D R A F T

OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL

May 27, 2025

Addison Town Hall
5300 Belt Line Road, Dallas, TX 75254
6:00 PM Work Session – Town Hall Parlor
7:00 PM Regular Meeting – Town Hall City Council Chambers

Present: Mayor Bruce Arfsten; Mayor Pro-Tempore Marlin Willesen; Deputy Mayor Pro-Tempore Chris DeFrancisco; Council Member Howard Freed; Council Member Darren Gardner; Council Member Randy Smith

Absent: Council Member Dan Liscio

WORK SESSION

The Addison City Council will convene in the Work Session in the Town Hall Parlor at 6:00 PM.

1. **Call Meeting to Order and Announce that a Quorum is Present.**

Mayor Arfsten called the meeting to order in the Town Hall Parlor at 6:00 PM.

2. **Citizen Comments on the Consent Agenda Items.** *This item allows citizens to speak on any item listed on the Consent Agenda prior to its consideration. Citizen comments are limited to three (3) minutes, unless otherwise required by law. To address the Council, please fill out a City Council Appearance Card and submit it to a staff member prior to the beginning of this item.*

No citizens requested to address the City Council on an item included in the Consent Agenda.

3. **Council Member Clarification Requests Regarding Consent Agenda Items.**

   a. **Council Questions and Answers**

Mayor Arfsten closed the Open Meeting to convene the City Council into Closed Meeting at 6:05 PM.

4. **Closed Meeting.** The Addison City Council will enter a Closed Meeting pursuant to Texas Government Code Sections 551-071 through 090 to discuss the following item(s):

a. Pursuant to Section 551.071(2) to receive legal advice from the City Attorney regarding Agenda Item 5(a), Quorum Speed Limit.

Mayor Arfsten convened the City Council into Open Meeting at 6:21 PM. No action was taken as a result of the Closed Meeting.

5. **Open Meeting.** In accordance with Texas Government Code Chapter 551, the Addison City Council will reconvene in an Open Meeting to consider action, if any, on the matters discussed in the Closed Meeting.

6. **Work Session Reports**

a. **Present and discuss leased vehicle property tax.**
[Chief Financial Officer, Steven Glickman]

Chief Financial Officer Steven Glickman presented history and data regarding leased vehicles property taxes in Addison as well as a timeline and process to make changes to taxes on leased vehicles.

Motor vehicles leased for personal use after January 2, 2001, may be exempt from property taxes. Tax Code Section 11.252 defines these vehicles as passenger cars or trucks with a shipping weight of less than 9,000 pounds. The law defines "personal use" as using the vehicle more than 50% of its mileage for activities that do not involve the production of income. Cities were given the option to continue taxing personal leased vehicles if the city adopted an ordinance to do so before January 1, 2002. The Town of Addison did pass such an ordinance to continue taxing personal leased vehicles. Per a survey completed by the Texas Comptroller in 2005, 75 cities chose to continue taxing personal leased vehicles.

The Town collects approximately $120,000 in property taxes annually from personal leased vehicles. Elimination of this source of revenue would require the Town to increase the taxes on other property owners to generate the same revenue or reduce property tax revenue overall. Legislation currently poised for approval would provide a $125,000 exemption to business personal property. This would trigger voters to approve a constitutional amendment that, if approved, would virtually eliminate all property taxes on all leased vehicles. To change the taxation of personal leased vehicles, an Ordinance must be adopted by the Council and submitted to the appraisal district by the end of February 2026 to be effective for 2027.

City Council Direction: The City Council directed the City Manager to bring forth an Ordinance for consideration at a future City Council Meeting ending the Town's collection of leased vehicle property tax.

b. **Present and discuss the Town of Addison FY 2025 Second Quarter Financial Report.**
[Chief Financial Officer, Steven Glickman]

Chief Financial Officer Steven Glickman presented the Town's FY25 Second Quarter Financial Report.

