

MINUTE RECORD OF THE CITY OF SAN ANGELO TAX INCREMENT REINVESTMENT ZONE MEETING HELD ON WEDNESDAY, March 2, 2016 AT 12:00 PM, MCNEASE CONVENTION CENTER, 501 RIO CONCHO DRIVE.

PRESENT: Lee Pfluger, William Dendle, Dominic Santos, Bob Pfluger, John Klingemann, Mike Campbell, David Mazur, Johnny Calvert, Travis Stribling, Craig Kinney

ABSENT: Anne Coverston (AE), Nelly Perez (AE)

STAFF: Jon James, AICP
Sarah Tackett
Dan Saluri
Rick Weise

I. Call to order, establish quorum.

The meeting was called to order at 12:00 pm. It was established that a quorum was present.

II. Public comment.

No public comment.

III. Consideration of approving the minutes from the December 16, 2015 TIRZ Board Meeting.

Motion to approve the minutes from the March 2, 2016 TIRZ Board Meeting with changes by Mr. Mike Campbell, seconded by Ms. Anne Coverston and carried unanimously.

IV. Streetscape
Russell Pehl and Kent Conner
presentation
Phase II & III chadbourne St both sides to 7th to 14th
Extension 14th to 18th
Aerial overview of the project
Scope of work:
Collaboration between the COSA and CVTD

current members on the TIRZ Board are within their term limit. If we dissolved both boards, everyone would be able to start fresh. Staff is still proposing a board with 9 members, 7 appointed by City Council and 2 by Tom Green County. The school board, Angelo State University (ASU) and Goodfellow Air Force Base (GAFB) appointed members would no longer exist. The TIRZ guidelines do not require representation from them. We did hear your concerns at the last meeting regarding the 9 member board proposal. One of the reasons we are bringing this to you is to get your comments; we want to hear what you think. Another proposal of the reorganization is 2 consecutive two-year terms, currently 3 two-year terms; remove requirement of owning property in the zone. Another proposed item is the removal of ethics/conflict of interest in the by-laws. We will also look at the possibility of considering a change to frequency of meetings from monthly to bi-monthly; with special meetings as needed. The thinking is the City council and county will still consider members who own property in the zone. After the meeting today, we will work on a draft ordinance and by-laws. We will be taking this issue to the DDC on March 22, 2016; then on to City Council in April. All issues are somewhat flexible; however, this is our goal today. Any questions regarding proposal? Mr. John Klingemann asked if there would be no designated appointments from ASU, GAFB and SAISD. Mr. Jon James stated that city council is working towards a consistent membership for boards/commissions serving the city. Mr. Jon James said if you feel those appointees are extremely important, we can revisit the idea. Mr. John Klingemann added that he believes the people that represent these entities bring a different experience than a business owner. Mr. Dominic Santos asked about dissolving the DDC; you are only creating a TIRZ, not the DDC? Mr. Jon James stated that the DDC has completed most of their priorities; therefore, the duties of the DDC would be combined with the TIRZ Board. Mr. Santos added that this just seems to be such a great reduction. Mr. Johnny Calvert asked, where did you come up with the idea of having no property owner from the north? Mr. Jon James responded that, it would be up the council to appoint members to the board who represent citizens from the north. Mr. Jon James added, as we move forward in the incentives process, we will have 2 committees for the process, one for the north and one for the south. This should address those concerns. The new board would pick a new incentive committee. Mr. Mike Campbell stated that his comment is a little more personal, many of us have been here since the beginning. You are our fourth director; in the past year or so it seems there has been a little marginalization; life is not static. Mr. William Dendle, in reviewing the minutes, there was much discussion that a 9 member board is too small. We are currently working with 12 members, the only folks that don't have their appointees in place is City council; I'm concerned that they will not choose to make their appointments. It seems as though sometimes they are slack in making their decision. Overwhelming, the conversation at the last meeting was to increase the new board from 9. Mr. Craig Kinney stated if the number is going to be 9, there should be guidelines to review before they make

