

**MINUTES OF THE SPECIAL CALLED MEETING  
RIVER OAKS CITY COUNCIL  
FEBRUARY 17, 2023**

**MEMBERS PRESENT:**

MAYOR JOE ASHTON  
MAYOR PRO TEM DAN CHISHOLM  
COUNCIL MEMBER STEVE HOLLAND  
COUNCIL MEMBER JOHN CLARIDGE  
COUNCIL MEMBER YOLIE RODRIGUEZ  
COUNCIL MEMBER LEIGH ANN TURNER

**STAFF PRESENT:**

CITY MANAGER MARVIN GREGORY  
CITY SECRETARY PAULA LUCK  
CITY ATTORNEY DEAN ROGGIA  
DEPUTY POLICE CHIEF ERIC PERKINS  
EMERGENCY MGT JAMES MYRICK

**ABSENT:**

NONE

**EDC MEMBERS PRESENT:**

VP CHARLES RICHARDSON  
PRESIDENT DARREN HOUK  
MEMBER DAVID BEDFORD

1. CALL TO ORDER

With a quorum present, Mayor Ashton called the Special Meeting of the River Oaks City Council to order at 6:00 p.m. on Friday, February 17, 2023 at the River Oaks City Hall, 4900 River Oaks Blvd., River Oaks, Texas 76114.

2. INVOCATION

Mayor Ashton delivered the Invocation.

3. PLEDGE OF ALLEGIANCE TO UNITED STATES FLAG AND THE TEXAS FLAG

Mayor Ashton led the Pledges of Allegiance to the United States and the Texas Flags.

7. PUBLIC TESTIMONY: CITIZENS TO SPEAK ON ANY TOPIC OR ANY AGENDA ITEM BEFORE AN DURING THE MEETING BY RAISING YOUR HAND TO BE RECOGNIZED; HOWEVER, UNLESS THE ITEM IS SPECIFICALLY NOTED ON THIS AGENDA, THE CITY COUNCIL IS REQUIRED UNDER THE TEXAS OPEN MEETINGS ACT TO LIMIT ITS RESPONSE WITH A STATEMENT OF SPECIFIC FACTUAL INFORMATION, RECITING THE CITY'S EXISTING POLICY ON THAT ISSUE, OR DIRECTING THE PERSON MAKING THE INQUIRY TO VISIT WITH CITY STAFF ABOUT THAT ISSUE, AND NO COUNCIL DELIBERATION IS PERMITTED FOR TOPICS NOT SPECIFICALLY LISTED ON THIS AGENDA.

**NONE**

**ORDINANCES/RESOLUTIONS REQUIRING COUNCIL APPROVAL/ACTION:**

5. CONSIDER APPROVAL OF ORDINANCE #1371-2023 CALLING AN ELECTION TO BE HELD IN THE CITY OF RIVER OAKS TO SUBMIT A PROPOSITION ON REPEALING THE SALES AND USE TAX OF ONE-HALF (1/2) OF ONE PERCENT FOR THE BENEFIT OF THE TYPE B ECONOMIC DEVELOPMENT CORPORATION; INCREASING THE LOCAL SALES AND USE TAX FROM THE RATE OF ONE (1) PERCENT TO ONE AND ONE HALF (1 1/2) PERCENT.

The EDC was created by election in 1995. The deadline to call for a Special Election for May 6<sup>th</sup> is today. This is for the reallocation of the EDC sales tax only. This is not an ordinance or election to abolish the EDC. The City of Lake Worth called for a Special Election in 2018 and it was voted to reallocate their EDC sales tax. The sales tax would be more versatility in the General Fund than the EDC. EDC funds are controlled by the state statute. Projects must be qualified and then taken to the council for approval of the projects.

Mayor Ashton-we have a situation to get the funds to help the General Fund if they qualify. It is normal for EDC to pay for certain salaries. Council is getting push back when we ask for things for EDC to help with. There has been some criticism about how CM Gregory got the city in the red. We had to create a full-time Fire Department overnight which consisted of nine employees. Had to strip everything to make it happen. Got rejection from the EDC to pay for a portion of CM Gregory's salary. The council was able to increase the employees' salaries, but Sansom Park is still paying their officers more than what our officers are currently making. We need to address our Police Department building. Needs to be updated and they need more room. Do give the EDC credit for Grumps which they obligated \$75,000 towards that. Doesn't want to stop the EDC but would like to see the EDC as a department and budgeted. Would like to see that money freed up.