The Town's financial policies require the publication of a financial report 60 days subsequent to the end of the fiscal quarter. This report covers the financial performance through the second quarter for FY 2025 (January 1, 2025 - March 31, 2025). Included in the report is an executive dashboard that provides a high-level look at some of the key financial indicators along with more detailed exhibits that demonstrate the current financial positions of the various funds. The report includes information for the following funds: General, Hotel, Economic Development, Airport, Utility, and Stormwater funds. Key highlights for the second quarter include:

- General Fund revenue totaled $38.9 million, which is 77.4% of the fiscal year budget.
- General Fund expenditures totaled $23.9 million, which is 47.6% of the fiscal year budget.
- Sales tax collections totaled $8.9 million, which is 55.0% of the fiscal year budget.
- The Hotel Fund had revenue of $2.8 million, a decrease of $171,000 from this time a year ago. Hotel Fund expenditures totaled $2.1 million.
- Addison Theatre Centre expenditures are at 50.7% due to the payment of the WaterTower Theatre grant.
- Special Events revenues totaled 12.3% and expenses totaled 10.1% of the fiscal year budget due to the timing of events.
- Airport Fund operating revenue totaled $3.9 million or 38.6% and operating expenditures totaled $3.1 million or 48.4% of the fiscal year budget.
- Utility Fund operating revenue totaled $8.3 million or 47.8% and expenditures totaled $8.7 million or 49.6% of the fiscal year budget.
- Stormwater Fund revenue and expenditures are in line with historical averages.

City Council Direction: This update was provided for informational purposes only. No City Council direction was required.

Mayor Arfsten closed the Work Session at 7:15 PM.

COUNCIL MEETING

Mayor Arfsten convened the City Council Meeting at 7:23 PM in the Town Hall City Council Chambers.

1. **Pledge of Allegiance.** United States and Texas Flags.

Mayor Arfsten led the Pledge of Allegiance to the United States and Texas Flags.

2. **Proclamations / Presentations**
    a. **City Manager's Announcements**
    b. **Employee Recognition**
        - City Manager's Office: Deputy City Manager Ashley Shroyer introduced Executive Administrative Assistant Felicia Craighead.

c. **American Public Works Association (APWA) Public Works First Responders Designation.**
   - Mayor Arfsten recognized the Town's Public Works & Engineering Department staff for all of their contributions and designated them as Public Works First Responders.

3. **Public Comment.** *The City Council invites citizens to address the City Council on any matter, including items on the agenda, except public hearings that are included on the agenda. Comments related to Public Hearings will be heard when the specific hearing starts. Citizen comments are limited to three (3) minutes, unless otherwise required by law. To address the Council, please fill out a City Council Appearance Card and submit it to a staff member prior to the Public Comment item on the agenda. The Council is not permitted to take any action or discuss any item not listed on the agenda. The Council may choose to place the item on a future agenda.*

No citizens requested to speak during the Public Comment period.

4. **Consent Agenda.** *All items listed under the Consent Agenda are considered routine by the City Council and will be enacted by one motion with no individual consideration. If individual consideration of an item is requested, it will be pulled from the Consent Agenda and discussed separately.*

a. **Consider action on the Minutes from the April 22, 2025 City Council Meeting.**

b. **Consider action on the Minutes from the May 6, 2025 City Council Work Session Meeting.**

c. **Consider action on the Minutes from the May 13, 2025 Special City Council Meeting.**

d. *Resolution No. R25-040:* **Consider action on a Resolution designating Public Works Employees as First Responders and authorizing the use of the national Public Works First Responder Symbol as adopted by the American Public Works Association.**

e. *Resolution No. R25-041:* **Consider action on a Resolution awarding a contract for street crack sealing services to ICOS Management, LLC. through the cooperative purchasing program TxShare in an amount not to exceed $321,737.50.**

f. *Resolution No. R25-042:* **Consider action on a Resolution appointing Ashley Shroyer to Place 1, Steven Glickman to Place 2, and Rebecca Diviney to Place 3 of the Board of Directors of the North Dallas County Water Supply Corporation.**

g. *Resolution No. R25-043:* **Consider action on a Resolution authorizing the City Manager to accept awarded funds from the FY26 Criminal Justice Program - Justice Assistance Grant, for the purpose of purchasing mobile vehicle barriers to enhance public safety.**

MOTION: Mayor Pro-Tempore Willesen moved to approve §4 - CONSENT AGENDA (a-g) as presented. Council Member Gardner seconded the motion. Motion carried 6-0.

