Conservancy. While the Conservancy’s goal was to raise 100% of the funds needed to design and construct Evelyn’s Park, it became evident in the fundraising process that the major donors throughout the City wanted to know why they should be investing in a park in Bellaire, Texas, that the City of Bellaire was not willing to invest in. It was that message that initiated discussions with the City about the bond being proposed as proposition three.
The Conservancy’s current goal was to raise $16.7 million, which would provide a complete park. In the event the Conservancy was not able to raise all of the funding, a phased approach would be considered. The first phase would yield a beautiful, complete park, the cost of which would be approximately $8-9 million. Between the bond referendum and the $2 million that the Conservancy had already raised, the Conservancy felt extremely comfortable raising an additional $1-2 million in the next ten months. If the Conservancy was successful in raising more funds, then the Conservancy would only ask from the City what they needed.

E. PRESENTATION regarding the bond election to be held within the City of Bellaire, Texas, on Tuesday, November 5, 2013, for the purpose of funding improvements to The Nature Discovery Center building and grounds in Russ Pitman Park – Sarah Flournoy, Executive Director, The Nature Discovery Center.

Mayor Philip L. Nauert introduced Sarah Flournoy, Executive Director of The Nature Discovery Center, to provide an overview of proposition four.

Sarah Flournoy, Executive Director, The Nature Discovery Center, advised that The Nature Discovery Center was a nonprofit operating out of the Henshaw House in Russ Pitman Park, both of which were owned by the City of Bellaire.

The mission of The Nature Discovery Center (the “NDC”) was to ignite lifelong curiosity, understanding, and respect for nature through education. Executive Director Flournoy reviewed a list of some of the activities provided by the NDC, including the following: camps, owl prowls, pumpkin patch, and discovery rooms with live animals, such as snakes, turtles, and lizards. The park served as an outdoor classroom for people of all ages and as a gateway to the habitat and biodiversity of the Gulf Coast.

After over 30 years of use, the Henshaw House and Russ Pitman Park were showing signs of age and very much use. Executive Director Flournoy indicated that the unique and comfortable feel of the NDC was important and should be maintained. In addition, it was also important to create a more open and inviting physical presence; enhance the NDC’s ability to serve the needs of all visitors; preserve the Henshaw House, which held the NDC and was a community gathering space; and to ensure that the park remained a sanctuary for wildlife and for people.

The NDC was currently fundraising in order to achieve their goals to make the facilities as welcoming, attractive, and educational as possible. The Bellaire bond funds would be a portion of the overall project. The NDC proposed that the funds be used for accessibility (trails), maintenance (including work spaces for volunteers and park staff), safety (cameras and updated lighting), and environmental sustainability (irrigation systems that would ultimately result in fewer resources used by the City).
Of the $500,000 in bond funds, 50% would be allotted for Russ Pitman Park itself, 20% for updating the Henshaw House, 15% for the area right around the house, and 15% for the parking lot and other support facilities. Executive Director Flournoy advised that additional information regarding the NDC’s project could be found on their web page (naturediscoverycenter.org) or on their Facebook page.

F. **FINANCIAL PRESENTATION related to the use of bond proceeds for the funding of the referenced improvements included in the bond proposals – Bernard M. Satterwhite, Jr., City Manager, City of Bellaire.**

Mayor Philip L. Nauert introduced City Manager Bernard M. Satterwhite, Jr., to provide a financial presentation related to the use of bond proceeds for funding the bond propositions.

City Manager Bernard M. Satterwhite, Jr., presented the tax rate implications of the bond authorizations. He began by noting that Bellaire had a AAA rating from Standard & Poor’s (the highest rating), with a stable outlook. Such a rating for a city the size of Bellaire was rare. The AAA credit rating would allow Bellaire to finance proposed projects at very favorable, competitive rates.

City Manager Satterwhite advised that the bonds on the November ballot, if approved, would be paid for entirely with property taxes. The City’s current structure had a capacity to support some of the new debt. Based on assumptions to be shown during in his presentation, City Manager Satterwhite indicated that an increase of one to two cents in the debt service tax rate might be required in fiscal year 2016.

