

AGENDA FOR THE KERRVILLE CITY COUNCIL MEETING

TUESDAY, AUGUST 27, 2019, 6:00 P.M.

KERRVILLE CITY HALL, COUNCIL CHAMBERS

701 MAIN STREET, KERRVILLE, TEXAS



**KERRVILLE CITY COUNCIL AGENDA
REGULAR COUNCIL MEETING, AUGUST 27, 2019, 6:00 PM
CITY HALL COUNCIL CHAMBERS
701 MAIN STREET, KERRVILLE, TEXAS**



The facility is wheelchair accessible and accessible parking spaces are available.
Requests for accommodations or interpretive services must be made 48 hours prior to this event.
Please contact the City Secretary's Office at 830-257-8000 for further information.

CALL TO ORDER:

Mayor Bill Blackburn

INVOCATION:

Offered by Councilmember Cochrane

PLEDGE OF ALLEGIANCE TO THE FLAG:

Led by Councilmember Cochrane

1 ANNOUNCEMENTS OF COMMUNITY INTEREST:

Announcement of items of community interest, including expressions of thanks, congratulations, or condolences; information regarding holiday schedules; honorary recognitions of city officials, employees, or other citizens; reminders about upcoming events sponsored by the city or other entity that is scheduled to be attended by city officials or employees; and announcements involving imminent threats to the public health and safety of the city. No action will be taken.

2 VISITORS/CITIZENS FORUM:

Any citizen with business not scheduled on the agenda may speak to the City Council. Prior to speaking, each speaker must fill out the speaker request form and give it to the City Secretary. City Council may not discuss or take any action on an item but may place the issue on a future agenda. The number of speakers will be limited to the first ten speakers, and each speaker is limited to four minutes.

3 PRESENTATIONS:

3.A. Proclamation: Hill Country CASA (Court Appointed Special Advocates) 30-year Anniversary
Attachments:

[20190827_Proclamation_CASA 30 Anniversary.pdf](#)

3.B. Proclamation: September as Healthy Aging Month

Attachments:

[20190827_Proclamation_Healthy Aging Month.pdf](#)

4 CONSENT AGENDA:

These items are considered routine and can be approved in one motion unless a Councilmember asks for separate consideration of an item. It is recommended that the City Council approve the following items which will grant the Mayor or City Manager the authority to take all actions necessary for each approval:

4.A. Resolution No. 34-2019. A Resolution approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2019 rate review mechanism filing; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the reasonable and in the public interest; approving an attached exhibit establishing a benchmark for pensions and retiree medical

benefits; approving an attached exhibit regarding amortization of regulatory liability; requiring the company to reimburse ACSC's reasonable ratemaking expenses; determining that this Resolution was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this resolution to the company and the ACSC's legal counsel

Attachments:

[20190827_Resolution 34-2019 Atmos Energy Corp 2019 Rate Review Revenue Filing.pdf](#)
[20190827_Attachment 1_for Resolution No 34-2019.pdf](#)

- 4.B. Resolution No. 35-2019. A Resolution confirming and reconstituting the Kerrville Youth Advisory Committee as the Kerrville Area Youth Leadership Academy

Attachments:

[20190827_Resolution_35-2019 Kerrville Youth Advisory Committee KYAC to Kerrville Area Youth Leadership Academy KAYLA.pdf](#)
[KAYLA - 2019-2020 - KKM - 081219.pdf](#)



- 4.C. Resolution No. 36-2019. A Resolution amending Resolution No. 28-2019, which recreated the Kerrville Main Street Advisory Board; by expanding the Main Street Boundaries

Attachments:

[20190827_Resolution_36-2019 Main Street boundary expansion.pdf](#)

- 4.D. Joint Election Agreement - Contract for Election Agreement between Kerr County and the City of Kerrville (November 05, 2019 City Charter amendments)

Attachments:

[20190827_Contract_Kerr County Election Agreement for 11-05-19 charter amendments.pdf](#)



- 4.E. Authorize a construction contract with Progressive Commercial Aquatics, Inc. for resurfacing of the Olympic Pool in the amount of \$163,109.

Attachments:

[RFP Pool Resurface Response Pricing - Progressive Commerical Aquatics.pdf](#)



- 4.F. Professional Services Agreement with Kimley-Horn and Associates, Inc. for the design and engineering of the Guadalupe River Utility Crossing project in the amount of \$123,890.00.

Attachments:

[20190827_Contract_Kimley-Horn - Guadalupe River Utility Crossing Scope and Fee.pdf](#)

- 4.G. Monthly Community Improvement Project (CIP) Report

Attachments:

[City Council CIP Project Update 2019-08-27.pdf](#)

- 4.H. Minutes for the City Council workshop held August 13, 2019

Attachments:

[20190827_Minutes_Council workshop 4pm on 8-13-19.pdf](#)

- 4.I. Minutes for the City Council regular meeting held August 13, 2019

Attachments:

[20190827_Minutes_Council meeting 8-13-19 at 6pm.pdf](#)

- 4.J. Minutes for the City Council workshop held August 20, 2019

Attachments:

[20190827_Minutes_Council Workshop 10am on 08-20-19.pdf](#)

END OF CONSENT AGENDA

5 PUBLIC HEARINGS:

- 5.A. Public Hearing on the City of Kerrville Fiscal Year 2020 Proposed Budget

Attachments:

[20190827_Public Hearing_Budget Public Notice.pdf](#)
[20190827_Public Hearing_Budget and Tax Rate Public Hearing Presentation.pdf](#)

- 5.B. Public Hearing - Property tax rate (ad valorem tax) for the 2019 tax year (Fiscal Year 2020)

Attachments:

[20190827_Public Hearing_Tax Rate Public Notice.pdf](#)

6 ORDINANCE(S), FIRST READING:

- 6.A. Ordinance No. 2019-19. An Ordinance authorizing the Issuance, Sale and Delivery of Up to \$10,500,000 in Aggregate Principal Amount of "City of Kerrville, Texas Combination Tax and Revenue Certificates of Obligation, Series 2019"; Securing the Payment Thereof by Authorizing the Levy of an Annual Ad Valorem Tax and a Pledge of Certain Surplus Revenues of the City's Waterworks and Sewer System; and Approving and Authorizing the Execution of a Paying Agent/Registrar Agreement, an Official Statement and All Other Instruments and Procedures Related Thereto

Attachments:

[20190827_Ordinance_2019-19 DRAFT COO.pdf](#)

7 ORDINANCE(S), SECOND READING:

- 7.A. Ordinance No. 2019-17. Second Reading. An Ordinance approving and adopting the City of Kerrville, Texas, Zoning Code, a comprehensive rewrite of the City's Zoning Regulations in accordance and aligned with the Kerrville Comprehensive Plan (Kerrville 2050); said rewrite to be known as the "City of Kerrville, Texas Zoning Code" and found within a new Chapter 60 of the City's Code of Ordinances; approving and adopting the official Zoning Map of the City, providing procedures to amend said map; requiring a staff report as to implementation by a specific date; repealing in their entirety all ordinances or parts of ordinances inconsistent herewith; providing an open meetings clause; providing a cumulative clause; containing a savings and severability clause; providing for a penalty or fine of not more than \$2,000 for each day of violation of any provision hereof; ordering publication; providing an effective date; and providing other matters related to this subject

Attachments:

[20190827_Ordinance_2019-17 Zoning Code rewrite of Zoning Regulations.pdf](#)

[20190827_Zoning Code Attachment A_Ch60 rewrite.pdf](#)

[20190813_Map_Future-Zoning.pdf](#)

[20190814_Land Use Table_Final-Draft.pdf](#)

8 INFORMATION & DISCUSSION:

- 8.A. Financial update for the month ended July 31, 2019

Attachments:

[20190827_Report_July 2019 financial summary.pdf](#)

[20190827_Report_July 2019 financial presentation.pdf](#)

9 ITEMS FOR FUTURE AGENDAS:

City Council may suggest items or topics for future agendas.

10 EXECUTIVE SESSION:

City Council may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above including if they meet the qualifications in Sections 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel/officers), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Texas Government Code.

11 ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY:

ADJOURNMENT



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Proclamation: Hill Country CASA (Court Appointed Special Advocates)
30-year Anniversary

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Feb 20, 2019

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20190827_Proclamation_CASA 30 Anniversary.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$0	\$0	\$0	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

Recognize the 30 year Anniversary of the Hill Country CASA Organization and Volunteers.

RECOMMENDED ACTION:

Present the Proclamation to the Hill Country CASA.

PROCLAMATION

WHEREAS, *In 1977, Seattle Court Judge David Soukup conceived the idea of CASA (Court Appointed Special Advocates) as he was presiding over child protection cases. He realized the weighty responsibility of the decisions he was making for children and felt he needed an unbiased, unrelated person to make independent investigation into cases, and report recommendations in a child's best interest. Soukup's idea grew into a nationwide movement; and*

WHEREAS, *Hill Country CASA (HCCASA) was established in 1989 to provide trained community volunteers to serve child residents of Bandera, Gillespie, Kendall, and Kerr Counties in State custody due to abuse or neglect in their homes, and the courts making decisions about their permanence; and*

WHEREAS, *Today, CASA volunteers work under Guardian Ad Litem (GAL) appointment to assure every child receives individual attention, necessary services, and timely placement in a safe, loving, and permanent home; and*

WHEREAS, *The HCCASA staff work to:*

- *provide a CASA-GAL volunteer for every child or sibling group that comes before the courts due to abuse or neglect in the service area*
- *provide supportive, knowledgeable case supervision that develops volunteers into strong advocates urgently pursuing permanency for children*
- *provide high quality volunteer training that addresses issues facing our children and families, and provides steps to resolution*
- *collaborate with community partners, stakeholders, and service agencies to promote healing and healthy future development*
- *raise awareness about the issue of child abuse and to invite citizen involvement in solving this community problem*
- *advocate for services for Texas foster children as appropriate at local, regional, state and national levels*
- *reunify children with their natural parents whenever possible; and*

WHEREAS, *Hill Country CASA has been able to provide an advocate for every child in the four county service area for the last 19 years.*

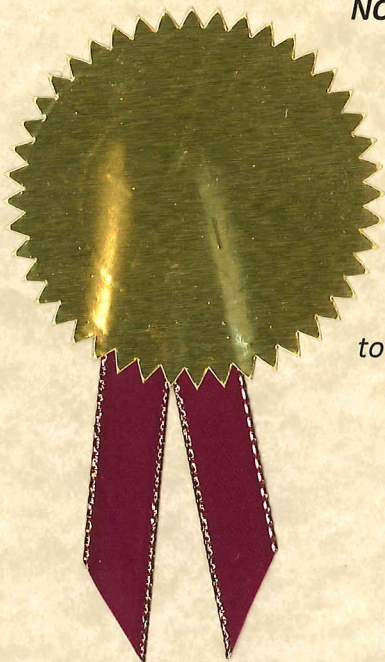
NOW, THEREFORE, *I Bill Blackburn, Mayor of the City of Kerrville,
do hereby proclaim 2019 as*

Hill Country CASA 30th ANNIVERSARY

*in Kerrville, Texas, and encourage all citizens
to recognize these very important and dedicated volunteers.*

*IN WITNESS WHEREOF, I have hereunto set my
hand and caused the Seal of the City of Kerrville to
be affixed hereto, the 27th day of August, 2019.*

Bill Blackburn, Mayor





**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Proclamation: September as Healthy Aging Month

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 22, 2019

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20190827_Proclamation_Healthy Aging Month.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$0	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

Promote health and mental well-being and encourage citizens to pursue a positive, healthy lifestyle.

RECOMMENDED ACTION:

Present proclamation.

PROCLAMATION

WHEREAS, *Healthy Aging Month is an annual health observance month to focus national attention on the positive aspects of growing older and to provide inspiration for adults, age 50 and above, to improve their physical, mental, social, and financial well-being; and*

WHEREAS, *Physical health is a number one priority. It is recommended to schedule health screenings, and consider more physical exercise and a balance diet; and*

WHEREAS, *Strengthening mental wellness by reading, learning new skills, and developing hobbies; and*

WHEREAS, *Maintaining social circles, such as volunteering and staying in contact with family and friends; and*

WHEREAS, *Staying financially aware. Keep a budget and watch for deals and discounts; and*

WHEREAS, *During National Healthy Aging Month, we reassert our commitment to inspire a positive, healthy lifestyle.*

NOW, THEREFORE, I, Bill Blackburn, Mayor of the City of Kerrville, do hereby proclaim September as

“Healthy Aging Month”

in Kerrville, and encourage all our citizens to pursue a positive, healthy lifestyle.



IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Kerrville to be affixed hereto, the 27th day of August, 2019.

Bill Blackburn, Mayor



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Resolution No. 34-2019. A Resolution approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2019 rate review mechanism filing; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the reasonable and in the public interest; approving an attached exhibit establishing a benchmark for pensions and retiree medical benefits; approving an attached exhibit regarding amortization of regulatory liability; requiring the company to reimburse ACSC's reasonable ratemaking expenses; determining that this Resolution was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this resolution to the company and the ACSC's legal counsel

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 19, 2019

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20190827_Resolution 34-2019 Atmos Energy Corp 2019 Rate Review Revenue Filing.pdf](#)
[20190827_Attachment 1_for Resolution No 34-2019.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$0	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

I. BACKGROUND AND SUMMARY

The City, along with 171 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering Committee (“ACSC”). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism (“RRM”), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about April 1, 2019, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2018, entitled it to additional system-wide revenues of \$70 million. Application of the standards set forth in ACSC’s RRM Tariff required Atmos to reduce its request to \$54 million, \$39.3 million of which would be applicable to ACSC members. ACSC’s consultants concluded that the system-wide deficiency under the RRM regime should be \$38.7 million instead of the claimed \$54 million. The amount of the \$38.7 million deficiency applicable to ACSC members would be \$28.2 million.

After the Company reviewed ACSC’s consultants’ report, ACSC’s Executive Committee and the Company negotiated a settlement whereby the Company would receive an increase of \$35.4 million from ACSC Cities.

The Executive Committee recommends a settlement at this amount. The Effective Date for new rates is October 1, 2019. ACSC members should take action approving the Ordinance before the end of September.

II. PROOF OF REVENUES

Atmos generated proof that the rate tariffs attached to the Ordinance will generate \$35.4 million in additional revenues from ACSC Cities. That proof is attached as Attachment 1 to this Staff Report. ACSC consultants have agreed that Atmos’ Proof of Revenues is accurate.

III. BILL IMPACT

The impact of the settlement on average residential rates is an increase of \$2.05 on a monthly basis, or 3.7 percent. The increase for average commercial usage will be \$6.18 or 2.31 percent. A bill impact comparison is attached as Attachment 2.

IV. SUMMARY OF ACSC'S OBJECTION TO THE UTILITIES CODE SECTION 104.301 GRIP PROCESS

ACSC strongly opposed the GRIP process because it constitutes piecemeal ratemaking by ignoring declining expenses and increasing revenues while rewarding the Company for increasing capital investment on an annual basis. The GRIP process does not allow any review of the reasonableness of capital investment and does not allow cities to participate in the Railroad Commission's review of annual GRIP filings or allow recovery of Cities' rate case expenses. The Railroad Commission undertakes a mere administrative review of GRIP filings (instead of a full hearing) and rate increases go into effect without any material adjustments. In ACSC's view, the GRIP process unfairly raises customers' rates without any regulatory oversight. In contrast, the RRM process has allowed for a more comprehensive rate review and annual evaluation of expenses and revenues, as well as capital investment.

V. RRM SAVINGS OVER GRIP

While residents outside municipal limits must pay rates governed by GRIP, there are some cities served by Atmos Mid-Tex that chose to remain under GRIP rather than adopt RRM. Additionally, the City of Dallas adopted a variation of RRM which is referred to as DARR. When new rates become effective on October 1, 2019, ACSC residents will have a slight economic monthly advantage over comparable GRIP and comparable DARR rates (see Attachment 3).

VI. EXPLANATION OF "BE IT ORDAINED" PARAGRAPHS:

1. This section approves all findings in the Ordinance.
2. This section adopts the RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. This section finds that existing rates are unreasonable. Such finding is a necessary predicate to establishment of new rates. The new tariffs will permit Atmos Mid-Tex to recover an additional \$35.4 million from ACSC Cities.
4. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate cases or RRM filings.
5. This section approves an exhibit to be used in future rate cases or RRM filings regarding recovery of regulatory liabilities, such as excess deferred income taxes.
6. This section requires the Company to reimburse the City for expenses associated with review of the RRM filing, settlement discussions, and adoption of the Ordinance approving new rate tariffs.
7. This section repeals any resolution or ordinance that is inconsistent with the Ordinance.

8. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

9. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Ordinance. This section further directs that the remaining provisions of the Ordinance are to be interpreted as if the offending section or clause never existed.

10. This section provides for an effective date upon passage.

11. This section directs that a copy of the signed Ordinance be sent to a representative of the Company and legal counsel for ACSC.

VII. CONCLUSION

The Legislature's GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos Mid-Tex's claim that its historic cost of service should entitle it to recover \$70 million in additional system-wide revenues, or \$54 million from ACSC Cities, the RRM settlement at \$35.4 million for ACSC Cities reflects substantial savings to ACSC Cities in the amount of \$18.6 million. ACSC's consultants produced a report indicating that Atmos had justified increased revenues for ACSC Cities of at least \$32.7 million. Settlement at \$35.4 million is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Ordinance before September 30, 2019. New rates become effective October 1, 2019.

RECOMMENDED ACTION:

Approve resolution no. 34-2019.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 34-2019**

A RESOLUTION APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2019 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL

WHEREAS, the City of Kerrville, Texas ("City") is a gas utility customer of Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company"), and a regulatory authority with an interest in the rates and charges of Atmos Mid-Tex; and

WHEREAS, City is a member of the Atmos Cities Steering Committee ("ACSC"), a coalition of similarly-situated cities served by Atmos Mid-Tex ("ACSC Cities") that have joined together to facilitate the review of, and response to, natural gas issues affecting rates charged in the Atmos Mid-Tex service area; and

WHEREAS, ACSC and the Company worked collaboratively to develop a new Rate Review Mechanism ("RRM") tariff that allows for an expedited rate review process by ACSC Cities as a substitute to the Gas Reliability Infrastructure Program ("GRIP") process instituted by the Legislature, and that will establish rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division; and

WHEREAS, the current RRM tariff was adopted by the City in a rate ordinance in 2018; and

WHEREAS, on about April 1, 2019, Atmos Mid-Tex filed its 2019 RRM rate request with ACSC Cities based on a test year ending December 31, 2018; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2019 RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of \$35.4 million applicable to ACSC Cities; and

WHEREAS, the attached tariffs (**Exhibit A**) implementing new rates are consistent with the recommendation of the ACSC Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (**Exhibit B**); and

WHEREAS, the settlement agreement establishes an amortization schedule for regulatory liability (**Exhibit C**); and

WHEREAS, the RRM Tariff contemplates reimbursement of ACSC's reasonable expenses associated with RRM applications;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

SECTION ONE. The findings set forth in this Resolution are hereby in all things approved.

SECTION TWO. Without prejudice to future litigation of any issue identified by ACSC, City Council finds that the settled amount of an increase in revenues of \$35.4 million for ACSC Cities represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2019 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

SECTION THREE. The existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated

herein as **Exhibit A**, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$35.4 million from customers in ACSC Cities, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

SECTION FOUR. The ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on **Exhibit B**, attached hereto and incorporated herein.

SECTION FIVE. Amortization of regulatory liability shall be consistent with the schedule found in attached **Exhibit C** attached hereto and incorporated herein.

SECTION SIX. Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2019 RRM filing.

SECTION SEVEN. To the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Resolution, it is hereby repealed.

SECTION EIGHT. The meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

SECTION NINE. If any one or more sections or clauses of this Resolution is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.

SECTION TEN. Consistent with the City Ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2019.


SECTION ELEVEN. A copy of this Resolution shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED ON FIRST READING, this the ____ day of _____ A.D., 2019.

PASSED AND APPROVED ON SECOND AND FINAL READING, this
the ____ day of _____, A.D., 2019.

Bill Blackburn, Mayor

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

ATTEST:

Shelley McElhannon, City Secretary

Exhibit A

Rate Tariffs Effective October 1, 2019

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2019	PAGE:

Application

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 19.55 per month
Rider CEE Surcharge	\$ 0.05 per month ¹
Total Customer Charge	\$ 19.60 per month
Commodity Charge – All <u>Ccf</u>	\$0.17423 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2019.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2019	PAGE:

Application

Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 46.50 per month
Rider CEE Surcharge	\$ 0.02 per month ²
Total Customer Charge	\$ 46.52 per month
Commodity Charge – All Ccf	\$ 0.09924 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹ Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2019.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2019	PAGE:

Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 845.50 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.3572 per MMBtu
Next 3,500 MMBtu	\$ 0.2616 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0561 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2019	PAGE:

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2019	PAGE:

Application

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 845.50 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.3572 per MMBtu
Next 3,500 MMBtu	\$ 0.2616 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0561 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest "midpoint" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" during such month, for the MMBtu of Customer's monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer's receipt quantities for the month.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2019	PAGE:

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

A transportation agreement is required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2019	PAGE:

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf

R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.

HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class

NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

ADD = billing cycle actual heating degree days.

BL_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the j th customer in i th rate schedule is computed as:

$$WNA_{ij} = WNAF_i \times q_{ij}$$

Where q_{ij} is the relevant sales quantity for the j th customer in i th rate schedule.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 11/01/2019	PAGE:

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>
Abilene	9.77	0.1487	88.49	0.7036
Austin	9.04	0.1537	201.48	1.0000
Dallas	13.07	0.2202	184.64	1.1385
Waco	8.77	0.1470	135.70	0.7744
Wichita Falls	11.40	0.1468	117.90	0.5943

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at atmosenergy.com/mtx-wna, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

Exhibit B

2019 Benchmark for Pensions and Retiree Medical Benefits

ATMOS ENERGY CORP., MID-TEX DIVISION
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2018

Line No.	Description	Shared Services		Mid-Tex Direct		Adjustment Total
		(b)	(c)	(d)	(e)	
		Pension Account Plan	Post-Employment Benefit Plan	Pension Account Plan	Supplemental Executive Benefit Plan	Post-Employment Benefit Plan
						(f)
						(g)
1	Proposed Benefits Benchmark - Fiscal Year 2019 Willis Towers					
2	Watson Report as adjusted (1) (2) (3)	\$ 2,744,088	\$ 2,267,927	\$ 4,724,119	\$ 193,211	\$ 2,621,842
3	Allocation to Mid-Tex	43.48%	43.48%	73.88%	100.00%	73.88%
4	Proposed Benefits Benchmark Costs Allocated to Mid-Tex (Ln 1 x Ln 2)					
5	O&M and Capital Allocation Factor	\$ 1,193,029	\$ 986,012	\$ 3,490,241	\$ 193,211	\$ 1,937,051
6	Proposed Benefits Benchmark Costs to Approve (Ln 3 x Ln 4) (3)	100.00%	100.00%	100.00%	100.00%	100.00%
7		\$ 1,193,029	\$ 986,012	\$ 3,490,241	\$ 193,211	\$ 1,937,051
8	Summary of Costs to Approve (1):					
9						
10	O&M Expense Factor (WP_F-2.3, Ln 2)	81.35%	81.35%	38.28%	16.24%	38.28%
11						
12						
13	Total Pension Account Plan	\$ 970,514	\$ 802,108	\$ 1,336,038		\$ 2,306,553
14	Total Post-Employment Benefit Plan					\$ 741,489
15	Total Supplemental Executive Benefit Plan				\$ 31,377	\$ 31,377
16	Total (Ln 13 + Ln 14 + Ln 15)	\$ 970,514	\$ 802,108	\$ 1,336,038	\$ 31,377	\$ 741,489
17						\$ 3,881,527

Notes:

- Studies not applicable to Mid-Tex or Shared Services are omitted.
- The Company is requesting that the benchmark amount approved by the RRM Cities for future periods include only the expense amount.
- The amount attributable to capital would continue to be recorded to utility plant through the overhead process as described in the CAM.
- SSU amounts exclude cost centers which do not allocate to Mid-Tex for rate making purposes.

Exhibit C

2019 Amortization Schedule for Regulatory Liability

ATMOS ENERGY CORP., MID-TEX DIVISION
RATE BASE ADJUSTMENTS
TEST YEAR ENDING DECEMBER 31, 2018
AMORTIZATION OF REGULATORY LIABILITY

Line No.	Year Ended Dec. 31	Beginning of Year		End of Year	
		Rate Base Adjustment Amount (1)	Annual Amortization (2)	Rate Base Adjustment Amount	
	(a)	(b)	(c)	(d)	
1	2018	\$ 290,043,948	\$ -	290,043,948	
2	2019	290,043,948	12,085,165	277,958,784	
3	2020	277,958,784	12,085,165	265,873,619	
4	2021	265,873,619	12,085,165	253,788,455	
5	2022	253,788,455	12,085,165	241,703,290	
6	2023	241,703,290	12,085,165	229,618,126	
7	2024	229,618,126	12,085,165	217,532,961	
8	2025	217,532,961	12,085,165	205,447,797	
9	2026	205,447,797	12,085,165	193,362,632	
10	2027	193,362,632	12,085,165	181,277,468	
11	2028	181,277,468	12,085,165	169,192,303	
12	2029	169,192,303	12,085,165	157,107,139	
13	2030	157,107,139	12,085,165	145,021,974	
14	2031	145,021,974	12,085,165	132,936,810	
15	2032	132,936,810	12,085,165	120,851,645	
16	2033	120,851,645	12,085,165	108,766,481	
17	2034	108,766,481	12,085,165	96,681,316	
18	2035	96,681,316	12,085,165	84,596,152	
19	2036	84,596,152	12,085,165	72,510,987	
20	2037	72,510,987	12,085,165	60,425,823	
21	2038	60,425,823	12,085,165	48,340,658	
22	2039	48,340,658	12,085,165	36,255,494	
23	2040	36,255,494	12,085,165	24,170,329	
24	2041	24,170,329	12,085,165	12,085,165	

25 2042 12,085,165 12,085,165 (0)

27
28
29 Revenue Related Tax Factor 6.71% See WP_F-5.1
30 Revenue Related Taxes on Annual Amortization * Tax
31 Amortization (see WP_B-6.3) \$ 810,653 Factor
32 Related Taxes (see WP_B-6.3) \$ 12,905,421 Amortization + Taxes

33 Notes:

- 34 1. The beginning 2018 balance is the September, 2018 balance. The regulatory
35 liability for excess deferred taxes is an estimate. This estimate will be
36 finalized when the Company files its federal tax return in July, 2019. To the
37 extent that this estimate changes with the filing of the Company's tax return,
38 the Company will 'true-up' the amount in the 2020 RRM filing.
39 2. The annual amortization of a 24 year recovery period is based on the
40 Reverse South Georgia Method.
41 3. The Regulatory Liability is recorded to FERC Account 253, Sub Account 27909.

Attachment 1
Proof of Revenues

ATMOS ENERGY CORP., MID-TEX DIVISION
RRM CITIES RATE REVIEW MECHANISM
PROOF OF REVENUES - SYSTEMWIDE
TEST YEAR ENDING DECEMBER 31, 2018

Line No.	Customer Class	Current	Proposed	Bills	Ccf/MmBtu
	(a)	(b)	(c)	(d)	(e)
1	Residential				
2	Customer Charge	\$ 18.85	\$ 19.55	18,572,400	
3	Consumption Charge	0.14846	0.17423		876,575,629
4	Revenue Related Taxes				
5	Total Class Revenue				
6					
7	Commercial				
8	Customer Charge	\$ 43.50	\$ 46.50	1,492,740	
9	Consumption Charge	0.09165	0.09924		576,758,305
10	Revenue Related Taxes				
11	Total Class Revenue				
12					
13	Industrial & Transportation				
14	Customer Charge	\$ 784.00	\$ 845.50	9,804	
15	Consumption Charge Tier 1	\$ 0.3312	\$ 0.3572		10,724,328
16	Consumption Charge Tier 2	\$ 0.2425	\$ 0.2616		12,346,302
17	Consumption Charge Tier 3	\$ 0.0520	\$ 0.0561		22,335,700
18	Revenue Related Taxes				
19	Total Class Revenue				
20					
21	Total Excluding Other Revenue				
22					
23					
24	Revenue Related Tax Factor	6.7078%			

Current Revenues	Proposed Revenues	Increase
(f)	(g)	(h)
\$ 350,089,740	\$ 363,090,420	
130,136,418	152,725,772	
32,212,790	34,600,111	
<u>\$ 512,438,948</u>	<u>\$ 550,416,303</u>	<u>\$ 37,977,356</u>
\$ 64,934,190	\$ 69,412,410	
52,859,899	57,237,494	
7,901,436	8,495,470	
<u>\$ 125,695,525</u>	<u>\$ 135,145,374</u>	<u>\$ 9,449,849</u>
\$ 7,686,336	\$ 8,289,282	
3,551,897	3,830,730	
2,993,978	3,229,793	
1,161,456	1,253,033	
1,032,582	1,113,691	
<u>\$ 16,426,250</u>	<u>\$ 17,716,529</u>	<u>\$ 1,290,278</u>
<u>\$ 654,560,722</u>	<u>\$ 703,278,206</u>	<u>\$ 48,717,483</u>

Attachment 2

Bill Impact

Line		CURRENT	PROPOSED	CHANGE
1	Rate R @ 47.5 Ccf			
2	Customer charge	\$ 18.85		
3	Consumption charge	=	X \$ 0.14846	X \$ 0.14846 =
4	Rider GCR Part A	=	X \$ 0.27375	X \$ 0.27375 =
5	Rider GCR Part B	=	X \$ 0.27485	X \$ 0.27485 =
6	Subtotal	\$ 51.96		\$ 51.96
7	Rider FF & Rider TAX	=	X 0.06708	X 0.06708 =
8	Total	\$ 55.45		\$ 55.45
9				
10	Customer charge			\$ 19.55
11	Consumption charge		X \$ 0.17423	X \$ 0.17423 =
12	Rider GCR Part A		X \$ 0.27375	X \$ 0.27375 =
13	Rider GCR Part B		X \$ 0.27485	X \$ 0.27485 =
14	Subtotal			\$ 53.89
15	Rider FF & Rider TAX		X 0.06708	X 0.06708 =
16	Total			\$ 57.50
17				\$ 2.05
18				3.70%
19	Rate C @ 367.6 Ccf			
20	Customer charge	\$ 43.50		
21	Consumption charge	=	X \$ 0.09165	X \$ 0.09165 =
22	Rider GCR Part A	=	X \$ 0.27375	X \$ 0.27375 =
23	Rider GCR Part B	=	X \$ 0.19927	X \$ 0.19927 =
24	Subtotal	\$ 251.06		\$ 251.06
25	Rider FF & Rider TAX	=	X 0.06708	X 0.06708 =
26	Total	\$ 267.90		\$ 267.90
27				
28	Customer charge			\$ 46.50
29	Consumption charge		X \$ 0.09924	X \$ 0.09924 =
30	Rider GCR Part A		X \$ 0.27375	X \$ 0.27375 =
31	Rider GCR Part B		X \$ 0.19927	X \$ 0.19927 =
32	Subtotal			\$ 256.85
33	Rider FF & Rider TAX		X 0.06708	X 0.06708 =
34	Total			\$ 274.08
35				\$ 6.18
				2.31%

ATMOS ENERGY CORP., MID-TEX DIVISION
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2018

Line	Rate I @ 4066 MMBTU					CURRENT		PROPOSED	CHANGE
36	Rate I @ 4066 MMBTU								
37	Customer charge					\$ 784.00			
38	Consumption charge	1,500	MMBTU	X \$ 0.3312	=	496.80			
39	Consumption charge	2,566	MMBTU	X \$ 0.2425	=	622.14			
40	Consumption charge	0	MMBTU	X \$ 0.0520	=	-			
41	Rider GCR Part A	4,066	MMBTU	X \$ 2.6733	=	10,868.51			
42	Rider GCR Part B	4,066	MMBTU	X \$ 0.4491	=	1,825.85			
43	Subtotal					\$ 14,597.30			
44	Rider FF & Rider TAX			X 0.06708	=	979.16			
45	Total					\$ 15,576.46			
46									
47	Customer charge							\$ 845.50	
48	Consumption charge	1,500	MMBTU	X \$ 0.3572	=			535.80	
49	Consumption charge	2,566	MMBTU	X \$ 0.2616	=			671.14	
50	Consumption charge	0	MMBTU	X \$ 0.0561	=			-	
51	Rider GCR Part A	4,066	MMBTU	X \$ 2.6733	=			10,868.51	
52	Rider GCR Part B	4,066	MMBTU	X \$ 0.4491	=			1,825.85	
53	Subtotal							\$ 14,746.80	
54	Rider FF & Rider TAX			X 0.06708	=			989.19	
55	Total							\$ 15,735.99	\$ 159.53
56									1.02%
57	Rate I @ 4066 MMBTU								
58	Customer charge					\$ 784.00			
59	Consumption charge	1,500	MMBTU	X \$ 0.3312	=	496.80			
60	Consumption charge	2,566	MMBTU	X \$ 0.2425	=	622.14			
61	Consumption charge	0	MMBTU	X \$ 0.0520	=	-			
62	Rider GCR Part B	4,066	MMBTU	X \$ 0.4491	=	1,825.85			
63	Subtotal					\$ 3,728.79			
64	Rider FF & Rider TAX			X 0.06708	=	250.12			
65	Total					\$ 3,978.91			
66									
67	Customer charge							\$ 845.50	
68	Consumption charge	1,500	MMBTU	X \$ 0.3572	=			535.80	
69	Consumption charge	2,566	MMBTU	X \$ 0.2616	=			671.14	
70	Consumption charge	0	MMBTU	X \$ 0.0561	=			-	
71	Rider GCR Part B	4,066	MMBTU	X \$ 0.4491	=			1,825.85	
72	Subtotal							\$ 3,878.29	
73	Rider FF & Rider TAX			X 0.06708	=			260.15	
74	Total							\$ 4,138.44	\$ 159.53
75									4.01%

Attachment 3

RRM Monthly Savings Over GRIP and DARR Rates

ACSC Margin Advantage Over GRIP and DARR Residential Customers
Effective October 1, 2019

<u>Group</u>	<u>Average Monthly Consumption</u>	<u>Customer Charge</u>	<u>Consumption Charge</u>	<u>Average Bill</u>	<u>Average Monthly Savings</u>
ACSC/RRM	47.5 CCF	\$19.55	\$0.17423	\$27.83	X
Environs GRIP	47.5 CCF	\$19.84	\$0.18653	\$28.70	\$0.87
ATM GRIP	47.5 CCF	\$21.69	\$0.14846	\$28.74	\$0.92
DARR	47.5 CCF	\$21.25	\$0.14924	\$28.34	\$0.51



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Resolution No. 35-2019. A Resolution confirming and reconstituting the Kerrville Youth Advisory Committee as the Kerrville Area Youth Leadership Academy

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Jun 27, 2019

SUBMITTED BY: Kim Meisner

EXHIBITS: [20190827_Resolution_35-2019 Kerrville Youth Advisory Committee KYAC to Kerrville Area Youth Leadership Academy KAYLA.pdf](#)
[KAYLA - 2019-2020 - KKM - 081219.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

Since its inception, the Youth Advisory Committee has struggled with the purpose and goals of the Committee. After being appointed the City Liaison for the 2018-2019 school year, I saw first hand that changes needed to be made to improve the experience for the youth involved.

We would like to recommend that the name be changed to the Kerrville Area Youth Leadership Academy.

The Kerrville Area Youth Leadership Academy (KAYLA) will develop youth leaders committed to learning about local government and provide an overview of the complexity and variety of opportunities available through public service.

KAYLA will be open to a maximum of 10 students that are Kerr County residents and currently enrolled in 9th - 12th grade - public, private, or home schooled. KAYLA will meet one time per month for a leadership presentation by a City department and/or a tour of a City facility. In addition, we will provide several volunteer opportunities throughout the year. Please see attached schedule for the Class of 2019-2020.

RECOMMENDED ACTION:

Approval of the Resolution as presented.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 35-2019**

**A RESOLUTION CONFIRMING AND RECONSTITUTING THE
KERRVILLE YOUTH ADVISORY COMMITTEE AS THE
KERRVILLE AREA YOUTH LEADERSHIP ACADEMY**

WHEREAS, during its July 24, 2018, meeting, City Council confirmed and reconstituted the Kerrville Youth Advisory Committee ("KYAC") through its adoption of Resolution No. 29-2018; and

WHEREAS, City Council modeled KYAC from a Texas Municipal League program in an effort to help community youth learn about local government; participate in City-sponsored activities, events, and issues; and to gain leadership experience; and

WHEREAS, City Council continues seeking ways with which to develop young community leaders who are committed to learning about local government; and

WHEREAS, as such, City Council now desires to confirm its previous creation of KYAC and to reconstitute it, to include changing its name to the Kerrville Area Youth Leadership Academy ("KAYLA"); and

WHEREAS, upon reviewing how KYAC has operated since its existence and in an effort to make KYAC even more leadership driven and educational, City Council adopts this Resolution which confirms and reconstitutes KYAC as KAYLA, with the goal of developing youth leaders committed to learning about local government and providing an overview of the complexity and variety of opportunities available through public service;

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE
CITY OF KERRVILLE, KERR COUNTY, TEXAS:**

City Council adopts this Resolution for the purpose of confirming and reconstituting the Kerrville Youth Advisory Committee ("KYAC"), which now will be known as the Kerrville Area Youth Leadership Academy ("KAYLA"). Resolution No. 29-2018 is hereby repealed.

PASSED AND APPROVED ON this the ____ day of _____ A.D., 2019.

Bill Blackburn, Mayor

ATTEST:

Shelley McElhannon, City Secretary

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

Kerrville Area Youth Leadership Academy (KAYLA)

Class of 2019-2020

The Kerrville Area Youth Leadership Academy (KAYLA) will develop youth leaders committed to learning about local government and provide an overview of the complexity and variety of opportunities available through public service.

Eligibility:

- Kerr County resident & currently enrolled in 9th – 12th grade for the 2019-2020 school year.
- Must complete the KAYLA application in full and provide a letter of reference from their principal or nominating teacher.
- Must have a valid email address and must check the email address often. Notification of meetings will be sent via email to all KAYLA members.
- Must not have previously served as a member of KAYLA. Membership limited to one year.

Attendance Requirement:

Due to limited enrollment, attendance is very important. KAYLA members must be committed to attend all meetings and participate in at least one volunteer opportunity offered by the City. By signing the application, you commit to the following:

- Be on time for each KAYLA meeting.
- Stay for the duration of meeting – do not leave early.
- Contact the Staff Liaison, at least 24 hours in advance, by email or text if you are unable to attend a KAYLA meeting for any reason.
 - Excused absences include: school activities and family emergencies. Must contact the Staff Liaison at least 24 hours in advance to be considered for an excused absence. Verification of situation may be required.
 - Excessive absenteeism, as determined by the Staff Liaison, may be cause for immediate dismissal from KAYLA.

Term of Membership: One School Year (October – May)

Number of Members: Maximum of Ten

Quorum: Six

Regular Meeting Time: Second Thursday of each month (November – April) at 4:30 pm

Regular Meeting Place: Kerrville City Hall, 701 Main St., Kerrville, TX 78028

Staff Liaison:

Kim Meisner, Executive Director for General Operations.
 City of Kerrville, 701 Main Street, Kerrville, TX 78028
 Ph. 830-258-1140, Cell: 830-370-0748, Fax: 830-792-8346
 Email: kim.meisner@kerrvilletx.gov

Kerrville Area Youth Leadership Academy (KAYLA)

Class of 2019-2020

Application

Please type or print

Name:		Current Grade:
School:		
Home Address:		
City:	Zip:	Cell Phone:
Email Address:		
Informational Questionnaire		
1. Why should you be selected to be a member of KAYLA?		
2. What do you hope to accomplish if you are selected to be a member of KAYLA?		
3. Please list three special awards or recognitions that you are most proud of receiving.		
4. After graduating from high school, what are your academic and/or career goals?		
Acknowledgement		
Student's Signature:		Date:
<i>I recommend this student for membership in KAYLA and believe that he/she has the ability to serve in a responsible manner.</i> Principal or Nominating Teacher's Signature:		Date:
<i>I give permission for my child to be considered for membership of KAYLA and consent to participation in all related activities including travel by vehicle to other City sites. By signing this application, I agree to allow the use of my child's name and photograph for promotional purposes of this program.</i> Parent/Legal Guardian's Signature:		Date:

Kerrville Area Youth Leadership Academy (KAYLA)

Class of 2019-2020

Date	Event	
August 28, 2019	Applications Open	
September 20, 2019	Applications Close	
October 8, 2019	Committee Members Appointed by City Council	
KAYLA Meets the 2 nd Thursday of Each Month 4:30 pm – 5:30 pm		
October 31, 2019	TBD	Volunteer Opportunity – Family Fright Night
November 14, 2019	4:30 pm	Meet the Mayor, City Manager & Deputy City Manager
November 23, 2019	TBD	Volunteer Opportunity – Holiday Lighted Parade
December 12, 2019	4:30 pm	Library Campus Tour (Library, History Center, A.C. Schreiner House)
December 14, 2019	TBD	Volunteer Opportunity – Gingerbread House Decorating - BHML
January 9, 2020	4:30 pm	Overview of Parks & Recreation Department with Tour
January 11, 2020	TBD	Volunteer Opportunity - Mother/Son Dance
February 1-2, 2020	TBD	20 th Annual Texas Youth Advisory Commission Summit – Kyle, TX
February 13, 2020	4:30 pm	Overview of Public Works Department with Tour
February 15, 2020	TBD	Volunteer Opportunity – Daddy/Daughter Dance
March 12, 2020	4:30 pm	Overview of Police Department with Tour
March 19, 2020	TBD	Volunteer Opportunity – Family Game Night -KSP
March 21, 2020	TBD	Volunteer Opportunity – Campfire Night - KSP
April 9, 2020	4:30 pm	Overview of Fire Department with Tour
Tuesday, May 12, 2020	6:00 pm	Receive Recognition at City Council Meeting



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Resolution No. 36-2019. A Resolution amending Resolution No. 28-2019, which recreated the Kerrville Main Street Advisory Board; by expanding the Main Street Boundaries

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 22, 2019

SUBMITTED BY: Sherry Mosier

EXHIBITS: [20190827_Resolution_36-2019 Main Street boundary expansion.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	Yes
Key Priority Area	D - Downtown Revitalization
Guiding Principle	D6. Promote preservation and reinvestment in single-family and historic components in the areas around and near Downtown
Action Item	N/A

SUMMARY STATEMENT:

Due to increased public comment, staff is recommending the Main Street boundaries be expanded to mirror the boundaries of Reinvestment Zone Number One, City of Kerrville, Texas. This will allow for wider participation of Downtown property and business owners to be more inclusive of the larger Downtown area, which also encompasses the Downtown Arts and Cultural District.

RECOMMENDED ACTION:

Approve the Resolution to amend the Main Street Boundaries to mirror the boundaries of Reinvestment Zone Number One, City of Kerrville, Texas.

**CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 36-2019**

**A RESOLUTION AMENDING RESOLUTION NO. 28-2019,
WHICH RECREATED THE KERRVILLE MAIN STREET
ADVISORY BOARD; BY EXPANDING THE MAIN STREET
BOUNDARIES**

WHEREAS, City Council, by its adoption of Resolution No. 28-2019, recreated the Kerrville Main Street Advisory Board ("Board"); and

WHEREAS, City Council now wishes to amend Resolution No. 28-2019 to expand the boundaries of the Main Street area; and

WHEREAS, City Council believes it to be in the public interest to expand the designated boundaries of the Main Street Advisory Board as provided below;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

SECTION ONE. City Council hereby amends Section One of Resolution No. 28-2019, to expand the designated Main Street boundaries as follows:

“**SECTION ONE.** City Council hereby creates the Kerrville Main Street Advisory Board of the City of Kerrville, Texas ("Board"), which shall consist of seven (7) members at-large. Members must be property or business owners within the designated Main Street boundaries, also known as ~~the Downtown Arts and Cultural District~~ Reinvestment Zone Number One, City of Kerrville, Texas, which is more specifically described in **Exhibit A** of this Resolution (~~the "DAC"~~), and must reside within Kerr County. Each member shall be a voting member and is subject to a two-year term; provided, however, that at the Board's initial meeting to recreate the Board, the members shall draw lots to establish the duration of the initial terms, with three members serving an initial term of one year and the remaining four members serving a full, two-year term. The expiration date of all terms shall be August 31 of each year. The initial one-year terms would therefore expire August 31, 2020; and the terms of the remaining four members to expire August 31, 2021.”


A revised **Exhibit A** is attached to this Resolution.

SECTION TWO. Other than the amendment described above, Resolution No. 28-2019 remains in full force and effect.

PASSED AND APPROVED ON this the ____ day of
____ A.D., 2019.

Bill Blackburn, Mayor

APPROVED AS TO FORM:

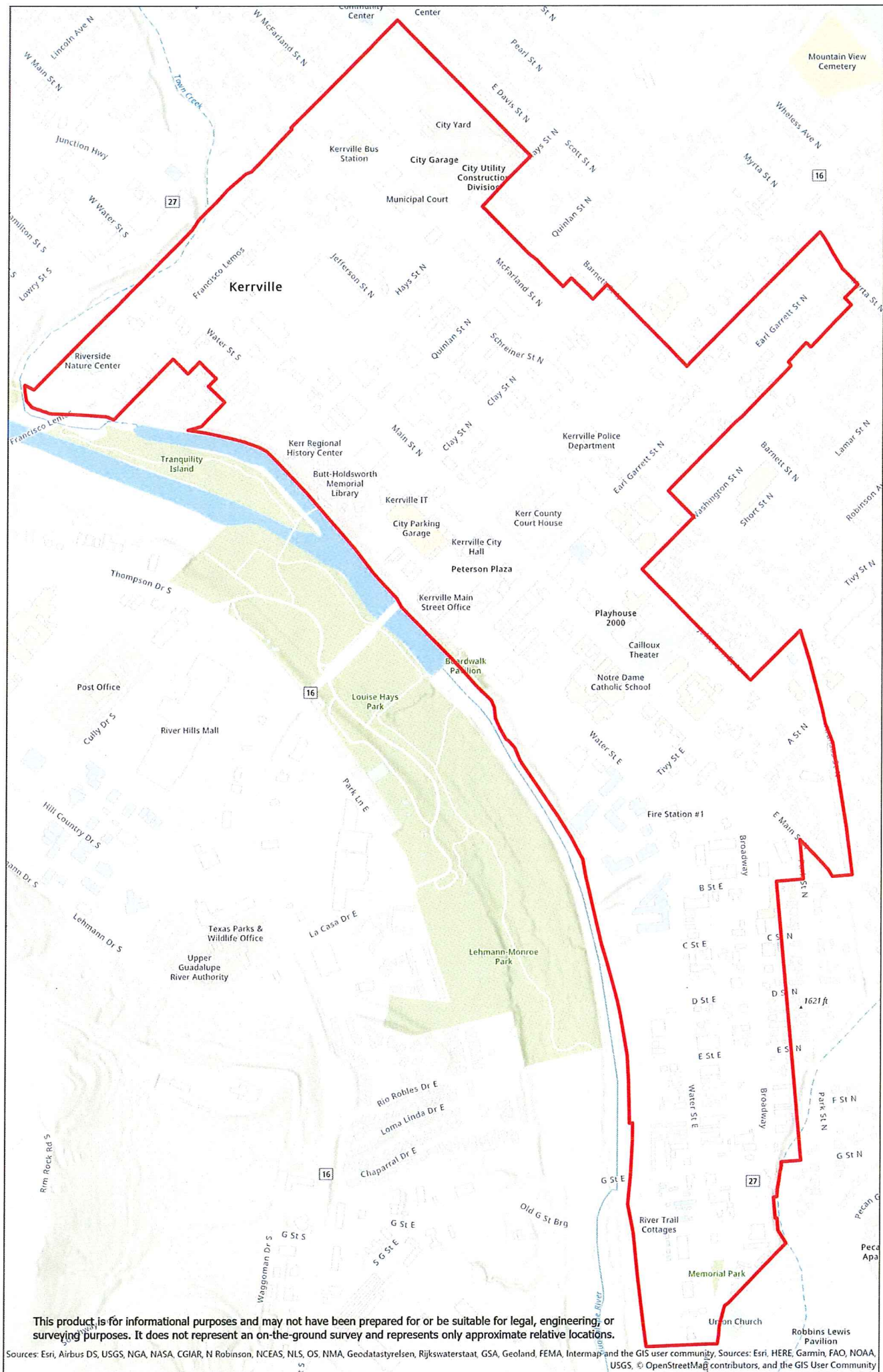


Michael C. Hayes, City Attorney

ATTEST:

Shelley McElhannon, City Secretary

Exhibit A



This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only approximate relative locations.

Sources: Esri, Airbus DS, USGS, NGA, NASA, CGIAR, N Robinson, NCEAS, NLS, OS, NMA, Geodatastyrelsen, Rijkswaterstaat, GSA, Geoland, FEMA, Intermap and the GIS user community. Sources: Esri, HERE, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Joint Election Agreement - Contract for Election Agreement between Kerr County and the City of Kerrville (November 05, 2019 City Charter amendments)

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 19, 2019

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20190827_Contract_Kerr County Election Agreement for 11-05-19 charter amendments.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$5,613.36	N/A	\$5,613.36	N/A

PAYMENT TO BE MADE TO: Kerr County

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

The City will reimburse the County for the actual expenses attributable to the cost of the City Election, rental of equipment and supplies, plus 10% of the cost incurred, and a \$50 administrative fee. The agreement is the same as in previous years.

RECOMMENDED ACTION:

Authorize Mayor to sign the Kerr County contract.

Joint Election Agreement–CITY OF KERRVILLE

**CONTRACT FOR ELECTION AGREEMENT
KERR COUNTY
AND
CITY OF KERRVILLE**

**THE STATE OF TEXAS §
COUNTY OF KERR §**

THIS AGREEMENT is made and entered into by and between Bob Reeves, Tax Assessor/Collector (or designated employee) of Kerr County, Texas duly constituted and acting as County Elections Officer and the CITY OF KERRVILLE by and through its MAYOR, hereinafter referred to as" MAYOR" and by authority of Section 31.092, Vernon's Texas Civil Statutes, Election Code for conducting and supervision of the elections for MAYOR in conjunction with the General Election.

Bob Reeves, Tax Assessor/Collector (or designated employee) shall order all supplies for the election and distribute those supplies to the election personnel. Election forms and all records of the election shall be combined for use in this election on the Count Equipment.

THIS AGREEMENT is entered into in consideration of the mutual covenants and agreement hereinafter set out. IT IS AGREED AS FOLLOWS:

I. DUTIES AND SERVICES OF KERR COUNTY

Bob Reeves, Tax Assessor/Collector (or designated employee) agrees to coordinate, supervise, and handle all aspects in administering the CHARTER AMENDMENT election in accordance with the provisions of the Texas Election Code and as outlined in this Agreement.

Bob Reeves, Tax Assessor/Collector (or designated employee) in connection with the holding and supervision of said election, shall assume the following responsibilities:

- a. All Election Officers and Polling Locations shall be appointed and approved thru the governing body of Kerr County.
- b. Shall be responsible for notifying each election judge and alternate judge of his or her appointment and for determining the number of clerks and other election workers authorized to work at each voting location. Arrange for the notification, including writ of election, and compensation of all presiding judges and alternate judges.
- c. Election judges shall be responsible for picking up election supplies and materials at the time and place determined by Bob Reeves, Tax Assessor/Collector (or designated employee.) This responsibility will be set forth in the election judges' letter notifying the judge of his/her appointment.
- d. Procure, prepare, proof, and distribute ballots.
- e. Procure, prepare, and distribute election judge's kits.
- f. Arrange for the use and compensation of polling locations.

Joint Election Agreement–CITY OF KERRVILLE

- g. Use Optical scanning Scan Equipment and DAU Touch from Hart Intercivic for counting of ballots as certified by the Secretary of State to comply with HAVA for early voting and Election Day.
- h. Assemble the list of registered voters to be used in conducting the election in conformity with the election precincts established for the election.
- i. Publish the legal notice of the date, time and place of the testing of the electronic tabulation equipment and conduct such testing.
- j. Supervise the handling and disposition of election returns, voted ballots, etc., and tabulate unofficial returns and assist in preparing the tabulation for the official canvass.
- k. Bob Reeves, Tax Assessor/Collector (or designated employee) will prepare the unofficial tabulation report after all precincts have been counted, and will provide a copy of the report to the CITY OF KERRVILLE as soon as possible after all returns have been tabulated, but in no event later than 2:00 p.m. on the 10th day following the election. CITY OF KERRVILLE will be responsible for the official canvass of its CHARTER AMENDMENT Election.
- l. All early voting ballots (those cast by mail and those cast by personal appearance) will be prepared for counting by an Early Voting Ballot Board.
- m. Handle all aspects of Early Voting including those voting by mail.
- n. Prepare the results of the election for CITY OF KERRVILLE to conduct its own canvass of the election as prescribed by law.
- o. Provide at no cost for the storage of all election records as provided by law

II. DUTIES AND SERVICES OF CITY OF KERRVILLE

MAYOR in connection with the holding and supervision of said election shall assume the following responsibilities and shall directly bear any attendant cost for the same:

Shall receive from their candidates all documents filed under Title 15 of the Texas Election Code relating to the Campaign contributions and expenditures.

CITY OF KERRVILLE in connection with the holding and supervision of said election shall assume the following responsibilities and shall directly bear any cost for the same:

- a. Shall receive from their candidates all documents filed under Title 15 of the Texas Election Code relating to campaign contributions and expenditures.
- b. Preparation of election orders, resolutions, notices, and other pertinent documents for adoption or execution by the appropriate office or body and post or publish in the required time frame.
- c. Prepare and send out “Notice of Drawing” for a place on the Ballot to all eligible candidates or Charter Amendments.

Joint Election Agreement—CITY OF KERRVILLE

- d. Deliver to Bob Reeves, Tax Assessor/Collector (or designated employee) as soon as possible, a list showing the official wording for the Election titles or Amendments that are to be printed on the ballot with the exact form, orders, wording, and spelling that is to be used.
- e. Pay any additional costs incurred by Bob Reeves, Tax Assessor/Collector (or designated employee) if a recount for the election is required, or the election is contested in any manner.
- f. The CITY OF KERRVILLE will be responsible for the official canvass of its Election.

III. PAYMENT FOR SERVICES

- a. Shall pay to Kerr County ten percent (10%) of the budget cost for Election Service Contract Fee pursuant to the Texas Election Code, Section 31.100 and the administrative fee of \$50.00 per election. (See attached Estimated Cost Sheet).
- b. After the date of election and completion of all duties required of the Tax Assessor/Collector (or designated employee) shall then compute the final statement for all expenses including the ten percent (10%) of the budget cost for Election Service Contract Fee, the \$50.00 Administration Fee and invoice CITY OF KERRVILLE such sum. The CITY OF KERRVILLE shall be responsible for paying this amount within thirty (30) days from the Final Cost Report.
- c. If the election is cancelled a \$75.00 administration fee is due.

IV: GENERAL PROVISIONS

- a. Contract copies to County Auditor and County Treasurer. In accordance with Section 31.099 of the Texas Election Code, the Contracting Offices agrees to file copies of this contract with County Treasurer and County Auditor of Kerr County, Texas.

IN WITNESS WHERE OF, the parties hereto have made and entered into this agreement this _____ day of _____, _____.

Bob Reeves, Tax Assessor/Collector

(Or designated employee)

CITY OF KERRVILLE

Sec. 271.006. EARLY VOTING. (a) The governing bodies of the political subdivisions participating in a joint election shall decide whether to conduct their early voting jointly. The governing bodies that decide to conduct joint early voting shall appoint one of their early voting clerks as the early voting clerk for the joint early voting.

(b) The joint early voting shall be conducted at the early voting polling place or places at which and during the hours, including any extended or weekend hours, that the early voting clerk regularly conducts early voting for the clerk's political subdivision.

(c) The regular early voting clerk for each political subdivision participating in the joint early voting shall receive applications for early voting ballots to be voted by mail in accordance with Title 7. The remaining procedures for conducting the political subdivision's early voting by mail shall be completed by the regular early voting clerk or by the early voting clerk for the joint early voting, at the discretion of the governing body of each political subdivision participating in the joint early voting.

(d) If a governing body decides not to participate in the joint early voting, the early voting for that political subdivision shall be conducted in accordance with Title 7, except that the early voting may be conducted at common polling places.

ESTIMATED COST of November 5, 2019 Election			
County Election Services Contract Costs			Kerr County
1	Ballot Printing Cost		
	1000 Ballots Cost Free		Estimate
2	Electronic Voting System Programming		\$ 1,600.00
	Ballots	1000 free + 3,2	\$ 1,200.00
	Test and Sample Ballots and Ballots		\$ 150.00
3	Publication of Test of Electronic Voting Equipment & Notice of Election		
	West Kerr Current		\$ 242.00
	Kerrville Daily Times		\$ -
4	Charge for Wireless Internet		\$ -
5	Lease of Voting Machines		
	Early Voting and Election Day		
		# of Units	Lease Cost
	Verity Scan	6	\$91.50 \$ 549.00
	Verity Controller	6	\$69.75 \$ 418.50
	Verity Touch w/Access	7	\$78.75 \$ 551.25
	Count Computer	1	\$180.00 \$ 180.00
6	Precinct Election Judges and Clerks		
	Early Voting Clerks	16 Clerks	\$ 16,000.00
	Election Day workers	24 workers	\$ 2,240.00
	Early Ballot Board Clerks	6 clerks	\$ 300.00
	Tabulation Supervisor & Personnel	4 clerks	\$ 120.00
	Election Night Workers	4 clerks	\$ 120.00
7	Fee for Pickup of Supplies before Election Day and		
	Delivery of Supplies after Polls Close Per Election Day Judge		\$ 150.00
8	Technical Support Personnel		\$ -
9	Miscellaneous Election Costs		
	Election Kit-Early Voting	2	\$ 116.00
	Elections Kits	4	\$ 232.00
	Central Counting Station Kit	1	\$ 22.00
	Postage - Writ of Election to Judges & Alt Judges		\$ 5.00
	Postage- Early Voting Clerk's Notice		\$ 7.80
	Shipping Ballots and MBB		\$ 200.00
	Mail ballot Kits	300	\$2.00 \$ 600.00
	Postage - Mail Ballots	300	\$0.70 \$ 210.00
	SUBTOTAL EXPENSES - Cost of the Election		\$ 25,213.55
10	Election Service Contract Fee (10% of Cost)		\$ 2,521.36
	Administrative Fee		\$ 50.00
	Ballot Bill to Kerr County		\$ 3,042.00
11	TOTAL COST OF ELECTION		\$ 5,613.36
	Balance due 30 days after Final Cost Report		

** We combine to 4 precinct in Odd Number years so there will 4 precinct that the City of Kerrville will have to be in.



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Authorize a construction contract with Progressive Commercial Aquatics, Inc. for resurfacing of the Olympic Pool in the amount of \$163,109.

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 12, 2019

SUBMITTED BY: Ashlea Boyle

EXHIBITS: [RFP Pool Resurface Response Pricing - Progressive Commerical Aquatics.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$163,109	\$163,109	\$163,109	70-7000-2000

PAYMENT TO BE MADE TO: Progressive Commercial Aquatics, Inc

Kerrville 2050 Item?	Yes
Key Priority Area	P - Parks / Open Space / River Corridor
Guiding Principle	P5. Focus on enhancing/investing in existing parks, their purpose or repurpose and improving accessibility before acquiring land for new parks
Action Item	N/A

SUMMARY STATEMENT:

Pursuant to findings during the Aquatics Feasibility Study process, it was recommended that the Olympic Pool plaster be completely replaced. Pool plaster is the final coating applied to the shell of a concrete pool to make a watertight seal and smooth surface. The pool was last replastered in 2007, and the current plaster is extremely thin, visibly deteriorating, and in some areas, the finished concrete of the pool can be seen. There are numerous blisters in the plaster which indicate existing bonding issues between the concrete and multiple layers of plaster. In addition, there is an approximate 15' crack running north / south in the deep end of the pool. This crack is more than a surface crack and could be a source of water loss. Opting to not replaster the pool can compromise the structural integrity of the pool due to issues caused by water infiltration.

The City completed a Competitive Sealed Proposal process for a turn-key resurfacing project, and an alternate for replacing the aging gutter line tiles and paint. It is desirable to complete the alternate at the same time as the base scope of work as the tiles and paint are old, cracking and worn, and to improve the aesthetics and life of the finished resurfacing project. The project scope consists of removing all existing plaster, prepping pool shell, resurfacing the pool, installing depth markers pursuant to code, installing six tile lane lines, replacing the gutter line tiles and repainting, remove all debris, filling the pool, and balancing water chemistry.

The evaluation criteria for the sealed proposals consisted of the proposing firm's understanding of the project scope, related experience, qualifications, references, response, and pricing. Two proposals were received, with one proposal having a cost for the base scope of work over \$220,000. Staff recommends awarding the contract to Progressive Commercial Aquatics, Inc. in the amount of \$163,109.

RECOMMENDED ACTION:

Authorize the City Manager to finalize and execute a construction contract.



Project Name: Olympic Pool Replaster
Attn: Ashley Boyle
Date: 8/7/19
Buyboard#533-17

Quote for Pool Replaster:

- Saw cut around all existing waterline tile, returns, main drains, lights, vacuum lines and full strip the current plaster due to too much delamination of current plaster.
- Once pool is stripped and clean, we will evaluate the crack and give the city an estimate for repair if needed.
- Provide all 20-yard dumpsters required for all debris from pool.
- Once plaster is stripped, add (6) 1' wide lane lines in 1x1 blue nonskid tile with (12) wall targets.
- Remove and replace expansion joint caulking with sika 1a and 2cl white.
- Remove and replace the expansion joint tile with new in either black or blue 1x1 to serve as transition line as well.
- Pressure wash gutters of loose debris, wash current paint down with clean n prep acid solution to clean and rough the surface for primer and paint. Prime with Olympic Gunzite primer first and then coat surface with Olympic Bikini Blue Epoxy pool paint.
- Add Depth markers where needed inside the pool and on the deck in proper tile markers per code.
- Pressure wash and acid wash pool before plaster is laid.
- Apply plaster in Tier 1 quartz. (color will be chosen by owner)
- Acid wash new plaster and scrub excess residue before the pool is filled.
- Remove all debris from the site.
- Turn fill on once finished plastering and then once the pool is full, we will balance chemicals to specs in RFP. We will use only acid from the facilities stock and provide granular and everything else needed.

Total: \$138,500.00

15616 Schmidt Loop Manor, Texas 78653 (512) 278-0801 Fax (512) 350-2154
Website www.proaquatic.com E-Mail: mylesproaquatic@gmail.com



Add Alternate Gutter Tiles:

- Remove and replace gutter tile with light blue glazed tile to match paint as close as possible. To use a bullnose tile piece like what is currently there so that there is tile on the top and on the face of the pool just as what is there now. We will level the beam out when doing this.
- Includes labor and materials.

Total: \$24,609

EXTRA ITEMS YOU MAY NEED:

Addition if needed and your current covers are older than 5 years old, this is one option but once pool is drained we can look at them and see if there are other options we can give. These will have a 10 year life on them instead of the 5 year since they are stainless:

- Replace Maindrain covers with (4) 24x24 Paddock Stainless Steel Maindrain covers and bond to rebar.

Total: \$5,000

Freight: \$200

Thank you,



Myles Phelps
Progressive Commercial Aquatics, Inc.

15616 Schmidt Loop Manor, Texas 78653 (512) 278-0801 Fax (512) 350-2154

Website www.proaquatic.com E-Mail: mylesproaquatic@gmail.com



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Professional Services Agreement with Kimley-Horn and Associates, Inc. for the design and engineering of the Guadalupe River Utility Crossing project in the amount of \$123,890.00.

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 20, 2019

SUBMITTED BY: Kyle Burow

EXHIBITS: [20190827_Contract_Kimley-Horn - Guadalupe River Utility Crossing Scope and Fee.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$123,890.00	\$123,890.00	\$123,890.00	71-19001

PAYMENT TO BE MADE TO: Kimley-Horn and Associates, Inc.

