

MAYOR

Ron Reinhard

OTHERS

Shannan Kinsley
Officer Rodriguez
Chris Mikel
Gigi Duke
Mark Peavy
Paul Fletcher
Susan Beavin
Jeff English

Lorna Main
Don Reddout
Kris Hochart
Shawn Main
Andy Vyverman
Matt Vyverman
Sue Peavy
Tom Crick

Marjorie Mautz
Jerry Dobbs
Matt Baker
Chandler Baker
Tallon Reddout
John Haese
Lee Holleway
Kimberly Verity

COUNCILMEMBERS

Susan Darst
Holly Holleway
Phil Howard
Jennifer Nottingham - Absent
Lynn Tiner – Absent

Mayor Reinhard declared a quorum with Council member Howard, Council member Darst and Council member Holleway present. Mayor Reinhard stated Council member Tiner and Council member Nottingham are on vacation and not able to attend this evening.

PUBLIC HEARING CALLED TO ORDER

THE CITY OF GREY FOREST, CITY COUNCIL SERVING AS THE PLANNING AND ZONING COMMISSION WILL HOLD A PUBLIC HEARING TO CONSIDER ADOPTING A PROPOSED AMENDMENT, SUPPLEMENT, OR CHANGE TO AMENDMENT TO ZONING ORDINANCE NO. 45B THAT ESTABLISHES THE CITY OF GREY FOREST, TEXAS INTO TWO DISTRICTS FOR THE PURPOSE OF ZONING AND CLASSIFYING ALL LOTS OR PACRELS OF LAND WITHIN THE CORPORATE LIMITS OF THE CITY OF GREY FOREST AS SINGLE FAMILY DWELLING, AND PROVIDING FOR A PENALTY OF NOT LESS THAN TWENTY-FIVE (\$25) DOLLARS OR MORE THAN TWO THOUSAND (\$2,000) DOLLARS FOR EACH DAY THE VIOLATION IS PERMITTED TO EXIST AND CONSTITUTING EACH DAY AS A SEPARATE OFFENSE. ALL INTERESTED PARTIES WILL BE GIVEN THE RIGHT TO APPEAR AND BE HEARD ON THE ADOPTION OF THE PROPOSED AMENDMENT, SUPPLEMENT, OR CHANGE TO AMENDMENT TO ZONING ORDINANCE NO. 45B

The Public Hearing of August 22, 2017 was called to order at 6:04 p.m.

Mayor Reinhard stated the Public Hearing is for City Council, serving as the Planning and Zoning Commission to consider adopting a proposed amendment to Zoning Ordinance No. 45B that establishes the City of Grey Forest into two districts for the purpose of zoning and classifying all lots or parcels of land within the corporate limits of the City of Grey Forest as single family dwelling and providing for a penalty of not less than twenty-five dollars or more than two thousand dollars for each day the violation is permitted to exist and constituting each day as a separate offense. All interested parties will be given the right to appear and be heard on the adoption of the proposed amendment, supplement, or change to amendment to Zoning Ordinance No. 45B. Mayor Reinhard stated the Public Hearing is an opportunity for all interested parties to speak. We have five people signed up to speak. Since it is a Public Hearing, he may allow people to speak as we go on. He asks that everyone be considerate of the speaker and let them express their thoughts on the matter. He asks that we focus on the contents of the zoning ordinance and not go off on any other subjects.

Lorna Main stated she will read a statement prepared by her mother, Irene Scharf stating “after repeatedly asking for a copy of the proposed amendment, she finally received it two days ago. That is inadequate notification to the citizens and does not give them time to read, study and talk to other citizens about the major changes in the amendment. A scheduled half hour Public Hearing is also inadequate for citizen input. Her initial responses are: 1) over regulation; the advent of big government and governmental overreach has now reached astronomical proportions in the City of Grey Forest 2) poison; she finds it ironic that the City of Grey Forest has voted to allow toxic chemicals such as Rodeo that’s designated by the World Health Organization as a carcinogen. This is hypocritical and indicative of a Council that can’t be held to its word 3) rentals; Short-Term Rentals have become a statewide issue so undoubtedly any regulations that local communities make at this time would likely be overturned at some point in the future. The City has not defined in this amendment the distinction between multi-unit and multiple single family dwellings on one lot which is critical to

understanding the present Short-Term Rental debate occurring in this community 4) inconsistency; the amendment is selective and objective. To not exempt or grandfather certain uses of property that were established and approved under different rules, by different Council in earlier times is opening up the City to multi expensive law suits. Such existing properties should not be subjected to new regulations applied backwards; but rather only regulated for health and safety purposes”.

