



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes

Reinvestment Zone No. 3 - Downtown

Tuesday, April 27, 2021

9:00 AM

Council Chambers

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

Chairman Lerma called the meeting to order at 9:01 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: Mayor Guajardo arrived at 9:03 a.m. Board Member Susan Hutchinson arrived at 9:36 a.m. and participated by video conference.

Present 11 - Board Member Billy A. Lerma, Board Member Roland Barrera, Board Member Paulette M. Guajardo, Board Member Gil Hernandez, Board Member Michael Hunter, Board Member Susan Hutchinson, Board Member John Martinez, Board Member Ben Molina, Board Member Mike Pusley, Board Member James Sedwick, and Board Member Greg Smith

Absent 1 - Board Member 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 January 26, 2021 Regular Meeting and March 30, 2021 Special Meeting.

Chairman Lerma referred to Item 1. Board Member Pusley made a motion to approve the minutes, seconded by Board Member Hernandez and passed unanimously (Board Members Canales and Hutchinson - absent).

E. FINANCIAL REPORT:

2. TIRZ #3 Financial Reports as of February 28, 2021

Chairman Lerma referred to Item 2.

Director of Finance Heather Hurlbert presented the financial report for Tax Reinvestment Zone No. 3 ending February 28, 2021, including: revenues; expenditures; commitment reports; and fund balance.

There were no comments from the Board.

F. EXECUTIVE SESSION ITEMS:

Chairman Lerma referred to Executive Session Items 3 and 4. The Board Members went into Executive Session at 9:06 a.m. The Board Members returned from Executive Session at 9:36 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 1001 N Water Street LLC. regarding development, re-development, or expansion of the development at 1001 N Water Street, including issues related to a proposed incentive agreement in an amount not to exceed \$580,000.00; **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 after executive session.

Board Member Pusley made a motion authorizing a downtown development reimbursement agreement with 1001 N Water Street, LLC, in an amount not to exceed \$580,000.00 for improvements to the property located at 1001 N Water Street under the downtown living initiative program contingent upon negotiation of a parking agreement to be brought back to the Board for review and approval, seconded by Board Member Hernandez.

The Motion was passed and approved with the following vote:

Aye: 11 - Board Member Lerma, Board Member Barrera, 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 Board Member Smith

Absent: 1 - Board Member Canales

Abstained: 0

- 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 Bayside Solutions, Inc. regarding development, re-development, or expansion of the development at 1001 2nd Street, including issues related to a proposed incentive agreement in an amount not to exceed \$24,036.00; **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 after executive session.

Board Member Martinez made a motion authorizing a downtown development reimbursement agreement with Bayside Solutions, Inc., in an amount not to exceed \$24,036.00 for improvements to the property located at 1001 2nd Street, under the streetscape and safety improvement program, seconded by Board Member Molina.

The Motion was passed and approved with the following vote:

Aye: 11 - Board Member Lerma, Board Member Barrera, 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 Board Member Smith

Absent: 1 - Board Member Canales

Abstained: 0

G. AGENDA ITEMS:

5. Motion to approve Rules of Procedure for the Tax Increment Reinvestment Zone No. 3 and provide an alternative method in which items are placed on a meeting agenda.

This Item was withdrawn by staff.

6. Motion approving Amendment No. 1 to the Downtown Development Reimbursement Agreement for Agnes Water, LLC which provides an eight-month (8) extension that the Developer must complete improvements on or before March 31, 2022, effective upon signature by the City Manager or designee.

Chairman Lerma referred to Item 6.

Executive Director of the Downtown Management District Alyssa Barrera Mason presented information on the following topics: South Chaparral Square; project progress; and project concept.

A Board Member and Executive Director Mason discussed the following topics: the building is owned by a partnership and one of the partners bought out the other partner; and Nueces Brewing is a tenant of the property owners.

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

Aye: 11 - Board Member Lerma, Board Member Barrera, 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 Board Member Smith

Absent: 1 - Board Member Canales

Abstained: 0

7. Motion approving Amendment No. 2 to the Downtown Development Reimbursement Agreement with Peoples Street Project, LLC (Ward Building) for the property located at 541 N Chaparral St which increases the total incentive by an amount not to exceed \$40,000 for a total incentive not to exceed \$430,000 and provides a sixteen-month (16) extension that the Developer must complete improvements on or before December 31, 2022, effective upon signature by the City Manager or designee.

Chairman Lerma referred to Item 7.

Executive Director of the Downtown Management District Alyssa Barrera Mason stated that this item is a request for an amendment to the existing agreement with Peoples Street project for a property that was previously owned by the Corpus Christi Housing and Finance Corporation, which is being proposed for redevelopment.

A Board Member, Executive Director Mason and Bill Hoover with Peoples Street Project discussed the following topics: the construction of this project will begin in June.

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: 11 - Board Member Lerma, Board Member Barrera, 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 Board Member Smith

Absent: 1 - Board Member Canales

Abstained: 0

H. PRESENTATION ITEMS:

8. Downtown Design Guidelines

Chairman Lerma referred to Item 8.

Executive Director of the Downtown Management District Alyssa Barrera Mason presented an Update on Downtown Design Guidelines: overview; incentive guidelines; Downtown Area Development Plan development guidelines for TIRZ #3; primary walking street; flexible access street; gateway street or boulevard; streetscape zone guidelines; next steps; and development guidelines for TIRZ #3 and connecting corridors.

Board Members and Executive Director Mason discussed the following topics: the downtown area is a designated streetscape zone that allows owners of a property to set out furniture on sidewalks; and the importance of aesthetic improvements and landscaping maintenance in the downtown area.

9. Downtown Perception Study

Chairman Lerma referred to Item 9.

Executive Director of the Downtown Management District (DMD) Alyssa Barrera Mason presented information on the 2021 Downtown Perception Survey: overview; background-goals & methodology; 2021 results - benchmarks demographics; patronage; non-users; programs surveyed & accomplished; 2021 new programs; downtown living; highlights; and next steps.

Board Members, City Manager Peter Zanoni, Executive Director Mason and Director of Finance Heather Hurlbert discussed the following topics: increasing the size of the DMD's "clean team", which maintains about 40 blocks of the downtown area; past efforts to operate a downtown trolley and ferry were unsuccessful due to lack of ridership; in lieu of a trolley, a board member suggested using golf carts and microtransit options like vans; a board member's observation that foot traffic downtown is higher than in the past, which may make a trolley more feasible now; and in response to a board member's concern about safety hazards related to undocked scooters, staff reported on a new plan to issue guidelines establishing corral areas and penalties for failure to redock.

I. ADJOURNMENT

The meeting was adjourned at 10:44 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.*