



Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes

Reinvestment Zone No. 3

Tuesday, August 23, 2016

9:30 AM

City Council Chambers

A. Chairperson Carolyn Vaughn to call the meeting to order.

Chairperson Carolyn Vaughn called the meeting to order at 9:31 a.m.

B. City Secretary Rebecca Huerta to call roll of the Corporation Directors.

Secretary Rebecca Huerta called the roll and verified that a quorum of the board was present to conduct the meeting.

Board Member Chad Magill arrived at 9:34 a.m., Board member Stefany Schade arrived at 9:39 a.m. and Board Member Colleen McIntyre arrived at 10:06 a.m.

Present 11 - Board Member Nelda Martinez, Board Member Mark Scott, Board Member Chad Magill, Board Member Colleen McIntyre, Board Member Rudy Garza, Chair Carolyn Vaughn, Board Member Lucy Rubio, Vice Chair Mike Pusley, Board Member Claudia Jackson, Board Member Stefany Schade, and Board Member Brian Rosas

Absent 1 - Board Member Michael Hunter

C. PUBLIC COMMENT:

There were no comments from the public.

D. MINUTES: (ITEM 1)

1. Approval of the Minutes from the July 26, 2016 meeting.

Chairperson Vaughn referred to approval of the minutes.

Board Member Martinez made a motion to approve the minutes, seconded by Board Member Scott and passed unanimously (Board Members Hunter, Magill, McIntyre and Schade - absent).

E. FINANCIAL REPORT: (ITEM 2)

2. Financial Report as of July 31, 2016.

Chairperson Vaughn referred to Item 2.

Treasurer Constance Sanchez stated the financial report covered the 10 months ended July 31, 2016; total assets and the fund balance were \$3,160,623; total revenues were \$909,709 with an expenditure of \$625, for a

total fund balance of \$3,160,623.

There were no questions from Board Members.

F. EXECUTIVE SESSION ITEMS: (ITEMS 3-4)

- 3. Executive session pursuant to Texas Government Code § 551.071** and Texas Disciplinary Rules of Professional Conduct Rule 1.05 to consult with attorneys concerning legal issues related to economic development agreement(s) with CT Corpus 149, Ltd., involving a residential development at 605 Furman Ave., and pursuant to **Texas Government Code § 551.087** to discuss or deliberate regarding commercial or financial information relating to some or all of the aforementioned matter(s) or entities that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations and/or financial or other incentives involving said business prospect, and possible action related to the aforementioned matters in open session.

Chairperson Vaughn referred to Item 3.

Business Liaison, City Manager's Office, Alyssa Barrera introduced Fred Morgan, of CT Corpus 149, Ltd., Houston, Texas. A Board Member thanked him for investing in Corpus Christi.

Board Member Pusley made a motion directing City Staff, as an agent of TIRZ #3, to prepare a Downtown Development Reimbursement Agreement with CT Corpus 149, Ltd., for improvements to the property located at 605 Furman Ave. for a total incentive amount not to exceed \$1,870,000, which is comprised of incentives under the Downtown Living Initiative and the Project-Specific Development Agreement programs, the incentive being contingent on execution of the agreement and approval of the agreement by the Board, seconded by Board Member Rubio and passed unanimously (Board Member Hunter - absent; Board Member Garza - abstained).

City Secretary Rebecca Huerta announced that Board Member Garza recused himself from the Executive Session discussion and abstained from the vote.

- 4. Executive session pursuant to Texas Government Code § 551.071** and Texas Disciplinary Rules of Professional Conduct Rule 1.05 to consult with attorneys concerning legal issues related to economic development agreement(s) with SEA District Hotel Group LP, involving a commercial development located at the corner of Brewster St and Tancagua St., and pursuant to **Texas Government Code § 551.087** to discuss or deliberate regarding commercial or financial information relating to some or all of the aforementioned matter(s) or entities that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations and/or financial or other incentives involving said business prospect,

and possible action related to the aforementioned matters in open session.

Chairperson Vaughn referred to Item 4.

Business Liaison, City Manager's Office, Alyssa Barrera introduced Devon Bhakta, SEA District Hotel Group LP, and he gave a briefing on the commercial development located at the corner of Brewster St. and Tancahua St.

There were no questions.