Mayor Pro Tem Chisholm-gave the history of the EDC and read their mission statement. Sales tax has increased 42%. On the last EDC agenda, was regarding the Event Center employee which was budgeted out of the General Fund. This employee was hired on as part-time but has requested to be full-time. There is and was a lot of dilapidated buildings along the boulevard and EDC has worked with the owners to make their buildings look better. EDC brought the bus service and MITS to River Oaks. Consultant fees were paid out of EDC to promote businesses. We have funded some projects that the council requested but some projects did not make sense to fund.

CM Rodriguez-been doing a lot of research. Big advocate for the police and fire. Would like to give them more money for salaries but not able to. Would like the citizens to vote on this. We live in a different world than we did.

CM Turner-been doing a lot of research and we need to look at what is best for this city. We need the EDC but the city needs the money. We have a lot of restrictions on the EDC funds and are landlocked, but the quality of life is very important. We need more money for fire, police, and our garbage service. We should be more accomplished in EDC since it was established in 1995. The concern is if we move the money over from EDC to the General Fund, that it will be spent. There are two common things: lack of planning and lack of communication. We need a plan from EDC if we decide to keep them. Need a new mission statement. All boards and committees need to work together. We make promises and try to do better, but we don't finish things. The budget must be fixed, and we cannot count on the sales tax since that fluctuates. We need more workshops, so the council knows what is going on. Challenges the EDC to explore on what they can do and to work with the council. Not sure we need to move the money over from EDC to the General Fund.

CM Holland-we can disagree without being disagreeable. Have been on the council for 29 years and decisions do not get any easier. River Oaks used to have a lot of land, but our forefathers wanted residents. Our forefathers wanted to make this a better community. Everything costs more money, and the only way out is to grow the business base. We have seen an increase in

sales tax. EDC is doing BIG grants, done some park things, done some community center things, done the QT deal and other deals. The three reasons why against this: 1) some have trashed the EDC. EDC makes good decisions and have good people. Over the years we have had more citizens than council on the EDC, but when we started out, we had more council than citizens. As council members, EDC was always out to help the General Fund; 2) council has never met on a Friday night. Have a lot of people at my house and I am not there; 3) will the funds be there when deals come up. Let's not have grudge votes. Why would you want to send money away where there is no control. Sees value in EDC. Don't know if the current EDC members will continue to serve if taken to the voters and the voters pass it.

Mayor Ashton-both I and CM Turner wanted this on the agenda ASAP not knowing this was the last day to call for a special election.

CM Rodriguez-father was in the hospital on Monday that is why she was not able to attend Monday nights EDC meeting.

CM Turner-had a required board meeting Monday night and was unable to attend the EDC meeting. CM Gregory was called immediately and I wanted this on the ballot. But admits now she did not have all the facts. The challenge is EDC to restructure. Need to keep the current businesses up and going and thriving.

CM Claridge-never said he wanted to kill the EDC. Wants EDC like a board. Have watched many years what they have done with the money and a lot of improvements to businesses were done with little money. Now EDC has a large sum of money. We need Police Officers, and we need good and happy staff and good amenities. Prefer to let the citizens vote for this and will live with whatever decision is made.

City Attorney Roggia-if voters approve this, the EDC money now thru October 1<sup>st</sup> will remain restricted. If the EDC is dissolved, the money will go to the General Fund.

Mayor Ashton-this is a process of reallocation only, does not dissolve the corporation. EDC can administer what they have, but if this is passed, on October 1<sup>st</sup> the sales tax will all be going to the General Fund instead of the EDC. The council has the final say on what is to be spent. This will eliminate the dual system. Regardless of the vote tonight, this needs to be fixed.

CM Gregory-has merits moving the money over to the General Fund. We have a five-year plan but don't know what will happen during those five years.