Kerrville 2050 Item?	Yes
Key Priority Area	W - Water / Waste-Water / Drainage
Guiding Principle	W1. Develop and maintain long-range water plans that prioritize infrastructure needs and identify funding sources.
Action Item	W1.2 - Determine short- and long-range timelines for increasing water supply (i.e., the amount to be added per period in accordance with the master plan)

SUMMARY STATEMENT:

In October 2018, flooding along the Guadalupe River damaged and separated a steel frame bridge supporting a waterline and two reclaimed water lines. The damaged infrastructure was removed in February 2019. The City of Kerrville applied for Texas Water Development Board (TWDB) funding assistance to receive reimbursement for the costs to remove the damaged utility lines and support bridge in addition to the planning, acquisition, and design for the replacement of the utility lines. In June 2019, the TWDB awarded the City of Kerrville \$500,000.00 from the Clean Water State Revolving Fund and \$500,000.00 from the Drinking Water State Revolving Fund for a total of \$1 million for Emergency Relief stemming from the need left by the October 2018 flood.

On July 30th, the City issued a Request for Qualifications for professional services to implement the development of a feasibility and design for the relocation of the potable water and reclaimed water systems. The selected consultant would be responsible for designing new potable and reclaimed water lines (3 total) to connect to existing piping systems and cross the Guadalupe River near Loop 534 in Kerrville.

The overall project will consist of engineering feasibility, design, bid and construction phase services. The general aspects of the proposed project scope are defined below:

1. Evaluate and determine feasibility of Guadalupe River crossing options including boring under the river and aerial supported by the Highway 534 Bridge.
2. Environmental evaluation, permitting and compliance.
3. Coordination with TxDOT including supporting acquisition of easement, and layout and structural loading information (if aerial crossing using the Highway 534 Bridge as the support structure is determined most feasible river crossing).
4. Engineering and surveying to design and prepare plans, specifications, and estimates.
5. Preparation of bid package, bid tabulation, periodic observation of construction, review of shop drawings, evaluate proposed modifications, review of contractor payment requests and progress schedules, and preparation of record drawings.

Qualification statements were received on August 16th with the City receiving three submittals prior to the 3 p.m. deadline. Staff reviewed the qualification statements from the firms and chose Kimley-Horn and Associates, Inc. as the preferred vendor. Staff began discussions with the firm and developed a scope and fee schedule for the project totaling a contract amount of \$123,890.00.

RECOMMENDED ACTION:

Authorize execution of professional services agreement with Kimley-Horn and Associates, Inc.

Potable Water and Reclaimed Water Distribution System Improvements SCOPE OF WORK

Project Definition and Background

The Potable Water and Reclaimed Water Distribution System Improvements Project (“the Project”) consists of evaluating two options for the crossing of the Guadalupe River at Loop 534 with two (2) 12-inch water lines and one (1) 12-inch reclaimed water line. The Project will be Texas Water Development Board (TWDB) funded and will be required to meet all necessary TWDB requirements associated with the Clean Water State Revolving Fund (CWSRF).

Based upon information provided by the City of Kerrville (The City), Basic Service improvements include approximately the following:

- TWDB coordination,
- Environmental evaluation, permitting and compliance,
- Coordination with TxDOT including supporting acquisition of easement, and layout and structural loading information (if aerial crossing using the Highway 534 Bridge as the support structure is determined most feasible river crossing),
- Engineering and surveying to design approximately 500 linear feet of potable and reclaimed water line relocations including the preparation of plans, specifications, and opinion of probable construction cost (OPCC),
- Preparation of bid package, bid tabulation, periodic observation of construction, review of shop drawings, evaluating proposed modifications, review of contractor payment requests and progress schedules, and preparation of record drawings.

Basis of Scope and Fee Development

The following key assumptions have been made in establishing the scope and the estimated level of effort for this project:

- The project will be funded utilizing TWDB CWSRF Tier III Funds.
- Work associated with the relocation of the potable and reclaimed water lines for approximately 500 LF will be performed as Basic Services.
- Geotechnical investigation activities will be confined within existing right-of-way and easements.
- Prior to initiating the EFR Phase, the City will provide CONSULTANT record drawings and utility maps for the existing facilities (potable water, recycled water and sanitary sewer) within and along the existing and potential project corridors.

Scope of Work

The CONSULTANT will in accordance with the terms and conditions of the Contract provide project management, plans, specifications, bid phase services, and construction phase services for the Project.

The Scope of Work is divided into four (4) sections, as follows:

- Task 1 – Alignment Analysis / EFR Phase
- Task 2 – Final Design
- Task 3 – Bidding
- Task 4 – Construction

Schedule

The CONSULTANT will provide project management, plans, specifications, bid phase services, and construction phase services for the Project in accordance with the terms and conditions of the Contract, and in general accordance with the following schedule:

- Alignment Analysis / EFR Phase – Completed 60 calendar days after NTP
- Final Design – Completed 45 calendar days after phase NTP
- Bid Phase – Completed 120 calendar days after phase NTP Bid Phase days reflect time from bid advertisement to award)
- Construction Phase – Completed 160 days after phase NTP

These durations exclude the City and TWDB review periods.

Task 1 – Alignment Analysis / EFR Phase

The City will provide the CONSULTANT with written Notice to Proceed (NTP) at which time the work for the Alignment Analysis / EFR Phase shall be initiated. The primary purpose of this Phase is to review the following two alignment options:

- Locating the three (3) separate potable and reclaimed water lines in separate bores under the Guadalupe River
- Locating the three (3) separate potable and reclaimed water lines on the under side of the TxDOT Loop 534 Bridge.

CONSULTANT will conduct a project kickoff meeting with the City staff to:

- Present the project team to the City;
- Establish project objectives, goals, and expectations;
- Establish lines of communication;
- Discuss project schedule;
- Discuss evaluation and design criteria, graphic standards, etc.;
- And discuss other items related to the project.

The CONSULTANT will obtain existing background information, including utility maps and record drawings, on existing utilities and infrastructure along the project corridor.

The CONSULTANT will perform a horizontal and vertical survey, based upon NAD 83 coordinates (State Plane South Central Zone). The limits of the Basic Services survey will be between the lower water bridge and the Loop 534 bridge including 100 feet beyond the banks of the Guadalupe River on both sides of the River. Survey will identify property lines, contours, benchmarks, bores, topographic

features, apparent locations of existing utilities marked on the surface by DIGTESS, and appurtenances such as manholes, manhole inverts, sanitary sewer cleanouts, valve lid elevations, vaults, top of nut elevations, heritage trees, fences, drainage structures, existing easements, etc. The survey will establish two (2) temporary benchmarks.

The CONSULTANT will complete two (2) geotechnical bores, one on each side of the Guadalupe River, to a depth of 40 feet each.

The CONSULTANT will develop conceptual alignments based on the alternative alignment analysis which will include the following:

- Conceptual horizontal and vertical alignments (roll plots only)
- Ability to maintain grade and cover
- Approximate overall disturbed length
- Open-cut versus trenchless locations / recommendations
- Impacts to the Loop 534 bridge structural integrity associated with mounting the water lines to the underside of the bridge
- Potential conflicts with existing utilities
- Constructability concerns and sequencing of work
- Anticipated easements
- Opinions of Probable Construction Costs

The CONSULTANT will prepare an Environmental Technical Memorandum to Support TWDB Categorical Exclusion. The following studies will be utilized to prepare the Memorandum.

- Archeological Background Research and Texas Historical Commission coordination,
- Wetland Delineation
- Habitat Assessment
- Hazardous Materials Database Search
- USACE Determination (USACE NW 12 w/PCN vs. USACE Individual 404 Permit)
- TPWD and/or GLO Coordination

One deliverable is anticipated at the conclusion of this Phase, as follows:

- Engineering Feasibility Report (EFR)

The deliverable will contain all information and data to comply with TWDB-0556, Guideline for the Preparation of Engineering Feasibility Reports.

The following presents, at a minimum, a preliminary outline of the EFR.

- Table of Contents
- Executive Summary
- Introduction (Project Background, Project Goals, Project Scope and detailed information to meet the requirements outlined under TWDB-0556 I. General Description)
- Alternatives Analysis / Conceptual Alignments
- Copy of the most current available utility company records showing locations of facilities
- Listing of required easements or joint-use agreements, along with an aerial exhibit illustrating easement and joint-use agreement areas

- Listing of required permits and associated permitting entity
- Scour analysis along the preferred Alternatives / Alignments
- 11"x17" aerial exhibits illustrating preferred horizontal alignments
- 11"x17" aerial exhibits illustrating preferred vertical alignments (based upon COSA 2-foot contours)
- Design Criteria considered
- Constructability analysis
- Identification of potential disruptions or adverse impacts to the public
- Shutdown and bypass pumping requirements / Control of Bypassing
- Long-term maintenance issues
- Environmental, Archeological, and Historical Surveys Summary
- Environmental Information Document
- Alignment photographs
- Findings and Recommendations
- Estimated Construction Schedule
- Preliminary Opinion of Probable Construction Cost (OPCC) based on the preferred alignments and supporting documents of the proposed construction (excluding land costs).

After the submittal of the Draft EFR and related documents, the City will review and provide comments/redlines on the submittal. CONSULTANT will respond in writing to the City comments/redlines, and upon acceptance and approval of the response by the City, CONSULTANT will modify the design concepts and criteria, as agreed to and deemed appropriate by the parties, and submit the Final EFR and related documents.

Task 2 – Final Design

The City will provide the CONSULTANT with a written Notice to Proceed (NTP) for the Preliminary Design upon acceptance of the Final EFR. However, at the sole discretion of the City, a written NTP for Final Design may be provided upon conditional acceptance of the Final EFR.

The Final Design documents will be based on the design concepts and criteria recommended and agreed to by the parties and presented in the Final EFR. Basic Services include the complete replacement and or improvement of approximately 500 LF of existing potable and reclaimed water mains to be identified during the Alignment Analysis / EFR Phase. Final Design documents will be prepared for a single construction project.

Where available, CONSULTANT will use documents made available by the City such as plans, standard details, standard specifications, and design guidelines. Plans shall be prepared to be in accordance with TWDB-0550 requirements for CWSRF Equivalency projects. The Final Design phase will include, at a minimum, the following plans to demonstrate the scope, extent, and character of the work:

- General Sheets (cover sheet, location map, sheet index, general notes, project layout)
- Sequence of Construction
- Overall Dimensional Control Plan
- Contractor Staging Area
- Plan and Profile sheet to include entry and exit locations, equipment layout, and other site constraints for the trenchless crossings (full size 1:20 horizontal scale and half size 1:40 scale)
- Standard Details
- Special Details
- Erosion Control Plan

CONSULTANT will prepare Technical Specifications in Construction Specifications Institute (CSI) format. Technical specifications will be based on CONSULTANT's standard, unless standard specifications are made available by the City. However, front end specifications will be the latest City standard. For the Final Design, the front end specifications to be edited by the CONSULTANT include the Invitation to Bidders, Bid Proposal, Special Conditions, and Supplementary Conditions. Specifications will conform to the requirements outlined in TWDB-0550.

All specifications will be prepared using Microsoft Word and provided to the City on one (1) CD in Adobe .pdf (searchable) format. All specifications submitted in Microsoft Word will have "track changes" turned on so any change from the City standards specs can be quickly determined.

CONSULTANT will prepare and submit an OPCC with the Final Design plans and specifications.

CONSULTANT will be responsible for performing deed research, acquiring necessary proposed easements, and coordinating with private property owners for easement acquisition. The property research and plat/legal for two (2) easements on private property, and one (1) easement across the Guadalupe River, is included in this scope.

It is assumed that full USACE 404 Permit will not be required for the anticipated scope of this project. This scope does include, however, the effort required to obtain USACE Nationwide Permit 12 with Pre-Construction Notification.

Final Design Deliverables

- CONSULTANT will deliver five (5) sets of half-size (11"x17") plans, five (5) sets of specifications, five (5) copies of the updated OPCC, and one (1) CD with Adobe .pdf (searchable) format of these documents for review. Following receipt of the City redlines and/or written comments, the CONSULTANT will respond in writing to all written comments and/or redlines from City staff. The responses will be reflected in the Bid Ready Documents.

Task 3 –Bid Phase Services

CONSULTANT will package the final documents as Contract Documents for bidding suitable to obtain bids from qualified construction contractors. These efforts are applicable and adaptable to either IFB (low bid) or RFCSP (qualification) methods of construction contractor procurement and therefore no additional CONSULTANT services will be required so long as the procurement method is one of these. The following services are anticipated for this phase:

3.1 – Bid-Ready Documents

Upon written notification from the City, CONSULTANT will proceed with providing Contract Documents (bid sets) for bidding. The Contract Documents will be submitted electronically per the City Contract Administration Department's requirements.

CONSULTANT will furnish five (5) hard copy sets of signed and sealed specifications, half-size (11"x17") plans, and fifteen (15) CDs, DVDs, or USB thumb drives containing plans and specifications in Adobe (.pdf searchable) format for the City project file. CONSULTANT will separately provide (15) DVDs or USB thumb drives containing the final geotechnical data report associated with the project. CONSULTANT will separately provide (15) DVDs or USB thumb drives containing televising for any portions of existing pipe that may be rehabilitated or which project team otherwise determines is necessary.

3.2 – Pre-bid Conference

CONSULTANT will attend the Pre-bid Conference to present the project to prospective bidders and respond to questions. CONSULTANT will submit a draft agenda for the City review at least one (1) working day prior to the conference and distribute the approved agenda and a sign-in sheet at the conference. CONSULTANT will prepare meeting minutes within one (1) working day following the conference and provide a draft to the City electronically for review. After incorporating all comments, CONSULTANT will submit the final minutes electronically to the City within two (2) working days.

3.3 – Responses to Questions

CONSULTANT will provide written interpretation of the intent of plans and specifications (Contract Documents) to the City for distribution to potential bidders. CONSULTANT will prepare a log of all bidders' questions and provide responses. Any changes to the Contract Documents resulting from bidders' questions will be addressed formally through an addendum.

3.4 – Prepare Addenda

CONSULTANT will prepare addenda required to clarify, correct or change the bid documents. CONSULTANT will also revise the OPCC, if necessary. This scope includes up to three (3) addenda. Addenda will be provided in Adobe .pdf (searchable) format and sealed by responsible engineer(s). Addenda will be issued to bidders through the City Contract Administration Department.

3.5 – Evaluation of Bids

The City Contract Administration Department will provide CONSULTANT with the bid tabulation and the bid packets. CONSULTANT will review the bid packet(s), verify the accuracy of the bid tabulation, determine if the apparent low bidder is the lowest responsible bidder, and prepare a letter of recommendation of award. At a minimum, the bid packet review will examine previous project history (contact client references), proposed superintendent's work history, financial viability (financial strength, payment performance, credit worthiness, etc.), and OSHA safety records. CONSULTANT will also assess the bid for balance. CONSULTANT will consult with the City as to the acceptability of major subcontractors, suppliers and other entities included in the bid packet.

3.6 – Conformed Bid Documents

Per the addenda issued, CONSULTANT will update the Contract. CONSULTANT will provide eight (8) hard copy sets of half-size (11"x17") plans and eight (8) hard copy sets of specifications. One (1) CD containing the plans and specifications for the Project in Adobe (.pdf searchable) format and CADD (.dwg) files will also be provided. Conformed sets will be sealed and signed by responsible engineer(s).

Bid Phase Deliverables

In summary, CONSULTANT will provide the following deliverables to City as part of the bid phase services:

- Contract documents (bid sets) and OPCC in accordance with project schedule
- Pre-bid meeting agenda and meeting minutes
- Addenda
- Written response to questions from bidders
- Letter of recommendation of award
- Conformed drawings and specifications (hard copies and one (1) CD)

Task 4 – Construction Phase Services

This task details the services to be provided by CONSULTANT during the Construction Phase. These services are intended to assist the City with administering the construction contract, monitoring the performance of the construction Contractor, verifying that the Contractor's work is in compliance with the contract documents, and assisting the City in responding to events that may occur during construction. This scope anticipates that the construction phase will not exceed four (4) months in duration. Construction phase services beyond these timeframes for each segment may require additional services.

The CONSULTANT will have no responsibility for any contractor's means, methods, techniques, equipment choice and usage, sequence, schedule, safety programs, or safety practices, nor will CONSULTANT have any authority or responsibility to stop or direct the work of any contractor. The CONSULTANT's visits will be for the purpose of endeavoring to provide the City a greater degree of confidence that the completed work of its contractors will generally conform to the construction documents prepared by the CONSULTANT. CONSULTANT neither guarantees the performance of contractors, nor assumes responsibility for any contractor's failure to perform its work in accordance with the contract documents. The CONSULTANT is not responsible for any duties assigned to the design professional in the construction contract that are not expressly provided for in this Agreement.

4.1 – Pre-construction Conference

CONSULTANT will attend the Pre-construction Conference to address any questions, discuss special project conditions, and provide input as necessary.

4.2 – Construction Site Visits and Progress Meetings

CONSULTANT will attend monthly construction progress meetings with the Contractor and City staff. Attendance will be limited to CONSULTANT's project manager with principal task managers participating as needed. CONSULTANT will preside over the meeting, prepare and distribute a meeting agenda, and prepare meeting minutes.

CONSULTANT will also attend an average of four (4) monthly site visits throughout the construction phase to review the Contractor's progress and to assess if project work is in accordance with the Contract Documents. An observation report will be prepared by the CONSULTANT and provided to the City documenting findings / recommendations from each site visit.

CONSULTANT will also communicate and coordinate with City staff on an on-going basis throughout construction. This coordination and communication is included as part of this scope item.

4.3 – Pay Estimate Reviews

Based on observations made during site visits, CONSULTANT will review Contractor's monthly pay estimates and provide review comments, recommendations, and approvals.

4.4 – Shop Drawings/Submittal Review

CONSULTANT (or the appropriate sub-consultant) will review/approve (or take other appropriate actions) Contractor shop drawings/submittals for conformance with the project plans and specifications and compatibility with the design intent. CONSULTANT will also review certificates provided for equipment, review requests for substitute materials and equipment, and provide recommendations to the City.

4.5 – Requests for Information (RFIs)

CONSULTANT (or the appropriate sub-consultant) will respond to all questions and concerns that may arise during construction. Clarifications and interpretations of the Contract Documents will be consistent with the intent of the Contract Documents. Responses will be provided in writing.

4.6 – Requests for Proposals (RFPs) and Change Orders (COs)

CONSULTANT will prepare RFPs and COs. The RFPs/COs may be due to differing site conditions, unanticipated utility conflicts, and/or requested by the City. The services to be provided will include the following:

- Evaluate impact on design intent (calculations, drawings, specifications, construction cost, and construction duration).
- Provide calculations and sketches as required to facilitate construction.
- Develop drawing revisions.

CONSULTANT will receive and review the Contractor's response to each RFP and will obtain such further information as is necessary to evaluate the basis of the Contractor's proposal.

4.7 – Substantial and Final Completion Walk-throughs

Following the notice from Contractor stating that Contractor considers the entire work ready for its intended use, CONSULTANT's project manager and principal task managers (as appropriate) will conduct one (1) substantial completion walk-through/inspection. After considering any objections from the City, if CONSULTANT considers the work substantially complete, CONSULTANT will submit a Substantial Completion Punch List and letter to the City.

CONSULTANT will conduct one (1) final completion walk-through/inspection to determine if the completed work of Contractor is acceptable to both the City and CONSULTANT so that CONSULTANT may recommend, in writing, the final payment to the Contractor. Following the final walk-through, the CONSULTANT prepare a final acceptance letter if the CONSULTANT believes that the project has been completed in accordance with the Contract Documents.

4.8 – Record Drawings

CONSULTANT will prepare Contract Record Drawings for the project. Record drawing information will be based solely on the provided marked-up drawings and appropriate field documentation received from the City.

CONSULTANT will prepare Record Drawings using Micro Station V8 or higher or AutoCAD 2015 or higher. CONSULTANT will submit one (1) CD, DVD, or USB thumb drive containing final sealed drawings in Adobe (.pdf searchable) format and one (1) CD, DVD, or USB thumb drive with final unsealed drawings in CADD (.dwg) format.

Task 5 – Unaccounted for Services

Unaccounted for services to be performed if authorized by the City, but which are not included in the above-described Basic Scope of Services, and once a mutually agreed upon fee is negotiated are as follows:

- Archeological mechanical trenching.
- Performing flow monitoring.
- Performing a Jurisdictional Determination.
- Performing Phase II Environmental Site Assessment work.
- Preparing a USACE Individual 404 Permit - In the event impacts exceed the threshold of a NWP, efforts to secure an Individual Permit (IP) would have to be authorized.
- Preparation of a Storm Water Pollution Prevention Plan (SWPPP).
- Preparing flood studies for determining base flood elevations to be used in the FPDP application.
- Preparation of additional easement documents beyond the number identified in the Scope of Services.
- Preparation of platting documents and/or real property survey for site acquisition.
- Assisting the City or Contractor in the defense or prosecution of litigation in connection with or in addition to those services contemplated by this Agreement. Such services, if any, will be furnished by CONSULTANT on a fee basis negotiated by the respective parties outside of and in addition to this Agreement.
- Preparing applications and supporting documents for government grants, loans, or planning advances.
- Appearing before regulatory agencies or courts as an expert witness in any litigation with third parties or condemnation proceedings arising from the development or construction of the Project, including the preparation of engineering data and reports for assistance to the City.
- Providing professional services associated with the discovery of any hazardous waste or materials in the project site.
- Making modification to the plans and specifications once the 90% documents have been reviewed and approved by the City. Modifications as a result of the delay in project construction or proposed project of another governmental entity initiated after the completion of design.
- Providing additional project representative services, on-site inspection, during the construction phase of the project in addition to what is described in the Basic Services.
- Services in connection with the construction layout on the ground, for the project.
- Monitoring ground movements that may result from trenchless pipe installations during construction.

Fees

Kimley-Horn will perform the services identified in Tasks 1 – 4 for the total **lump sum fee** of **\$123,890.00**. Refer to the attached Detailed Cost Breakdown for the project fees.

City of Kerrville										Project Fee Summary			
POTABLE WATER AND RECLAIMED WATER DISTRIBUTION SYSTEM IMPROVEMENTS										Basic	\$ 123,890		
8/22/2019										Supplemental	\$ -		
Detailed Cost Breakdown										Total Project	\$ 123,890		
Project Role	Principal	Senior Associate	Project Manager	Senior Engineer	Civil Engineer	EIT	Senior Designer	CAD Operator	Administrative Assistant	Total Hours	Total Labor Effort	Total Sub Effort	Total Effort
Hourly Bill Rate	\$195.00	\$180.00	\$175.00	\$160.00	\$140.00	\$120.00	\$130.00	\$90.00	\$70.00				
Alignment Analysis / EFR Phase										177	\$ 25,325	50,880	\$ 123,890
Project Kickoff Meeting		3	3			3				9	\$ 1,425		\$ 1,425
Data Collection			2			4	4			10	\$ 1,350		\$ 1,350
Alternative Alignment Analysis			3	6		6				15	\$ 2,205		\$ 2,205
Conceptual Alignment Exhibits			2			8				10	\$ 1,310		\$ 1,310
Loop 534 Bridge Analysis				9	18		8			35	\$ 5,000		\$ 5,000
EFR Development			12			24			6	42	\$ 5,400		\$ 5,400
OPCC			3			3				6	\$ 885		\$ 885
TWDB Coordination			8			8				16	\$ 2,360		\$ 2,360
TxDOT Coordination			8	6		8				22	\$ 3,320		\$ 3,320
Project Management and Coordination			8						4	12	\$ 1,680		\$ 1,680
QAQC	2									2	\$ 390		\$ 390
Geotechnical Bores and Report											\$ -	\$ 6,000	\$ 6,000
Environmental Studies and Technical Memo											\$ -	\$ 14,000	\$ 14,000
USACE Nationwide Permit 12 (w/Pre-Const Notification)											\$ -	\$ 7,000	\$ 7,000
GLO Coordination											\$ -	\$ 3,000	\$ 3,000
Topographic Survey											\$ -	\$ 10,560	\$ 10,560
Easements (Plat & Legals)											\$ -	\$ 5,320	\$ 5,320
Scour and Permitting											\$ -	\$ 5,000	\$ 5,000
Final Design										194	\$ 27,295	2,500	\$ 29,795
100% Plan Sheets			14			38				52	\$ 7,010		\$ 7,010
100% Technical Specifications			16	12		24			4	56	\$ 7,880		\$ 7,880
100% OPCC			1			3				4	\$ 535		\$ 535
Internal QAQC of 100% Submittal	2									2	\$ 390		\$ 390
100% Submittal			2			4			1	7	\$ 900		\$ 900
Prepare for and Attend 100% Review Meeting		3	4			4				11	\$ 1,720		\$ 1,720
100% Comment Response Letter			1			1			2	4	\$ 435		\$ 435
Final Submittal			4			8			1	13	\$ 1,730		\$ 1,730
TWDB Coordination			10			10				20	\$ 2,950		\$ 2,950
TxDOT Coordination and Permitting			3	3		3				9	\$ 1,365		\$ 1,365
Project Management and Coordination			12						4	16	\$ 2,380		\$ 2,380
Scour and Permitting											\$ -	\$ 2,500	\$ 2,500
Bidding Phase										40	\$ 5,435		\$ 5,435
Prepare for and Attend Prebid Meeting			4			3				7	\$ 1,060		\$ 1,060
Prepare Prebid Meeting Minutes			1			1				2	\$ 295		\$ 295
Address Contractor Questions			3			6				9	\$ 1,245		\$ 1,245
Prepare and Issue Addenda as required			3			6			1	10	\$ 1,315		\$ 1,315
Tabulation of Bids			1						2	3	\$ 315		\$ 315
Evaluate Bids and Submit Recommendation to SAWS			1			1			1	3	\$ 365		\$ 365
Project Management and Coordination			4						2	6	\$ 840		\$ 840
Construction Phase Services										42	\$ 5,955	6,500	\$ 12,455
Conformance Documents			4			8				12	\$ 1,660		\$ 1,660
TWDB Coordination			4			4				8	\$ 1,180		\$ 1,180
Attend the Preconstruction Meeting and Minutes			3			3			1	7	\$ 955		\$ 955
Substantial Completion Walkthrough and Punchlist			1							1	\$ 175		\$ 175
Final Walkthrough and Punchlist			3							3	\$ 525		\$ 525
Prepare Record Drawings			1			4				5	\$ 655		\$ 655
Internal QAQC of Record Drawings	1									1	\$ 195		\$ 195
Submit Record Drawings						1			1	2	\$ 190		\$ 190
Subconsultant Coordination			2						1	3	\$ 420		\$ 420
Construction Phase Services - Hewitt											\$ -	\$ 6,500	\$ 6,500
	5	6	151	36	18	196	12		31	276	\$ 64,010	\$ 59,880	\$ 123,890
	\$ 975	\$ 1,080	\$ 26,425	\$ 5,760	\$ 2,520	\$ 23,520	\$ 1,560	\$ -	\$ 2,170				



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Monthly Community Improvement Project (CIP) Report

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 16, 2019

SUBMITTED BY: Kyle Burow

EXHIBITS: [City Council CIP Project Update 2019-08-27.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$0	\$0	\$0	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

This item will be presented monthly to provide updates on the City's Community Improvement Projects.

RECOMMENDED ACTION:

Information only. No action required.

Monthly CIP Project Status Report

	Project Name	Description	Design			Construction			Comments
			Firm	Contract Amount	Estimated Completion	Contractor	Budget Amount	Estimated Completion	
1	2019 Slurry Seal Project	Year 4 Slurry Seal Streets	6S Engineering	\$5,500.00	Complete	Intermountain Slurry Seal, Inc.	\$170,182.75	Sep-2019	Construction contract awarded 4/09 for Year 4 slurry seal streets. Construction to be completed by September 30, 2019.
2	2019 Summer Slurry Seal Project	Year 5 Slurry Seal Streets	6S Engineering	\$3,550.00	Complete	Intermountain Slurry Seal, Inc.	\$313,308.55	Sep-2019	Construction contract to CC on 7/23 for award for Year 5 slurry seal streets. Construction in progress and scheduled to be completed by September 30, 2019.
3	Parking Garage Enhancements/ Water Street Streetscape	Address physical and functional necessities of the amenities surrounding the parking garage structure along Sidney Baker and Water Street	Peter Lewis Architects	\$24,400.00	Summer 2019	TBD	TBD	TBD	EIC funding agreement awarded at CC meeting on April 9, 2019. Design approximately 90% complete. Anticipate bid advertisement early September.
4	A.C. Schreiner House (529 Water Street)	Develop public-private partnership for repurposing and use of the building and grounds.	Scott Schellhase	\$25,000.00	2018	TBD	TBD	TBD	MOU executed with prospective tenant. Next step is execution of design contract for concepts of facility/grounds and estimate of construction/renovation costs.
5	Guadalupe River Utility Crossing	Installation of utility line work for crossing river near Loop 534	Kimley Horn	\$105,336.00	Dec-2019	TBD	TBD	TBD	Approval for initial \$1 million granted by TWDB in June. City seeking reimbursement by end of 2019. Forensic analysis of damage in progress. RFQ for engineering completed with three firms submitting. Contract for engineering services to be awarded 8/27.
6	Tennis Center Improvements	Improve ADA access, resurface existing courts, address drainage, parking, lighting, and landscaping issues, & evaluate existing facilities	Schrickel, Rollins, and Associates	\$161,500.00	Summer 2018	JK Bernhard	\$1,453,939.00	Feb-2020	Total project budget of \$1.75 million. Phase 1 construction commenced early March 2019.
7	River Trail Extension to Schreiner University	Approximately 1+ mile trail extension from G Street to Schreiner University and adjacent neighborhood	Hewitt Engineering	\$102,980.00	Jun-2019	JK Bernhard	\$1,219,805.93	Apr-2020	EIC funding agreement approved in Jan. 2019. Design complete. Easements acquired from property owners. Project awarded 8/13. Construction anticipated to begin early September.
8	Aquatics Center Feasibility Study	Assessment of the Olympic Pool complex to include public/stakeholder meetings and recommendations for enhancement	MarmonMok	\$85,000.00	Sep-2019	N/A	N/A	N/A	Consultant finalizing operational cost estimates and potential capital phasing plan.
9	Public Safety Complex Feasibility Study	Analyze options for building size, location, and use with budgets	Brinkley Sargent Wiginton Architects	\$99,260.00	Sep-2019	N/A	N/A	N/A	Consultant has completed needs assessment and conceptual layouts, in addition to site assessments and phasing options.
10	Legion Lift Station and Force Main	8.5 MGD lift station, ~4,000 LF of force main, and ~1,000 LF of gravity main	Freese & Nichols	\$734,000.00	Nov-2018	Keystone Construction	\$5,493,663.00	Early 2020	Funding application approved by Texas Water Development Board. Contract awarded early Jan. 19. Construction began March 2019.
11	WTP Clarifier Rehab	Replace hardware in existing clarifier	Freese & Nichols	\$132,600.00	Complete	Keystone Construction	\$796,000.00	Sep-2019	Clarifier equipment purchase contract awarded 7/24. General installation contract awarded at 11/13 meeting. Demolition of clarifier equipment complete. Start-up and testing scheduled for 8/21.
12	WTP THM Control Facility	Alternative solutions to meet TCEQ and EPA compliance followed by design of chosen disinfection process	Freese & Nichols	\$312,000.00	Oct-2018	Dowtech Specialty Contractors, Inc.	\$4,100,000.00	Early 2020	Funding approved by Texas Water Development Board. Construction commenced in April.
13	Request for Proposals for public/private workforce housing project at Loop 534	City issued RFP for development of City owned property on Loop 534 for a mixed use development to include workforce/attainable housing.	TBD	TBD	TBD	N/A	N/A	N/A	RFP will be reissued after bid award for Olympic Drive extension.
14	Long Range Water Supply Plan	Planning for 100 years of future water sources for City of Kerrville	Lloyd Gosselink	\$99,700.00	Complete	N/A	N/A	N/A	Public presentation to CC on 7/23. Plan finalization based on CC feedback.
15	Exploratory Ground Water Well	Partnership with Headwaters GCD to exploer groundwater from Ellenberger Aquifer	Hewitt Engineering	TBD	Nov-2019	TBD	TBD	TBD	Partnership with Headwaters executed 8/14. Revisions to design specifications have been initiated. Project bidding anticipated for late 2019.
16	Landfill Permitting, Phase 3	Prepare application for major amendment to TCEQ permit for municipal landfill for expansion	LNV	\$500,000.00	Sep-2019	N/A	N/A	N/A	Application deemed administratively complete by TCEQ. TCEQ has completed technical review. Currently in permit review phase. Anticipate permit approval by end of 2019.
17	Schreiner/Clay Roundabout	Concept plan to construct roundabout at the intersection of Schreiner Street and Clay Street	6S Engineering	\$28,175.00	Dec-2018	TBD	TBD	TBD	Design evaluation complete. Survey work completed. Easements/ROW acquired. Funding not currently identified.
18	Hotel /Conference Center	Public-Private Partnership to develop new hotel/conference center to meet unmet demand.							Legislative bill signed into law by Governor 6/16/19. Next step is to examine feasibility in greater detail, then issue RFP for public private partnership.
19	Drainage Master Plan	Assessment of 12 known drainage areas, provide prioritization list, and review drainage policy and criteria	LNV, Inc.	\$204,348.00	Oct-2019	N/A	N/A	N/A	Draft analysis complete with review of sites and data for known problem areas. Initial presentation to CC in workshop made on 6/25. CC has initiated sale of COs to fund top two priorities.
20	Strategic Housing Plan	Examine state of housing market, gaps, and impediments to housing, and strategies to address obstacles.	Community Development Strategies	\$24,250.00	Sep-2019				Mayor's Workforce Housing Taskforce met June 19th to initiate the development of a Strategic Housing Plan and conduct community interviews. Data gathering still underway. Next meeting anticipated in September.
21	KUTS - Clay Street South	Kerrville Urban Trail System (KUTS) pilot trail project to improve walkability along Clay Street from Schreiner Street to Water Street	OLA	Partnership	Summer 2019				The City has partnered with the KUTS group to coordinate the placemaking efforts along the Clay St. South corridor. Preliminary concept drawings have been developed. Elements of these concepts are being incorporated into the Downtown Parking Garage design as well as the Schreiner/Clay Roundabout design. Presentation to CC made in workshop on 7/23.
22	Pavement Management Plan Update	Update City's pavement rehabilitation and maintenance plan	6S Engineering	\$107,750.00	Oct-2019	N/A	N/A	N/A	Street data acquisition complete. Preliminary draft report complete. Initial presentation to CC made on 6/25. CC has initiated sale of approximately \$8 million in COs for street recostruction projects TDB.
23	Olympic Drive Extension	Extension of roadway and utilities from existing Olympic Drive to Loop 534	CEC	\$156,000.00	Sep-2019	TBD	TBD	TBD	Contract executed in May. Design in progress. Project anticipated to begin advertisement September 2019.
24	Hill Country Drive Reconstruction	Reconstruction of ~250-ft of Hill Country Drive near SH 16 to assist with drainage and roadway issues	6S Engineering	\$24,580.00	May-2019	ACE Co.	\$162,292.15	Oct-2019	Design completed. Construction contract awarded by CC on 6/25. Construction commenced early August.
25	Clock Tower Elevator	Enclosure of existing elevator shaft serving Peterson Plaza Clock Tower and Parking Garage	Beaty Palmer Architects	\$48,025.00	Sep-2019	TBD	TBD	TBD	Contract executed in May. Preliminary design has commenced.
26	Boating Center	Examine feasibility of boating center on Nimitz Lake	Kimley Horn	\$19,500 (Privately funded)	TBD	TBD	TBD	TBD	Contracted executed. Kickoff meeting held 7/8 with consultant. Additional stakeholder meetings have occurred.
27	Sidney Baker Bridge Enhancements	Pedestrian, lighting, and aesthetic improvements to SH 16 bridge crossing Guadalupe River	TBD	TBD	TBD	TBD	TBD	TBD	Feasibility analysis is anticipated to be conducted by TxDOT.
28	Arcadia Renovations	\$2.3 million renovation of Arcadia Theater by 4th on the River Group	TBD	TBD	TBD	TBD	TBD	TBD	Construction anticipated to begin Fall 2019.



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Minutes for the City Council workshop held August 13, 2019

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 20, 2019

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20190827_Minutes_Council workshop 4pm on 8-13-19.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$0	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

Minutes for the City Council workshop held on August 13, 2019 at 4:00 p.m.

RECOMMENDED ACTION:

Approve minutes as presented.

CITY COUNCIL MINUTES
WORKSHOP

KERRVILLE, TEXAS
AUGUST 13, 2019

COUNCILMEMBERS PRESENT:

Bill Blackburn	Mayor
Judy Eychner	Mayor Pro Tem
Gary Cochrane	Councilmember Place 1
Kim Clarkson	Councilmember Place 2
Delayne Sigerman	Councilmember Place 4

COUNCILMEMBER ABSENT: None

CITY STAFF PRESENT:

Mark McDaniel	City Manager
E.A. Hoppe	Deputy City Manager
Mike Hayes	City Attorney
Shelley McElhannon	City Secretary
Stuart Barron	Director of Public Works
Laura Bechtel	Library Director
Kyle Burow	Director of Engineering
Stuart Cunyus	Public Information Officer
Amy Dozier	Chief Financial Officer
Guillermo Garcia	Executive Director for Innovation
David Knight	Chief of Police
Yesenia Luna	Municipal Court Coordinator
Sherry Mosier	Manager for Strategic Initiatives
Dannie Smith	Fire Chief
Charvy Tork	Director of Information Technology

VISITORS PRESENT: List on file in City Secretary's Office for the required retention period.

1. CALL TO ORDER

On August 13, 2019 at 4:00 p.m., the Kerrville City Council Workshop was called to order by Mayor Bill Blackburn in the City Hall Council Chambers at 701 Main Street.

2. INFORMATION AND DISCUSSION

2.A. Presentation of the Fiscal Year 2020 Proposed Budget.

Mark McDaniel introduced the agenda item, highlighted revenues and expenditures, capital projects and other funds of the proposed FY20 budget, provided next steps, and responded to questions.

3. RECESS

Mayor Blackburn called a recess at 4:42 p.m.

4. RECONVENE

Mayor Blackburn reconvened at 5:06 p.m. in the City Hall Upstairs Conference Room at 701 Main Street.

5. PRESENTATION

5.A. Kerr Basin Paleozoic Groundwater Definition Project: Headwater Conservation District Exploration Activity.

Stuart Barron and E.A. Hoppe introduced the agenda item. Project Representatives Digger Grey, Bobbie Joines, and Bryant Williams presented information and responded to questions. Project representative Gene Williams with Headwaters Groundwater Conservation District also attended the workshop.

3. ADJOURNMENT

The meeting adjourned at 5:50 p.m.

APPROVED:

Bill Blackburn, Mayor

ATTEST:

Shelley McElhannon, City Secretary

APPROVED: _____



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Minutes for the City Council regular meeting held August 13, 2019

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 20, 2019

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20190827_Minutes_Council meeting 8-13-19 at 6pm.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$0	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

Minutes for the City Council regular meeting held on August 13, 2019 at 6:00 p.m.

RECOMMENDED ACTION:

Approve minutes as presented.

CITY COUNCIL MINUTES
REGULAR MEETING

KERRVILLE, TEXAS
AUGUST 13, 2019

On August 13, 2019, at 6:00 p.m. the meeting was called to order by Mayor Bill Blackburn in the City Hall Council Chambers at 701 Main Street. The invocation was offered by Councilmember Delayne Sigerman, followed by the Pledge of Allegiance led by Councilmember Sigerman.

COUNCILMEMBERS PRESENT:

Bill Blackburn	Mayor
Judy Eychner	Mayor Pro Tem
Gary Cochrane	Councilmember
Kim Clarkson	Councilmember
Delayne Sigerman	Councilmember

COUNCILMEMBER ABSENT: None

CITY EXECUTIVE STAFF PRESENT:

Mark McDaniel	City Manager
E.A. Hoppe	Deputy City Manager
Mike Hayes	City Attorney
Shelley McElhannon	City Secretary
Stuart Barron	Director of Public Works
Laura Bechtel	Library Director
Kyle Burow	Director of Engineering
Stuart Cunyus	Public Information Officer
Amy Dozier	Director of Finance
Guillermo Garcia	Executive Director of Innovation
David Knight	Chief of Police
Kim Meisner	Executive Director of General Operations
Sherry Mosier	Manager of Strategic Initiatives
Drew Paxton	Executive Director of Development Services
Dannie Smith	Fire Chief
Charvy Tork	Director of Information Technology

VISITORS PRESENT: On file in City Secretary's Office for required retention period.

1. ANNOUNCEMENTS OF COMMUNITY INTEREST:

Items of Interest to the Community were presented by Stuart Cunyus and Councilmember Judy Eychner.

2. VISITORS FORUM:

The following persons spoke:

- Vincent Voelkel
- Bruce Stracke

3. PRESENTATIONS:

3A. Ray Buck with the Upper Guadalupe River Authority recognized and thanked the City of Kerrville's contribution to the success of the 16th Annual River Clean Up.

4. CONSENT AGENDA:

Citizen George Baroody requested to pull item 4C, 4E, and 4G from the Consent Agenda.

Councilmember Eychner moved to approve items 4A, 4B, 4D, 4F, 4H, 4I, and 4J as presented. Councilmember Sigerman seconded, and the motion passed 5-0.

4A. Resolution No. 30-2019 supporting the City of Kerrville's application to the Texas Department of Transportation's 2019 Safe Routes to School-Infrastructure (SRTS) call for projects. Kerrville Tally Elementary School.

4B. Resolution No. 31-2019 supporting the City of Kerrville's application to the Texas Department of Transportation's 2019 Safe Routes to School-Infrastructure (SRTS) call for projects. Kerrville Tom Daniels Elementary School.

4D. Resolution No. 32-2019 authorizing the City Manager to approve a multiple use agreement with the Texas Department of Transportation to permit the City to construct, maintain, and operate a public hike and bike trail within State Highway 27 right-of-way at Quinlan Creek, as part of the City's River Trail Extension to Schreiner University.

4F. Texas Main Street Locally Designated Program 2019 Contract.

4H. Minutes for the City Council workshop held July 23, 2019.

4H. Minutes for the Employee Benefits Trust meeting held July 23, 2019.

4J. Minutes for the regular City Council meeting held July 23, 2019.

END OF CONSENT AGENDA:

4C. Authorize the execution of a construction contract with JK Bernhard Construction Co. for the River Trail extension to Schreiner University project in an amount of \$1,219,805.93.

The following person spoke:

- George Baroody

E.A. Hoppe responded to questions.

Councilmember Gary Cochrane moved to approve authorizing the execution of a construction contract with JK Bernhard Construction Co. Councilmember Sigerman seconded, and the motion passed 5-0.

4E. Resolution No. 28-2019 recreating the Kerrville Main Street Advisory Board; providing for it's membership, terms of office, organization and structure; and repealing Resolution No. 12-2014.

The following persons spoke:

- George Baroody
- William Rector

Councilmember Kim Clarkson, Mayor Blackburn, and Councilmember Eychner responded to questions.

Councilmember Eychner moved to approve Resolution No. 28-2019 as presented. Councilmember Cochrane seconded, and the motion passed 5-0.

4G. Interlocal Cooperation Agreement between City of Kerrville, Texas and Headwaters Groundwater Conservation District: Ellenberger Groundwater Well.

The following person spoke:

- George Baroody

Councilmember Cochrane moved to approve the Interlocal Cooperation Agreement. Councilmember Eychner seconded, and the motion passed 5-0.

5. PUBLIC HEARING AND ORDINANCE(S), FIRST READING:

5A. Ordinance No. 2019-17. An ordinance APPROVING AND ADOPTING THE City of Kerrville, Texas, Zoning Code, a comprehensive rewrite of the City's Zoning Regulations in accordance and aligned with the Kerrville Comprehensive Plan (K2050); said rewrite to be known as the "City of Kerrville, Texas Zoning Code"; and found within a new Chapter 60 of the City's Code of Ordinances; approving and adopting the official Zoning Map of the City, providing procedures to amend said map; requiring a staff report as to implementation by a specific date; repealing in their entirety all ordinances or parts of ordinances inconsistent herewith; providing an open meetings clause; providing a cumulative clause; containing a savings and severability clause; providing for a penalty or fine of not more than \$2,000 for each day of violation of any provision hereof; ordering publication; providing an effective date; and providing other matters related to this subject.

Mayor Blackburn opened the public hearing at 6:25 p.m.

Drew Paxton introduced the item. Kimley-Horn consultants Mark Bowers and Monica Heid defined and highlighted the Zoning Code rewrites, key zoning map changes, and project goals. Drew Paxton discussed additional changes and revisions which were recommended after the Planning and Zoning Commission meeting on July 18, 2019. Drew Paxton, Mark Bowers, and Monica Heid responded to questions.

The following persons spoke:

- George Baroody
- William Rector
- Rachel Fitch
- Stephen King
- Peggy McKay
- Corey Walters
- Bruce Stracke

Councilmember Eychner moved to approve Ordinance No. 2019-17 Zoning Code as presented. Councilmember Clarkson seconded, and the motion passed 5-0.

Mayor Blackburn closed the public hearing at 6:56 p.m.

6. ORDINANCE(S), SECOND READING:

6A. Ordinance No. 2019-16. Second Reading. An Ordinance ordering a special election to be held on November 05, 2019, for the purpose of submitting propositions to voters for proposed amendments to the City Charter; establishing early voting locations and polling places for this election; making provisions for the conduct of the election; making provisions for the conduct of the election; and providing for public review.

Mike Hayes reviewed the ordinance and ordinance development process, and responded to questions from City Council. City Council made comments regarding potential removal of Measure G.

The following persons spoke:

- Roman Garcia

Councilmember Clarkson moved to adopt Ordinance No. 2019-16, second reading, but amend the ordinance by removing Measure G “Compensation for Councilmembers”. Councilmember Eychner seconded, and the motion passed 5-0.

7. CONSIDERATION AND POSSIBLE ACTION:

7A. Resolution No. 29-2019 setting forth the ad valorem (property) tax rate to be considered for adoption for the 2019 tax year; calling two public hearings prior to the adoption of said rate; and calling a public hearing prior to the adoption of the fiscal year 2020 budget as required by both the City’s charter and state law.

Amy Dozier presented the resolution.

The following person signed a request to speak before the meeting, but later advised he did not wish to:

- George Baroody

Councilmember Sigerman moved to approve Resolution No. 29-2019 as presented. Councilmember Cochrane seconded, and the motion passed 5-0.

8. BOARD APPOINTMENTS:

8A. Appointment of two board members to the Zoning Board of Adjustment.

This item was taken into executive session.

9. ITEMS FOR FUTURE AGENDAS:

This item was not called. The City Council went directly into executive session pursuant to the next agenda item.

10. EXECUTIVE SESSION:

Councilmember Sigerman moved to go into executive session under Section 551.074 of the Texas Government Code. Councilmember Clarkson seconded, and the motion passed 5-0.

Mayor Blackburn recessed the open session at 8:13 p.m., and Council convened in closed executive session.

At 8:18 p.m. the Council reconvened in open session.

11. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY:

Councilmember Sigerman moved to appoint Paul Zohlen as a permanent member, appoint Kate Marlow as an alternate member, and appoint Ernest Garza as an alternate member of the Zoning Board of Adjustment Committee. Councilmember Cochrane seconded, and the motion passed 5-0.

ADJOURNMENT

The meeting was adjourned at 8:20 p.m.

Bill Blackburn, Mayor

ATTEST: _____
Shelley McElhannon, City Secretary

APPROVED: _____



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Minutes for the City Council workshop held August 20, 2019

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 20, 2019

SUBMITTED BY: Shelley McElhannon

EXHIBITS: [20190827_Minutes_Council Workshop 10am on 08-20-19.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$0	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

Minutes for the City Council workshop held on August 20, 2019 at 10:00 a.m.

RECOMMENDED ACTION:

Approve minutes as presented.

CITY COUNCIL MINUTES
WORKSHOP

KERRVILLE, TEXAS
AUGUST 20, 2019

COUNCILMEMBERS PRESENT:

Bill Blackburn	Mayor
Judy Eychner	Mayor Pro Tem
Gary Cochrane	Councilmember Place 1
Kim Clarkson	Councilmember Place 2
Delayne Sigerman	Councilmember Place 4

COUNCILMEMBER ABSENT: None

CITY STAFF PRESENT:

Mark McDaniel	City Manager
E.A. Hoppe	Deputy City Manager
Mike Hayes	City Attorney
Shelley McElhannon	City Secretary
Kim Meisner	Executive Director for General Operations
Dannie Smith	Fire Chief

VISITORS PRESENT:

Bill Morgan
Bonnie White

1. CALL TO ORDER

On August 20, 2019 at 10:00 a.m., the Kerrville City Council Workshop was called to order by Mayor Bill Blackburn in the City Hall Council Chambers at 701 Main Street.

2. INFORMATION AND DISCUSSION

2.A. Review, discussion, and possible action regarding City Council Rules for Meetings and Ethics Policy.

Mark McDaniel introduced the agenda item, and advised Council that *City Council Rules for Meetings* can be amended at any time. Mike Hayes suggested changes as a result to changes in State law.

The Council, Mark McDaniel, and Mike Hayes discussed possible changes to the Procedural Rules for Meetings Kerrville City Council. Council decided not to vote on any changes items during this workshop, and requested that a revised draft be put on the August 27, 2019 4:00 p.m. workshop agenda for review and possible action.

No recommendations for revisions or discussion regarding the Ethics Policy.

3. ADJOURNMENT

The meeting adjourned at 11:35 a.m.

APPROVED:

Bill Blackburn, Mayor

ATTEST:

Shelley McElhannon, City Secretary

APPROVED: _____



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Public Hearing on the City of Kerrville Fiscal Year 2020 Proposed Budget

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 19, 2019

SUBMITTED BY: Amy Dozier

EXHIBITS: [20190827_Public Hearing_Budget Public Notice.pdf](#)
[20190827_Public Hearing_Budget and Tax Rate Public Hearing Presentation.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

The FY2020 Proposed Budget is balanced for major funds and advances many of the guiding principles of Kerrville 2050. It contains revenues of \$59.8 million and expenditures of \$78.2 million. Expenditures exceed revenues primarily due to capital projects that were funded in previous years, but will be constructed in FY2020. The General Fund is balanced with revenues and expenditures of \$28.8 million. The proposed property tax rate is LOWERED from \$0.5514 to \$0.5400 per \$100 of assessed value. This marks the 2nd time in last 3 years that the rate has been lowered and the 11th straight year of no tax rate increase. The Water Fund is balanced with revenues and expenditures of \$13.0 million and includes changes to water and sewer rate structures and amounts that will result in a change of less than \$1.76 per month for most customers.

Staff began the process of building the priority based budget in February 2019. Budget workshops with City Council, staff and public attendance were held on June 18, 2019, July 16, 2019 and August 13, 2019. The FY2020 Proposed Budget was filed with the City

Secretary, placed on the City website and at the Butt-Holdsworth Memorial Library for public viewing on July 31, 2019. Notice of the Public Hearing was published in the Kerrville Daily Times on August 16, 2019 and is running 5 times per day on the City's public access channel. In addition, the notice and all budget information is available on the City's website.

The first reading and vote for the ordinance to adopt the FY2020 Proposed Budget will occur at the City Council meeting on September 10, 2019. The second ordinance reading and vote will occur on September 24, 2019. The new fiscal year begins on October 1, 2019.

RECOMMENDED ACTION:

Conduct a public hearing on the FY2020 Proposed Budget.

City of Kerrville

Public Hearing Notice

CITY OF KERRVILLE NOTICE OF PUBLIC HEARING ON PROPOSED BUDGET

The Kerrville City Council will hold a public hearing on the FY2020 Proposed Budget on Tuesday, August 27, 2019 at 701 Main Street, Kerrville, TX at 6:00 pm in the City Council Chambers.

The budget's proposed ad valorem tax rate is \$0.5400 per \$100 of assessed value, which is lower than last year's tax rate of \$0.5514. The rate exceeds the effective tax rate of \$0.5222 and is lower than the rollback rate of \$0.5620.

Copies of the FY2020 Proposed Budget are available for review at City Hall (City Secretary's Office) located at 701 Main Street between 8 am and 5 pm Monday through Friday, the Butt-Holdsworth Memorial Library at 505 Water Street during regular library hours and the City's website at www.kerrvilletx.gov.

Pursuant to Section 8.04(a) of the City Charter, the City Council is publishing the following table as a general summary of the City of Kerrville FY2020 Proposed Budget. This table shows revenues and expenditures for each of the City's two main operating funds. The balance of the funds are combined into a single presentation labeled "Other Funds."

	FY2019 Budget	Proposed FY2020 Budget	Increase (Decrease)
General Fund			
Revenues	\$27,203,510	\$ 28,762,077	\$ 1,558,567
Expenditures	27,203,510	28,762,077	1,558,567
Revenues Over (Under) Expenditures	-	-	
Water and Sewer Fund			
Revenues	12,530,732	13,035,594	504,862
Expenditures	12,530,732	13,035,594	504,862
Revenues Over (Under) Expenditures	-	-	
Other Funds			
Revenues	28,679,871	17,970,743	(10,709,128)
Expenditures	35,368,897	36,448,877	1,079,980
Revenues Over (Under) Expenditures	(6,689,026)	(18,478,134)	
Total Funds			
Revenues	68,414,113	59,768,413	(8,645,700)
Expenditures	75,103,139	78,246,548	3,143,409
Revenues Over (Under) Expenditures	\$ (6,689,026)	\$ (18,478,135)	

The FY2020 Proposed Budget is a balanced budget where current revenues meet or exceed expenditures for all major funds. Expenditures in the Other Funds section exceed revenues primarily due to capital projects that were funded in previous years, but will be constructed in FY2020.



PROPOSED ANNUAL BUDGET
FISCAL YEAR 2020



CELEBRATING A YEAR OF MOMENTUM



Calendar and Process

June 18	Budget Workshop
July 16	Budget Workshop
July 25	Certified Roll from KCAD
July 30	Effective Tax Rate Calculation
July 31	Proposed Balanced Budget Filed
Aug 13	Budget Presentation, Tax Rate Resolution
Aug 27	Public Hearing – Budget & Tax Rate
Sept 10	Public Hearing – Tax Rate
	Budget Ordinance & Tax Rate Ordinance
Sept 24	Budget Ordinance & Tax Rate Ordinance
Oct 1	New Year Begins

Kerrville 2050 – p. 12

Sampling of major initiatives in FY2020 Budget:

1. Retain & recruit well-trained workforce
2. Legion Lift Station
3. TTHM mitigation project
4. Tennis Center improvements
5. Streetscape improvements
6. Arcadia Live
7. Enhanced street maintenance
8. Capital funding–streets & drainage
9. Drainage utility study
10. New groundwater or ASR well
11. Water tank maintenance
12. Water system master plan updates
13. Flood damage repair
14. Neighborhood Engagement Team
15. New funding for sidewalks & street lighting

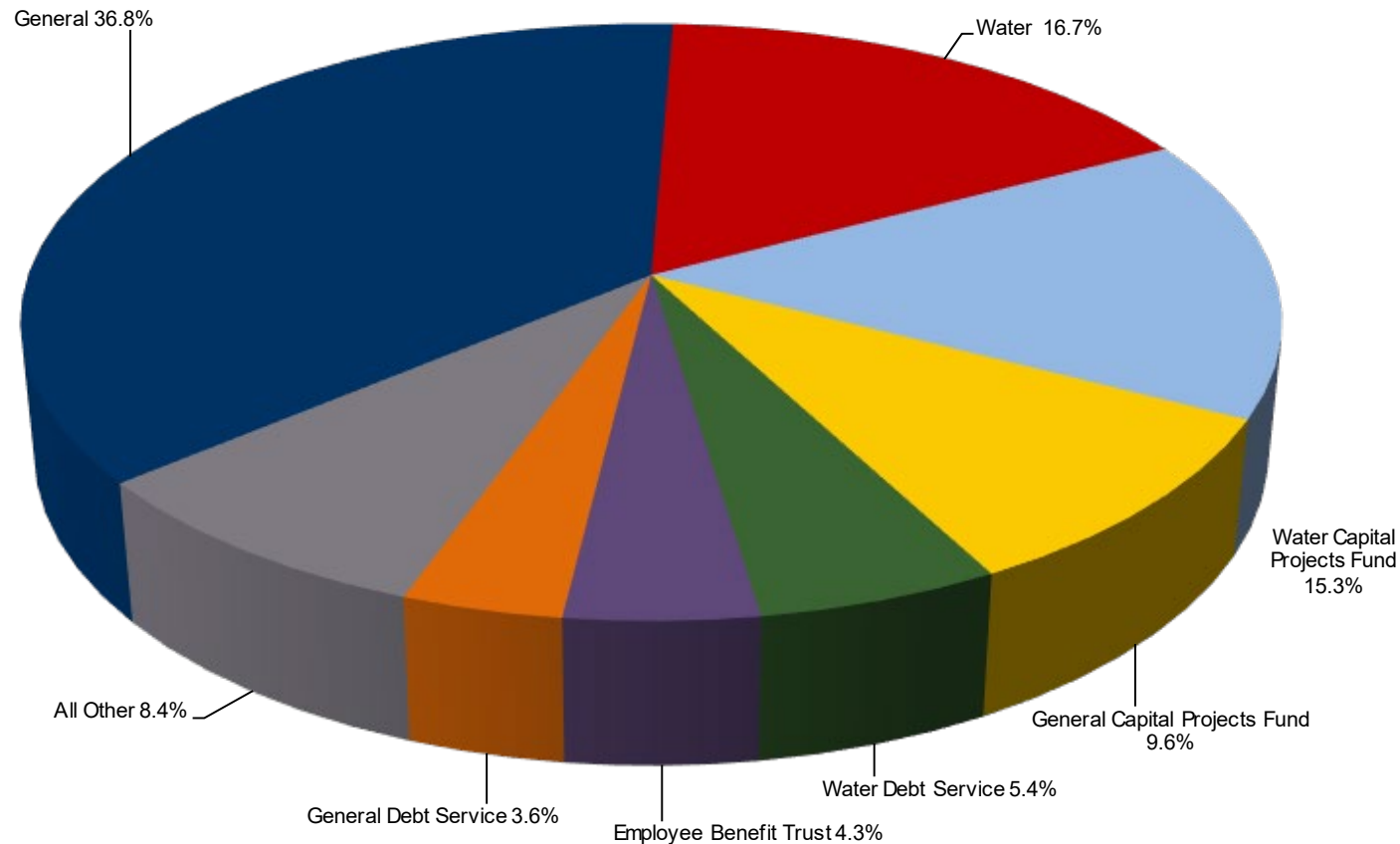
KERRVILLE

CELEBRATING A YEAR OF MOMENTUM 



All Funds – p. 24, 31

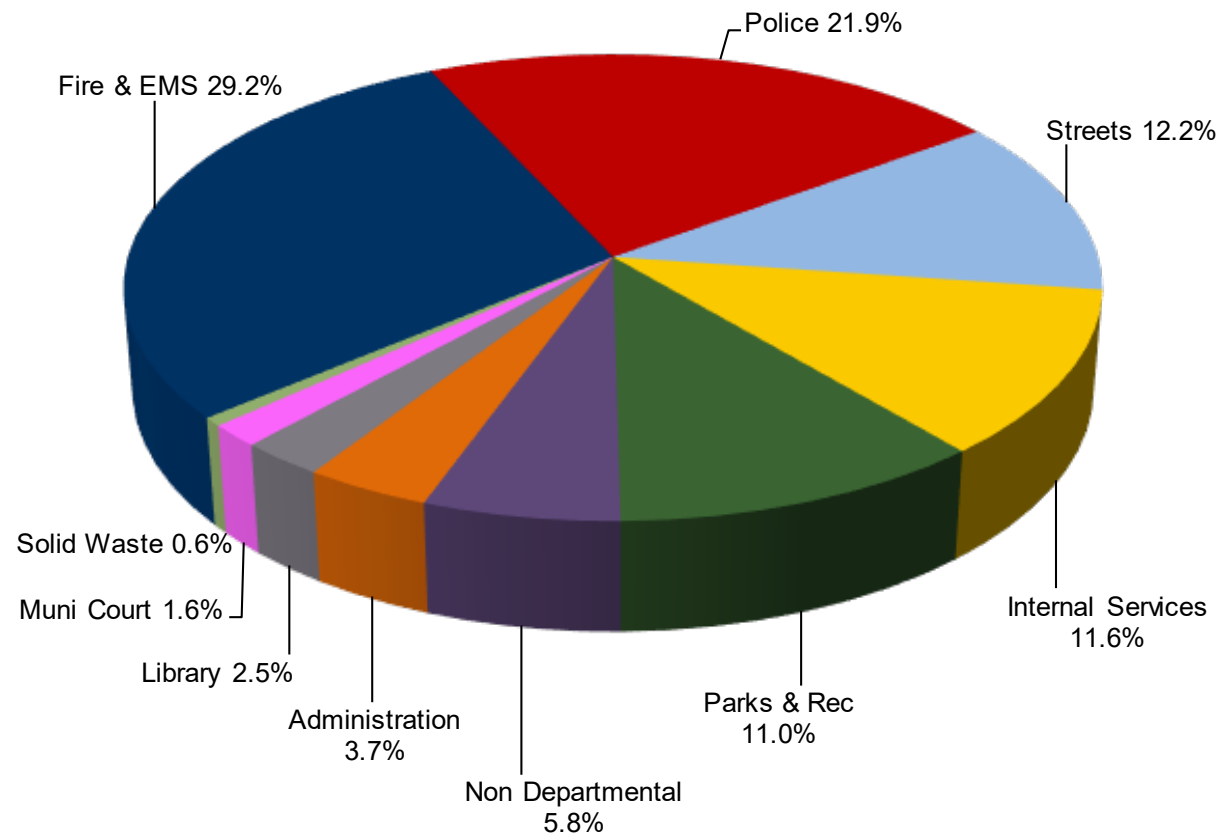
Citywide - Expenditure by Fund



- Proposed expenditures of \$78.2M
- General, Water Fund, and Capital Projects account for 78% of spending
- General Fund and Water Fund have balanced budgets and meet reserve policy requirements

General Fund – pp. 53-132

General Fund - Expenditure by Department



- General Fund is balanced with proposed revenues and expenditures of \$28.8M
- Public Safety and Streets account for 63.3% of expenditures
- Ending unrestricted fund balance projected at 27.2%



Water Fund – pp. 145-172

- **2nd Largest Fund**
- **Budget is balanced with \$13.0M in revenues and expenditures**
- **Includes change to both water and sewer rate structure**
 - ✓ **New structure encourages conservation**
 - ✓ **Limits impact to lowest gallon users**
 - ✓ **Provides more fixed revenue to better align with cost structure**
- **Street Use Fee transferred to the General Fund increased from 3% to 4% of Water Fund revenues (\$130K additional)**

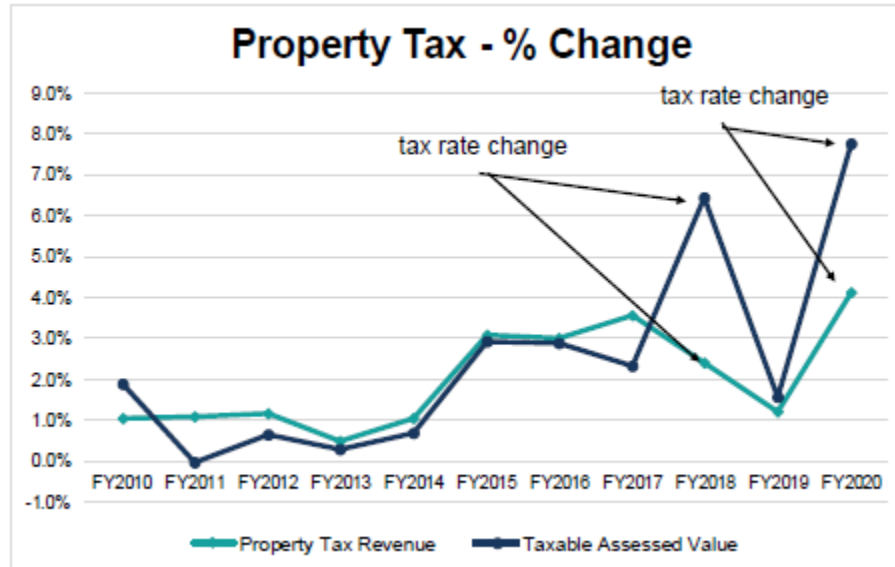


Open Public Hearing on the Budget





Property Tax Rate - p. 60



	Tax Rate	M&O	I&S
FY2010	0.5625	0.4851	0.0774
FY2011	0.5625	0.4890	0.0735
FY2012	0.5625	0.4890	0.0735
FY2013	0.5625	0.4890	0.0735
FY2014	0.5625	0.4890	0.0735
FY2015	0.5625	0.4890	0.0735
FY2016	0.5625	0.4890	0.0735
FY2017	0.5625	0.4890	0.0735
FY2018	0.5514	0.4779	0.0735
FY2019	0.5514	0.4779	0.0735
FY2020	0.5400	0.4665	0.0735

- Rate reduction is the 2nd in 3 years
- Rate has stayed the same or decreased for 11 straight years
- \$0.5400 rate equals the rate in 1980
- Debt portion of the tax rate remains unchanged at \$0.0735



Open Public Hearing on the Property Tax Rate





**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Public Hearing - Property tax rate (ad valorem tax) for the 2019 tax year (Fiscal Year 2020)

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 19, 2019

SUBMITTED BY: Amy Dozier

EXHIBITS: [20190827_Public Hearing_Tax Rate Public Notice.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

At the August 13, 2019 City Council meeting, Council approved a resolution establishing the proposed property tax rate ceiling for 2019 at \$0.5400 per \$100 of assessed value. This rate is lower than the current tax rate of \$0.5514, marks the 2nd time in last 3 years that the rate has been lowered and the 11th straight year of no tax rate increase. Additionally, the rate is lower than the rollback tax rate of \$0.5620. However, the rate exceeds the effective tax rate of \$0.5222, therefore two public hearings are required.