In order to analyze the tax rate implications for the current and new bonds, assumptions were made, as follows:

- It was assumed that the City would issue the remaining Rebuild Bellaire bond authorization in 2014 (probably during the month of August). $14 million of the Rebuild Bellaire bond authorization from 2005 remained to be issued for streets, drainage, and facilities;

- It was assumed that The Nature Discovery Center bond authorization would be issued in 2014, and the Evelyn’s Park bond authorization, if needed, would be issued in 2014. In summary, the 2014 bond issuance would consist of the $14 million left in Rebuild Bellaire plus the $5.5 million from The Nature Discovery Center and Evelyn’s Park;

- If the other propositions were approved, it was assumed that the remainder of the bond authorizations would be issued in August of 2015 (which would impact the 2016 City budget);
• The City currently transferred $950,000 from the Enterprise (Utility) Fund to the Debt Service Fund each year because for years utility infrastructure was replaced using taxpayer-funded general obligation bonds. The transfer was a “payback” for the obligations previously issued. It was noted that the City had been making this transfer for a number of years, and the assumption was made that the City would continue to do so; and

• A conservative tax base growth was assumed at 6% in the first year, 3% for the succeeding four years, and 0% beyond that for the life of the bonds. The City was confident about the 6% growth as that growth was based on building during the current fiscal year.

Variables considered in the tax rate analysis were: 1) tax base growth within the next five years; 2) bond issuance schedule (assumption was made that all new bonds would be issued by 2015); 3) bond issuance amount; 4) rate of pay-down of outstanding bonds; 5) payment structure of new bonds; and 6) interest rates.

The interest rate assumed for the bonds was 4.25%.

Based on the referenced assumptions, the table below reflects the debt service tax rate that residents could expect for the next few years.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Growth Rate</th>
<th>Total Debt Service</th>
<th>Rate on New Debt (2014/2015)</th>
<th>Net Debt Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>6%</td>
<td>$6,026,077</td>
<td>0.1438</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>3%</td>
<td>$6,581,635</td>
<td>0.0197</td>
<td>0.1508</td>
</tr>
<tr>
<td>2016</td>
<td>3%</td>
<td>$7,263,500</td>
<td>0.0421</td>
<td>0.1638</td>
</tr>
<tr>
<td>2017</td>
<td>3%</td>
<td>$7,448,929</td>
<td>0.0450</td>
<td>0.1625</td>
</tr>
<tr>
<td>2018</td>
<td>3%</td>
<td>$7,794,575</td>
<td>0.0597</td>
<td>0.1624</td>
</tr>
</tbody>
</table>

Approximate Maximum Tax Rate Impact 0.0200

City Manager Satterwhite provided a chart which showed the assumed debt service tax rate and assumed tax base growth from 2014 to 2028. The assumed debt service tax rate peaked in 2016, remained flat until approximately 2028, and declined significantly thereafter. He also provided a chart which showed the assumed debt service tax rate, with a 6% tax base growth in 2014 and 0% tax base growth thereafter. In 2028, using the assumptions previously laid out, the debt service tax rate would be the same rate the City had in 2011.

In summary, the tax rate analysis presented by City Manager Satterwhite was based on “maximum anticipated impact” assumptions. Based on those assumptions, the maximum tax rate impact was approximately $0.02 per
$100 valuation. If the tax base growth exceeded the forecast, the tax rate might not increase at all.

If the tax impact were broken down by proposition for illustrative purposes, the results would be as follows:

- **Proposition One:** $11,000,000 bond issuance (51% of total authorization) would equal approximately $0.01 of the $0.02 assumed increase;
- **Proposition Two:** $5,000,000 bond issuance (23% of total authorization) would equal approximately $0.005 of the $0.02 assumed increase;
- **Proposition Three:** $5,000,000 bond issuance (23% of total authorization) would equal approximately $0.005 of the $0.02 assumed increase; and
- **Proposition Four:** $500,000 bond issuance (3% of total authorization) would have a negligible impact at 1/10 of a cent.

Using a projected value of the average Bellaire homestead in 2015 of $700,000, a $0.02 increase in tax rate equaled approximately $70 per year. It was noted that the average Bellaire homestead today was approximately $535,000.

**Mayor Nauert** thanked all of the presenters for putting together the information that each had provided during the evening.

