



# City of Corpus Christi

1201 Leopard Street  
Corpus Christi, TX 78401  
cctexas.com

## Meeting Minutes

### Reinvestment Zone No. 3

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Tuesday, April 24, 2018

9:30 AM

City Council Chambers

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

Chairperson Vaughn called the meeting to order at 9:30 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.

(Board Member Hunter arrived at 9:32 a.m.; Board Member Lindsey-Opel arrived at 9:50 a.m.)

**Present** 8 - Vice Chair Carolyn Vaughn, Board Member Paulette Guajardo, Board Member Michael Hunter, Board Member Claudia Jackson, Board Member Al Jones, Board Member Joe McComb, Board Member Ben Molina, and Board Member Greg Smith

**C. PUBLIC COMMENT:**

None.

**D. MINUTES:**

**1. Approval of Minutes of the March 27, 2018 Regular Meeting**

Chairperson Vaughn referred to approval of the minutes.

Board Member Garza made a motion to approve the minutes, seconded by Board Member McComb and passed unanimously (Board Members Hunter and Lindsey-Opel - absent).

**E. FINANCIAL REPORT:**

**2. TIRZ #3 Financial Reports for February 28, 2018**

Chairperson Vaughn referred to Item 2.

Treasurer Constance Sanchez presented the financial report for Reinvestment Zone No. 3 ending February 28, 2018 including: the total assets; income statement; total expenditures' commitment reports; transfers; revenues; and the fund balance.

**F. EXECUTIVE SESSION ITEMS:**

Chairperson Vaughn referred to the day's executive sessions. The Board went into executive session at 9:33 a.m. The Board returned from executive session at 10:30 a.m.

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) involving Improvement Network Development Partners, L.L.C., Nueces County Courthouse Development Partners, L.L.C., and/or other entities desiring to engage in commercial development at or in the vicinity of the corner of North Mesquite Street and Belden Street; 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 Corporation seeks to have locate, stay, or expand within the City limits and with which the Corporation 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 and the following motion was considered:

Motion directing City staff, as an agent of TIRZ #3, to prepare a Downtown Development Reimbursement Agreement with Nueces County Courthouse Development Partners, LLC, for improvements to the old county courthouse property located at Mesquite Street and Belden Street for a total incentive amount not to exceed \$1,000,000 over 10 years under the Project Specific Development agreement program, the incentive being contingent on the subsequent execution of an agreement and approval of the agreement by the Board.

Board Member Jones made a motion to approve the motion, seconded by Board Member Rubio and passed unanimously.

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) involving Third Coast Beer, LLC, Stonewater Properties Water Street, Inc., and/or other entities desiring to engage in commercial development at or in the vicinity of 401 Water Street; 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 Corporation seeks to have locate, stay, or expand within the City limits and with which the Corporation 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 and the following motions were considered:

Motion directing City staff, as an agent of TIRZ #3, to prepare a Downtown Development Reimbursement Agreement with Third Coast Beer, LLC, dba Nueces Brewing Company, for improvements to the property located at 401 Water Street for a total incentive amount not to exceed \$61,700 under the New Commercial Tenant Finish Out Grant Program, the incentive being contingent on the subsequent execution of an agreement and approval of the agreement by the Board.

Board Member Lindsey-Opel made a motion to approve the motion, seconded by Board Member Molina and passed unanimously.

Motion directing City staff, as an agent of TIRZ #3, to prepare a Downtown Development Reimbursement Agreement with Stonewater Properties Water Street, Inc., for improvements to the property located at 401 Water Street for a total incentive amount not to exceed \$200,000 over 5 years under the Project Specific Development agreement program, the incentive being contingent on the subsequent execution of an agreement and approval of the agreement by the Board.

Board Member Lindsey-Opel made a motion to approve the motion, seconded by Board Member Molina and passed unanimously.

5. **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 entities desiring to engage in commercial development located on a portion of North Chaparral 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 Corporation seeks to have locate, stay, or expand within the City limits and with which the Corporation 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. **Vacant Building Ordinance**

Motion recommending that City Council approve a Downtown Vacant Building Ordinance, which provides for registration and inspection of

vacant downtown buildings.

Chairperson Vaughn referred to Item 6.

Assistant City Manager Keith Selman stated that the purpose of this item is to adopt a Downtown Vacant Building Ordinance. Assistant City Manager Selman provided a brief overview of the compliance process and non-compliance citation process.

Board members and staff discussed the following topics: if the ordinance applies to all vacant buildings in the downtown area; the ability to enforce the ordinance; the ordinance creating a new level of requirements for vacant buildings not already covered by existing ordinances; TIRZ #3 dedicating a code enforcement officer for enforcement; differing tax valuations for vacant properties and occupied properties; an explanation of the registration fee and inspection fee; a tracking mechanism to determine if the adopted ordinance is making a substantial change in the downtown area; the non-compliance fines; and addressing insufficient contact information for property owners.

Board Member Lindsey-Opel made a motion to approve motion, seconded by Board Member Guajardo and passed unanimously.

**7. Downtown Management District Amendment Expansion of Services**

Motion approving Amendment No. 1 to the interlocal agreement with the Downtown Management District and the amended 2018 Service Plan.

Chairperson Vaughn referred to Item 7.

Assistant City Manager Keith Selman stated that the purpose of this item is to approve an amendment to the interlocal agreement with the Downtown Management District to expand the scope of services.

Board Member Lindsey-Opel made a motion to approve the motion, seconded by Board Member Guajardo and passed unanimously.

**H. PRESENTATION ITEMS:**

**8. Update of TIRZ #3 Approved Programs and Initiatives - April 2018**

Chairperson Vaughn referred to Item 8.

Assistant City Manager Keith Selman presented the status of the Project Incentives Program and Initiatives in the April 2018 report.

**I. IDENTIFY FUTURE AGENDA ITEMS:**

Chairperson Vaughn referred to Identify Future agenda Items. Assistant City Manager Keith Selman stated that staff would present the budget at next month's meeting.

**J. ADJOURNMENT**

**The meeting was adjourned at 10:48 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.*