Don Reddout stated he would like to speak as a resident of Grey Forest. As a resident, he doesn't have anything against Short-Term Rentals but it is a business and he thinks they should be looked at as a business. He doesn't know how they arrived at the \$300 permit fee but he's not sure if that's enough for the permit. He's concerned about enforcement. How are we going to keep track of them. His big concern is increased traffic. Traffic has increased in general and this will only increase it more. The right-of-ways need to be trimmed and kept up. He not 100% in favor or against Short-Term Rentals but thinks we need to look at the big picture.

Paul Fletcher stated he represents Kris Hochart. He is here today to ask Council to delay any action and look at the ordinance further as he thinks there are some serious concerns. One concern is notice; he has provided Council excerpts of the Zoning Code which is State law and the City has to be consistent with. State law requires notice to every property owner specifically when you're changing the zoning ordinance. That notice has to be sent to the property owner at least 10 days prior to the hearing. Since the City doesn't have a Zoning Commission, Council can't adopt the ordinance until you have 30 days between the time you send the notice and the time you adopt the ordinance. As far as they can tell, there has not been sufficient notice sent to each property owner on the tax roll. Secondly, he provided Council case law from 1950 concerning someone wanting to have a garage apartment. The basic holding in this case is the nonconforming use existed before the ordinance was passed. The court basically said you can prohibit the nonconforming use moving forward but you can't go back. You can't just stop existing businesses from operating because if you do, the Texas Constitution says you are taking someone's property without compensation. There are issues with the ordinance and they are asking Council to delay its adoption and come up with a workable solution.

Kris Hochart stated he certainly doesn't want to cause any animosity with this community. His family enjoys being a part of Grey Forest. They have great friends, relationships, neighbors and family that live here. With that said, he will defend his personal property as he needs to, should he need to. He agrees with some of the things City Council wants to do but has a couple concerns for the future of Grey Forest if Council doesn't take deeper consideration into some of the ordinances. One concern is the limit of five Short-Term Rental permits. He has done a lot of research on various cities and the regulations they put on Short-Terms Rentals. None of them came up with a static number. All of them had a number that is pliable with the population and/or the density of the area that they are managing. Another concern is the occupancy limit by lot. Never in an ordinance do you see anything about how many people can occupy a dwelling based off a lot. It's always based off the structure itself. The application should be created first. Create the application and publicize what the standards of that application are going to be so that your citizens have an opportunity to understand how to achieve compliance. He cautions Council to pass something based off of expediency and not really taking into consideration that you have citizens with rights and privileges that want to be a good part of this community.

Mark Peavy stated in a previous Council Workshop Meeting, one of his concerns was the fee for the Short-Term Rental License. He thought the fee was a little high. Council has since lowered it but he did bring in a few figures to compare what some other cities charge. New Braunfels charges \$50, Austin \$235, San Jose CA waives the fee, San Francisco CA where Airbnb is home to is \$50 and Portland OR where Airbnb is certainly very popular is \$159 which includes the cost for all inspections. He thanked Council for their consideration.

Mayor Reinhard stated that concludes the citizens who signed up to speak. He asked if there was anyone else who wants to speak or give an opinion on the proposed amendment.

Matt Vyverman stated he would like to state that Kris Hochart is not even a resident of this community.

John Haese stated he's lived in Grey Forest for 31 years. He sees no reason why we should change the ordinance because Kris Hochart has his lawyer here threatening to sue the City if we don't change the ordinance for his client.

Andy Vyverman stated he is the one who lives next door to this with all the traffic, constant head lights in his windows, noise and fire pits going. If Kris Hochart lived on the property, it might not be so bad because then there's just two houses to rent. Then you read his reviews and you can't put toilet paper in the toilet so now you're putting biohazard trash out on the road, all this is getting a little out of control. He'd appreciate if Council would do something about it.