6. **Items for Individual Consideration.**

a. *Ordinance No. O25-010:* **Present, discuss, and consider action on an Ordinance approving the speed limit change from 30 miles per hour to 25 miles per hour on Quorum Drive from Airport Parkway to Addison Circle.**
[Director of Public Works & Engineering, Becky Diviney]

A work session held on May 6, 2025 included a detailed discussion by the City Council on the existing speed limit of Quorum Drive from Airport Parkway to Addison Circle. A policy decision was made by the City Council to recommend the speed limit change on Quorum Drive from Airport Parkway to Addison Circle from 30 miles per hour to 25 miles per hour. The Ordinance has been updated to reflect the change in this location. Due to the context-sensitive design, areas with unique characteristics, including the introduction of harrows for the bike lanes, heavy tree canopy, a roundabout, multiple crossing locations with stops signs, multifamily housing and commercial businesses who are all heavy pedestrian users, all within proximity to both Beckert and Bosque Parks and on-street parking, the 25 mph recommendation creates a safe and reasonable speed limit for the environment.

Per the Town Charter, the Town must publish any ordinances that impose a penalty in the Town's official newspaper, the Dallas Morning News, at least once within ten (10) days after the passage of the Ordinance. Staff will make the field adjustments to replace the speed limit signs. Operational budget funds from the Streets General Fund will be used to purchase new signage in this area.

MOTION: Mayor Pro-Tempore Willesen moved to approve Ordinance No. O25-010 amending the speed limit change from 30 miles per hour to 25 miles per hour on Quorum Drive from Airport Parkway to Arapaho Road, noting that it should state Arapaho Road instead of Addison Circle. Deputy Mayor Pro-Tempore DeFrancisco seconded the motion. Motion carried 6-0.

b. *Ordinance No. O25-011:* **Present, discuss and consider action on a request for a Meritorious Exception to Chapter 62 of the Code of Ordinances for Wilson Company, located at 16301 Addison Road, in order to allow an attached wall sign to exceed the maximum effective area and maximum letter height on the east facade. (Case MR2025-1/16301 Addison Road - Wilson Company).**
[Director of Development & Neighborhood Services, Lesley Nyp]

Wilson Company is an existing hydraulic equipment retailer located at 16301 Addison Road. Wilson Company has made exterior improvements to their building, including new signage, and has requested a Meritorious Exception to the Sign Ordinance to install a new attached wall sign, which each exceeds the maximum effective area and maximum letter height, on the east facade, facing toward Addison Road. The proposed attached wall sign is 75.6 square feet, exceeding the maximum effective area by 24.6 square feet. The allowed area includes 1 square foot per 1 linear foot of building frontage. The maximum allowable logo/letter height is 16 inches and the proposed sign is approximately 50 inches tall. All other applicable standards are met with the proposed sign.

The Unified Development Code (UDC) was adopted by City Council on March 25, 2025. The UDC included new sign regulations, which will take effect on September 1, 2025. The new sign regulations would allow the proposed attached wall sign by right. The UDC allows 1.5 square feet of sign area per 1 foot of linear building frontage and eliminates the maximum logo/letter height requirement.

Meritorious exceptions to the Sign Ordinance are allowed under the following provision:

- Town of Addison Code of Ordinances, Chapter 62 (Signs)
    - Section 62-33. – Meritorious exceptions.
        - (d)(3) The council may consider appeals on the basis that such regulations and/or standards will, by reason of exceptional circumstances or surroundings, constitute a practical difficulty or unnecessary hardship or on the basis that the proposed improvement, although falling under the definition of a "sign", constitutes art that makes a positive contribution to the visual environment.

Staff believed that the criteria for a Meritorious Exception had been met for the proposed attached wall sign. The proposed sign is consistent with the recently adopted sign regulations within the Unified Development Code (UDC) and will be consistent with new signs moving forward. Requiring the applicant to wait until the effective date is unnecessary as the new standards are unlikely to be modified prior to the effective date.