Notice of the Public Hearing was published in the Kerrville Daily Times on August 16, 2019 and is running 5 times per day on the City's public access channel. In addition, the notice and all tax rate information is available on the City's website.

This is the first public hearing on the proposed tax rate of \$0.5400.

RECOMMENDED ACTION:

Conduct a public hearing for the 2019 property tax rate.

NOTICE OF 2019 TAX YEAR PROPOSED PROPERTY TAX RATE FOR CITY OF KERRVILLE

A tax rate of \$0.540000 per \$100 valuation has been proposed by the governing body of CITY OF KERRVILLE. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate.

The governing body of CITY OF KERRVILLE proposes to use revenue attributable to the tax rate increase for the purpose of public safety operations.

PROPOSED TAX RATE	\$0.540000 per \$100
PRECEDING YEAR'S TAX RATE	\$0.551400 per \$100
EFFECTIVE TAX RATE	\$0.522200 per \$100
ROLLBACK TAX RATE	\$0.562000 per \$100

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for CITY OF KERRVILLE from the same properties in both the 2018 tax year and the 2019 tax year.

The rollback tax rate is the highest tax rate that CITY OF KERRVILLE may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS FOLLOWS:

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

For assistance or detailed information about tax calculations, please contact:

Bob Reeves
Kerr County Tax Assessor-Collector
700 Main Street, Suite 124, Kerrville, Texas
830-792-2242
breeves@co.kerr.tx.us
www.co.kerr.tx.us

You are urged to attend and express your views at the following public hearings on proposed tax rate:
First Hearing: 08/27/2019 6:00 PM at City Hall, 701 Main Street, Kerrville, Texas
Second Hearing: 09/10/2019 6:00 PM at City Hall, 701 Main Street, Kerrville, Texas



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Ordinance No. 2019-19. An Ordinance authorizing the Issuance, Sale and Delivery of Up to \$10,500,000 in Aggregate Principal Amount of "City of Kerrville, Texas Combination Tax and Revenue Certificates of Obligation, Series 2019"; Securing the Payment Thereof by Authorizing the Levy of an Annual Ad Valorem Tax and a Pledge of Certain Surplus Revenues of the City's Waterworks and Sewer System; and Approving and Authorizing the Execution of a Paying Agent/Registrar Agreement, an Official Statement and All Other Instruments and Procedures Related Thereto

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 19, 2019

SUBMITTED BY: Amy Dozier

EXHIBITS: [20190827_Ordinance_2019-19 DRAFT COO.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	Yes
Key Priority Area	M - Mobility / Transportation
Guiding Principle	M4. Place a high priority on the maintenance of existing streets
Action Item	M4.2 - Continue implementing the plan for street repairs, including a timeline and funding, based on the road conditions data collection and evaluation completed in 2016

SUMMARY STATEMENT:

For multiple years, City Council has identified streets and drainage as a top priority. The same sentiment was heard when gathering community input for Kerrville 2050. Accordingly, Mobility/Transportation was broken out as Key Priority Area. A statistically valid citizens' survey conducted in 2019 showed that 94% of respondents supported issuing debt for streets and 86% supported issuing debt for drainage as long as the new debt did not require a property tax rate increase.

In FY2019, the City paid down existing General Fund debt. City staff began working with our Financial Advisor and Bond Counsel in April to investigate the possibility of issuing additional debt while keeping the debt portion of the property tax rate unchanged at \$0.0735 per \$100 of assessed value. Based on the City's 2019 certified tax roll and current bond market estimates, the City has the capacity to issue up to \$10.5 million in General Fund debt without a change to the debt portion of the property tax rate. By issuing Certificates of Obligation, the City is able to move quickly on already identified streets and drainage projects and take advantage of issuing debt during a historic low interest rate environment.

Council authorized publishing a Notice of Intent to Issue up to \$10.5 million in Certificates of Obligation on July 9, 2019. The notice was published in the Kerrville Daily Times on July 17, 2019 and July 24, 2019.

S&P Global Ratings reviewed the proposed issuance as well as the City's overall financial health, economy, management and financial practices. S&P affirmed the City's AA bond rating, meaning high credit quality with very strong capacity to pay interest and principal. In the analysis provided by S&P, they specifically noted:

- Very strong management
- Strong financial policies
- Strong budgetary performance
- Very strong budgetary flexibility
- Very strong liquidity

Competitive bids are due for the Certificates of Obligation on Tuesday, August 27, 2019 at 11:00 am. Exact information on the amount of the issuance, interest rate, etc. will be available and presented during the Council meeting on August 27, 2019. Attached is a draft of the ordinance without numbers. Numbers for the ordinance will be finalized following the receipt of competitive bids. Per Council's vote on July 9, 2019, the debt issuance will not exceed \$10.5 million.

Per Section 1201.028 of the Texas Government Code, ordinances related to the issuance of bonds become effective with only one reading. This state law supersedes the City's Charter that directs two readings for ordinances and applies to all other Texas municipalities with similar Charter provisions.

RECOMMENDED ACTION:

Approve Ordinance 2019-19

ORDINANCE NO. 2019- 19

ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF \$_____ IN AGGREGATE PRINCIPAL AMOUNT OF "CITY OF KERRVILLE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2019"; SECURING THE PAYMENT THEREOF BY AUTHORIZING THE LEVY OF AN ANNUAL AD VALOREM TAX AND A PLEDGE OF CERTAIN SURPLUS REVENUES OF THE CITY'S WATERWORKS AND SEWER SYSTEM; AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, AN OFFICIAL STATEMENT AND ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO

DATE OF APPROVAL: AUGUST 27, 2019

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ORDINANCE NO. 2019-__

ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF \$_____ IN AGGREGATE PRINCIPAL AMOUNT OF "CITY OF KERRVILLE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2019"; SECURING THE PAYMENT THEREOF BY AUTHORIZING THE LEVY OF AN ANNUAL AD VALOREM TAX AND A PLEDGE OF CERTAIN SURPLUS REVENUES OF THE CITY'S WATERWORKS AND SEWER SYSTEM; AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, AN OFFICIAL STATEMENT AND ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO

**THE STATE OF TEXAS
COUNTY OF KERR
CITY OF KERRVILLE**

§
§
§

WHEREAS, the **CITY OF KERRVILLE, TEXAS** (the "*City*") in Kerr County, Texas, is a political subdivision of the State of Texas operating as a home-rule city pursuant to the Texas Local Government Code and its City Charter which was initially approved by the qualified voters of the City on February 24, 1942, and which has been amended from time to time, with the most recent amendments being approved by the qualified voters of the City on May 3, 2014; and

WHEREAS, the City Council of the City hereby determines that it is necessary and desirable to construct street and drainage improvements at various locations in the City (the "*Projects*"); and

WHEREAS, the City Council of the City intends to finance the Projects from proceeds derived from the sale of Certificates of Obligation issued by the City pursuant to Sections 271.041 - 271.064, Texas Local Government Code, as amended; and

WHEREAS, none of the Projects being financed with the Certificates of Obligation being issued pursuant to this Ordinance were included in a bond proposition to authorize the issuance of bonds for the same purpose that was submitted to the voters of the City during the preceding three years and failed to be approved; and

WHEREAS, on July 9, 2019, the City Council adopted a resolution authorizing and directing the City Secretary to give notice of intention to issue Certificates of Obligation; and

WHEREAS, said notice has been duly published in *The Kerrville Daily Times*, which is a newspaper of general circulation in the City in its issues of July 17, 2019, and July 24, 2019; and

WHEREAS, the City received no petition signed by at least five percent of the qualified electors of the City protesting the issuance of such Certificates of Obligation; and

WHEREAS, it is considered to be in the best interest of the City that said interest bearing Certificates of Obligation be issued; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS, THAT:

SECTION ONE. AMOUNT AND PURPOSE OF THE CERTIFICATES OF OBLIGATION. The certificate of obligation or certificates of obligation of the City further described in Section 2 of this Ordinance and referred to herein as the "Certificates of Obligation" are hereby authorized to be issued and delivered in the aggregate principal amount of \$_____ ***FOR THE PURPOSE OF PAYING, IN WHOLE OR IN PART, CONTRACTUAL OBLIGATIONS TO BE INCURRED TO CONSTRUCT STREET AND DRAINAGE IMPROVEMENTS AT VARIOUS LOCATIONS IN THE CITY, TO PAY ALL OR A PORTION OF THE LEGAL, FISCAL AND ENGINEERING FEES IN CONNECTION THEREWITH, AND TO PAY COSTS OF ISSUANCE.***

SECTION TWO. DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF THE CERTIFICATES OF OBLIGATION. Each certificate of obligation issued pursuant to and for the purpose described in Section 1 of this Ordinance shall be designated: **CITY OF KERRVILLE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2019**, and initially there shall be issued, sold and delivered hereunder one fully registered certificate of obligation, without interest coupons, dated September 1, 2019, in the aggregate principal amount of \$_____, numbered T-1 (the "***Initial Certificate of Obligation***"), with certificates of obligation issued in replacement thereof being in the denomination of \$5,000 or any integral multiple thereof and numbered consecutively from R-1 upward, all payable to the initial registered owner thereof (with the Initial Certificate of Obligation being payable to the initial purchaser designated in Section 16 hereof), or to the registered assignee or assignees of said certificates of obligation or any portion or portions thereof (in each case, the "***Registered Owner***"), and the certificates of obligation shall mature and be payable serially on ***August 15*** in each of the years and in the principal amounts, respectively, as set forth in the following schedule:

[The remainder of this page intentionally left blank]

<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT (\$)</u>	<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT (\$)</u>	<u>YEAR OF MATURITY</u>	<u>PRINCIPAL AMOUNT (\$)</u>
2020		2027		2034	
2021		2028		2035	
2022		2029		2036	
2023		2030		2037	
2024		2031		2038	
2025		2032		2039	
2026		2033		2040	

The term "***Certificates of Obligation***" as used in this Ordinance shall mean and include the Certificates of Obligation initially issued and delivered pursuant to this Ordinance and all substitute certificates of obligation exchanged therefor, as well as all other substitute certificates of obligation and replacement certificates of obligation issued pursuant hereto, and the term "***Certificate of Obligation***" shall mean any of the Certificates of Obligation.

SECTION THREE. INTEREST. The Certificates of Obligation shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the FORM CERTIFICATE OF OBLIGATION set forth in this Ordinance to their respective dates of maturity or prior redemption at the following rates per annum:

<u>YEAR OF MATURITY</u>	<u>INTEREST RATE (%)</u>	<u>YEAR OF MATURITY</u>	<u>INTEREST RATE (%)</u>	<u>YEAR OF MATURITY</u>	<u>INTEREST RATE (%)</u>
2020		2027		2034	
2021		2028		2035	
2022		2029		2036	
2023		2030		2037	
2024		2031		2038	
2025		2032		2039	
2026		2033		2040	

Said interest shall be payable in the manner provided and on the dates stated in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance.

SECTION FOUR. CHARACTERISTICS OF THE CERTIFICATES OF OBLIGATION; APPROVAL OF PAYING AGENT/REGISTRAR AGREEMENT.

(a) Registration, Transfer, and Exchange; Authentication. The City shall keep or cause to be kept at the designated corporate trust or commercial banking office (currently located in Houston, Texas) of **U.S. BANK NATIONAL ASSOCIATION** (the "**Paying Agent/Registrar**") books or records for the registration of the transfer and exchange of the Certificates of Obligation (the "**Registration Books**"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers and exchanges under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers and exchanges as herein provided. Attached hereto as *Exhibit A* is a copy of the Paying Agent/Registrar Agreement between the City and the Paying Agent/Registrar which is hereby approved in substantially final form, and the Mayor, Mayor Pro-Tem and City Secretary of the City are hereby authorized to execute the Paying Agent/Registrar Agreement and approve any changes in the final form thereof.

The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Certificate of Obligation to which payments with respect to the Certificates of Obligation shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. To the extent possible and under reasonable circumstances, all transfers of Certificates of Obligation shall be made within three business days after request and presentation thereof. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, exchange and delivery of a substitute Certificate of Obligation or Certificates of Obligation shall be paid as provided in the FORM CERTIFICATE OF OBLIGATION set forth in this Ordinance. Registration of assignments, transfers and exchanges of Certificates of Obligation shall be made in the manner provided and with the effect stated in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance. Each substitute Certificate of Obligation shall bear a letter and/or number to distinguish it from each other Certificate of Obligation.

Except as provided in (c) below, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate of Obligation, date and manually sign the Paying Agent/Registrar's Authentication Certificate, and no such Certificate of Obligation shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Certificates of Obligation and Certificates of Obligation surrendered for transfer and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing transfer and exchange of any Certificate of Obligation or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Certificates of Obligation in the manner prescribed herein, and said Certificates of Obligation shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Chapter 1201, Texas Government Code, and particularly Subchapter D and

Section 1201.067 thereof, the duty of transfer and exchange of Certificates of Obligation as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the transferred and exchanged Certificate of Obligation shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Certificates of Obligation which initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) Payment of Certificates of Obligation and Interest. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificates of Obligation, all as provided in this Ordinance. The Paying Agent/ Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates of Obligation.

(c) In General. The Certificates of Obligation (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificates of Obligation to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities (notice of which shall be given to the Paying Agent/Registrar by the City at least 50 days prior to any such redemption date), (iii) may be transferred and assigned, (iv) may be exchanged for other Certificates of Obligation, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) shall be payable as to principal and interest, and (viii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Certificates of Obligation, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance. The Initial Certificate of Obligation is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Certificate of Obligation issued in exchange for the Initial Certificate of Obligation issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF CERTIFICATE OF OBLIGATION. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, the Initial Certificate of Obligation delivered on the closing date (as further described in subparagraph (i) below) shall have attached thereto the Comptroller's Registration Certificate substantially in the form set forth in the FORM OF CERTIFICATE OF OBLIGATION below, manually executed by the Comptroller of Public Accounts of the State of Texas or by her duly authorized agent, which certificate shall be evidence that the Initial Certificate of Obligation has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) Substitute Paying Agent/Registrar. The City covenants with the registered owners of the Certificates of Obligation that at all times while the Certificates of Obligation are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Certificates of Obligation under this Ordinance, and that the Paying Agent/Registrar will be one entity and shall be an entity registered with the Securities and Exchange Commission. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying

Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Certificates of Obligation, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Certificates of Obligation, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) Book-Entry Only System for Certificates of Obligation. The Certificates of Obligation issued in exchange for the Certificates of Obligation initially issued to the purchaser specified in Section 16 herein shall be initially issued in the form of a separate single fully registered Certificate of Obligation for each of the maturities thereof. Upon initial issuance, the ownership of each such Certificate of Obligation shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("**DTC**"), and except as provided in subsection (i) hereof, all of the outstanding Certificates of Obligation shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Certificates of Obligation registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created ("**DTC Participant**") to hold securities to facilitate the clearance and settlement of securities transaction among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates of Obligation. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates of Obligation, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of the Certificates of Obligation, as shown on the Registration Books, of any notice with respect to the Certificates of Obligation, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Certificates of Obligation, as shown in the Registration Books of any amount with respect to principal of or interest on the Certificates of Obligation. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate of Obligation is registered in the Registration Books as the absolute owner of such Certificate of Obligation for the purpose of payment of principal and interest with respect to such Certificate of Obligation, for the purpose of registering transfers with respect to such Certificate of Obligation, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Certificates of Obligation only to or upon the order of the registered owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of

principal of and interest on the Certificates of Obligation to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a Certificate of Obligation certificate evidencing the obligation of the City to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the words "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(f) Successor Securities Depository; Transfers Outside Book-Entry Only Systems. In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC or that it is in the best interest of the beneficial owners of the Certificates of Obligation that they be able to obtain certificated Certificates of Obligation, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Certificates of Obligation to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Certificates of Obligation and transfer one or more separate Certificates of Obligation to DTC Participants having Certificates of Obligation credited to their DTC accounts. In such event, the Certificates of Obligation shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names registered owners transferring or exchanging Certificates of Obligation shall designate, in accordance with the provisions of this Ordinance.

(g) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificate of Obligation is registered in the name of Cede & Co., as nominee for DTC, all payments with respect to principal of and interest on such Certificate of Obligation and all notices with respect to such Certificate of Obligation shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

(h) DTC Letter of Representations. The officers of the City are herein authorized for and on behalf of the City and as officers of the City to enter into one or more Letters of Representations with DTC establishing the book-entry only system with respect to the Certificates of Obligation.

(i) Delivery of Initial Certificate of Obligation. On the closing date, one Initial Certificate of Obligation representing the entire principal amount of the respective series of Certificates of Obligation, payable in stated installments to the initial registered owner named in Section 16 of this Ordinance or its designee, executed by manual or facsimile signature of the Mayor or Mayor Pro-Tem and City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the initial purchaser or its designee. Upon payment for the Initial Certificate of Obligation, the Paying Agent/Registrar shall cancel the Initial Certificate of Obligation and deliver to the initial registered owner or its designee one registered definitive Certificate of Obligation for each year of maturity of the Certificates of Obligation, in the aggregate principal amount of all of the Certificates of Obligation for such maturity.

SECTION FIVE. FORM OF CERTIFICATE OF OBLIGATION. The form of the Certificates of Obligation, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment, and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas (to be attached only to the Certificates of Obligation initially issued and delivered pursuant to this Ordinance), shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance.

FORM OF CERTIFICATE OF OBLIGATION

R-__	UNITED STATES OF AMERICA STATE OF TEXAS COUNTY OF KERR CITY OF KERRVILLE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2019	PRINCIPAL AMOUNT \$_____
------	--	--

INTEREST RATE	MATURITY DATE	DATE OF SERIES	CUSIP NO.
____%	August 15, 20__	September 1, 2019	492422 ____

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ **DOLLARS**

ON THE MATURITY DATE specified above, the **CITY OF KERRVILLE, TEXAS** (the "**City**"), being a political subdivision and home-rule municipality of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "**Registered Owner**"), the Principal Amount specified above, and to pay interest thereon (calculated on the basis of a 360-day year of twelve 30-day months) from September 1, 2019 at the Interest Rate per annum specified above, payable on February 15, 2020, and semiannually on each February 15 and August 15 thereafter to the Maturity Date specified above, or the date of redemption prior to maturity; except that if this Certificate of Obligation is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate of Obligation or Certificates of Obligation, if any, for which this Certificate of Obligation is being exchanged is due but has not been paid, then this Certificate of Obligation shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Certificate of Obligation are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Certificate of Obligation shall be paid to the Registered Owner hereof upon presentation and surrender of this Certificate of Obligation at maturity or upon the date fixed for redemption prior to maturity, at the designated corporate trust or commercial banking office (initially located in Houston, Texas) of **U.S. BANK NATIONAL ASSOCIATION**, which is the "***Paying Agent/Registrar***" for this Certificate of Obligation. The payment of interest on this Certificate of Obligation shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the Ordinance authorizing the issuance of this Certificate of Obligation (the "***Ordinance***") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the last business day of the month next preceding each such date (the "***Record Date***") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "***Special Record Date***") will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "***Special Payment Date***" which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Registered Owner appearing on the Registration Books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice. Any accrued interest due upon the redemption of this Certificate of Obligation prior to maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Certificate of Obligation for redemption and payment at the designated corporate trust office of the Paying Agent/Registrar (unless the redemption date is a regularly scheduled interest payment date, in which case accrued interest on such redeemed Certificates of Obligation shall be payable in the regular manner described above). The City covenants with the Registered Owner of this Certificate of Obligation that on or before each principal payment date, interest payment date and accrued interest payment date for this Certificate of Obligation it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Certificates of Obligation, when due.

IF THE DATE FOR THE PAYMENT OF the principal of or interest on this Certificate of Obligation shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, or the United States Postal Service is not open for business, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close, or the United States Postal Service is not open for business; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE OF OBLIGATION is one of a series of Certificates of Obligation dated as of September 1, 2019, authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$_____ ***FOR THE PURPOSE OF PAYING, IN WHOLE OR IN PART, CONTRACTUAL OBLIGATIONS TO BE INCURRED TO CONSTRUCT STREET AND DRAINAGE IMPROVEMENTS AT VARIOUS LOCATIONS IN THE CITY, TO PAY ALL OR A PORTION OF THE LEGAL, FISCAL AND ENGINEERING FEES IN CONNECTION THEREWITH, AND TO PAY COSTS OF ISSUANCE.***

ON AUGUST 15, 20__, ***OR ON ANY DATE THEREAFTER***, the Certificates of Obligation of this Series maturing on and after August 15, 20__, may be redeemed prior to their scheduled maturities, at the option of the City, with funds derived from any available and lawful source, as a whole, or in part (provided that a portion of a Certificate of Obligation may be redeemed only in an integral multiple of \$5,000), at the redemption price of the principal amount of Certificates of Obligation called for redemption, plus accrued interest thereon to the date fixed for redemption. The City shall determine the maturity or maturities, and the principal amount of Certificates of Obligation within each maturity, to be redeemed. If less than all Certificates of Obligation of a maturity are to be redeemed, the particular Certificates of Obligation to be redeemed shall be selected by the Paying Agent/Registrar at random and by lot.

ADDITIONALLY, THE CERTIFICATES OF OBLIGATION MATURING on August 15 in the years 20__, 20__, and 20__ (the "***Term Certificates***") are subject to mandatory redemption prior to maturity in part by lot, at a price equal to the principal amount thereof plus accrued interest to the date of redemption, on the dates and in the respective principal amounts shown below:

TERM CERTIFICATES MATURING AUGUST 15, 20__		TERM CERTIFICATES MATURING AUGUST 15, 20__	
Mandatory Redemption Date	Redemption Amount (\$)	Mandatory Redemption Date	Redemption Amount (\$)
August 15, 20__		August 15, 20__	
August 15, 20__		August 15, 20__	
August 15, 20__ (maturity)		August 15, 20__ (maturity)	

TERM CERTIFICATES MATURING AUGUST 15, 20__	
Mandatory Redemption Date	Redemption Amount (\$)
August 15, 20__	
August 15, 20__	
August 15, 20__ (maturity)	

The principal amount of the Term Certificates required to be redeemed pursuant to the operation of such mandatory redemption requirements may be reduced, at the option of the City, by the principal amount of any such Term Certificates which, prior to the date of the mailing of notice of such mandatory redemption, (i) shall have been acquired by the City and delivered to the Paying Agent/Registrar for cancellation, (ii) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City, or (iii) shall have been redeemed pursuant to the optional redemption provisions described in the preceding paragraph and not theretofore credited against a mandatory redemption requirement.

AT LEAST 30 DAYS PRIOR TO THE DATE FIXED for any redemption of Certificates of Obligation or portions thereof prior to maturity, a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid to the Registered Owner of each Certificate of Obligation to be redeemed at its address as it appeared on the Registration Books maintained by the Paying Agent/Registrar on the day such notice of redemption is mailed. Any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Registered Owner. The notice with respect to an optional redemption of Certificates of Obligation may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar no later than the redemption date, or (2) that the City retains the right to rescind such notice at any time prior to the scheduled redemption date if the City delivers a certificate of an authorized representative to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if such notice is so rescinded. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates of Obligation or portions thereof which are to be so redeemed. If such written notice of redemption is mailed (and not rescinded), and if due provision for such payment is made, all as provided above, the Certificates of Obligation or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Certificate of Obligation shall be redeemed a substitute Certificate of Obligation or Certificates of Obligation having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the Registered Owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.

ALL CERTIFICATES OF OBLIGATION OF THIS SERIES are issuable solely as fully registered Certificates of Obligation, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Ordinance, this Certificate of Obligation, may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred and exchanged for a like aggregate principal amount of fully registered Certificates of Obligation, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surren-

der of this Certificate of Obligation to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Certificate of Obligation must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate of Obligation or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Certificate of Obligation or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Certificate of Obligation may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate of Obligation or any portion or portions hereof from time to time by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for transferring and exchanging any Certificate of Obligation or portion thereof shall be paid by the City, but any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer or exchange as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer or exchange during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date.

WHENEVER THE BENEFICIAL OWNERSHIP of this Certificate of Obligation is determined by a book entry at a securities depository for the Certificates of Obligation, the foregoing requirements of holding, delivering or transferring this Certificate of Obligation shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT ANY PAYING AGENT/REGISTRAR for the Certificates of Obligation is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owners of the Certificates of Obligation.

IT IS HEREBY CERTIFIED, RECITED, AND COVENANTED that this Certificate of Obligation has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Certificate of Obligation have been performed, existed, and been done in accordance with law; that this Certificate of Obligation is a general obligation of the City, issued on the full faith and credit thereof; and that ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate of Obligation, as such interest comes due, and as such principal matures, have been levied and ordered to be levied against all taxable property in the City, and have been pledged for such payment, within the limits prescribed by law and that this Certificate of Obligation is additionally secured by a lien on and pledge of Surplus Revenues received by the City from the ownership and operation of the City's Waterworks and Sewer System, all as provided in the Ordinance authorizing the Certificates of Obligation.

THE CITY ALSO HAS RESERVED THE RIGHT TO AMEND the Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Certificates of Obligation.

BY BECOMING THE REGISTERED OWNER of this Certificate of Obligation, the Registered Owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that the terms and provisions of this Certificate of Obligation and the Ordinance constitute a contract between each Registered Owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Certificate of Obligation to be signed with the manual or facsimile signature of the Mayor or Mayor Pro-Tem of the City, and countersigned with the manual or facsimile signature of the City Secretary of the City, and the official seal of the City has been duly impressed, or placed in facsimile, on this Certificate of Obligation.

Countersigned:

(facsimile signature)
City Secretary, City of Kerrville, Texas

(facsimile signature)
Mayor [Pro-Tem], City of Kerrville, Texas

(CITY SEAL)

**FORM OF REGISTRATION CERTIFICATE
OF THE COMPTROLLER OF PUBLIC ACCOUNTS:**

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Certificate of Obligation has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Certificate of Obligation has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

(COMPTROLLER'S SEAL)

Comptroller of Public Accounts
of the State of Texas

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

*(To be executed if this Certificate of Obligation is not accompanied by an executed
Registration Certificate of the Comptroller of Public Accounts of the State of Texas)*

It is hereby certified that this Certificate of Obligation has been issued under the provisions of the Ordinance described in the text of this Certificate of Obligation; and that this Certificate of Obligation has been issued in exchange for a certificate of obligation or certificates of obligation, or a portion of a certificate of obligation or certificates of obligation of a series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated

U.S. BANK NATIONAL ASSOCIATION
Houston, Texas
Paying Agent/Registrar

By _____
Authorized Representative

[The remainder of this page intentionally left blank]

FORM OF ASSIGNMENT:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Registered Owner of this Certificate of Obligation, or duly authorized representative or attorney thereof, hereby sells, assigns and transfers this Certificate of Obligation and all rights hereunder unto _____

/_____/

(Assignee's Social Security or
Taxpayer Identification Number)

(Please print or typewrite Assignee's name and address,
including zip code)

and hereby irrevocably constitutes and appoints _____
attorney to transfer the registration of this Certificate of Obligation on the Paying Agent/Registrar's
Registration Books with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by
a member firm of the New York Stock
Exchange or a commercial bank or trust
company.

NOTICE: The signature above must
correspond with the name of the Registered
Owner as it appears upon the front of this
Certificate of Obligation in every particular,
without alteration or enlargement or any
change whatsoever.

INITIAL CERTIFICATE OF OBLIGATION INSERTIONS

The Initial Certificate of Obligation shall be in the form set forth above except that:

- (A) Immediately under the name of the Certificate of Obligation, the headings "INTEREST RATE" and "MATURITY DATE" shall be completed with the words "As shown below" and "CUSIP NO. _____" shall be deleted.
- (B) The first paragraph shall be deleted and the following shall be inserted:

"ON THE RESPECTIVE MATURITY DATES specified below, the ***CITY OF KERRVILLE, TEXAS*** (the "***City***"), being a political subdivision and municipal corporation of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the "***Registered Owner***"), the respective Principal Installments specified below, and to pay interest thereon (calculated on the basis of a 360-day year composed of twelve 30-day months) from September 1, 2019, at the respective Interest Rates per annum specified below, payable on February 15, 2020, and semiannually on each February 15 and August 15

thereafter to the respective Maturity Dates specified below, or the date of redemption prior to maturity. The respective Maturity Dates, Principal Installments and Interest Rates for this Certificate of Obligation are set forth in the following schedule:

<u>MATURITY</u> <u>DATE</u> <u>(AUGUST 15)</u>	<u>PRINCIPAL</u> <u>INSTALLMENT (\$)</u>	<u>INTEREST</u> <u>RATE (%)</u>	<u>MATURITY</u> <u>DATE</u> <u>(AUGUST 15)</u>	<u>PRINCIPAL</u> <u>INSTALLMENT (\$)</u>	<u>INTEREST</u> <u>RATE (%)</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

[Insert principal and interest information from Sections 2 and 3 above]"

(C) The Initial Certificate of Obligation shall be numbered "T-1."

SECTION SIX. INTEREST AND SINKING FUND; TAX LEVY; SECURITY INTEREST.

(a) Interest and Sinking Fund, Tax Levy. A special Interest and Sinking Fund for the Certificates of Obligation (the "***Interest and Sinking Fund***") is hereby created solely for the benefit of the Certificates of Obligation, and the Interest and Sinking Fund shall be established and maintained by the City at an official depository bank of the City. The Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the City, and shall be used only for paying the interest on and principal of the Certificates of Obligation. All ad valorem taxes levied and collected for and on account of the Certificates of Obligation shall be deposited, as collected, to the credit of the Interest and Sinking Fund. During each year while any of the Certificates of Obligation or interest thereon are outstanding and unpaid, the City shall compute and ascertain a rate and amount of ad valorem tax which, together with "Surplus Revenues" with respect to the Certificates of Obligation (as described in Section 7 below) budgeted to pay principal and interest coming due during such fiscal year, will be sufficient to raise and produce the money required to pay the interest on the Certificates of Obligation as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of its Certificates of Obligation as such principal matures (but never less than 2% of the original principal amount of the Certificates of Obligation as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of the City, with full allowance being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in the City for each year while any of the Certificates of Obligation or interest thereon are outstanding and unpaid; and said tax shall be assessed and collected each such year and deposited to the credit of the respective Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Certificates of Obligation, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

(b) Security Interest. Chapter 1208, Texas Government Code, applies to the issuance of the Certificates of Obligation and the pledge of the ad valorem taxes and Surplus Revenues granted by the City under Sections 6(a) and 7 of this Ordinance, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Certificates of Obligation are outstanding and unpaid such that the pledge of the ad valorem taxes or Surplus Revenues granted by the City under Sections 6(a) and 7 of this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Certificates of Obligation the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.

SECTION SEVEN. SURPLUS REVENUES. Pursuant to Section 271.052, Texas Local Government Code, as amended, and Chapter 1502, Texas Government Code, as amended, the Certificates of Obligation additionally shall be payable from and secured by surplus revenues derived by the City from the City's Waterworks and Sewer System remaining after (a) payment of all amounts constituting operation and maintenance expenses of said Waterworks and Sewer System, and (b) payment of all debt service, reserve, and other requirements and amounts required to be paid under all ordinances heretofore or hereafter authorizing (i) all bonds, and (ii) all other obligations not on a parity with the Certificates of Obligation, which are payable from and secured by any Waterworks and Sewer System revenues, and (c) payment of all amounts payable from any Waterworks and Sewer System revenues pursuant to contracts heretofore or hereafter entered into by the City in accordance with law (the "**Surplus Revenues**"). If for any reason the City fails to deposit ad valorem taxes levied pursuant to Section 6 hereof to the credit of the Interest and Sinking Fund in an amount sufficient to pay, when due, the principal of and interest on the Certificates of Obligations, then Surplus Revenues may be deposited to the credit of the Interest and Sinking Fund and used to pay such principal and/or interest. The City reserves, and shall have, the right to issue bonds and other obligations not on a parity with the Certificates of Obligation, and to enter into contracts, in accordance with applicable laws, to be payable from and secured by any Waterworks and Sewer System revenues.

SECTION EIGHT. CONSTRUCTION FUND. There is hereby created and established in the depository of the City, a fund to be called the *City of Kerrville, Texas Combination Tax and Revenue Certificates of Obligation (Series 2019) Construction Fund* (herein called the "**Construction Fund**"). Proceeds from the sale and delivery of the Certificates of Obligation (other than proceeds representing accrued interest on the Certificates of Obligation and any premium on the Certificates of Obligation that is not used by the City to pay costs of issuance in accordance with the provisions of Section 1201.042(d), Texas Government Code, as amended, which shall be deposited in the Interest and Sinking Fund) shall be deposited in the Construction Fund. Money in the Construction Fund shall be subject to disbursements by the City for payment of all costs incurred in carrying out the purpose for which the Certificates of Obligation are issued, including but not limited to costs for construction, engineering, architecture, financing, financial consultants and legal services related to the project being financed with proceeds of the Certificates of Obligation and the issuance of the Certificates of Obligation. All funds remaining on deposit in the Construction Fund upon completion of the projects being financed with the proceeds from the Certificates of Obligation, if any, shall be transferred to the Interest and Sinking Fund.

SECTION NINE. INVESTMENTS. Funds on deposit in the Interest and Sinking Fund and the Construction Fund shall be secured by the depository bank of the City in the manner and to the extent required by law to secure other public funds of the City and may be invested from time to time in any investment authorized by applicable law, including but not limited to the Public Funds Investment Act (Chapter 2256, Texas Government Code), and the City's investment policy adopted in accordance with the provisions of the Public Funds Investment Act; provided, however, that investments purchased for and held in the Interest and Sinking Fund shall have a final maturity no later than the next principal or interest payment date for which such funds are required, and investments purchased for and held in the Construction Fund shall have a final maturity of not later than the date the City reasonably expects the funds from such investments will be required to pay costs of the projects for which the Certificates of Obligation were issued. Income and profits from such investments shall be deposited in the respective Fund which holds such investments; however, any such income and profits from investments in the Construction Fund may be withdrawn by the City and deposited in the Interest and Sinking Fund to pay all or a portion of the interest next coming due on the Certificates of Obligation. It is further provided, however, that any interest earnings on Certificate of Obligation proceeds which are required to be rebated to the United States of America pursuant to Section 14 hereof in order to prevent the Certificates of Obligation from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

SECTION TEN. EMPOWERED. The City Manager and Director of Finance are hereby ordered to do any and all things necessary to accomplish the transfer of monies to the Interest and Sinking Fund of this issue in ample time to pay such items of principal and interest.

SECTION ELEVEN. DEFEASANCE OF THE CERTIFICATES OF OBLIGATION.

(a) Defeasance. Any Certificate of Obligation and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "**Defeased Certificate of Obligation**") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Certificate of Obligation, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "**Future Escrow Agreement**") for such payment (1) lawful money of the United States of America sufficient to make such payment and/or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until all Defeased Certificates of Obligation shall have become due and payable. Thereafter, the City will have no further responsibility with respect to amounts available to the Paying Agent/Registrar for the payment of such Defeased Certificate of Obligation, including any insufficiency therein caused by the failure of the escrow agent under such Future Escrow Agreement to receive payment when due on the Defeasance Securities. At such time as a Certificate of Obligation shall be deemed to be a Defeased Certificate of Obligation hereunder, as aforesaid, such Certificate of Obligation and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes or

revenues herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Certificates of Obligation that is made in conjunction with the payment arrangements specified in subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the City expressly reserves the right to call the Defeased Certificates of Obligation for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Certificates of Obligation immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Investment of Funds in Defeasance Securities. Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the City be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Certificates of Obligation and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of Defeased Certificates of Obligation may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Certificates of Obligation, with respect to which such money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City.

(c) Definition of Defeasance Securities. The term "**Defeasance Securities**" means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date on the date the governing body of the City adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations under applicable state law that may be used to defease obligations such as the Certificates of Obligation.

(d) Duties of Paying Agent/Registrar. Until all Defeased Certificates of Obligation shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Certificates of Obligation the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(e) Selection of Certificates of Obligation to be Defeased. In the event that the City elects to defease less than all of the principal amount of Certificates of Obligation of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Certificates of Obligation by such random method as it deems fair and appropriate.

SECTION TWELVE. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED CERTIFICATES OF OBLIGATION.

(a) Replacement Certificates of Obligation. In the event any outstanding Certificate of Obligation is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new certificate of obligation of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Certificate of Obligation, in replacement for such Certificate of Obligation in the manner hereinafter provided.

(b) Application for Replacement Certificates of Obligation. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Certificates of Obligation shall be made by the registered owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Certificate of Obligation, the registered owner applying for a replacement certificate of obligation shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Certificate of Obligation, the registered owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Certificate of Obligation, as the case may be. In every case of damage or mutilation of a Certificate of Obligation, the registered owner shall surrender to the Paying Agent/Registrar for cancellation the Certificate of Obligation so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Certificate of Obligation shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Certificate of Obligation, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Certificate of Obligation) instead of issuing a replacement Certificate of Obligation, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Certificates of Obligation. Prior to the issuance of any replacement certificate of obligation, the Paying Agent/Registrar shall charge the registered owner of such Certificate of Obligation with all legal, printing, and other expenses in connection therewith. Every replacement certificate of obligation issued pursuant to the provisions of this Section by virtue of the fact that any Certificate of Obligation is lost, stolen, or destroyed shall constitute a contractual obligation of the City whether or not the lost, stolen, or destroyed Certificate of Obligation shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any and all other Certificates of Obligation duly issued under this Ordinance.

(e) *Authority for Issuing Replacement Certificates of Obligation.* In accordance with Chapter 1201, Texas Government Code, as amended, this Section of this Ordinance shall constitute authority for the issuance of any such replacement certificate of obligation without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such certificates of obligations is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Certificates of Obligation in the form and manner and with the effect, as provided in Section 4(a) of this Ordinance for Certificates of Obligation issued in exchange for other Certificates of Obligation.

SECTION THIRTEEN. CUSTODY, APPROVAL, AND REGISTRATION OF THE CERTIFICATES OF OBLIGATION; BOND COUNSEL'S OPINION, BOND INSURANCE, AND CUSIP NUMBERS. The Mayor or Mayor Pro-Tem of the City is hereby authorized to have control of the Certificates of Obligation initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Certificates of Obligation pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Certificates of Obligation said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Certificates of Obligation, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the City's Bond Counsel (with an appropriate certificate pertaining thereto executed by facsimile signature of the City Secretary of the City), a statement regarding the issuance of a municipal bond insurance policy to secure payment of debt service on the Certificates of Obligation, if any, and the assigned CUSIP numbers may, at the option of the City, be printed on the Certificates of Obligation issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Certificates of Obligation.

SECTION FOURTEEN. COVENANTS REGARDING TAX-EXEMPTION OF INTEREST ON THE CERTIFICATES OF OBLIGATION.

(a) *Covenants.* The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Certificates of Obligation as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "*Code*"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Certificates of Obligation or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds of the Certificates of Obligation or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Certificates of Obligation, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Certificates of Obligation or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Certificates of Obligation (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Certificates of Obligation being treated as "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Certificates of Obligation being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Certificates of Obligation, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Certificates of Obligation, other than investment property acquired with --

(A) proceeds of the Certificates of Obligation invested for a reasonable temporary period of 90 days or less until such proceeds are needed for the purpose for which the Certificates of Obligation are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Certificates of Obligation;

(7) to otherwise restrict the use of the proceeds of the Certificates of Obligation or amounts treated as proceeds of the Certificates of Obligation, as may be necessary, so that the Certificates of Obligation do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage); and

(8) to refrain from using the proceeds of the Certificates of Obligation or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Certificates of Obligation in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Certificates of Obligation) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Certificates of Obligation have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) *Rebate Fund.* In order to facilitate compliance with the above covenant (9), a "***Rebate Fund***" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) *Proceeds.* The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Certificates of Obligation. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Certificates of Obligation, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Certificates of Obligation under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Certificates of Obligation, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Certificates of Obligation under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor, the City Manager and the Finance Director of the City to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates of Obligation.

(d) *Allocation of, and Limitation on, Expenditures for the Projects.* The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Ordinance (collectively referred to herein as the "***Projects***") on its books and records in accordance with the requirements of the Internal Revenue Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Projects are completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Certificates of Obligation, or (2) the date the Certificates of Obligation are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not

adversely affect the tax-exempt status of the Certificates of Obligation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of Projects. The City covenants that the property constituting the Projects will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless any action taken in connection with such disposition will not adversely affect the tax-exempt status of the Certificates of Obligation. For purpose of the foregoing, the City may rely on an opinion of nationally-recognized bond counsel that the action taken in connection with such sale or other disposition will not adversely affect the tax-exempt status of the Certificates of Obligation. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

SECTION FIFTEEN. CONTINUING DISCLOSURE UNDERTAKING.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

"**EMMA**" means the Electronic Municipal Market Access system being established by the MSRB.

"**Financial Obligation**" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"**MSRB**" means the Municipal Securities Rulemaking Board.

"**Rule**" means SEC Rule 15c2-12, as amended from time to time.

"**SEC**" means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB through EMMA financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by this Ordinance, being the information described in Exhibit C hereto. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in Exhibit C hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide (1) unaudited financial statements for such fiscal year within such required time, and (2) audited financial statements for the applicable fiscal year to the MSRB through EMMA when and if the audit report on such statements become available.

If the City changes its fiscal year, it will notify the MSRB through EMMA of the date of the new fiscal year end prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this paragraph (b).

The financial information and operating data to be provided pursuant to this paragraph (b) may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB through EMMA or filed with the SEC.

(c) Event Notices.

The City shall file notice of the following events with respect to the Certificates of Obligation to the MSRB through EMMA in a timely manner and not more than 10 business days after occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Certificates of Obligation, or other material events affecting the tax status of the Certificates of Obligation;
7. Modifications to rights of the holders of the Certificates of Obligation;
8. Certificate of Obligation calls, if material, and tender offers;

9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Certificates of Obligation, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the City.
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee;
15. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the City in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City, and (b) the City intends the words used in the immediately preceding paragraphs 15 and 16 and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

The City shall file notice with the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such subsection.

(d) *Limitations, Disclaimers, and Amendments.* The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Certificates of Obligation within the meaning of

the Rule, except that the City in any event will give notice of any deposit made in accordance with Section 11 of this Ordinance that causes Certificates of Obligation no longer to be outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Certificates of Obligation, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates of Obligation at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY CERTIFICATE OF OBLIGATION OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates of Obligation in the primary offering of the Certificates of Obligation in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Certificates of Obligation consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the holders and beneficial owners of the Certificates of Obligation. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates of Obligation in the primary offering of the Certificates of

Obligation. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided.

(e) *Format, Identifying Information, and Incorporation by Reference.* All financial information, operating data, financial statements, and notices required by this Section to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB.

Financial information and operating data to be provided pursuant to subsection (b) of this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's Internet Web site or filed with the SEC.

SECTION SIXTEEN. SALE AND DELIVERY OF THE CERTIFICATES OF OBLIGATION. The Certificates of Obligation are hereby initially sold and shall be delivered to _____ for cash at a purchase price to \$_____ (which amount is equal to the par value thereof, plus a/an [net] original issue premium/discount of \$_____, and less a discount retained by the purchaser of \$_____), plus accrued interest to the date of delivery thereof. The Certificates of Obligation initially shall be registered in the name of _____. It is hereby officially found, determined, and declared that said purchaser is the highest bidder for the Certificates of Obligation as a result of invitations for competitive bids. It is further officially found, determined, and declared that the Certificates of Obligation have been sold at public sale to the bidder offering the lowest interest cost, after receiving sealed bids pursuant to an Official Notice of Sale and Bidding Instructions and the Preliminary Official Statement, dated August 20, 2019, prepared and distributed in connection with the sale of the Certificates of Obligation. In satisfaction of Section 1201.022(a)(3), Texas Government Code, and upon consultation with the City's Financial Advisor, the City Council hereby determines that the final terms of the Certificates of Obligation as set forth in this Ordinance and resulting from the receipt of such competitive bids are in the City's best interests.

The City (i) shall utilize \$_____ of the \$_____ that the City will receive as "original issue premium" on the sale of the Certificates of Obligation as described in the preceding paragraph and apply such amount against the \$10,500,000 of the maximum amount stated in the notice of intention to be used for the purposes described therein and in Section 1 hereof, and (ii) shall apply the remaining balance of such original issue premium as follows: (A) \$_____ shall be applied as a discount retained by the purchaser as consideration for purchasing the Certificates of Obligation as described in the preceding paragraph, (B) \$_____ shall be used to pay other costs of issuance of the Certificates of Obligation, and (C) \$_____ shall be deposited in the Interest and Sinking Fund all as permitted by Section 1201.042(d), Texas Government Code, as amended.

SECTION SEVENTEEN. APPROVAL OF OFFICIAL STATEMENT. The City hereby approves the form and content of the Official Statement relating to the Certificates of Obligation and any addenda, supplement, or amendment thereto, and approves the distribution of

the Official Statement in the reoffering of the Certificates of Obligation by the Underwriters in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement for the Certificates of Obligation, dated August 20, 2019, prior to the date hereof is hereby ratified and confirmed. The City Council finds and determines that the Preliminary Official Statement and the Official Statement were and are "deemed final" as of each of their respective dates within the meaning, and for the purpose, of Rule 15c2-12 promulgated under authority granted by the Federal Securities and Exchange Act of 1934.

SECTION EIGHTEEN. AUTHORITY FOR OFFICERS TO EXECUTE DOCUMENTS AND APPROVE CHANGES. The Mayor, Mayor Pro-Tem, City Secretary, City Manager and Director of Finance of the City, and all other officers, employees, and agents of the City, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Certificates of Obligation, the sale of the Certificates of Obligation, the Official Statement, the Purchase Contract, and the Paying Agent/Registrar Agreement. In addition, prior to the initial delivery of the Certificates of Obligation, the Mayor, Mayor Pro-Tem, City Secretary, City Manager, Director of Finance, the City Attorney and Bond Counsel are hereby authorized and directed to approve any technical changes or correction to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies or satisfy any requirements of the provider of a municipal bond insurance policy, if any, or (iii) obtain the approval of the Certificates of Obligation by the Attorney General's office. In case any officer whose signature shall appear on any Certificate of Obligation shall cease to be such officer before the delivery of such Certificate of Obligation, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. The Director of Finance of the City is further authorized to pay to the Attorney General of Texas prior to the delivery of the Certificates of Obligation, for the Attorney General's review of the transcript of proceedings related to the Certificates of Obligation, the amount required pursuant to Section 1202.004, Texas Government Code, as amended.

SECTION NINETEEN. ORDINANCE A CONTRACT; AMENDMENTS. This Ordinance shall constitute a contract with the Registered Owners of the Certificates of Obligation, binding on the City and its successors and assigns, and shall not be amended or repealed by the City as long as any Certificate of Obligation remains outstanding except as permitted in this Section. The City may, without the consent of or notice to any Registered Owners, amend, change, or modify this Ordinance as may be required (i) by the provisions hereof, (ii) for the purpose of curing any ambiguity, inconsistency, or formal defect or omission herein, or (iii) in connection with any other change which is not to the prejudice of the Registered Owners. The City may, with the written consent of the Registered Owners of a majority in aggregate principal amount of the Certificates of Obligation then outstanding affected thereby, amend, change, modify, or rescind any provisions of this Ordinance; provided that without the consent of all of the Registered Owners affected, no such

amendment, change, modification, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Certificates of Obligation, reduce the principal amount thereof or the rate of interest thereon, (ii) give any preference to any Certificate of Obligation over any other Certificate of Obligation, (iii) extend any waiver of default to subsequent defaults, or (iv) reduce the aggregate principal amount of Certificates of Obligation required for consent to any such amendment, change, modification, or rescission. Whenever the City shall desire to make any amendment or addition to or rescission of this Ordinance requiring consent of the Registered Owners, the City shall cause notice of the amendment, addition, or rescission to be sent by first class mail, postage prepaid, to the Registered Owners at the respective addresses shown on the Registration Books. Whenever at any time within one year after the date of the giving of such notice, the City shall receive an instrument or instruments in writing executed by the Registered Owners of a majority in aggregate principal amount of the Certificates of Obligation then outstanding affected by any such amendment, addition, or rescission requiring the consent of the Registered Owners, which instrument or instruments shall refer to the proposed amendment, addition, or rescission described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the City may adopt such amendment, addition, or rescission in substantially such form, except as herein provided. No Registered Owner may thereafter object to the adoption of such amendment, addition, or rescission, or to any of the provisions thereof, and such amendment, addition, or rescission shall be fully effective for all purposes.

SECTION TWENTY. REMEDIES IN EVENT OF DEFAULT. In addition to all the rights and remedies provided by the laws of the State of Texas, it is specifically covenanted and agreed particularly that in the event the City (i) defaults in the payment of the principal, premium, if any, or interest on the Certificates of Obligation, (ii) defaults in the deposits and credits required to be made to the Interest and Sinking Fund, or (iii) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance and the continuation thereof for 30 days after the City has received written notice of such defaults, the Holders of any of the Certificates of Obligation shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedy herein provided shall be cumulative of all other existing remedies, and the specification of such remedy shall not be deemed to be exclusive.

SECTION TWENTY-ONE. INTERESTED PARTIES. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Underwriters and the registered owners of the Certificates of Obligation, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Underwriters and the registered owners of the Certificates of Obligation.

SECTION TWENTY-TWO. INCORPORATION OF RECITALS. The City hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City hereby incorporates such recitals as a part of this Ordinance.

SECTION TWENTY-THREE. SEVERABILITY. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION TWENTY-FOUR. EFFECTIVE DATE. Pursuant to the provisions of Section 1201.028, Texas Government Code, this Ordinance shall become effective immediately after its adoption by the City Council.

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**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
KERRVILLE, TEXAS AT A REGULAR MEETING ON THE 27TH DAY OF AUGUST, 2019,
AT WHICH MEETING A QUORUM WAS PRESENT.**

Bill Blackburn, Mayor

ATTEST:

Shelley McElhannon, City Secretary

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

(CITY SEAL)

** ** ** ** **

EXHIBIT A

FORM OF PAYING AGENT/REGISTRAR AGREEMENT

THE PAYING AGENT/REGISTRAR AGREEMENT IS OMITTED AT THIS POINT
AS IT APPEARS IN EXECUTED FORM ELSEWHERE IN THIS TRANSCRIPT.

EXHIBIT B

WRITTEN PROCEDURES RELATING TO CONTINUING COMPLIANCE WITH FEDERAL TAX COVENANTS

A. Arbitrage. With respect to the investment and expenditure of the proceeds of the Certificates, the City's chief financial officer (the "**Responsible Person**"), which currently is the City's Director of Finance, will:

- (i) instruct the appropriate person or persons that the construction, renovation or acquisition of the facilities must proceed with due diligence and that binding contracts for the expenditure of at least 5% of the proceeds of the Certificates will be entered into within six (6) months of the date of delivery of the Certificates (the "**Issue Date**");
- (ii) monitor that at least 85% of the proceeds of the Certificates to be used for the construction, renovation or acquisition of any facilities are expended within three (3) years of the Issue Date;
- (iii) restrict the yield of the investments to the yield on the Certificates after three (3) years of the Issue Date;
- (iv) monitor all amounts deposited into a sinking fund or funds (e.g., the Interest and Sinking Fund), to assure that the maximum amount invested at a yield higher than the yield on the Certificates does not exceed an amount equal to the debt service on the Certificates in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Certificates for the immediately preceding 12-month period;
- (v) ensure that no more than 50% of the proceeds of the Certificates are invested in an investment with a guaranteed yield for 4 years or more;
- (vi) maintain any official action of the City (such as a reimbursement resolution) stating its intent to reimburse with the proceeds of the Certificates any amount expended prior to the Issue Date for the acquisition, renovation or construction of the facilities;
- (vii) ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS; and
- (viii) assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (A) at least every 5 years after the Issue Date and (B) within 30 days after the date the Certificates are retired.

B. Private Business Use. With respect to the use of the facilities financed or refinanced with the proceeds of the Certificates the Responsible Person will:

- (i) monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;
- (ii) monitor whether, at any time the Certificates are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
- (iii) monitor whether, at any time the Certificates are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);
- (iv) monitor whether, at any time the Certificates are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;
- (v) determine whether, at any time the Certificates are outstanding, any person, other than the City, has a naming right for the facilities or any other contractual right granting an intangible benefit;
- (vi) determine whether, at any time the Certificates are outstanding, the facilities are sold or otherwise disposed of; and
- (vii) take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the Ordinance related to the public use of the facilities.

C. Record Retention. The Responsible Person will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Certificates and the use of the facilities financed or refinanced thereby for a period ending three (3) years after the complete extinguishment of the Certificates. If any portion of the Certificates is refunded with the proceeds of another series of tax-exempt obligations, such records shall be maintained until the three (3) years after the refunding obligations are completely extinguished. Such records can be maintained in paper or electronic format.

D. Responsible Person. The Responsible Person shall receive appropriate training regarding the City's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the facilities financed or refinanced with the proceeds of the Certificates. The foregoing notwithstanding, the Responsible Person is authorized and instructed to retain such experienced advisors and agents as may be necessary to carry out the purposes of these instructions.

EXHIBIT C

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 15 of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. Within six months after the end of any fiscal year, commencing with the fiscal year ending in 2019, all quantitative financial information and operating data with respect to the City of the general type included in the Official Statement under Tables 1 through 6 and 8 through 15.
2. Within six months after the end of any fiscal year, commencing with the fiscal year ending in 2019, the annual audited financial statements of the City or the unaudited financial statements of the City in the event audited financial statements are not completed within twelve months after the end of any fiscal year.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 1 above.



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Ordinance No. 2019-17. Second Reading. An Ordinance approving and adopting the City of Kerrville, Texas, Zoning Code, a comprehensive rewrite of the City's Zoning Regulations in accordance and aligned with the Kerrville Comprehensive Plan (Kerrville 2050); said rewrite to be known as the "City of Kerrville, Texas Zoning Code" and found within a new Chapter 60 of the City's Code of Ordinances; approving and adopting the official Zoning Map of the City, providing procedures to amend said map; requiring a staff report as to implementation by a specific date; repealing in their entirety all ordinances or parts of ordinances inconsistent herewith; providing an open meetings clause; providing a cumulative clause; containing a savings and severability clause; providing for a penalty or fine of not more than \$2,000 for each day of violation of any provision hereof; ordering publication; providing an effective date; and providing other matters related to this subject

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Jul 29, 2019

SUBMITTED BY: Drew Paxton

EXHIBITS: [20190827_Ordinance_2019-17 Zoning Code rewrite of Zoning Regulations.pdf](#)
[20190827_Zoning Code Attachment A_Ch60 rewrite.pdf](#)
[20190813_Map_Future-Zoning.pdf](#)
[20190814_Land Use Table__Final-Draft.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$0	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	Yes
Key Priority Area	L - Land Use
Guiding Principle	C5. Establish clear guidelines for code enforcement and zoning, educate the public on the value and importance of property maintenance, and focus on proactive code enforcement and maintaining minimum property standards.

Action Item

C5.12 - Engage third-party services to assist with the review and rewrite of existing City codes, including the zoning and subdivision ordinances and zoning map, to ensure they are consistent with and support Kerrville 2050

SUMMARY STATEMENT:

Following the adoption and implementation of the Kerrville 2050 Plan, the Code Review Committee and Planning and Zoning Commission has recommended the proposed City of Kerrville Zoning Code for adoption along with the zoning map. To date, this process has included diagnostic meetings with the consultant team and city staff, stakeholder interviews (October 2018), six meetings of the Code Review Committee, a joint P&Z/City Council Worksession, a community open house (May 2019), and two public hearings with the Planning and Zoning Commission. The proposed zoning code, land use table, and zoning map have been reviewed and recommended by both the Code Review Committee and the Planning and Zoning Commission. Following the Planning and Zoning Commission hearing, the following edits have been included in this draft. These edits are from the Planning and Zoning Commission recommendations, legal counsel recommendations, and additional public input. - Edits to the Zoning Code include updates to the definitions for new land uses and removal of unused terms, Supplementary Requirements for automobile parts stores, and setback adjustments for properties fronting an arterial in the Downtown Arts and Cultural (DAC) District. - Edits to the Land Use Table (highlighted in yellow) include amending the Restaurant with a drive through to be permitted in the DAC, clarifying the parking waiver for existing buildings in the DAC, amending the Pawnshop land use to Pawnshop with and without outside storage and permitted in certain districts, adding Community Home, Continuing Care Facility, Dormitory, sorority or fraternity house, Halfway House, Homeless Shelter, and removing Group Medical Care Facility, Life Care Development, and Personal Care Facility. - Edits to the Zoning Map include an adjustment to property on Camp Meeting Road to better conform to previous/current zoning. Overall, the zoning code update project has brought the City of Kerrville Zoning Code into alignment with the Kerrville 2050 Plan, simplified the zoning, reduced the number of districts, and allows for more flexibility for future projects and the re-investment into properties in Kerrville. The residential districts have been expanded to help accommodate a variety of housing types to help with our Workforce Housing goals. The defined list of land uses in the code and land use table have been expanded to limit the need for interpretations. The Zoning Map has been refined to try to limit the number of non-conforming properties while still focusing on the Future Land Use Plan from the Kerrville 2050 Plan and help support the communities vision for the future of Kerrville.

Ordinance No. 2019-17 passed and approved on first reading August 13, 2019.

RECOMMENDED ACTION:

Approve ordinance to adopt the City of Kerrville Zoning Code.

**CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2019-17**

AN ORDINANCE APPROVING AND ADOPTING THE CITY OF KERRVILLE, TEXAS, ZONING CODE, A COMPREHENSIVE REWRITE OF THE CITY'S ZONING REGULATIONS IN ACCORDANCE AND ALIGNED WITH THE KERRVILLE COMPREHENSIVE PLAN (KERRVILLE 2050); SAID REWRITE TO BE KNOWN AS THE "CITY OF KERRVILLE, TEXAS ZONING CODE" AND FOUND WITHIN A NEW CHAPTER 60 OF THE CITY'S CODE OF ORDINANCES; APPROVING AND ADOPTING THE OFFICIAL ZONING MAP OF THE CITY, PROVIDING FOR THE MAINTENANCE THEREOF, AND PROVIDING PROCEDURES TO AMEND SAID MAP; REQUIRING A STAFF REPORT AS TO IMPLEMENTATION BY A SPECIFIC DATE; REPEALING IN THEIR ENTIRETY ALL ORDINANCES OR PARTS OF ORDINANCES INCONSISTENT HERewith; PROVIDING AN OPEN MEETINGS CLAUSE; PROVIDING A CUMULATIVE CLAUSE; CONTAINING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OR FINE OF NOT MORE THAN \$2,000 FOR EACH DAY OF VIOLATION OF ANY PROVISION HEREOF; ORDERING PUBLICATION; PROVIDING AN EFFECTIVE DATE; AND PROVIDING OTHER MATTERS RELATED TO THIS SUBJECT

WHEREAS, in June 2018, City Council, pursuant to its home rule powers and Chapter 213 of the Texas Local Government Code, adopted the *City of Kerrville Comprehensive Plan – Kerrville 2050* ("Comprehensive Plan"); and

WHEREAS, the Comprehensive Plan contains, in part, policies, goals, and strategies related to the establishment and location of residential, commercial, industrial land uses, and special districts; and

WHEREAS, following the adoption of the Comprehensive Plan, City Council created and appointed a Code Review Committee ("CRC") made up of 15 people with a variety of vocations and interests; and

WHEREAS, Council, through Resolution No. 34-2018, charged the CRC with reviewing and considering recommendations regarding development related codes cited for possible consideration within the Comprehensive Plan; and

WHEREAS, toward that end, the CRC, City staff, and the City's consultants worked diligently to develop the land use regulations in accordance with the general principals and guidelines found within the Comprehensive Plan; and

WHEREAS, beginning in October 3, 2018, the CRC has met 9 times, to date, in meetings that were open to the public; and

WHEREAS, between October 15, 2018, and October 17, 2018, the City conducted interviews with stakeholders having special interests or insights into land uses and development within the City as part of preparing the draft Zoning Code; and

WHEREAS, on March 19, 2019, the Planning and Zoning Commission and City Council met in a joint work session to discuss a draft of the Zoning Code and to provide comments and directions; and

WHEREAS, a Community Open House was held on May 16, 2019, to allow the public to provide input and feedback on preliminary concepts in the draft Zoning Code; and

WHEREAS, the CRC and City staff recommend that City Council approve and adopt a newly revised Zoning Code, said code to be known as the "City of Kerrville, Texas, Zoning Code" ("Zoning Code"), which will be found within a new Chapter 60 of the City's Code of Ordinances; and

WHEREAS, after receiving the Zoning Code from the Planning and Zoning Commission along with its recommendation for adoption, City Council reviewed and considered the Zoning Code; and

WHEREAS, as part of its review and consideration of the Zoning Code, City Council held a public hearing on August 13, 2019, as required by law; and

WHEREAS, during the public hearing, City Council received public comments on the Zoning Code; and

WHEREAS, City Council finds that the intent of the Zoning Code is to protect the health, safety, morals, or general welfare of the City's residents and citizens and to protect and preserve places and areas of historical, cultural, or architectural importance and significance pursuant to Section 211.001, Texas Local Government Code; and

WHEREAS, City Council also finds that the Zoning Code is adopted in accordance with the Comprehensive Plan and is designed to lessen congestion in the streets; secure safety from fire, panic, and other dangers; promote health and the general welfare; provide adequate light and air; prevent the overcrowding of land; avoid undue concentration of population; or facilitate the adequate provision of transportation, water, sewers, schools, parks, and other public requirements; and

WHEREAS, City Council now desires to implement the land use and growth policies and regulations as provided for by the Zoning Code and based upon the Comprehensive Plan; and

WHEREAS, pursuant to its authority under both federal and state law, City Council intends to comprehensively rewrite and amend the City's Code of Ordinances by adopting the Zoning Code, Chapter 60 of the Code of Ordinances, including a Land Use Table, in order to implement such policies, goals, and strategies with respect to land use regulations; and

WHEREAS, City Council will require staff to report back to Council on or before 180 days of Effective Date (defined below) of this Ordinance as to the implementation of the new Zoning Code, to include whether any amendments need to be made; and

WHEREAS, after receiving and considering the recommendations of the Planning and Zoning Commission and City staff; and after multiple meetings and public hearings, at which all parties in interest and citizens were given an opportunity to be heard; and after considering among other things, the character of the various areas of the City and the suitability of particular uses in each area; and with a view to conserving the value of buildings and encouraging the most appropriate use of land throughout the City, Council finds it to be in the best interest of the health, safety, morals, and general welfare of the City of Kerrville, Texas, to adopt the proposed Zoning Code as a comprehensive rewrite of the City of Kerrville's land development regulations;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

SECTION ONE. The facts, recitations, and findings contained in the preamble of this Ordinance are found to be true and correct and are incorporated by reference herein and expressly made a part hereof, as if copied verbatim.