Paul Fletcher stated when you're adopting a zoning ordinance, folks can protest so that it requires a super majority. He would like the record to reflect that he would like to file a protest to the zoning ordinance on behalf of his client. His client is urging his protest based on the fact that the City didn't provide proper notice.

Kimberly Verity stated "she'd like to know if this is something Council is considering passing now or is it still in the discussion phase. She is aware of the discussion on the topic but was not here for the Workshop and doesn't know where we are at". Mayor Reinhard stated "this has been discussed for several months. Given that we're a residential community, not a business community; this is not a kneejerk reaction. It is on the agenda tonight for Council to consider whether they want to act on it".

Tallon Reddout stated the Fire Department is neither for nor against Short-Term Rentals but would like to recommend as part of the application process, if there is going to be extra residents; those homes be required to present a floor plan to the Fire Department. That way, if there is going to be extra residents in a home; the Fire Department has that on file.

Mayor Reinhard asked if there were any further comments on the proposed amendment. There being no other comments, Mayor Reinhard closed the Public Hearing at 6:26 p.m. He stated we will reconvene for the City Council Meeting at 6:30 p.m.

REGULAR CITY COUNCIL MEETING

The Regular City Council Meeting of August 22, 2017 was called to order at 6:35 p.m. Mayor Reinhard stated we still have a quorum with Council member Howard, Council member Darst and Council Holleway present. The meeting was started with the Pledge of Allegiance.

APPROVAL OF MINUTES

Mayor Reinhard stated we have the Minutes of April 25, 2017 of the Regular City Council Meeting ready for Council's review. Council member Darst stated she has not had an opportunity to review the minutes. Mayor Reinhard stated we will carry the minutes over to next month for Council approval.

PRESENTATIONS BY CITIZENS AND VISITORS

Mayor Reinhard asked if any citizens or visitors have anything they would like to address Council with. There was no comments.

MAYOR ANNOUNCEMENTS/FINANCIAL REPORTS

Mayor Reinhard stated Council has been provided the Monthly Financials through July 2017. We have several items that are under budget mostly because we have not made some major purchases. Everything else looks to be on track. Financially we are in good shape. Council reviewed the financials in the budget discussions. There will be a Budget Public Hearing on Tuesday, September 19th. The proposed budget is posted on the City Website for review.

Mayor Reinhard stated the City Attorney's legal activity is provided to Council every month. Council has been provided the July 2017 activity. We had our monthly retainer. In addition, we had our City Attorney do some research and give an opinion on bicyclists riding single file.

Mayor Reinhard stated we are still on track to start biweekly recycle services the first week of October. We've had over 100 responses to the recycle letter sent out with the vast majority of citizens wanting the larger 96 gallon recycle container. As we get further along with C-6; we will notify citizens of delivery dates for the new containers.

Mayor Reinhard stated the new air conditioner at the Fire Department has been installed.

Mayor Reinhard stated at the last meeting, Council discussed implementing an ordinance that regulates signs. He has not had an opportunity to do a whole lot more with it but hopes to be able to work on it for the upcoming meeting.

COUNCIL/STAFF ANNOUNCEMENTS - None.

COMMITTEE ANNOUNCEMENTS/REPORTS

Council member Howard stated the Road Improvement Subcommittee continues to gather information. They have a letter drafted to notify the various utilities of the road work planned tentatively to start next year. The letter asks the utilities to look at their assets and see if they have work that needs to be done in the City. You don't like to see where someone has put in a nice new road and then the utilities come along afterwards, slice the road up and the repair is not as good as the original road. They are trying to get ahead of the curve and let people know what we're doing so that the utilities can review what they have and make any improvements beforehand or coordinate with our improvements.

GREY FOREST COMMUNITY BOARD (GFCB) UPDATE

Council member Darst stated the Grey Forest Community Board (GFCB) had two volunteer opportunities from the current volunteer list. Citizen volunteers met at the Lakeshore Drive area and cleared some invasive species by hand tools; no chemicals were used. Additionally, they also met at the area by the pool and removed some other invasive species; a couple Ligustrums were removed and Chris chipped a lot of brush. Again, hand tools were used and no chemicals. They continue to build their citizen volunteer group. All are welcome. Please contact anyone on the Board if you are interested in volunteering. Since we are in the heat of the summer, they're not going to do much more until it starts to cool down. They plan to have a volunteer opportunity once a month for about two hours in the morning when it's cool. They will try to make an impact location by location.