MOTION: Mayor Pro-Tempore Willesen moved to approve Ordinance No. O25-011 approving a request for a Meritorious Exception to Chapter 62 of the Code of Ordinances for Wilson Company. Council Member Gardner seconded the motion. Motion carried 6-0.

c. *Resolution R25-044:* **Present, discuss, and consider action on a Resolution supporting Dallas Area Rapid Transit's (DART) application to the Texas Department of Transportation 2025 Transportation Alternatives Set-Aside call for projects to construct Phase 3 of the Cotton Belt Trail in Addison.**
[Director of Parks & Recreation, Janna Tidwell]

The Cotton Belt Trail is a key component of the Regional Veloweb, a 2,165-mile existing, planned, and funded network of off-street shared-use paths across North Texas. Designed for cyclists, pedestrians, and other non-motorized transportation, the trail corridor will eventually connect Plano and Fort Worth, passing through Addison and link a series of key destinations and communities. The trail alignment generally follows the TexRail commuter rail project in Tarrant County and the Cotton Belt / Silver Line Rail Corridor in Dallas and Collin Counties. Along its route, the trail will link key destinations and municipalities, including two Transit-Oriented Developments (TODs) in North Richland Hills, Downtown Grapevine, DFW Airport, Old Town Coppell, Cypress Waters (Dallas), Downtown Carrollton, the planned Addison TOD and Circle District, CityLine Station (Richardson), and Downtown Plano.

In partnership with the North Central Texas Council of Governments (NCTCOG) and corridor

cities, Dallas Area Rapid Transit (DART), has advanced design and construction of the trail which is located primarily within DART's right-of-way (ROW) since 2018. In September 2022, the Town of Addison applied for Transportation Alternatives (TA) Set-Aside funding to support DART's construction of a critical segment near the Midway Road bridge. The project was later identified by NCTCOG as the top recommended project in Dallas County, resulting in an award of $12.2 million in December 2022. Construction of this segment is scheduled to begin in June 2025, starting near the Silver Line Station and extending eastward to the Dallas North Tollway. In May 2023, Addison passed a resolution supporting Phase 2, covering two key segments between Surveyor Boulevard and the Dallas North Tollway. With Addison's support, DART secured $7.1 million for this phase, with construction set to begin alongside the previously mentioned segment.

The proposed Resolution of Support addresses Phase 3, covering the final segment of the trail in Addison from Marsh Lane to Surveyor Boulevard. DART is coordinating with the Federal Transit Administration (FTA) to finalize engineering, funding agreements, and construction plans. If funding from TXDOT's TA Set-Aside Program is secured, it will fully cover construction costs for this final phase, with NCTCOG overseeing any potential cost overruns. Upon completion, the Town will assume responsibility for trail maintenance through a license agreement to be brought to Council at a future date.

Thanks to ongoing efforts, the design of Phase 3 of the Cotton Belt Trail in Addison is now fully funded with no requirement for a local financial match. Contributions are covered by Dallas County and the NCTCOG Regional Transportation Council. The Phase 3 project will be supported by federal transportation funds. Council support via Resolution is essential to securing funding and elevating the project to priority status. Applications for TA Set-Aside funding must be submitted to TxDOT by June 20, 2025.

The design of the Cotton Belt Trail in Addison is fully funded. If DART's application is successful, construction will be funded and no additional funding for local matches associated with the project is being requested from Addison. Therefore, there will be no fiscal impact on design or construction. Maintenance costs for the trail are undetermined at this time since the project will not be completed for at least four years.

MOTION: Council Member Gardner moved to approve Resolution No. R25-044 supporting Dallas Area Rapid Transit's (DART) application to the Texas Department of Transportation 2025 Transportation Alternatives Set-Aside call for projects to construct Phase 3 of the Cotton Belt Trail in Addison. Deputy Mayor Pro-Tempore DeFrancisco seconded the motion. Motion carried 6-0.

7. **Items of Community Interest.** *The City Council will have this opportunity to address items of community interest, including: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition; a reminder about an upcoming event organized or sponsored by the Town of Addison; information regarding a social, ceremonial, or community event that was or will be attended by an Addison City Council member or an official; and, announcements involving an eminent threat to public health and safety in Addison that has arisen since posting this agenda.*

8. **Adjourn Meeting.**

There being no further business to come before the City Council, Mayor Arfsten adjourned the meeting at 8:23 PM.

TOWN OF ADDISON, TEXAS

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Bruce Arfsten, Mayor

ATTEST:

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Valencia Garcia, City Secretary