SECTION TWO. The City of Kerrville, Texas, Zoning Code, which is attached as **Attachment A** and incorporated herein by reference as if set forth in full, including the Official Zoning Map and Land Use Table, is adopted in its entirety, and will be a new Chapter 60, to be found within the City's Code of Ordinances. The Zoning Code is incorporated as a portion of the land use regulations and standards and includes permanent revisions to the City's Code of Ordinances to implement the policies, goals, and strategies contained in the previously adopted Comprehensive Plan (Ord. No. 2018-13) concerning residential, commercial, industrial land uses, and special districts.

SECTION THREE. The City is divided into the zoning districts as described within the Zoning Code, and as depicted on the Official Zoning Map of the City of Kerrville, which is attached hereto as part of **Attachment A** and incorporated herein, and which, together with all explanatory matter thereon, is hereby adopted by reference as if fully laid out on this page. The Official Zoning Map is identified by the signature of the Mayor, attested by the City Secretary, and bearing the Seal of the City of Kerrville under the following words: *"This is to certify that this is the Official Zoning Map of the City of Kerrville, Texas."* The City shall locate and maintain the map in a digital format, which may be accessed via the internet.

SECTION FOUR. If, in accordance with the provisions of the Zoning Code and Chapter 211 of the Texas Local Government Code, changes or amendments are made to the district boundaries or other matter portrayed on the Official Zoning Map, such changes will be entered on the Official Zoning Map by the City Manager or designee, noting the date and number of the ordinance making the amendment. No alteration of any nature may be made on the Official Zoning Map or matter shown thereon except in conformity with procedures set forth in the Zoning Code or Chapter 211, Texas Local Government Code.

SECTION FIVE. Regardless of the existence of purported copies of the Official Zoning Map, which may from time to time be made or published, the Official Zoning Map, which shall be located in the Kerrville City Hall, shall be the final authority as to the current zoning status of land and improvements within the City. The Official Zoning Map shall be available to the public at all hours when the City offices are open.

SECTION SIX. City Council hereby waives the application fee for any zoning request made on or before the expiration of 180 days from the Effective Date of this Ordinance.

SECTION SEVEN. City Council directs the City Manager to report back to Council on or before the expiration of 180 days of the Effective Date of this Ordinance as to its implementation and whether any amendments need to be made.

SECTION EIGHT. The City Secretary is authorized and directed to submit this Ordinance to the publisher of the City's Code of Ordinances and the publisher is authorized to amend said Code to reflect the provisions adopted herein and to correct typographical errors and to index, format, and number and letter paragraphs to the existing Code as appropriate.

SECTION NINE. The provisions of this Ordinance are cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent with or in conflict with any of the provisions of this Ordinance are expressly repealed to the extent of any such inconsistency or conflict. Further, the proposed Zoning Code results from a comprehensive review, rewrite, and replacement of the City's current zoning regulations and procedures and said Code repeals and replaces, to include without limitation: Ordinance No. 97-07 and subsequent amending ordinances regarding Zoning Regulations.

SECTION TEN. It is officially found and determined that the meetings at which this Ordinance is passed were open to the public as required and that public notice of the time, place, and purpose of said meetings was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

SECTION ELEVEN. If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such holding shall not affect the validity of the remaining portions of this Ordinance. The City Council declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

SECTION TWELVE. The penalty for violation of this Ordinance shall be in accordance with the general penalty provisions contained in Section 1-7 of the Code of Ordinances of the City of Kerrville, Texas, which provides for a fine not exceeding TWO THOUSAND DOLLARS (\$2,000.00) per day for each violation hereof.

SECTION THIRTEEN. Pursuant to Texas Local Government Code

§52.013(a) and Section 3.07 of the City's Charter, the City Secretary is hereby authorized and directed to publish the descriptive caption of this Ordinance in the manner and for the length of time prescribed by the law as an alternative method of publication.

SECTION FOURTEEN. This Ordinance shall become effective October 1, 2019 (the "Effective Date").

PASSED AND APPROVED ON FIRST READING, this the 13 day of August A.D., 2019.

PASSED AND APPROVED ON SECOND AND FINAL READING, this the ____ day of _____, A.D., 2019.

Bill Blackburn, Mayor

APPROVED AS TO FORM:

ATTEST:



Michael C. Hayes, City Attorney

Shelley McElhannon, City Secretary

Chapter 60 ZONING CODE

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ARTICLE I. IN GENERAL / DEFINITIONS

Sec. 60-01. Kerrville Zoning Code.

This Chapter shall be known and may be cited as the “City of Kerrville Zoning Code,” and unless otherwise stated, the phrase “Zoning Code” or “Code” as used in this Chapter means the City of Kerrville Zoning Code.

Sec. 60-02. Incorporation and Effect of Appendices.

The appendices referred to and published at the end of this Chapter are incorporated herein as if fully set out in the sections which refer to them and, unless

otherwise noted in the text of this Chapter, shall constitute legally enforceable regulations as if fully set forth herein

Sec. 60-03. Authority.

(a) The regulations within the City of Kerrville Zoning Code are authorized under the Constitution and other laws of the State of Texas, including Chapters 211 and 212 of the Texas Local Government Code and the City's home-rule authority. The provisions of this Zoning Code extend to, and are enforceable upon, all areas inside the City limits, as they may exist from time to time and as they may be adjusted through annexation or disannexation.

(b) It is the policy of the City that the standards and procedures applicable to the zoning of property within the City limits are as stated herein, regardless of any representation by any City official summarizing, paraphrasing, or otherwise interpreting such standards to the contrary, whether generally or as applied to development of specific property.

(c) No City official, whether an employee of the City, a contracted consultant or other representative of the City, a member of an appointed board or commission, or a member of the City Council, shall have the authority to make a binding representation as to the outcome of that official's decision or the decision of an appointed board, commission, or the City Council:

(1) On any application or legislative action that has yet to be filed or is pending before the City for decision;

(2) On the likelihood that a change in any legislative classification or a change in the text of this Zoning Code as applied to a specific tract of land will be granted or made;

(3) That an existing legislative classification or text provision will remain in effect;

(4) That any petition for relief will be granted; and/or

(5) No person may rely upon any representation made by an official in violation of this subsection, and any such representation is a violation of the policy of the City and is not binding on the City in any respect. No subsequent decision of the City is a ratification of any representation made contrary to this subsection.

Sec. 60-04. Intent and Purpose.

The City developed the regulations set forth in this Chapter in a comprehensive manner in order to guide the planning and growth of the City of Kerrville, Texas, and to promote and protect the health, safety, and general welfare of the citizens of the City. The general intent of the Zoning Code is:

- (1) To promote a harmonious relationship between land uses which promotes and protects the aesthetic quality of the landscape and enhances the value of land and buildings;
- (2) To specifically address those areas within the City which have scenic, historic, and tourist related values such as the Guadalupe River, the major highway entrances, and the central business district, and to encourage the development of these areas in a manner that protects their uniqueness and aesthetic values;
- (3) To provide for a variety of land uses at appropriate locations within the city;
- (4) To promote a safe and effective transportation system;
- (5) To outline the appropriate density controls which will:
 - a. Encourage proper population and structural densities
 - b. Avoid undue concentration of population;
 - c. Promote infill development; and
 - d. Discourage development patterns that create sprawl or large undeveloped tracts of land between developed areas within the City;
- (6) To encourage quality urban design and creative development techniques;
- (7) To provide for adequate open spaces for light, air, and livability;
- (8) To facilitate and coordinate the adequate provision of public utilities and community services; and
- (9) To implement the policies of the City's Comprehensive Plan.

Sec. 60-05. Unsafe Buildings.

Nothing in this Zoning Code shall be construed as prohibiting the strengthening of any part of any building or structure to a safe condition where such building or structure poses an immediate threat to public health or safety.

**ARTICLE II. CONSISTENCY WITH THE COMPREHENSIVE PLAN AND
OTHER ADOPTED PLANS AND ORDINANCES**

Sec. 60-10. Comprehensive Plan & Amendments.

Zoning shall be enacted in accordance with the City's adopted Comprehensive Plan, as amended and updated. Zoning regulations shall be kept current and consistent with the goals and objectives of the Comprehensive Plan as follows:

- (1) As an ongoing implementation measure following periodic review of the Comprehensive Plan, the zoning on all undeveloped or other parcels of land shall be reviewed to determine if the zoning in effect on such parcels at the time remains appropriate.
- (2) If there are undeveloped or other parcels with zoning that, in the opinion of City staff, the Planning and Zoning Commission, or City Council, is inconsistent with the Comprehensive Plan, a recommendation may be made that a public hearing be called to review and possibly amend the zoning on those parcels according to proceedings specified herein.
- (3) The Comprehensive Plan's Future Land Use Map shall not be construed as defining zoning district boundaries. A combination of the Future Land Use Map and all applicable Comprehensive Plan policies shall be used as a guide in making decisions regarding zoning district classifications on individual land parcels.
- (4) In determining whether a zoning application is consistent with the Comprehensive Plan, the City shall take into consideration the applicable policies in the Comprehensive Plan and the policies that govern interpretation of the Future Land Use Map, as well as location or property-specific designations on the Map.

- (5) All development-related plans, policies, and maps such as the Comprehensive Plan, Major Thoroughfare Plan, utility and storm drainage master plans, and other public facility master plans, as amended, adopted, or utilized by the City in the review and approval of development projects and rezoning requests shall apply to the review and approval of rezoning requests and consistency and conformance with such is required.

Sec. 60-11. Application in Conflict with the Comprehensive Plan.

An application for rezoning of a specific tract that is inconsistent with the Comprehensive Plan for that tract may be considered if it is determined that:

- (1) The application represents a new and important opportunity for the community that deserves due consideration and was not known or anticipated at the time of adoption of the plan;
- (2) Decisions were made in developing the Comprehensive Plan that were based on incorrect information;
- (3) New information not available during preparation of the Comprehensive Plan has arisen or been developed; or
- (4) Conditions upon which the Comprehensive Plan was based have changed so as to warrant consideration of the application.

Sec. 60-12. Conflicts with Other Ordinances.

(a) The Zoning Code establishes minimum requirements for the promotion of the public health, safety, comfort, convenience, and general welfare. Except for ordinances creating Planned Development Districts or ordinances, which repeal or make exceptions to the Zoning Code, whenever the Zoning Code imposes a greater restriction upon the use or development of buildings or land than are imposed or required by other ordinances, rules, or regulations, the provisions of the Zoning Code shall control.

(b) In no case shall any regulations set forth herein be construed as repealing or in any manner amending applicable building or fire code requirements regarding building separation, which may be more restrictive than the requirements set forth herein.

ARTICLE III. DEFINITIONS AND INTERPRETATION OF WORDS AND PHRASES

Sec. 60-15. Purpose.

For purposes of this chapter, words and phrases have the meanings set forth below.

Sec. 60-16. Interpretation of Words and Phrases.

(a) Unless otherwise defined herein or the context indicates a different meaning, the words and phrases used in this Zoning Code shall have their common meaning.

(1) All words used in the present tense shall include the future.

(2) All words expressed in the singular number include the plural number and all words expressed in the plural number include the singular number.

(3) The word “shall” or “will” is mandatory and not discretionary.

(4) The word “may” is permissive.

(5) The words “applicant”, “developer”, “owner”, “person”, or “individual” shall include corporations, partnerships, associations, and groups acting together as a single entity.

(b) In the event a word or phrase used in this Zoning Code is unclear or ambiguous, any interpretation shall be made in a manner that uses reasonable judgment to apply the intent and purpose of the Code to the specific situation in question. The Director of Development Services (“Director”) shall have the authority, upon request of an affected person, to interpret unclear or ambiguous words and phrases, which interpretation may be appealed to the Board of Adjustment as provided herein.

Sec. 60-17. Terms Defined.

Accessory Building or Accessory Structure: a subordinate building or structure not attached to the main building(s) or structure(s), the use of which is incidental and related to the main use, and which is located on the building lot, including storage buildings, satellite dish antennas, carports, and similar structures. Accessory

buildings do not include guest and servant quarters, buildings with more than two plumbing fixtures connected to sanitary sewer, buildings that cover more than 50% of any rear yard, or a manufactured home, motor vehicle, trailer, or similar vehicle or structure.

Accessory Use: a use that is incidental and subordinate to the principal use or primary use of the land or building(s) located thereon, and located on the same lot therewith.

Adjacent: sharing all, or a part of, a common lot line, property line, or zoning district line.

Agricultural Services: a use of land primarily involving the following types of activities:

(1) The operation of establishments engaged in performing a variety of functions involving crops subsequent to their harvest with the intent of preparing them for market or further manufacture, including, cleaning, shelling, grinding, milling, ginning, packing, curing;

(2) The operation of establishments engaged in performing services related to the keeping and raising of livestock, including, , livestock breeding and artificial insemination, stables, and facilities for livestock events and shows, but not including 4-H or school exhibits by individuals conducted in accordance with applicable health regulations;

(3) “Veterinary Services, Large Animal” or “Veterinary Services, Small Animal” as defined herein;

(4) Kennels or animal shelters with the capacity of keeping twelve (12) or more animals at one time, with either indoor or outdoor pens as permitted herein.

Agricultural Structures: barns, stables, silos, water towers, farm workshops, greenhouses, and similar buildings and structures commonly used to support an agricultural use.

Agriculture, General: A use of land primarily involving the operation of farms engaged in the production of cash grains, field crops, vegetables and melons, fruits and tree nuts, ornamental floriculture, viticulture, and the raising of livestock, but

excluding large-scale commercial operations such as animal feedlots or dairy processing plants.

Airport: an area of land operating as a public-use, civilian airport with a runway/landing field, generally for small private aircraft of any nature and not having scheduled passenger service or nonscheduled air transport for hire.

Alcoholic Beverage Sales for Off-premises Consumption: a business selling beer, wine, and/or liquor to the general public for off-site personal or household consumption and rendering services incidental, to the sale of these goods.

Alley: a public space or right-of-way, not meeting the definition of a public street or roadway, and which affords a secondary means of access to the adjacent property.

Amateur Radio Antennas (ARA): an antenna used for transmitting and/or receiving by a licensed or unlicensed amateur radio operator, including the actual tower, support structure, and related equipment, which is subject to other City ordinances, rules, or regulations.

Ambulance Service, Private: a privately-owned business that provides emergency transportation service to the public, and which may include facilities for the storage and maintenance of vehicles, office space, and sleeping quarters for on-call employees.

Amenity Center: a facility within a residential development, which may include a playground, swimming pool, cabana/changing area, tennis or basketball court, clubhouse, or other recreational features, specifically designed and organized to be used for the enjoyment of the residents of the development and their guests, and which is not intended for use by the general public.

Amusement Center, Indoor: a facility, the primary purpose of which is to offer, for a fee, a variety of indoor amusement activities, including bowling, video games, laser tag, paint ball, karaoke, rock climbing, trampoline play, playground area, billiards/pool, ice skating/roller skating, racquet clubs, firing ranges, and other similar games and activities, with all activities taking place entirely within a building, and which may include areas for spectators, incidental food and beverage service, and party/meeting rooms.

Amusement Center, Outdoor: a facility and grounds, the primary purpose of which is to offer, for a fee, a variety of outdoor amusement activities, including miniature

golf, go-kart racing, paint ball, rock climbing, water slide, amusement park, kayaking, paddle boating, swimming pools, tennis courts, basketball courts, and other similar outdoor activities, and which may also include accommodations for spectators, indoor amusement activities, incidental food and beverage service, and party/meeting rooms.

Antenna: *see* “Wireless Telecommunications Facility”.

Antique Store: a retail establishment offering decorations, furniture, works of art, or other artifacts of an earlier period for sale.

Apartment: a dwelling unit in a multifamily building, arranged, designed, occupied, or intended to be occupied as a place of residence by a single family.

Appliance Store: a business that sells and rents new instruments, equipment, or devices designed for a particular use or function in a home.

Appliance Repair/Sales, Used: a business that specializes in the sale, rental, or repair of used appliances or devices designed for a particular use or function in a home, or the restoration of damaged, broken, or failed appliances to their original intent.

Applicant: the property owner or his or her duly authorized representative or agent, to include a developer or realtor.

Area of Lot: the area of a lot, expressed in terms of square feet, within the bounding property lines exclusive of dedicated streets or alleys.

Area Regulations: regulations which establish minimum lot area, lot width, and lot depth, as well as front, side, and rear setbacks, and which may include regulations pertaining to lot coverage and density (floor area ratio or residential units per acre).

Art Studio/Gallery: A place of business for a person specializing in the production of works of art and/or an establishment primarily engaged in the purchase, sale, loan, appraisal, display, or exhibition of original works of art or their limited editions.

Arterial Street: A roadway which typically carries high volumes of traffic and provides cross-town connectivity between highways, surrounding communities, and major activity centers (Primary Arterial) or provides service primarily for local trips

of moderate length and enhances connectivity to the Principal Arterials (Secondary Arterial), and which is classified as a Primary Arterial or Secondary Arterial on the Thoroughfare Plan.

Artisan's/Craftsman's Workshop: a place of business for the on-site production and/or repair by hand of custom products for retail sale, including, ceramics, leather goods, candles, jewelry, woodwork, picture frames, metal works, household or office furniture, and clothing or other sewn or knitted products.

Assisted Living Facility: an establishment possessing a license issued by the state under Chapter 247 of the Texas Health and Safety code (as it may be subsequently amended), including a resident or dwelling, that (a) furnishes, in one or more facilities, food and shelter to four (4) or more persons who are unrelated to the proprietor of the establishment; (b) provides personal care services or administration of medication by a person licensed or otherwise authorized in this state to administer the medication; (c) may provide assistance with or supervision of the administration of medication; and (d) may provide skilled nursing services for the following limited purposes: (i) coordination of resident care with outside home and community support services agencies and other health care professionals; (ii) provision or delegation of personal care services and medication administration as described by a Texas Health and Safety Code Chapter 247; (iii) assessment of residents to determine the care required; and (iv) for periods of time as established by rule of the Texas Department of Aging and Disability Services, delivery of temporary skilled nursing treatment for a minor illness, injury or emergency; or (e) as defined by Texas Health and Safety Code Chapter 247, as it may be subsequently amended.

Automobile: a machine or other means of transporting people or goods from place to place, such as a passenger vehicle, van, or pick-up truck, propelled by mechanical power, excluding recreational vehicles, farm machinery, semi-trucks, construction vehicles, and other heavy-duty vehicles.

Automobile Dealership, New Auto Sales: a business primarily engaged in the retail sale or rental of new automobiles and pick-ups, with the sale of used vehicles, the repair and service of both new and used vehicles, and the sale of parts and accessories being secondary uses only. For purposes of this definition, the phrase "new autos/automobiles" includes "program" cars and previously leased vehicles not older than two (2) model years relative to the then current model year for that vehicle.

Automobile Dealership, Used Auto Sales: a business primarily engaged in the sale or rental of used automobiles.

Automobile Parts Stores: a business specializing in the sale of new parts and accessories for automobiles, excluding on-site repair or repair bays.

Automobile Rental or Leasing: a business engaged in renting or short-term leasing of automobiles for personal or business use, excluding the rental of large vehicles, such as farm equipment, recreational vehicles, semi-trucks, construction vehicles, or other heavy-duty vehicles.

Automobile Service and Repair, Major: a business in which major service and repair functions are performed on automobiles as defined herein, to include the repair and reconditioning of engines, air conditioning systems and transmissions, and the replacement of brake parts, starters, hoses, and alternators, but excluding emergency towing and road service unless permitted as a principal use by the applicable zoning, and the activities of an “Automotive Body Shop”.

Automobile Service and Repair, Minor: a business in which minor repair and service functions are performed on motor vehicles as defined herein, to include tire and battery sales and installation, oil/filter/lubricant changes, engine tune-ups, motor vehicle parts and accessory sales, window tinting and pin striping, the installation of stereo or alarm systems, and the performance of state inspections.

Automobile Towing/Wrecker Service: a business that specializes in transporting automobiles from one location to another through the use of another motor vehicle, such as a tow truck, but excluding the storage or impoundment of more than 10 vehicles.

Automotive Body Shop: a business engaged in the enhancement or repair of the frame, aesthetics, or body of an automobile, including painting, upholstery, or straightening.

Automated Teller Machine (ATM): a computer or other electronic machine that performs basic banking functions, such as the handling of checks or the issuing of cash withdrawals.

Bail Bonding Agency: a business that specializes in the execution of bonds necessary for the release of persons accused of a crime.

Bank or Financial Institution: an establishment open to the public for the deposit, custody, loan, exchange, or issue of money, the extension of credit, and/or facilitating the transmission of funds, including automated teller machines, but excluding pawnshops, check cashing businesses, payday loan businesses, and car title loan businesses.

Bar or Cocktail Lounge: an establishment, the principal business of which is the retail sale of any type of alcoholic beverage for on-premises consumption.

Barber or Beauty Shop: a business that specializes in hairdressing, skin and nail care, therapeutic massage, or the shaving and trimming of facial hair.

Basement: that portion of a building, which is primarily below grade.

Bed and Breakfast Inn: a facility offering short-term lodging for compensation in up to twenty (20) rooms, and which may provide meals to those who receive lodging only.

Block: if used as a term for determining distance, the distance along the side of a street (a) between two consecutive intersecting streets, or (b) if the street is of a dead-end type, between the nearest intersecting street and the end of such dead end street. If used as a term for determining an area, the land area within the boundary created by the intersection of two consecutive streets immediately adjacent to the land, which land is not crossed by any other street.

Block Face: one side of a street between two consecutive intersecting streets. *See Appendix, Figure 1.*

Board of Adjustment (or Board): see “Zoning Board of Adjustment”.

Boarding Home Facility: an establishment, including a residence or dwelling, that (a) furnishes in one or more buildings, to persons under separate rental agreements, whether oral or written, lodging to three or more persons unrelated to the owner of the establishment by blood or marriage; (b) provides community meals, light housework, meal preparation, transportation, grocery shopping, money management, laundry services, or assistance with self-administration of medication, but does not provide personal care services as defined by Section 247.002 of the Texas Health and Safety Code, as it may be subsequently amended, to those persons; and (c) is not a use listed in Sec. 30-12 of the Code of Ordinances.

Boat (Marine) Dealership: a business primarily engaged in the retail sale or rental of new boats and outboard motors, with the sale, repair, and service of used boats and the sale of parts and accessories being a secondary use only.

Book Store: a business that specializes in sale, rental, or procurement of books and related items, such as music, movies, games, and may include a small area for the sale of food and beverage items as an accessory use.

Brewpub: an establishment that holds a state brewpub license that authorizes the holder to manufacture, brew, bottle, can, package and label malt liquor, ale, and beer; sell or offer without charge, on the premises of the brewpub, to ultimate consumers for consumption on or off those premises, malt liquor, ale or beer produced by the holder in or from a lawful container, to the extent the sales or offers are allowed under the holder's other permits or licenses; shall be held with permit or license authorizing on-premise consumption. Total production cannot exceed 10,000 barrels for each licensed brewpub. Permit holders who also hold a wine and beer retailer's permit and who sell alcoholic beverages manufactured only on the brewpub's premises may sell malt liquor or ale produced under the license to retailers and private clubs and beer to distributors, retailers, and private clubs or to qualified persons for shipment and consumption outside the state. A brewpub is not a bar or cocktail lounge.

Building: any structure permanently located or affixed to the ground, including structures wholly or partly enclosed with an exterior wall, which are designed, built, or intended for the shelter or enclosure of people, animals, chattels, or movable property of any kind, or for an accessory use. When separated by a four (4) hour firewall, each portion of a structure so separated shall be considered a separate building.

Building Contractor, General: a use of land by an establishment using in its operations an area of five (5) acres or less, for the same purposes as a "Building Contractor, Trade Specialist", but also including:

- (1) Offices and yards for contractors and builders primarily engaged in the construction of residential, farm, industrial, commercial, or other buildings;
- (2) Offices and yards for contractors primarily engaged in road, utility, or similar construction activities which have storage and/or prefabrication yards; or

(3) General building contractors who combine a special trade with their operations as described herein under “Building Contractor, Trade Specialist”.

Building Contractor, Maintenance and Repair: a business that specializes in providing services such as exterminating, lawn care, painting, plumbing, the repair of electrical, heating, air conditioning or irrigation systems, renovation/remodeling services, or janitorial and building cleaning, to existing residential and commercial buildings and properties rather than engaging in new construction, or which provides property maintenance services such as landscaping and lawn mowing, septic tank maintenance, swimming pool cleaning and maintenance, or similar uses.

Building Contractor, Temporary Field Office: a temporary structure, usually a trailer, for which a permit is required, and which serves as the on-site administrative headquarters or offices for a development project, providing shelter for employees and possibly housing for equipment, and which shall be permitted only while construction is underway and a valid building permit exists for the property.

Building Contractor, Trade Specialist: the use of land by an establishment for the office or shop of an operation primarily involving special trade contracting work in construction and property maintenance, including plumbing, electrical, painting, plastering, carpentry, heating/air conditioning, custom rock masonry (excluding rock quarrying and stockpiling), welding, fencing, overhead doors, but excluding establishments that include the additional operations described above under “Building Contractor, General” and those requiring an outdoor storage yard.

Building Contractor’s Storage Yard: a use of land primarily serving as storage for materials, equipment, and vehicles for transport at a later date to another location for the purposes of maintenance, repair, installation, or construction by a contractor.

Building Height: see “Height”.

Building Permit: a permit issued by the City authorizing the erection, construction, reconstruction, alteration, of a building or portion thereof, which certifies and acknowledges that such activities or uses with respect to the building or structure complies with the provisions of the City’s building codes, Zoning Code, or an authorized variance therefrom.

Building Wall: see “Wall, Exterior”.

Cabinetmaking Shop: a business engaged in the on-site production or repair by hand of custom cabinets.

Car Title Loan Business: an establishment that makes small consumer loans that leverage the equity value of a car or other vehicle as collateral, where the title to the vehicle is owned free and clear by the borrower and any existing liens on the car or vehicle cancel the application, and which loans are typically made for short periods of time, such as 30 days, and failure to repay the loan or make interest payments to extend it allows the lender to take possession of the car or vehicle.

Car Wash: a facility with special equipment used to clean the exterior and in some cases, the interior of motor vehicles, and which may employ persons to perform these functions (full-service) or may make the facilities and equipment available so that the driver of the vehicle performs the work (self-service).

Caretaker's Residence: a residence located on property with a main residential or nonresidential structure, occupied by a caretaker, security guard, or other similarly employed person.

Carport: a structure, completely open to the free flow of air from floor to roof on at least two sides, which may be attached to or detached from the main building, designed primarily for the parking and storage of vehicles.

Cemetery: land used or intended to be used for the interment of the dead and dedicated for cemetery purposes, and which may include a columbarium, crematorium, mausoleum, and/or mortuary when operated in conjunction with and within the boundary of such cemetery.

Certificate of Occupancy: a document issued by the City certifying that a newly constructed structure, addition to an existing structure, or an existing structure undergoing a change in use complies with the provisions of the City's building codes, Zoning Code, or an authorized variance therefrom, and that the building or structure is habitable.

Check Cashing Business: an establishment that provides to a customer an amount of money equal to the face value of the check or the amount specified in the written authorization for an electronic transfer of money, less any fee charged for the transaction, and where there is an agreement not to cash the check or execute an electronic transfer of money for a specified period of time, and where the business of

cashing checks, warrants, drafts, money orders, or similar commercial paper is a primary function of the business. A retail establishment such as a “Grocery Store” that cashes checks or money orders, or issues money orders or money transfers, for a minimum flat fee as a service that is incidental to its main purpose or business is excluded from this definition. Also excluded is any state or federally chartered bank, savings and loan association, credit union, pawnshop, or grocery store.

Chief Planning Officer: Director of Planning, Director of Development Services, or other official or designee of the City of Kerrville responsible for city planning functions as designated by the City Manager.

Church, Temple, Mosque, or Place of Worship: any structure used principally for regular assembly for religious worship and those uses or activities which are customarily associated with the worship facility, such as a rectory/parsonage or living quarters for the principal religious leader at the facility, social centers, fellowship halls, classrooms for religious instruction, and including schools, day care, and other uses affiliated with the place of worship, provided they are on the same lot as the main sanctuary.

City: the City of Kerrville, Texas, a home-rule municipal corporation of the state of Texas.

City Code: ordinances adopted by the City Council and thereafter compiled, codified, and published into the Code.

City Council: the City Council of the City of Kerrville, Texas, also referred to herein as the “Council”.

City Manager: the City Manager or designee.

Civic, Fraternal, Philanthropic, Charitable, or Nonprofit Organization: an organization whose existence is oriented around achievement or furthering of a particular social cause rather than the maximization of profit for shareholders, owners, members, employees, or other private actors and/or one that engages in civic, social, or community service, or fraternal activities for educational or charitable purposes and which may have a restricted membership.

Clothing and Apparel Store: a business that specializes in the making, sale, or rental of clothes, shoes, or other items of clothing.

Collector Street: a roadway that distributes traffic from the local streets to the arterial network and which is classified as a “collector” on the City’s Thoroughfare Plan.

College or University: a tertiary educational institution that is recognized by the state as such and accredited by either the Southern Association of Colleges and Schools or a national accrediting body recognized by the U.S. Department of Education.

Community Garden: a use of land, which may be publicly or privately owned, on which individual or shared plots containing a garden or gardens are attended to, nurtured, and supported collectively by a group of participants who share in the maintenance and products of the garden.

Complete Application: an application for a zoning amendment or any other form of authorization required by this Zoning Code as a prerequisite to the development of land within the City that meets all the technical requirements for submittal specified by the this Code or set forth in administrative guidelines, as determined to be complete by the Director, in accordance with the procedures in Tex. Loc. Gov’t Code chapter 245.

Community Home: an establishment that (a) is a community-based residential home as defined by the Community Homes for the Disabled Act, Chapter 123, Texas Human Resources Code, as it may be subsequently amended, (b) is occupied by six (6) or fewer persons with disabilities, regardless of the legal relationship of those persons to one another, and (c) is occupied by two (2) or fewer supervisors.

Comprehensive Plan: the Comprehensive Plan, including the Thoroughfare Plan, as adopted by City Council in accordance with state law and amendments thereto.

Concept Plan: a scaled drawing of a tract of land indicating the preliminary layout of proposed uses, proposed structures, parking, utilities, and, if applicable, project phasing.

Concrete/Asphalt Batch Plant: a permanent facility or structure that primarily manufactures or produces concrete or asphalt.

Condominium: a dwelling unit in a multifamily building, arranged, designed, occupied, or intended to be occupied as a place of residence by a single family, and

which is individually owned and where land and common property are owned jointly with the owners of other units and where the expenses for upkeep on the common-property are shared by all the owners.

Construction, New: any construction of a building, whether it is the main building or an accessory building, parking area, or other structure that is either:

(1) Located on a vacant tract; or

(2) An addition to an existing building, parking area, or other structure which increases the gross area of the facility as it existed on date of adoption or changes the footprint or area of the lot occupied by the building, parking or other structure.

Continuing Care Facility: an establishment (a) for which the owner has obtained a “Certificate of Authority” from the state under the Texas Continuing Care Facility Disclosure and Rehabilitation Act, Chapter 246, Texas Health and Safety Code, as it may be subsequently amended, and (b) provides board and lodging, together with personal care services, medical services, or other health related services. This term does not include facilities that provide care for persons mostly incapable of self-preservation due to age, physical or mental ability.

Convenience Store: a retail establishment, smaller in size than a “Grocery Store”, engaged in the selling of a limited selection of food, beverages, tobacco, personal items, and which may include the retail sale of gasoline or other fuels at fuel pumps as permitted herein.

Corner Lot: a lot situated at the intersection of two streets and having street frontage along both the front and the side of the lot. *See Appendix, Figure 2.*

Country Club: land and buildings that may include a golf course, clubhouse, restaurant, swimming pool, tennis courts, pro shop, and similar recreational activities or services available only to members and their guests.

Dance Hall or Event Center: a venue, facility, or business primarily involving a large, open room suitable for holding events such as meetings, conferences, weddings, and large dances.

Date of Adoption: the date that this ordinance becomes effective and enforceable pursuant the City’s charter.

Day Care Services, Adult: the use of land and the building(s) thereon, or a portion thereof, providing care, supervision, and guidance to unaccompanied older adults for a period of less than 24 hours per day, and which typically includes the offering of social activities, meals, and recreation.

Day Care Services, Children: (a) the use of land and the building(s) thereon, or a portion thereof, to provide care, training, and supervision for seven (7) or more children for less than 24 hours per day, including nursery schools, preschools, and similar uses, but not including overnight lodging or elementary or secondary education, and/or (b) a facility defined by Texas Human Resources Code Section 42.002, as it may be subsequently amended.

Department of Development Services: a Department within the City, which includes the Planning Division, the Building Official, and Code Enforcement, also referred to herein as the “Department”.

Department or General Merchandise Store: a retail business that specializes in the sale of a wide variety of goods, excluding a “Grocery Store”, especially those with separate sections for different categories of merchandise.

Design Guidelines: a set of recommendations intended to provide guidance to property owners, developers, and their design professionals as to how to implement suggested design principles, sometimes within a specific geographical area, without mandating specific standards or requirements. See also “Overlay District Design Guidelines”.

Detention Facility: the use of land for the incarceration of people arrested pursuant to law as a result of a charge of a criminal offense being levied, or the institutionalization within a secure area of people who, if not confined, may pose a danger to themselves or others.

Development Review Committee (DRC): a committee of persons, participating at the invitation of the Director, which may consist of representatives of local governmental entities and utility providers, to include the City, Kerr County, franchise utility companies, and the Texas Department of Transportation; which Committee may review plats, site plans, and building plans submitted for review prior to construction and/or development.

Development Standards: regulations adopted by the City regarding certain development-related improvements, such as lighting, signage, landscaping, parking, and other similar elements.

Dinner Theater: a restaurant at which a staged production is performed during or after dinner.

Director of Development Services: the Director of Development Services of the City or designee, as appointed by the City Manager; also referred to herein as the “Director”.

Distillery: A business where alcoholic liquor is produced using a distilling process.

Dormitory, sorority or fraternity house: student housing associated with an educational facility or institution.

Double Frontage Lot: An interior lot with frontage on more than one street or a corner lot having frontage on more than two streets. *See Appendix, Figure 2.*

Downtown Core: the portion of the downtown area generally bounded by the Guadalupe River on the south, extending north on Clay Street, east on Main Street, north on Earl Garrett Street, east on Jefferson Street, and south on Washington Street.

Drive-Thru Service: a feature of a business, such as a restaurant, bank, drug store, or dry cleaner, which allows a product or service to be delivered to a customer, usually through a window or other opening in a building wall while the customer remains in an automobile.

Driving Instruction School: a school specializing in the teaching of skills necessary to safely and legally operate a motor vehicle, including both classroom instruction and supervised driving practice.

Drug Store: A retail establishment specializing in the production, distribution, or sale of substances typically used as legal medication, and which may include the incidental sale of tobacco products, greeting cards, personal care products, a limited selection of household cleaning supplies and food and beverage items, and may offer photofinishing services.

Dwelling, Duplex: a free-standing building on one lot, having separate accommodations for not more than two (2) dwelling units.

Dwelling, Live/Work: a single building or space within a building, often, though not always, a result of a conversion of an existing nonresidential building, designed for joint use of commercial/office and residential activities, where the principal use of the space is for the commercial/office activity of the occupant, and the secondary use is as the occupant's primary residence.

Dwelling, Multifamily: a building, group of buildings, or apartments on a single lot containing three or more dwelling units.

Dwelling, Patio Home (Zero Lot Line Home): A single-family detached dwelling on a separate lot, with setbacks in the front and rear, the wall of the dwelling placed coincident with the property line on one side (the zero side), and setback provided on the remaining side.

Dwelling, Single-Family Detached: a building containing only one (1) dwelling unit and located on a single building site so as to allow for customary yards to serve as buffers along all sides of the building.

Dwelling, Single-Family with Accessory Dwelling Unit: buildings containing one (1) main dwelling unit and one (1) accessory dwelling unit as defined herein on the same lot, which accessory dwelling unit may be contained within the main dwelling unit or in a detached structure, and subject to the height and regulations of the Zoning Code.

Dwelling, Townhome: a single-family dwelling in a row of at least two attached units, each on its own platted lot, and having its own front and rear access to the outside. No unit shall be located over another unit, and each unit shall be separated from other adjacent units by one or more vertical common wall.

Dwelling Unit: a building or portion of a building that is arranged, occupied, or intended to be occupied, as single living quarters and includes facilities for food preparation and sleeping.

Dwelling Unit, Accessory: a room or set of rooms attached or detached to building on the same lot as the single-family dwelling, established by permit and including a

functioning kitchen and bathroom, which operates as a separate but secondary dwelling unit.

Easement: a property right granted within a tract of land by a property owner to another entity or property owner for purposes specified therein, such as for access, right-of-way, utilities, or drainage.

Electronics Sales and Service: a store engaged in the retail sale of consumer electronics, such as televisions and audio equipment, computer hardware and software, telephones, cameras and photographic equipment, games and gaming systems, as well as other related products and services.

Emergency Shelter: a facility which provides room and board, protection, and counseling on a temporary basis, 180 days or less, during crisis intervention for victims of crime, abuse, or neglect.

Equipment Rental, Heavy: the use of land for the rental and storage for rental purposes, but not the manufacture or sale of the following:

- (1) Commercial buses with a rated capacity of more than ten (10) passengers;
- (2) Trucks with a manufacturer's rated carrying capacity exceeding 2,000 pounds;
- (3) Truck-tractors, road tractors, semi-trailers and trailers, as defined in Section 502 of the Texas Transportation Code, not including recreational vehicles or travel trailers; or
- (4) Heavy construction equipment and other similar heavy equipment, not including personal vehicles, trailers not used for commercial purposes or as recreational vehicles, and the on-site repair and maintenance of such vehicles or equipment.

Equipment Rental, Light: a business that sells or rents small-scale machinery, equipment, and tools, such as chain saws and woodworking equipment, hoists and jacks, buffers and carpet cleaners, ladders and scaffolding, gardening equipment, household generators, fans and heaters, air compressors and air tools, and camping equipment, to consumers or contractors for a limited period of time, but excluding the rental of vehicles, construction equipment such as earth movers or forklifts, or other heavy equipment.

Fabrication Processes: a process by which components or parts are produced for use in the construction of other goods, with all mechanical processes and related tasks taking place inside the principal structure or complex.

Façade: the portion of any exterior wall of a building that extends upward from the adjacent ground grade to the top of the parapet, wall, or eaves and covers the entire width of the building elevation.

Fair/Rodeo Grounds, Exhibition Hall, or Arena: a use of land for the temporary erection or display of a festival, event, product, or other items or activities of interest particular to a specific topic, and which may include a building or other permanent facilities or structures.

Family: any number of individuals living together as a single housekeeping unit, in which not more than four individuals are unrelated by blood, marriage, or adoption.

Farm Supply Store, Retail: a retail establishment specializing in the sale of agricultural business or lifestyle products, including farm tools, food for pets and livestock, outdoor recreational gear, lumber, fencing, lawn and garden supplies, or farm attire and related goods, including outside storage complying with the requirements of this Zoning Code.

Farmers Market: a market or temporary use of land where farmers or merchants sell food or other agricultural and related products directly to the public, usually from trucks, booths, stalls, or inside a permanent structure.

Feed, Grain, or Hay Storage, Bulk/Wholesale: the use of land and buildings and/or structures for the purpose of storing feed, grain, or hay post-harvest for producers or to store feed, grain, or hay acquired from producers for resale.

Fine Arts Classes: organizations that specialize in the administration of instructional or informational classes related to painting, sculpture, dance, music, drama, or other fine arts.

Fitness Center: a business that specializes in health, exercise, and wellbeing, which may provide, in addition to specialized equipment for exercise and weight-training, rooms for fitness classes, indoor courts for sports such as racquetball and basketball, locker rooms and bathing areas, and an indoor swimming pool, and which may include services such as massage therapy, child care for patrons during their use of

the facility, a shop for the sale of fitness-related products and equipment, or a snack bar as ancillary activities.

Flea Market: a venue, which may be indoors or outdoors as permitted herein, where multiple, independent vendors offer food, clothing, or other new or used goods for sale.

Floor Area: the total square foot area of all floors in the building measured to the inside faces of the exterior walls.

Floor Area Ratio: a ratio of the gross floor area of a building or buildings in relation to the gross land area of the site, expressed as a ratio such as 2:1, where the gross floor area is the first number in the ratio and the gross land area is the second, and, in this example, where the gross floor area of the building(s) is twice as large as the gross land area of the site.

Florist: a business specializing in the selling or growing for sale of flowers and ornamental plants, but excluding commercial nurseries or greenhouses.

Food Processing (Craft): the artisanal or handcrafted transformation of raw ingredients, such as clean, harvested crops or dairy or butchered animal products, into food, or the transformation of food into other forms for human consumption; produced in small batches or limited quantities, but excluding slaughter or dairy processes involving live animals or the production of food or feed for animal consumption. The primary purpose of production is intended for on premise consumption or local distribution, and is not intended for mass distribution.

Food Processing (Manufacturing): the transformation of raw ingredients, such as clean, harvested crops or dairy or butchered animal products into food or the transformation of food into other forms for human consumption, but excluding slaughter or dairy processes involving live animals or the production of food or feed for animal consumption.

Food Truck: see “Mobile Food Unit”.

Food Truck Park: an area of land that hosts at least one Mobile Food Unit (food truck) and which may include tables, chairs, shade structures, and other accommodations along with parking areas for patrons of the vendors.

Frontage, Street: the length of property measured along the right-of-way line of the street.

Fuel Sales, Bulk: the use of land for the primary purpose of engaging in the sale of large quantities of gasoline, motor oil, heating oils, butane, and other, similar fuels and petroleum products, generally to businesses or other entities, and excluding retail fuel sales as defined herein.

Fuel (Gasoline/Propane) Sales, Retail: the use of land for the primary purpose of engaging in the on-site retail sale of gasoline, motor oil, heating oils, butane, and other, similar fuels and petroleum products, generally to an individual or end user, and excluding the sale of large quantities of fuel as defined in “Fuel Sales, Bulk”.

Funeral Services: an establishment that specializes in the preparation of the human dead for interment, and including the arranging, hosting, and managing of viewings, funerals, memorial services, and burials, and the provision of on-site cremation services.

Furniture, Home Furnishings, and Home Decorating and Decor Store: a business that specializes in the sale of items used in the readying of buildings for occupancy such as furniture, upholstery, window and floor coverings, and home décor items.

Furniture Repair/Sales, Used: a business that specializes in the sale, repair, or re-upholstery of used household or office furniture, or the restoration of damaged, broken, or failed furniture to its original intent.

Garage, Attached: the enclosed portion of a residential structure, attached to the principal building by a common wall and roof, that is designed for the parking and storage of vehicles belonging to the building’s residents.

Garage, Detached: an enclosed structure, separate from the principal residential structure, designed for the parking and storage of vehicles belonging to the occupants of the residence.

Garden Center/Nursery: a business that specializes in the retail sale of plants, equipment, and supplies for landscaping, gardening, or the cultivation or growing of plants for transplanting, budding, or grafting, which may include the indoor or outdoor storage of plants, gardening products, lawn/garden equipment, or other lawn

and garden supplies as permitted herein, but excluding commercial nursery operations such as the wholesaling or distribution of plants, trees, or supplies.

Golf Course: an area of land laid out for playing at least 9 holes of the game of golf and improved with tees, greens, fairways, and hazards, and which may include ancillary uses such as a clubhouse, pro shop, and/or restaurant, and which may be open to the public or available by membership. See also “Country Club”.

Grocery Store: a retail establishment, other than a “Convenience Store”, for the procurement, display, and sale of meat, fruit, vegetables, fresh and packaged foods, dairy and bakery products, as well as cleaning supplies, paper goods, pet supplies, health and beauty products, and similar items for off-site consumption, and may include an on-site bakery, delicatessen, drug store, and/or coffee shop.

Gross Floor Area: the total area of a building, measured from the exterior surface of all exterior walls, including basements, elevator shafts or stairwells at each floor, interior balconies or mezzanines, and floor space in accessory buildings, excluding off-street parking structures.

Gross Land Area: the total land area of a lot, tract, or parcel, including street or alley rights-of-way that are internal to the site.

Guest House: a room or set of rooms in a single-family dwelling or in a detached structure on the same lot as a single-family dwelling, established by permit and including a functioning bathroom but excluding a kitchen, which is intended for temporary use by guests of the residents of the primary single-family dwelling unit.

Guidance Services: a use providing counseling, guidance, recuperative, vocational, or similar services to persons requiring rehabilitation assistance as a result of mental illness, alcoholism, previous incarceration, drug addiction, or similar condition, either on a residential or daytime care basis.

Gunsmith and Locksmith Shop: a business specializing in the sale, acquisition, repair, or building of firearms or locks.

Halfway House: a facility operated under the authority of the Texas Department of Criminal Justice or the Federal Bureau of Prisons for persons on release from more restrictive custodial confinement or initially placed in lieu of such more restrictive custodial confinement, wherein supervision, rehabilitation, and counseling are

provided to transition residents back into society, enabling them to live independently.

Hardware Store: a business that sells paint, glass, wallpaper, plumbing and electrical supplies, tools, or other hardware.

Height: the vertical distance measured from grade to the highest roof surface, or to the highest point of any structure erected on a roof of a building, whichever is greater; provided, however, church spires, belfries, communication antennae, and water towers shall not be considered when determining the maximum height of a structure, and excluding parapet walls less than four feet in height, chimneys, cooling towers, elevator equipment, mechanical equipment rooms, ornamental cupolas, standpipes, elevator bulkheads, or domes. *See Appendix, Figures 3 and 4.*

Highway: a roadway designed and constructed to connect major urban areas, accommodating long trips with limited access and a high degree of mobility, and which is designated as an Interstate Highway on the Thoroughfare Plan.

Home Improvement Center: a retail business offering products for sale found in a “Hardware Store”, “Lumber Yard”, or “Garden Center/Nursery”, including lumber and roofing materials, plumbing and electrical supplies, doors and windows, floor and window coverings, paint and wallpaper, lighting and ceiling fans, household appliances, plants and garden supplies, in addition to products for the repair, maintenance, and cleaning of buildings and which provides services to building contractors.

Home Occupation: any activity carried out for gain by a resident which results in the provision or manufacturing of services and/or goods and is conducted as an accessory use in a dwelling unit.

Homeless Shelter: a facility which provides temporary housing to indigent, needy, homeless, or transient persons. This use may also provide ancillary services such as counseling and limited meal service for residents.

Hospital: an institution licensed by the State of Texas providing medical, psychiatric, or surgical services for sick or injured persons, including convalescent services, primarily on an inpatient basis, and including ancillary facilities for outpatient and emergency treatment, diagnostic services, training, research, administration, and services to patients, employees or visitors.

Hotel or Motel: an establishment (a) defined by Texas Tax Code Section 156.001, as may be amended; or, (b) that provides short-term lodging to guests for compensation and which may include amenities such as food and beverage service, meeting rooms, entertainment, recreational/fitness/spa facilities, and various personal services for guests and potentially the public and subject to other City ordinances, rules, or regulations.

Industrialized Home: See “Modular Home”.

Jewelry Store: a retail store specializing in the sale of precious metals and gemstones in the form of jewelry for personal adornment.

Job and Vocational Training Centers: a business or educational entity that offers instruction in the acquisition of employable skills, knowledge, or other competencies.

Junkyard: any place used or maintained by any person as a junkyard or dumping ground, or for the wrecking or disassembling of automobiles, trucks, tractors, or machinery of any kind, or for the storing or leaving of worn out, wrecked, or abandoned, immobile or unregistered automobiles, trucks, tractors, or machinery of any kind, or of any of the parts thereof, or for the maintenance or operation of such places for the accumulation of rubbish of any description.

Kennel: a facility providing shelter and food for pets and having a maximum boarding capacity of eleven (11) animals except as otherwise permitted herein.

Landscape Buffer: a strip or other configuration of land improved with live plant material, natural or manmade hardscape material such as rock, stone, or concrete pavers, or natural elements such as drainage ways or land features to provide open space, environmental or aesthetic enhancement, and/or screening or separation (1) from the potentially adverse effects of incompatible land uses between adjoining properties or (2) to shield the view of these effects from public rights-of-way.

Landscape Nursery, Commercial/Wholesale: a facility used to house and grow shrubs, trees, plants, and related products for commercial purposes.

Laundromat: a facility providing equipment for the washing, drying, and cleaning of laundry made available for serving oneself.

Laundry/Dry Cleaning Drop-off/Pick-up Station: a facility for the pick-up and delivery of clothing for individual consumers, to be laundered or dry cleaned at another location, and with no laundry or dry cleaning equipment or operations on-site.

Laundry/Dry Cleaning Plant: a plant or other facility where articles of clothing, linens, and other textiles are laundered, pressed, or dry cleaned on-site.

Limousine/Taxi Service: a business engaged in the transporting of passengers in exchange for a fare or fee, typically owning and operating a fleet of more than one vehicle and subject to other City ordinances, rules, or regulations.

Livestock Sales, Wholesale: a use of land primarily involving or facilitating the sale of livestock to retailers for selling either directly to consumers or to another segment of the supply chain.

Loading Space: an off-street space or berth on the same lot with the business for the temporary parking of a commercial vehicle while loading or unloading the contents to/from said vehicle.

Local Street: a roadway which provides direct access to adjacent property and brings neighborhood traffic to collector roadways, but is not intended to carry significant amounts of through traffic, and which is not characterized as a collector, secondary arterial, primary arterial, or highway as indicated on the Thoroughfare Plan.

Lot: land which is occupied or intended to be occupied by a building or group of buildings and their accessory buildings, together with such yards and open spaces as are required by this Zoning Code and having frontage upon a street or other access approved by the Planning and Zoning Commission.

Lot Area: the total horizontal area within the lot lines of a lot.

Lot Coverage: the area or percentage of the lot that may be covered by the principal building and all accessory buildings or structures, excluding breezeways and covered patios.

Lot Depth: the horizontal distance between the front and rear lot lines, with at least one of the side lot lines meeting the minimum depth requirement of the applicable zoning district.

Lot Line, Front: the lot line:

- (1) adjacent to a dedicated street right-of-way, if the lot is an interior lot; or
- (2) separating the narrowest street frontage of the lot from the street, if the lot is a corner lot.

Lot Line, Rear: the lot line which is opposite and most distant from the front lot line. In case of a lot with more than four lot lines, the rear lot line is the lot line most in line with the rear lot lines of adjacent lots.

Lot Line, Side: any lot line not a front lot line or a rear lot line. Where a three-sided lot exists, the two interior lot lines are both side lot lines.

Lot Width: the width of a lot, measured at the required front setback line.

Lumber Yard: a use of land in which a large supply of lumber is kept for later sale or use, and which may include the sale of associated materials and supplies such as nails, fasteners, roofing materials, and related items.

Machine Shop: a workshop where power-driven tools are used for making, finishing, repairing, or cutting materials such as metal, plastic, ceramic, wood, or composites to create parts of the desired size and shape.

Mailing Service: A privately-owned business that specializes in the handling of physical mail, including the shipping of packages from households or small businesses, faxing and copying services, the sale of shipping and mailing supplies and stationery, and which may offer notary services, document shredding, and postal boxes for rent to customers.

Main Building: the building on a lot which is occupied by the principal use.

Manufactured Home or Manufactured Housing: a “HUD-code manufactured home” as defined in the Texas Manufactured Housing Standards Act, as amended (Chapter 1201, Texas Occupations Code) which are structures, constructed on or after June 15, 1976, according to the rules of the United States Department of Housing and Urban Development, transportable in one (1) or more sections, which, in the traveling mode, is eight (8) body feet or more in width or 40 body feet or more in length; or, when erected on site, is 320 or more square feet, and which is built on a

permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems. The term does not include mobile homes or recreational vehicles except when located on property used as a planned rental community.

Manufactured Housing Sales: property used for the retail sale and display of manufactured housing or modular homes.

Manufacturing, Assembly: a process by which components or parts are added to an unfinished or semi-finished product in sequential steps to yield a finished product, with all mechanical processes and related tasks taking place inside the principal structure or complex.

Manufacturing, General: the processing of raw materials or component parts by hand or machine into finished goods, usually on a large-scale production line using materials, skilled labor, tools, and processes, with all activities taking place inside the principal building or complex.

Microbrewery: a business primarily engaged in the on-site brewing and sale of small quantities of craft beer, generally owned by a local parent organization, ownership structure, or person that resides or is headquartered in the city or region, with revenues that are much smaller than those of large-scale corporate breweries, and which may include a “Tasting Room”.

Minor Emergency/Urgent Care/Outpatient Medical Clinic: a facility staffed by at least one attending physician for the examination, diagnosis, and treatment of ill, diseased, or otherwise afflicted human patients who are not in grave danger and who are not typically kept overnight except when required by emergency circumstances.

Mining and Mineral Extraction: a use of land primarily dedicated to the excavation or extraction of minerals or other geological materials from the earth, including natural gas, oil, coal, metals, or other similar materials.

Mini-Storage: land and buildings wherein individual units may be rented for the purposes of self-storage of personal or household effects, usually on a short-term basis, in individual, compartmentalized, controlled access stalls or lockers, and which may include the storage of personal vehicles, recreational vehicles, and travel trailers in designated open areas on the site.

Mobile Food Unit (MFU): a vehicle mounted, self-, or otherwise propelled, self-contained food service operation, designed to be readily movable, including catering trucks, trailers, push carts, and roadside vendors, and used to store, prepare, display, serve, or sell food. A MFU shall retain its mobility at all times; it does not include a stand or a booth. A roadside food vendor is classified as a MFU. An MFU is subject to other City ordinances, rules, or regulations.

Mobile Home: a structure that was constructed before June 15, 1976, transportable in one or more sections, which in the traveling mode, is eight (8) body feet or more in width or forty (40) body feet or more in length, or, when erected on site, is 320 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes

Modular Home: a structure designed for the occupancy of one or more families as a permanent residential structure that is constructed in modules or modular components built at a location other than the permanent site where the structure will be inhabited, transported to the permanent site, and erected or installed on a permanent foundation system.

Motel: See “Hotel or Motel”.

Motor Freight/Trucking Company: A business primarily engaged in using trucks or other heavy-load vehicles designed to transport cargo for shipping, moving, or transporting goods, including the moving of residential or commercial property to another location.

Motorcycle, All Terrain Vehicle, Personal Watercraft Dealership: A business primarily engaged in selling or leasing motorcycles, all-terrain vehicles, jet skis, or similar types of vehicles.

Movie Theater: An indoor venue primarily dedicated to the display of films for the viewing of paying members of the public, typically including the sale of food and drink items to patrons, excluding Sexually-Oriented Businesses.

Musical Instrument Sales and Repair: A shop that specializes in the sale and repair of musical instruments, including the sale of parts, accessories, sheet music, and other relevant products.

Newspaper: An organization that publishes a paper or website with news, articles of opinion, features, and advertising, generally having a daily or weekly circulation.

Nursing Home: a facility licensed and regulated by the Texas Department of Aging and Disability Services pursuant to Chapter 242, Texas Health and Safety Code, as it may subsequently be amended, that provides meals, resident care and services for persons who are typically admitted for periods of time in excess of 30 days. Such services include custodial and attendant care, routine and regular medical and nursing services. The term “nursing home” includes care homes, homes for the aged, convalescent homes, rest homes, and other related facilities not otherwise defined in this section, where such persons are mostly incapable of self-preservation due to age, or physical or mental disability. This term excludes facilities that provide surgical or emergency medical service or that provide care for alcoholism, mental disease, drug additional or communicable disease.

Occupancy: The purpose for which a building is used or intended to be used.

Office Furniture, Equipment, and Supply Store: A business engaged in the sale of furniture, electronics, and the materials consumed in the daily operations of an office, such as paper, ink/toner, paper, pens, record-keeping supplies, janitorial and cleaning materials, as well as office furniture and business machines and equipment.

Office, General (Business or Professional): A use providing professional or consulting services in various fields including law, architecture, environmental and interior design, computer software programming and design, engineering, employment services, accounting, appraising (real and personal property), tax service, financial services, real estate, management services, personnel services, including government offices, and where no goods are offered for sale on the premises. Such office does not include or involve the manufacture, fabrication, production, processing, assembly, cleaning, testing, or storage for sale of materials, goods, or products.

Office, Medical: A use providing professional or consulting services in various medical/healthcare fields, including general and specialty medicine, vision and dental care, mental healthcare, and where no goods are offered for sale on the premises except the incidental sale of medical or optical goods in a medical office. Such office does not include or involve the manufacture, fabrication, production, processing, assembly, cleaning, testing, or storage for sale of materials, goods, or products.

Open Space: An area of land, open and/or accessible to the public, which (1) remains in a natural and undeveloped state, such as a stream corridor, vegetative habitat, floodplain, slope, or similar natural feature, or (2) is improved for uses such as parks, trails, playgrounds, public plazas, or green space landscaped with grass, trees, shrubs, etc.

Outdoor Storage of Equipment or Materials: The placement of goods, materials, merchandise, or vehicles in an unenclosed area in a nonresidential zoning district for a continuous period in excess of 24 hours, said storage being an accessory use to the principal use and not a principal use of the property unless permitted herein. For purposes of this Zoning Code, the storage of inventory at an automobile, boat, recreational vehicle, motorcycle, or similar dealership is excluded from this definition.

Overlay District Design Guidelines: a set of recommendations created for application in a defined geographical area, which are intended to provide guidance to property owners, developers and their design professionals as to how to implement suggested design principles, regardless of the underlying base zoning district, without mandating specific standards or requirements, with the goal of achieving a specific purpose, for example to maintain the character of a special district such as a historic downtown, or to preserve the integrity of an area such as a river corridor, viewshed, or community gateway.

Parking Lot or Structure, Accessory: a parking surface or series of surfaces, or a building or series of buildings, used or intended to be used for the parking or circulation of vehicles, for which a fee may or may not be charged, and that is located on the same premises as the primary use being served. *See Appendix, Figure 5.*

Parking Lot, Stand Alone: a parking surface or series of surfaces used or intended to be used for the parking or circulation of vehicles, for which a fee may or may not be charged, and that is located on a site that is independent of the use or uses it serves. Specifically not included are parking lots located on the same premises as the principal use they serve. *See Appendix, Figure 5.*

Parking Structure: a building or interconnected series of buildings used or intended to be used for the parking or circulation of vehicles, for which a fee may or may not be charged, and that is located on a site that is independent of the use or uses it serves. Specifically not included are parking structures located on the same premises as the principal use they serve. *See Appendix, Figure 5.*

Pawnshop: a retail establishment engaged in the lending of money on the security of personal property pledged in the keeping of the pawnshop owner (pawnbroker) or the purchase of goods on the condition that the goods may be redeemed or repurchased by the seller for a fixed price within a fixed period, and the retail sale of such goods and personal property as used merchandise subject to other City ordinances, rules, or regulations.

Payday Loan Business: an establishment that makes small consumer loans, usually backed by a post-dated check or authorization to make an electronic debit against an existing financial account, where the check or debit is held for an agreed-upon term or until an applicant's next payday, and then cashed, unless the customer repays the loan to reclaim such person's check.

Pet and Pet Supply Sales: a business or entity that provides services related to the ownership of domestic, companion animals, including the sale of pets and pet supplies and which may offer grooming services as an accessory use in conjunction with the pet store.

Pet Grooming: an establishment offering hygienic care and cleaning of pets, in particular dogs, and which engages in the shampooing and trimming of the animal and other services aimed at enhancing its physical appearance.

Photography Studio and Photography/Camera Supply Store: a place of business for a photographer specializing in the production of photographs and/or a business that specializes in the sale, construction, or distribution of cameras or photographic supplies, the repair of cameras and photographic equipment, and the developing and printing of images from photographs.

Planning and Zoning Commission: the City Planning and Zoning Commission, also referred to herein as the "Commission".

Plat: a legal document, including a replat or an amending plat, which is an exact map of a tract of land that depicts the arrangement of lots by metes and bounds and may dedicate rights-of-way and easements, and which is regulated under the Subdivision Regulations of the City, as amended.

Porch: a covered entrance to a building.

Portable Building Sales: an establishment specializing in the exhibition and sale of structures not intended for habitation that are designed for transportation to another location, excluding Manufactured, Mobile, or Modular Homes.

Preferred Plant List: a list of native, drought-resistant plants developed and adopted by City from time to time.

Principal Building: See “Main Building”.

Principal Use: the primary or predominant use of any land or building.

Print Shop: an establishment specializing in printing operations using a variety of copiers and presses for both small runs and high-volume jobs, and which may include blue printing, the sending and receiving of facsimiles, the sale of printing and mailing supplies, and the provision of shipping and mailing services.

Public Facility or Use: the use of land or a building or structure by an entity or agency of the local, county, state, or federal government or the independent school district for the provision of public services, such as a government/school district office, library, police station, fire station, school, post office, recreation center, parking lot or structure, museum, park or playground, animal shelter, public plaza, auditorium, convention or performance center, or similar use.

Radio or Television Station or Broadcasting Studio: a business involving the transmission of radio, television, or film media, and which may or may include a broadcast tower as permitted herein.

Recreational Skills Classes: a business engaged in the administration of instructional or informational classes related to gymnastics, cheerleading, trampoline, tumbling, or martial arts.

Recreational Vehicle: a classification of vehicles that includes self-propelled motorhomes as well as travel trailers, fifth-wheelers, pop-up trailers, and truck campers which are attached to another vehicle for hauling.

Recreational Vehicle Dealership: a business primarily engaged in selling or leasing of recreational vehicles as defined herein.

Recreational Vehicle or Trailer Park: the use of land as a place where multiple recreational vehicles may reside, park, rent, or lease space which may also be developed with a campground as part of a planned complex but not as part of a manufactured home development as described in the Residential Mix District (RM).

Rectory/Parsonage: a home provided by a church or other religious organization that is used as a primary residence for the principal religious leader of the organization.

Repair Shop, Household Items: a business specializing primarily in the repair and service of household items, such as appliances, electrical and electronic equipment, and lawn equipment, but excluding the repair of motor vehicles and the outside storage of these items.

Repair Shop, Personal Items: a business that specializes in the restoration of damaged, broken or failed personal items, such as shoes, watches, jewelry, or luggage to their original intent.

Research and Development Lab: a laboratory or organization engaged in the research, assembly, or development of a new product in the fields of medicine, science, or technology, with all activities and storage of equipment and materials taking place inside the principal structure or complex.

Restaurant, Food/Beverage Shop: a small retail business, such as a coffee shop, bakery, confectionery, ice cream shop, sandwich shop, or similar establishment, which specializes in the sale of food and/or beverage items typically prepared individually for on-premises or off-premise consumption, excluding the sale of alcoholic beverages and restaurants with drive-through service.

Restaurant, General: a building or part thereof used in the preparation and retail sale for on-premises consumption of food and beverages, which may include alcoholic beverages provided the revenue from the sale of alcoholic beverages constitutes less than fifty percent (50%) of the gross revenue of the restaurant, and which may provide live entertainment and may include drive-through or drive-in service as permitted herein. See also "Drive-Thru or Drive-In Service".

Salvage, Reclamation, Recycling of Materials: the extraction of usable substances found in refuse materials for sale or reuse.

Sand, Gravel, or Stone Extraction: a business or other entity engaged in the process of extracting sand, gravel, stone, topsoil, compost, or other earth products.

Sand, Gravel, or Stone Storage and Sales: a business or other entity engaged in the process of storing or selling sand, gravel, stone, topsoil, compost, or other earth products.

