
TIRZ BOARD MEETING
June 16, 2015
Minutes

Members Present: Charles Black ~ Chairman
Robert (Stormy) Higgins ~ Vice Chairman
Sam Vinson
Kelly Young

Members Absent: Chris Evatt

Staff Present: Jon James, Director of Planning and Development Services
Dan Santee, City Attorney
Donna Boarts, Secretary (recording)

Others present: Mindy Paterson
Ben Bryner
Ed McRoy

Item One: Call to Order

The meeting was called to order at 2:00 p.m. in the Basement Conference Room of City Hall.

Mr. Sam Vinson was sworn in as a new TIRZ Board Member.

Acknowledgement was made that Mr. James will be leaving the City of Abilene. Mr. James introduced Mr. Bryner to the Commissioners.

Item Two: Approval of the minutes of the April 16, 2015

Corrections were made to the minutes.

Mr. Higgins moved to approve the minutes subject to corrections identified. Mr. Black seconded the motion and the motion carried by a vote of four (4) in favor (Higgins, Young, Vinson, & Black) and zero in opposition.

Item Three: Discussion and possible approval of revisions to the Board Bylaws

Mr. Young stated that the changes were made to the bylaws that were discussed.

Mr. James stated the bylaws were revised and accepted.

Mr. Black inquired about Section: II. Are we able to state: *Any* amendments to the bylaws, shall also require approval? And Article V, Section 1(b).

- The Board shall pay reasonable compensation to the City for such services **in accordance with a Memorandum of Understanding (MOU) with the City**, and (b) the performance of such services does not materially interfere with the other duties of such personnel of the City.

Mr. Santee stated that the MOU would be paid out of the “Zone Funds”.

Mr. Black inquired about the **Expenditures of Zone Funds**. (a) The monies of the Zone collected pursuant to the Act, the proceeds from the investment of funds of the Zone, and the proceeds derived from the sale of Obligations, may be expended **by the Zone for any of the authorized purposes**, subject to the following limitations.

Who is the authorized purposes?

Mr. James stated that it is in the statute that authorizes the TIRZ and what they can and cannot do. It also is in the creation document that City Council has already approved.

Mr. Young inquired about article VI, Section 4B.

The District shall indemnify each and every member of the Board, its officers, and its employees, and each employee of the City acting on behalf of the Board, to the fullest extent permitted by law, against any and all liability or expense, including attorney’s fees, incurred by any of such persons by reason of any actions or omissions that may arise out of the functions and activities of the Board.

He asked for clarity on the word “District” should it be City or Zone?

Mr. James stated the wording should be “Zone”:

Financing Development or Redevelopment in the Zone. In order to implement the purposes for which Tax Increment Financing Reinvestment Zone No. Two, City of Abilene, Texas (the “Zone”) was formed, as set forth in **Ordinance No.** Ordinance 66-2013, dated December 5, 2013, creating the Zone, the City of Abilene, Texas (the “City”) may issue obligations to finance all or part of the cost of implementing the “project plan” for the Zone as defined in the Tax Increment Financing Act of the Tax Code, Chapter 311, Vernon’s Texas Codes Annotated (the “Act”).

Mr. James stated once the Bylaws were approved, then an MOU will be developed.

Mr. Black inquired about refunding obligations.

Mrs. Patterson stated if the interest rate drops, a refund would be prepared.

Mr. Vinson moved to approve amended bylaws and send on the City Council. Mr. Higgins seconded the motion and the motion carried by a vote of four (4) in favor (Vinson, Higgins, Young, & Black) and zero in opposition.

Item Five: Workshop regarding policies and procedures for development proposals being placed on the Board agenda

Mr. James provided the TIRZ Board members with policies from two peer cities (San Angelo, TX & Midland, TX) and the criteria that they use.

Mr. Young indicated 3 main points of importance.

- The purpose of TIRZ
- What the City wants to do with the TIRZ Board and what their role is
- What are the City's roles and what goals do they want to accomplish

As well as to promote development and re-development of the zone by financing certain kinds of costs:

- Promote development in the zone.
- Those improvements or development should enhance the value of the taxable property.

Mr. James stated that in some cities there are two (2) different types of projects:

- In some cities they like their TIRZ funding to only be used for catalyst projects that increase revenue for the surrounding areas.
- Other cities use TIRZ funds also for smaller businesses as general incentives.

The purpose of the TIRZ Board is to encourage re-development in areas that might not see development and to not limit funding to one single area.

- South Downtown
- North Downtown
- Pine Street and Ambler corridor

Mr. Higgins stated it becomes our discretion to decide what a worthy project is.

Mr. Santee stated in speaking with the City Manager the City would go into a 380 Agreement with a developer before it is brought before the TIRZ Board for possible funding for large scale projects.

Mr. Young stated the wording in the Development Policy, No.1 from Midland, TX has some appropriate wording.

- Conformance with and implementation of the TIRZ Redevelopment Strategy
- Likelihood of success as determined by independent review
- Positive financial impact to the TIRZ and/or participating taxing entities
- Anticipated debt obligation to be incurred by the TIRZ
- Impact to the services to be provided by the participating taxing entities
- Overall economic stimulus to the economy

Mr. Higgins suggested that the Board looks over the sample cities' TIRZ information provided by Mr. James to discuss at the next meeting.

Mr. Young stated setting quarterly deadlines and timeframes are important so applications can be reviewed in a timely manner.

Mr. Santee stated the desire is to have something up on the City website explaining the process to those wanting the assistance.

Mr. Higgins stated that because we are collecting new tax dollars throughout the city the ordinance allows the Board to have control of all the new tax dollars.

Mr. James clarified except when it is restricted yourself. Any project seeking funds other than TIRZ funds should go through the development agreement process with City Council to define other types of incentives. It might be possible to abate the base taxes.

Mr. Black inquired what can be done concerning funding for those projects.

Mr. James stated that we are limited to the things that are outlined in the ordinance and that it requires the funds be used for public improvements.

Mr. Black inquired what the timeframe was for reimbursement on projects.

Mr. James stated work would need to be completed prior to reimbursement, if assistance is needed. Mr. James clarified that this is the role of City Council through these adopted plans to identify what non-financial things we are trying to achieve.

Mr. Santee stated that he spoke to Mr. Hanna (City Manager) regarding some ideas and input that will be brought back at the next TIRZ meeting. Mindy Patterson will also be providing additional information for 380 policies that have been developed with other cities as a reference point.

Mr. Black stated the next regular TIRZ meeting is scheduled for July 16th at 9:00 am.

Mr. James stated the only scheduled agenda item is ACU (Abilene Christian University).

Mr. Black inquired about the "Memorandum of Understanding".

Mr. Santee stated that he would like an approval on the bylaws from City Council first.

Mr. Higgins inquired if Mr. Grohman was aware that the city was not going to take any action regarding the Adoba Hotel project that was discussed at the April 16th TIRZ meeting.

Mr. James stated that Mr. Grohman will be advised regarding the project size where he is asking for more than just TIRZ funding, it would need to be brought forward before the City Council initially.

Next TIRZ meeting scheduled on July 16th at 9:00 AM.

Item Five: Adjourn

The TIRZ meeting was adjourned at approximately 3:50 P.M.

Approved: _____,
Chairman