



Meeting Minutes

Reinvestment Zone No. 3 - Downtown

Tuesday, May 13, 2025

9:30 AM

Council Chambers

A. Chairman Everett Roy to call the meeting to order.

Chairman Roy called the meeting to order at 9:35 a.m.

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

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

Note: Board Member Paxson arrived at 9:40 a.m. and Board Member Scott arrived at 10:48 a.m.

Present 10 - Board Member James Sedwick, Board Member Sylvia Campos, Board Member Connie Scott, Board Member Rudy Garza, Board Member Mark Scott, Vice Chair Carolyn Vaughn, Board Member Kaylynn Paxson, Board Member Gil Hernandez, Board Member Roland Barrera, and Board Member Paulette Guajardo

Absent 1 - Board Member Eric Cantu

C. PUBLIC COMMENT:

Chairman Roy referred to Public Comment. There were no comments from the public.

D. MINUTES:

1. 25-0662 Approval of the March 25, 2025 meeting minutes

Chairman Roy referred to Item 1.

Board Member Barrera moved to approve the minutes, seconded by Board Member Guajardo and passed unanimously.

Aye: 8 - Board Member James Sedwick, Board Member Sylvia Campos, Board Member Connie Scott, Board Member Rudy Garza, Board Member Carolyn Vaughn, Board Member Gil Hernandez, Board Member Roland Barrera, and Board Member Paulette Guajardo

Absent: 3 - Board Member Eric Cantu, Board Member Mark Scott, and Board Member Kaylynn Paxson

Abstained: 0

E. FINANCIAL REPORT:

2. [25-0691](#) TIRZ #3 Financial Reports as of March 31, 2025

Chairman Roy referred to Item 2.

Director of Finance Sergio Villasana presented information on the following topics: statement of revenues, expenditures and changes in fund balance as of March 31, 2025; 3 year forecast of funds available for commitments (excludes project specific development program); project specific development commitments as of March 31, 2025; targeted vacant property improvement commitments as of March 31, 2025; commercial finish out commitments as of March 31, 2025; downtown living initiative commitments as of March 31, 2025; streetscape and safety improvement program commitments as of March 31, 2025; rooftop activation program commitments as of March 31, 2025; and administration services and other services as of March 31, 2025.

Board Members and Director Villasana discussed the following topics: the amount of commercial properties available downtown; and a request for a map of downtown projects.

F. EXECUTIVE SESSION ITEMS:

3. [25-0322](#) 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) involving a potential economic development agreement with YC Texas Hotel, LLC and/or related entities regarding development of 601 N Water Street., and pursuant to Texas Government Code § 551.087 to discuss and 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.

This E-Session Item was withdrawn.

G. CONSENT AGENDA ITEMS (ITEMS 4-9):

Chairman Roy referred to the Consent Agenda. No Items were pulled for individual consideration.

Board Member Guajardo moved to approve the consent agenda, seconded by Board Member Barrera. The motion carried by the following vote:

4. [25-0360](#) Motion to approve a 1st amendment to the TIRZ #3 Downtown Development Reimbursement Agreement with YC Texas Hotel, LLC for the property located at 601 N Water Street, to change project name and hotel brand from Hotel Arya to

Hilton Spark and a project extension from May 30, 2025 to December 31, 2026, effective upon signature by the City Manager or designee.

This Motion was passed on the consent agenda.

Aye: 9 - Board Member James Sedwick, Board Member Sylvia Campos, Board Member Connie Scott, Board Member Rudy Garza, Board Member Carolyn Vaughn, Board Member Kaylynn Paxson, Board Member Gil Hernandez, Board Member Roland Barrera, and Board Member Paulette Guajardo

Absent: 2 - Board Member Eric Cantu, and Board Member Mark Scott

Abstained: 0

5. [25-0624](#)

Motion to approve a Downtown Development Agreement with Water Street Market, LLC for improvements to the property located at 320 A Lomax Street for a total incentive amount not to exceed \$22,300, effective upon signature by the City Manager or designee from the TIRZ #3 Streetscape and Safety Improvement Program to be paid out in FY 2026.

This Motion was passed on the consent agenda.

Aye: 9 - Board Member James Sedwick, Board Member Sylvia Campos, Board Member Connie Scott, Board Member Rudy Garza, Board Member Carolyn Vaughn, Board Member Kaylynn Paxson, Board Member Gil Hernandez, Board Member Roland Barrera, and Board Member Paulette Guajardo

Absent: 2 - Board Member Eric Cantu, and Board Member Mark Scott

Abstained: 0

6. [25-0625](#)

Motion to approve a Downtown Development Agreement with Heritage Outfitters Inc. for improvements to the property located at 601 N Water Street for a total incentive amount not to exceed \$68,329, effective upon signature by the City Manager or designee from the TIRZ #3 Streetscape and Safety Improvement Program to be paid out in FY 2026.

This Motion was passed on the consent agenda.