**G. QUESTIONS/COMMENTS FROM THE AUDIENCE – Mayor Philip L. Nauert.**

**Pat Hughes** addressed City Council and spoke against Proposition Two. He advised that the aspect of moving the City’s facilities elsewhere would take those facilities away from the present locations and take property tax activity away from wherever the facilities might go.

One activity mentioned in favor of Proposition Two during an earlier presentation was that the residential nature of the current facility would be improved. Currently, the facilities were buffered by a Recreation Center, a school (Condit), a fire station and library on the south, and Loftin Park on the north. Mr. Hughes could not see how this would improve the nature of the City of Bellaire and did not believe this would be beneficial for the City of Bellaire.

Mr. Hughes continued and stated that he was immensely in favor of the bond for Evelyn's Park (Proposition Three). Although the property for this facility
could have been a tax base add-on, it was not necessarily to the greater
correction to the City of Bellaire and any increase would have been minimal.

The facility proposed at Evelyn’s Park would be an immense attraction to the
citizens of Harris County, not just the citizens of Bellaire, in Mr. Hughes’
opinion. He was very much in favor of going forth with the $5 million bond
for the Evelyn’s Park improvements, if the funds were needed.

With respect to Proposition Four, funding for improvements at The Nature
Discovery Center, Mr. Hughes indicated that he was also very much in favor
of a bond to fund those improvements. He did not feel that the City could go
much further in disallowing the facility to be maintained. He advised that the
Nature Discovery Center was definitely in need of some improvements and he
felt that the bond of $500,000 would be greatly in favor of the citizens of
Bellaire.

John James addressed City Council and advised that he had a few questions.
The first question, which was for the Mayor, related to the deemed
deficiencies in the assessment that changed from 2004 to 2012 which
resulted in the City’s need to construct a new City Hall.

Mayor Philip L. Nauert advised that the deficiencies noted in 2004 were
agreed to in the 2012-2013 reassessment. There was no change in the
condition of the City Hall building; there was simply an agreement with the
assessment that had been made previously.

Mr. James inquired as to what happened to all of the bond money from the
2005 issuance that were to be used on City Hall.

Mayor Nauert indicated that City Hall was not rebuilt. At the time, the City
stated that it would perform significant cosmetic improvements to the Civic
Center, make some functionality improvements to the City Hall, and address
City Hall safety and security issues. Those improvements needed to be done;
however, the improvements were done with the understanding that the
structural integrity of the building would not be changed.

Mr. James asked why City Hall was lumped together with the Police
Department, Municipal Court, and Civic Center in Proposition One and why
the cost to relocate facilities had been further segregated into another
proposition. He inquired as to the rationale for combining facilities rather
than splitting or segregating them out.

Secondly, Mr. James inquired as to the amount of land the City proposed to
buy in the center of Bellaire.
Mayor Nauert advised that there was lively discussion at the Council table about lumping the facilities together or considering them “a la carte,” so to speak. The ultimate vote of City Council was to lump the facilities together.

City Manager Bernard M. Satterwhite, Jr., advised that the facilities would not all have to be together if Proposition Two passed. The bond language restricted the funding to the four facilities cited in the proposition. Future City Councils could decide not to issue bonds, for example, for City Hall, and decide to issue bonds just to build a Police Station based on public input.

Mr. James noted that the problem was that any left over money would be rolled over to a new project. The debt never went down, it always went up. He did not see debt going away.

Mr. James next referred to property taxes and asked for confirmation that the City was going to fund the increased debt with the increases with the increase in the property tax base. He asked what would fund the increases in the year-to-year operating budget for Bellaire, as he did not see that going down. He advised that the increases in the property values had been used previously to fund the operating budget.

City Manager Satterwhite stated that the total tax rate, $0.3999, would be split into the General Fund and the Debt Service Fund. If the increases shown in the assumptions occurred, then the split of the General Fund rate would probably go down rather than up assuming the City did not experience a huge amount of inflation. The $0.02 increase was only on the Debt Service side.

Mr. James inquired as to what happened when property values went down. In other words, would the residents be looking at increased tax rates?

City Manager Satterwhite advised that Mr. James was correct.

Mr. James asked if City Manager Satterwhite could tell him how much of the $21 million equated to every person in Bellaire right now.

