



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes

Reinvestment Zone No. 3

Wednesday, September 30, 2020

1:30 PM

Council Chambers

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact the City Secretary's office (at 361-826-3105) at least 48 hours in advance so that appropriate arrangements can be made.

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

Chairman Roy called the meeting to order at 1:34 p.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 Members Roland Barrera, Paulette Guajardo and Susan Hutchinson participated by video conference. Board Member Guajardo arrived at 2:10 p.m. Board Member Michael Hunter participated telephonically. Board Members Garza and Hernandez-absent.

Present 10 - Chair Everett Roy, Board Member Roland Barrera, Board Member Paulette Guajardo, Board Member Greg Smith, Board Member Michael Hunter, Board Member Susan Hutchinson, Board Member Joe McComb, Board Member Ben Molina, Board Member James Sedwick, and Vice Chair Carolyn Vaughn

Absent 2 - Board Member Rudy Garza, and Board Member Gil Hernandez

C. PUBLIC COMMENT:

Chairman Roy referred to Public Comment. There were no written public comments submitted.

D. PRESENTATION ITEMS:

1. Opportunity Zones within the Downtown Management District

Chairman Roy referred to Item 1.

Executive Director of the White House Opportunity and Revitalization Council Scott Turner introduced himself to the board and thanked the City for their work in the region.

E. MINUTES:

2. Approval of the minutes of the Reinvestment Zone No. 3 July 28, 2020.

Chairman Roy referred to Item 2.

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

F. FINANCIAL REPORT:

3. TIRZ #3 Financial Reports as of July 31, 2020

Chairman Roy referred to Item 3.

Director of Finance Heather Hurlbert presented the financial report for Tax Reinvestment Zone No. 3 ending July 31, 2020, including: total assets; revenues; expenditures; and fund balance.

There were no comments or questions from the Board Members.

G. EXECUTIVE SESSION ITEMS: None

H. AGENDA ITEMS:

4. Motion to approve a Downtown Development Reimbursement Agreement with SEA District Hotel Group LP for the development of a \$41,000,000 196 room dual-branded hotel (Hilton Garden Inn and Homewood Suites) located at 701 E Port Ave for a total incentive amount not to exceed \$1,415,000, effective upon signature by the City Manager or designee.

This Motion was withdrawn.

5. Motion approving Amendment No. 1 to the Downtown Development Reimbursement Agreement for 807 N Upper Broadway LLC, which provides a six-month extension of the deadline to complete construction of the improvements from September 30, 2020 to March 31, 2021, effective upon signature by the City Manager or designee.

Chairman Roy referred to Item 5.

Executive Director of Downtown Management District Alyssa Barrera Mason presented information on Amendment No. 1 to the Downtown Development Reimbursement Agreement - 807 N. Upper Broadway.

There were no questions or comments from the Board Members.

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

Aye: 9 - Chair Roy, Board Member Barrera, Smith, Board Member Hunter, Board Member Hutchinson, Board Member McComb, Board Member Molina, Board Member Sedwick, and Vice Chair Vaughn

Absent: 3 - Board Member Garza, Board Member Guajardo, and Board Member Hernandez

Abstained: 0

6. Motion authorizing Amendment No. 2 to the Downtown Development Reimbursement Agreement for Americano Properties, LLC, for improvements to the properties located at 415-419 Peoples Street, which provides a one-month extension that the Developer must complete improvements on or before September 30, 2020, effective upon signature by the City Manager or designee.

Chairman Roy referred to Item 6.

Executive Director of Downtown Management District Alyssa Barrera Mason presented information on Amendment No. 2 to the Downtown Development Reimbursement Agreement - Streetscape and Safety Improvement Program- Americano Properties.

There were no questions or comments from the Board Members.

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

Aye: 9 - Chair Roy, Board Member Barrera, Smith, Board Member Hunter, Board Member Hutchinson, Board Member McComb, Board Member Molina, Board Member Sedwick, and Vice Chair Vaughn

Absent: 3 - Board Member Garza, Board Member Guajardo, and Board Member Hernandez

Abstained: 0

7. Motion to approve a Downtown Development Reimbursement Agreement with Carlos Villarreal for improvements to the property located at 419 Peoples Street related to the development of an art gallery and studio for a total incentive amount not to exceed \$7,500 to be completed on or before January 31, 2021, effective upon signature by the City Manager or designee.

Chairman Roy referred to Item 7.

Executive Director of Downtown Management District Alyssa Barrera Mason presented information on the Produce Art Gallery: 415 Peoples St.; current condition; floor plan; interior concept; Carlos' recent exhibition: "The Fruits"; recommendation; and approved programs.

There were no questions or comments from the Board Members.

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

Aye: 9 - Chair Roy, Board Member Barrera, Smith, Board Member Hunter, Board Member Hutchinson, Board Member McComb, Board Member Molina, Board Member Sedwick, and Vice Chair Vaughn

Absent: 3 - Board Member Garza, Board Member Guajardo, and Board Member Hernandez

Abstained: 0

8. Motion approving Amendment No. 1 to the Downtown Development Reimbursement Agreement for Americano Properties, LLC for Dusty's Taco Bar, located at 322 N Chaparral, which increases the total incentive, previously set at \$30,000, by an amount not to exceed \$11,500 for a total incentive amount not to exceed \$41,500 and provides a twelve-month extension to the deadline to complete construction from September 30, 2020 to September 30, 2021, effective upon signature by the City Manager or designee.

Chairman Roy referred to Item 8.