Aye: 9 - Board Member James Sedwick, Board Member Sylvia Campos, Board Member Connie Scott, Board Member Rudy Garza, Board Member Carolyn Vaughn, Board Member Kaylynn Paxson, Board Member Gil Hernandez, Board Member Roland Barrera, and Board Member Paulette Guajardo

Absent: 2 - Board Member Eric Cantu, and Board Member Mark Scott

Abstained: 0

7. [25-0626](#)

Motion to approve a Downtown Development Agreement with Loli's Streatery, LLC for improvements to the property located at 601 N Water Street for a total

incentive amount not to exceed \$32,424, effective upon signature by the City Manager or designee from the TIRZ #3 Streetscape and Safety Improvement Program to be paid out in FY 2026.

This Motion was passed on the consent agenda.

Aye: 9 - Board Member James Sedwick, Board Member Sylvia Campos, Board Member Connie Scott, Board Member Rudy Garza, Board Member Carolyn Vaughn, Board Member Kaylynn Paxson, Board Member Gil Hernandez, Board Member Roland Barrera, and Board Member Paulette Guajardo

Absent: 2 - Board Member Eric Cantu, and Board Member Mark Scott

Abstained: 0

8. [25-0627](#) Motion to approve a Downtown Development Agreement with Fosters Dynamic Design, LLC for improvements to the property located at 605 Mesquite Street for a total incentive amount not to exceed \$523,534, effective upon signature by the City Manager or designee from the TIRZ #3 Targeted Vacant Property Improvement Program and Streetscape and Safety Improvement Program to be paid out in FY 2026.

This Motion was passed on the consent agenda.

Aye: 9 - Board Member James Sedwick, Board Member Sylvia Campos, Board Member Connie Scott, Board Member Rudy Garza, Board Member Carolyn Vaughn, Board Member Kaylynn Paxson, Board Member Gil Hernandez, Board Member Roland Barrera, and Board Member Paulette Guajardo

Absent: 2 - Board Member Eric Cantu, and Board Member Mark Scott

Abstained: 0

9. [25-0629](#) Motion authorizing the Police Department Headquarters (PDHQ) Lighting Project Concept Study in the amount of \$36,280, PDHQ Lighting Project Design Assessment in the amount of \$84,072, and Off-Duty Police Department Patrol in the amount of \$60,000 for a total amount not to exceed \$180,352, and reallocating \$180,352 from the Tax Increment Reinvestment Zone #3 fund and amending the FY 2025 budget.

This Motion was passed on the consent agenda.

Aye: 9 - Board Member James Sedwick, Board Member Sylvia Campos, Board Member Connie Scott, Board Member Rudy Garza, Board Member Carolyn Vaughn, Board Member Kaylynn Paxson, Board Member Gil Hernandez, Board Member Roland Barrera, and Board Member Paulette Guajardo

Absent: 2 - Board Member Eric Cantu, and Board Member Mark Scott

Abstained: 0

H. PRESENTATION ITEMS:

10. [25-0723](#) Presentation on The Economic Impact of Artwalk 2024

Chairman Roy referred to Item 10.

Professor of Economics at Texas A&M University-Corpus Christi Dr. Deniz Gevrek presented information on the following topics: First Friday Artwalk Downtown Corpus Christi; input-output modeling framework; economic impact reporting-economic indicators; Corpus Christi economy overview; economic impact of Artwalk: output impact; gross domestic product impact; labor income and job impacts; fiscal impact: tax revenue; downtown economy overview; lower bound impacts-visitors 50 + miles: Corpus Christi; downtown; upper bound economic impact estimates: Corpus Christi; and role of Artwalk on Corpus Christi quality of place and community attachment.

Board Members, Dr. Gevrek, and Interim Executive Director of Downtown Management District (DMD) Arlene Medrano discussed the following topics: an average of 20,000 people attend the Artwalk per month; how to track staffing for stationary businesses versus mobile businesses; and downtown businesses have seen a positive economic impact from the Artwalk since 2021.

11. [25-0728](#) Presentation and discussion on the Proposed FY 2025-2026 Tax Increment Reinvestment Zone (TIRZ) #3 Budget

Chairman Roy referred to Item 11.

Director of Economic Development Corporation Arturo Marquez and Interim Executive Director of Downtown Management District (DMD) Arlene Medrano presented information on the following topics: budget overview; budgeted revenues; proposed expenses; program budget; DMD FY 25 project status and forecast; DMD FY 2025-2026 new project requests; additional funding components; FY 2025 downtown off-duty police patrol; and CCDMD City levy match.

Board Members, City Manager Peter Zanoni, Director Marquez, and Interim Director Medrano discussed the following topics: cost of security services downtown; whether vendor booths and sponsorships are self-sustaining; City staff is seeking grant funding for ADA improvements; and to ensure Board Members receive information about the grant deadlines.

12. [25-0628](#) DMD Updates

This Item was postponed.

I. ADJOURNMENT

There being no further business, Chairman Roy adjourned the meeting at 10:57 a.m.