

Tax Increment Reinvestment Zone (TIRZ) No. 1 & No. 2 Board

Regular Meeting Minutes

April 2, 2018 at 4:00 p.m.

A Regular Meeting of the TIRZ No. 1 & No. 2 Board was held Monday, April 2, 2018 beginning at 4:00 p.m. in the City Hall Council Chambers located at 511 Mercer Street, Dripping Springs, Texas.

I. CALL TO ORDER AND ROLL CALL

Board Members present were:

Dave Edwards - Chair
Mim James - Vice Chair
Mike Figer
John McIntosh

Board Members absent were:

Missy Atwood
Dr. Bruce Gearing
Ray Whisenant

City Staff/Officials present were:

Michelle Fischer, City Administrator
Keenan Smith, TIRZ Project Manager
Laura Mueller, Assistant City Attorney
Council Member Taline Manassian
Council Member John Kroll
Ron Jones, School Board
Taussig and Associates on Phone: Hector and Axel

With a quorum of the Board present, Chair Edwards called the meeting to order at 4:00 p.m.

II. PRESENTATION OF CITIZENS

Floor open to discussion on any subject. No action may be taken by law. Citizens wishing to speak shall do so after being recognized by the Chair. The Chair may establish a time limit as necessary.

Ron Jones, School Board. Organizing a Political Action Committee to support the bond. Friends of the DSISD.

III. MINUTES

Consideration and possible action on:

A. Approval of the TIRZ No. 1 & No. 2 Board regular meeting minutes of the of March 5, 2018, and the special meeting minutes of March 20, 2018

A motion was made by Board Member Figer to approve the March 20, 2018 special meeting minutes. Board Member McIntosh seconded the motion which carried unanimously 4 to 0.

Staff is to bring the corrected March 5, 2018 and February 5, 2018 meeting minutes to the Board for consideration at the May 7, 2018 regular meeting.

IV. BUSINESS (TIRZ #1 and TIRZ #2)

Consideration and possible action on:

A. Reconsideration and Approval of an Interlocal Agreement between the City of Dripping Springs, Dripping Springs Independent School District, Dripping Springs Library District, and Dripping Springs Tax Increment Reinvestment Zone No. 1 and No. 2, and regarding the Dripping Springs Town Center Project, and as approved for recommendation to City Council at the March 20, 2018 Special Meeting of the TIRZ No. 1 and No. 2 Board

1. ILA Agreement

A motion was made by Vice Chair James to reconsider and approve an Interlocal Agreement between the City of Dripping Springs, Dripping Springs Independent School District, Dripping Springs Library District, and Dripping Springs Tax Increment Reinvestment Zone No. 1 and No. 2, and regarding the Dripping Springs Town Center Project, and as approved for recommendation to City Council at the March 20, 2018 Special Meeting of the TIRZ No. 1 and No. 2 Board. Board Member McIntosh seconded the motion which carried unanimously 4 to 0.

B. Acceptance of Capitol Market Research, Inc. Market Analysis Proposal for the Proposed Dripping Springs Town Center; and Recommendation of approval by City Council of a Professional Services Agreement with Capitol Market Research, Inc.

1. Capitol Market Research Proposal

Keenan Smith presented the Proposal to the Board. It was the same proposal from February. Scope of proposal is to provide analysis of the Town Center land for office and retail (private sector side). They will also proof our concept plan including timing for the market; and work with the P3 consultant.

Chair Edwards. The School District did not suggest anyone else for this. Jon Thompson from the DSISD school board promoted Capitol Market Research.

Keenan Smith: The cost is \$20,000.

Vice Chair James: Asked city staff whether the city can pay the cost.

Michelle Fischer: Stated that the City may use already

A motion was made by Board Member Figer to accept the Capitol Market Research, Inc. Market Analysis Proposal for the Proposed Dripping Springs Town Center; and Recommendation of approval by City Council of a Professional Services Agreement with Capitol Market Research, Inc. Board Member McIntosh seconded the motion which carried unanimously 4 to 0.

C. Establishment of Members and Meeting Dates for Public Private Partnership (P3) Advisor Selection Subcommittee

Keenan Smith presented on this item. This committee needs to meet soon to meet the ILA schedule. Advisors and consultants had talked to us about some prequalified candidates. Other candidates have come forward. Need to create a targeted solicitation that the Assistant City Attorney has stated is legal in this type of procurement.

1. Review and proof the plan as a P3.
2. Work with the Market Analysis.
3. Draft a pro form or stakeholder term sheet.
4. Identify potential financing structures.
5. Formulate a master developer prospectus.

