



Meeting Minutes

Reinvestment Zone No. 2 - Island

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Tuesday, June 22, 2021

9:00 AM

Council Chambers

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**A. Chair Greg Smith to call the meeting to order.**

Vice Chair Pusley called the meeting to order at 9:06 a.m.

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

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

Note: Board Members Barbara Canales, Jim Needham and Sylvia Tryon Oliver participated by video conference. Board Member Roland Barrera arrived at 9:35 a.m.

**Present** 12 - Board Member Roland Barrera, Board Member Barbara Canales, Board Member Paulette M. Guajardo, Board Member Gil Hernandez, Board Member Michael Hunter, Board Member Billy A. Lerma, Board Member John Martinez, Board Member Ben Molina, Board Member Jim Needham, Board Member Sylvia Oliver, Vice Chair Mike Pusley, and Board Member Laurie Turner

**Absent** 2 - Chair Greg Smith, and Board Member Brent Chesney

**C. PUBLIC COMMENT:**

Vice Chair Pusley referred to Public Comment. There were no public comments.

**D. MINUTES:**

1. **21-0659** Approval of the Minutes of the March 16, 2021 Reinvestment Zone No. 2 Regular Meeting.

Vice Chair Pusley referred to Item 1.

Board Member Hernandez made a motion to approve the minutes, seconded by Board Member Lerma and passed unanimously.

**E. FINANCIAL REPORT:**

2. [21-0662](#) TIRZ #2 Financial Reports as of April 30, 2021

Vice Chair Pusley referred to Item 2.

Director of Finance Heather Hurlbert presented the financial report for the seven months

ended April 30, 2021 and the TIRZ No. 2 CIP projects.

Board Members, Director Hurlbert, Director of Intergovernmental Relations Tammy Embrey and City Manager Peter Zaroni discussed the following topics: \$8.5 million is available for repairs and dredging for the Packery Channel; FEMA is meeting with the City to discuss further eligibility and the Hurricane Harvey projects deadline is August; the City has submitted requests for proposals if FEMA does not cover this project; and the dredge material will be used to replenish the beach.

**F. EXECUTIVE SESSION ITEMS: None**

**G. AGENDA ITEMS:**

3. [21-0726](#) Motion to approve Rules of Procedure for the Tax Increment Reinvestment Zone No. 2 and provide an alternative method in which items are placed on a meeting agenda.

Vice Chair Pusley referred to Item 3.

Senior Management Analyst Randy Almaguer stated that the purpose of this item is to provide an alternative method for placing items on the agenda. The proposed amendment would allow 4 board members to place an item on the agenda.

A Board Member and City Secretary Rebecca Huerta discussed the following topics: the purpose of this change is to standardize the TIRZ board procedures for adding items to the agenda.

Board Member Guajardo made a motion to approve the motion, seconded by Board Member Hunter. This Motion was passed and approved with the following vote:

**Aye:** 12 - Board Member Barrera, Board Member Canales, Board Member Guajardo, Board Member Hernandez, Board Member Hunter, Board Member Lerma, Board Member Martinez, Board Member Molina, Board Member Needham, Board Member Oliver, Vice Chair Pusley, and Board Member Turner

**Absent:** 2 - Chair Smith, and Board Member Chesney

**Abstained:** 0

**H. PRESENTATION ITEMS:**

4. [21-0729](#) Presentation of the Proposed FY 21-22 Reinvestment Zone #2 Budget.

Vice Chair Pusley referred to Item 4.

Director of Management and Budget Eddie Houlihan presented information on the following topics: budgeted revenues; proposed expenses; and budget overview.

Board Members, Director Houlihan and City Manager Peter Zanoni discussed the following topics: in FY20 about \$15.9 million of the encumbered funds were transferred to the capital budget.

5. [21-0739](#) Discussion on Expiration of Tax Increment Reinvestment Zone #2 - Island TIRZ.

Vice Chair Pusley referred to Item 5.

Director of Finance Heather Hurlbert presented information on the following topics: TIRZ #2 background; extension of TIRZ duration; steps to updating financing plan; project plan; procedure for creating/extending TIRZ; and next steps.

Board Members, Director Hurlbert, Assistant City Attorney Aimee Alcorn-Reed and City Manager Peter Zanoni discussed the following topics: a Board Member's concern that this TIRZ does not meet the legislation requirements and that the city could be vulnerable to lawsuits; Island Strategic Action Committee (ISAC) has been working on a list of projects from the 2020 bond program; Del Mar contributed to TIRZ projects from 2000 to 2009; this TIRZ needs to be extended by Spring of 2022; this TIRZ has 100% of the City's property tax; and the property taxes stay in the general fund.

**I. ADJOURNMENT**

This meeting was adjourned at 9:43 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.*