Board Member Rubio made a motion directing City Staff, as an agent of TIRZ #3, to prepare a Downtown Development Reimbursement Agreement with, SEA District Hotel Group LP, for improvements to the property located at the corner of Brewster St. and Tancahua St. for a total incentive amount not to exceed \$1,400,000 which is comprised of incentives under the Project-Specific Development Agreement program, the incentive being contingent on execution of the agreement and approval of the agreement by the Board, seconded by Board Member Schade, and passed unanimously (Board Members Hunter and Vaughn - absent).

G. AGENDA ITEMS: (ITEMS 5-6)

5. Second Amendment to TIRZ #3 Project & Financing Plan

Resolution approving a Second Amendment to the Tax Increment Reinvestment Zone #3 Amended Project & Financing Plan.

Board Member Garza referred to Item 5.

Business Liaison, City Manager's Office, Alyssa Barrera, stated that this item is a resolution approving a Second Amendment to the Tax Increment Reinvestment Zone #3 Amended Project and Financing Plan. Business Liaison Barrera discussed the following topics: expanded programming and services from the Downtown Management District; refining the Incentive Programs; enabling funds to be expended for public, cultural and/or historic properties within the Zone; updating Del Mar College's participation; and updating the Project Plan Budget for FY 2017. There were no questions.

Board Member McIntyre made a motion to approve the resolution, seconded by Board Member Magill and passed unanimously (Board Members Hunter and Vaughn - absent).

6. Downtown TIRZ Design Requirements

Discussion and possible action regarding Downtown TIRZ Design Requirements.

Board Member Garza referred to Item 6.

Business Liaison, City Manager's Office, Alyssa Barrera, stated the purpose of this item is to outline requirements for Well-Designed Urban Developments requesting TIRZ funding into a one-page guide. Business Liaison Barrera discussed the following topics: Building Setbacks; Ground Floor; Canopies/Awnings; Signage; Parking; Sidewalks; Landscaping; Lighting; Street Wall; Underground Utilities and Exterior Utility Service. Terry Sweeney,

Executive Director, Downtown Management District, added the bold print at the bottom of the one-page guide which allows flexibility to work with developers on their projects.

In response to a Board Member's concern regarding the goals of the TIRZ#3 and too many incentives and too much flexibility, Executive Director Sweeney stated that the Board would ultimately make the decision. A Board Member stated that they liked the flexibility for developer.

Board Member McIntyre made a motion to adopt the Downtown Living Initiative Guidelines as proposed, seconded by Board Member Scott, and passed unanimously (Board Members Hunter and Vaughn - absent).

H. PRESENTATION ITEMS: (ITEM 7)

7. Update on Parking Management Study & Strategic Plan

Board Member Garza referred to Item 7.

Business Liaison, City Manager's Office, Alyssa Barrera, stated this item is an update on the Parking Management Study & Strategic Plan. Business Liaison Barrera stated that Walker Parking Consultants will begin the parking study this week and it will take about twelve weeks.

I. IDENTIFY FUTURE AGENDA ITEMS:

Board Member Garza referred to Item I.

Alyssa Barrera, Business Liaison, City Manager's Office, discussed dates for the next meeting, which was set, by a consensus of the Board, for 9:30 a.m. on September 27, 2016.

J. ADJOURNMENT

The meeting was adjourned at 10:38 a.m.

** Regardless of the agenda heading under which any item is listed, any word or phrase of any item listed on this agenda shall be considered a subject for consideration for purposes of the Texas Open Meetings Act and other relevant laws, and the Board of Directors may deliberate and vote upon any such subject and resolutions related thereto. Any descriptions of property or amounts stated in this agenda are descriptive and not restrictive, and property and amounts may be changed in the motions, actions or documents. In addition to other items listed in this agenda, policies and procedures of this corporation, legal analysis of any items, policies or procedures, and any items that are currently receiving funding from this corporation may be discussed and deliberated and these matters are added as subjects of discussion to this meeting. This agenda has been reviewed and approved by the attorney for the governing body, and the presence of any subject or description in the Executive Session portion of this agenda constitutes a written interpretation of Chapter 551 of the Texas Local Government Code by the attorney for this corporation indicating that said subject or description thereof may be legally discussed in a closed meeting.*