SENATOR FRANK L. MADLA, JR. NATURAL AREA UPDATE

Mayor Reinhard stated the Madla Board is looking at different fundraising options. They are looking at having a Star Party again in the fall and fundraiser next spring. Other than anything Public Works is doing; it's hot and there isn't a lot of work going on right now.

BOARD OF ADJUSTMENT UPDATE - None.

POLICE DEPARTMENT ACTIVITY REPORT

Officer Rodriguez reviewed the July 2017 Monthly Activity Report. There were 220 calls for service, 951 hours worked, 4878 total miles driven, 47 traffic stops, 35 summons issued and 18 warnings issued. Council member Holleway asked if there were any repeat offenders as far as construction trucks coming through the City. Officer Rodriguez stated they would have to look that up in the system but he personally hasn't seen any repeat offenders.

PUBLIC WORKS ANNOUNCEMENTS

Chris Mikel reviewed the July 2017 Monthly Activity Report. Public Works continues to work on tree trimming, road work, mowing/weed eating and regular upkeep of City property. Mayor Reinhard stated we've received approximately six applications for the open Public Works position. He will review the applications with Chris and pick out a couple of candidates to interview. They hope to have the interviews in the next couple of weeks.

GFU UTILITY ANNOUNCEMENTS

Jeff English provided Council the Weekly Water Level Report. He stated the well levels are great. They are at least 110 feet ahead of Stage 1 Water Restrictions. He knows it's dry here but our wells operate off a recharge area that occurs in the Comfort/Waring area and right now the City has ample water. They continue to monitor the area around us but at this point, there's not a concern. They have completed the new water tank. They're going to put it fully on board and rely completely on it for a while as they evaluate the old tank to determine if there is any permanent damage to prevent them from rehabilitating it and putting in service as a parallel storage tank. The project went off without a hitch. While they were there, they corrected some underground piping issues that had to do with the original installation of the tank.

Jeff English stated the gas utility passed mid-year in July and crossed the boundary of 15,000 customers which is very remarkable for Grey Forest Utilities. Their main work area right now continues to be in the I-10 corridor out towards Boerne, particularly in the Fair Oaks area. There's a lot of construction on I-10. That construction will continue for the next 7-8 years while they widen the lanes. Grey Forest Utilities seems to be out of the way of most of that construction as they did some expansion work over in that area a couple of years ago and relocated some lines which seems to have paid off now. They have continuing projects going on in the Alamo Ranch Area and a lot of commercial projects between here and I-10. They are ahead of budget for the year on revenue and below budget on expenses. It looks like they will have another great year.

FIRE DEPARTMENT REPORT

Don Reddout stated there were three calls for service in the City for the month of July 2017; all EMS. The Average Response Time was 2.67 minutes, Average Number of Personnel 3.33 and Average Number of Apparatus 1.67. Don Reddout stated the new air conditioner was installed at the Fire Department. The installer was not their first choice. It failed the first inspection by the City Building Inspector. The installer did come back out to do some modifications and passed reinspection. It's not cooling the way they'd like it to but he's not sure they are going to solve that problem as it seems nobody has the answer. The good news is that the old unit was over heating and the new one isn't. Don Reddout showed Council pictures of the work done and stated cosmetically, the workmanship was lacking.

NEW BUSINESS: - None.

UNFINISHED BUSINESS:

1. DISCUSS AND ACT ON AMENDMENT TO ZONING ORDINANCE NO. 45B ESTABLISHING THE CITY OF GREY FOREST INTO TWO DISTRICTS FOR THE PURPOSE OF ZONING AND CLASSIFYING ALL LOTS OR PARCELS OF LAND WITHIN THE CORPORATE LIMITS OF THE CITY OF GREY FOREST AS SINGLE FAMILY DWELLING, AND PROVIDING FOR A PENALTY

