



# TIRZ BOARD 1 REGULAR MEETING

## CITY OF BAY CITY

Tuesday, November 09, 2021 at 5:00 PM  
COUNCIL CHAMBERS | 1901 5th Street

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*Bay City is committed to developing and enhancing the long-term prosperity, sustainability, and health of the community.*

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## AGENDA

### CALL TO ORDER & CERTIFICATION OF QUORUM

### APPROVAL OF AGENDA

### APPROVAL OF MINUTES SUMMARY

- [1.](#) Accept minutes summary from the September 9, 2021 TIRZ #1 Board Meeting.

### PUBLIC COMMENTS

### REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL:

2. Discuss, consider, and/or approve appointment of Vice Chair.
- [3.](#) Report ~ Discuss, consider and/or approve the Tax Increment Fund for TIRZ #1 Financial Report as of September 30, 2021, including current balance, disbursements, and the amount of any receivables. Scotty Jones, Director of Finance
- [4.](#) Discuss, consider, and/or approve the Sal Holdings, LLC (Developer's) request for reimbursement for public improvements under the terms of the approved development agreement for Phase II.
5. Presentation ~ Receive and/or discuss an update of the Citizen Committee findings. DC Dunham,

### ITEMS / COMMENTS FROM BOARD MEMBERS

### ADJOURNMENT

### CERTIFICATION OF NOTICE

This is to certify that the above notice of a Special Called Meeting was posted on the front window of the City Hall of the City of Bay City, Texas on **Friday, November 5, 2021 before 5:00 p.m.** Any questions concerning the above items, please contact Mayor Robert K. Nelson at (979) 245-2137.

### **AGENDA NOTICES:**

#### Action by Council Authorized:

The City Council may vote and/or act upon any item within this Agenda. The Council reserves the right to retire into executive session concerning any of the items listed on this Agenda, pursuant to and in accordance with Texas Government Code Section 551.071, to seek the advice of its attorney about pending or contemplated litigation, settlement offer or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas conflict with the Open Meetings Act and may invoke this right where the City Attorney, the Mayor or a majority of the Governing Body deems an executive session is necessary to allow privileged consultation between the City Attorney and the governing body, if considered necessary and legally justified under the Open Meetings Act. The City Attorney may appear in person or appear in executive session by conference call in accordance with applicable state law.

#### Attendance by Other Elected or Appointed Officials:

It is anticipated that members of other city board, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the other city boards, commissions and/or committees. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of the other boards, commissions and/or committees of the City, whose members may be in attendance. The members of the boards, commissions and/or committees may participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that board, commission or committee subject to the Texas Open Meetings Act.

#### Executive Sessions Authorized:

This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Executive Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144(c) and the meeting is conducted by all participants in reliance on this opinion. The facility is wheelchair accessible and accessible parking spaces available. Request for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact the City Secretary's Office at 979-245-5311 or email, [dholubec@cityofbaycity.org](mailto:dholubec@cityofbaycity.org) for further information.

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Lillie Norris

*City Secretary*

**CALL TO ORDER & CERTIFICATION OF QUORUM**

Board meeting was called to order by the Board Chairman, William Bell Jr. at 3:30 pm.

**PRESENT**

William Bell Jr., Chairman  
Craig Hlavinka  
DC Dunham  
William Cornman  
Edward "Bubba" Cook

**ABSENT**

Bryan Prochnow  
Julie Estlinbaum  
Kent Pollard  
Samantha Denbow

**APPROVAL OF AGENDA**

Motion made by William Cornman to approve the agenda, seconded by D C Dunham. Voting Yea: Craig Hlavinka, D C Dunham, William Bell Jr, William Cornman, Bubba Cook. Motion carried.

**APPROVAL OF MINUTES SUMMARY****1. Accept minutes summary from the August 12, 2021 TIRZ #1 Board Meeting**

Motion made by William Cornman to approve the minutes of August 12, 2021 with corrections, Seconded by Bubba Cook. Voting Yea: Craig Hlavinka, D C Dunham, William Bell Jr, William Cornman, Bubba Cook. Motion carried.

**PUBLIC COMMENTS**

There were no public comments.

**REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL:****2. Presentation ~ Receive and/or discuss a presentation from Sal Holding of TIRZ #1 Downtown Improvements and Time Line. Stuart Lynn, Sal Holding, LLV**



Minutes

TIRZ Board 1 Regular Meeting

September 09, 2021

A presentation was given by DC Dunham on behalf of Stuart Lynn. Ms. Dunham reviewed the downtown improvements and the tie line. Ms. Dunham provided a handout. Sidewalks, entry ways, drainage and culvert work is completed. Sal Holdings is waiting on City, which has applied for a grant, for the bridge that goes across the creek. Mainstreet is putting together a committee to get homeowner and merchants input on the park and paths.