City Manager Satterwhite advised that he had not done that calculation.

John James indicated that he had done the calculation and that City Manager Satterwhite could do the math using 17,000 people and $21.5 million in debt.

Mr. James continued with a question for Keith Rubenstein, President of the Evelyn’s Park Conservancy Board. He inquired as to the plan for parking when people from all over Houston came into the “City of Homes” to visit Evelyn’s Park. He noted that parking problems already existed throughout the City.
Keith Rubenstein, President, Evelyn’s Park Conservancy Board ("Conservancy"), advised that the current plans for parking included using the parking lot of a church across the street from Evelyn’s Park, when onsite parking was full. CenterPoint Energy had also agreed to let the Conservancy procure their easement for parking, which was one block away from the park site.

Mr. James’ next inquiry involved the Henshaw House. He asked what would be done with the $250,000 (50% of the $500,000 bond) going to the park property itself.

Sarah Flournoy, Executive Director, The Nature Discovery Center ("Center"), stated that the current plan for the park involved the construction of an accessible trail that would run throughout each of the habitat zones. Funds could be spent on an irrigation system that would allow the Center to treat the habitat areas in the manner in which they needed to be treated. She noted that the Center had a rain collection system in the works. Additionally, funding might be used for hardscapes that would make the park more accessible to visitors so that they understood the educational element of what kind of plants were in the park.

Mr. James asked if Executive Director Flournoy had a list of projects to be undertaken and associated costs for those projects.

Executive Director Flournoy advised that the Center had met with contractors and had come up with a preliminary budget. That budget guided the Center toward the need for $500,000 for improvements.

Mr. James asked if residents could get the detailed information as to what the funds would be expended on by visiting the Center’s website.

Executive Director Flournoy advised that Mr. James was correct.

Mr. James next inquired as to the $100,000 funds for Henshaw House and asked what those funds would specifically be used for.

Executive Director Fournoy indicated that there were cosmetic improvements that needed to be taken care of in the interior of the Henshaw House. The Henshaw House currently had peeling wallpaper, heavily trafficked floors that needed to be redone, storage issues for educational materials, foundation problems, a slanted kitchen floor, a leaking air conditioning system, and crumbling ceilings.

Mr. James stated that, in closing, the City was talking about increasing its debt from $96 million to $130 million. He noted that the debt, if applied to all residents in Bellaire, was $92.00 per resident. He asked City Council to think about what the taxpayers were being asked to do. The City of Bellaire was basically charged with protecting residents, fighting fires, and providing
proper sewage and drainage. Mr. James did not believe the City needed to be in the business of building monuments to keep up with West University Place or Southside Place. The City needed adequate facilities for the Police Department, but the City Hall could be remodeled and refurbished to meet the needs required by the City.

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Richard Franke addressed City Council and respectfully disagreed with the first speaker this evening and a little with some of the comments made by the second speaker.

Mr. Franke firmly believed that it was imperative that the Police Station and Municipal Court Buildings be removed from the park area, as the Police Station had no business being near children. He indicated that the Chief of Police had previously stated in a local newspaper article that the Police Department did not bring in really nice people. Mr. Franke did believe that City Hall could be rebuilt or refurbished, but the Police Station needed to be completely relocated.

Although the tax base might increase a little bit, the City's tax rate was already low in Mr. Franke's opinion. He indicated that the City had a dark cloud of infrastructure hanging over its head, yet the City was talking about parks.

Mr. Franke advised that he had nothing against Evelyn’s Park, but pointed out that there was a three inch gap on Mulberry Lane. To go south down Bissonnet Street, one needed an air sick bag to travel over 20 miles per hour. Mr. Franke expressed concern that the City streets were falling apart. He stated that if the City would repair or replace its streets, the City would not have to worry about the tax base as it would increase in the long run.

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Lynn McBee referred to Evelyn’s Park Conservancy Board President Keith Rubenstein and noted that since he grew up in Bellaire, he had lived in the City as long as she had. The parkland that the City now owned had been acquired over the years on a basically pay-as-you-go approach. No other park in the City was maintained, much less funded for capital improvements, with bond funds. The proposal to acquire $5 million from the public tax trough known as “bond money” for Evelyn’s Park was a first in Bellaire’s history.