School, Private, Elementary: a private institution engaged in the education of full-time students at or below the fifth grade, or sixth grade if the institution is so organized, including kindergarten but excluding Day Care Centers and private home schools.

School, Private, Intermediate or Secondary: a private institution engaged in the education of full-time students in the sixth grade and beyond, or seventh grade and beyond if the school district is so organized, including middle schools, junior high schools, and high schools, but excluding private home schools.

School, Public, Elementary: a public institution engaged in the education of full-time students at or below the fifth grade, or sixth grade if the school is so organized, including kindergarten, but excluding Day Care Centers and private home schools.

School, Public, Intermediate or Secondary: a public institution engaged in the education of full-time students in the sixth grade and beyond, or seventh grade and beyond if the school district is so organized, including middle schools, junior high schools, and high schools, but excluding private home schools.

Second-hand/Used Goods Store: a retail establishment that specializes in the sale of used goods, often including articles of clothing or household wares, and which may include an outdoor area dedicated to the display of goods or the storing of donations or other acquired goods as permitted herein.

Security Service: a private-sector entity that specializes in armed or unarmed security and the protection of individuals and businesses from harm and intrusion.

Security Systems Installation and Monitoring Company: a business engaged in the sale, installation, administration, or monitoring of security systems designed to detect the unauthorized entry of a property, the goal of which is to protect real estate, physical assets, or persons inside the property.

Setback: a line parallel or approximately parallel to the street line at a specified distance therefrom, marking the minimum distance from the property line that a building may be erected.

Setback, Front: the setback that extends the full width of the lot between side lot lines measuring the minimum required distance between the front lot line and the closest point allowed for any structure. *See Appendix, Figures 6 and 7.*

Setback, Rear: the setback that extends the full width of the lot between side lot lines, measuring the minimum required distance between the rear lot line and the closest point allowed for any structure. *See Appendix, Figures 6 and 7.*

Setback, Side: the setback that extends from the required front setback line to the required rear setback line, measuring the minimum required distance between the side lot line and the closest point allowed for any structure. *See Appendix, Figures 6 and 7.*

Sexually Oriented Business: uses and activities as defined and regulated in accordance with other City ordinances, rules, or regulations, including adult entertainment such as an adult arcade, adult bookstore or adult video store, adult cabaret, adult motel, adult motion picture theater, adult tanning salon, adult theater, escort agency, nude modeling studio, sexual encounter center, or any other commercial enterprise, the primary business of which is the offering of a service or the selling, renting, or exhibiting of devices or any other items intended to provide sexual stimulation or sexual gratification to the customer.

Shipping Container: a standardized reusable steel box with strength suitable to withstand shipment and handling used for the storage and movement of materials and products within a freight transport system.

Short-Term Rental Unit: a facility, used for the purpose of providing short-term lodging for compensation, architecturally designed to look like a single-family dwelling, occupied concurrently as the residence for the owner, operator, or manager of the property, or providing separate lodging units such as cabins, guest homes, or similar residential-scale structures, with no more than six (6) bedrooms total on the property, and offering meals only to those who receive lodging, and providing that all bedrooms used as a permanent residence shall count toward the maximum six (6) bedrooms of the short-term rental unit.

Showroom: a facility or portion of a building where merchandise, equipment, or products are displayed or placed on view for exhibition and/or sale.

Site Plan: a scaled drawing showing the intended development for a particular tract of land, that typically depicts existing or proposed building footprints, parking, building setbacks, land uses, landscaping, buffering, easements, floodplain, utility lines, and phasing plan, if applicable.

Slat: a thin, narrow piece of wood, plastic, or metal, especially one of a series which overlap or fit into each other or into a frame, as in a fence or a Venetian blind.

Smoke Shop: a retail store engaging in the sale of tobacco products and materials and accessories for smoking or the use of electronic cigarettes and vaping.

Solar Energy Facility: a system of lenses, mirrors, and tracking systems arranged into a panel or an array of panels that collects light from the sun and converts it into renewable energy (electricity) transporting it to consumers or utility companies or agencies that supply consumers.

Special Care Facility: an establishment (a) for which the owner has obtained a license from the state under the Texas Special Care Facility Licensing Act, Chapter 248, Texas Health and Safety Code, as it may be subsequently amended, and (b) provides a continuum of nursing or medical services, or services to persons with acquired immune deficiency syndrome or other terminal illness, which may provide boarding, lodging, or hospice service. This term does not include facilities that provide care for persons mostly incapable of self-preservation due to age, physical or mental ability.

Stables, Commercial: a stable for the rental of stall space, the sale or rental of horses or mules, and which may include the offering of riding lessons as an ancillary activity.

Stables, Private: a stable for the keeping of only the horses or mules of the property owner on which the stables are located.

Stationery Store: a retail store that specializes in the sale of materials, such as paper, pens, and ink, for writing or typing, as well as greeting cards, wrapping paper, gift items, and other similar products.

Story: that portion of a building included between the surface of any floor and the surface of the floor next above it, then the space between such floor and the ceiling next above it, but not including a basement.

Street, Public: any roadway other than an alley which has been dedicated to the public use and which affords primary access to the adjacent property.

Street, Private: any roadway other than an alley which has not been dedicated for public use and which affords interior circulation and/or access to the adjacent property.

Structure: a structure shall be interpreted the same as a building, but shall also include improvements such as a freestanding sign and pylon when erected on a base and not made integral with a building, roofed structures which are unenclosed, and similar structures, and items not affixed to the ground, but which are attached to something having a fixed location on the ground.

Tasting Room: a facility, typically located on the grounds of a winery, brewery, or distillery, where the public can taste samples of the products produced there, and allowing the ancillary retail sales of wine, beer, or items related thereto.

Tattoo or Permanent Cosmetics Shop, Body Piercing: a retail establishment specializing in the sale or application of tattoos, body art, permanent cosmetics, piercings, or other aesthetic items intended for indefinite display on one's body.

Taxidermy Shop: a business specializing in the art of preparing, stuffing, or mounting the skins of animals, that does not conduct the evisceration and processing of animal carcasses on-site.

Toy, Gift, Hobby, and Novelty Shop: a business that specializes in sale, rental, or procurement of toys, gift, hobby, and novelty related items and may include a small area for the sale of food and beverage items as an accessory use.

Traffic Impact Analysis (TIA): an evaluation of the effect that the projected traffic from a proposed development will have on the transportation system in the area surrounding that development, prepared by a licensed professional engineer, and including methodology, conclusions, and recommendations.

Transportation Terminal, Bus/Aviation: a facility for loading, unloading, and the interchange of passengers, baggage, and incidental freight or package express between modes of transportation, including bus and airport terminals.

Truck Stop and Fueling Station: a facility primarily used for parking, refueling, repairing, and otherwise servicing tractor-trailer trucks, often with a restaurant or food items available for purchase and restrooms or showers available for the use of truck drivers.

Utility, Local: utility services which are necessary to support subdivisions and other property within close proximity to the delivery point of the services and involve the installation or construction of only minor structures, such as lines, poles, transformer stations, and telecommunications distribution locations.

Utility, Private or Franchise: a non-governmental, commercial entity that provides services, such as electricity, natural gas, water distribution, water and wastewater treatment, telecommunications, or solid waste collection and disposal, often under a franchise agreement with the City which permits the use of right-of-way for the provision of these services.

Utility, Public: a governmental entity that provides services, such as electricity, natural gas, water distribution, water and wastewater treatment, telecommunications, or solid waste collection and disposal.

Veterinary Services, Large Animal: an establishment operated by a licensed practitioner primarily engaged in the practice of veterinary medicine, dentistry, or surgery for farm animals and livestock, such as cattle, hogs, sheep, goats, and poultry, as well as domestic animals and pets, and including the short-term boarding of animals in indoor or outdoor kennels that support the veterinary practice.

Veterinary Services, Small Animal: an establishment operated by a licensed practitioner engaged in the practice of prevention, cure, or alleviation of disease and injury in animals, especially domestic animals or pets, including the short-term boarding of animals in indoor kennels that support the veterinary practice.

Wall, Exterior: the exposed or outermost wall of a structure.

Warehousing and Distribution: a business that stores, handles, distributes, or exports materials, products, and equipment, typically from a relatively large building, with special areas outside the building set aside for loading and unloading.

Welding Shop: a business that specializes in the uniting of metallic parts by heating and allowing the metals to flow together, or by hammering or compressing, with or without previous heating.

Wholesaling: a business that buys and stores goods in bulk and sells to resellers rather than to end users.

Wind Energy System, Small: a small-scale mechanical system, whether connected to an electrical utility grid or not, consisting primarily of a tower or roof-mounted anchoring system, rotor, blades, and a generator that is designed for the purpose of converting and then storing or transferring energy from the wind into usable forms of energy, as regulated in accordance with other City ordinances, rules, or regulations.

Winery: an establishment primarily involved in the production of wine for sale and consumption, and which may include a “Tasting Room” as defined herein.

Wireless Telecommunication Facilities (WTF): a structure designed and constructed to support one or more antennas used by commercial wireless telecommunication or broadcasting facilities and including all appurtenant devices attached to it, and which may be freestanding (solely self-supported by attachment to the ground) or supported (attached directly to the ground and with guy wires), or lattice or monopole construction. This definition includes satellite dishes, microwave-transmitting towers, and WTFs attached to or supported by buildings. Wireless telecommunication facilities (Cellular Antennas) as regulated in accordance with other City ordinances, rules, or regulations.

Yard: an area on a lot that is open and unobstructed to the sky except for the ordinary projections of cornices, eaves, and other exceptions allowed herein.

Zoning Board of Adjustment: the City Zoning Board of Adjustment also referred to herein as the “Board of Adjustment” or the “Board”.

ARTICLE IV. PLANNING AND ZONING COMMISSION

Sec. 60-20. Creation.

City Council shall provide for the creation, continuation, and appointments to the City of Kerrville Planning and Zoning Commission (“Commission”).

Sec. 60-21. Membership and Appointment.

(a) **Members.** The Commission shall be composed of seven (7) members. At least five (5) members shall be residents and a qualified voter of the City of Kerrville, Texas; two (2) members may reside in the City’s extraterritorial jurisdiction (ETJ) and shall be a qualified voter of Kerr County. Commission members are appointed by a majority vote of City Council.

(b) **Term of Appointment.** Commission members serve two (2) year terms, such terms to begin and end on January 1. The terms of three (3) of the members appointed expire in odd-numbered years. The terms of the remaining four (4) members expire in even-numbered years. City Council may appoint members to the Commission for terms of lesser duration than two (2) years when making the initial appointment or when otherwise necessary to comply with the provisions of this article, such as to fill a vacancy.

(c) **Term Limits.** No member may serve more than three (3) consecutive full terms on the Commission without having at least one (1) full year off the Commission between terms.

(d) **Attendance, Vacancies, Removal from Commission.** The *Procedural Rules for Kerrville City Boards*, as may be amended, applies as to the attendance of Commissioners at meetings, the filling of vacancies on the Commission, removal from the Commission prior to the end of a term, and similar matters. A Commission member has no vested right or property interest in his/her membership and City Council may remove at any time any member from the Commission by majority vote.

Sec. 60-22. Organization and Rules.

(a) **Meetings.** The Commission shall hold its meetings at a regularly scheduled time and place. If it is not practical for the Commission to meet at its regular time or place, a meeting may be cancelled or rescheduled provided that notice is posted. The Commission may adopt rules to govern its meetings; provided, however, such rules shall be consistent with this Chapter, the City Charter, the *Procedural Rules*

for Kerrville City Boards, and applicable state law. All meetings of the Commission shall be open to the public.

(b) **Quorum.** Four (4) members shall constitute a quorum to transact business.

(c) **Officers and Elections.** The Commission shall elect a chair and vice-chair from among the members at its first regular meeting of each new year for a term of one year. The Commission may elect such other officers as it deems necessary from the membership. The Board secretary shall be an employee appointed by the City.

(d) **Authority of Chair and Vice Chair.** It shall be the duty of the chair or in the absence of the chair, the vice chair, to preside at all meetings of the Commission.

(e) **Open Meetings Act.** The Commission and its Members shall comply with the Texas Open Meetings Act and the *Procedural Rules for Kerrville City Boards*. No member shall communicate or deliberate outside of a posted meeting about a matter coming before the Commission or over which the Commission has authority in an attempt to evade the Open Meetings Act. Such prohibited conduct shall also be applied to email or telephonic conversations.

(f) **Ex Parte Contacts.** The requirements of procedural due process necessitate a fair hearing before an impartial body with the goal of ensuring that all sides, including the public, are provided an opportunity to present views in public meetings. Thus, all decisions made by the Commission shall be based upon information contained in the official public record and consisting of back-up material and discussion during the meeting. No Commission member shall intentionally or knowingly communicate with a person outside of a meeting, known as ex-parte communication, if reasonable grounds exist for believing that a) the person is a party to a matter being considered by the Commission; and b) if such communication is designed to influence the member's consideration of, or action on, the matter. A "party" includes an applicant or anyone who has received mailed notice of the matter. If any such ex parte communication should occur, it shall be the responsibility of the member to:

(1) Not engage in such communications involving unsolicited inquiries or other forms of communication, personally or through electronic means; and

(2) Advise the person or sender that such information should be presented at a Commission meeting.

(g) **Meeting Records.** The secretary shall keep a record of all proceedings of the Commission, showing the vote of each member upon each question; or, if absent or failing to vote, indicate such fact; and shall keep records of its examinations and other official actions, all of which shall be filed in the office of the City Secretary and shall be a public record.

Sec. 60-23. Duties and Powers.

(a) **Comprehensive Plan.** The Commission shall recommend to City Council for adoption a Comprehensive Plan for the orderly growth and development of the City and its environs. The Commission may review and, if necessary, recommend such changes in the plan as it finds will facilitate the movement of people and goods, and the health, recreation, safety, and general welfare of the citizens of the City.

(b) **Zoning Ordinance.** The Commission shall:

(1) Formulate a zoning ordinance as may be deemed best to carry out the goals of the Comprehensive Plan;

(2) Hold public hearings; and

(3) Make recommendations to City Council relating to the creation, amendment, and implementation of zoning regulations and districts as provided by state law.

(c) **Review of Subdivision Plans and Plats.** The Commission shall exercise all powers of a Commission as to approval or disapproval of plans, plats, or replats as set out by state law and the City's subdivision regulations.

(d) **Zoning Changes.** The Commission shall consider and make recommendations on applications for changes in zoning and may initiate for consideration at public hearings proposals for the original zoning of annexed areas or for the change of zoning district boundaries.

(e) **Variances.** Upon application, the Commission shall consider and take appropriate action on variances to the City's subdivision regulations and any other ordinances as prescribed by City Council. Variances to the terms of the Zoning Code, excluding the list of permitted land uses, shall be reviewed by the Board of Adjustment as authorized by Chapter 211, Texas Local Government Code, as amended.

(f) **Ordinance Review.** The Commission may from time to time recommend such changes to the Zoning Code, subdivision regulations, development standards, and any other ordinance City Council assigns to its review, that will facilitate the general health, safety, and welfare of the citizens of the City.

ARTICLE V. BOARD OF ADJUSTMENT

Sec. 60-25. Creation.

City Council shall provide for the creation, continuation, and appointments to the City of Kerrville Zoning Board of Adjustment ("Board").

Sec. 60-26. Membership and Appointment.

(a) **Regular Members.** The Board of Adjustment shall be composed of five (5) regular members, all of whom shall be residents and a qualified voter of the City of Kerrville, Texas. Board members shall be appointed by a majority vote of City Council.

(b) **Alternate Members.** In addition to the five (5) regular members, City Council shall appoint two (2) alternate members to the Board of Adjustment who shall be a qualified voter of the City of Kerrville, Texas. Alternate members will serve in place of an absent member when requested to do so by the Board chair so that all cases before the Board are considered by a minimum of four (4) members. Alternate members shall attend all meetings of the Board and participate in all discussions, but shall vote on an item only when called upon by the chair to do so in place of an absent regular member. All applicable parts of this article apply to an alternate member.

(c) **Term of Appointment.** Board members serve two (2) year terms, such terms to begin and end on October 1. The terms of two (2) of regular members appointed expire in odd-numbered years. The terms of the remaining three (3) members expire in even-numbered years. One alternate member shall serve a term ending in an odd-numbered year and one alternate member shall serve a term ending in an even-numbered year. City Council may appoint members to the Board for terms of lesser duration than two (2) years when making the initial appointment or when otherwise necessary to comply with the provisions of this article, such as to fill a vacancy.

(d) **Term Limits.** No member may serve more than three (3) consecutive full terms on the Board without having at least one (1) full year off the Board between terms.

(e) **Attendance, Vacancies, Removal from Commission.** The *Procedural Rules for Kerrville City Boards*, as may be amended, applies as to the attendance of Board members at meetings, the filling of vacancies on the Board, removal from the Board prior to the end of a term, and similar matters. A Board member has no vested right or property interest in his/her membership and City Council may remove at any time any member from the Board by majority vote.

Sec. 60-27. Organization and Rules.

(a) **Meetings.** The Board of Adjustment shall hold its meetings when necessary based upon business to be brought before the Board through an application or otherwise. The Board may adopt rules to govern its meetings; provided, however, such rules shall be consistent with this Chapter, the City Charter, the *Procedural Rules for Kerrville City Boards*, and applicable state law. All rules adopted or amended must be approved by City Council. All Board meetings shall be open to the public.

(b) **Quorum.** Seventy-five percent (75%), or four (4) members of the Board shall be present to hear each case, pursuant to Section 211.008, Texas Local Government Code.

(c) **Officers.** The Board shall elect a chair and vice-chair from among its regular members at its first meeting of each new year held after October 1. Each officer shall serve a term of one year ending on September 30 after each election and may not serve more than two consecutive, one-year terms in such positions. The Board secretary shall be an employee appointed by the City.

(d) **Authority of Chair and Vice Chair.** It shall be the duty of the chair, or in the absence of the chair, the vice chair, to preside at all meetings of the Board.

(e) **Open Meetings Act.** The Board and its Members shall comply with the Texas Open Meetings Act and the *Procedural Rules for Kerrville City Boards*. No member shall communicate or deliberate outside of a posted meeting about a matter coming before the Board or over which the Board has authority in an attempt to evade the

Open Meetings Act. Such prohibited conduct shall also be applied to email or telephonic conversations.

(f) **Ex Parte Contacts.** The requirements of procedural due process necessitate a fair hearing before an impartial body with the goal of ensuring that all sides, including the public, are provided an opportunity to present views in public meetings. Thus, all decisions made by the Board shall be based upon information contained in the official public record and consisting of back-up material and discussion during the meeting. No Board member shall intentionally or knowingly communicate with a person outside of a meeting, known as ex-parte communication, if reasonable grounds exist for believing that a) the person is a party to a matter being considered by the Board; and b) if such communication is designed to influence the member's consideration of, or action on, the matter. A "party" includes an applicant or anyone who has received mailed notice of the matter. If any such ex parte communication should occur, it shall be the responsibility of the member to:

- (1) Not engage in such communications involving unsolicited inquiries or other forms of communication, personally or through electronic means; and
- (2) Advise the person or sender that such information should be presented at a Commission meeting.

(g) **Meeting Records.** The secretary shall keep a record of all proceedings of the Commission, showing the vote of each member upon each question; or, if absent or failing to vote, indicate such fact; and shall keep records of its examinations and other official actions, all of which shall be filed in the office of the City Secretary and shall be a public record.

Sec. 60-28. Duties and Powers.

In addition to such other powers as may be granted from time to time by ordinance, the Board of Adjustment shall have the following authority:

- (1) **Appeal from Administrative Official.** Pursuant to Section 60-30, the Board of Adjustment shall hear and decide an appeal that alleges an error in any order, decision, or determination made by an administrative official of the City in the interpretation or enforcement of the Zoning Code or Chapter 211, Texas Local Government Code, including without limitation appeals from the

decision of the official regarding non-conforming matters pursuant to this Zoning Code; and

- (2) **Variances.** Pursuant to Section 60-31, the Board of Adjustment may consider granting, upon written application, variances to the terms of the Zoning Code, excluding variances to the list of permitted land uses; provided these variances are not contrary to the public interest, and where the applicant can demonstrate that because of special land-related conditions unique to the property, a literal enforcement of the Code would result in unnecessary hardship that is neither financial nor self-imposed, and so that the spirit of the Code will be observed and substantial justice done.

ARTICLE VI. APPEAL FROM ADMINISTRATIVE DECISIONS; VARIANCES

Sec. 60-30. Appeals from Administrative Decisions.

An appeal to the Board of Adjustment that alleges an error in any order, decision, or determination made by an administrative official of the City in the interpretation or enforcement of the Zoning Code or Chapter 211, Texas Local Government Code, shall be made in accordance with the following procedure:

- (1) **Who May Appeal.** Any of the following persons may appeal to the Board of Adjustment a decision made by an administrative official of the City in enforcing the Zoning Code or Chapter 211, Texas Local Government Code:
- a. If the appeal concerns an administrative decision that is not related to a specific application:
 - 1. person aggrieved by the decision; or
 - 2. Any officer, department, or board of the City affected by the decision.
 - b. If the appeal concerns an administrative decision related to a specific application, address or project:
 - 1. The owner to the owner's representative of the property that is the subject of the decision;

2. The applicant whose specific application is the subject of the decision;
3. A person aggrieved by the decision who is the owner of property within 200 feet of the property that is the subject of the decision; or
4. Any officer, department, or board of the City affected by the decision.

(2) **Form of Appeal.** To be effective, the appeal shall be made in writing and shall contain at least the following:

- a. A citation to the specific statute(s) and/or ordinance(s) which is(are) the subject of the appeal;
- b. The earliest date on which the City administrative official communicated the decision which is the subject of the appeal to the appellant, or, if more than one decision is alleged to be in error, the date each decision was communicated;
- c. A summary of the decision(s) made by the City administrative official which is the basis for the appeal;
- d. If the administrative official's decision was made in writing, a copy of the document in which the decision is stated;
- e. The specific grounds upon which the appeal is based;
- f. A description of the property affected by the administrative official's decision sufficient to identify the location and the boundaries of the property;
- g. The reason the person filing the appeal should be considered a person aggrieved by the decision;
- h. When the appeal involves the development of a specific tract of land, a copy of a site plan as requested by the Director, drawn to scale showing existing and proposed development of the property in question; and
- i. The signature of the person filing the appeal.

(3) **Perfection of Appeal.** An appeal pursuant to this section shall be deemed timely filed and perfected only if the notice of appeal:

- a. Is filed not later than 10 days after the date on which the decision of the City administrative official was communicated to the appellant with:
 1. The secretary of the Board of Adjustment; and
 2. The administrative officer who rendered the decision which is the subject of the appeal; and
- b. Is accompanied by the filing fee established by City Council; and
- c. Contains all the information set forth in Subsection (2), above.

(4) **Preparation of Record.** Upon receiving the notice of appeal, the Director shall immediately forward to the secretary of the Board of Adjustment all of the papers constituting the record of the action that is appealed.

(5) **Stay of Proceedings.** A notice of appeal properly and timely filed as provided in this section shall stay all proceedings in furtherance of the action appealed from until after the decision of the Board of Adjustment has been rendered unless the official from whom the appeal is taken certifies in writing to the Board facts supporting the official's opinion that a stay would cause imminent peril to life or property. In the case where the official makes such a certification, proceedings may be stayed only by a restraining order granted by the Board or a court of record on application, after notice to the official, if due cause is shown.

(6) **Date of Public Hearing.** Unless a later date is set upon written request of the appellant, the Board of Adjustment shall hold a public hearing on an appeal under this Section (a) not later than 20 days after the filing and perfection of the notice of appeal; provided, however, the hearing shall not take place earlier than 10 days after notice of the time and place of the public hearing has been:

- a. Published in the City's official newspaper; and

- b. Sent to the appellant and the all property owners located within 200 feet of the property which is the subject of the appeal by depositing a copy of the notice in the United States mail, postage prepaid, and pre-addressed according to the address indicated on the last approved City tax rolls.

(7) **Decision of the Board.** After receiving all evidence and hearing all arguments, the Board of Adjustment may:

- a. Reverse or affirm, in whole or in part; or
- b. Modify the City administrative official's order, requirement, decision, or determination from which the appeal was taken; and/or
- c. Make the correct order, requirement, decision, or determination, and, for this purpose, has the same authority as the administrative official.

(8) **Required Vote:** The concurring vote of three-fourths (3/4) of the members of the Board of Adjustment is required to modify or reverse an order, requirement, decision, or determination of a City administrative official.

Sec. 60-31. Variances.

The Board of Adjustment may grant a variance to the Zoning Code in accordance with the following procedures:

(1) **Application.** A complete application for a variance must be made in writing on forms provided by the Director and filed with the secretary of the Board of Adjustment. A complete application for a variance shall be deemed complete when all information on the application form is provided and the application is accompanied by the following:

- a. All fees established by the City Council for such matters;
- b. A description of the property to which the variance would apply sufficient to identify the location and the boundaries of the property;
- c. The reason the person is requesting the variance;
- d. The signature, acknowledged by a notary public of:
 - 1. The owner of the property; and

2. If different than the owner, the signature of the person requesting the variance; and
 - e. When the variance relates to the development of a specific tract of land, a copy of a site plan as requested by the Director, drawn to scale showing existing and proposed development of the property in question.
- (2) **Public Hearing and Notice.** Upon filing of an application for a variance, the Director shall set a date for a public hearing thereon as soon as may be practicable; provided, however, the Board of Adjustment shall hold a public hearing on a request for a variance under this Section (b) only after the filing of a complete application with the secretary of the Board and in no case earlier than 10 days after notice of the time and place of the public hearing has been:
- a. Published in the City's official newspaper; and
 - b. Sent to the applicant and all property owners located within 200 feet of the property which is the subject of the variance by depositing a copy of the notice in the United States Mail, postage prepaid, and pre-addressed according to the address indicated on the last approved City tax rolls.
- (3) **Required Findings of Fact.** No variance shall be granted by the Board of Adjustment until it makes the following findings:
- a. That there are exceptional circumstances or conditions applicable to the property on which the application is made related to size, shape, area, topography, surrounding condition, or location that do not apply generally to other property in the same area and the same zoning district;
 - b. That the exceptional circumstances or conditions are such that literal enforcement of the provisions of this Chapter would result in an unnecessary hardship inconsistent with the general purpose and intent of this Chapter;
 - c. That the granting of such variance will not be contrary to the public interest, materially detrimental to the public welfare, or injurious to the property or improvements in the zoning district or area in which the property is located;

Attachment A

- d. That the granting of such variance will not be contrary to the objectives and principles contained in the Comprehensive Plan, as amended;
- e. That the variance to be granted is the minimum variance that will relieve the proven hardship;
- f. That the variance is not being granted to relieve the applicant of conditions or circumstances:
 - 1. Which are not inherent in the property itself, but are the result of the use or development of the property;
 - 2. Which are caused by a division of land on or after date of adoption, other than a division of land resulting from the sale of a property interest to a governmental entity, which division of land caused the property to be unusable for any reasonable development under the existing regulations, or
 - 3. Which were otherwise self-imposed by the present or a previous owner;
- g. That the variance is not grounded solely upon the opportunity to make the property more profitable or to reduce expense to the current or any future owner;
- h. That the variance would not modify or effectively repeal any development or use regulations set forth in a Conditional Use Permit (“CUP”) or an ordinance or resolution adopting a Concept Plan or establishing a Planned Development District which are in addition to the generally applicable use and development regulations set forth in this Zoning Code;
- i. That the variance would only affect a specific parcel of property and is not of such a general nature as to effectively constitute a change in zoning of said parcel or a larger area without following the procedures for such as set forth herein;
- j. That the variance does not change the permitted, conditional, or prohibited uses in the zoning district in which the property is located.

- (4) **Record of Findings.** In addition to the record of the vote of the members regarding the application, the minutes of the Board of Adjustment shall contain the findings of facts on which its decision was based including its findings as to the matters set forth in Subsection (b)(3) above, and a description of the extraordinary circumstances found to be affecting the property in question.
- (5) **Decision of the Board.** After receiving all evidence, hearing all argument, and making its findings of fact regarding an application for a variance, the Board of Adjustment may:
- a. Grant the variance as requested, limited to the specifics of the application;
 - b. Grant a variance modified in accordance with the findings of the Board; or
 - c. Deny the variance.
- (6) **Required Vote.** The concurring vote of three-fourths (3/4) of the members of the Board of Adjustment is required to grant a variance.
- (7) **Effective Date of Variance.** A variance granted by the Board of Adjustment shall become effective after the expiration of 10 days from the date of filing its decision with the City unless the Board specifically establishes a different effective date. The effective date of a variance may be based on the satisfaction of a condition.

Sec. 60-32. Filing of Decisions.

Not later than 5 days after the adjournment of the meeting at which the Board of Adjustment votes pursuant to this article on an appeal of the act of a City administrative official or on an application for a variance, the secretary of the Board shall file the decision with the Director.

Sec. 60-33. Appeals of Board of Adjustment Decisions.

An appeal of a decision of the Board of Adjustment may be presented to an appropriate court in accordance with Section 211.010, Texas Local Government Code.

**ARTICLE VII. ZONING DISTRICTS GENERALLY;
OFFICIAL ZONING MAP**

Sec. 60-35. District Regulations.

All property within the City shall meet and conform to the requirements of such districts as may from time to time be adopted by City Council and as then set forth in the Zoning Code. Except as otherwise specified in the Zoning Code, no land, building, structure, or premises in the City shall be used, and no structure or any part thereof, shall be located, erected, moved, reconstructed, extended, enlarged, or altered, except in conformity with the regulations set forth in this Zoning Code for the district in which the property is located.

Sec. 60-36. Zoning Districts.

The City is divided into the following zoning districts, which shall specify the use, height, area regulations, and other requirements.

(1) Residential Districts:

- a. Residential Estate (**RE**)
- b. Single-Family Residential (**R-1**)
- c. Single-Family Residential with Accessory Dwelling Unit (**R-1A**)
- c. Medium Density Residential (**R-2**)
- d. Multifamily Residential (**R-3**)
- e. Residential Mix (**RM**)
- f. Residential Transition (**RT**)

(2) Nonresidential Districts:

- a. Neighborhood Commercial (**C-1**)
- b. Light Commercial (**C-2**)
- c. General Commercial (**C-3**)
- c. Industrial and Manufacturing (**IM**)

(3) Special Districts:

- a. Downtown Arts and Culture (**DAC**)

- b. Mixed Use (**MU**)
- c. Planned Development (**PD**)
- d. Public and Institutional (**PI**)
- e. Airport (**AD**)
- f. Agriculture (**AG**)

Sec. 60-37. Zoning of Newly Annexed Areas.

(a) If a request for annexation does not include a request for zoning, all property newly annexed to the City and any property not permanently zoned upon the date of adoption shall be temporarily classified as an AG district until such time as permanent zoning is established.

(b) Concurrently with the adoption of the annexation ordinance, City Council shall adopt the zoning of the area or tract being annexed, whether classified as an AG district, zoned permanently in response to a request for annexation, or upon recommendation by the Commission after a hearing to consider the appropriate zoning for the tract to be annexed consistent with the purposes of the Zoning Code.

(c) No person shall erect, construct, proceed, or continue with the erection or construction of any building or structure, or cause the same to be done on property classified as an AG district without benefit of a building permit or certificate of occupancy issued by the Department and such permit shall be issued for buildings and uses which comply with the regulations of an AG district until permanent zoning is established.

(d) The procedure for establishing permanent zoning for newly annexed property shall be the same as the procedure for a zoning change.

Sec. 60-38. Official Zoning Map.

The boundaries of the various zoning districts of the City shall be as shown on the *Official Zoning Map* in accordance with the following:

- (1) The “*official zoning map*” shall be maintained as part of the City’s geographic information system (GIS). This map, including all notations, references, data, and other information shown on the map, is adopted and incorporated into this Zoning Code.

- (2) If, in accordance with the provisions of the Zoning Code, changes are made in district boundaries or other matters portrayed on the *Official Zoning Map*, such changes shall be incorporated into the *Official Zoning Map* promptly after the amendment has been approved by City Council. It is the responsibility of the Director to see that the map is updated in a timely manner. No changes of any nature shall be made in the *Official Zoning Map* or matter shown thereon except in conformity with the procedures set forth in this Code and no unauthorized person shall alter or amend the map. Regardless of the existence of purported copies of the *Official Zoning Map*, which may from time to time be made or published, the *Official Zoning Map* located in the Department of Development Services shall be the final authority as to the current zoning status of land within the City.

Sec. 60-39. Determination of Zoning District Boundaries.

The following rules shall apply in determining the location of zoning district boundaries on the *Official Zoning Map*:

- (1) Where district boundaries are indicated as approximately following property or lot lines, street rights-of-way, existing or abandoned railroad rights-of-way, waterway lines, or significant terrain features, such lines, ways, or features shall be construed to be such boundaries;
- (2) All district boundary lines indicated on or within street rights-of-way shall be construed to be at the centerline of such right-of-way;
- (3) Whenever any street or alley right-of-way is vacated, a district boundary indicated as being in the center of the right-of-way shall remain at the center of the vacated right-of-way, unless the district boundary is specifically amended by the City Council in the same manner as for any other zone change;
- (4) Where the *Official Zoning Map* indicates that a district boundary is approximately parallel to a property or lot line, street right-of-way, existing or abandoned railroad rights-of-way, waterway line, or significant terrain feature, the boundary shall be construed to be parallel thereto and at the distance indicated on the *Official Zoning Map*. If a distance is not given, the distance shall be determined by the use of the scale on the *Official Zoning Map*. If the scale on the *Official Zoning Map* cannot be determined or verified in view

of actual, on-the-ground improvements, the Director shall interpret the location of the district boundary;

- (5) Where a district boundary line is located on undivided property such that the property is located in two or more zoning districts, the Director shall determine the location of the boundary of the zoning district(s) using the best information available;
- (6) Where the boundary indicated on the *Official Zoning Map* crosses unplatted property and the district boundary is found to, in fact, not follow property lines as recorded in the Real Property Record of Kerr County, Texas, if the district boundary appears to the Director to be sufficiently close and parallel to the property line that the intent reasonably appears to have been to follow the property line indicated in the Real Property Records, then the boundary shall be construed to be following said property line; and
- (7) The Director shall be responsible for making a determination as to the location of a zoning district boundary when none of the above conditions apply and the boundary map is not clear. The owner or representative of any property involved in such determination who is not in agreement with the Director's decision may:
 - a. Appeal the determination to the Commission; or
 - b. Request a change in zoning to establish the boundary in question.

Sec. 60-40. New and Unlisted Uses.

The Director shall make a determination if a specific land use is listed as a permitted or conditional use in a specific zoning district. Further, the Director shall determine if a use is sufficiently similar to a use listed as permitted or conditional for a particular zoning district such that it may also be included as a permitted or conditional use within such district. In the event the Director determines that the requested use is not otherwise listed or defined in this Zoning Code, the owner or developer may request, in consultation with the Director an amendment to this Zoning Code to include a definition for such previously unlisted use and to determine the zoning district(s) in which such use shall be permitted or conditional.

Sec. 60-41. Use of Property Located in One Zoning District to Benefit Another.

No person shall use property located in one zoning district to provide parking for, or access to, a use located on property located in another zoning district unless:

(1) Parking:

- a. The property being used for said parking is also zoned to permit the use for which such parking is desired;
- b. A variance is granted under the provisions of this Zoning Code or the Development Standards ordinance, whichever applies, to allow the off-site parking; or,
- c. A Conditional Use Permit is secured for the off-site parking in accordance with this Zoning Code.

(2) Mutual Access:

- a. The property being used for said access is also zoned to permit the use for which such access is desired;
- b. A variance is granted under the provisions of this Zoning Code or the Development Standards ordinance, whichever applies, to allow the mutual access; or,
- c. A Conditional Use Permit is secured for the mutual access in accordance with this Zoning Code.

Sec. 60-42. Special Regulations Regarding Lot Width, Area, and Setbacks.

(1) Alignment with Adjacent Buildings: The setback of a building may be decreased to less than the minimum setback as follows:

- (a) When more than one-half (1/2) of the lots in a block have been developed with buildings, the front and/or rear setback of an undeveloped lot, including the setbacks on both street fronts of a corner lot, may be reduced to the equivalent of the average front setback and/or rear setback, respectively, of developed lots on

the same side of the same block which are within four hundred feet (400') of the property on which the reduction is sought; however, in no case shall any front setback be reduced to less than ten feet (10.0') nor any garage entrance be setback less than nineteen feet (19.0');

(b) The side setback of a lot to be developed with a building for nonresidential use may be reduced to the same as the side setback of the lot abutting that side of the lot if the lot abutting that side has been developed with a building with a side setback less than the minimum set forth in the area regulations in the zoning district requirements set forth herein, above; provided, however, the reduction may in no case result in a building separation less than that required by the City building code and/or fire code.

(2) **Approved Landscape Plans:** The setback requirements for a particular property may be modified pursuant to the variance authority specified in Section 60-28, as an element of an approved landscape plan and/or site plan which requires the location of buildings in such a manner as to preserve existing trees and/or terrain features.

(3) **Application of Ordinance Not to Make Lot Unbuildable:** If the buildable area of a lot of record is reduced in either width or depth to less than thirty feet (30.0') after application of the area regulations in the zoning district requirements set forth herein, the side and rear setbacks may be reduced to permit a buildable area of not less than thirty feet (30.0') in width and/or depth; provided, however, in no case shall the building encroach on any easements or be constructed closer to an existing building than that required by the City building code or fire code.

(4) **Existing Buildings and Setback Violations:** Buildings constructed prior to the date of adoption that complied with the setback regulations existing prior to date of adoption, shall not be deemed to be in violation of this Zoning Code; provided, however, the construction of a new building on the site of an existing building or addition to an existing building occurring on or after date of adoption, shall comply the requirements of this Code.

(5) **Change in Use of Existing Building:** The use of a building constructed prior to date of adoption that complied with the setback regulations existing prior to date of adoption, may be changed from a nonconforming use or permitted use to another permitted use without regard to the setback regulations set forth in this Zoning Code.

(6) **Special Lot Width Regulations:** Notwithstanding the area regulations of the zoning district requirements set forth herein, where lots are irregular in shape, and the front property line is narrow, such as on a cul-de-sac, the minimum lot width shall be measured along the front setback; provided, however, the length of the front property line at the street right-of-way shall not be less than twenty-four feet (24.0').

(7) **Division of Existing Lots:** Unless specifically authorized by the Zoning Code, no part of a yard, open space, or off-street parking or loading space required by the Zoning Code for one land use shall be included as a part of a yard, open space, or off-street parking or loading space for another land use.

(8) **Reduction of Lot Size:** No setback or lot existing as of date of adoption shall be reduced in dimension or area below the minimum requirements set forth in this Zoning Code. Setbacks or lots created on or after date of adoption, shall meet at least the minimum requirements established by this Code.

ARTICLE VIII. ZONING DISTRICTS

Sec. 60-50. Residential Zoning Districts.

(a) **Residential Estate District (RE).** Property located in a(n) Residential Estate Zoning District shall be developed in accordance with this Zoning Code, including the following regulations:

(1) **Purpose:** The purpose of the R-E district is to preserve the opportunity for the development of single-family detached homes in a large-lot, semi-rural setting.

(2) **Uses:** In general, single-family detached dwellings, lawful accessory structures, home occupations meeting the requirements of this Zoning Code, certain public and institutional uses, and activities allowed subject to the approval of a Conditional Use Permit. Refer to **Table 1, Land Use Table** for a specific list of uses allowed within an RE district.

(3) **Building Regulations:** No more than one main building may be constructed on a lot within the RE district. Exceptions include a detached garage, servant or guest quarters, or lawful accessory structure as defined herein.

(4) **Area and Height Regulations:** No building shall be constructed in the RE district except in conformance with the following requirements:

CHARACTERISTIC	REQUIREMENT
	SINGLE-FAMILY DWELLING
Minimum Lot Size	1 acre
Minimum Lot Width	50 feet
Minimum Front Setback	25 feet
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: 5 feet • Corner lot, street side: <ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave
Minimum Rear Setback	<ul style="list-style-type: none"> • 25 feet • For a garage or carport adjacent to an alley: <ul style="list-style-type: none"> • 19 feet to a garage door or carport eave; or • 5 feet if the garage or carport is built for two or more motor vehicles • Setback may be measured from the centerline of an adjacent alley, but in no instance may be less than 5 feet from the alley
Maximum Building Height	35 feet
Minimum Parking	2 spaces per dwelling unit

(5) **Access to Arterial Street Prohibited:** No lot shall be platted with direct access to an arterial street except where limited access is permitted by the Subdivision Code.

(6) **Exceptions to Required Setbacks:** All floors of all buildings at grade level and above shall comply with all setback requirements, except that:

a. **Application to Ground Floors:** Cornices, eaves, belt courses, sills, canopies, box windows, or other similar architectural features may extend a distance not to exceed two feet (2.0') into any required setback.

b. **Application to Upper Floors:** The upper floors of a multi-story building shall comply with all setback requirements provided an uncovered deck, upper floor balcony which is open on no less than two sides with walls not higher than

three feet (3.0') from an adjacent finished floor level, chimney, or similar architectural features may extend three feet (3.0') into the required setback.

(7) Location of Accessory Buildings or Structures Beyond Setback:

a. No structure in excess of thirty inches (30") in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0') in height is permitted. Ornamental fencing does not include chain link fencing, which is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

b. Satellite dishes may extend into the required side or rear setback to within three feet (3.0') of the property line, but may not extend into the front setback or be located between the front wall of the main building and the front property line, or in any side yard adjacent to a street.

c. An accessory building or structure, including, but not limited to, a detached carport or garage, with a floor area not exceeding 1,000 square feet and not exceeding fifteen feet (15.0') in height, may extend into the required side or rear setback, but in no case shall be located closer than five feet (5.0') from any property line.

d. The total square footage of all accessory buildings or structures on a lot shall not exceed 50% of the rear yard area, defined as the space bounded by the side property lines, the rear wall of the main building, and the rear property line.

(b) Single-Family Residential District (R-1). Property located in a(n) Single-Family Residential District shall be developed in accordance with this Zoning Code, including the following regulations:

(1) **Purpose:** The purpose of the R-1 district is to: (a) encourage the development of primarily single-family detached homes; and, (2) protect developed and vacant properties that are determined to be appropriate for such homes from uses that will produce inappropriate levels of traffic, noise, and pollutants, and other conditions not conducive to a residential environment.

(2) **Uses:** In general, single-family detached dwellings, lawful accessory structures, home occupations meeting the requirements of this Zoning Code,

certain public and institutional uses, and activities allowed subject to the approval of a Conditional Use Permit. Refer to **Table 1, Land Use Table** for a specific list of uses allowed within an R-1 district.

(3) **Building Regulations:** No more than one main building may be constructed on a lot in an R-1 district. Exceptions include a detached garage, servant or guest quarters, or lawful accessory structure as defined herein.

(4) **Area and Height Regulations:** No building shall be constructed in the R-1 district except in conformance with the following requirements:

CHARACTERISTIC	REQUIREMENT
	SINGLE-FAMILY DWELLING
Minimum Lot Size	5,000 square feet
Minimum Lot Width	50 feet
Minimum Front Setback	25 feet
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: 5 feet • Corner lot, street side: <ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave
Minimum Rear Setback	<ul style="list-style-type: none"> • 25 feet • For a garage or carport adjacent to an alley: <ul style="list-style-type: none"> • 19 feet to a garage door or carport eave; or • 5 feet if the garage or carport is built for two or more motor vehicles • Setback may be measured from the centerline of an adjacent alley, but in no instance may be less than 5 feet from the alley
Maximum Building Height	35 feet
Minimum Parking	2 spaces per dwelling unit

(5) **Access to Arterial or Collector Street Prohibited:** No lot shall be platted with direct access to a collector or arterial street except where limited access is permitted by the Subdivision Code.

(6) Exceptions to Required Setbacks: All floors of all buildings at grade level and above shall comply with all setback requirements, except that:

- a. **Application to Ground Floors:** Cornices, eaves, belt courses, sills, canopies, box windows, or other similar architectural features may extend a distance not to exceed two feet (2.0') into any required setback.
- b. **Application to Upper Floors:** The upper floors of a multi-story building shall comply with all setback requirements provided an uncovered deck, upper floor balcony which is open on no less than two sides with walls not higher than three feet (3.0') from an adjacent finished floor level, chimney, or similar architectural features may extend three feet (3.0') into the required setback.

(7) Location of Accessory Buildings or Structures Beyond Setback:

- a. No structure in excess of thirty inches (30") in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0') in height is permitted. Ornamental fencing does not include chain link fencing, which is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.
- b. Satellite dishes may extend into the required side or rear setback to within three feet (3.0') of the property line, but may not extend into the front setback or be located between the front wall of the building and the front property line, or in any side yard adjacent to a street.
- c. An accessory building or structure, including, but not limited to, a detached carport or garage, with a floor area not exceeding 1,000 square feet and not exceeding fifteen feet (15.0') in height, may extend into the required side or rear setback, but in no case shall be located closer than five feet (5.0') from any property line.
- d. The total square footage of all accessory buildings or structures on a lot shall not exceed 50% of the rear yard area, defined as the space bounded by the side property lines, the rear wall of the main building, and the rear property line.

(c) Single-Family Residential District with Accessory Dwelling Unit (R-1A): Property located in a(n) Single-Family Residential District with Accessory

Dwelling Unit shall be developed in accordance with this Zoning Code, including the following regulations:

- (1) **Purpose:** The R-1A district is similar to the R-1 district, allowing for single-family detached homes, but also permitting an accessory dwelling unit in addition to the primary residence. The accessory dwelling unit may be located within the main building or in a detached structure on the same lot as the main building. The R-1A district regulations are intended to: (a) encourage the continuation of residential uses in older neighborhoods near the downtown area; (b) incentivize home ownership and property improvement by encouraging an owner to invest in an older home with the potential for producing income from the investment; (c) increase the supply of housing, possibly at more affordable rental rates, and situated in a traditional neighborhood environment; and (d) increase the number of residents, and thus the potential customer base, close to the downtown area.
- (2) **Uses:** In general, single-family detached dwellings, no more than one accessory dwelling unit within the main building or in a detached building, lawful accessory structures as defined herein, home occupations meeting the requirements of this Zoning Code, certain public and institutional uses, and activities allowed subject to the approval of a Conditional Use Permit. Refer to **Table 1, Land Use Table** for a specific list of uses allowed in the R-1A district.
- (3) **Building Regulations:** No more than one main building may be constructed on a lot in the R-1A district. Exceptions include a detached garage, servant or guest quarters, detached structure containing an accessory dwelling unit, or other lawful accessory structure.
- (4) **Area and Height Regulations:** No building shall be constructed in the R-1A district except in conformance with the following requirements:

CHARACTERISTIC	REQUIREMENT
	SINGLE-FAMILY DWELLING
Minimum Lot Size	5,000 square feet
Minimum Lot Width	50 feet
Minimum Front Setback	25 feet

Minimum Side Setback	<ul style="list-style-type: none">• Interior lot: 5 feet• Corner lot, street side:<ul style="list-style-type: none">• 15 feet• 19 feet to a garage door or carport eave	
Minimum Rear Setback	<ul style="list-style-type: none">• 25 feet• For a garage or carport adjacent to an alley:<ul style="list-style-type: none">• 19 feet to a garage door or carport eave; or• 5 feet if the garage or carport is built for two or more motor vehicles• Setback may be measured from the centerline of an adjacent alley, but in no instance may be less than 5 feet from the alley	
Maximum Building Height	35 feet	
Minimum Parking	2 spaces per dwelling unit	
ADDITIONAL REQUIREMENTS FOR SINGLE-FAMILY DWELLING WITH ACCESSORY DWELLING UNIT		
	ACCESSORY DWELLING UNIT WITHIN MAIN BUILDING	ACCESSORY DWELLING UNIT IN A DETACHED STRUCTURE
Maximum Building Height	35 feet for main building including accessory dwelling unit	35 feet for detached structure containing accessory dwelling unit
Maximum Area of Accessory Dwelling Unit	One-half of the total floor area of the dwelling unit, excluding the area occupied by the accessory dwelling unit; floor area of the house excludes the area of any attached garage	<ul style="list-style-type: none">• One-half of the total floor area of the main dwelling unit, excluding the area occupied by the accessory dwelling unit; floor area of the house excludes the area of any attached garage; and• Maximum 50% of the rear yard area, bounded by the side property lines, the rear wall of the main building, and the rear property line

Minimum Parking for Dwelling with Accessory Unit	2 parking spaces per dwelling unit (4 spaces total for the main dwelling and an accessory dwelling unit)	2 parking spaces per dwelling unit (4 spaces total for the main dwelling and an accessory dwelling unit)
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(5) **Access to Arterial or Collector Street Prohibited:** No lot shall be platted with direct access to a collector or arterial street except where limited access is permitted by the Subdivision Code.

(6) **Exceptions to Required Setbacks:** All floors of all buildings at grade level and above shall comply with all setback requirements, except that:

a. **Application to Ground Floors:** Cornices, eaves, belt courses, sills, canopies, box windows, or other similar architectural features may extend a distance not to exceed two feet (2.0') into any required setback.

b. **Application to Upper Floors:** The upper floors of a multi-story building shall comply with all setback requirements provided an uncovered deck, upper floor balcony which is open on no less than two sides with walls not higher than three feet (3.0') from an adjacent finished floor level, chimney, or similar architectural features may extend three feet (3.0') into the required setback.

(7) **Location of Accessory Buildings or Structures Beyond Setback:**

a. No structure in excess of thirty inches (30") in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0') in height is permitted. Ornamental fencing does not include chain link fencing, which is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

b. Satellite dishes may extend into the required side or rear setback to within three feet (3.0') of the property line, but may not extend into the front setback or be located between the front wall of the building and the front property line, or in any side yard adjacent to a street.

(c) An accessory building or structure, including, but not limited to, a detached carport or garage, with a floor area not exceeding 1,000 square feet and not exceeding fifteen feet (15.0') in height, may extend into the required

side or rear setback, but in no case shall be located closer than) five feet (5.0') from any property line.

(d) The total square footage of all accessory buildings or structures on a lot shall not exceed 50% of the rear yard area, defined as the space bounded by the side property lines, the rear wall of the main building, and the rear property line.

(d) **Medium Density Residential District (R-2):** Property located in a(n) R-2 district shall be developed in accordance with this Zoning Code, including the following regulations:

- (1) **Purpose:** The R-2 district is designed to provide for a variety of housing options, such as patio homes, townhomes, and duplexes in addition to single-family detached homes either: (a) as stand-alone housing types; or, (b) if properly planned, in a development that features a denser mix of housing types compared to other single-family neighborhoods, subject to the use of proper buffering, transition, and design measures to ensure better compatibility. In an R-2 district, homes may also be arranged into clusters to create unique neighborhoods, when (a) the topography does not reasonably allow development of the entire tract; or, (b) preservation of important open space, views, critical environmental features, (including significant trees, or recreational areas, is desired.
- (2) **Uses:** In general, single-family detached homes, patio homes, townhomes, duplexes, certain public and institutional uses, and activities allowed subject to the approval of a Conditional Use Permit. Refer to **Table 1, Land Use Table** for a specific list of uses allowed in the R-2 district.
- (3) **Building Regulations:** No more than one main building may be constructed on a lot in the R-2 district. Exceptions include one detached garage, servant or guest quarters, or allowable accessory building per dwelling unit per single-family or duplex dwelling.
- (4) **Area and Height Regulations:** No building shall be constructed in the R-2 district except in conformance with the following requirements:

CHARACTERISTIC	REQUIREMENT	
	DUPLEX	TOWNHOME
Minimum Lot Size	6,000 square feet	3,000 square feet
Minimum Lot Width	60 feet	25 feet
Minimum Front Setback	<ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave 	<ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: 5 feet • Corner lot: <ul style="list-style-type: none"> • 15 feet on the unattached side • 19 feet to a garage door or carport eave 	<ul style="list-style-type: none"> • Interior lot: <ul style="list-style-type: none"> • 0 feet • 10 foot separation between townhome buildings • Corner lot: <ul style="list-style-type: none"> • 0 feet on any attached side • 15 feet on any unattached side • 19 feet to a garage door or carport eave
Minimum Rear Setback	<ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave 	<ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave
Maximum Building Height	35 feet	<ul style="list-style-type: none"> • 35 feet • 45 feet when 100 feet or more from: <ul style="list-style-type: none"> • R-E, R-1, or R-1A zoning • RM zoning if developed for other than manufactured housing; • Land zoned MU or PD for single-family, patio home, or duplex uses
Minimum Parking	2 spaces per dwelling unit	<ul style="list-style-type: none"> • 2.25 spaces per dwelling unit <ul style="list-style-type: none"> • 2 spaces for each dwelling unit

CHARACTERISTIC	REQUIREMENT	
		<ul style="list-style-type: none"> • 0.25 spaces per dwelling unit for guest parking, to be provided in groupings distributed throughout the development
Alley	N/A	Access to any lot less than 45 feet in width shall be from a paved alley or right-of-way
	SMALL-LOT SINGLE-FAMILY DWELLING	PATIO HOME
Minimum Lot Size	3,300 square feet	4,000 square feet
Minimum Lot Width	30 feet	40 feet
Minimum Front Setback	10 feet build-to line	<ul style="list-style-type: none"> • 15 feet 19 feet to a garage door or carport eave
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: 5 feet • Corner lot, street side: <ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave 	<ul style="list-style-type: none"> • Mandatory 0 feet on one side • 10 feet on the remaining side • Corner lot, street side: <ul style="list-style-type: none"> • 15 feet 19 feet to a garage door or carport eave
Minimum Rear Setback	19 feet to a garage door or carport eave	<ul style="list-style-type: none"> • 15 feet • For a garage or carport adjacent to an alley: <ul style="list-style-type: none"> • 19 feet to a garage door or carport eave; or • 5 feet if the garage or carport is built for two or more motor vehicles <p>Setback may be measured from the centerline of an adjacent alley, but in no instance may be less than 5 feet from the alley</p>

CHARACTERISTIC	REQUIREMENT	
Maximum Building Height	35 feet	35 feet
Minimum Parking	2 spaces per dwelling unit	2 spaces per dwelling unit
Alley	Access to any lot less than 45 feet in width shall be from a paved alley or right-of-way	Access to any lot less than 45 feet in width shall be from a paved alley or right-of-way
ADDITIONAL REQUIREMENTS FOR PATIO HOMES AND SMALL-LOT SINGLE-FAMILY DWELLIGNGS		
Wall Openings on Zero Setback Side	Solid wall with no openings (windows, doors, etc.) required, except a wall constructed of opaque materials which allow the infiltration of light that is diffused so that objects on the other side cannot be seen clearly, is permitted	
Wall Openings Near Zero Lot Line	Unless a screening fence has been constructed along the zero setback side of the property, no porch, door, or window may be constructed on any other wall of the dwelling at a distance less than five feet (5.0') from the zero setback side of the lot	
Atrium Openings	No edge of the rooftop opening of an atrium constructed on the zero setback side of a dwelling shall be less than eight feet (8.0') from ground level	
Maintenance, Overhang, and Drainage Easement	<ul style="list-style-type: none">• A maintenance, overhang, and drainage easement not less than five feet (5.0') in width must be platted on the adjacent lot running parallel to the zero setback lot line• A roof eave may extend 16 inches (16.0”) into the easement• A gutter and down spout shall be required along the zero setback side of the dwelling to ensure that drainage is handled on the owner’s property, and said gutter system is not included in the calculation of the eave encroachment	
Structures in Required Side Setback	Structures shall be prohibited in the required 10-foot side setback	
	SINGLE-FAMILY DWELLING	
Minimum Lot Size	4,500 square feet	
Minimum Lot Width	45 feet	

CHARACTERISTIC	REQUIREMENT
Minimum Front Setback	<ul style="list-style-type: none"> • 15 feet 19 feet to a garage door or carport eave
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: 5 feet • Corner lot, street side: <ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave
Minimum Rear Setback	<ul style="list-style-type: none"> • 15 feet • For a garage or carport adjacent to an alley: <ul style="list-style-type: none"> • 19 feet to a garage door or carport eave; or • 5 feet if the garage or carport is built for two or more motor vehicles Setback may be measured from the centerline of an adjacent alley, but in no instance may be less than 5 feet from the alley
Maximum Building Height	35 feet
Minimum Parking	2 spaces per dwelling unit
Alley	N/A

N/A = Not Applicable (no specific requirement applies)

(5) **Access to Arterial or Collector Street Prohibited:** No lot shall be platted with direct access to a collector or arterial street except where limited access is permitted by the Subdivision Code.

(6) **Rear or Alley Access Required for Certain Lots:** For a lot with a width of less than 45 feet (45.0'), rear or alley driveway access shall be required in order to maintain sufficient area for viable on-street parking.

(7) **Consistent Block Face:**

a. In the R-2 district, no more than one type of housing shall be developed on the same street between intersecting streets on the same block.

b. Notwithstanding paragraph (a), above, no more than one type of housing may be developed on loop streets or cul-de-sacs.

(8) **Exceptions to Required Setbacks:** All floors of all buildings at grade level and above shall comply with all setback requirements, except that:

a. **Application to Ground Floors:** Cornices, eaves, belt courses, sills, canopies, box windows, or other similar architectural features may extend a distance not to exceed two feet (2.0') into any required setback.

b. **Application to Upper Floors:** The upper floors of a multi-story building shall comply with all setback requirements provided an uncovered deck, upper floor balcony which is open on no less than two sides with walls not higher than three feet (3.0') from an adjacent finished floor level, chimney, or similar architectural features may extend three feet (3.0') into the required setback.

(9) Location of Accessory Buildings or Structures Beyond Setback:

a. No structure in excess of thirty inches (30") in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0') in height is permitted. Ornamental fencing does not include chain link fencing, which is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

b. Satellite dishes may extend into the required side or rear setback to within three feet (3.0') of the property line, but may not extend into the required front setback or be located between the front wall of the main building and the front property line, or in any side yard adjacent to a street.

c. An accessory building or structure, including, but not limited to, a detached carport or garage, with a floor area not exceeding 1,000 square feet and not exceeding fifteen feet (15.0') in height, may extend into the required side or rear setback, but in no case shall be located closer than five feet (5.0') from any property line.

d. The total square footage of all accessory buildings or structures on a lot shall not exceed 50% of the rear yard area, defined as the space bounded by the side property lines, the rear wall of the main building, and the rear property line.

e. Accessory buildings shall be prohibited on lots containing small-lot single-family dwellings, patio homes, or townhomes.

(e) **Multifamily Residential District (R-3):** Property located in a(n) R-3 district shall be developed in accordance with this Zoning Code, including the following regulations:

- (1) **Purpose:** The R-3 district allows the development of multiple apartments or condominiums on a single lot. Property zoned R-3 should have direct access to and/or frontage on a major arterial or collector street. Development in the R-3 district may provide a suitable transition between lower density residential uses and higher-intensity commercial areas.
- (2) **Uses:** In general, apartments and condominiums, certain public and institutional uses, and activities allowed subject to the approval of a Conditional Use Permit. Refer to **Table 1, Land Use Table** for a specific list of uses allowed in the R-3 district.
- (3) **Building Regulations:** For multifamily uses (apartments or condominiums), there may be more than one building on a single lot in addition to lawful accessory buildings and structures.
- (4) **Area and Height Regulations:** No building shall be constructed in the R-3 district except in conformance with the following requirements. “Residential Zoning District”, as referenced in the regulations below, shall have the following meaning and shall apply whether the residential property is developed or vacant:
 - a. RE, R-1, R-1A, or R-2 zoning;
 - b. RM zoning if developed for other than manufactured housing; or
 - c. Land zoned MU or PD for single-family, patio home, townhome, or duplex uses.

CHARACTERISTIC	REQUIREMENT
	APARTMENTS OR CONDOMINIUMS WITH THREE OR MORE UNITS
Minimum Lot Area Per Dwelling Unit	<ul style="list-style-type: none"> • 1,600 square feet for each one-bedroom unit • 1,800 square feet for each two-bedroom unit • 2,000 square feet for each unit with three or more bedrooms
Minimum Lot Width	N/A
Minimum Front Setback	25 feet

CHARACTERISTIC	REQUIREMENT
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: 10 feet • Corner lot, street side: 15 feet
Minimum Rear Setback	<ul style="list-style-type: none"> • 25 feet • For a garage or carport adjacent to an alley: <ul style="list-style-type: none"> • 19 feet to a garage door or carport eave; or • 5 feet if the garage or carport is built for two or more motor vehicles • Setback may be measured from the centerline of an adjacent alley, but in no instance may be less than 5 feet from the alley
Maximum Building Height	<ul style="list-style-type: none"> • No limit except adjacent to a residential district as described in subsection (e)(4) above, as follows: <ul style="list-style-type: none"> • Two stories of up to 35 feet when 25 to 50 feet from a residential property line • Three stories of up to 45 feet when more than 50 feet but less than 100 feet from a residential property line • 45 feet when 100 feet or more from a residential property line, with 1 foot of additional height allowed for each 1 foot of setback provided beyond 100 feet
Minimum Parking	<ul style="list-style-type: none"> • 1.5 spaces for each 1-bedroom unit • 2.0 spaces for each 2-bedroom unit • 2.5 spaces for each unit with 3 or more bedrooms

N/A = Not Applicable (no specific requirement applies)

(5) **Access to Arterial or Collector Street:** Primary access for a lot platted for multifamily development shall be provided from one or more collector or arterial streets and shall not be provided by a local residential street.

(6) **Exceptions to Required Setbacks:** All floors of all buildings at grade level and above shall comply with all setback requirements, except that:

a. **Application to Ground Floors:** Cornices, eaves, belt courses, sills, canopies, box windows, or other similar architectural features may extend a distance not to exceed two feet (2.0') into any required setback.

b. **Application to Upper Floors:** The upper floors of a multi-story building shall comply with all setback requirements provided an uncovered deck, upper floor balcony which is open on at least two sides with walls not higher than three feet (3.0') from an adjacent finished floor level, chimney, or similar architectural features may extend three feet (3.0') into the required setback.

(7) Location of Accessory Buildings or Structures Beyond Setback:

a. No structure in excess of thirty inches (30") in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0') in height is permitted. Ornamental fencing does not include chain link fencing, which is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

b. Satellite dishes may extend into the required side or rear setback to within three feet (3.0') of the property line, but may not extend into the required front setback or be located between the front wall of any building facing a street and the front property line, or in any side yard adjacent to a street.

c. An accessory building or structure, including, but not limited to, a detached carport or garage, with a floor area not exceeding 1,000 square feet and not exceeding fifteen feet (15.0') in height, may extend into the required side or rear setback, but in no case shall be located closer than five feet (5.0') from any property line.

d. The total square footage of all accessory buildings or structures on a lot shall not exceed 50% of the rear yard area, defined as the space bounded by the side property lines, the rear wall of the main building, and the rear property line.

(8) Development Regulations for Accessory Uses: Accessory uses such as a clubhouse, laundry room, leasing office, or similar, when located on property zoned R-3 and serving the multifamily uses thereon, shall be developed in accordance with the following additional regulations:

a. **Building Area:** The gross floor area of a building used for accessory activities for an apartment development may not exceed three thousand (3,000) square feet;

b. **Building Appearance:** The building containing the accessory use shall be designed to appear as a residence, with:

1. A wood, rock, or brick exterior;
2. A roof constructed of materials and with a similar pitch to other residences in the adjoining neighborhood; and
3. A front door and window(s) on the wall of the building facing the lot front or street.

(9) **Screening:** Where property zoned R-3 is adjacent to a residential zoning district as described in subsection (e)(4) above and not separated by a public street, the R-3 property shall construct and maintain a screening wall or fence along the common property line between the R-3 property and the less intense residential use.

(f) **Residential Mix District (RM):** Property located in a(n) RM district shall be developed in accordance with this Zoning Code, including the following regulations:

- (1) **Purpose:** The RM district broadens the range of available housing types by allowing all uses permitted in an R-2 district in addition to subdivisions and rental communities that include manufactured housing, provided such developments comply with the special requirements for such uses as specified in this Zoning Code, such as limitations on recreational vehicle storage and requirements for a roadway system, open space, buffering/screening, and skirting.
- (2) **Uses:** In general, single-family detached homes, patio homes, townhomes, duplexes, manufactured homes, certain public and institutional uses, and activities allowed subject to the approval of a Conditional Use Permit. Refer to **Table 1, Land Use Table** for a specific list of uses allowed in the RM district.
- (3) **Building Regulations:** No more than one main building may be located on a lot in the RM district. Exceptions include a detached garage, servant or guest quarters, or lawful accessory structure as defined herein on a lot with a single-family or duplex dwelling.