their appointment. Mr. Travis Stribling stated that the biggest concern is the representation of the north, regarding the 2 committees for the review of the incentives it seems as though the number would be low. Mr. Bob Pfluger, talking about numbers, what is the real answer, what is the reason for the board? Mr. Jon James stated, state law requires certain requirements in filling the positions of the TIRZ Board. Mr. Bob Pfluger asked what the DDCs purpose? Mr. Jon James replied: hiring a Master Developer and completing a Master Plan for the downtown area; 2 phases are complete. There was going to be a third, however City Council stated they did not want to move forward with Phase III. That was a very small piece for a board to meet monthly. We feel that the remaining responsibilities can be handled by the new board. Mr. Bob Pfluger, in your opinion, the goal is well defined? The community will be well served? Mr. Jon James stated, yes. Mr. Bob Pfluger, not necessarily a merger, an elimination. Mr. Jon James stated, no. We know the number 9 is a concern for many of you today. Mr. Bob Pfluger added, this is a city council action, I understand that. My feelings aren't hurt, I just feel that you have already decided. Mr. Jon James stated we wanted to bring it back as an action item; so the board as a whole can vote. Mr. Bob Pfluger stated he feels that the TIRZ Board as it is designed today is adequate. I'm very concerned too regarding the SMDs, how many SMDs represent the North? That is my concern. Mr. Jon James replied that 2 represent the TIRZ area and one more represents the north side of town, but not the TIRZ area. Mr. Lee Pfluger stated that when Mr. Bob Stribling put this thing together, the north and south had not been segregated. Mr. Dwain Morrison, councilmember, advocated that north and south be split. Mr. Bob Pfluger added that the representation from the north is important; I do agree with 2 committees for the incentives. Mr. David Mazur, I do not want to rehash what has been said; I agree with what has been said by each board member. The diversity on the board is great, I like the way the current board is structured. Mr. Lee Pfluger stated this is the same proposal that was presented in December. I'm confused as to why comments from the board have not been combined into the proposal. Mr. Rick Weise interjected that this item was initiated by council; as far as some of the comments, I do agree. However, we need action, a formal record vote to take to council. Mr. Travis Stribling asked, did council direct you to merge the boards? Mr. Rick Weise, yes, council did ask us to look at the item. Mr. Rick Weise stated that the DDC and TIRZ overlap somewhat; whatever you call it, it's a merger. Mr. Jim Cummings, one of the vice chairs of the DDC; stated that some of the comments heard today have not been made to the DDC. I will have more comments following the March 22nd DDC Meeting. Mr. Lee Pfluger asked if it is appropriate to get a sounding from the TIRZ Board; I like items written down, instead of verbal. We currently have an Incentives Subcommittee Group, they could get together to come up with a proposal. Mr. Dan Saluri stated that polling of the board would violate the Open Meetings Act. He added that your authority on TIRZ, qualifications are in the Tax Code. Mr. Lee Pfluger asked Mr. Saluri, what do you

suggest? Mr. Dan Saluri replied, you may have a committee, less than a quorum. The prior Incentive Committee included: Dominic Santos, William Dendle, Johnny Calvert, Travis Stribling, and Lee Pfluger. Mr. Lee Pfluger would like to know the significant benefits of the reorganization. Mr. Jon James stated that a smaller board is more manageable, appointments are easier to handle. Mr. Lee Pfluger added that the issue of appointments is a City staff issue, not a board issue. Mr. Rick Weise stated the difference he sees primarily is that currently our goal has been to help in the TIRZ area (northern and downtown), we have a DDC that has been working on downtown redevelopment as well. Many of those districts overlap; we are trying to all be on the same page and move San Angelo forward. From a staff perspective, it's easier; less postings, less minutes, etc. Regarding appointments, if you have issues, please contact your council member. It has been an issue finding qualified people to serve on many boards.

Motion made by Mr. Bob Pfluger that Dominic Santos, William Dendle, Johnny Calvert, Travis Stribling, and Lee Pfluger be appointed to the committee to look at a proposal for board reorganization seconded by Mr. Mike Campbell and carried unanimously.

V. Discussion and update on the 2016 incentives process.

Mr. Jon James presented an update regarding the FY2016 Incentives Process. The 1st round of incentives for FY2016 were cancelled due to reorganization discussions and hiring of new staff. The application window was scheduled for November 1 - January 31, review February 1 – February 29 and awards March 1 - March 31. We will move forward with the 2nd round of incentives. The window for applications is April 1 - June 30, review of applications July 1 - July 31 and awards August 1 - August 31. We will move forward with the 2nd round. Staff will begin preparing an update to the TIRZ “Project Plan” that will guide future grants. This will include discussions of prioritization of: private grants (incentives program), public investments (streets, sidewalks, landscaping, etc.) and large projects through a development agreement. Options to discuss: different review criteria-north & south and project review.

VI. Update and discussion regarding the FY 2016 Budget.


Mr. Jon James stated that staff has been preparing for 2nd round of incentives, we will be coming back with an updated Project Plan. Staff will be asking how much should be budgeted for incentives. Staff will propose setting aside funds for both incentives projects and City infrastructure projects.

VII. Announcements and consideration of future agenda items.

a) Next Meeting – March 16, 2016

VIII. Adjournment.

Motion to adjourn by Johnny Calvert, seconded by Mr. Travis Stribling and carried unanimously. Meeting was adjourned at 1:09 PM.



Lee Pfluger, TIRZ Chairman