



Meeting Minutes

Reinvestment Zone No. 3 - Downtown

Tuesday, March 28, 2023

9:30 AM

Council Chambers

A. Chairman Mike Pusley to call the meeting to order.

Chairman Pusley called the meeting to order at 9:32 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 Guajardo arrived at 9:34 a.m., Board Member Barrera arrived at 9:35 a.m., and Board Member Hunter arrived at 9:40 a.m. Board Member Scott attended by video conference.

Present 12 - Board Member Roland Barrera, Board Member Paulette Guajardo, Board Member Gil Hernandez, Board Member Michael Hunter, Board Member Mike Pusley, Board Member James Sedwick, Board Member Jim Klein, Board Member Dan Suckley, Board Member Everett Roy, Board Member Sylvia Campos, Board Member Connie Scott, and Board Member Rudy Garza

C. PUBLIC COMMENT:

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

D. MINUTES:

1. 23-0584 Approval of the January 24, 2023 Reinvestment Zone No 3. Minutes

Chairman Pusley referred to Item 1.

Board Member Suckley moved to approve the minutes, seconded by Board Member Roy and passed unanimously.

E. FINANCIAL REPORT:

2. [23-0412](#) TIRZ #3 Financial Reports as of January 31, 2023

Chairman Pusley referred to Item 2.

Director of Finance and Procurement Heather Hurlbert presented information on the following topics: TIRZ No. 3 financial position for the four months ended January 31,

2023; TIRZ No. 3 commitments as of January 31, 2023; project specific development commitments as of January 31, 2023; vacant property improvement commitments as of January 31, 2023; downtown living initiative commitments as of January 31, 2023; commercial tenant finish out commitments as of January 31, 2023; and streetscape and safety improvement program commitments as of January 31, 2023.

There were no questions from the Board Members.

F. EXECUTIVE SESSION ITEMS:

Chairman Pusley referred to Executive Session Items 3-5. The Board went into Executive Session at 9:36 a.m. The Board returned from executive session at 10:37 a.m.

3. [23-0500](#) **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 ZJZ Hospitality, Inc. and/or other entities involved with a commercial development at or near 301 N Chaparral in the downtown area; **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.

Board Member Barrera made the following motion:

Motion directing the City, as an agent of TIRZ #3, to prepare a Downtown Development Reimbursement Agreement with ZJZ Hospitality, Inc., for improvements to the property located at approximately 301 N. Chaparral in an amount not to exceed \$1,550,000 under the Project Specific Development Agreement grant program, the incentive being contingent on the subsequent execution of an agreement and approval of the agreement by the Board, seconded by Board Member Hunter. This Motion was passed and approved with the following vote:

Aye: 12 - Board Member Roland Barrera, Board Member Paulette Guajardo, Board Member Gil Hernandez, Board Member Michael Hunter, Board Member Mike Pusley, Board Member James Sedwick, Board Member Jim Klein, Board Member Dan Suckley, Board Member Everett Roy, Board Member Sylvia Campos, Board Member Connie Scott, and Board Member Rudy Garza

Abstained: 0

4. [23-0495](#) **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 611 Commerce Venue Hall LLC and/or other entities

involved with a commercial development at 605 Mesquite Street in the downtown area; **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.

Board Member Barrera made the following motion:

Motion directing the City, as an agent of TIRZ #3, to prepare a Downtown Development Reimbursement Agreement with 611 Commerce Venue Hall, LLC for improvements to the property located at 605 Mesquite Street, in an amount not to exceed \$531,695 under the Targeted Vacant Building grant program, the incentive being contingent on the subsequent execution of an agreement and approval of the agreement by the Board, seconded by Board Member Klein. This Motion was passed and approved with the following vote:

Aye: 12 - Board Member Roland Barrera, Board Member Paulette Guajardo, Board Member Gil Hernandez, Board Member Michael Hunter, Board Member Mike Pusley, Board Member James Sedwick, Board Member Jim Klein, Board Member Dan Suckley, Board Member Everett Roy, Board Member Sylvia Campos, Board Member Connie Scott, and Board Member Rudy Garza

Abstained: 0

5. [23-0600](#) **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 potential economic development agreement(s) involving entities desiring to engage in commercial and/or residential development at or near Shoreline Blvd in the downtown area; **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.

This E-Session Item was discussed in executive session.

G. AGENDA ITEMS:

6. [23-0494](#) Motion to approve a Commercial Finish Out, and Streetscape and Safety Improvement Reimbursement Agreement for CC Turnkey Enterprises, LLC located at 100 Shoreline Blvd for a total incentive amount not to exceed

\$104,585.

Chairman Pusley referred to Item 6.

Executive Director of Downtown Management District (DMD) Alyssa Barrera Mason presented information on the following topics: Gallery 41; current condition (exterior); current condition (interior); project concept (aesthetic and branding); renderings (exterior); renderings (interior); floor and site plan; project cost; and recommendation.

There were no questions from the Board Members.