Ms. McBee advised that she knew that the park would be an asset to Bellaire. However, she was not as impatient and believed that an agreement could be reformulated between the City and the Foundation to allow the Conservancy to acquire the funds that the Conservancy said in year one it would acquire.
After a five-year period, the City, Foundation, and Conservancy could then reassess the situation.

Ms. McBee stated that her concerns with Proposition Three were (1) a precedent would be set by funding parks with bond money; (2) there did not seem to be need to hurry; and (3) the City had other more pressing needs for bond money, in her opinion, that were far greater than the need for a wonderful, new park.

Ms. McBee asked President Rubenstein if he would like to comment on any of her remarks and, if not, she could understand that as well.

President Rubenstein indicated that he did not have any further comments.

Winfred Frazier addressed City Council and stated that he was in support of all of the bond issuances. Having spent a great deal of time in the City and understanding that the City’s elected representatives had done their due diligence, he could support the issuances. The improvements to be made with the bond issuances were good for the City now as well as into the future.

Ronny Burns addressed City Council and noted that his first question was in reference to Proposition Two. He noted that the proposition contained the phrase “if land is available” and asked what that actually meant.

Mayor Nauert advised that he did not mean to sound facetious, but he felt the phrase meant what it said. He did not believe that it implied that the City would use eminent domain or condemnation for property that was otherwise not available. The proposition would allow for the use of up to $5 million in bond funds to acquire land should a landowner or several landowners approach the City and indicate their willingness to sell.

Mr. Burns asked for confirmation that eminent domain would not be used to acquire property for the relocation of City facilities.

Mayor Nauert advised that City Council had not discussed whether eminent domain would be used, but it was not implied in the bond language.

Mr. Burns noted that eminent domain changed the value of a person’s property and there was a chance that eminent domain could be used. He advised that his concern with relocation the City facilities from their existing location onto commercial property was that an outside developer would come in and change all of the City’s zoning so that there could be a “mid-town” in downtown Bellaire.
Mr. Burns next referred to the bond language phrase “if it is determined that relocation of the new facilities is desired by the community.” He asked how community desire would be decided.

**Mayor Nauert** indicated that he suspected that the initial determination of desire by the community would be based on the support of Proposition Two. This was not the sum and substance of City Council’s thought process. There would be a great deal of planning and public comment, workshops, etc. The City Council would take great efforts to find out what the community would support. The second bond issuance would simply establish the ability to acquire land should the City decide that was the proper thing to do.

**Mr. Burns** asked if the relocation of facilities to another site would involve any zoning changes.

**Mayor Nauert** advised that he believed that was a discussion for another meeting.

**Mr. Burns** referred to the bond propositions for Evelyn’s Park and the Henshaw House. He indicated that $5.5 million was a great deal of money to be spending on the parks. He asked if any of the other parks in Bellaire had needed bond funding.

**City Manager Satterwhite** advised that bond funds in the amount of $1.5 million were issued to construct the Bellaire Family Aquatics Center.

**Mr. Burns** stated that he had seen Henshaw House and Russ Pitman Park and did not see how the improvements could be made with $500,000. If the City was going to start dividing money up for parks, he felt more money should be allocated to Russ Pitman Park.

**H. ADJOURNMENT.**

**CITY COUNCIL MOTION/ACTION TO ADJOURN:**

Councilman Corbett Daniel Parker moved to adjourn the Special Session (Bond Forum) of the City Council of the City of Bellaire, Texas, at 7:38 p.m. on Monday, October 14, 2013. Mayor Pro Tem Amanda B. Nathan seconded the motion.

The motion carried unanimously on a 6-0 vote as follows:

**FOR:** Mayor Philip L. Nauert, Mayor Pro Tem Amanda B. Nathan, and Councilmen Roman F. Reed, James P. Avioli, Sr., Corbett Daniel Parker, and Pat B. McLaughlan

**OPPOSED:** None
City of Bellaire
City Council

Minutes of Meeting
October 14, 2013

ABSENT: Councilman Andrew S. Friedberg

Respectfully submitted,

Tracy L. Dutton, TRMC
City Clerk
City of Bellaire, Texas

Approved:

Philip L. Nauert, Mayor
City of Bellaire, Texas