**3. Discuss, consider, and/or approve an extension for the current development agreement between SAL Holdings LLC and the TIRZ #1 regarding Phase II. SAL Holdings, LLC**

D C Dunham discussed milestones that still need to be met that including the City grant approval for the bridge and the formation and input from committee. Ms. Dunham does not expect any work to at least November. The Board requested a fixed date on the agreement.

Motion made by William Cornman to approve the extension on the agreement to September 20, 2022, Seconded by Craig Hlavinka. Voting Yea: Craig Hlavinka, D C Dunham, William Bell Jr, William Cornman, Bubba Cook. Motion carried.

### ITEMS / COMMENTS FROM BOARD MEMBERS

William Cornman asked about the proposed apartments.

### ADJOURNMENT

Motion made by Bubba Cook to adjourn, Seconded by Craig Hlavinka. Voting Yea: Craig Hlavinka, D C Dunham, William Bell Jr, William Cornman, Bubba Cook. Motion carried and the meeting adjourned at 3:55 pm.

**PASSED AND APPROVED**, this \_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
WILLIAM BELL, JR.; BOARD CHAIRMAN

TIRZ BOARD #1

\_\_\_\_\_  
JEANNA THOMPSON

CITY SECRETARY

**DISCUSS, CONSIDER, AND/OR APPROVE THE TAX INCREMENT FUND FOR TIRZ #1 FINANCIAL REPORT AS OF SEPTEMBER 30, 2021, INCLUDING CURRENT BALANCE, DISBURSEMENTS, AND THE AMOUNT OF ANY RECEIVABLES.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

At each called meeting, an updated financial will be presented. This provides the Board opportunity to discuss the TIRZ's financial activity since last meeting.

In addition, an annual accounting is provided to each participating entity that details the funds deposited to and disbursed from the Tax Increment Fund.

**ATTACHMENTS:** TIRZ # 1 Financial as of 9-30-21

Recap of Financing Plan

Recap of Expenditures of the TIRZ by Fiscal Year

**City of Bay City**  
**Financial Statement**  
**Tax Increment Reinvestment Zone #1**  
**September 30, 2021**

<b>TIRZ 1</b>		Notes:
<b>Beginning Fund Balance 10-1-20</b>	<b>70,260.13</b>	
<b>Revenues</b>		
TIRZ # 1 City	37,822.71	
TIRZ # 1 County	24,422.80	
TIRZ # 1 Hospital	18,402.13	
TIRZ # 1 Port of Bay City	3,255.29	
<b>Total Revenues</b>	<b>83,902.93</b>	
<b>Expenditures</b>		
City Admin Fee 2.5%	2,097.57	Development Financing Agreement 9-4-17
City - Legal Fees	-	
Developer Reimbursement- SAL	56,134.46	Phase I & Phase II (see below recap)
<b>Total Expenditures</b>	<b>58,232.03</b>	
<b>Net Revenue (Expenditures)</b>	<b>25,670.90</b>	
<b>Ending Fund Balance</b>	<b>95,931.03</b>	

**Due Developer Reimbursement- SAL** - Phase II

**Balance after TIRZ revenue collected & estimated disbursements paid** **95,931.03**

**Recap of Disbursements FY 2021:**

		Paid
Sal Holding, LLC	35,966.78	Phase I 12/4/2020
Sal Holding, LLC	16,038.97	Phase II 5/14/2021
Sal Holding, LLC	4,128.71	Phase II 9/10/2021
	<u>\$ 56,134.46</u>	

ACTUAL vs. BUDGET YTD- TIRZ 1

30-Sep 2021

Expiration of Zone 12/31/2046

G/L Code	Account Title	Actual	Budget (Finance Plan)	Remaining \$	Remaining %
4422	Administrative Costs	\$42,335.91	\$335,388.00	\$293,052.09	87.38%
4423	Water Facilities and Improvements	\$22,129.81	\$1,006,165.00	\$984,035.19	97.80%
4424	Sanitary Sewer Facilities and Improvements	\$22,129.81	\$1,341,553.00	\$1,319,423.19	98.35%
4425	Storm Water Facilities and Improvements	\$28,281.92	\$1,341,553.00	\$1,313,271.08	97.89%
4426	Street and Intersection Improvements	\$44,357.36	\$3,353,882.00	\$3,309,524.64	98.68%
4427	Open Space, Park and Recreation Facilities and Improvements	\$0.00	\$3,353,882.00	\$3,353,882.00	100.00%
4428	Economic Development Grants	\$0.00	\$2,683,105.00	\$2,683,105.00	100.00%
<b>Total</b>		<b>\$159,234.81</b>	<b>\$13,415,528.00</b>	<b>\$13,256,293.19</b>	<b>98.81%</b>

Revenue	\$255,165.84
Expense	\$159,234.81
Balance	\$ 95,931.03 As of Sep 30, 2021