(4) **Area and Height Regulations:** No building shall be constructed in the RM district except in conformance with the following requirements. “Residential Zoning District”, as referenced in the regulations below, has the following meaning and shall apply whether the residential property is developed or vacant:

- a. RE, R-1, R-1A, or R-2 zoning;
- b. RM zoning if developed for other than manufactured housing; or
- c. Land zoned MU or PD for single-family, patio home, townhome, or duplex uses.

CHARACTERISTIC	REQUIREMENT	
	MANUFACTURED HOME RENTAL COMMUNITY	MANUFACTURED HOME SUBDIVISION
Minimum Lot Size	N/A	5,000 square feet
Maximum Density	7.5 units per acre inclusive of the area of any private roadways and common areas, but exclusive of areas designed for the location of recreational vehicles	N/A
Minimum Lot Width	N/A	50 feet
Minimum Front Setback	20 feet	<ul style="list-style-type: none"> • 15 feet if placed perpendicular to the road • 20 feet if placed parallel to the road
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: 5 feet • Corner lot, street side: <ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave • Adjacent to a residential zoning district as described in paragraph (4) 	<ul style="list-style-type: none"> • Interior lot: 5 feet • Corner lot, street side: <ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave • Adjacent to a residential zoning district as described in paragraph

CHARACTERISTIC	REQUIREMENT	
		(4)
	above: 50 feet with a landscape buffer	above: 50 feet with a landscape buffer
Minimum Rear Setback	<ul style="list-style-type: none"> • 10 feet if placed perpendicular to the road • 20 feet if placed parallel to the road • Adjacent to a residential zoning district as described in paragraph (4) above: 50 feet with a landscape buffer 	<ul style="list-style-type: none"> • 10 feet if placed perpendicular to the road • 20 feet if placed parallel to the road • Adjacent to a residential zoning district as described in paragraph (4) above: 50 feet with a landscape buffer
Maximum Building Height	35 feet	35 feet
Minimum Parking	2 spaces per dwelling unit	2 spaces per dwelling unit
Minimum Open Space	5% of the total area of the development reserved and improved as park or community facility space for the use of residents of the development	N/A
Maximum Area for Storage of Recreational Vehicles	10% of total area of the development	N/A
CHARACTERISTIC	REQUIREMENT	
	DUPLEX	TOWNHOME
Minimum Lot Size	6,000 square feet	3,000 square feet
Minimum Lot Width	60 feet	25 feet
Minimum Front Setback	<ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave 	<ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: 5 feet • Corner lot: <ul style="list-style-type: none"> • 15 feet on the unattached side • 19 feet to a garage door or carport eave 	<ul style="list-style-type: none"> • Interior lot: <ul style="list-style-type: none"> • 0 feet • 10 foot separation between townhome buildings • Corner lot: <ul style="list-style-type: none"> • 0 feet on any attached side

CHARACTERISTIC	REQUIREMENT	
		<ul style="list-style-type: none"> • 15 feet on any unattached side • 19 feet to a garage door or carport eave
Minimum Rear Setback	<ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave 	<ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave
Maximum Building Height	35 feet	<ul style="list-style-type: none"> • 35 feet • 45 feet when 100 feet or more from: <ul style="list-style-type: none"> • R-E, R-1, R-1A, or R-2 zoning • RM zoning if developed for other than manufactured housing; • Land zoned MU or PD for single-family, patio home, or duplex uses
Minimum Parking	2 spaces per dwelling unit	<ul style="list-style-type: none"> • 2.25 spaces per dwelling unit <ul style="list-style-type: none"> • 2 spaces for each dwelling unit • .25 spaces per dwelling unit for guest parking, to be provided in groupings distributed throughout the development
Alley	N/A	Access to any lot less than 45 feet in width shall be from a paved alley or right-of-way
	SMALL-LOT SINGLE-FAMILY DWELLING	PATIO HOME
Minimum Lot Size	3,300 square feet	4,000 square feet

Attachment A

CHARACTERISTIC	REQUIREMENT	
Minimum Lot Width	30 feet	40 feet
Minimum Front Setback	10 feet build-to line	<ul style="list-style-type: none"> • 15 feet 19 feet to a garage door or carport eave
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: 5 feet • Corner lot, street side: <ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave 	<ul style="list-style-type: none"> • Mandatory 0 feet on one side • 10 feet on the remaining side • Corner lot, street side: <ul style="list-style-type: none"> • 15 feet 19 feet to a garage door or carport eave
Minimum Rear Setback	19 feet to a garage door or carport eave	<ul style="list-style-type: none"> • 15 feet • For a garage or carport adjacent to an alley: <ul style="list-style-type: none"> • 19 feet to a garage door or carport eave; or • 6 feet if the garage or carport is built for two or more motor vehicles <p>Setback may be measured from the centerline of an adjacent alley, but in no instance may be less than 5 feet from the alley</p>
Maximum Building Height	35 feet	35 feet
Minimum Parking	2 spaces per dwelling unit	2 spaces per dwelling unit
Alley	Access to any lot less than 45 feet in width shall be from a paved alley or right-of-way	Access to any lot less than 45 feet in width shall be from a paved alley or right-of-way
ADDITIONAL REQUIREMENTS FOR PATIO HOMES AND SMALL-LOT SINGLE-FAMILY DWELLINGS		
Wall Openings on Zero Setback Side	Solid wall with no openings (windows, doors, etc.) required, except a wall constructed of opaque materials which allow the infiltration of light that is diffused so that	

CHARACTERISTIC	REQUIREMENT
	objects on the other side cannot be seen clearly, is permitted
Wall Openings Near Zero Lot Line	Unless a screening fence has been constructed along the zero setback side of the property, no porch, door, or window may be constructed on any other wall of the dwelling at a distance less than five feet (5.0') from the zero setback side of the lot
Atrium Openings	No edge of the rooftop opening of an atrium constructed on the zero setback side of a dwelling shall be less than eight feet (8.0') from ground level
Maintenance, Overhang, and Drainage Easement	<ul style="list-style-type: none"> • A maintenance, overhang, and drainage easement not less than five feet (5.0') in width must be platted on the adjacent lot running parallel to the zero setback lot line • A roof eave may extend 16 inches (16.0") into the easement • A gutter and down spout shall be required along the zero setback side of the dwelling to ensure that drainage is handled on the owner's property, and said gutter system is not included in the calculation of the eave encroachment
Structures in Required Side Setback	Structures shall be prohibited in the required 10-foot side setback
SINGLE-FAMILY DWELLING	
Minimum Lot Size	4,500 square feet
Minimum Lot Width	45 feet
Minimum Front Setback	<ul style="list-style-type: none"> • 15 feet 19 feet to a garage door or carport eave
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: 5 feet • Corner lot, street side: <ul style="list-style-type: none"> • 15 feet 19 feet to a garage door or carport eave
Minimum Rear Setback	<ul style="list-style-type: none"> • 15 feet • For a garage or carport adjacent to an alley: <ul style="list-style-type: none"> • 19 feet to a garage door or carport eave; or • 6 feet if the garage or carport is built for two or more motor vehicles Setback may be measured from the alley centerline

CHARACTERISTIC	REQUIREMENT
Maximum Building Height	35 feet
Minimum Parking	2 spaces per dwelling unit
Alley	N/A

N/A = Not Applicable (no specific requirement applies)

- (5) **Access to Arterial or Collector Street Prohibited for Some Uses:** No property in the RM district which is developed for uses other than a Manufactured Housing Rental Community (MHRC) or a Manufactured Housing Subdivision (MHS) shall be platted with direct access to a collector or arterial street, except where limited access is permitted by the Subdivision Code.
- (6) **Rear or Alley Access Required for Certain Lots:** For a lot with a width of less than 45 feet (45.0'), rear or alley driveway access shall be required in order to maintain sufficient area for viable on-street parking.
- (7) **Consistent Block Face:** A Site Plan for property zoned RM shall provide that no more than one type of housing shall be developed on the same street between intersecting streets on the same block, except where it can be demonstrated that terrain, the construction of an appropriate buffer, or open areas create a condition in which a mix of housing on the same street will be compatible.
- (8) **Exceptions to Required Setbacks:** All floors of all buildings at grade level and above shall comply with all setback requirements, except that:
- a. **Application to Ground Floors:** Cornices, eaves, belt courses, sills, canopies, box windows, or other similar architectural features may extend a distance not to exceed two feet (2.0') into any required setback.
 - b. **Application to Upper Floors:** The upper floors of a multi-story building shall comply with all setback requirements provided an uncovered deck, upper floor balcony which is open on no less than two sides with walls not higher than three feet (3.0') from an adjacent finished floor level, chimney, or similar architectural features may extend three feet (3.0') into the required setback.
- (9) **Location of Accessory Buildings or Structures Beyond Setback:**

a. No structure in excess of thirty inches (30”) in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0’) in height is permitted. Ornamental fencing does not include chain link fencing, which is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

b. Satellite dishes may extend into the required side or rear setback to within three feet (3.0’) of the property line, but may not extend into the required front setback or be located between the front wall of the main building and the front property line, or in any side yard adjacent to a street.

c. An accessory building or structure, including, but not limited to, a detached carport or garage, with a floor area not exceeding 1,000 square feet and not exceeding fifteen feet (15.0’) in height, may extend into the required side or rear setback, but in no case shall be located closer than five feet (5.0’) from any property line.

d. The total square footage of all accessory buildings or structures on a lot shall not exceed 50% of the rear yard area, defined as the space bounded by the side property lines, the rear wall of the main building, and the rear property line.

e. Accessory buildings shall be prohibited on lots containing small-lot single-family dwellings, patio homes, or townhomes.

(g) **Residential Transition District (RT):** Property located in a(n) RT district shall be developed in accordance with this Zoning Code, including the following regulations:

(1) **Purpose:** The RT district is designed to be a transition zone between single-family residential areas and commercial properties in certain areas of the City. Because of development regulations requiring the appearance of a business located in an RT district to be that of a single-family residence, this district is appropriate in particular areas of the City where some lots are occupied by single-family houses, but where limited business uses may be suitable under certain conditions and with specific compatibility measures.

(2) **Uses:** In general, single-family detached homes, limited/small-scale business

uses subject to specific standards, certain public and institutional uses, and activities allowed with the approval of a Conditional Use Permit. Refer to **Table 1, Land Use Table** for a specific list of uses allowed in the RT district.

(3) **Building Regulations:** No more than one main building may be constructed on a lot in the R-T district. Exceptions include a detached garage, servant or guest quarters, or lawful accessory structure per dwelling unit as defined herein.

(4) **Area and Height Regulations:** No building shall be constructed in the RT district except in conformance with the following requirements:

CHARACTERISTIC	REQUIREMENT	
	SINGLE-FAMILY DWELLING	NONRESIDENTIAL USE
Minimum Lot Size	5,000 square feet	6,000 square feet
Minimum Lot Width	50 feet	60 feet
Minimum Front Setback	25 feet	<ul style="list-style-type: none"> • 25 feet • Front yard to remain unpaved except for a driveway; parking in the front yard prohibited
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: 5 feet • Corner lot, side street: <ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave 	<ul style="list-style-type: none"> • Interior lot: 5 feet • Corner lot, side street: <ul style="list-style-type: none"> • 15 feet • 19 feet to a garage door or carport eave
Minimum Rear Setback	<ul style="list-style-type: none"> • 25 feet • For a garage or carport adjacent to an alley: <ul style="list-style-type: none"> • 19 feet to a garage door or carport eave; or • 5 feet if the garage or carport is built for two or more motor vehicles • Setback may be measured from the centerline of an 	<ul style="list-style-type: none"> • 25 feet • For a garage or carport adjacent to an alley: <ul style="list-style-type: none"> • 19 feet to a garage door or carport eave; or • 5 feet if the garage or carport is built for two or more motor vehicles • Setback may be measured from the centerline of an

	adjacent alley, but in no instance may be less than 5 feet from the alley	adjacent alley, but in no instance may be less than 5 feet from the alley
Maximum Building Height	35 feet	35 feet
Minimum Parking	2 spaces per dwelling unit	Varies by use; see Section 60-101
ADDITIONAL REQUIREMENTS FOR NONRESIDENTIAL USES		
Maximum Building Area	3,000 square feet for nonresidential uses allowed herein except public and institutional uses	
Building Appearance	<ul style="list-style-type: none"> • Building designed to appear as a residence with: <ul style="list-style-type: none"> • Wood, rock, or brick exterior materials • Roof of materials and pitch similar to other residences in the adjoining neighborhood • Front door and window(s) required on the wall of any building facing the lot front or street 	
Signage	See sign regulations, Development Standards	
Location of Parking, Nonresidential Uses	Parking to be located in the side or rear yard area	

(5) **Access to Arterial or Collector Street Prohibited:** No lot shall be platted with direct access to a collector or arterial street except where limited access is permitted by the Subdivision Code.

(6) **Exceptions to Required Setbacks:** All floors of all buildings at grade level and above shall comply with all setback requirements, except that:

a. **Application to Ground Floors:** Cornices, eaves, belt courses, sills, canopies, box windows, or other similar architectural features may extend a distance not to exceed two feet (2.0') into any required setback.

b. **Application to Upper Floors:** The upper floors of a multi-story building shall comply with all setback requirements provided an uncovered deck, upper floor balcony which is open on no less than two sides with walls not higher than

three feet (3.0') from an adjacent finished floor level, chimney, or similar architectural features may extend three feet (3.0') into the required setback.

(7) Location of Accessory Buildings or Structures Beyond Setback:

a. No structure in excess of thirty inches (30") in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0') in height is permitted. Ornamental fencing does not include chain link fencing, which is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

b. Satellite dishes may extend into the required side or rear setback to within three feet (3.0') of the property line, but may not extend into the required front setback or be located between the front wall of the building and the front property line, or in any side yard adjacent to a street.

c. An accessory building or structure, including, but not limited to, a detached carport or garage, with a floor area not exceeding 1,000 square feet and not exceeding fifteen feet (15.0') in height, may extend into the required side or rear setback, but in no case shall be located closer than five feet (5.0') from any property line.

d. The total square footage of all accessory buildings or structures on a lot shall not exceed 50% of the rear yard area, defined as the space bounded by the side property lines, the rear wall of the main building, and the rear property line.

Sec. 60-51. Nonresidential Zoning Districts.

(a) **Neighborhood Commercial District (C-1):** Property located in a(n) C-1 district shall be developed in accordance with this Zoning Code, including the following regulations:

- (1) **Purpose:** Land zoned as a C-1 district allows the offering of goods and services of a limited, low-intensity nature to both individuals and businesses. These activities, which include shopping for daily needs and professional services, are typically: (a) provided in an office setting; (b) sought on a frequent or recurring basis; and, (c) tend to be located in small buildings, with one or only a few businesses, and on small lots. C-1 zoning should be located along or at the intersection(s) of arterials and collector streets to provide access to customers

and to accommodate the traffic associated with these uses. If properly designed, development and uses in the C-1 district can buffer residential areas from higher-volume roadways or more intense nonresidential uses.

(2) **Uses:** Neighborhood-oriented retail, business and personal service, banks and financial institutions, and office uses such as barber and beauty shops, grocery stores, restaurants, and clothing stores in buildings of a limited size, certain public and institutional uses, and activities allowed subject to the approval of a Conditional Use Permit. Refer to **Table 1, Land Use Table** for a specific list of uses allowed in the C-1 district.

(3) **Building and Area Regulations:** No building shall be constructed in the C-1 district except in conformance with the following requirements.

“Residential Zoning District” as referenced in the regulations below shall have the following meaning and shall apply whether the residential property is developed or vacant:

- a. RE, R-1, R-1A, or R-2 zoning;
- b. RM zoning if developed for other than manufactured housing; or
- c. Land zoned MU or PD for single-family, patio home, townhome, or duplex uses.

CHARACTERISTIC	REQUIREMENT
Minimum Lot Width	N/A
Maximum Building Size	<ul style="list-style-type: none"> • Individual building: 5,000 square feet • Total for all buildings on the lot: 10,000 square feet
Minimum Front Setback	15 feet
For illustrations of side and rear setback requirements and building height adjacent to residential, see Appendix, Figure 8	
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: N/A • Corner lot, street side: 15 feet • Adjacent to a residential zoning district as defined in subsection (a)(3) above: 25 feet
Minimum Rear Setback	<ul style="list-style-type: none"> • 10 feet

	<ul style="list-style-type: none"> • Adjacent to a residential zoning district as defined in subsection (a)(3) above: 25 feet • For a double frontage lot, same as front setback
Maximum Building Height	<ul style="list-style-type: none"> • Two stories up to a maximum of 35 feet. No windows serving second story building area within 50 feet of the property line on any building wall facing a residential zoning district, as defined in subsection (a)(3) above to prevent views from nonresidential to residential property
Minimum Parking	Varies by use; see Article XII

N/A = Not Applicable (no specific requirement applies)

- (4) **Location of Structures Beyond Setback:** No structure in excess of thirty inches (30”) in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0’) in height is permitted. Ornamental fencing does not include chain link fencing, which is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

(5) **Outdoor Storage:**

- a. The outdoor storage of goods, wares, and merchandise is prohibited except as specifically authorized herein.
- b. No materials, supplies, inventory, or equipment may be kept or stored:
 1. Within any required front, side, or rear setback, or between the front building wall and the front property line, or between the side building wall and the street on a corner lot, unless:
 - A. Placed in an area that does not extend more than ten feet (10.0’) from the building face on which the main customer entrance is located; and
 - B. The items being stored do not exceed four feet (4.0’) in total height as stored or displayed, except as authorized in subsection c below.

2. Within any required parking spaces, fire lanes, circulation aisles, or customer pick-up lanes;
 3. Within any area that creates a visibility obstruction or otherwise interferes with pedestrian or vehicular circulation; and
 4. On any roof structure.
- c. The above prohibition shall not be construed to prohibit the following:
1. A maximum of three merchandise dispensing units per establishment when such merchandise dispensing units are operated in connection with the operation of a convenience store; or
 2. The placement of newspaper racks.
- d. No shipping container as defined herein shall be located on any property zoned C-1 for the purpose of providing outdoor storage.

(6) Screening Adjacent to Residential Zoning:

- a. The owner or developer of property zoned C-1 shall construct and maintain a screening wall or fence along the border of the property when:
1. Adjacent to property located in a residential zoning district as described in subsection (a)(3) above and not separated by a public street; or
 2. The building or storage area on the property is newly built, constructed, or expanded.
- b. The required screening wall or fence shall be constructed as follows:
1. The wall or fence shall be at least six feet (6.0'), and no more than eight feet (8.0') in height and constructed of one, or a combination, of the following materials:
 - A. Solid masonry materials similar in color and design to the main building, or a solid fence constructed of weather-resistant wood fencing materials; or

B. Chain link or ornamental fencing behind an irrigated landscape screen constructed of materials chosen from the *Preferred Plant List*, spaced to create a solid screen a minimum of six feet (6.0') in height within one year of installation, said screen to be maintained by the property owner in a healthy, growing condition.

2. The height of the wall or fence shall be measured from the highest established grade along the common property line.
 3. Landscaping may be used in combination with any of the above screening and fencing techniques.
 4. In no case shall chain link fencing with metal slats be an acceptable method of screening, with or without a landscape screen.
 5. A required screening wall or fence shall test plumb and square at all times unless otherwise dictated by the building code.
7. **Alternate Screening Permitted:** An applicant may make application to the Planning and Zoning Commission to use alternate screening methods which may include use of existing natural terrain and/or landscaping or installation of new landscaping and terrain features. The Commission may approve, disapprove, or approve with modifications, the proposal presented by the applicant. In the event of disapproval, the applicant may appeal to City Council by requesting such appeal in writing not later than 5 days following the date of the action of the Commission.

(b) **Light Commercial District (C-2):** Property located in a(n) C-2 district shall be developed in accordance with this Zoning Code, including the following regulations:

- (1) **Purpose:** The C-2 district accommodates a wider array of retail, office, and service uses than property zoned C-2, and will therefore attract customers from across the community and in the area outside the City. Lots on property zoned C-2 may be somewhat larger than those in the C-1 district and buildings may be up to 100,000 square feet in size. This zoning category should be applied along major collectors or arterials to provide convenient access to patrons and to accommodate higher traffic volumes.

(2) **Uses:** Neighborhood-oriented retail, office and service uses allowed in C-1 zoning, low-intensity automobile uses such as parts sales, gasoline sales, car washes, and minor service and repair, restaurants, including those with drive-thru service, microbreweries and wineries, certain public and institutional uses, and activities allowed subject to the approval of a Conditional Use Permit. Refer to **Table 1, Land Use Table** for a specific list of uses allowed in the C-2 district.

(4) **Building and Area Regulations:** No building shall be constructed in a C-2 district except in conformance with the following requirements.

“Residential Zoning District” as referenced in the regulations below shall have the following meaning and shall apply whether the residential property is developed or vacant:

- a. RE, R-1, R-1A, or R-2 zoning;
- b. RM zoning if developed for other than manufactured housing; or
- c. Land zoned MU or PD for single-family, patio home, townhome, or duplex uses.

CHARACTERISTIC	REQUIREMENT
Minimum Lot Width	N/A
Maximum Building Size	100,000 square feet of gross building area on the lot
Minimum Front Setback	25 feet
For illustrations of side and rear setback requirements and building height adjacent to residential, see Appendix, Figure 8	
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: N/A • Corner lot, street side: 15 feet • Adjacent to a residential zoning district as defined in subsection (b)(3) above: 25 feet
Minimum Rear Setback	<ul style="list-style-type: none"> • N/A • Adjacent to a residential zoning district as defined in subsection (b)(3) above: 25 feet • For a double frontage lot, same as front setback

Maximum Building Height	<ul style="list-style-type: none"> • No limit except adjacent to a residential zoning district as defined in subsection (b)(3) above, as follows: <ul style="list-style-type: none"> • Two stories of up to 35 feet when 25 feet to 100 feet from a residential property line; • 45 feet when more than 100 feet from a residential zoning district, with 1 foot of additional height allowed for each 1 foot of setback provided beyond 100 feet • No windows serving second story building area within 50 feet of the property line on any building wall facing a residential zoning district, as defined in subsection (b)(3) above to prevent views from nonresidential to residential property
Minimum Parking	Varies by use; see Article XII

N/A = Not Applicable (no specific requirement applies)

- (4) **Location of Structures Beyond Setback:** No structure in excess of thirty inches (30”) in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0’) in height is permitted. Ornamental fencing does not include chain link fencing, which is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

(5) **Outdoor Storage:**

- a. Outdoor storage shall be permitted in the C-2 district subject to the requirements herein.
- b. No materials, supplies, inventory, or and equipment may be kept or stored:
 1. Within any required parking spaces, fire lanes, circulation aisles, or customer pick-up lanes;
 2. Within any area that creates a visibility obstruction or otherwise interferes with pedestrian or vehicular circulation;

3. On any roof structure.

c. Notwithstanding anything to the contrary in paragraphs (a) and (b) above, self-propelled vehicles used by the owner or lessee of the property in the operation of the business located on the property, may be stored outdoors, provided such vehicles are not made available for retail or wholesale purchase by said owner or lessee.

d. The above prohibition shall not be construed to prohibit the following:

1. The storage, display, and sale of Christmas trees for the period between November 5 and December 31 of each year;
2. A maximum of three merchandise dispensing units per establishment when such merchandise dispensing units are operated in connection with the operation of a convenience store; and
3. The placement of newspaper racks.

e. No shipping container as defined herein shall be located on any property zoned C-2 for the purpose of providing outdoor storage.

(6) Screening Adjacent to Residential Zoning:

a. The owner or developer of property zoned C-2 shall construct and maintain a screening wall or fence along the border of the property when:

1. district as described in subsection (b)(3) above and not separated by a public street; or
2. The building or storage area on the property is newly built, constructed, or expanded.

b. The required screening wall or fence shall be constructed as follows:

1. The wall or fence shall be at least six feet (6.0'), and no more than eight feet (8.0'), in height, and constructed of one, or a combination, of the following materials:

Attachment A

A. Solid masonry materials similar in color and design to the main building, or a solid fence constructed of weather-resistant wood fencing materials; or

B. Chain link or ornamental fencing, behind an irrigated landscape screen constructed of materials chosen from the *Preferred Plant List*, spaced to create a solid screen a minimum of six feet (6.0') in height within one year of installation, said screen to be maintained by the property owner in a healthy, growing condition.

2. The height of the wall or fence shall be measured from the highest established grade along the common property line.

3. Landscaping may be used in combination with any of the above screening and fencing techniques.

A. In no case shall chain link fencing with metal slats be an acceptable method of screening, with or without a landscape screen.

B. A required screening wall or fence shall test plumb and square at all times unless otherwise dictated by the building code.

(7). **Alternate Screening Permitted:** A applicant may make application to the Planning and Zoning Commission to use alternate screening methods which may include use of existing natural terrain and/or landscaping or installation of new landscaping and terrain features. The Commission may approve, disapprove, or approve with modifications, the proposal presented by the applicant. In the event of disapproval, the applicant may appeal to City Council by requesting such appeal in writing not later than 5 days following the date of the action of the Commission.

(c) **General Commercial District (C-3):** Property located in a(n) C-3 district shall be developed in accordance with this Zoning Code, including the following regulations:

(1) **Purpose:** The C-3 district is designed to accommodate: (a) retail, service, and office uses; (b) activities of an entertainment, recreation, or tourism nature; and, (3) heavier motor vehicle-related uses and other more intense businesses. Properties zoned C-3 should be located along major transportation corridors.

The variety and cumulative nature of the list of C-3 uses reflects the high traffic volumes and visibility of the transportation facilities serving these locations, and thus the potential for these properties to attract customers from a broader region than the C-1 and C-2 districts might, including drawing from areas outside of Kerrville and Kerr County.

(2) **Uses:** Neighborhood-oriented uses allowed in C-1 zoning, light commercial uses permitted in C-2 zoning, plus community-oriented and regional retail and service uses, such as hotels and motels, home improvement centers, mini-storage, heavier automobile uses including dealerships and major service and repair, most building contractor activities, and movie theaters in buildings that may exceed 100,000 square feet in size, certain public and institutional uses, and activities allowed subject to the approval of a Conditional Use Permit. Refer to **Table 1, Land Use Table** for a specific list of uses allowed in the C-3 district.

(3) **Building and Area Regulations:** No building shall be constructed in a C-3 district except in conformance with the following requirements.

“Residential Zoning District” as referenced in the regulations below shall have the following meaning and shall apply whether the residential property is developed or vacant:

- a. RE, R-1, R-1A, or R-2 zoning;
- b. RM zoning if developed for other than manufactured housing; or
- c. Land zoned MU or PD for single-family, patio home, townhome, or duplex uses.

CHARACTERISTIC	REQUIREMENT
Minimum Lot Width	N/A
Minimum Front Setback	25 feet
For illustrations of side and rear setback requirements and building height adjacent to residential, <i>see Appendix, Figures 8 through 10</i>	
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: N/A • Corner lot, street side: 15 feet • Adjacent to a residential zoning district as defined in paragraph (iii) above: 25 feet

Minimum Rear Setback	<ul style="list-style-type: none"> • N/A • Adjacent to a residential zoning district as defined in paragraph (iii) above: 25 feet • For a double frontage lot, same as front setback
Maximum Building Height	<ul style="list-style-type: none"> • No limit except adjacent to a residential zoning district as defined in paragraph (iii) above as follows: <ul style="list-style-type: none"> • Two stories up to a maximum of 35 feet when 25 feet to 100 feet from a residential zoning district; • 45 feet when more than 100 feet from a residential zoning district, with 1 foot of additional height allowed for each 1 foot of setback provided beyond 100 feet • No windows serving second story building area within 50 feet of the property line on any building wall facing a residential zoning district, as defined in subsection (c)(3) above to prevent views from nonresidential to residential property
Minimum Parking	Varies by use; see Article XII

N/A = Not Applicable (no specific requirement applies)

(4) **Location of Structures Beyond Setback:** No structure in excess of thirty inches (30”) in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0’) in height is permitted. Ornamental fencing does not include chain link fencing, which is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

(5) **Outdoor Storage:**

a. Outdoor storage shall be permitted in the C-3 district subject to the requirements herein.

b. No materials, supplies, inventory, or equipment may be kept or stored:

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1. Within any required parking spaces, fire lanes, circulation aisles, or customer pick-up lanes;
 2. Within any area that creates a visibility obstruction or otherwise interferes with pedestrian or vehicular circulation; or
 3. On any roof structure.
- c. Notwithstanding anything to the contrary in paragraphs (a) and (b) above, self-propelled vehicles used by the owner or lessee of the property in the operation of the business located on the property, may be stored outdoors, provided such vehicles are not made available for retail or wholesale purchase by said owner or lessee.
- d. The above prohibition shall not be construed to prohibit the following:
1. The storage, display, and sale of Christmas trees for the period between November 5 and December 31 of each year;
 2. A maximum of three merchandise dispensing units per establishment when such merchandise dispensing units are operated in connection with the operation of a convenience store;
 3. The placement of newspaper racks.
- e. Notwithstanding anything to the contrary in paragraphs (a) through (d), above, no screening shall be required of new and used motor vehicles that constitute inventory on property used for automobile dealerships, automobile leasing and rental facilities, or for rental trucks and trailers at heavy equipment rental facilities as defined herein.
- f. No shipping container as defined herein shall be located on any property zoned C-3 for the purpose of providing outdoor storage.

(6) Screening Adjacent to Residential Zoning:

- a. The owner or developer of property zoned C-3 shall construct and maintain a screening wall or fence along the border of the property when:

Attachment A

1. Adjacent to property located in a residential zoning district as described in subsection (c)(3) above and not separated by a public street; or
 2. The building or storage area on the property is newly built, constructed, or expanded.
- b. The required screening wall or fence shall be constructed as follows:
1. The wall or fence shall be at least six feet (6.0'), and no more than eight feet (8.0'), in height, and constructed of one, or a combination, of the following materials:
 - A. Solid masonry materials similar in color and design to the main building, or a solid fence constructed of weather-resistant wood fencing materials; or
 - B. Chain link or ornamental fencing behind an irrigated landscape screen constructed of materials chosen from the *Preferred Plant List*, spaced to create a solid screen a minimum of six feet (6.0') in height within one year of installation, said screen to be maintained by the property owner in a healthy, growing condition.
 2. The height of the wall or fence shall be measured from the highest established grade along the common property line.
 3. Landscaping may be used in combination with any of the above screening and fencing techniques.
 4. In no case shall chain link fencing with metal slats be an acceptable method of screening, with or without a landscape screen.
 5. A required screening wall or fence shall test plumb and square at all times unless otherwise dictated by the building code.
- (7) **Alternate Screening Permitted:** For either the screening of outdoor storage or the screening of residential property, an applicant may make application to the Commission to use alternate screening methods which may include, but not be limited to, use of existing natural terrain and/or landscaping, or installation of new landscaping and terrain features. The Commission may

approve, disapprove, or approve with modifications, the proposal presented by the applicant. In the event of disapproval, the applicant may appeal to the City Council by requesting such appeal in writing not later than 5 days following the date of the action of the Commission.

(d) **Industrial and Manufacturing District (IM):** Property located in a(n) IM district shall be developed in accordance with this Zoning Code, including the following regulations:

- (1) **Purpose:** The purpose of the IM district is to provide locations for more intensive commercial and light industrial business activities, such as manufacturing, assembly, processing, fabrication, wholesaling, distribution, and warehousing; as well as research and development laboratories, limited building contracting businesses, heavier motor vehicle-related uses than those in the C-3 district, household equipment repair, and other similar, more intense uses. Open storage may be permitted in conjunction with some of these businesses when screened from public view. Convenient access to arterials and collector streets is a primary consideration for these uses, the operational characteristics of which are generally not compatible with residential areas.
- (2) **Uses:** Light industrial and manufacturing activities, such as fabrication, assembly, warehousing, distribution, and showrooms, as well as a number of activities of a commercial nature that are compatible with industrial and manufacturing uses, in addition to certain public and institutional uses, and activities allowed subject to the approval of a Conditional Use Permit. Refer to ***Table 1, Land Use Table*** for a specific list of uses allowed in the IM district.
- (3) **Building and Area Regulations:** No building shall be constructed in an IM district except in conformance with the following requirements.

“Residential Zoning District” as referenced in the regulations below shall have the following meaning and shall apply whether the residential property is developed or vacant:

- a. RE, R-1, R-1A, or R-2 zoning;
- b. RM zoning if developed for other than manufactured housing; or

c. Land zoned MU or PD for single-family, patio home, townhome, or duplex uses.

CHARACTERISTIC	REQUIREMENT
Minimum Lot Width	N/A
Minimum Front Setback	25 feet
For illustrations of side and rear setback requirements and building height adjacent to residential, <i>see Appendix, Figures 8 through 10</i>	
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: N/A • Corner lot, street side: 15 feet • Adjacent to a residential zoning district as defined in subsection (d)(3) above: 50 feet
Minimum Rear Setback	<ul style="list-style-type: none"> • N/A • Adjacent to a residential zoning district as defined in subsection (d)(3) above: 50 feet • For a double frontage lot, same as front setback
Maximum Building Height	<ul style="list-style-type: none"> • No limit except adjacent to a residential zoning district as defined in subsection (d)(3) above as follows: <ul style="list-style-type: none"> • Two stories up to a maximum of 35 feet when 50 feet to 100 feet from a residential zoning district • 45 feet when more than 100 feet from a residential zoning district, with 1 foot of additional height allowed for each 1 foot of setback provided beyond 100 feet • No windows serving second story building area within 50 feet of the property line on any building wall facing a residential zoning district, as defined in subsection (d)(3) above to prevent views from nonresidential to residential property
Minimum Parking	Varies by use; see Article XII

N/A = Not Applicable (no specific requirement applies)

- (4) **Location of Structures Beyond Setback:** No structure in excess of thirty inches (30”) in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0’) in height

is permitted. Ornamental fencing does not include chain link fencing, which is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

(5) Outdoor Storage:

a. Outdoor storage shall be permitted in the IM district subject to the requirements herein.

b. No materials, supplies, inventory, or equipment may be kept or stored:

1. Within any required parking spaces, fire lanes, circulation aisles, or customer pick-up lanes; and
2. Within any area that creates a visibility obstruction or otherwise interferes with pedestrian or vehicular circulation;
3. On any roof structure.

c. Notwithstanding anything to the contrary in paragraphs (a) and (b) above, self-propelled vehicles used by the owner or lessee of the property in the operation of the business located on the property, may be stored outdoors, provided such vehicles are not made available for retail or wholesale purchase by said owner or lessee.

d. The above prohibition shall not be construed to prohibit the following:

1. The storage, display, and sale of Christmas trees for the period between November 5 and December 31 of each year;
2. A maximum of three merchandise dispensing units per establishment when such merchandise dispensing units are operated in connection with the operation of a convenience store; or
3. The placement of newspaper racks.

e. Notwithstanding anything to the contrary in paragraphs (a) through (d), above, no screening shall be required of new and used motor vehicles that constitute inventory on property used for automobile dealerships, automobile

leasing and rental facilities, or for rental trucks and trailers at heavy equipment rental facilities as defined herein.

f. Shipping containers as defined herein may be located on property zoned IM for the purpose of providing outdoor storage subject to the following conditions:

1. No container shall be located in any required setback or between the front wall of the building being served and the front property line, or between the side building wall and the street on a corner lot; and
2. The container shall be painted to match the color of the building for which the storage is being provided.

(6) Screening Requirements Adjacent to Residential Zoning:

a. The owner or developer of property zoned IM shall construct and maintain a screening wall or fence along the border of the property when:

1. Adjacent to property in a residential zoning district as described in subsection (d)(3) above and not separated by a public street; or
2. The building or storage area on the property is newly built, constructed, or expanded.

b. The required screening wall or fence shall be constructed as follows:

1. The wall or fence shall be eight feet (8.0'), in height, and constructed of one, or a combination, of the following materials:
 - A. Solid masonry materials similar in color and design to the main building, or a solid fence constructed of weather-resistant wood fencing materials; or
 - B. Chain link or ornamental fencing behind an irrigated landscape screen constructed of materials chosen from the *Preferred Plant List*, spaced to create a solid screen a minimum of six feet (6.0') in height within one year of installation, said screen to be maintained by the property owner in a healthy, growing condition.

2. The height of the wall or fence shall be measured from the highest established grade along the common property line.
 3. Landscaping may be used in combination with any of the above screening and fencing techniques.
 4. In no case shall chain link fencing with metal slats be an acceptable method of screening, with or without a landscape screen.
 5. A required screening wall or fence shall test plumb and square at all times unless otherwise dictated by the building code.
- (7) **Alternate Screening Permitted:** For either the screening of outdoor storage or the screening of residential property, a applicant may make application to the Commission to use alternate screening methods which may include, but not be limited to, use of existing natural terrain and/or landscaping, or installation of new landscaping and terrain features. The Commission may approve, disapprove, or approve with modifications, the proposal presented by the applicant. In the event of disapproval, the applicant may appeal to the City Council by requesting such appeal in writing not later than 5 days following the date of the action of the Commission.

Sec. 60-52. Special Districts.

(a) **Downtown Arts and Cultural District (DAC):** Property located in a(n) DAC district shall be developed in accordance with this Zoning Code, including the following regulations:

- (1) **Purpose:** The goal of the DAC district is to provide for a pedestrian-oriented center for business, government, culture, and entertainment, supported by residential, retail, and restaurant uses, all of which combine to create a vibrant downtown environment in the City's historic business district. Development in this district will be denser than in other parts of the City because of minimal building setback requirements, special parking standards, and allowances for the use of public sidewalks for outdoor dining, streetscape improvements, and other pedestrian-oriented amenities. The goal of the DAC district is to complement and preserve the culture, heritage, and small-town character of the City's downtown area and to promote downtown as a center for the arts. The selection of permitted uses for the district is designed to allow an

appropriate transition from the more commercial-oriented uses in the core of the district to the residential uses in the surrounding area. Protection of the integrity of the Guadalupe River, but better recognition of this important community asset, is also a goal of the DAC district.

(2) **Uses:** Generally, a combination of residential and nonresidential uses, including retail, business and personal services, restaurants, offices, home occupations meeting the requirements of this Zoning Code, townhomes, multifamily residences, live/work units, certain public and institutional uses, and activities allowed subject to the approval of a Conditional Use Permit. Refer to **Table 1, Land Use Table** for a specific list of uses allowed in the DAC district.

(3) **Building and Area Regulations:** No building shall be constructed in the DAC district except in conformance with the following requirements, which allow the combination of residential and nonresidential uses in a single building.

CHARACTERISTIC	REQUIREMENT
Minimum Lot Size	N/A
Minimum Lot Width	N/A
Front Setback, Downtown Core	<ul style="list-style-type: none"> Local or Collector Street: 0 to 10 feet (build-to line) <ul style="list-style-type: none"> Up to 10 feet of additional setback, for a maximum of 20 feet, to accommodate enhanced entryways and windows, changes in building plane, outdoor dining areas, and other architectural features, provided that the additional setback shall not occupy more than 40% of the linear distance of the frontage along any single building façade Arterial Street: N/A (0 feet minimum setback)
Minimum Front Setback, Outside of Downtown Core	<ul style="list-style-type: none"> Local and Collector street: 10 feet Arterial street: 15 feet
Side Setback	<ul style="list-style-type: none"> N/A, except for: <ul style="list-style-type: none"> Corner lot, side street: Side setback same as front setback, including accommodations for outdoor dining and architectural features

Rear Setback	<ul style="list-style-type: none"> • N/A • For double frontage lots, same as front setback
Maximum Building Height	65 feet
Minimum Parking	<ul style="list-style-type: none"> • Residential uses: 2 spaces per dwelling unit • Nonresidential uses: On-site parking requirement waived within the Downtown Core as defined herein (generally bounded by the Guadalupe River on the south, extending north on Clay Street, east on Main Street, north on Earl Garrett Street, east on Jefferson Street, and south on Washington Street)

N/A = Not Applicable (no specific requirement applies)

(4) **Overlay District Design Guidelines:** All new construction or modifications to existing buildings is encouraged to follow the Downtown Arts and Culture Overlay District Design guidelines and/or the Guadalupe River Overlay District design guidelines, as applicable.

(5) **Right-of-Way Encroachments:** All floors of all buildings at grade level and above shall comply with all setback requirements, except that:

a. **Floors at Grade:** Streetscape elements such as planters, window boxes, street furniture, patio dining areas, and similar pedestrian amenities may be located within the public sidewalk area provided that five feet (5.0') of unobstructed sidewalk remains.

b. **Upper Floors:** An uncovered deck, balcony which is open on no less than two sides with walls not higher than three feet (3.0') from an adjacent finished floor level, chimney, or similar architectural features on the upper floors of a multi-story building may extend three feet (3.0') into the right-of-way above a public sidewalk provided a minimum clearance of eight feet (8.0') is maintained between the lowest portion of the architectural feature and the ground below and provided that state right-of-way requirements are met.

(6) **Location of Structures Beyond Setback:** No structure in excess of thirty inches (30") in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0') in height is permitted. Ornamental fencing does not include chain link fencing, which

is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

(7) Outdoor Storage and Display:

a. Outdoor storage and display shall be permitted in the DAC district subject to the following requirements:

1. Five feet (5.0') of unobstructed sidewalk is maintained outside of the display area.
2. The storage or display does not interfere with any required parking spaces, fire lanes, circulation aisles, or customer pick-up lanes; and
3. The items stored or displayed do not create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation;
4. The storage or display does not take place on any roof structure.

b. The above prohibition shall not be construed to apply to merchandise dispensing units, limited to not more than three for any one business establishment, when such merchandise dispensing units are operated in connection with the operation of a convenience store.

c. The above prohibition shall not be construed to prohibit the placement of newspaper racks.

d. No shipping container as defined herein shall be located on any property zoned DAC for the purpose of primarily providing outdoor storage.

(b) Mixed Use District (MU): Property located in a(n) MU district shall be developed in accordance with this Zoning Code, including the following regulations:

- (1) **Purpose:** The MU district allows residential and nonresidential uses to be combined: (1) in a single building, typically with public-oriented uses such as retail, and restaurant on the ground floor, and office, hotel, or residential living on the upper stories, sometimes referred to as vertical mixed use; and/or, (2) as a range of activities in one or more buildings, built in a cohesively-designed, walkable environment on the same lot and/or within the same development, sometimes referred to as horizontal mixed use. A single development may also incorporate both vertical and horizontal mixed use techniques. This district

offers flexible zoning standards in exchange for high-quality design and pedestrian-oriented amenities with the goal of creating active, attractive, sustainable live/work/shop/play districts. Uses within the MU district have been selected to create synergy and efficiency between the residential and nonresidential components of a development and to reduce the need for parking based on the integration of uses so that multiple needs can be satisfied with a single stop, or services needed by residents can be provided within walking distance of their home. Because of the unique design and creative combination of uses typically found in mixed use environments, these districts may attract users from around the community and the region as well. MU zoning should only be assigned to property that is situated along major roadways; if located adjacent to single-family residential neighborhoods, careful attention shall be paid to buffering and transitions.

- (2) **Uses:** Commercial, office, and residential uses that work together to create a development that satisfies multiple needs, such as residential uses near retail, business and personal services, restaurants, and/or offices, as well as home occupations meeting the requirements of this Zoning Code, certain public and institutional uses, and activities allowed subject to the approval of a Conditional Use Permit. Refer to ***Table 1, Land Use Table*** for a specific list of uses allowed in the MU district.

- (3) **Building and Area Regulations:** No building shall be constructed in a(n) MU district except in conformance with the following requirements.

“Residential Zoning District”, as referenced in the regulations below, shall have the following meaning and shall apply whether the residential property is developed or vacant:

- a. RE, R-1, R-1A, or R-2 zoning;
- b. RM zoning if developed for other than manufactured housing; or
- c. Land zoned MU or PD for single-family, patio home, townhome, or duplex uses.

CHARACTERISTIC	REQUIREMENT
	<ul style="list-style-type: none"> • MIXED-USE BUILDINGS INCLUDING BOTH RESIDENTIAL AND NONRESIDENTIAL USES • SINGLE-USE BUILDINGS (BUILDINGS CONTAINING ONLY NONRESIDENTIAL OR ONLY MULTIFAMILY USES) ON THE SAME LOT WITHIN AN INTEGRATED DEVELOPMENT
Minimum Lot Area	N/A
Minimum Lot Width	N/A
Minimum Front Setback	<ul style="list-style-type: none"> • Local and Collector street: 10 feet • Arterial street: 15 feet
For illustrations of side and rear setback requirements and building height adjacent to residential, <i>see Appendix, Figures 8 through 10</i>	
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: N/A • Corner lot, street side: <ul style="list-style-type: none"> • Local, Collector, or Arterial street: 15 feet • Highway: 25 feet • Adjacent to a residential zoning district as defined in subsection (b)(3) above: 25 feet
Minimum Rear Setback	<ul style="list-style-type: none"> • 10 feet • Adjacent to a residential zoning district as defined in subsection (b)(3) above: 25 feet • For a double frontage lot, same as front setback
Maximum Building Height	<ul style="list-style-type: none"> • No limit except adjacent to a residential zoning district as described in subsection (b)(3) above, as follows: <ul style="list-style-type: none"> • Two stories of up to 35 feet when 25 feet to 100 feet from a residential property line; • 45 feet when more than 100 feet from a residential property line, with 1 foot of additional height allowed for each 1 foot of setback provided beyond 100 feet • No windows serving second story building area within 50 feet of the property line on any building wall facing a residential zoning district, as defined in subsection (b)(3) above to prevent views from nonresidential to residential property
Open Space	For a mixed-use building containing dwelling units, in lieu of meeting parkland dedication requirements in accordance with City regulations, 8% of the site or portion of the site

	upon which residential units are located shall be developed for publicly-accessible open space, said open space to be located on the same lot with the dwelling units and designed and improved in accordance with the requirements in subsection (b)(3) below
Minimum Parking	<ul style="list-style-type: none"> • Residential uses: <ul style="list-style-type: none"> • 1.5 spaces for each 1-bedroom unit • 2.0 spaces for each 2-bedroom unit • 2.5 spaces for each unit with 3 or more bedrooms • Nonresidential uses in a mixed-use building including residential uses: 1 space for each 250 square feet • Mixed use credit: 10% reduction in the total number of spaces required for the nonresidential portion of a mixed-use building containing both residential and nonresidential uses • Nonresidential uses in a single-use building: Varies by use; see Article XII
Concept Plan	Required with application for MU zoning

N/A = Not Applicable (no specific requirement applies)

(4) **Concept Plan:** An application for MU zoning shall include a concept plan drawing as defined herein, indicating the preliminary layout of proposed uses, proposed structures, parking utilities, and, if applicable, project phasing. The concept plan shall be construed as an illustration of the development concepts and not an exact representation of all specific details.

(5) **Location of Structures Beyond Setback:** No structure in excess of thirty inches (30”) in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0’) in height is permitted. Ornamental fencing does not include chain link fencing, which is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

(6) **Outdoor Storage and Display:**

a. The outdoor storage of goods, wares, and merchandise is prohibited except as specifically authorized herein.

b. No materials, supplies, inventory, or equipment may be kept or stored:

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1. Within any required front, side, or rear setback, or between the front building wall and the front property line, or between the side building wall and the street on a corner lot, unless:
 - A. Placed in an area that does not extend more than ten feet (10.0') from the building face on which the main customer entrance is located; and
 - B. The items being stored do not exceed four feet (4.0') in total height as stored or displayed, except as authorized in subsection c below.
 2. Within any required parking spaces, fire lanes, circulation aisles, or customer pick-up lanes;
 3. Within any area that creates a visibility obstruction or otherwise interferes with pedestrian or vehicular circulation; or
 4. On any roof structure.
- c. The above prohibition shall not be construed to prohibit the following:
1. A maximum of three merchandise dispensing units per establishment when such merchandise dispensing units are operated in connection with the operation of a convenience store; or
 2. The placement of newspaper racks.
- d. No shipping container as defined herein shall be located on any property zoned MU for the purpose of providing outdoor storage.

(7) Screening Adjacent to Residential Zoning:

- a. The owner or developer of property zoned MU shall construct and maintain a screening wall or fence along the border of the property when:
 1. Adjacent to property in a residential zoning district as described in subsection (b)(3) above and not separated by a public street, but not including single-family development within the boundaries of the MU district under consideration; or

2. Building or storage area on the property is newly built, constructed, or expanded.
- b. The required screening wall or fence shall be constructed as follows:
1. The wall or fence shall be at least six feet (6.0'), and no more than eight feet (8.0'), in height, and constructed of one, or a combination, of the following materials:
 - A. Solid masonry materials similar in color and design to the main building, or a solid fence constructed of weather-resistant wood fencing materials; or
 - B. Chain link or ornamental fencing behind an irrigated landscape screen constructed of materials chosen from the *Preferred Plant List*, spaced to create a solid screen a minimum of six feet (6.0') in height within one year of installation, said screen to be maintained by the property owner in a healthy, growing condition.
 2. The height of the wall or fence shall be measured from the highest established grade along the common property line.
 3. Landscaping may be used in combination with any of the above screening and fencing techniques.
 4. In no case shall chain link fencing with slats be an acceptable method of screening, with or without a landscape screen.
 5. A required screening wall or fence shall test plumb and square at all times unless otherwise dictated by the building code.
- (8) **Alternate Screening Permitted:** A applicant may make application to the Commission to use alternate screening methods which may include, but not be limited to, use of existing natural terrain and/or landscaping, or installation of new landscaping and terrain features. The Commission may approve, disapprove, or approve with modifications, the proposal presented by the applicant. In the event of disapproval, the applicant may appeal to the City Council by requesting such appeal in writing not later than 5 days following the date of the action of the Commission.

(9) **Open Space Requirement:** The publicly accessible open space required herein shall be located, designed, improved, and maintained as follows:

- a. The open space shall be designed to allow natural surveillance from adjacent properties and/or roadways;
- b. Fencing shall provide through vision on all sides;
- c. The area shall be lit appropriately, using approved fixture types and lighting levels; and
- d. The property owner shall be responsible for maintaining the open space in a proper manner, including keeping landscaping trimmed and in a healthy growing condition, maintaining fencing and lighting, and keeping any street furniture or play equipment in a safe condition.

(c) **Planned Development District (PD):** Property located in a(n) PD district shall be developed in accordance with this Zoning Code, including the following regulations:

(1) **Purpose:** The PD district is a zoning category that allows the use of unique and innovative land use and design techniques to further the City's development goals. PD zoning allows an applicant to: (1) create combinations of uses, structures, and open spaces not otherwise permitted under established regulations; (2) utilize flexible design techniques that take into account the use of adjacent properties, the needs of future occupants and users of the Planned Development and the emergence of new development trends, such as tiny homes; (3) mitigate the impacts of new construction on traffic, the environment, public facilities, and services; (4) protect existing natural assets, such as the Guadalupe River and Hill Country views; (5) promote the efficient use of land and public facilities and services; and (6) further the vision of the Comprehensive Plan. It is intended to ensure compliance with good zoning practices while allowing specific desirable departures from the strict provisions of current zoning classifications. It is not intended to be used to circumvent the standard requirements of the Zoning Code. In general, PD zoning may be requested anywhere in the City on tracts of land of five (5) acres or more.

(2) **Application and Review Process, Generally:** A complete application for a PD district shall be processed in accordance with this section. All information

required by City and the amount of the appropriate fee shall be specified on City's application form.

- (3) **Mandatory Pre-Application Conference:** Prior to submitting a PD application, the applicant shall meet with the Director to receive information regarding application procedures and requirements. The applicant is encouraged to bring any preliminary development concepts or other relevant materials to the meeting to facilitate the discussion.
- (4) **Minimum Development Size:** The minimum tract size for any request for PD zoning shall be not less than five (5) acres. No request for PD zoning on a tract that does not meet the five (5) acre minimum requirement may be considered, unless the applicant has requested a waiver of this requirement by filing an appeal with City Council. The appeal shall be reviewed and may be approved by Council in advance of the filing of the application for PD zoning with the Department.
- (5) **Uses:** The uses approved for a Planned Development shall be those listed in the application and approved in the ordinance governing the property. In a PD zoning request, the applicant shall propose a list of uses, typically from among those already permitted under this Zoning Code, to achieve a unique development that would enhance the community and is consistent with the Comprehensive Plan. For efficiency, the application may refer to one of the existing zoning districts and add or eliminate uses from the standard list. Residential and nonresidential uses may be combined on a single property or in a single development within a PD district.
- (6) **Area and Height Regulations:** An application for PD zoning may refer to the area and height regulations of an existing zoning district as the basis for the request or may propose area and height regulations that are not the same as those under any other district in this Zoning Code. In addition, the application shall include the proposed area and height requirements for each tract of land within the PD.
- (7) **Parking:** Parking for all uses in the PD district shall comply with the requirements in Article XII herein, unless otherwise stated in the PD application and approved ordinance. Reduced parking requirements may be requested if the applicant can demonstrate that some portion of the parking typically demanded by a development can be reduced with the mixing of uses

within a single integrated project.

(8) **Application:** An application for PD zoning shall be accompanied by the following information:

a. **Applicant's Statement:** Each application for PD zoning shall include a statement from the applicant describing the vision, general intent and characteristics of the proposed development, including information such as a summary of uses, building types and sizes, plans for landscaping and open space, screening, the buffering of adjacent properties, and other key features of the proposed development.

b. **PD Conditions:** The conditions for the proposed Planned Development shall be specified in the application as follows:

1. Total land area for the PD district;
2. Land area per tract, if applicable;
3. Proposed uses; if there are multiple tracts within the area of the PD district and different uses are proposed for the various tracts, the uses for each tract shall be specified;
4. Minimum lot size (minimum width, depth, and lot area) by residential type for single-family units and/or density (number of units per acre) for multifamily units;
5. Minimum front setback;
6. Minimum side setback;
7. Minimum rear setback;
8. Area reserved for landscaping and/or open space;
9. Minimum building height, if applicable;
10. Maximum building height;

11. Proposed parking standard for each use;

12. Brief description of provisions for the maintenance of any common areas by an association of homeowners or property owners, if applicable, not including the legal documents establishing the association; and

13. Other conditions as appropriate for the application.

c. **Concept Plan:** An application for PD zoning shall include a concept plan drawing as defined herein, indicating the preliminary layout of proposed uses, proposed structures, parking utilities, and, if applicable, project phasing. The concept plan shall be construed as an illustration of the development concepts and not an exact representation of all specific details.

(9) **Phasing Schedule:** If the proposed development will not be constructed as a single project, a phasing schedule for the development depicting the different construction timelines shall be included in the application.

(10) **Application Review Fee:** The required application review fee, as established by City Council, shall accompany the application.

(11) **Review Process:** Upon receipt of complete application, the application for PD zoning shall be reviewed under the process governing the review of an application for rezoning as described in Article IX and Section 211.007, Texas Local Government Code, including notification of surrounding property owners, public hearings before the Planning and Zoning Commission and City Council, and testimony from the applicant, the Director, and others who have an interest in the matter, facts, and opinions concerning the proposed use and conditions to which such use would be subject.

(12) **Zoning Map Reference:** A PD district approved in accordance with the provisions of this section, following two readings of the ordinance, shall be referenced on the City's *Official Zoning Map*. A list of approved Planned Developments, together with the category of uses permitted within them and the concept plan, shall be maintained in the Department.

(13) **Amendment to a Planned Development District:** Any changes in the ordinance adopting a PD district or the PD concept plan shall be in accordance with the same process used to establish the original PD, except that:

a. **Minor Amendments:** Minor amendments to a PD concept plan shall be defined as a change which does not:

1. Increase the total building square footage by more than 30% or increase the number of residential units by more than 30%;
2. Change the list of permitted uses;
3. Increase the building height;
4. Decrease the area regulations or parking ratios specified;
5. Substantially change the access or circulation on or adjacent to the PD site; or
6. Alter the basic relationship of the proposed development to adjacent property.

b. **Approval of Minor Amendments:** The Director may, upon written application and explanation of the change by the owner of the property and review and recommendation by the Department, approve minor amendments to a PD concept plan as described in Subsection (a) above without a public hearing.

c. **Major Amendments (Text):** Any other change to a PD concept plan shall be considered a change in zoning and shall be considered using the same process as for the original application, including the payment of an application fee, notification and public hearings before the Planning and Zoning Commission and City Council as required by the Section 211.007, Texas Local Government Code, and Article IX.

d. **Reapplication:** If an application for the creation of a PD is denied by City Council, another application for reclassification of the same property or any portion thereof shall not be filed within a period of one (1) year from the date of final denial, except upon written appeal of the applicant and approved by City Council.

(d) **Public and Institutional District (PI):** Property located in a(n) PI district shall be developed in accordance with this Zoning Code, including the following regulations:

- (1) **Purpose:** The purpose of the PI district is to identify locations especially suited for uses that serve the entire community, such as public buildings and facilities, parks, hospitals, churches, schools, and similar uses.
- (2) **Uses:** City, county, state, and federal offices, public safety facilities, churches, schools, parks and libraries, utility facilities, and similar uses that provide service to the entire population. Refer to **Table 1, Land Use Table** for a specific list of uses allowed in the PI district.
- (3) **Building and Area Regulations:** No building shall be constructed in a PI district except in conformance with the following requirements.
 “Residential Zoning District”, as referenced in the regulations below, shall have the following meaning and shall apply whether the residential property is developed or vacant:
- a. RE, R-1, R-1A, or R-2 zoning;
 - b. RM zoning if developed for other than manufactured housing; or
 - c. Land zoned MU or PD for single-family, patio home, townhome, or duplex uses.

CHARACTERISTIC	REQUIREMENT
Minimum Lot Width	N/A
Minimum Front Setback	N/A
For illustrations of side and rear setback requirements and building height adjacent to residential, <i>see Appendix, Figures 8 through 10</i>	
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: N/A • Corner lot, street side: 15 feet • Adjacent to a residential zoning district as defined in subsection (d)(3) above: 25 feet
Minimum Rear Setback	<ul style="list-style-type: none"> • N/A • Adjacent to a residential zoning district as defined in subsection (d)(3) above: 25 feet • For a double frontage lot, same as front setback

Maximum Building Height	<ul style="list-style-type: none"> • 35 feet • Adjacent to a residential zoning district as defined in subsection (d)(3) above, one foot (1.0') of additional building height permitted for each 1 foot (1.0') of setback from the residential zoning district • An installation of a public or private utility exempt from this requirement
Minimum Parking	Varies by use; see Article XII

N/A = Not Applicable (no specific requirement applies)

(4) Location of Accessory Buildings or Structures Beyond Setback:

a. No structure in excess of thirty inches (30") in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0') in height is permitted. Ornamental fencing does not include chain link fencing, which is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

b. Satellite dishes may extend to within three feet (3.0') of the property line, but may not be located between the front building wall and the front property line, or between the side building wall and the street on a corner lot.

c. No side or rear setback shall be required for an accessory building or structure on a property zoned PI adjacent to property not zoned for single-family residential uses, including a detached carport or garage.

(5) Outdoor Storage:

a. Outdoor storage shall be permitted in the PI district subject to the requirements herein.

b. No materials, supplies, inventory, or equipment may be kept or stored:

1. Within any required parking spaces, fire lanes, circulation aisles, or customer pick-up lanes;
2. Within any area that creates a visibility obstruction or otherwise interferes with pedestrian or vehicular circulation; or

3. On any roof structure.

c. Notwithstanding anything to the contrary in paragraphs (a) and (b) above, self-propelled vehicles used in the operation of the activity located on the property, may be stored outdoors.

d. The above prohibition shall not be construed to prohibit the placement of newspaper racks.

e. No shipping container as defined herein shall be located on any property zoned PI for the purpose of providing outdoor storage.

(6) Screening Adjacent to Residential Zoning:

a. The owner or developer of property zoned PI unless owned and used for school purposes by an independent school district or as a place of worship by church, temple, mosque, or other religious institution, shall construct and maintain a screening wall or fence along the border of the property when adjacent to a residential zoning district as described in subsection (d)(3) above.

b. The required screening wall or fence shall be constructed as follows:

1. The wall or fence shall be at least six feet (6.0') and no more than eight feet (8.0') in height and constructed of one, or a combination, of the following materials:

A. Solid masonry materials similar in color and design to the main building, or a solid fence constructed of weather-resistant wood fencing materials; or

B. Chain link or ornamental fencing behind an irrigated landscape screen constructed of materials chosen from the *Preferred Plant List*, spaced to create a solid screen a minimum of six feet (6.0') in height within one year of installation, said screen to be maintained by the property owner in a healthy, growing condition.

2. The height of the wall or fence shall be measured from the highest established grade along the common property line.

3. Landscaping may be used in combination with any of the above screening and fencing techniques.
4. Chain link fencing with slats shall be an acceptable method of screening, with or without landscaping.
5. A required screening wall or fence shall test plumb and square at all times unless otherwise dictated by the building code.

(7) **Alternate Screening Permitted:** An applicant may make application to the Commission to use alternate screening methods which may include use of existing natural terrain and/or landscaping, or installation of new landscaping and terrain features. The Commission may approve, disapprove, or approve with modifications, the proposal presented by the applicant. In the event of disapproval, the applicant may appeal to City Council by requesting such appeal in writing not later than 5 days following the date of the action of the Commission.

(e) **Airport District (AD):** Property located in a(n) AD district shall be developed in accordance with the following and other City ordinances, rules, and regulations, including the Airport Hazard Zoning Ordinance, as adopted by the Airport Zoning Board:

- (1) **Purpose:** The AD district includes the Kerrville-Kerr County Municipal Airport (“Airport”) and areas in close proximity to the airport. This district is designed to accommodate the Airport plus uses associated and/or compatible with its operation.
- (2) **Uses:** Aviation uses, manufacturers, suppliers, businesses that use Airport services, activities to accommodate persons traveling to and from Kerrville by private aircraft, and industrial and manufacturing uses compatible with an airport environment. Refer to ***Table 1, Land Use Table*** for a specific list of uses allowed in the AD district.
- (3) **Building and Area Regulations:** No building shall be constructed in an AD district except in conformance with the following requirements.

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“Residential Zoning District”, as referenced in the regulations below, shall have the following meaning and shall apply whether the residential property is developed or vacant:

- a. RE, R-1, R-1A, or R-2 zoning;
- b. RM zoning if developed for other than manufactured housing; or
- c. Land zoned MU or PD for single-family, patio home, townhome, or duplex uses.

CHARACTERISTIC	REQUIREMENT	
	USES ON AIRPORT PROPERTY	USES NOT LOCATED ON AIRPORT PROPERTY
Minimum Lot Width	N/A	N/A
Minimum Front Setback	25 feet	25 feet
		For illustrations of side and rear setback requirements and building height adjacent to residential, <i>see Appendix, Figures 8 through 10</i>
Minimum Side Setback	15 feet	<ul style="list-style-type: none"> • Interior lot: N/A • Corner lot, street side: 15 feet • Adjacent to a residential zoning district as defined in subsection (e)(3) above: 50 feet
Minimum Rear Setback	25 feet	<ul style="list-style-type: none"> • N/A • Adjacent to a residential zoning district as defined in subsection (e)(3) above: 50 feet

		<ul style="list-style-type: none"> • For a double frontage lot, same as front setback
Maximum Building Height	N/A except that buildings shall comply with Federal Aviation Administration (FAA) requirements	<ul style="list-style-type: none"> • 45 feet • Adjacent to a residential zoning district as defined in subsection (e)(3) above: <ul style="list-style-type: none"> • Two stories up to a maximum of 35 feet when 25 feet to 100 feet from a residential property line; • 45 feet when more than 100 feet from a residential property line, • No windows serving second story building area within 50 feet of the property line on any building wall facing a residential zoning district, as defined in subsection (d)(3) above to prevent views from nonresidential to residential property • Buildings shall also comply with Federal Aviation Administration (FAA) requirements
Minimum Parking	N/A	Varies by use; See Article XII

N/A = Not Applicable (no specific requirement applies)

- (4) **Location of Structures Beyond Setback:** No structure in excess of thirty inches (30”) in height may exist between the front wall of any building and the front property line, except that ornamental fencing up to six feet (6.0’) in height is permitted. Ornamental fencing does not include chain link fencing, which

is prohibited. No element of the fence may create a visibility obstruction or otherwise interfere with pedestrian or vehicular circulation.

