



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes

Reinvestment Zone No. 3

Tuesday, January 28, 2020

9:30 AM

Council Chambers

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

Chairman Roy called the meeting to order at 9:32 a.m.

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

Assistant City Secretary Paul Pierce called the roll and verified that a quorum of the Board was present to conduct the meeting.

City Secretary Rebecca L. Huerta arrived at 9:33 a.m. Board Member Guajardo arrived at 9:34 a.m. Board Member Hunter arrived at 9:40 a.m. Board Member Hernandez arrived at 9:42 a.m.

Present 11 - Chair Everett Roy, Board Member Roland Barrera, Board Member Rudy Garza, Board Member Paulette Guajardo, Board Member Gil Hernandez, Board Member Greg Smith, Board Member Michael Hunter, Board Member Susan Hutchinson, Board Member Al Jones, Board Member Joe McComb, and Board Member Ben Molina

Absent 1 - Vice Chair Carolyn Vaughn

C. PUBLIC COMMENT:

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

D. MINUTES:

1. Approval of Minutes of the December 17, 2019 Regular Meeting

Chairman Roy referred to Item 1.

Board Member Smith made a motion to approve the minutes, seconded by Board Member Molina and passed unanimously (Board Members Hernandez, Hunter, Vaughn and Guajardo - absent).

F. EXECUTIVE SESSION ITEMS:

Chairman Roy deviated from the agenda and referred to Executive Session Item 3. The Board went into executive session at 9:35 a.m. The Board returned from executive session at 10:39 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 potential TIRZ #3 Reimbursement Agreement with Wisznia Architecture + Development and other potential owners and/or developers of 600 Leopard 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 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.

E. FINANCIAL REPORT:

2. TIRZ #3 Financial Reports as of November 30, 2019

Chairman Roy referred to Item 2.

Treasurer Alma Casas presented the financial report for Tax Reinvestment Zone No. 3 ending November 30, 2019, including: total assets; revenues; expenditures; commitment reports; encumbrances; and fund balance.

Board members, Treasurer Casas and Business Liaison Arlene Medrano discussed the following topics: commitments to date this fiscal year; projected revenues; projected fund balance at the end of FY2020; and cash flows.

G. AGENDA ITEMS:

4. Motion approving Amendment No. 6 to the Downtown Development Reimbursement Agreement with 600 Building, LLC for the property located at 600 Leopard Street which increases the total incentive by an amount not to exceed \$2,035,000, for a total incentive not exceed \$4,595,000, updates reimbursement schedule terms, and requires additional performance deadlines, effective upon signature by the City Manager or designee.

Chairman Roy referred to Item 4.

Board Member Barrera made a motion to approve Item 4, seconded by Board Member Molina.

Board Members and Executive Director of the Downtown Management District Alyssa Barrera Mason discussed the following topics: the dollar amount per unit historically versus in this Item; the monies required for this project in relation to monies available in Tax Increment Reinvestment Zone No. 3 (TIRZ#3) for other projects; how the dollar amount of funding requested, as a

percentage of the project's total cost, differs from past procedure; the validity of costs; that living space to be created by this project is needed; the impact of the project on the uptown area; the history of the project; what restrictions funding this project will create on TIRZ#3's ability to fund future projects; amounts to be encumbered for this project over the next four years; contractually defined construction deadlines / timeline / milestones for this project; and the percentage on which TIRZ#3's projected future revenues are based.

Item 4 passed with Chairman Roy and Board Members Hunter, Hutchinson, Jones, McComb, Molina, Barrera and Guajardo voting "Aye" and Board Members Hernandez, Smith and Garza voting "No" (Board Member Vaughn - absent).

5. Motion to approve a Downtown Development Reimbursement Agreement with Michelle Joseph & Monet Love for improvements to the property located at 414 Starr Street for a total incentive amount not to exceed \$7,888, effective upon signature by the City Manager or designee and ending May 31, 2020.

Chairman Roy referred to Item 5.

The Downtown Management District's Real Estate Manager Jason Alaniz stated that the purpose of this item is to approve a reimbursement agreement for Muse Bistro with Michelle Joseph and Monet Love for improvements to 414 Starr Street for a total incentive not to exceed \$7,888.

There were no comments from board members.

Board Member Hernandez made a motion to approve Item 5, seconded by Board Member Molina and passed unanimously (Board Members Hunter and Vaughn - absent).

6. Motion to approve Amendment No. 2 to the Downtown Development Reimbursement Agreement for Moonshine Ale Ventures, LLC and Whiskey Rodeo Saloon Ventures, LLC, which removes Phase 2 of the project for Whiskey Rodeo Saloon, a proposed country bar and dance hall and which deobligates \$50,000 of TIRZ #3 Funds, effective upon signature by the City Manager or designee.

Chairman Roy referred to Item 6.

The Downtown Management District's Real Estate Manager Jason Alaniz stated that the purpose of this item is to consider a request from the developer to terminate Phase 2, known as Whiskey Rodeo Saloon, due to the developer finding that the capital improvement costs for Phase 2 exceed what the developer had budgeted for Phase 2; and that Phase 1 is completed and in operation.

There were no comments from board members.

Board Member McComb made a motion to approve Item 6, seconded by Board Member Hernandez and passed unanimously (Board Member Vaughn -

absent).

H. PRESENTATION ITEMS:

7. Presentation - Downtown Management District 2018-2019 Annual Report

Chairman Roy referred to Item 7.

Executive Director of the Downtown Management District Alyssa Barrera Mason presented information on the following topics regarding the Downtown Management District (DMD): about the DMD; strategic plan; FY2019 achievements; operations; develop and improve; before-and-after photos of projects; communications and events; and organizational management.

Board members and Mrs. Mason discussed the following topics: the amount of the DMD's budget funded by TIRZ#3; progress being made in the city; and appreciation for the work completed.

8. Update on TIRZ #3 Approved Programs and Initiatives - January 2020

Chairman Roy referred to Item 8.

The Downtown Management District's Real Estate Manager Jason Alaniz presented the January 2020 Update on TIRZ#3 Approved Programs and Initiatives.

A board member and Mr. Alaniz discussed that the information on the status of various TIRZ#3 projects is available on the Downtown Management District's website.

I. IDENTIFY FUTURE AGENDA ITEMS:

Chairman Roy referred to Identify Future Agenda Items. No items were discussed or identified.

J. ADJOURNMENT

The meeting was adjourned at 11:12 p.m.