Mayor Reinhard stated "Council has heard citizen comments and discussion from the Public Hearing earlier this evening. This is now an opportunity for City Council to discuss, consider what they've heard, consider changes they would recommend making and what action to be taken. One thing to note is that there's an application and licensing process in the proposed amendment for Short-Term Rentals. Provided the proposed amendment passes; that application is not ready for individuals interested in a license. We have administrative work to do and he'd like to make sure that if Council does choose to pass the proposed amendment; that it be passed for a date in the future, possibly with a November 1st effective date. Administratively we need more time to put the process into place". Mayor Reinhard stated "Council received feedback from the Public Hearing and he would now like to ask Council for discussion on what they've heard and what's in the ordinance". Council member Holleway stated "she feels like we've been working on this for five months now. We've let everybody know, most people have shown up and given Council their input. Council has tried to accommodate everybody". Council member Darst stated "this has been on the table for a number of months and we've received a lot of input. One of the premises behind revisiting the zoning ordinance was to adjust businesses that are currently not allowed in the City and clarify the ordinance to be crystal clear, specific and aligning that with respecting homeowners. Also keeping into consideration the spirit of the ordinance to enhance and protect citizen's quality of life and safety. She thinks the proposed amendment is a good compromise of those things. She

would be open to perhaps going with a percentage of licenses allowable. She would also be open to basing occupancy on the number of bedrooms. Otherwise, she thinks everything else in the proposed amendment is a great compromise". Council member Howard stated "he thinks we need to temporarily put this on hold to review and confirm we are following appropriate procedures pursuant to the Texas Local Government Code. He'd like us to talk to our City Attorney about the specific points brought up and revisit this". Mayor Reinhard stated "he thinks the Texas Local Government Code provided to Council does not apply. The City does have a zoning commission, we have an ordinance that declares City Council as the zoning commission. We are not changing zoning classification. Since the beginning, the City established the City of Grey Forest, Texas into two districts for the purpose of zoning and classifying all lots or parcels of land within the corporate limits of the City of Grey Forest as single-family dwelling; that has not changed. We are not changing the classification. This is still a residential and single-family dwelling community. We've heard from citizens that they don't want the City turned into lots of rentals. If you look at the zoning ordinance since the beginning, it specifically said no bed and breakfasts. Single-family dwellings are critical to our community; Short-Term Rentals are not necessarily in line with that but the fact is that it's a growing trend throughout the world. Therefore, having some is not necessarily a bad idea but we don't want an increase in traffic and have the right to enhance/protect citizen quality of life, lessen congestion, secure safety, mobility, public services, light/noise pollution. Those are all things that we're allowed to regulate within this ordinance and by State Statute. Therefore, he thinks we are within our rights. We are not reclassifying, we are trying to clarify what has already been in place". Mayor Reinhard stated "three things were brought up this evening; density, occupancy and license fee. He asks Council to take a few minutes to review these items for discussion on whether they want to consider changing them". There was Council discussion on density, occupancy and the license fee for Short-Term Rentals. Council consented to occupancy limits of two people per bedroom with a maximum of six guests at any one time. Council consented that they would like to add a Floor Plan requirement to the application process as requested by the Fire Department. Council consented to keeping the annual license fee of \$300. Council agreed to an effective date of November 1st for the proposed amendment. There was discussion that the application process is administrative. The regulations are outlined in the ordinance and the application is not required to pass the proposed amendment. Mayor Reinhard asked City Council if they would like to act on the proposed amendment this evening. Council member Holleway and Council member Darst stated "they support acting on the proposed amendment this evening". Council member Howard stated "his concern is the ordinance is retroactive and is applying to something that was already in place". Mayor Reinhard stated "the City already deemed that Short-Term Rentals are not in compliance with our existing ordinance. The City has made the statement that Short-Term Rentals are not legal businesses within even the current ordinances but Council did allow them to continue and stated action would not be taken until we received a determination on what the State was going to do".

The motion to accept the changes as modified based on the Public Hearing input and approving Amendment to Zoning Ordinance No. 45B to take effect on November 1, 2017 was made by Council member Holleway and seconded by Council member Darst. Mayor Reinhard asked if there was further discussion. Kris Hochart suggested that citizens with existing Short-Term Rentals should get first priority on available permits. The motion was not modified. Mayor Reinhard called for a vote and the motion passed unanimously.

There was no further business or discussion. Mayor Reinhard adjourned the Regular Council Meeting at 7:45 p.m.

These minutes were written/recorded by Shawna Kinsley

These minutes were approved as ~~written~~ amended on the 23 day of January, 2018.

Signed: 
Ronald G. Reinhard, Mayor