(5) Outdoor Storage:

a. For land zoned AD excluding airport property, outdoor storage shall be permitted subject to the requirements herein.

b. No materials, supplies, inventory, or equipment may be kept or stored:

1. Within any required parking spaces, fire lanes, circulation aisles, or customer pick-up lanes;
2. Within any area that creates a visibility obstruction or otherwise interferes with pedestrian or vehicular circulation; or
3. On any roof structure.

c. The above prohibition shall not be construed to prohibit the following:

1. A maximum of three merchandise dispensing units per establishment when such merchandise dispensing units are operated in connection with the operation of a convenience store;
2. The placement of newspaper racks.

d. Shipping containers as defined herein may be located on property zoned AD for the purpose of providing outdoor storage subject to the following conditions

1. No container shall be located in any required setback or between the front wall of the building being served and the front property line, or between the side building wall and the street on a corner lot; and
2. The container shall be painted to match the color of the building for which the storage is being provided.

(6) Screening Adjacent to Residential Zoning:

a. The owner or developer of property zoned AD district shall construct and maintain a screening wall or fence along the border of the property when:

1. Adjacent to property in a residential zoning district as described in subsection (d)(3) above; or
 2. Building or storage area on the property is newly built, constructed, or expanded.
- b. The required screening wall or fence shall be constructed as follows:
1. The wall or fence shall be at least six feet (6.0'), and no more than eight feet (8.0'), in height, and constructed of one, or a combination, of the following materials:
 - A. Solid masonry materials similar in color and design to the main building, or a solid fence constructed of weather-resistant wood fencing materials; or
 - B. Chain link or ornamental fencing behind an irrigated landscape screen constructed of materials chosen from the *Preferred Plant List*, spaced to create a solid screen a minimum of six feet (6.0') in height within one year of installation, said screen to be maintained by the property owner in a healthy, growing condition.
 2. The height of the wall or fence shall be measured from the highest established grade along the common property line.
 3. Landscaping may be used in combination with any of the above screening and fencing techniques.
 4. In no case shall chain link fencing with metal slats be an acceptable method of screening, with or without a landscape screen.
 5. A required screening wall or fence shall test plumb and square at all times unless otherwise dictated by the building code.
- (7) **Alternate Screening Permitted:** For either the screening of outdoor storage or the screening of residential property, an applicant may make application to the Commission to use alternate screening methods which may include, but not be limited to, use of existing natural terrain and/or landscaping, or installation of new landscaping and terrain features. The Commission may approve, disapprove, or approve with modifications, the proposal presented by

the applicant. In the event of disapproval, the applicant may appeal to the City Council by requesting such appeal in writing no later than 5 days following the date of the action of the Commission.

(f) **Agricultural District (AG):** Property located in a(n) AG district shall be developed in accordance with this Zoning Code, including the following regulations:

(1) **Purpose:** The AG district allows uses consistent with the rural heritage of Kerr County, such as the cultivation of crops, the raising of livestock, and other activities and improvements incidental to these as principal uses. Single-family uses on large lots are allowed in the AG district; however, at such time as the land is proposed to be divided for the sale of lots, the requirements of the Subdivision Code may apply. AG zoning can also be used as a tool for preserving open space, special topographic features, and mitigating water quality and flooding hazards, as well as to accommodate outdoor tourism activities. This district also serves as a temporary zoning category for land annexed without a development agreement or other zoning plan in place until permanent zoning can be established.

(2) **Uses:** In general, agricultural uses, including the raising of crops and livestock, the preservation of open space and important environmental features, certain public and institutional uses, home occupations meeting the requirements of this Zoning Code, and activities allowed subject to the approval of a Conditional Use Permit. Refer to **Table 1, Land Use Table** for a specific list of uses allowed in the AG district.

(3) **Area and Height Regulations:** No building shall be constructed in an AG district except in conformance with the following requirements:

CHARACTERISTIC	REQUIREMENT
Minimum Lot Size	5 acres
Minimum Lot Width	N/A
Minimum Front Setback	<ul style="list-style-type: none"> • 25 feet • Agricultural fields shall be located a minimum of 10 feet from the exterior property line of the tract
Minimum Side Setback	<ul style="list-style-type: none"> • Interior lot: 5 feet • Corner lot, street side: <ul style="list-style-type: none"> • 15 feet

	<ul style="list-style-type: none"> • 19 feet to a garage door
Minimum Rear Setback	<ul style="list-style-type: none"> • 25 feet • For a double frontage lot, same as front setback
Maximum Building Height	<ul style="list-style-type: none"> • Main building used for residential purposes: 35 feet • Agricultural buildings: 45 feet
Minimum Parking	2 spaces per dwelling unit

N/A = Not Applicable (no specific requirement applies)

- (4) **Access to Arterial or Collector Street Prohibited:** No lot shall be platted with direct access to a collector or arterial street except where limited access is permitted by the Subdivision Code.

ARTICLE IX. SUPPLEMENTARY DEVELOPMENT REQUIREMENTS FOR CERTAIN USES

Sec. 60-60. Supplementary Development Requirements.

The following supplementary development requirements are use-specific requirements that apply in addition to development standards required for specified uses within specified zoning districts. These development requirements were established to assure compatibility with the adjacent zoning district and land uses as well as the public need and the City's orderly development.

- (1) **Fuel Sales, Retail/Gasoline Sales and Truck Stop and Fueling Station:** Automobile services stations and other gasoline/fuel sales uses, except the sale of aviation fuel at an airport, shall comply with the following requirements:
- a. A minimum street frontage of one hundred twenty feet (120.0') is required for the site on which the use will occur;
 - b. The principal use of a gasoline sales establishment in any district in which it is permitted shall be the sale of gasoline with incidental sales of sundries. The operation of a convenience store shall be permitted in conjunction with gasoline sales. Automobile sales and repair shall not be considered an accessory use. Automated car washes, as an accessory use, may be permitted;
 - c. No outdoor sales or storage shall be permitted in conjunction with gasoline sales facilities;

- d. Pump islands shall be located a minimum of twenty-five feet (25.0') from any street right-of-way;
- e. Pump islands shall be located a minimum of one hundred feet (100.0') from any residential zoning district or any portion of property zoned MU or PD for residential uses;
- f. The location of the refueling area shall be located a minimum of one hundred feet (100.0') from any residential zoning district or any portion of property zoned MU or PD for residential uses and twenty-five feet (25.0') from any street right-of-way. In addition, an area shall be provided for the refueling truck outside the required drive aisles, fire lanes, right-of-way, and required parking;
- g. Any canopy placed over the pump island may not extend closer than fifteen feet (15.0') to any street right-of-way;
- h. An eight foot (8.0') solid fence shall be constructed and maintained along any property line adjoining a residential zoning district or any portion of property zoned MU or PD for residential uses;
- i. All lighting shall be designed and installed to prevent glare or light from being emitted onto adjacent properties;
- j. All self-service fuel/gasoline sales facilities shall provide an emergency shut-off switch to completely eliminate the flow of gasoline from all pumps upon activation in an emergency situation;
- k. This use is prohibited within one hundred feet (100.0') of the 100-year flood plain. Where such use is within five hundred feet (500.0') of the 100-year flood plain or within one thousand feet (1,000.0') of the Nimitz Lake Impoundment Area, such use shall require the adoption of a Conditional Use Permit pursuant to this Code. The calculation of these distances shall be based on the approved Federal Emergency Management Agency (FEMA) map in place at the time of development and the distance shall be measured from the closest point of the flood plain or impoundment area to the closest point on the property line of the tract containing the gasoline sales facility.

(2) **Mini-Storage Facilities:** Mini-Storage warehouses and self-storage units shall comply with the following requirements:

a. Use, Parking, and Access:

1. Mini-storage shall be used for storage purposes only and not for any other use, processing, services, or activities. Outdoor storage is prohibited in conjunction with this use, except as described in subsection 2., provided immediately below;
2. The use may include the storage of recreational vehicles, boats, and automobiles, provided that the storage area is screened from public view and paved. The site plan or concept plan shall show the designated parking and storage areas at the time of project submittal. No parking or storage of recreational vehicles or boats shall be allowed within fifty feet (50.0') of any residential zoning district or any portion of property zoned MU or PD for residential uses;
3. One manager or caretaker apartment is authorized for use by an on-site manager or security guard.
4. All driveways, parking, loading, and vehicle circulation areas shall be paved in accordance with City specifications.
5. One parking space shall be required in the office and apartment area for each 10,000 square feet of floor area in the mini-storage development. These spaces are in addition to the required loading areas;
6. A continuous marked fire lane is required throughout the project per the City's fire code;
7. In addition to the fire lane required by the City's fire code, a continuous loading area, a minimum of eight feet (8.0') in width, shall be provided for parking and loading along any building face which provides access to the storage units.

b. Design Criteria:

1. The minimum separation between mini-storage buildings shall be twenty feet (20.0') provided that additional separation will be necessary where loading areas and fire lanes are required;
2. Public access doors to the storage units shall not face the public right-of-way;
3. The leasing office or manager or caretaker apartment shall not exceed one story in height;
4. Building facades facing public rights-of-way shall be a minimum of eight feet (8.0') in height and shall include design features, such as changes in color, texture, or materials, or offsets in the building wall, to break up long facades;
5. The maximum height adjacent to a residential zoning district or any portion of property zoned MU or PD for residential uses shall be one story, generally limited to a maximum of fifteen feet (15.0').
6. Lighting shall be installed with no fixtures extending above the rooflines and shall be designed and installed to prevent glare or light from being emitted onto adjacent residential properties.

(3) Day Care Services, Adult and Children: a property used for day care services, including nursery schools, preschools, day care centers for both children and adults, and similar uses shall comply with the following requirements:

- a. The facility shall comply with the minimum state requirements for such facilities;
- b. A circular or similar drive, covered at the entrance with loading/unloading space for at least two (2) vehicles shall be provided. This requirement is not required for multitenant buildings;
- c. No portion of any play or instruction area shall be located within the required front setback and/or side setback adjacent to a street; and

- d. An eight foot (8.0') solid fence shall be constructed and maintained along any property line adjoining a residential zoning district or any portion of property zoned MU or PD for residential uses.

(4) Automobile Service and Repair, Major or Minor and Automobile Parts Store: Properties providing both major and minor service and repair functions or sale of automobile parts and accessories as defined herein for vehicles such as passenger cars, pick-ups, and vans shall comply with the following requirements:

- a. All maintenance shall be performed entirely within the bays of any maintenance facility.
- b. No outdoor storage of vehicle parts or supplies, including tires and petroleum products shall be permitted.
- c. Maintenance facilities shall be located a minimum of one hundred feet (100.0') from any residential zoning district or any portion of property zoned MU or PD for residential uses.
- d. Unless placed within the primary structure, incidental equipment, such as air compressors, pumps, or waste material storage, shall be placed within a designated area which is located a minimum of twenty-five feet (25.0') from any street right-of-way, a minimum of fifty feet (50.0') from any side or rear property line, and one hundred feet (100.0') from any residential zoning district or any portion of property zoned MU or PD for residential uses.
- e. An eight foot (8.0') solid fence shall be constructed and maintained along any property line adjoining a residential zoning district or any portion of property zoned MU or PD for residential uses.
- f. Vehicles waiting for repair shall be located in a secure area on the site; no off-site or on-street parking or storage of vehicles awaiting service or repair shall be permitted.
- g. This use is prohibited within one hundred feet (100.0') of the 100-year flood plain. In addition, where such use is within five hundred feet (500.0') of the 100-year flood plain or within one thousand feet (1,000.0') of the Nimitz

Lake Impoundment Area, such use will require the adoption of a Conditional Use Permit pursuant to this Code. The calculation of these distances shall be based on the approved Federal Emergency Management Agency (FEMA) map in place at the time of development and the distance shall be measured from the closest point of the flood plain or impoundment area to the closest point on the property line of the tract containing the service/repair facility.

(5) **Car Wash:** A property primarily used for a car wash as defined herein shall comply with the following requirements:

- a. Car wash facilities shall be designed to utilize water recirculation systems;
- b. Incidental equipment, such as vacuums and air compressors, shall be located a minimum of twenty-five feet (25.0') from any street right-of-way, a minimum of fifty feet (50.0') from any side or rear property line, and one hundred feet (100.0') from any residential zoning district or any portion of property zoned PD or MU for residential uses;
- c. An eight foot (8.0') solid fence shall be constructed and maintained along any property line adjoin a residential zoning district or any portion of property zoned PD or MU for residential uses;
- d. All lighting, including lighting for wash bays and canopies shall be designed and installed to prevent glare or light from being emitted onto adjacent properties; and
- e. This use is prohibited within one hundred feet (100.0') of the 100-year flood plain. In addition, where such use is within five hundred feet (500.0') of the 100-year flood plain or within one thousand feet (1000.0') of the Nimitz Lake Impoundment Area, such use will require the adoption of a Conditional Use Permit pursuant to this Code. The calculation of these distances shall be based on the approved Federal Emergency Management Agency (FEMA) map in place at the time of development and the distance shall be measured from the closest point of the flood plain or impoundment area to the closest point on the property line of the tract containing the car wash facility.

(6) **Facilities with Drive-Thru Service:** Any use or building offering drive-thru service with direct forward access to a point of service, such as a drive-thru

window, order station, or other similar feature, shall provide stacking lanes a minimum of nine feet (9.0') in width and twenty feet (20.0') in length per vehicle as measured from the point of service. The stacking lane shall be marked and shall be separate from any other driveway, parking space, or aisle, and shall not interfere with any required parking, circulation, ingress, or egress.

- a. **General:** Each point of service for a use such as a drug store, dry cleaner, or other business with a drive-thru facility shall provide a stacking lane for a minimum of three (3) vehicles except as follows:

1. **For a bank or financial institution or bill-paying window:**

Each point of service, such as a teller station or an automated teller machine (ATM) at a drive-through bank or financial institution, or a payment window at a business offering drive-through bill paying, shall provide a stacking lane for a minimum of five (5) vehicles. Where more than one ATM is located in a single drive-thru lane, additional stacking shall not be required above the minimum five (5) spaces. *See Appendix, Figure 11.*

2. **Restaurant:** Each remote order station at a restaurant with drive-through service shall provide stacking space for vehicles awaiting service as follows:

- A. For a restaurant with a single drive-thru lane, stacking for a minimum of four (4) vehicles shall be provided leading up to the order station, including the space at the order station, and four (4) vehicle spaces shall be provided in the drive-thru lane beyond the order station leading up to the drive-thru window(s), including the space(s) at the drive-thru window(s). *See Appendix, Figure 12.*

- B. For a restaurant with dual or double drive-thru lanes, stacking for a total of six (6) vehicles shall be provided in the lanes leading up to the order stations, and four (4) shared spaces shall be provided in the drive-thru lane beyond the order stations leading up to the drive-thru window(s), including the space(s) at the drive-thru window(s). *See Appendix, Figures 13 and 14.*

- b. **Drive-thru windows in C-1 zoning district:** In general, drive-thru windows on properties in the C-1 zoning district should be located on a corner lot to allow for optimum vehicular access and circulation and to provide separation from less intense uses.

(7) **Adult Group Homes:** A property used for the purpose of an adult group home shall be developed in accordance with the following requirements:

- a. The regulations contained within this section shall be applicable to the use and development of property as a community home, as defined in Chapter 123, Texas Human Resources Code, to the extent that the development of a community home is not exempt from this Zoning Code. Where applicable provisions of state or federal law establish more restrictive regulations of community homes than this section, including, spacing and occupancy regulations, the more restrictive state or federal law shall apply.
- b. An adult group home is a dwelling unit for sixteen (16) or fewer people in which food, shelter, and minor medical treatment are provided under the direction and supervision of a physician; or where services which meet some need beyond boarding or lodging are provided to any family member residing with his family in a one-family dwelling. Residents of an adult group home depend on staff to provide various degrees of assistance in everyday living, but are not considered dangerous to themselves or others and require only occasional or temporary services by professional medical or nursing personnel which are provided through individual arrangement with each resident. An adult group home includes any facility which requires a license issued by the Texas Department of Health or its successor agency as a Personal Care Facility but does not include a facility which requires a license as a Special Care facility.
- c. Prior to operating any adult group home, the owner and/or operator shall submit a site plan to the City for review, which indicates that the design, location, and operation of the proposed adult group home will be in compliance with this section and all other applicable provisions of this Zoning Code. Said site plan shall be considered as follows:
 - 1. If use of the property as an adult group home does not require the approval of a Conditional Use Permit or an ordinance changing the

Attachment A

zoning regulations of the property, the site plan must first be approved by the Commission prior to commencement of operation of the home; or

2. If the use of the property as an adult group home requires the approval of a Conditional Use Permit or an ordinance changing the zoning regulations of the property, the site plan shall be approved by the City Council in accordance with the applicable procedures related to the adoption of a CUP or ordinance changing the zoning of the property.
- d. An adult group home shall be developed as follows:
1. All passenger loading and unloading areas and outdoor recreation areas shall be located as to avoid conflict with vehicular traffic.
 2. Access from public streets and/or sidewalks to the facility shall comply with the Texas Accessibility Standards adopted by the Texas Department of Licensing and Regulations pursuant to the Architectural Barriers Act, Tex. Rev. Civ. Stat. Art. 9102, as amended.
 3. Ingress and egress from the adult group home shall be from a street with a pavement width of thirty feet (30.0') or greater which is not classified as a dead-end street.
 4. No adult group home located in a residential zoning district may be located any closer than 1,500 lineal feet from a community home defined in Charter 123 of the Texas Human Resources Code, as amended; personal care facility; assisted living center; or child care center.
 5. Any adult group home authorized to be located in a residential zoning district shall be designed and constructed in such a manner as to look like a residence of similar character and designed to tie in with residential structures located on the adjacent properties and shall include pitched roofs and windows which constitute not less than 40% of the front façade.
- (8) **Community Gardens:** A property used for the purpose of a community garden shall comply with the following:
- a. The property on which the garden is located may be publicly or privately owned;

- b. A community garden may be placed and maintained on a roof structure provided that it meets the building and fire code;
- c. Any lighting shall be shielded so that substantially all directly emitted light falls within the property;
- d. The property may not be used for the storage of items, to include vehicles, equipment, or materials, which are not directly associated with the operation of the community garden;
- e. Compost or and other organic material shall not be visible from an adjacent property, and shall be screened from view by shrubbery, an enclosure, or fence;
- f. The garden shall be routinely managed to control for and prevent the harborage of rodents and other pests;
- g. The garden shall be routinely managed to control for and prevent odors;
- h. A community garden shall be designed, maintained, and operated to prevent runoff from irrigation, fertilizer, and other substances from traveling onto adjacent property;
- i. Trash receptacles shall be provided and screened on at least three (3) sides so as to prevent public view; and
- j. An accessory structure, to include a greenhouse, shed, farm stand, or a similar structure:
 - 1. May be placed and used on the property without the presence of a primary structure;
 - 2. Shall comply with the setbacks that would be applicable to an accessory structure for the zoning district;
 - 3. May only be used for the storage of equipment and materials directly required for the operation of the community garden; and

4. Shall be removed from the property upon the cessation of the community garden unless its use is allowed pursuant to another provision within this Zoning Code.

(9) **Home Occupation:** The purpose of this section is to ensure protection and the continuance of residential character within the City's residential zoning districts, by permitting only low-intensity home occupations that are clearly incidental and secondary to the primary residential use of the property, create little exterior indication of such activities, and which do not create a nuisance or otherwise adversely impact the health, safety, or welfare of the neighborhood.

a. **General Provisions:**

1. These regulations found within this subsection apply within a residential zoning district, as listed in Article VIII, "Residential Zoning Districts" of this Zoning Code.
2. These regulations do not apply to:
 - A. A boarding home facility, as that term is defined within Chapter 30 of the Code of Ordinances; or
 - B. Cottage food production that meets the qualifications imposed under state law and subject to other City ordinances, rules, or regulations.

b. **Standards of Operation:** A home occupation shall comply with the following:

1. Only one employee other than the occupants of the residence may be present on the premises at any one time. A person who receives a wage, salary, or percentage of profits directly related to the home occupation is considered an employee. This definition does not include the coordination or supervision of an employee(s) who does not regularly visit the residence for purposes related to the business.
2. The outdoor storage of materials, goods, supplies, or equipment relating to the home occupation is prohibited.

3. Any alteration to the exterior of a dwelling, which changes its residential appearance or character, is prohibited.
 4. The installation, storage, or use of any equipment or machinery not normally found as part of a household or general office is prohibited.
 5. The outdoor display of merchandise for sale is prohibited.
 6. The creation of any offensive noise, odor, vibration, glare, smoke, fumes, or electrical interference, which is detectable outside the structure and not normally found within a residential area, is prohibited.
 7. The storage or use of toxic, explosive, flammable, combustible, corrosive, radioactive, or other hazardous materials not normally found within a residential area is prohibited.
 8. Sales to customers who visit the residence may occur but not more than four (4) times per calendar years.
 9. Deliveries related to the home occupation by a vehicle of more than two (2) axles is prohibited.
 10. A home occupation may not increase the traffic volume on the street on which the business is located above what is normally found within a residential area.
 11. A home occupation may not use more than one (1) non-illuminated, on-site sign, which shall either be: (a) flush-mounted to the primary residential structure and not exceed one square foot in size; or, (b) freestanding and placed in the front yard but no closer than twenty feet (20.0') to any property line and not exceed six (6) square feet in size and three feet (3.0') in height. Any such sign may indicate only the name of the occupant and the home occupation and shall comply with the City's Sign Code.
- c. **Uses prohibited as a home occupation.** The following uses are prohibited as a home occupation:
1. Vehicle repair and service of any type, to include boats, recreational vehicles, and internal combustion engines;

2. Uses involving the breeding, boarding, or kenneling of animals;
 3. Repair services for large appliances or equipment;
 4. Uses involving manufacturing and/or assembling;
 5. Uses involving the sale of fire arms, ammunition, or explosives;
 6. Medical offices and/or clinics; or
 7. Barber and/or beauty shops including nail salons.
- d. **Administration:** The City Manager shall make all determinations as to whether any aspect of a proposed home occupation complies with the requirements of this section. If the City determines that a proposed or existing home occupation does not comply with this section, a person engaged in the home occupation may submit an application for a Conditional Use Permit in accordance with the Zoning Code.
- e. **Existing home occupation:** A home occupation legally in existence as of the date of adoption but that does not fully comply with this section is deemed a legal nonconforming use and may continue in accordance with Article XIII of this Zoning Code; however, this exception does not include the following uses: vehicle repair and service of any type; repair services for large appliances and equipment; and uses involving the sale/repair of firearms, ammunition, and/or explosives. The burden of proof of such a legal nonconforming status for a home occupation is on the occupant.

(10) Manufactured Homes:

- a. **Generally Prohibited:** Except as specifically authorized by this Zoning Code, no person may place either temporarily or permanently a manufactured home on any property located within the City.
- b. **Permit Required:** No person shall place a manufactured home on any property located within the City where use of the manufactured home as a residential dwelling is otherwise authorized prior to receiving a permit from the City.

- c. **Permit Application:** A person desiring to obtain the permit required by this section shall submit a complete application to the Department on a form prescribed by the City and pay the required permit fee. No application shall be deemed complete until all information required by the permit application is provided and the permit fee paid.
- d. **Permit Approval:** Not later than 30 days following the receipt by the City of a complete application, the City shall either grant or deny the permit. If denied, the City shall state the reason for denial. Permit applications which are not denied on or before 30 days following the receipt by the City of complete application shall be deemed approved.
- e. **Permit Not Modification of Other Regulations:** The issuance of the permit described in this section merely grants the authorization to locate a manufactured home on the property described in the permit application and other ordinances, rules, or regulations may apply.
- f. **Manufactured Housing Development Standards Generally:** Except when located in a Manufactured Home Rental Community, manufactured homes located on property within the City either as a permitted or a conditional use shall comply with the following development regulations:
 - 1. The tongue and/or towing gear, axles, and wheels shall be removed;
 - 2. The vacant space between the grade of the property on which the trailer is located and the exterior edges of the finished floor shall be skirted with the a material as required by the building code so that there is no visible gap between the finished floor and the ground;
 - 3. The home shall meet all requirements of this Zoning Code for setbacks and off-street parking;
 - 4. The home shall be attached to a permanent foundation system as defined in state law such that the home is permanently affixed to the real property on which the home is located. Such permanent foundation system shall be installed and inspected in compliance with state law; and
 - 5. The home shall be placed on the property such that:

A. An exterior doorway into the home, unobstructed by any carport or garage, is facing the street front; or

B. A porch with steps, unobstructed by any carport or garage, is located on the side of the home facing the street front, which porch shall be extended in a continuous manner along the side of the home to the front door.

g. **Manufactured Housing Sales and Industrialized (Modular Building/Home) Sales Lots:** Property used for the retail sale of manufactured housing and industrialized buildings shall comply with the following development regulations:

1. A landscaping berm, vegetation, or other landscaping features shall be installed to screen all portions from the first floor to the ground of any building located along the street frontage;
2. All areas in which units are kept for repair shall be screened with a wall or fence as follows:

A. The wall or fence be at least six feet (6.0') and no more than eight feet (8.0') in height constructed of one, or a combination of: (a) solid masonry materials similar in color and design to the main building, or a solid fence constructed of weather-resistant wood fencing materials; or (b) chain link or ornamental fencing behind an irrigated landscape screen constructed of materials chosen from the *Preferred Plant List*, spaced to create a solid screen a minimum of six feet (6.0') in height within one year of installation, said screen to be maintained by the property owner in a healthy, growing condition.

B. The height of the wall or fence shall be measured from the highest established grade along the common property line.

C. Landscaping may be used in combination with any of the above screening and fencing techniques.

D. In no case shall chain link fencing with metal slats be an acceptable method of screening, with or without a landscape screen.

E. A required screening wall or fence shall test plumb and square at all times unless otherwise dictated by the building code.

3. The majority of the units that face the street front(s) must have the front door of the building face the street; and
4. A distance of not less than twelve (12) feet shall be kept between homes located on the street frontage row, with distances between other homes maintained in accordance with applicable fire regulations.

(11) Mobile Homes:

- a. It shall be unlawful to place a mobile home on any property located within the City.
- b. The use of a mobile home occurring on property located within the City on date of adoption or occurring at the time the property is annexed by the City, shall be deemed a nonconforming use. A mobile home which constitutes a nonconforming use may be relocated from its location in the City to a Manufactured Home Rental Community located within the City and retain its nonconforming use status. A person may not relocate a mobile home which constitutes a nonconforming use back into the City after the mobile home is moved out of the City.

(12) Industrialized Housing and Industrialized Buildings: Industrialized housing and industrialized buildings may be located in any area of the City in the same manner as site-built structures are located provided that the industrialized housing or industrialized building complies with state law and City regulations regarding construction design and standards and its building code. The phrases “industrialized housing” and “industrialized buildings” as used in this section shall have the same meaning as set forth in state law.

(13) Travel Trailers and Recreational Vehicles: The use of a travel trailer or recreational vehicle shall be subject to the following regulations:

- a. The use of a travel trailer or recreational vehicle as a permanent residence or business anywhere within the City is prohibited.
- b. It shall be a defense to a violation of subsection (a), above, if:

1. The trailer or recreational vehicle is located on property within an RM district which is developed as a MHRC at the time of the offense; or
2. The trailer or recreational vehicle is located on property which is being used as a recreational vehicle park even if the recreational vehicle park is a nonconforming use; or
3. The trailer or recreational vehicle is:
 - A. Parked on a lot developed with a dwelling unit;
 - B. Occupied by one or more people who do not claim the dwelling unit as their permanent residence, and
 - C. Has been located on the lot for a period not exceeding 14 days.
4. One (1) travel trailer or one (1) recreational vehicle is located on property which is being used for the seasonal retail sale of holiday trees. This section shall only be valid between November 5 and December 31.

(14) Temporary Construction Trailers and Buildings: Temporary construction trailers and buildings used for construction purposes within a platted subdivision for which the City has issued a building permit are permitted in accordance with a building permit issued by the City for a period not to exceed twelve (12) months. The City may reissue such a permit for a period not to exceed twelve (12) months. A temporary construction trailer or building shall only be used for construction within the subject subdivision and not for any construction or activities beyond said subdivision. Upon the completion of construction upon all lots within the subdivision as determined by the issuance of a certificate of occupancy(s), the abandonment of construction, or the expiration of a building permit, the owner shall remove the trailer or building at its expense within 14 days.

(15) Temporary Residential Sales Offices and Model Homes: A residential sales office is permitted within a subdivision for which the City has issued building permits and may be located either in a model home or in a temporary building or trailer. The City may issue such permit for no more than one year, but the City may extend the permit if the applicant maintains active and continuous construction within the subdivision and a minimum of ten (10) lots

in the subdivision remain unsold. The sales office shall be used only for sales within the subject subdivision and not for sales in any other subdivision. The following regulations shall apply to the use of the temporary residential sales offices or model homes as permitted within any Residential Zoning District:

a. Model Home - Sales Office:

1. **Permitting:** A model home used as a temporary sales office shall require a permit, an inspection, and a certificate of occupancy.
2. **Lot:** The model home shall only be constructed on a platted lot.
3. **Parking:** A minimum of four (4) off-street parking spaces shall be provided and shall be surfaced with materials that will not be tracked onto the public right-of-way. Access to this parking shall be by means of a standard residential driveway.
4. **Landscaping:** Landscaping typically associated with residential development shall be provided and maintained at all times.
5. **Site Plan:** A site plan for the lot to be used for the model home sales office shall be included with the building permit application. This plan shall show the location of the off-street parking, driveway, and landscaping.
6. **Conversion:** A model home sales office may be converted for residential habitation at any time but only after residential sales have ceased. The converted model home shall be subject to applicable residential parking standards.

b. Temporary Building - Trailer Sales Office:

1. **Permitting:** A building or trailer used as a temporary sales office shall require a permit, an inspection, and a certificate of occupancy;
2. **Lot:** The building or trailer shall only be placed or constructed on a platted lot;
3. **Parking:** A minimum of four (4) off-street parking spaces shall be provided and shall be surfaced with materials that will not be tracked

onto the public right-of-way. Access to this parking shall be by means of a standard residential driveway;

4. **Site Plan:** A site plan for the lot to be used for the building or trailer sales office shall be included with the building permit application. This plan shall show the location of the off-street parking, driveway, and landscaping;
5. **Design:** The design of the residential sales office shall be residential in character and similar to the exteriors of the residential housing constructed in the development. At least one doorway into the building or trailer shall face the street;
6. **Sales Trailers:** If a trailer is to be used as a residential sales office, the following development requirements shall also apply:
 - A. The tongue and/or towing gear, axles, and wheels shall be removed;
 - B. The vacant space between the grade of the property on which the trailer is located and the exterior edges of the finished floor shall be skirted with the a material as required by the building code so that there is no visible gap between the finished floor and the ground; and
 - C. A porch with steps and/or ramp is located on the street facing side of the trailer that meets all accessibility standards.
7. **Building Compliance:** All buildings or trailers used as residential sales offices shall comply with state law (Texas Manufactured Housing Standards Act) regarding construction design and standards and the building code requirements.
8. **Conversions:** A temporary residential sales office shall not be used for or converted to residential habitation.
9. **Removal:** Following the expiration of the permit, the owner shall remove the building or trailer from the lot within 14 days and at the owner's expense.

(16) **Other Uses:** The following uses and development requirements are subject to other City ordinances, rules, or regulations, which regulate such uses:

- a. **Small Wind Energy Systems.**
- b. **Sexually Oriented Businesses.**
- c. **Wireless Telecommunication Facilities.**
- d. **Amateur Radio Antennas.**

ARTICLE X. ZONING CHANGES AND AMENDMENTS TO THE ZONING CODE

Sec. 60-65. Limited Zoning Amendments (Site Specific/Map Amendments).

Amendments to existing zoning district boundaries, the use and development regulations affecting a specific property or a specific zoning district, and other regulations that do not have a general City-wide effect shall be adopted in accordance with the following procedures:

- (1) **Mandatory Preliminary Conference:** Prior to submitting an application for a zoning change, an applicant or the applicant's authorized representative should meet with the Director to receive information regarding application procedures and requirements.
- (2) **Application:** An application for a zoning change pursuant to this section may be made by an owner of the property or by an authorized representative of the owner, and/or by the City. Such application shall be filed with the Department on forms approved by the Director and include the applicable fee. An application for an amendment to the zoning regulations initiated by the City shall be completed by the Director.
- (3) **Complete Application Required:** No application shall be considered until it is determined by the Director to be complete. An application shall be deemed to be complete only when the signed application form and all information set forth on the application checklist for the type of zoning change requested has been submitted to the Department and the required application fee has been paid.

- (4) **Review Process:** Upon receipt of a complete application for a zoning change request, the application shall be reviewed under the process governing the review of an application for rezoning under Section Chapter 211, Texas Local Government Code, including notification, a report from the Director, and public hearings before the Planning and Zoning Commission and City Council, allowing for testimony from the applicant and others who have an interest in the matter, facts, and opinions concerning the proposed change.
- (5) **Report of the Planning Division:** The Director shall review and prepare a report and recommendation regarding the application for a change in zoning, which shall be forwarded to the Commission for consideration, and which shall contain:
- a. A review of the specifics of the application;
 - b. A summary of any public comment received; and
 - c. The recommendation of the Director regarding the application, or if the Director has no recommendation, a statement to that effect.
- (6) **Recommendation of the Planning and Zoning Commission:** After receiving the report and recommendation of the Director, including a summary of public comment received, and after conducting and closing the public hearing, the Planning and Zoning Commission shall issue a final report on the application to City Council, which shall contain one of the following recommendations:
- a. Approve as requested;
 - b. Approve with modifications recommended by the Commission; or
 - c. Deny.
- (7) **Effect of Recommendation to Deny:** Where the Planning and Zoning Commission makes a recommendation to deny a request for a zoning change, the application will not automatically be placed on a City Council agenda. In order Council to consider the application pursuant to an agenda item, the applicant shall appeal the Commission's decision in writing to City Council within 10 days after the Commission's recommendation to deny.

(8) **Action by City Council:** After the close of the public hearing, the receipt of the final report of the Commission, and any additional information and recommendations provided by the Director, City Council may take one of the following actions:

- a. Deny the application;
- b. Approve an ordinance adopting the zoning changes requested by the applicant;
- c. Approve an ordinance adopting the zoning changes as recommended by the Commission; or
- d. Approve an ordinance adopting the zoning change as determined by Council.

(9) **Recess of the Public Hearing:** After commencement of a public hearing, the Planning and Zoning Commission or City Council may recess a public hearing from time to time in accordance with state law.

Sec. 60-66. Change to Less Restrictive Zoning or Enlarging Area of Request Prohibited.

In no case shall City Council approve a zoning change that is less restrictive or which includes a larger area than set forth in the public notice required under Section 211.007, Texas Local Government Code, until a new public notice is given and public hearing held on such less restrictive zoning change.

Sec. 60-67. Written Protests.

The affirmative vote of at least three-fourths (3/4) of all members of the City Council shall be required before a change proposed pursuant to Section (2), above, may take effect if there is delivered to the City Secretary written protests of the change in accordance with Tex. Loc. Govt. Code 211.006 as follows:

- (1) **Minimum Land Area Required:** This section shall apply only if protests in proper form are received from owners of at least twenty percent (20%) of either:
 - a. The area of the lots or land covered by the proposed change; or

b. The area of the lots or land immediately adjoining the area covered by the proposed change and extending two hundred feet (200.0) from that area.

(2) **Form of Protest:** A protest filed pursuant to this section shall be deemed to be in proper form and effective only if it:

a. Contains a reference to the zoning application being protested, such as the address or location of the property under request, case number assigned by the City, or other identifying information;

b. Is signed by the owner(s) of the property;

c. In the case of a governmental entity, is accompanied by a certified copy of the order or resolution or a letter signed by the chief officer of the governing body of the governmental entity authorizing the issuance of the protest;

d. Is delivered to the Director prior to the taking of any vote of the Planning and Zoning Commission or to the City Secretary prior to the taking of any vote of City Council on the matter.

Sec. 60-68. Computing Area of Land Owned.

In computing the percentage of ownership of land referred to in this section:

(1) The area of streets and alleys shall be included in calculating the total land area within 200.0' of the lots or land covered by the proposed change;

(2) If a street or alley is not owned by the public in fee simple, the property owner(s) adjacent to the street or alley shall be credited with ownership to the center line of the street or alley; and

(3) If a street or alley is owned in fee by a federal, state, or local governmental entity on behalf of the public, then the governmental entity shall be considered to be the owner of the street or alley regardless of the ownership of the adjoining property and the percentage of the ownership shall be attributable to the governmental entity.

Sec. 60-69. Withdrawal of Protest.

An owner may withdraw a protest filed pursuant to this section at any time prior to the taking of a vote by City Council on the ordinance adopting the change by:

- (1) Delivering to the City Secretary a written request to withdraw the protest prior to the taking of the vote; or
- (2) Personally appearing before the Planning and Zoning Commission or City Council and requesting the withdrawal of the protest.

Sec. 60-70. Withdrawal of Application.

An applicant may withdraw a request for a zoning change at any time prior to the convening of the meeting at which the application is scheduled to be considered by delivering a written request for withdrawal of the application to Director prior to the beginning of said meeting. An applicant shall not be entitled to the refund of any application fee for an application withdrawn. Furthermore, an application for a zoning change which was previously the subject of a withdrawn application shall be treated as a new application and accompanied by a new application fee.

Sec. 60-71. Postponement of Public Hearing.

An applicant for a zoning amendment pursuant to this article may request that the public hearing regarding an application be considered at a date later than the date originally scheduled; provided, however, such request for postponement shall be:

- (1) Made in writing by the applicant not later than 72 hours prior to the time which the meeting is scheduled to convene;
- (2) Accompanied by the applicable fee necessary to reimburse the City for publishing the required public notice for the later meeting; and
- (3) If notice was originally sent pursuant to Section 211.007, Texas Local Government Code, the applicable fee necessary to reimburse the City for sending a notice of postponement to those originally notified.

Sec. 60-72. Reapplication after Denial.

No application for a zoning change, including the establishment of a Planned Development District, for property which includes all or part of the same property which was described in a previously denied application for a zoning change, shall be accepted by the Department earlier than one year after the date of final action on the prior application by the last of the Planning and Zoning Commission or City Council to act, unless:

- (1) The Commission determines the use for which the new application is made is not the same or a similar use to that proposed in the previously denied application; or
- (2) The Commission determines that conditions relating to the property adjacent to the property which was the subject of the previously denied application have substantially changed, in which case a six-month waiting period shall be imposed from the date of the final action of the Commission or City Council on the prior application, whichever body was the last to act, until a new application can be filed.

Sec. 60-73. Major Changes (Text Amendments) to the Zoning Code.

When the City contemplates an amendment to this Zoning Code which has general application to all property within the City or will result in a revision of all or a substantial portion of its zoning map, including comprehensive changes to zoning classifications, district boundaries, and land use regulations regardless of whether such changes are made in one or a series of ordinances, such change shall be deemed to be a major change and shall be made in accordance with the following procedures:

- (1) **How Initiated:** City Council or the Planning and Zoning Commission, with or without the request of any citizen, may initiate such changes.
- (2) **Public Hearings; Notice; Final Action:** The Commission and City Council shall provide public notice, conduct public hearings, and take all action related to the adoption of any comprehensive changes in accordance with Section 211.007, Texas Local Government Code. City Council may, at its sole discretion, conduct joint public hearings with the Commission prior to receipt of the final report of the Commission on the proposed changes.

Sec. 60-74. Amendments of Permitted Uses and Conditional Uses.

Zoning changes which result in a change in the permitted uses or conditional uses of a zoning district and which affect all of the property within the zoning district are major changes pursuant to Section 60-73, above.

ARTICLE XI. CONDITIONAL USE PERMITS

Sec. 60-80. “Conditional Use” Defined.

For purposes of the Zoning Code, a “conditional use” is a use of property designated in the Land Use Matrix which is otherwise not permitted in a specific zoning district, but which may become a compatible use through the imposition of, and compliance with, conditions related to development of the specific property.

Sec. 60-81. Use Regulations.

Any use which is not contrary to City, county, state, or federal laws and which is not listed as an allowed use in this Zoning Code shall be deemed a conditional use in any district and subject to the provisions of this article.

Sec. 60-82. Conditional Use Permit Required.

Except as otherwise authorized in the Zoning Code, no person may develop or use any property for a use which is defined as a conditional use for the zoning district in which the property is located without first obtaining a Conditional Use Permit from the City.

Sec. 60-83. Procedures for Obtaining a Conditional Use Permit.

The following procedures shall govern the application, consideration, content, issuance, and termination of a Conditional Use Permit:

- (1) **Mandatory Preliminary Conference:** Prior to submitting an application for a CUP, an applicant or the applicant’s authorized representative should meet with the Director to receive information regarding application procedures and requirements.

- (2) **Application:** An owner or developer who desires to use property located in the City in a manner which is defined as a conditional use shall file an application with the Department for a CUP on forms approved by the Department.

(3) **Complete Application Required:**

a. An application shall be deemed to be complete only when a signed application form and all information set forth on the application checklist for a CUP has been submitted to the Department and the required application fee has been paid.

b. An application for a CUP shall include a site plan.

- (4) **Review Process:** Upon receipt of a complete application as determined by the City for a CUP, the application shall be reviewed under the process governing the review of an application for rezoning including notification, a report from the Director, and public hearings before the Planning and Zoning Commission and City Council, allowing for testimony from the applicant and others who have an interest in the matter, facts, and opinions concerning the proposed change.

- (5) **Report of the Department:** Upon receipt of a complete application for a Conditional Use Permit, the Director shall review and prepare a report and recommendation regarding the application, which shall be forwarded to the Commission for consideration, and which shall contain:

a. A review of the specifics of the application;

b. A summary of any public comment received;

c. Proposed conditions to be applied if the CUP is to be granted; and

d. The recommendation of the Director regarding the application, or, if the Director has no recommendation, a statement to that effect.

- (6) **Recommendation of the Planning and Zoning Commission:** After the close of the public hearing described in this section, the Commission shall consider the application and forward to City Council a recommendation:

a. To grant the Conditional Use Permit subject to the conditions recommended by staff, with or without addition or modification; or

b. To deny the application on the grounds that the use, even with conditions, will be incompatible with the uses on adjacent properties, the goals and objectives of the comprehensive plan, and other relevant factors.

(7) **Effect of Recommendation to Deny:** Where the Planning and Zoning Commission recommends denial of a CUP, the application will not automatically be placed on a City Council agenda. In order for the application to move forward, the applicant must appeal the Commission's decision to City Council in writing within 10 days after the Commission's recommendation to deny.

(8) **Action of City Council:** After the close of the public hearing described in this section, City Council shall take the following action:

a. Grant by resolution a Conditional Use Permit subject to development regulations and conditions establishing requirements, which may include standards of operation, location, arrangement, occupancy limits, and construction for the use for which the permit is issued. In authorizing the location of any conditional use, City Council may impose such development standards and safeguards as necessary to preserve the health, safety, and general welfare of adjacent property and its occupants and to protect such property and occupants from excessive noise, vibration, dust, dirt, smoke, fumes, gas, odor, traffic, explosion, glare, surface water drainage, offensive view, or other undesirable or hazardous conditions, and the preservation of existing trees, natural terrain features, and navigable streams and their tributaries; or

b. Deny the application.

(9) **Recess of the Public Hearing:** After commencement of a public hearing, the Planning and Zoning Commission or City Council may recess a public hearing from time to time; provided however, if the public hearing is to be reconvened on a day other than the day on which the public hearing commenced, the Commission or Council shall clearly provide the specific date and time as to when the public hearing will reconvene.

- (10) **Effective Date of Conditional Use Permit:** A Conditional Use Permit shall be deemed effective upon the date approved by City Council unless specified otherwise within the permit.
- (11) **Property Owner Protest:** If an application for a CUP is protested in accordance with Section 211.006, Texas Local Government Code, the proposed CUP must receive the affirmative vote of at least three-fourths (3/4) of all members of City Council in order to be approved.

Sec. 60-84. Written Protests.

The affirmative vote of at least three-fourths (3/4) of all members of the City Council shall be required before a change proposed pursuant to Section (2), above, may take effect if there is delivered to the City Secretary written protests of the change in accordance with Tex. Loc. Govt. Code 211.006as follows:

- (1) **Minimum Land Area Required:** This section shall apply only if protests in proper form are received from owners of at least twenty percent (20%) of either:
- a. The area of the lots or land covered by the proposed change; or
 - b. The area of the lots or land immediately adjoining the area covered by the proposed change and extending two hundred feet (200.0) from that area.
- (2) **Form of Protest:** A protest filed pursuant to this section shall be deemed to be in proper form and effective only if it:
- a. Contains a reference to the zoning application being protested, such as the address or location of the property under request, case number assigned by the City, or other identifying information;
 - b. Is signed by the owner(s) of the property;
 - c. In the case of a governmental entity, is accompanied by a certified copy of the order or resolution or a letter signed by the chief officer of the governing body of the governmental entity authorizing the issuance of the protest;
 - d. Is delivered to the Director prior to the taking of any vote of the Commission, or to the City Secretary prior to the taking of any vote of the City Council, on the matter.

Sec. 60-85. Computing Area of Land Owned.

In computing the percentage of ownership of land referred to in Subsection (c), above:

- (1) The area of streets and alleys shall be included in calculating the total land area within 200.0' of the lots or land covered by the proposed change;
- (2) If a street or alley is not owned by the public in fee simple, the property owner(s) adjacent to the street or alley shall be credited with ownership to the center line of the street or alley;
- (3) If a street or alley is owned in fee by a federal, state, or local governmental entity on behalf of the public, then the governmental entity shall be considered to be the owner of the street or alley regardless of the ownership of the adjoining property and the percentage of the ownership shall be attributable to the governmental entity.

Sec. 60-86. Withdrawal of Protest.

An owner may withdraw a protest filed pursuant to the Section (c) at any time prior to the taking of a vote by City Council on the ordinance adopting the change by:

- (1) Delivering to the Director a written request to withdraw the protest prior to the taking of the vote; or
- (2) Personally appearing before the Planning and Zoning Commission or City Council and requesting the withdrawal of the protest.

Sec. 60-87. Withdrawal of Application.

An applicant may withdraw an application for a conditional use permit at any time prior to the convening of the meeting at which the application is scheduled to be considered by delivering a written request for withdrawal of the application to the Director prior to the beginning of said meeting. An applicant shall not be entitled to the refund of any application fee for an application withdrawn. Furthermore, an application for a conditional use permit which was previously the subject of a

withdrawn application shall be treated as a new application and accompanied by a new application fee.

Sec. 60-88. Postponement of Public Hearing.

An applicant for a Conditional Use Permit pursuant to this article may request that the public hearing regarding an application be considered at a date later than the date originally scheduled; provided, however, such request for postponement shall be:

- (1) Made in writing by the applicant not later than 72 hours prior to the time which the meeting is scheduled to convene;
- (2) Accompanied by the applicable fee necessary to reimburse the City for publishing the required public notice for the later meeting; and
- (3) If notice was originally sent pursuant to Section 65-84, Texas Local Government Code, the applicable fee necessary to reimburse the City for sending a notice of postponement to those originally notified.

Sec. 60-89. Reapplication after Denial.

No application for a conditional use permit for property which includes all or part of the same property which was described in a previously denied application for a conditional use permit, shall be accepted by the Department earlier than one year after the date of final action on the prior application by the Planning and Zoning Commission or City Council, whichever is later to act, unless:

- (1) The Commission determines the use for which the new application is made is not the same or a similar use to that proposed in the previously denied application; or
- (2) The Commission determines that conditions relating to the property adjacent to the property which was the subject of the previously denied application have substantially changed, in which case a six-month waiting period shall be imposed from the date of the final action of the Commission or City Council on the prior application, whichever body was the last to act, until a new application can be filed.

Sec. 60-90. Termination of Conditional Use Permit.

A Conditional Use Permit shall terminate and become null and void as follows:

- (1) **Failure to Commence the Use:** Upon a finding by the Director that the conditional use for which the Conditional Use Permit was issued has not commenced within 180 days after the effective date of the CUP or the date set forth in the CUP, whichever is applicable. For purposes of this paragraph, the use shall be deemed to have commenced:
 - a. If no new construction or renovation of an existing building is required, when actual use for the purposes described in the permit commences; or
 - b. If new construction or renovation of an existing building is required before the use can commence, when a complete application for a building permit, all required construction drawings, and the applicable permit fees have been delivered to the City Building Inspections Department.
- (2) **Failure to Commence Actual Use Within Two Years of New Construction or Renovation:** If new construction or renovation of an existing building is required before the use can commence, upon a finding by the Director that actual use of the property has not commenced within two (2) years after the effective date of the Conditional Use Permit or other date set forth in the permit, or within two (2) years of the date of issuance of the building permit, whichever is applicable.
- (3) **Cessation of Use Not Related to Destruction of Property:** After commencement of the actual use of the property for the purpose set forth in the permit, upon a finding by the Director that actual use of the property for the purpose for which the CUP was approved:
 - a. Has not occurred for a period of 180 days after the commencement of the actual use for which the CUP was approved; and
 - b. That the conditional use ceased for reasons other than destruction of buildings due to fire, flood, windstorm, or other natural disaster.
- (4) **Cessation of Use Related to Destruction of Property:** After commencement of the actual use of the property for the purpose set forth in

the permit, upon a finding by the Director that actual use of the property for the purpose for which the Conditional Use Permit was approved has not occurred for a period of two consecutive years after the date of destruction of the buildings in which the use was occurring by fire, flood, or windstorm, or other natural disaster.

- (5) **Failure to File an Appeal:** Unless the owner of the property files an appeal as set forth in Section 60-91, below, on the fifteenth day following delivery of written notice to the owner of the property for which a Conditional Use Permit has been issued.

Sec. 60-91. Appeal of Termination for Non-Compliance.

a. **Notice.** Upon a finding of the Director that the use of the property has not been or is not in compliance with the provisions of the permit, including the provisions for cessation of the use as cited in Section 60-91, the Director shall send written notice that the permit will be terminated 15 days from the date of the receipt of the notice, said notice to be sent by certified mail, return receipt requested, to the owner of the property at the last known address indicated on the property rolls of the Kerr County Appraisal District, a copy of which notice shall also be placed on the property. Said notification shall contain a summary of the findings by the Director citing the provisions of the permit or the City ordinance or regulation which has been violated.

b. **Appeal.** The owner of the property may file a written appeal of the Director's decision with City Council by delivering to the City Secretary a summary of the property owner's basis for appeal not later than ten 10 days from receipt of the Director's notice. The appeal shall be heard at the next regular City Council meeting which occurs on or after the tenth day following the receipt of the notice of appeal. The appeal to City Council shall be conducted in accordance with procedures adopted by City Council. On appeal, City Council shall take one of the following actions, and Council's such action will be considered final:

- (1) Uphold the decision of the Director and terminate the permit;
- (2) Uphold the decision of the Director, but grant additional time for compliance, after which date the permit shall terminate if the City Council determines that compliance has not been achieved during the additional time; or
- (3) Grant the appeal.

c. **Use Following Termination.** Upon the termination of a conditional use permit following an appeal, or under section 60-90 if no appeal is taken, any use permitted or conditionally permitted in the district may be established in accordance with the procedures of this Code.

Sec. 60-92. Existing Conditional Use Permits.

In addition to Conditional Use Permits issued on or after date of adoption, CUP issued prior date of adoption, shall be subject to termination in accordance with this article.

Sec. 60-93. Certificates of Occupancy.

The use of property for the purposes described in a Conditional Use Permit may not commence until a certificate of occupancy has been issued by the Department. No certificate of occupancy shall be issued until all conditions regarding the construction or installation on the property of improvements or structures of any nature and/or landscaping have been satisfied.

Sec. 60-94. Application for Extension of Deadlines.

A person to whom a Conditional Use Permit is issued may request an extension of time to commence the use for which the permit was issued by submitting a written request to the Department not later than 15 days prior to the date the period for commencement of actual use ends. City Council, on a showing of good cause by the applicant, may grant an extension for such time as it deems reasonable and in the best interest of the public.

ARTICLE XII. OFF-STREET PARKING REQUIREMENTS

Sec. 60-101. General Parking.

(a) **Off-Street Parking Required.** Off-street parking spaces shall be provided in conformance with these regulations whenever a use is established or enlarged. Required spaces shall be on the building site of the use for which parking is required unless otherwise permitted and may be provided in either surface parking areas or garages. Whenever there is a change in use or an increase in floor area or in any other unit of measurement used to determine the requirements for off-street parking spaces, additional spaces shall be provided on the basis of the increased requirement.

(b) **Parking Layout and Construction Standards.** Every parcel of land hereafter used as a public or private parking area, including commercial parking lots used for the parking of business-owned vehicles and vehicular display or storage areas, shall be developed and maintained in accordance with the parking layout and construction standards of the City's Development Standards.

(c) **Use of Required Spaces.** Required off-street parking and loading spaces shall be used only for their respective purposes and shall not be used for the storage or display of vehicles or trailers for sale or rent, the storage or display of other goods, materials or products, or the location of refuse storage containers. No required parking space may be placed in front of an overhead door or other point used for vehicular access.

(d) **Submission of Plans.** Applications for building permits and certificates of occupancy shall include parking plans showing the design of off-street parking areas, including the layout of spaces, aisles, and the location of ingress and egress points. Parking plans shall be reviewed by and approval gained from the Development Review Committee. Submission of a parking plan may be waived when, in the Director's opinion, it is not necessary to determine compliance with these requirements.

(e) **Encroachment on Easements and Rights-of-Way.** A private parking space, or parking lot, excluding a parking structure, retaining wall or similar structure, may encroach on an easement or right-of-way unless restricted from such usage by law, ordinance, regulation, limitations in the easement dedication language, or other restriction of the governmental or private entity which owns or otherwise has jurisdiction over the easement or right-of-way, and provided that the owner of said parking space, or parking lot, shall be solely responsible for the cost of any repair or maintenance of the parking surface, landscaping, private vehicles, or other parking improvements resulting from construction or repairs that take place within the boundaries of the easement. Manholes, water valves, and other surface access points for utilities may not be located in any designated parking spaces.

(f) **Calculations.** The following rules shall apply in computing the parking requirements:

(1) **Combination Uses:** When a building site is used for a combination of uses, the parking requirement shall be the sum of the requirements for each type of use.

(2) **Floor Area:** Floor area shall mean gross square footage, except in the case of office and retail type uses where areas used for nonpublic purposes, such as storage, incidental repair, processing or packaging, show windows, offices incidental to management or maintenance, restrooms, or utility rooms may be discounted, but shall require one space per 750 square feet for such uses.

(3) **Continuous Seating:** When seating is provided on benches or pews, each eighteen inches (18.0") of seating shall be counted as one (1) seat for the purpose of calculating the parking requirement.

(4) **Fractions:** When a calculation results in the requirement of a fractional space, a fraction of less than one-half (1/2) shall be disregarded and a fraction of one-half (1/2) or greater shall require one parking space.

(g) **Application to Existing Buildings.** If the use of a building is changed to a different use, which pursuant to this article requires more off-street parking than currently exists, then the following applies:

(1) **New Use:** The new use shall not commence until the required additional off-street parking is provided, if the building is not located in the Downtown Arts and Culture District or the Downtown Core; or

(2) **Downtown Property:** If the building is located in the Downtown Arts and Culture District or the Downtown Core and the new use does not require an enlargement of that area encompassed by the exterior walls of the building, the new use may commence without adding the off-street parking which would otherwise be required by this section.

Sec. 60-102. Parking Reductions and Specific Exceptions.

The Zoning Board of Adjustment may authorize exceptions to the requirements of this article where it finds that the peculiar nature of a use, the shape or size of the property, or other exceptional conditions would justify such action and any such reduction or exception could be accommodated without adverse impacts on adjacent properties or the surrounding area. The following are examples of uses or conditions which may justify a reduction or exception:

(a) **Manufacturing and Warehouse Uses.** A reduction in parking spaces may be considered for manufacturing and/or warehousing uses if such reduction can be

justified based upon the amount of floor area per employee, the proportion of floor area occupied by machinery, equipment, and storage, and/or the maximum number of employees or invitees using the building. The potential for future increases in the number of employees or invitees may be considered.

(b) **Longer Term Parking.** Off-site parking may be considered for institutional type uses such as hospitals, churches, or similar uses where longer term parking is common. Where an easement is used to both authorize and reserve such parking, the easement shall be permanent and irrevocable and shall be recorded in the property records of the county.

(c) **Joint Use Parking.** Joint use or collective parking may be allowed to account for parking space requirements. Joint use parking shall mean that required spaces provided for one use may also be credited as required spaces for a complementary use. Where an easement is used to both authorize and reserve such parking, the easement shall be permanent and irrevocable and shall be recorded in the property records of the county. The following definitions and examples shall be used as guidelines in considering requests for joint use parking:

(1) **Complementary Use:** Complementary uses are uses which generally operate at different time periods, so that one use is inactive when the other is active.

(2) **Joint Use:** The percentage or number of spaces which is allowed to be shared and used jointly should be related to the proportion or number of spaces which will be available during the period of relative inactivity.

(3) **Examples:** If an office parking lot is generally 90% vacant in the evenings and on weekends, then 90% of the spaces might be credited as also providing the parking for a church which operates primarily in the evenings and on weekends. Or, if a church parking lot is generally 50% vacant on weekdays, then 50% of the spaces might be credited as also providing the parking for an office which operates only on weekdays. Theaters and other evening/weekend entertainment uses may be another example of a use that might share parking with an office, bank, church, or other complementary use.

Sec. 60-103. Number of Parking Spaces Required.

The following regulations shall apply in determining the number of parking spaces required for a specific use or combination of uses:

(a) **Listed Uses.** Nonresidential and residential uses shall be assigned a “Parking Standard”, and the number of off-street parking spaces required for a specific use shall be determined by reference to the schedule of permitted uses and **Table 2, Schedule of Off-Street Parking Requirements.**

(b) **Uses Not Listed.** For any use not listed, or where the listed standard is not applicable in the judgment of the Development Review Committee, the parking requirements shall be established using the requirement of a similar use which is listed or an applicable standard from another source. Such determination by the Development Review Committee may be appealed to the Planning and Zoning Commission.

(c) **Handicapped Parking.** Parking for the handicapped and disabled shall be provided as part of the required parking in accordance with the requirements of the Americans with Disabilities Act.

(d) **Parking for Residential Uses, Including Multifamily Residential.** Parking spaces, to meet the requirements of this Zoning Code for residential uses, including multifamily residential, may be provided in an enclosed garage, covered carport, an open parking lot, or the driveway contained on a residential lot provided the minimum dimensions for a parking space are met. Tandem parking, where one parking space is located behind another, whether in a garage, carport, or in an open parking lot or residential driveway, may be counted toward meeting the required number of spaces provided the minimum dimensions are met for each space and the spaces are contained entirely within the boundaries of the lot containing the dwelling unit(s) that require the parking.

Sec. 60-104. Parking Standards.

Refer to **Table 2, Schedule of Off-Street Parking Requirements** for a specific list of parking standards by use.

TABLE 2. SCHEDULE OF REQUIRED OFF-STREET PARKING		
PARKING STANDARD	GENERAL USE DESCRIPTION	REQUIREMENT
NONRESIDENTIAL USES		
1	Amusement Center, Indoor	Four (4) spaces per court or bowling lane, plus one (1) space per 100 square feet of

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		gross floor area exclusive of courts and lanes
2	Amusement Center, Outdoor	One (1) space per 600 square feet of recreation area
3	Artisan's/Craftsman's Workshop (Manufacturing, Custom)	One (1) space per 1,000 square feet of gross floor area, plus the required spaces for retail sales and office uses (see applicable parking standards in this table)
4	Automobile Service and Repair Facility (See also Car Washes)	Three (3) spaces per service/repair bay, plus required parking for the office use (see Office, General in this table); spaces in the service/repair bays shall not count towards meeting the required parking
5	Bank or Financial Institution	One (1) space per 300 square feet of gross floor area
6	Building Contractor (All Types)	One (1) space for each 500 square feet of gross indoor floor area, plus one (1) space for each 1,000 square feet of outdoor area/storage
7	Car Wash, Full-Service	Five (5) parking spaces, plus two (2) stacking spaces for each car wash bay (in addition to the spaces in the wash bays)
8	Car Wash, Self-Service	Two (2) parking spaces, plus one (1) stacking space for each car wash bay (in addition to the spaces in the wash bays)

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9	Church/Temple/Mosque/Place of Worship	One (1) space per four (4) seats in the sanctuary, plus parking for office, meeting rooms, classrooms, and common areas (see applicable parking standards in this table)
10	Convenience Store with Fuel Sales	One (1) space per 200 square feet of gross floor area, with a minimum of five (5) parking spaces adjacent to the main building; spaces at the gasoline pumps shall not count towards meeting the required parking
11	Cultural Facilities and Institutions (Museums, Art Galleries, Library, etc.; excluding performance space)	One (1) space for each 300 square feet of gross floor area; parking for performance space, if present, shall be calculated using the ratio for Movie Theater/Dinner Theater/Auditorium, this table
12	Day Care (Child or Adult)	One (1) space for each employee, plus one (1) space for each 500 square feet of gross floor area
13	Dealership - Automobile, Boat, Motorcycle, Personal Water Craft, All Terrain Vehicle	One (1) parking space for each five hundred (500) square feet of gross indoor sales floor area, plus one (1) parking space for each one thousand (1,000) square feet of outdoor area Automobile dealerships shall reserve and mark a minimum of five (5) parking

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		spaces adjacent to the main building for customer parking
14	Fitness Center	One (1) space per 400 square feet of gross floor area
15	Flea Market, Outdoor or Other Outdoor/Open Air Market	One (1) space per 600 square feet. of site area
16	Funeral Services	Five (5) spaces for administrative uses and one (1) space per four (4) seats in the chapel
17	Garden Center/Nursery	One (1) parking space for each five thousand (5,000) square feet of outdoor storage area; plus parking for associated sales or office area at one (1) parking space per two hundred (250) square feet of gross floor area
18	Golf Course or Country Club	Five (5) spaces per green, plus required spaces for restaurants, office, and retail sales areas (see applicable parking standards in this table)
19	Hospitals	One (1) space per four (4) beds based on maximum capacity, plus three (3) spaces per 1,000 square feet of gross floor area for offices, plus parking as required for accessory uses (see applicable parking standards, this table)
20	Hotel/Motel	One (1) space per guest room , plus one (1) space per 200

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		feet of gross floor area for restaurant, meeting rooms, office, and related facilities, excluding pool/common areas(see applicable parking standards, this table)
21	Industrial and Manufacturing (Assembly, Fabrication, Manufacturing, Warehouse, Showroom, Distribution, and Similar Uses)	One (1) space per 1,000 square feet of gross floor area, plus the required spaces for office use (see applicable parking standard, this table)
22	Mini-warehouses and Self-storage	One (1) space per 10,000 square feet of gross floor area, plus the required spaces for office and on-site apartment See Article XII for additional parking requirements for this use
23	Movie Theater/Dinner Theater/Auditorium, etc.	One (1) space per four fixed (4) seats in the facility or one (1) space per 50 square feet of gross floor area in the assembly area, whichever is greater
24	Office, General (Business or Professional)	One (1) space per 300 square feet of gross floor area
25	Office, Medical	One (1) space per 200 square feet of gross floor area
26	Outdoor storage and sales facilities	One (1) space per 2,000 square feet of storage/sales area, plus the required spaces for office use (see applicable parking standard, this table)

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27	Restaurants	One (1) space per four (4) seats or one (1) space per 100 square feet of gross floor area, whichever is greater
28	Retail	One (1) space per 300 square feet of gross floor area, excluding non-public space such as restrooms, office, or storage space
29	Retail, Large Items (Furniture Store, Appliance Sales or similar)	One (1) space per 400 square feet
30	School, 0 through Pre-K	See Day Care, this table
31	School, Elementary and Intermediate	Two (2) spaces per classroom
32	School, Secondary	Six (6) spaces per classroom plus the required spaces for office use (see applicable parking standard, this table)
33	School, College or University	One (1) space per two (2) students, plus one (1) space per student housing unit (room)
34	Short-term Rental Unit	One (1) space per bedroom, plus parking required for the manager, if living off-site
35	Stables, Commercial	One (1) space per 2 stalls
36	Veterinary Services	One (1) space per 300 square feet of gross floor area
RESIDENTIAL USES		
37	Dwelling, Single-Family Detached, Patio Home, Duplex	Two (2) spaces per unit
38	Single-Family with Accessory Dwelling Units	Two (2) spaces for the main residence plus two (2)

Attachment A

		spaces for the accessory dwelling
39	Townhome	Two (2) spaces per dwelling unit plus 0.25 spaces per dwelling unit for guest parking, to be provided in groupings distributed throughout the development
40	Multifamily (Apartment, Condominium)	<ul style="list-style-type: none"> • 1.5 spaces for each 1-bedroom unit • 2.0 spaces for each 2-bedroom unit • 2.5 spaces for each unit with 3 or more bedrooms Parking areas for boats, trailers, and recreational vehicles prohibited unless a designated storage area is provided; this parking shall not count towards meeting the required parking
SPECIAL STANDARDS FOR MIXED USE BUILDINGS		
41	Dwellings, Mixed-Use	<ul style="list-style-type: none"> • 1.5 spaces for each 1-bedroom unit • 2.0 spaces for each 2-bedroom unit • 2.5 spaces for each unit with 3 or more bedrooms
42	Nonresidential Uses in a Mixed-Use building (excluding area occupied by residential uses)	One (1) space per 250 square feet of gross floor area
43	Mixed Use Credit	10% reduction in the total number of spaces required for the nonresidential portion of a mixed-use building containing both

		residential and nonresidential uses
USES NOT LISTED		
Parking for uses not listed herein shall be established by the Development Review Committee (DRC) using the standard of a similar use or an applicable standard from another source. The requirements established by the DRC may be appealed to the Planning and Zoning Commission.		