Executive Director of Downtown Management District Alyssa Barrera Mason presented information on Amendment No. 1 to Downtown Development Reimbursement Agreement - Dusty's Taco Shop.

There were no questions or comments from the Board Members.

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

Aye: 9 - Chair Roy, Board Member Barrera, Smith, Board Member Hunter, Board Member Hutchinson, Board Member McComb, Board Member Molina, Board Member Sedwick, and Vice Chair Vaughn

Absent: 3 - Board Member Garza, Board Member Guajardo, and Board Member Hernandez

Abstained: 0

9. Resolution approving the Fifth Amendment to the Tax Increment Reinvestment Zone #3 Project & Financing Plan for implementation with the FY2021 budget.

Chairman Roy referred to Item 9.

Director of Finance and Business Analysis Heather Hurlbert gave a brief presentation on the following topic: modification of the TIRZ project and financing plan.

Executive Director of Downtown Management District Alyssa Barrera Mason gave a detailed presentation on the project plan amendments: financing plan; Chaparral Street Property Improvement Grant Program; New Tenant

Commercial Finish-Out Grant Program; Downtown Living Initiative; Project Specific Development Agreement; Site Management and Development; Parking Study & Development; Traffic Pattern Study & Streetscapes; Other Programs and Initiatives; and Management & Professional Services.

A Board Member and Director Mason discussed the following topics: the challenge is that there is a gap between what small businesses can absorb in start up costs and what is needing to be invested in order to accommodate a small business; a Board Member's request for occupancy and market rates on commercial and residential sites; the highest level of occupancy was last year; and if the market is improving, then more public improvements need to be executed.

Board Member Barrera made a motion to approve the resolution, seconded by Board Member Molina. This Resolution was passed and approved with the following vote:

Aye: 9 - Chair Roy, Board Member Barrera, Smith, Board Member Hunter, Board Member Hutchinson, Board Member McComb, Board Member Molina, Board Member Sedwick, and Vice Chair Vaughn

Absent: 3 - Board Member Garza, Board Member Guajardo, and Board Member Hernandez

Abstained: 0

10.

Motion to approve a Service Plan for Fiscal Year 2021 and renew the Interlocal Cooperation Agreement between Corpus Christi Tax Increment Reinvestment Zone #3 (TIRZ #3) and the Corpus Christi Downtown Management District (DMD) to encourage the redevelopment of TIRZ #3 in the amount of \$510,000 for program and incentive administration, \$50,000 for downtown park maintenance activities and \$50,000 for downtown right-of-way maintenance activities for a total contracted amount of \$610,000 for FY2021.

Chairman Roy referred to Item 10.

Director of Finance and Business Analysis Heather Hurlbert gave a brief presentation on the following topic: staff recommends approving the DMD's FY 2021 Service Plan and renewing the Interlocal Cooperation Agreement.

Executive Director of Downtown Management District Alyssa Barrera Mason gave a detailed presentation on the following topics: about the DMD; strategic plans and service plans; DMD funding and organization improvements; 2019-2020 Downtown Advisory Council; highlights of FY 2020; FY 2020 service plan implementation; FY 2021 integrated DMD and TIRZ service plan; district operations; downtown holiday 2020; development and improvement; communications and events; and organizational management.

Board Members and Director Mason discussed the following topics: businesses contribute money to get on the Downtown Advisory Council; recognizing the City for its financial contribution, which is above and beyond any Advisory Council participation; the City's funding is outlined in the Interlocal Agreement; the different funding levels of the Advisory Council are Patrons, Pillars and Pioneers; the role of the Downtown Advisory Board Council is to give

presentations, feedback, and to receive recognition for their contribution; and a Board Member thanked the Downtown Management District staff for their work and the improvements downtown.

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

Aye: 10 - Chair Roy, Board Member Barrera, Board Member Guajardo, Smith, Board Member Hunter, Board Member Hutchinson, Board Member McComb, Board Member Molina, Board Member Sedwick, and Vice Chair Vaughn

Absent: 2 - Board Member Garza, and Board Member Hernandez

Abstained: 0

- 11.** Motion authorizing the expenditure of an additional \$200,000 for the one-way to two-way street conversion of specified downtown streets for a total expenditure for FY 2020-21 of \$400,000.

Chairman Roy referred to Item 11.

Senior Management Analyst Randy Almaguer presented information on Fog Seal Versus Thin Asphalt Overlay: Shoreline Blvd. adjacent two-way conversion; fog seal versus thin overlay; prior fog seal for Lawrence Street - Water Street to Shoreline Blvd.; fog seal versus thin asphalt overlay cost difference; current condition; and staff recommendation: thin asphalt overlay.

Board Members, Senior Management Analyst Almaguer, City Manager Peter Zaroni and Director Mason discussed the following topics: the City is not doing away with the fog seal, but it will mainly be used for re-stripping streets; and curbside parking will be eliminated and parallel parking will be made available.

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

Aye: 10 - Chair Roy, Board Member Barrera, Board Member Guajardo, Smith, Board Member Hunter, Board Member Hutchinson, Board Member McComb, Board Member Molina, Board Member Sedwick, and Vice Chair Vaughn

Absent: 2 - Board Member Garza, and Board Member Hernandez

Abstained: 0

J. IDENTIFY FUTURE AGENDA ITEMS:

Chairman Roy referred to Identify Future Agenda Items.

The following item was identified: Board Member Smith requested a report for occupancy related to commercial and residential.

K. ADJOURNMENT

This meeting was adjourned at 2:25 p.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.*