



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes

Reinvestment Zone No. 3 - Downtown

Tuesday, January 26, 2021

9:30 AM

Council Chambers

A. Chairman Billy Lerma to call the meeting to order.

Chairman Lerma called the meeting to order at 9:31 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 Members Greg Smith, Michael Hunter and Susan Hutchinson participated by video conference. Board Member Barbara Canales arrived at 9:36 a.m. and participated by video conference.

Present 12 - Board Member Roland Barrera, Board Member Paulette M. Guajardo, Board Member Gil Hernandez, Board Member Greg Smith, Board Member Michael Hunter, Board Member Susan Hutchinson, Board Member Ben Molina, Board Member James Sedwick, Billy A. Lerma, John Martinez, Mike Pusley, and Barbara Canales

C. PUBLIC COMMENT:

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

D. MINUTES:

1. Approval of the Minutes of the Reinvestment Zone No. 3 October 27, 2020 Regular Meeting.

Chairman Lerma referred to Item 1.

Board Member Molina made a motion to approve the minutes, seconded by Board Member Hernandez and passed unanimously (Board Member Barbara Canales-absent).

E. FINANCIAL REPORT:

2. TIRZ #3 Financial Reports as of November 30, 2020

Chairman Lerma referred to Item 2.

Chief Financial Officer Constance Sanchez presented information on the following topics: financial position for the two months ended November 30, 2020; revenues; expenditures; ending fund balance; commitments as of November 30, 2020; and project specific commitments as of November 30, 2020.

F. EXECUTIVE SESSION ITEMS:

Chairman Lerma referred to Executive Session Items 3 and 4. The Council went into Executive Session at 9:36 a.m. The Council returned from Executive Session at 10:08 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 the TIRZ #3 Reimbursement Agreement with Aaron Pineda and/or Stonewater Properties Schatzell Inc. regarding development of 424 Schatzell 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 passed in executive session.

Board Member Molina made a motion authorizing a downtown development reimbursement agreement with Aaron Pineda in an amount not to exceed \$39,000.00 under the new tenant commercial finish out program, for improvements to the property located at 424 Schatzell, seconded by Board Member Pusley.

Board Member Molina made a motion authorizing a downtown development reimbursement agreement with Stonewater Properties Schatzell Inc. in an amount not to exceed \$20,000.00 under the new tenant commercial finish out program, for mechanical, electrical, and plumbing improvements to the property located at 424 Schatzell, seconded by Board Member Pusley.

The motions were passed and approved with the following vote:

Aye: 12 - Board Member Lerma, Board Member Barrera, Board Member Canales, Board Member Guajardo, Board Member Hernandez, Board Member Hunter, Board Member Hutchinson, Board Member Martinez, Board Member Molina, Board Member Pusley, Board Member Sedwick, and Smith

Abstained: 0

Enactment No:

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 the TIRZ #3 Reimbursement Agreement with The 600 Building, LLC regarding development 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 passed in executive session.

Board Member Molina made a motion authorizing an amendment to the downtown development reimbursement agreement with The 600 Building, LLC, which amends Section 3(b) of the Agreement to extend the deadline to obtain financing for the project until July 31, 2021, seconded by Board Member Pusley.

The motion was passed and approved with the following vote:

Aye: 12 - Board Member Lerma, Board Member Barrera, Board Member Canales, Board Member Guajardo, Board Member Hernandez, Board Member Hunter, Board Member Hutchinson, Board Member Martinez, Board Member Molina, Board Member Pusley, Board Member Sedwick, and Smith

Abstained: 0

Enactment No:

G. AGENDA ITEMS:

5. Motion to elect a Vice-Chairman to the Tax Increment Reinvestment Zone #3 Board.

Chairman Lerma referred to Item 5.

Board Member Barrera nominated Board Member Pusley as Vice-Chairman to the Tax Reinvestment Zone #3 Board, seconded by Board Member Hunter. The motion was passed and approved with the following vote:

Aye: 12 - Board Member Lerma, Board Member Barrera, Board Member Canales, Board Member Guajardo, Board Member Hernandez, Board Member Hunter, Board Member Hutchinson, Board Member Martinez, Board Member Molina, Board Member Pusley, Board Member Sedwick, and Smith

Abstained: 0

6. Motion approving Tax Increment Reinvestment Zone #3 Board Meeting Calendar.

Chairman Lerma referred to Item 6.

Senior Management Analyst Randy Almaguer presented the proposed meeting schedule for 2021.

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

Aye: 12 - Board Member Lerma, Board Member Barrera, Board Member Canales, Board Member Guajardo, Board Member Hernandez, Board Member Hunter, Board Member Hutchinson, Board Member Martinez, Board Member Molina, Board Member Pusley, Board Member Sedwick, and Smith

Abstained: 0

7. Motion approving Amendment No. 1 to the Downtown Development Reimbursement Agreement for Produce Art Gallery, which provides a six-month extension that the Developer must complete improvements on or before July 31, 2021, effective upon signature by the City Manager or designee.

Chairman Lerma referred to Item 7.

Economic Development Manager for the Downtown District Jason Alaniz stated this motion authorizes a six-month extension for the Produce Art Gallery that the developer must complete improvements on or before July 31, 2021.

There were no questions from the Board Members.

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

Aye: 12 - Board Member Lerma, Board Member Barrera, Board Member Canales, Board Member Guajardo, Board Member Hernandez, Board Member Hunter, Board Member Hutchinson, Board Member Martinez, Board Member Molina, Board Member Pusley, Board Member Sedwick, and Smith

Abstained: 0

8. Motion amending the project and financing plans for Reinvestment Zone No. 3 to expand the Chaparral Street Property Improvement Program to include N. Mesquite Street and amending the New Commercial Tenant Finish Out Program to allow administrative approval by the City Manager or designee of certain grants not to exceed \$10,000.00.

Chairman Lerma referred to Item 8.

Executive Director of the Downtown Management District Alyssa Barrera Mason presented information on the following topics: this item is a request to expand and refine TIRZ #3 Incentives; new tenant recommendation; and Chaparral Street recommendation.

A Board Member and Executive Director Barrera Mason discussed a request for a reporting process on administrative approvals.

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

Aye: 12 - Board Member Lerma, Board Member Barrera, Board Member Canales, Board Member Guajardo, Board Member Hernandez, Board Member Hunter, Board Member Hutchinson, Board Member Martinez, Board Member Molina, Board Member Pusley, Board Member Sedwick, and Smith

Abstained: 0

H. PRESENTATION ITEMS:

9. Corpus Christi Downtown Management District FY 2020 Annual Report

Chairman Lerma referred to Item 9.

Executive Director of Downtown Management Alyssa Barrera Mason presented information on the following topics: DMD and TIRZ #3 FY 2020 annual report; about the DMD; DMD funding and organization improvements; downtown area development plan; three year strategic plan and service plans; FY 2020 accomplishments; district operations; keeping downtown clean; develop and improve; facilitating catalytic development; communications and events; communications and events COVID-19 response; and organizational management.

Board Members and Executive Director Barrera Mason discussed the following topics: Board Members thanked Executive Director Barrera Mason and her team for their work, diligence and leadership in the downtown area; concerns that the downtown area development plan and the downtown management district have different goals regarding residential development for Washington-Coles and Hillcrest; and considering condominiums as a housing option for downtown.

I. IDENTIFY FUTURE AGENDA ITEMS:

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

J. ADJOURNMENT

There being no further business, Chairman Lerma adjourned the meeting at

10:53 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.*