ARTICLE XIII. NONCONFORMING LOTS, USES, STRUCTURES, OR SITE ELEMENTS

Sec. 60-110. Nonconforming Property Defined.

For purposes of this Zoning Code, a nonconforming property is a land use, lot of record, structure, or other site element or improvement related to the use or development of land that was legally established prior to the date of adoption of this Code or subsequent amendment hereto, that does not conform to the requirements of this code on the date of adoption or amendment. The following definitions shall apply to situations which are legally nonconforming as a result of the date of adoption of this Code or any amendments hereto:

- (1) A nonconforming lot is a tract of land which does not fully conform to the standards and regulations set forth in this Zoning Code.
- (2) A nonconforming use is a use of land, building, or other structure, or combination thereof, which does not fully conform to the standards and regulations set forth in this Zoning Code.
- (3) A nonconforming structure is any building or structure which does not fully conform to the standards and regulations set forth in this Zoning Code.
- (4) A nonconforming site element is an element or improvement other than a use, lot, or structure, such as site lighting, parking, screening, or landscaping, which does not fully conform to the standards and regulations set forth in this Zoning Code.

Sec. 60-111. Continuation of Existing Lots, Uses, Structures, or Site Elements.

Except as otherwise set forth in the this Zoning Code or other regulations of the City, the lawful use of a lot, building, structure, or other site element on date of adoption may be continued, subject to the provisions herein, although such use does not conform with the provisions of the Zoning Code for the zoning district in which the property is located. Such uses shall be considered valid nonconforming uses.

Sec. 60-112. No Increase in Nonconformity.

In general, no action shall be taken that increases the degree of the nonconformity of a nonconforming lot, use, structure, or site element

Sec. 60-113. Enlargement Prohibited.

No enlargement of a nonconforming use, structure, or site element, and no replatting or reconfiguration of a lot except in conformance with this Zoning Code is permitted except if allowed by law, which preempts this Zoning Code. For purposes of this article, the enlargement of a nonconforming use or structure shall be deemed to have occurred when:

- (1) The area of the building in which the nonconforming use is occurring is enlarged or increased, or the building is expanded or structurally altered to accommodate the nonconforming use;
- (2) The nonconforming use expands within the building or facility beyond the square footage occupied by the use at the time it became nonconforming;
- (3) If applicable, seating capacity of a building or on property where the use is occurring is increased;
- (4) The nonconforming use expands into another building or facility;
- (5) The number of residential units is increased;
- (6) The number of nonconforming uses or units is increased;

- (7) The parking or loading areas located on the property where the use is occurring is increased;
- (8) The storage area or products stored on the premise is increased beyond the storage capacity existing at the time the use became nonconforming;
- (9) New structures which are used in furtherance of the nonconforming use are constructed or located on the property; or
- (10) The nonconforming use expands beyond the area on the tract of land in which the use has historically been conducted or the nonconforming use within a building is expanded to occupy land outside the building.

Sec. 60-114. Nonconforming Lot.

A nonconforming lot shall be changed only to conform to the requirements of the district wherein it is located and shall not be reconfigured through platting, replatting, or otherwise so as to become more nonconforming.

- (1) A structure situated on a nonconforming lot shall be considered a nonconforming structure, subject to the provisions of this article.
- (2) A nonconforming lot that was made nonconforming with the adoption of this Zoning Code may be used for the construction of a building allowed in the applicable zoning district, provided that all other zoning district and dimensional standards are met, unless otherwise provided for in this article.

Sec. 60-115. Conforming Use May Not Revert.

- (1) A nonconforming use may be changed to another nonconforming use of the same or a more restrictive zoning category provided that no structural alterations to the building are required to accommodate such change, except those alterations necessary to meet accessibility provisions required by state and federal law.
- (2) A nonconforming use, once changed to a conforming use, or to a more restrictive nonconforming use as defined in section (f)(1) above, must remain as a conforming use and may not thereafter revert to the previous or any other nonconforming use.

- (3) A conforming use may be changed to another conforming use, but may not revert to a nonconforming use.

Sec. 60-116. Repair and Maintenance of Buildings or Equipment.

The repair or maintenance of a nonconforming building or facility necessary to keep the building or facility in sound condition, provided such repair and maintenance does not result in an increase in the building, parking, storage, facility area, or capacity existing at the time the use of the building or facility became nonconforming, shall not constitute an enlargement of the nonconforming use.

Sec. 60-117. Redesign or Renovation of Buildings or Equipment.

The following redesign or renovation of buildings and/or equipment shall not constitute an enlargement of a nonconforming use:

- (1) Improvements to a building that result in a redesign or renovation of an older facility design, but only if:
 - a. An approved building permit is issued for the work to be performed; and
 - b. The work is commenced not later than six (6) months after cessation of the nonconforming use if such cessation is necessary to perform the renovation project; and
 - c. The work is completed and the nonconforming use is recommenced within two years after the cessation of the nonconforming use; and
 - d. The square footage of the structure which is utilized for the nonconforming use is not increased and the building is not expanded or structurally altered to accommodate the nonconforming use;
 - e. The nonconforming use does not expand within the building or facility beyond the square footage occupied by the use at the time it became nonconforming; and the building is not expanded or structurally altered to accommodate the nonconforming use;
 - f. The project does not involve the demolition of any part of the exterior portion of the structure;

- (2) Replacement of equipment with newer and/or more efficient equipment related to the preparation or dispensing of products, goods, or services, provided:
 - a. An approved building permit is issued for the work to be performed; and
 - b. The equipment is located on the same property as the equipment being replaced;
 - c. The equipment does not require an enlargement of the structure in which the equipment is located; and
 - d. The equipment does not require an increase in the square footage within the building or on the property which must be used to continue the nonconforming use.

Sec. 60-118. Nonconforming Site Element.

A nonconforming site element, such as site lighting, landscaping, screening, parking, or other nonconforming site element or improvement or portion thereof, may be repaired, maintained, or demolished, and once demolished, may not thereafter be reconstructed. Further:

- (1) A nonconforming parking lot or storage area may be maintained or repaired, provided there is no increase in the total area used for either purpose.
- (2) The Director may administratively approve an amendment to an approved landscape plan for a nonconforming property to allow a change in landscape materials.

Sec. 60-119. Discontinuance of a Nonconforming Use.

Except as permitted by Sections (4) of this Article, no building, structure, or land shall be used for a nonconforming use after the nonconforming use has ceased for a period of six (6) consecutive months, or, in the event cessation of the nonconforming use has occurred as the result of a renovation or reconstruction of a building permitted by this article, if the nonconforming use has not recommenced within two years after cessation. Except when cessation results from a renovation or reconstruction of a building, it shall be a rebuttal presumption that cessation of a nonconforming use has occurred if for a period of six (6) consecutive months:

- (1) Actual use of the property or building for the nonconforming use has not occurred, regardless of whether or not other permitted or nonconforming uses are continuing during the same period;
- (2) There has been no consumption of water and sewer services indicated by the water meter for the property; or
- (3) There has been no consumption of electrical service on the property.
- (4) The property has not been actively marketed for sale or lease.

Sec. 60-120. Reconstructing Damaged Structures, or Site Elements and Recommencing Nonconforming Uses.

(a) A nonconforming use may recommence, and a nonconforming building or structure or site element may be rebuilt, restored, replaced, or repaired after said building is damaged or destroyed by fire, flood, explosion, windstorm, earthquake, war, riot, or other calamity, but only if:

- (1) The area of the structure when rebuilt shall not exceed its area prior to the date of the damage or destruction; and
- (2) The reconstructed building(s) do not create a greater nonconformity than existed prior to the damage or destruction;
- (3) An approved building permit is issued for the work to be performed;
- (4) Such reconstruction is initiated within six months of the date the damage or destruction of the building occurred or by such later date as may be established by the Board after a finding that the owner has made a good faith effort to commence reconstruction of the building(s) within the six months but has been delayed by factors not under the owner's control, including, but not limited to, the settlement of insurance claims or obtaining necessary financing; and
- (5) The area of the reconstructed building(s) used for the nonconforming use does not exceed the area or capacity used prior to the date of said damage or destruction.

Sec. 60-121. Intentional Acts or Omissions.

Notwithstanding the provisions of this article, a nonconforming use, structure, or site element that is damaged or destroyed by the intentional acts or omissions of the owner or owner's agent may not be rebuilt, restored, replaced, or repaired except in conformance with the applicable requirements of this Zoning Code, including those of the zoning district in which it is located.

Sec. 60-122. Nonconforming Use Combined with Permitted Uses.

Property used for a nonconforming use may also be used for any other use permitted in the zoning district where the property is located. The area of a building in which a nonconforming use is occupying may be increased to include space to be used for permitted uses; however:

- (1) The area of the building which is used for the nonconforming use may not exceed the area used for the nonconforming use prior to the date of addition to the original building;
- (2) Any increase in the building size may not cause the structure to become nonconforming, or if the structure is already nonconforming, may not increase the non-conformity; and
- (3) No new parking shall be constructed beyond the minimum number necessary to meet the requirement for the conforming uses within a building.

Sec. 60-123. Previously Granted Conditional Use Permits.

The use of property pursuant to a conditional use permit issued prior to date of adoption shall be governed as follows:

- (1) **Conditional Use Becoming a Permitted Use:** If the use for which the Conditional Use Permit was granted becomes a permitted use in the zoning district in which the property is located, then:
 - a. The CUP shall be deemed to have terminated if all regulations set forth in the CUP are the same as those set forth in this Zoning Code for the same use in the same zoning district; or

- b. The use shall be deemed to be a nonconforming use to the extent that the use and development regulations set forth in the CUP are less restrictive than the use and development regulations for the same permitted use in the same zoning district;

(2) **Conditional Use Remaining a Conditional Use:** If the use for which the CUP was granted requires a CUP in the zoning district in which the property is located, the previously issued CUP shall remain in full force and effect; provided, however, such permit shall be subject to termination as set forth in Article X.

(3) **Conditional Use No Longer a Permitted or Conditional Use:** If a use for which a CUP was previously granted becomes neither a permitted use nor a use for which a CUP may be granted after date of adoption, such use shall be deemed to be a nonconforming use, and the CUP shall be subject to termination:

- a. In accordance with this article; and
- b. In accordance with Article XIII.

ARTICLE XIV. PERMITS AND CERTIFICATES OF OCCUPANCY

Sec. 60-125. Certificate of Occupancy for Buildings.

No certificate of occupancy required by the City's building code shall be issued:

- (1) For a use not otherwise allowed in the zoning district in which the building is located; or
- (2) If applicable, until all improvements otherwise required by this Zoning Code, including improvements required for a Planned Development district or Conditional Use Permit, have been completed.

Sec. 60-126. Building Permits.

No building permit shall issue until the Department has determined that the use for which the application is made is an allowable use.

ARTICLE XV. ENFORCEMENT; PENALTIES

Sec. 60-130. Enforcement; Penalties.

(a) **Enforcement.** The following city officials shall have the following primary responsibilities with respect to enforcement of this Chapter:

(1) **Development Services Director:** The Development Services Director shall have the primary responsibility for the enforcement of this Zoning Code.

(2) **Building Official:** The City Building Official, in addition to the authority and responsibility set forth in the building codes, shall have the primary responsibility for inspecting improvements required by this Zoning Code, other than publicly-owned improvements, and assuring compliance with such requirements prior to issuance of a certificate of occupancy.

(3) **City Engineer:** The City Engineer or designee shall have the primary responsibility for inspecting publicly-owned improvements required to be constructed by this Zoning Code.

(4) **Code Enforcement Officer:** The City Code Enforcement Officer(s) shall have the primary responsibility for achieving voluntary compliance with this Zoning Code pertaining to the health, safety, and welfare of the citizens.

(b) **Right of Entry:** Whenever necessary for the purpose of investigating or enforcing the provisions of the Zoning Code, or whenever any enforcement officer has reasonable cause to believe that there exists in any structure, or upon any premise, any condition which constitutes a violation of the Zoning Code, an officer of the City may enter such structure or premise at all reasonable times to inspect the same, or to perform any duty imposed upon any said officer by law. If the structure or premises is occupied, the officer shall first present proper credentials and request entry. If the structure or premises is unoccupied, the officer must first make a reasonable attempt to contact a responsible person and request entry. If entry is refused, the officer seeking entry shall have recourse to every remedy provided by law to secure entry. All permits issued by the City shall contain a written agreement whereby the permittee shall authorize entry onto the property by any duly authorized officer of the city for the purpose of inspecting and approving the improvements permitted.

(c) **Penalties:** A person found to be in violation of any provision of this Chapter shall be guilty of a misdemeanor, and on conviction thereof, be punished by fine in accordance with the schedule of fees approved by the City Council as amended from time to time.

ARTICLE XVI. PRESERVING RIGHTS IN PENDING LITIGATIONS AND VIOLATIONS UNDER EXISTING ORDINANCES

Sec. 60-135. Effect of Ordinance.

The passage of this Zoning Code does not legalize any presently illegal use unless such use falls within a zoning district where it becomes conforming with the date of adoption. Otherwise, such uses shall remain nonconforming uses where recognized, or an illegal use, as the case may be. Further, no offense committed, and no liability, penalty or forfeiture, either civil or criminal, incurred prior to the time the existing zoning ordinance was repealed and this Code adopted, shall be discharged or affected by such repeal. Prosecutions and suits for such offenses, liabilities, penalties, or forfeitures may be instituted, or causes presently pending may proceed, in all respects as if such prior ordinance had not been repealed.

ARTICLE XVII. VALIDITY, SEVERABILITY

Sec. 60-140. Severability clause.

If any section, paragraph, subdivision, clause, phrase, or provision of the ordinance adopting the Zoning Code shall be adjudged invalid or held unconstitutional, the same shall not affect the validity of this ordinance as a whole or any part or provision thereof other than the part so decided to be invalid or unconstitutional.

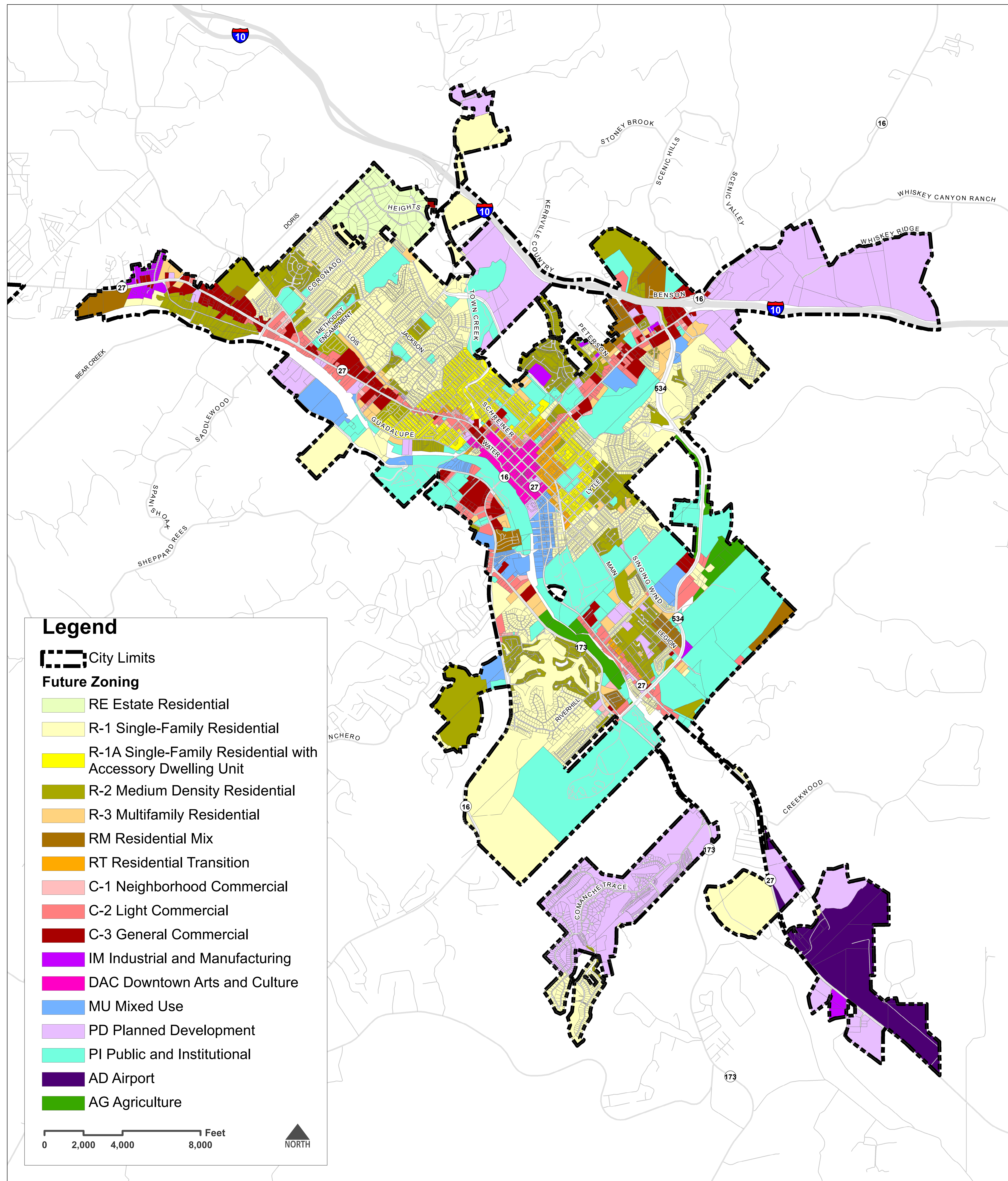
ARTICLE XVIII. EFFECTIVE DATE.

Sec. 60-145. When Effective.

This ordinance shall become effective on October 1, 2019.

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Kerrville Future Zoning Map - *DRAFT*



July, 2019

LAND USES	Residential Districts							Nonresidential Districts				Special Districts					Notes	
	R-E	R-1	R-1A	R-2	R-3	R-M	R-T	C-1	C-2	C-3	IM	DAC	MU	PI	AD	AG		
Accessory Building or Structure	P	P	P	P ₁	P	P ₁	P	P	P	P	P	C	C	P	P	P	1 Not permitted for patio homes or townhomes	
Accessory Dwelling (see Dwelling Unit, Single-Family with Accessory Dwelling Unit)																		
Agricultural Services											P				P	P		
Agriculture, General	P															P		
Airport															P			
Alcoholic Beverage Sales for Off-Premise Consumption								P	P	P		P	P					
Amateur Radio Antenna	See Ordinance 2005-11																	
Ambulance Service, Private										P	P						2 For single-family and multifamily residential uses	
Ambulatory Surgical Center								P	P	P	P			P				
Amenity Center	P ₂	P ₂	P ₂	P ₂	P ₂	P ₂						P ₂	P ₂					
Amusement Center, Indoor									P	P		P	P					
Amusement Center, Outdoor									C	P		C	P					
Antenna	See Wireless Telecommunications Facilities, Ordinance 2003-35																	
Antique Store								P	P	P		P	P					
Apartment (See Dwelling, Multifamily)																		
Appliance Repair/Sale, Used Appliances								P	P	P	P							
Appliance Store								P	P	P		P	P					
Art Studio/Gallery								P	P	P		P	P					
Artisan's/Craftsman's Workshop							P	P	P	P	P	P			P			
Assisted Living Facility					P _{2A}		C _{2A}	C _{2A}	C _{2A}	P _{2A}		P _{2A}	P _{2A}				2A City's health & Safety standards, if any, apply. Must have license required by Code Section 30-6(4)	
Automated Teller Machine (ATM)								P	P	P	P	P	P		P			
Automobile Dealership, New Auto Sales										P	P							
Automobile Dealership, Used Auto Sales									C	P								
Automobile Parts Store									P ₃	P ₃							3 Subject to requirements of Article IX 60-60(4)	
Automobile Rental or Leasing									P	P	P							
Automobile Service and Repair, Major										P ₃	P ₃						3 Subject to requirements of Article IX 60-60(4)	
Automobile Service and Repair, Minor										P ₃	P ₃	P ₃					3 Subject to requirements of Article IX 60-60(4)	
Automobile Towing/Wrecker Service										C	P							
Automotive Body Shop										C	P							
Bail Bonding Agency									P	P								
Bank or Financial Institution								P ₄	P ₄	P ₄	P ₄	P ₄	P ₄		P ₄			
Bar or Cocktail Lounge									P	P		P	P		C			
Barber or Beauty Shop							P	P	P	P		P	P					
Bicycle and Bicycle Accessory Sales and Repair								P	P	P		P	P					
Boarding Home Facility	P ₅	P ₅	P ₅	P ₅	P ₅	P ₅	P ₅	P ₅	P ₅	P ₅		P ₅	P ₅				5 Must meet the requirements of Chpater 30, Code of Ordinances. Structure must meet the standards, i.e. lot size, structure height, lot coverage, set backs, etc., for the zoning district within which it is located.	
Boat (Marine) Dealership										P	P							
Book Store								P	P	P		P	P					
Brewpub									P	P		P	P		C			
Building Contractor, General									C	P	P							
Building Contractor, Maintenance and Repair									C	P	P							
Building Contractor, Temporary Field Office	P ₆	P ₆	P ₆	P ₆	P ₆	P ₆	P ₆	P ₆	P ₆	P ₆	P ₆	P ₆	P ₆	P ₆	P ₆		6 Subject to requirements of Article IX 60-60(14)	
Building Contractor, Trade Specialist										C	P	P						
Building Contractor's Storage Yard											P							
Cabinetmaking Shop										C	P	P						
Car Title Loan Business										C	P							
Car Wash, Full-Service or Self-Service									P ₇	P ₇							7 Subject to requirements of Article IX 60-60(5)	
Caretaker's Residence	P	P	P	P	P	P	P		C	P	P	C	C	P	C	P		
Cemetery	C	C	C	C	C	C	C	C	C	C	C			P	P	P		

LAND USES	Residential Districts							Nonresidential Districts				Special Districts					Notes
	R-E	R-1	R-1A	R-2	R-3	R-M	R-T	C-1	C-2	C-3	IM	DAC	MU	PI	AD	AG	
Check Cashing Business										C	P						
Church, Temple, Mosque, or Place of Worship	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	
Civic, Fraternal, Philanthropic, Charitable, or Nonprofit Organization							P	P	P	P	P	P	P	P			
Clothing and Apparel Store								P	P	P		P	P				
College or University, Private								P	P	P	P	P	P	P			
College or University, Public	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	
Community Garden	P ₈	P ₈	P ₈	P ₈	P ₈	P ₈	P ₈	P ₈	P ₈	P ₈	P ₈	P ₈	P ₈	P ₈	P ₈	P ₈	8 Subject to requirements of Article IX 60-60(8)
Community Home	P _{8A}	P _{8A}	P _{8A}	P _{8A}	P _{8A}	P _{8A}	P _{8A}										8A (1) Must be at least one-half mile from another Community Home measured in a direct line from the property line of each Community Home. (2) Motor vehicles that exceed the number of bedrooms may not be kept on the property or in the right-of-way of any street adjacent to the property.
Concrete/Asphalt Batch Plant, Permanent											C					C	
Condominium (See Dwelling, Multifamily)																	
Continuing Care Facility								C	C	P		P	P				
Convenience Store with Fuel Sales									P ₉	P ₉	P ₉	C ₉	C ₉		P ₉		9 Subject to requirements of Article IX 60-60(1)
Convenience Store without Fuel Sales								P	P	P	P	P	P		P		
Country Club	C	C	C													C	
Custom Manufacturing (See Manufacturing, Custom)																	
Dance Hall/Event Center										P		P	P				10 Subject to requirements of Article IX 60-60(3)
Day Care Services, Adult							C ₁₀	P ₁₀	P ₁₀	P ₁₀		P ₁₀	P ₁₀	P ₁₀			
Day Care Services, Children							C ₁₀	P ₁₀	P ₁₀	P ₁₀		P ₁₀	P ₁₀	P ₁₀			
Department or General Merchandise Store								P	P	P		P	P				
Detention Facility														C			
Dinner Theatre									P	P		P	P		P		
Distillery										P	P	P	P				
Distribution Center (See Warehousing and Distribution)																	
Dormitory, sorority or fraternity house					P	P	P	P _{10A}	P _{10A}	P _{10A}		P _{10A}	P _{10A}	P _{10A}			10A allowed within these district by right only when located within one-half mile from an higher educational institution
Driving Instruction School									P	P							
Drug Store								P	P	P		P	P		P		
Duplex (See Dwelling, Duplex)																	
Dwelling, Duplex				P		P	P										
Dwelling, Live/Work							P	P	P	P	P	P	P		P		
Dwelling, Multifamily					P	P	C			P		P	P				
Dwelling, Patio Home (Zero Lot Line Home)				P		P											
Dwelling, Single-Family Detached	P	P	P	P		P	P										
Dwelling, Single-Family Detached with Accesory Dwelling Unit	C	C	P	P ₁₁		P ₁₁	P										
Dwelling, Small-Lot Single-Family Detached				P		P											11 Accessory Dwelling Unit in R-2, R-M only on lots of at least 5,000 square feet
Dwelling, Townhome				P		P						P	P				
Electronic Sales/Service								P	P	P		P	P				
Equipment Rental, Heavy, No Outdoor Storage										P	P						
Equipment Rental, Heavy, With Outdoor Storage											P						
Equipment Rental, Light, No Outdoor Storage									P	P	P						
Equipment Rental, Light, With Outdoor Storage										P	P						
Fabric Store								P	P	P		P	P				
Fabrication Processes											P				P		
Fair/Rodeo Grounds or Exhibition Hall or Arena										C	C					C	
Farm Supply Store, Retail										P	P					C	
Farmers’ Market									P	P		P	P			P	
Feed, Grain, or Hay Storage and Sale, Bulk/Wholesale											P					P	
Fine Arts Classes								P	P	P		P	P				
Fitness Center								P	P	P		P	P				

LAND USES	Residential Districts							Nonresidential Districts				Special Districts					Notes
	R-E	R-1	R-1A	R-2	R-3	R-M	R-T	C-1	C-2	C-3	IM	DAC	MU	PI	AD	AG	
Flea Market, Indoor										P	P	P	P				
Flea Market, Outdoor/Open Air Market										C	C						
Florist								P	P	P		P	P				
Food Processing (craft)								P	P	P	P	P	P				
Food Processing (manufacturing)											P						
Food Truck Park									C	C	C	C	C		C		
Fuel Sales, Bulk											P ₉						⁹ Subject to requirements of Article IX 60-60(1)
Fuel (Gasoline/Propane) Sales, Retail									P ₉	P ₉		C ₉	C ₉				⁹ Subject to requirements of Article IX 60-60(1)
Funeral Services								P	P	P		P	P				
Furniture, Home Furnishings, and Home Decorating and Decor Store								P	P	P		P	P				
Furniture Repair and Sale, Used									P	P	P	C	C				
Garden Center/Nursery With Outside Storage									P	P	P	P	P				
Garden Center/Nursery, Without Outside Storage									P	P	P	P	P				
Golf Course	C	C	C													C	
Grocery Store								P	P	P		P	P				¹ Not permitted for patio homes or townhomes
Guest House	P	P	P	P ₁		P ₁	P										
Guidance Services				P		C	C	C	P		P	P					
Gunsmith and Locksmith Shop								P	P	P		P	P				
Halfway House	P ₅	P ₅	P ₅	P ₅	P ₅	P ₅	P ₅	P ₅	P ₅	P ₅		P ₅	P ₅			⁵ Must meet the requirements of Chpater 30, Code of Ordinances. Structure must meet the standards, i.e. lot size, structure height, lot coverage, set backs, etc., for the zoning district within which it is located.	
Hardware Store								P	P	P		P	P				
Home Improvement Center										P							¹² Subject to requirements of Article IX 60-60(9)
Home Occupation	P ₁₂	P ₁₂	P ₁₂	P ₁₂	P ₁₂	P ₁₂	P ₁₂					P ₁₂	P ₁₂			P ₁₂	
Homeless Shelter														P			
Hospital										P				P			
Hotel (See also, Motel)										P		P	P		P		
Independent Living Facility for Seniors					P		C	C	C	P		P	P				
Jewelry Store								P	P	P		P	P				
Job and Vocational Training Center								P	P	P	P	P	P				
Junkyard	See Chapter 58, Kerrville Code of Ordinances																
Kennel, Up to 11 Animals, Indoor Pens									P	P	P						
Kennel, 12 or More Animals, Indoor or Outdoor Pens										P	P					P	
Landscape Nursery, Commercial/Wholesale											P					P	
Laundromat								P	P	P		P	P				
Laundry/Dry Cleaning Drop-Off/Pick-Up Station								P ₄	P ₄	P ₄		P ₄	P ₄			⁴ Drive-thru subject to requirements of Article IX 60-60(6)	
Laundry/Dry Cleaning Plant									C	P	P						
Limousine/Taxi Service										P	P						
Livestock Sales, Wholesale																C	
Luggage and Leather Goods Store								P	P	P		P	P				
Lumber Yard										P	P						
Machine Shop											P				P		
Mailing Service									P	P	P	P	P		P		
Manufactured Home or Manufactured Housing						P ₁₃											¹³ Subject to requirements of Article IX 60-60(10)
Manufactured Housing Sales										C ₁₃	P ₁₃						¹³ Subject to requirements of Article IX 60-60(10)
Manufacturing, Custom (see Artisan's/Craftsman's Workshop)											P				C		
Manufacturing, Assembly											P				C		
Manufacturing, General																	
Microrbrewery									P	P		P	P				
Mining and Mineral Extraction																C	
Mini-Storage									P ₁₄	P ₁₄	P ₁₄						¹⁴ Subject to requirements of Article IX 60-60(2)
Minor Emergency/Urgent Care/Outpatient Medical Clinic								P	P	P		P	P				

LAND USES	Residential Districts							Nonresidential Districts				Special Districts					Notes	
	R-E	R-1	R-1A	R-2	R-3	R-M	R-T	C-1	C-2	C-3	IM	DAC	MU	PI	AD	AG		
Modular Home	P	P	P	P		P	P									P		
Motel										P		P	P					
Motor Freight/Trucking Company											C							
Motorcycle, All Terrain Vehicle, Personal Watercraft Dealership										P	P							
Movie Theater										P		P	P					
Museum							P	P	P	P		P	P	P	P			
Musical Instrument Sales and Repair								P	P	P		P	P					
Newspaper										P	P	P	P					
Nursing Home					p		C	C	C	P		P	P					
Office, General (Business or Professional)							P	P	P	P	P	P	P		P			
Office, Medical							P	P	P	P	P	P	P					
Office Furniture, Equipment, and Supply Store									P	P		P	P					
Outdoor Storage of Equipment and Materials as a Primary Use											P							
Parking Lot or Structure, Accessory					P			P	P	P	P	P	P	P	P			
Parking Lot, Stand-Alone								C	C	P	P	P	P	P	P			
Parking Structure										P		P	P	P	P			
Pawnshop With Outside Storage										P								
Pawnshop, No Outside Storage									P	P		P	P					
Payday Loan Business										C	P							
Pet and Pet Supply Sales							P	P	P	P		P	P					
Pet Grooming							P	P	P	P		P	P					
Photography Studio							P	P	P	P		P	P					
Photography/Camera Supply Store								P	P	P		P	P					
Portable Building Sales											P							
Print Shop								P	P	P	P	P	P					
Public or Institutional Facility or Use	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P		
Quadruplex (See Dwelling, Multifamily)																		
Radio or Television Station or Broadcasting Studio with Tower										P	P							
Radio or Television Station or Broadcasting Studio without Tower								P	P	P	P	P	P					
Recreational Skills Classes							C	P	P	P		P	P					
Recreational Vehicle Dealership										P	P							
Recreational Vehicle or Trailer Park						C				C			C					
Rectory/Parsonage	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P		
Repair Shop, Household Items								P	P	P	P	P	P					
Repair Shop, Personal Items								P	P	P		P	P					
Research and Development Lab										P	P				C			
Residential Care Service	P5	P5	P5	P5	P5	P5	P5	P5	P5	P5		P5	P5			5 Subject to Article 1, Chapter 30, and Article IX 60-60(7)		
Restaurant, Food and Beverage Shop								P	P	P	P	P	P		P			
Restaurant, General, With Drive-Thru or Drive-In Service									P4	P4		P4	P4		P4	4 Drive-thru subject to requirements of Article IX 60-60(6)		
Restaurant, General, Without Drive-Thru Service								P	P	P		P	P		P			
Salvage, Reclamation, Recycling of Materials											C							
Sand, Gravel,or Stone Extraction																	C	
Sand, Gravel, or Stone Storage and Sales											C						C	
School, Private, Elementary	C	C	C	C	C	C	C		C	C				P				
School, Private, Intermediate and Secondary	C	C	C	C	C	C	C		C	C				P				
School, Public, Elementary	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P		P	
School, Public, Intermediate and Secondary	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P		P	
Second-hand/Used Goods Store With Outside Storage										P								
Second-hand/Used Goods Store, No Outside Storage								P	P	P		P	P					
Security Service									P	P	P	P	P		P			
Security Systems Installation and Monitoring Company									P	P	P	P	P					
Sexually Oriented Business	See Chapter 30, Kerrville Code of Ordinances																	
Short-term Rental Unit	C	C	C	C	P	C	P					P	P				C	
Showroom, in Conjunction with Warehousing and Distribution											P				P			

[illegible]



**TO BE CONSIDERED BY THE CITY COUNCIL
CITY OF KERRVILLE, TEXAS**

SUBJECT: Financial update for the month ended July 31, 2019

AGENDA DATE OF: August 27, 2019 **DATE SUBMITTED:** Aug 20, 2019

SUBMITTED BY: Amy Dozier

EXHIBITS: [20190827_Report_July 2019 financial summary.pdf](#)
[20190827_Report_July 2019 financial presentation.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
\$0	\$0	\$0	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

GENERAL FUND:

Year to date through July 31, 2019, the General Fund has received revenue of \$24.2 million compared to expense of \$22.6 million. It is normal for revenue to be higher than expenditures at this time of year because most property taxes are due by January 31st. Items to note for July include:

1. Strong sales tax performance continues. Year to date, sales tax is up 4.8% over 2018 and is 2.6% better than budget, led by increases in retail, food service, manufacturing and construction.
2. Other revenue is lower than budget due to slightly lower than budget EMS billing and lower than budget municipal court fine amounts.
3. General Fund expenditures are lower than budget primarily due to street maintenance expense that is occurring later in the year than expected.

WATER FUND:

Year to date through July 31, 2019, the Water Fund received revenues of \$9.2 million compared to expenditures of \$10.0 million. Notable activity includes:

1. Water and reuse sales are lower than budget and FY2018 due to record rainfall amounts in October 2018 followed by continuing higher than average rainfall. Year to date water consumption is down 19%. August water revenue has increased due to dry weather beginning in July. Even so, we are expecting water sales to end the year significantly below budget.
2. Sewer sales are lower than budget. Residential sewer averaging for the next 12 months was set in April. Average residential consumption gallons were 4% lower during the averaging period in FY2019 compared to FY2018. This seems to be related to decreased residential irrigation during the sewer averaging period due to rain. We are currently projecting a \$225K sewer revenue shortfall for the year due to decreased sewer averaging combined with lower commercial sewer revenue related to reduced consumption.
3. Water expenditures are better than budget due to lower than anticipated chemical and maintenance costs. In addition, staffing vacancies in Water Distribution have created salary savings.

DEVELOPMENT SERVICES FUND:

Year to date through July 31, 2019, the Development Services Fund received revenues of \$1.0 million compared to expenditures of \$1.0 million. Revenue includes transfers in from the General Fund and Water Fund of \$591 thousand and permit and fee revenue of \$415 thousand. FY2019 expenditures include a transfer of \$379 thousand to a project fund for the code rewrite and Development Services software projects. The Development Services Fund was broken out of the General Fund in FY2019. For presentation and comparison purposes, FY2018 financial information is shown in the Development Services Fund rather than the General Fund.

GOLF FUND:

Year to date through July 31, 2019, the Golf Fund received revenues of \$737 thousand compared to expenditures of \$775 thousand. FY2019 revenue is lower than budget and FY2018 primarily due to record rainfall in October and continuing bad weather days.

HOTEL OCCUPANCY FUND:

Year to date through July 31, 2019, the Hotel Occupancy Fund received revenues of \$1.2 million compared to expenditures of \$966 thousand. Occupancy tax revenue is better than budget due to a prior period audit payment from Yogi Bear (\$25K) and growing revenues at multiple properties.

RECOMMENDED ACTION:

Information only; no action required.

City of Kerrville
Financial Summary
For the Month Ended July 31, 2019

Fund	Total FY2019 Budget	Year to Date FY2019 Budget	Year to Date FY2019 Actual	Better / (Worse) than Budget	Year to Date FY2018 Actual	Change from FY2018	Variance Explanation
General Fund							
Revenues							
Property Tax	\$ 9,553,070	\$ 9,493,371	\$ 9,469,674	\$ (23,697)	\$ 9,342,588	\$ 127,086	
Sales Tax	7,049,268	5,798,762	5,949,196	150,433	5,675,258	273,937	note A
Other Revenue	10,762,526	8,886,860	8,738,952	(147,908)	8,352,487	386,465	note B
Total Revenue	27,364,863	24,178,993	24,157,822	(21,171)	23,370,333	787,489	
Expenditures	27,764,863	22,581,172	21,899,433	681,739	20,990,239	909,194	note C
Net	(400,000)	1,597,822	2,258,389	660,567	2,380,094	(121,705)	
Water Fund (Operating - excludes debt related revenue and expenditures)							
Revenues							
Water Sales	6,072,434	4,855,258	3,912,102	(943,157)	4,693,048	(780,947)	note D
Sewer Sales	5,559,473	4,597,970	4,410,662	(187,308)	4,418,642	(7,980)	note E
Reuse Sales	122,625	98,046	30,091	(67,955)	48,901	(18,811)	note D
Other Revenue	776,200	632,290	853,063	220,772	735,119	117,944	note F
Total Revenue	12,530,732	10,183,564	9,205,917	(977,647)	9,895,710	(689,793)	
Expenditures	12,630,732	10,389,558	10,044,891	344,667	9,613,677	431,214	note G
Net	(100,000)	(205,994)	(838,974)	(632,980)	282,033	(1,121,007)	
Development Services Fund							
Revenues							
Permits & Fees	510,000	425,000	414,535	(10,465)	468,037	(53,503)	
Transfer In	708,688	590,573	590,573	-	-	590,573	
Total Revenue	1,218,688	1,015,573	1,005,108	(10,465)	468,037	537,070	
Expenditures	1,218,688	1,008,766	1,041,597	(32,831)	575,974	465,623	
Net	-	6,807	(36,489)	(43,296)	(107,937)	71,448	
Golf Fund							
Revenues	1,015,947	838,776	737,149	(101,626)	772,056	(34,907)	note H
Expenditures	1,015,947	813,348	774,673	38,675	752,773	21,900	
Net	-	25,428	(37,523)	(62,951)	19,283	(56,806)	

City of Kerrville
Financial Summary
For the Month Ended July 31, 2019

Fund	Total FY2019 Budget	Year to Date FY2019 Budget	Year to Date FY2019 Actual	Better / (Worse) than Budget	Year to Date FY2018 Actual	Change from FY2018	Variance Explanation
Hotel Occupancy Tax Fund							
Revenues	1,329,750	1,086,411	1,177,572	91,161	1,101,901	75,671	note I
Expenditures	1,329,750	969,591	966,374	3,216	846,957	119,417	
Net	\$ -	\$ 116,820	\$ 211,197	\$ 94,377	\$ 254,944	\$ (43,746)	

Notes:

- A. Sales Tax** - Strong sales tax performance continues. Year to date, sales tax is up 4.8% over 2018 and is 2.6% better than budget, led by increases in retail, food service, manufacturing and construction.
- B. Other Revenue** - Other revenue is lower than budget due to slightly lower than budget EMS billing and lower than budget municipal court fine amounts.
- C. General Fund Expenditures** - Expenditures are lower than budget primarily due to street maintenance expense that is occurring later in the year than expected.
- D. Water Sales** - Water (including reuse) sales are lower than budget and FY2018 due to record rainfall amounts in October 2018 followed by continuing higher than average rainfall. YTD water consumption is down 19.3%. August water revenue has increased due to dry weather beginning in July. Even so, we are expecting water revenue to end the year significantly below budget.
- E. Sewer Sales** - Residential sewer averaging for the next 12 months was set in April. Average residential consumption gallons were 4% lower during the averaging period in FY2019 compared to FY2018. This seems to be related to decreased residential irrigation during the sewer averaging period due to rain. We are currently projecting a \$225K sewer revenue shortfall for the year due to decreased sewer averaging combined with lower commercial sewer revenue related to reduced consumption.
- F. Water Fund Other Revenue** - FY2019 revenue is better than budget primarily due to higher than budgeted interest revenue.
- G. Water Expenditures** - FY2019 expenditures are better than budget due to lower than anticipated chemical and maintenance costs. In addition, staffing vacancies in Water Distribution have created salary savings.
- H. Golf Fund Revenue** - FY2019 revenue is lower than budget and FY2018 revenue due to record rainfall in October and continuing bad weather days.
- I. Hotel Occupancy Tax Fund Revenue** - Occupancy tax revenue is better than budget due to a prior period audit payment from Yogi Bear (\$25K) and growing revenues at multiple properties.



Financial update for the month ended July 31, 2019

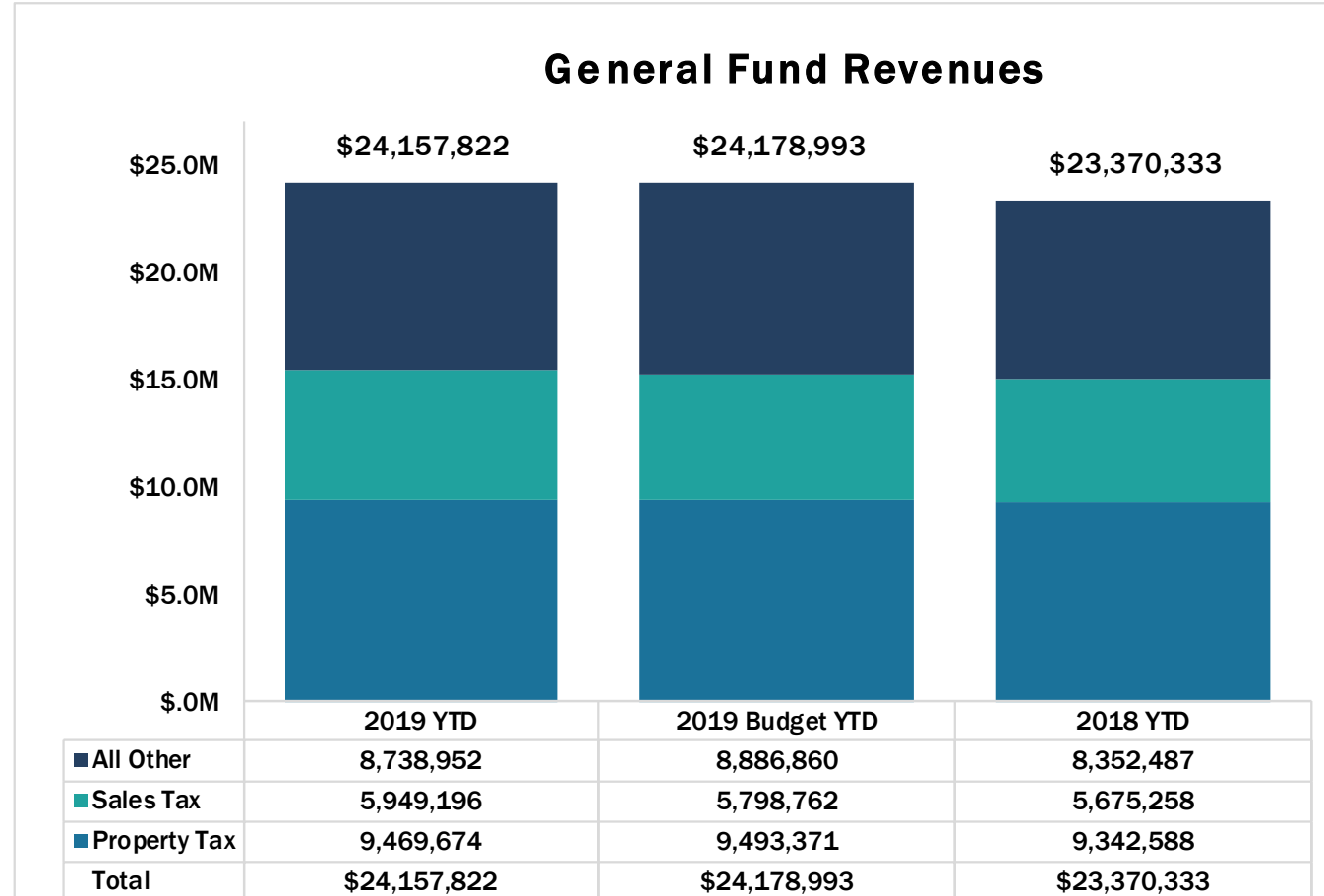
**City Council Meeting
August 27, 2019**



General Fund Summary

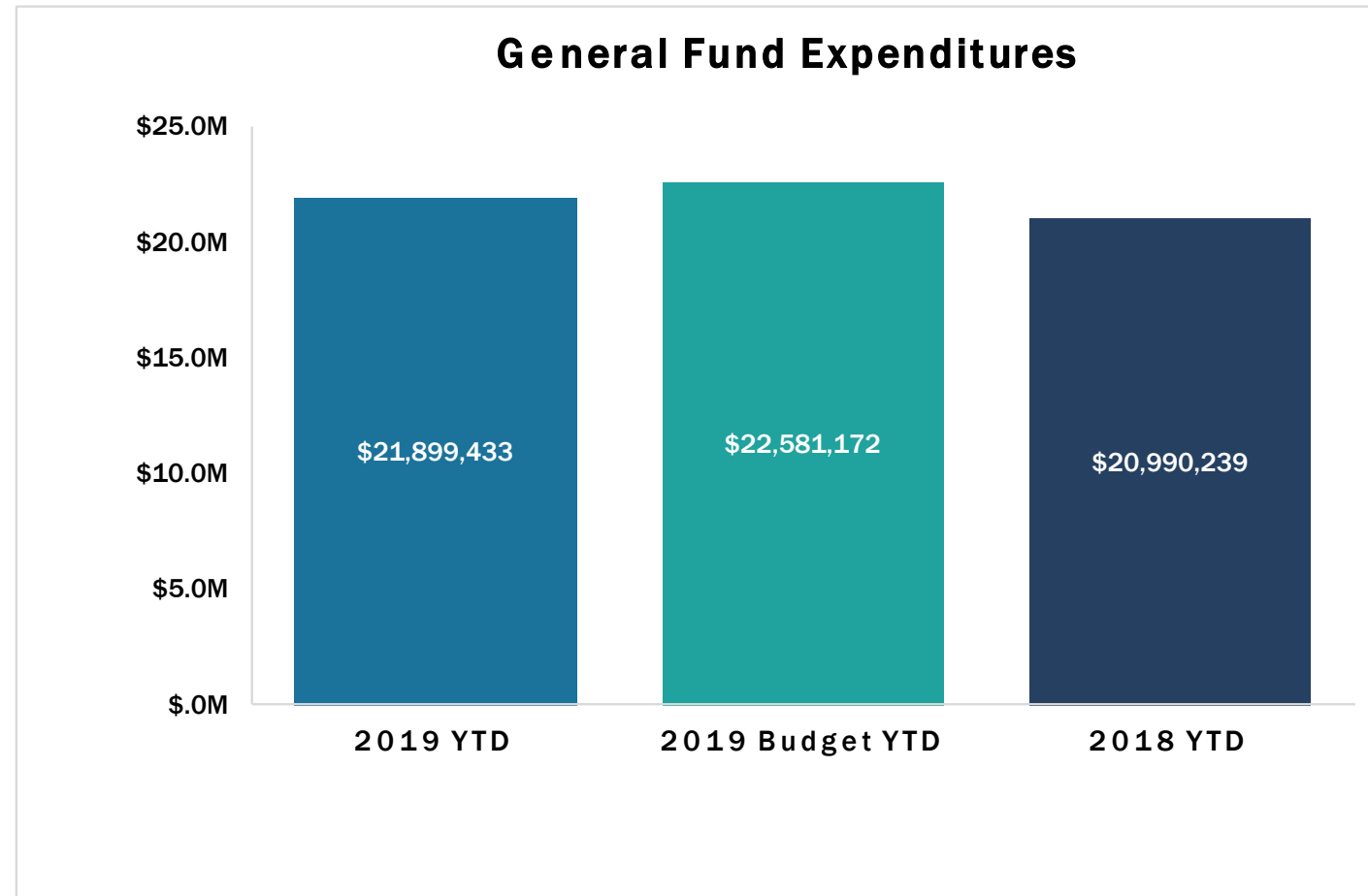
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Expenditures	27,764,863	22,581,172	21,899,433	681,739	20,990,239	909,194	note C
Net	(400,000)	1,597,822	2,258,389	660,567	2,380,094	(121,705)	

General Fund Revenues





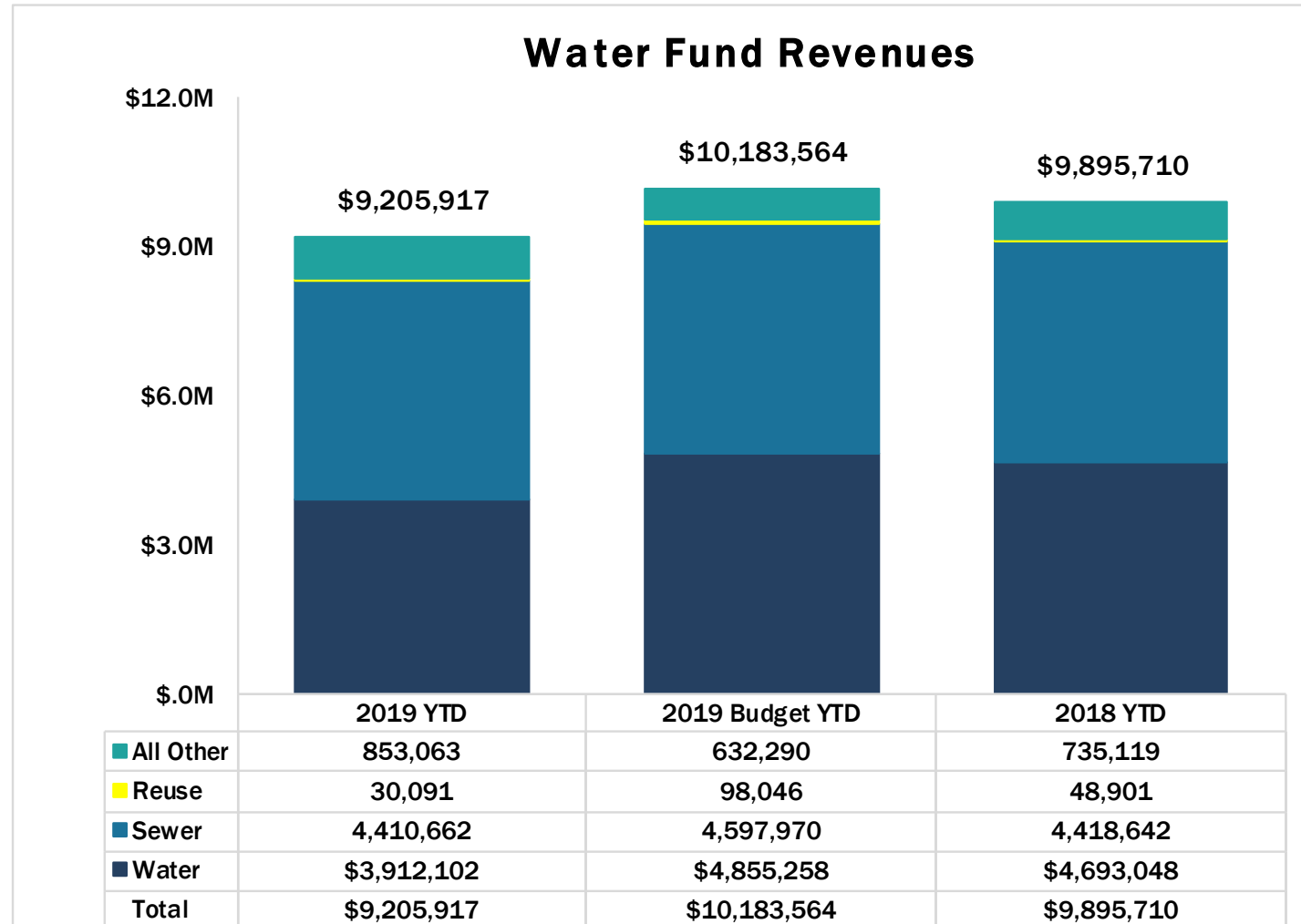
General Fund Expenditures



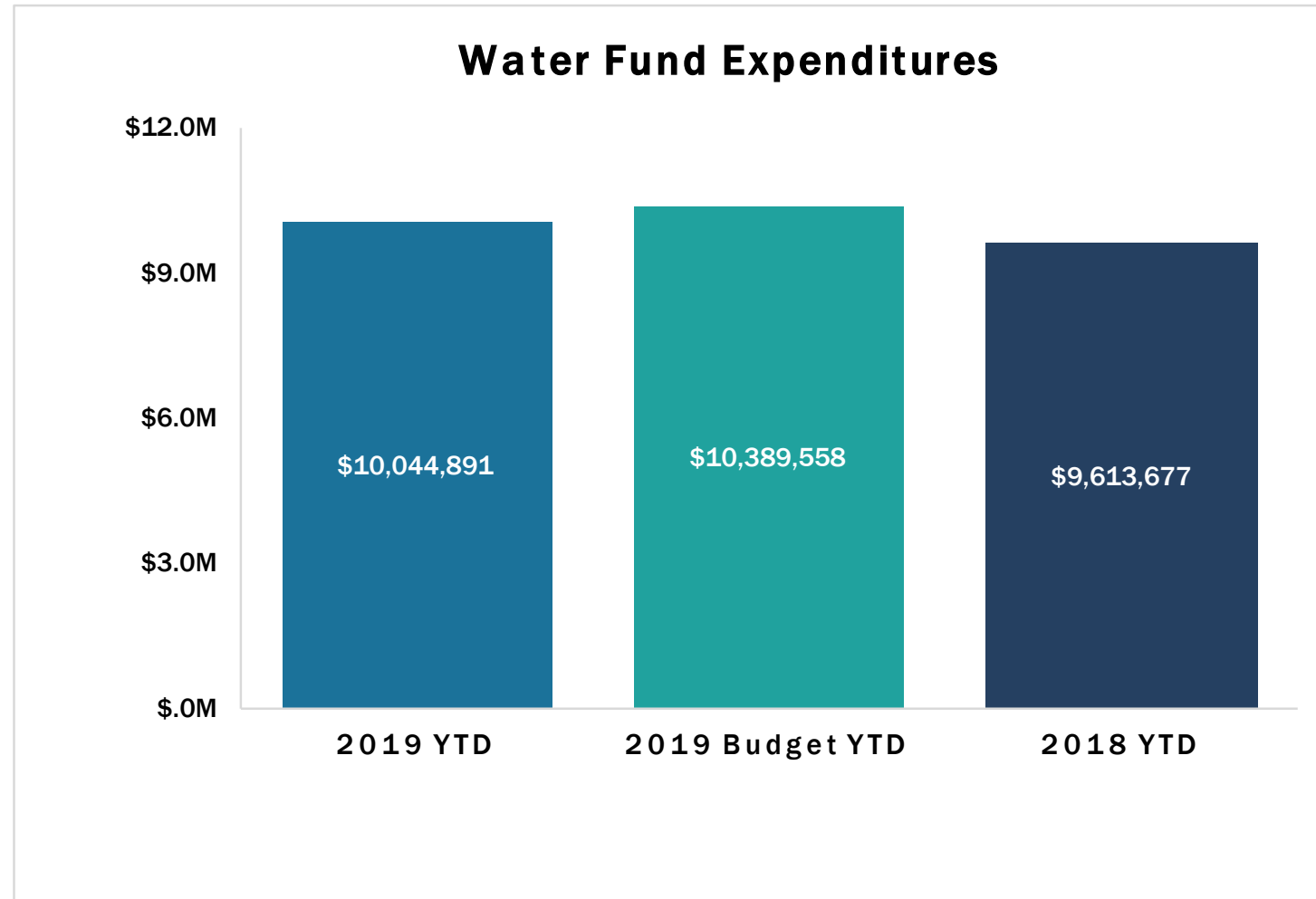
Water Fund Summary

Fund	Total FY2019 Budget	Year to Date FY2019 Budget	Year to Date FY2019 Actual	Better / (Worse) than Budget	Year to Date FY2018 Actual	Change from FY2018
Water Fund (Operating - excludes debt related revenue and expenditures)						
Revenues						
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Expenditures	12,630,732	10,389,558	10,044,891	344,667	9,613,677	431,214
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Water Fund Revenues



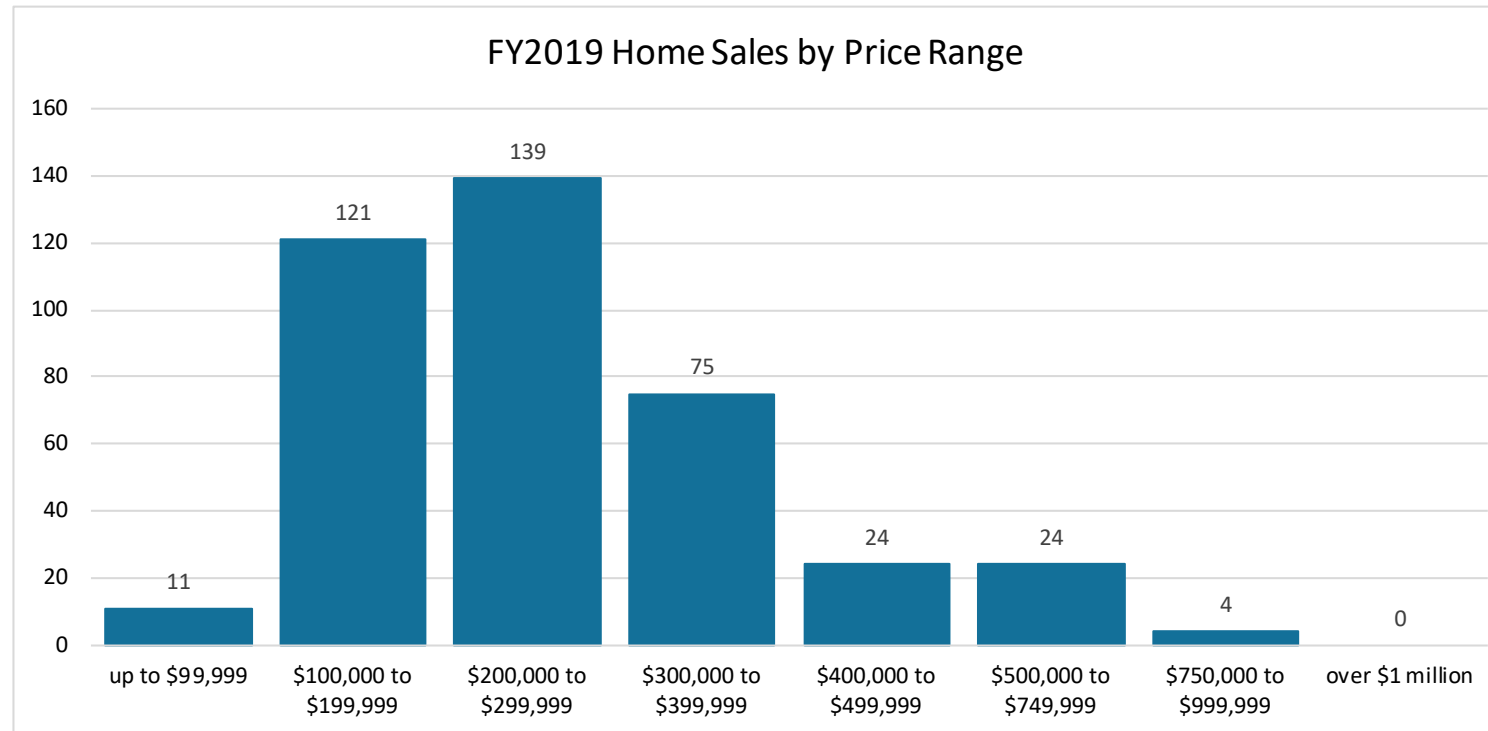
Water Fund Expenditures



Other Funds Summary

Fund	Total FY2019 Budget	Year to Date FY2019 Budget	Year to Date FY2019 Actual	Better / (Worse) than Budget	Year to Date FY2018 Actual	Change from FY2018
Development Services Fund						
Revenues						
Permits & Fees	510,000	425,000	414,535	(10,465)	468,037	(53,503)
Transfer In	708,688	590,573	590,573	-	-	590,573
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Expenditures	1,218,688	1,008,766	1,041,597	(32,831)	575,974	465,623
Net	-	6,807	(36,489)	(43,296)	(107,937)	71,448
Golf Fund						
Revenues	1,015,947	838,776	737,149	(101,626)	772,056	(34,907)
Expenditures	1,015,947	813,348	774,673	38,675	752,773	21,900
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Hotel Occupancy Tax Fund						
Revenues	1,329,750	1,086,411	1,177,572	91,161	1,101,901	75,671
Expenditures	1,329,750	969,591	966,374	3,216	846,957	119,417
Net	\$ -	\$ 116,820	\$ 211,197	\$ 94,377	\$ 254,944	\$ (43,746)

Real Estate Update



	YTD FY2018	YTD FY2019	Change
Median Price:	\$ 233,500	\$ 238,500	2.1%
Average Price:	\$ 261,306	\$ 271,014	3.7%
Total Homesites Sold:	406	398	(8)
Average Days on Market:	100	92	(8)
Total Volume Sold:	\$ 105,952,314	\$ 107,863,503	1.8%

A comparison of July 2019 to July 2018 shows:

- **Median price dropped 6%**
- **Average days on market increased**
- **# of homes sold increased**