

5-16-85

ABILENE CITY COUNCIL

and

ABILENE REINVESTMENT ZONE NO. ONE (Tax Increment Board)

FOLLOWING ARE THE MINUTES OF A JOINT MEETING OF THE ABILENE CITY COUNCIL AND THE ABILENE REINVESTMENT ZONE NUMBER ONE (TAX INCREMENT BOARD), HELD ON THE 16TH DAY OF MAY, 1985, AT 12:00 NOON AT THE ABILENE CHAMBER OF COMMERCE, 341 HICKORY, ABILENE, TEXAS. THE FOLLOWING LIST INDICATES ATTENDANCE AT THIS MEETING:

City Council Members Present:

David Stubbeman, Mayor  
A.E. Fogle, Jr.  
Walter E. Wheat  
Welton Robinson  
Harold Nixon  
Gary McCaleb  
Betty Ray

Tax Increment Board Members  
Present:

H.C. Zachry, Chairman  
Sam Waldrop  
Jim Tittle  
Glen Churchill  
Adolfo Gonzales  
Downing Bolls, Sr.  
Lynn Barnett  
Jesse Harris  
Frank Puckett  
Mel Richards

Tax Increment Board Members  
Absent

Raymond McDaniel, Jr  
Syd Niblo  
Sara Hudman  
Mike Young, Jr.  
Fred Lee Hughes  
Walter Johnson  
Dick Spalding  
Wade Terrell  
Joe Cannon  
Lee Moore

City Staff Members Present:

Jim C. Blagg, City Manager  
Roy McDaniel, Assistant City Manager  
Lee Roy George, Director of Planning  
James Condry, Assistant Director of  
Traffic & Transportation  
Bob Payne, Principal Planner  
Edlyn Vathauer, Senior Planner  
Patricia Patton, City Secretary  
JoAnn Sczech, Recording Secretary

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The meeting was called to order by the Chairman, H.C. Zachry. Mr. Zachry introduced Mr. Nicholas Trkla of the firm of Trkla, Pettigrew, Allen and Payne. At this meeting Mr. Trkla would be presenting the final plan and development strategy.

Mr. Trkla stated that now that the Board has identified projects and an overall view of project feasibility, the question now is "what should be done in the first year?" An area has been designated to hold captured increments on the basis of new investments that, hopefully, will be stimulated through a range of public and private actions. This money or increment must have accountability and must be spent and utilized judiciously. Operations should be funded out of cash flow and borrowing should be limited to strategic plights where a major effort is required. This program suggests a slower start. Tax increment production should be utilized to its fullest leverage potential. Mr. Trkla stated that, in his judgment, the key effort must be in the area of identifying from the project list those projects that if packaged or put together would represent the best opportunity for some new private investment.

During the next 60 to 90 days the following events should take place:

- o Set date for final presentation of report  
"public culmination" of the report at the time the Reinvestment Board will be presenting the plan to the City Council for review and approval (within next 30 to 90 days)

The steps proposed for consideration during the first year include:

1. Begin with a premise that while we can see a tax increment revenue strength already flowing, that shouldn't accept or take for granted what the ultimate tax increment potential might be. Positive steps must be taken to enhance that tax increment production. This will involve some risks.
2. The most important step to follow approval of the plan by the City Council is to put in place a local development entity. A public and private connection must be established. The first task of this organization should be to begin the marketing process, i.e., developer solicitation. The plan is in hand, the basic framework has been established, and potential markets have been identified. Residual markets exist with the district that, if property packaged, could represent the "first time out" development opportunity for the City. This development opportunity is believed to be a combination of two projects which in fact may be one. That is the hotel/mixed use project. This process includes preparation of a "developer's solicitation kit." This information would be an executive type summary which identifies the market, the offering, the kinds of incentives, the general development environment, and more specifically the manner in which that developer will be related to.

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One capital expenditure that might be undertaken during this first year is a project(s) which will provide "high visibility" of the program.

Mr. Trkla stated that the first year should be primarily exploratory and that dollars should not be committed other than perhaps "study dollars" to determine the appropriateness of above-mentioned uses in the downtown.

There are two projects that the Board may want to consider initiating during the first year on a small basis. These include some broadly based kind of impact that in/and of itself will not revitalize the downtown but it keeps this very delicate balance between the targeted efforts and the efforts to keep shoring up the frame of the downtown. These include:

- Devote a certain amount each year (\$25,000-\$50,000) to improving the sidewalks and landscaped areas in and around the downtown edges.
- Facade improvements for some of the smaller businesses. This program could be set up as a revolving fund utilizing TIF and private funds.

Information provided to the TIF and City Council members covers two sections from the report and summarize information covered at the last meeting in terms of listing the projects, putting dollars next to the projects, listing projects in terms of where other potential sources of funds may come from, but also listing them in a way that suggests the kind of strategy-type approach described today.

Mayor Stubbeman asked if hiring an executive for this program is still one of the proposals. Mr. Trkla responded that this is still among the proposals and this information is highlighted in the management section of the report.

Mr. Sam Waldrop asked what typical type of program it would take to interest a real estate developer in a hotel. Mr. Trkla stated that the fact that a hotel could be linked to the Civic Center is a strong point. Developers will be looking for some help to cuts, e.g., site assembly; some showing of market; and also, overall political environment for development.

Mr. Downing Bolls questioned the "go slow" theory regarding promoting the market that is attempting to be developed in the downtown area. Mr. Trkla responded that his suggestion of proceeding slowly was with respect to capital improvements. The one thing the board was urged to move with and dispatch of was developer solicitation.

Mr. Zachry stated that the issue to be dealt with today is the final draft of the plan. After acceptance, if it is accepted by the Tax Increment Board at this meeting, the plan will be submitted to the City Council for approval. The Council presentation will consist of two parts: (1) the plan and (2) secondary plan for the creation of a non-profit entity that

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will tie City and private forces together. The two parts of the plan include: (1) structure, and (2) budget which would cover personnel, marketing personnel, to work with developers and whatever marketing materials are needed. Presuming today that the Tax Increment Board approves this final plan draft, the next steps would be:

- Presentation of the plan to the City Council for approval
- Setting up the non-profit entity, some private seed money would be generated to help get this started
- Accelerate the submission of packages for pricing for feasibility study for combinations of projects
- Employ marketing person (Perhaps 120 days from today the Board could have a person employed full-time.)
- Develop a prospect list of the developers that would be solicited and develop the marketing materials that marketing person(s) would use to solicit the developers.

Mr. Tittle stated that there seems to be quite a bit of work to be done by the District and the City Council in getting the package prepared during the next 120 days. Mr. Tittle asked if there was a way that both the Board and the marketing entity could proceed simultaneously. Mr. Zachry responded that he felt it imperative that this be done as policies and the rehabilitation strategy must be developed. The Tax Increment Board will continue to function to pursue the policies and strategies development. When this endeavor is beyond the scope of volunteer efforts by the Tax Increment Board Members and supplemental assistance from the City staff, then an individual must be retained to proceed with the process.

At this point, Mr. Zachry stated that he would entertain a motion that the Tax Increment Board approve the final draft of the redevelopment plan as submitted. Prior to the vote, Mr. Zachary stated that approval of the plan by the Tax Increment Board does mean that any point in the plan cannot be changed or will not be evaluated further. Frank Puckett so moved; Mel Richards seconded the motion; and the motion carried without opposition.

There being no further business the meeting adjourned at 1:00 p.m.

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Lee Roy George, Director  
Planning Department

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H.C. Zachry, Chairman  
Abilene Reinvestment Zone No. 1  
(Tax Increment Board)

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