Mayor Pro Tem Chisholm-walked the businesses and handed out information about the BIG grant. Tried getting the River Oaks Area Business Association up and going again but COVID hit and nothing has been done since. EDC tried business brochures which didn't cost that much. Hired company to walk the businesses and sell ads but our businesses were rude to them and they will not come back to River Oaks. Sales tax really started increasing when Italiano's came in and when the Jesse Donut strip was purchased and remodeled. We invested in them for the payback on sales tax and property tax increases. Some of the new businesses did not want help from the EDC.

Charles Richardson (currently serving on Planning & Zoning and the EDC)-would prefer if the system stayed the way it is. EDC provided financial assistance to the General Fund budget. EDC needs training. Wants to see it accelerate and need joint meetings with the council to make sure EDC is doing what the council wants.

Darren Houk-when he was looking for a home for his business, what attracted him to River Oaks was the EDC help. There are terrible comments made on social media. When EDC invests into businesses, we are paid back in sales tax and ad valorem taxes. Feels if the money is moved out of the General Fund, there will be temptation to spend it. Maybe we should have gone to the mayor and discuss things in detail. EDC did pay for the labor for the installation of the banners. Prefers a lump sum payment over to the General Fund instead of individual things.

Mayor Ashton-Pantego does a yearly transfer for parks, city manager, city secretary, labor for banners, etc. If there was a reason EDC is sitting on the money, that is one thing.

Hugh Galyean (5424 Meandering)-River Oaks is a special place. Grew up here in the 50's & 60's. Retired in 2017 and built retirement home in River Oaks. Saw a lot of things gone when he moved back here in 2017. Glad Blurberry is here in River Oaks. Things are changing back to the good and want to move forward.

Bob Jamison (1401 Yale)-drove around the BLVD and looked at the businesses and noticed 18 new businesses since five years ago which includes new homes and the Jolly property. Will the funds still be available if this pass. What are the commitments. Feels EDC helps lower property taxes. Wants to see everyone to work closer together.

David Bedford (2129 Sansom Circle)-voted against to fund the Event Center employee because didn't really understand why. Communication is an issue.

Cowtown Nutrition-sounds like Monday night was a huge miscommunication. Everyone seems to want to do what is best for River Oaks. EDC has done a lot to help businesses grow. Can see both sides. Don't want to see all the funds disappear if moved to the General Fund.

**CM Claridge moved, seconded by CM Rodriguez to approve Ordinance #1371-2023 to call for a Special Election. All voted "Aye".**

Mayor Ashton-the city will put out a fact sheet. Will respect any decisions made about this. Respects Darren Houk, Charles Richardson, David Bedford, Greg Hendrickson, and Dan Chisholm.

**EXECUTIVE SESSION:**

6. CONVENE IN EXECUTIVE SESSION PURSUANT TO CHAPTER 551, TEXAS GOVERNMENT CODE: THE COUNCIL RESERVES THE RIGHT TO CONVENE IN EXECUTIVE SESSIONS(S) FROM TIME TO TIME ON ANY POSTED AGENDA ITEM TO RECEIVE ADVICE FROM ITS ATTORNEY AS PERMITTED BY LAW DURING THIS MEETING. THE COUNCIL MAY CONVENE IN EXECUTIVE SESSION TO DISCUSS THE FOLLOWING:

- a. Section 551.071 Pending or contemplated litigation or to seek advice from attorney.
- b. Section 551.072 Discussion regarding possible sale, lease or acquisition of real estate.

- c. Section 551.074 Personnel matters – To deliberate the appointment, employment, evaluation, reassignment of duties, discipline or dismissal of a Public Officer or Employee or to hear a complaint or charge against an Officer or Employee.
- d. Section 551.076 Deliberation regarding security devices.

**NONE**

**RECONVENE:**

- 7. CONSIDER APPROVAL OF ANY ACTION FROM EXECUTIVE SESSION

**NONE**

**ADJOURN:**

- 8. ADJOURN

**At 8:42 p.m., Mayor Ashton adjourned the meeting. All voted "Aye".**

**APPROVED:**



Joe Ashton, Mayor

**ATTEST:**



Paula Luck, City Secretary