The company we would pick would not have an extra benefit towards being the developer who is chosen. We may put in the contract that the company chosen consultant cannot be the developer.

Chair Edwards: Stakeholders should be chosen to be on this committee. Decide who can be on the agreement. Elaine from the School District. Bob Richardson from the Library. John Kroll from the School. Dave will participate as well. County will have a different role and have previous experience, so they should have representation. They have also contributed funds. Mike Figer will be the County's representative.

A motion was made by Vice Chair James to select Elaine Cogburn, Bob Richardson, John Kroll, Dave Edwards, and Mike Figer for the Public Private Partnership (P3) Advisor Selection Subcommittee. Board Member Figer seconded the motion which carried unanimously 4 to 0.

Meeting dates will be established at a later date.

Vice Chair James: what happens if the bond package does not pass for the school? We would have to reevaluate what happens next.

Chair Edwards: Bond election is May 5.

D. Update on Town Center Contracts, Administration, and Funding

This item was previously discussed and will be discussed further in the following item.

E. Project Cost Participation and Reimbursement Agreements

1. Subcommittee Update

Vice Chair: The Subcommittee members have been chosen, including by the Library. The subcommittee is still working on a date. The subcommittee will discuss cost participation and the reimbursement queue and methodology. After the subcommittee has the meeting and makes some decisions on parameters then Taussig will become involved, as they would like to participate.

F. Old Fitzhugh Road Project Update

1. Right of Way (ROW) Dedications

Keenan Smith: We are making some progress. The three property owners have been contacted. One has agreed to allow dedication of the prescriptive easement. Two others were hopeful but needed to discuss with partners.

2. Concept Plan Update and Schedule – no update on this item

3. Stakeholder Workshop - April 18, 2018, at City Hall 5:00 p.m. - 7:00 p.m.

Councilmember Kroll: CAMPO determined that the Old Fitzhugh Road is ineligible for funding in this year's cycle, but there will be further conversations related to this funding. It might be eligible for different funding at a different time.

Keenan Smith: There wasn't a concept for them to see because of the deadline for the CAMPO grant, but we should have a better concept plan later for different funding at CAMPO.

Vice Chair James: If they scored it can we keep moving with it in this cycle.

Council Member Kroll: We are still working on it.

G. TIRZ Administrator Work Plan and Cost Accounting via Teleconference with TIRZ Administrator David Taussig & Associates

1. TIRZ Project Cost Analysis and Summary

2. Income

3. Long-Range Planning - Financial Plan, Budgets and Forecasts

Hector Perez and Axle are working on preliminary findings. Update is that they are close to having the workbook almost done. They have talked to the County. Do not have the apportionment schedule yet.

Looked at the boundaries of the TIRZ and recreated the parcel list. Is looking at a couple of more parcels. He is firming up his revenue analysis. Meritage added additional lots to TIRZ 1.

He is also working on the cash flow analysis. They are comfortable with what Andre (Hilltop) did. We are couple of years out to determining. 2022 or 2023. Long term recoupment of expended funds.

Vice Chair James: We will have a subgroup on the cost participation and reimbursement for each project.

H. Communications Plan Update - Dave Edwards

Chair Edwards: Public relations outreach is moving forward with Greater San Marcos Partnership and PEC. There is no presentation today, but Dave met with Tessa and they are actively putting it together. They will have a third party look at it: Maggie Fenelon. Bonnie Gonzalez from the City will look at it but is out. Danae from the City will help. There is no cost at this time (other than what the City already contributes to the Greater San Marcos Partnership). Lots of information is on the Website now.

V. EXECUTIVE SESSION

The TIRZ No. 1 & No. 2 Board for the City of Dripping Springs has the right to adjourn into executive session at any time during the course of this meeting to discuss any matter as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), and 551.086 (Economic Development). The TIRZ No. 1 & No. 2 Board for the City of Dripping Springs may act on any item listed in Executive Session in Open Session or move any item from Executive Session to Open Session for action.

The Board did not meet in Executive Session.

VI. ANNOUNCEMENTS

A. April 10, 2016 - Regular City Council Meeting, 5:30 PM workshop/6:30 PM meeting

B. April 17, 2018 - Regular City Council Meeting, 6:00 PM

C. May 7, 2018 - TIRZ Meeting, 4:00 p.m.

VII. ADJOURN

A motion was made by Vice Chair James to adjourn the meeting. Board Member McIntosh seconded the motion which carried unanimously 4 to 0.

This regular meeting adjourned at XX:XX p.m.