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

Aye: 12 - Board Member Roland Barrera, Board Member Paulette Guajardo, Board Member Gil Hernandez, Board Member Michael Hunter, Board Member Mike Pusley, Board Member James Sedwick, Board Member Jim Klein, Board Member Dan Suckley, Board Member Everett Roy, Board Member Sylvia Campos, Board Member Connie Scott, and Board Member Rudy Garza

Abstained: 0

7. [23-0496](#)

Motion to approve a Streetscape and Safety Improvement Reimbursement Agreement for OK Hi-Fi LLC located at 415 Peoples Street for a total incentive amount not to exceed \$24,093.

Chairman Pusley referred to Item 7.

Executive Director of Downtown Management District (DMD) Alyssa Barrera Mason presented information on the following topics: Peoples Street parklet and awning; current condition; project concept (parklet); project concept (awning); project cost; and recommendation.

Board Members and Executive Director of DMD Barrera Mason discussed the following topics: in response to a Board Member's concern that parklets limit downtown parking, staff responded that only one parklet is added per block; the awnings are storm tested; and this parklet would be the third one in downtown.

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

Aye: 12 - Board Member Roland Barrera, Board Member Paulette Guajardo, Board Member Gil Hernandez, Board Member Michael Hunter, Board Member Mike Pusley, Board Member James Sedwick, Board Member Jim Klein, Board Member Dan Suckley, Board Member Everett Roy, Board Member Sylvia Campos, Board Member Connie Scott, and Board Member Rudy Garza

Abstained: 0

8. [23-0497](#)

Motion to approve a Commercial Finish Out, and Streetscape and Safety Improvement Reimbursement Agreement for Lazy Beach Downtown LLC, for the property located at 312 N Chaparral Street for a total incentive amount not to exceed \$25,295.

Chairman Pusley referred to Item 8.

Executive Director of Downtown Management District (DMD) Alyssa Barrera Mason presented information on the following topics: Lazy Beach Brewing; current condition; project concept (interior); project concept (exterior); floor plan; project cost; and recommendation.

There were no questions from the Board Members.

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

Aye: 12 - Board Member Roland Barrera, Board Member Paulette Guajardo, Board Member Gil Hernandez, Board Member Michael Hunter, Board Member Mike Pusley, Board Member James Sedwick, Board Member Jim Klein, Board Member Dan Suckley, Board Member Everett Roy, Board Member Sylvia Campos, Board Member Connie Scott, and Board Member Rudy Garza

Abstained: 0

9. [23-0498](#)

Motion to approve amendment to extend the project completion date for the Downtown Reimbursement Agreements for with landlord, 300 Chaparral, LLC, and developer, Caitlin Shook, for the development at 312 S. Chaparral from December 31, 2022 to April 30, 2023.

Chairman Pusley referred to Item 9.

Executive Director of Downtown Management District (DMD) Alyssa Barrera Mason presented information on the following topics: project site; The Annex; and project concept.

There were no questions from the Board Members.

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

Aye: 12 - Board Member Roland Barrera, Board Member Paulette Guajardo, Board Member Gil Hernandez, Board Member Michael Hunter, Board Member Mike Pusley, Board Member James Sedwick, Board Member Jim Klein, Board Member Dan Suckley, Board Member Everett Roy, Board Member Sylvia Campos, Board Member Connie Scott, and Board Member Rudy Garza

Abstained: 0

10. [23-0154](#) Motion approving the 9th amendment to the Tax Increment Reinvestment Zone #3 Amended Project & Financing Plan.

Chairman Pusley referred to Item 10.

Executive Director of Downtown Management District (DMD) Alyssa Barrera Mason presented information on the following topics: project plan overview; downtown living initiative; streetscape and safety improvement program; public space, right of way and streetscape development; targeted office to residential conversion program; and vision themes and policy initiatives.

There were no questions from the Board Members.

Board Member Roy moved to approve the motion, seconded by Board Member Barrera. This Motion was passed and approved with the following vote:

Aye: 12 - Board Member Roland Barrera, Board Member Paulette Guajardo, Board Member Gil Hernandez, Board Member Michael Hunter, Board Member Mike Pusley, Board Member James Sedwick, Board Member Jim Klein, Board Member Dan Suckley, Board Member Everett Roy, Board Member Sylvia Campos, Board Member Connie Scott, and Board Member Rudy Garza

Abstained: 0

H. PRESENTATION ITEMS:

11. [23-0506](#)
Norma Urban Park Summer Activation

Chairman Pusley referred to Item 11.

Executive Director of Downtown Management District (DMD) Alyssa Barrera Mason presented information on the following topics: DMD mural history; Mural Fest 2022; Mural Fest 2023; better block partnership; Norma Urban Park; and next steps.

A Board Member and Executive Director of DMD Barrera Mason discussed the following topic: a Board Member's request that no political statements be placed on public property.

12. [23-0505](#) Presentation for the Police Department Headquarter Lighting Project

Chairman Pusley referred to Item 12.

Executive Director of Downtown Management District (DMD) Alyssa Barrera Mason presented information on the following topics: Police Department Headquarters lighting.

There were no questions from the Board Members.

I. ADJOURNMENT

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