Account Title		Economic Development Grants		Open Space, Park and Recreiti...		Sanitary Sewer Facilities and I...		Storm Water Facilities and Im...		Street and Intersection Improv...		Water Facilities and Improvem...	
Administrative Costs													

**ANNUAL EXPENSE SUMMARY**

G/L Code	Account Title	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
4422	Administrative Costs	\$0.00	\$36,975.45	\$1,636.50	\$1,626.39	\$2,097.57	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$42,335.91
4423	Water Facilities and Improvements	\$0.00	\$0.00	\$20,254.81	\$0.00	\$1,875.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$22,129.81
4424	Sanitary Sewer Facilities and Improvements	\$0.00	\$0.00	\$20,254.81	\$0.00	\$1,875.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$22,129.81
4425	Storm Water Facilities and Improvements	\$0.00	\$0.00	\$20,254.82	\$0.00	\$8,027.10	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$28,281.92
4426	Street and Intersection Improvements	\$0.00	\$0.00	\$0.00	\$0.00	\$44,357.36	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$44,357.36
4427	Open Space, Park and Recreation Facilities and Economic Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4428	Economic Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>		\$0.00	\$36,975.45	\$62,400.94	\$1,626.39	\$58,232.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$159,234.81



**DISCUSS, CONSIDER, AND/OR APPROVE SAL HOLDING, LLC (DEVELOPER'S) REQUEST FOR REIMBURSEMENT FOR PUBLIC IMPROVEMENTS UNDER THE TERMS OF THE APPROVED DEVELOPMENT AGREEMENT FOR PHASE II.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

On July 17, 2019, the TIRZ Board recommended approval of a Developer Agreement between City of Bay City and SAL Holding, LLC for the development of Cottonwood Park. Exhibit C provides an estimate of Phase I and Phase II. City Council approved agreement on September 12, 2019. Developer is seeking reimbursement on a Phase II. Phase II has an estimated cost of \$100,000 when complete. Reimbursements are limited to the amount approved by this agreement.

On November 19, 2020, the TIRZ Board recommended payment of up to \$20,689.77 for reimbursement of Phase II. City has paid \$20,167.68 based on documentation received.

Phase II Estimated Costs per Development agreement is \$100,000 (see Exhibit C)

Phase II Paid Expenditures as of 9-30-21 = \$20,689.77

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SAL Holdings LLC is requesting \$13,976.38 for Drainage Improvements.

**FINANCIAL IMPLICATIONS:** Max Reimbursement remaining is 79,832.32 for Phase II.

**RECOMMENDATION:** Staff recommends TIRZ Board approve up to \$13,976.38 for reimbursement of Phase II based on documentation received.

**ATTACHMENTS:** Exhibit C of Development Agreement ; Phase II Expense Summary for reimbursement


**Exhibit "C"**

List/Description of Reimbursable Public Improvements  
**Cottonwood Park Development**

<b>Phase I Estimated costs</b>	<b>\$ 100,000.00</b>
<b>Camille Street Improvements</b>	
<b>Actual costs:</b>	
1) Survey	\$ 1,742.94
2) Engineering	\$ 7,500.00
3) Asphalt removal	\$ 6,070.00
4) 520' of 6" water lines 320' of 6" sewer lines	\$ 37,639.00
5) 300' of electrical lines	\$ 10,300.00
6) 6,000 sqft (300' X 20') concrete street	\$ 28,576.78
7) Site grading & tree removal	\$ 5,282.50
<hr/>	
<b>Total actual costs</b>	<b>\$ 97,111.22</b>

<b>Phase II Estimated costs</b>	<b>\$ 100,000.00</b>
<b>Public Green Space and Park Area</b>	
Pedestrian Bridge over Cottonwood Creek	\$ 25,000.00
Playground / Water Play Feature	\$ 40,000.00
Creekside Path	\$ 10,000.00
Sidewalks	\$ 25,000.00
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	<b>\$ 100,000.00</b>

As provided in Section 2 of this Agreement and applicable law (including Texas Tax Code §311) reimbursements are limited to public improvements and will not exceed the amounts stated in this budget.



- 16,038.97     pl 5-14-21  
 - 4,128.71     pl 9-10-21  


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 79,832.32

# SAL Holdings, LLC Transaction Report

January 1, 2020 - November 4, 2021

Date	Transaction Type	Num	Name	Memo/Description	Amount
04/23/2020	Bill	2873	Hickl Maintainer Service, LLC	dirt work	159.38
09/23/2021	Check	4380	Kinard's Backhoe Services, Inc	installed drainage pipes/drop boxes & covered with sand/dirt/gravel	11,000.00
09/30/2021	Check	4384	P. Sanchez Construction	Concrete work	2,817.00
					<u>\$ 13,976.38</u>
					<u>\$ 13,976.38</u>