



TIRZ BOARD 1 & 2 REGULAR MEETING

CITY OF BAY CITY

Monday, November 06, 2023 at 5:00 PM
COUNCIL CHAMBERS | 1901 5th Street

Through a united and collaborative effort, we seek to grow the City of Bay City with a diverse culture that is proud to call Bay City home. We envision a thriving family-centered community where citizens are involved in the future development of our city. We desire our citizens to work, play, worship and shop in the community in which we live. Visitors are welcomed and encouraged to enjoy the friendly environment and amenities the citizens and business owners have created together.

AGENDA

CALL TO ORDER & CERTIFICATION OF QUORUM

APPROVAL OF AGENDA

APPROVAL OF MINUTES SUMMARY

- 1. TIRZ Board 1 & 2 Meeting minutes of April 17, 2023**

PUBLIC COMMENTS

REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL:

- 2. Discuss, consider and/or approve the Tax Increment Fund for TIRZ #1 and TIRZ #2 financial report for month ending September 30, 2023. Scotty Jones, Assistant City Manager**
- 3. Discuss, consider, and/or approve an extension for the current development agreement between SAL Holdings LLC, TIRZ #1, and City of Bay City regarding Phase II. SAL Holdings, LLC**
- 4. Discuss and/or approve landscape architect change for the TIRZ #1 Cottonwood Creek Greenspace. D C Dunham, SAL Holdings**
- 5. Update on TIRZ #1A Valor Park development. D C Dunham, Sal Holdings**

ITEMS / COMMENTS FROM BOARD MEMBERS

ADJOURNMENT

AGENDA NOTICES: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.

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 3, 2023 before 5:00 p.m.** Any questions concerning the above items, please contact Mayor Robert K. Nelson at (979) 245-2137.

**CALL TO ORDER & CERTIFICATION OF QUORUM**

Board Chair Julie Estlinbaum called the board meeting to order at 5:02 pm and a quorum was certified.

PRESENT

Board Chair Julie Estlinbaum
Vice-Chair DC Dunham
Board Member William Cornman
Board Member Samantha Denbow
Board Member Craig Hlavinka
Board Member Bryan Prochnow
Board Member Jim Folse

ABSENT

Board Member Edward "Bubba" Cook
Board Member Mike Estlinbaum

APPROVAL OF AGENDA

Motion made by Board Member Bill Cornman to approve the agenda, Seconded by Board Member Jim Folse. Voting Yea: Board Chair Julie Estlinbaum, Vice-Chair DC Dunham, Board Member Bill Cornman, Board Member Samantha Denbow, Board Member Craig Hlavinka, Board Member Bryan Prochnow, Board Member Jim Folse. Motion carried.

APPROVAL OF MINUTES SUMMARY**1. TIRZ Board 1 & 2 Meeting minutes of February 27, 2023**

Motion made by Board Member Craig Hlavinka to approve the minutes of February 27, 2023, Seconded by Vice-Chair DC Dunham. Voting Yea: Board Chair Julie Estlinbaum, Vice-Chair DC Dunham, Board Member Bill Cornman, Board Member Samantha Denbow, Board Member Craig Hlavinka, Board Member Bryan Prochnow, Board Member Jim Folse. Motion carried.

PUBLIC COMMENTS

There were no public comments.



REGULAR ITEMS FOR DISCUSSION, CONSIDERATION AND/OR APPROVAL:

2. Presentation and discussion regarding City's Trailway plans.

Gabriel Lopez, City Engineering Tech, gave a presentation and summary of the City's Trailway Project that is funded with grants and provided 4 options of trailway routes, two in which went through TIRZ #1 Zone. Option 4 was the least complicated around the outside of Main Street and Option 3 goes directly thru the proposed Cottonwood Park but there are issues with putting a bridge over the creek. Mr. Lopez requested a letter of support from the TIRZ Board and he believes this will help in securing the grant.

Motion made by Vice-Chair DC Dunham to provide a letter of support, Seconded by Board Member Bill Cornman. Voting Yea: Board Chair Julie Estlinbaum, Vice-Chair DC Dunham, Board Member Bill Cornman, Board Member Samantha Denbow, Board Member Craig Hlavinka, Board Member Bryan Prochnow, Board Member Jim Folse. Motion carried.

3. Discussion of phases of TIRZ #1 green space plans along Cottonwood Creek.

DC Dunham, SAL Holdings, stated she had asked EHRA what they could do for \$300,000 and that Mr. May did not respond with sufficient information. Item was tabled.

4. Presentation ~ Bold Fox Development update

Alex Kamkar, Bold Fox, introduced Josh Cambell with EHRA. Mr. Cambell gave an update on development in TIRZ #2. They are waiting on LCRA crossing approval then the Drainage District approval will still be needed. Board Chair Estlinbaum asked when lots will be available and Mr. Cambell responded in about 6 months. Mr. Kamkar provided copies of the logo design for the development.

ITEMS / COMMENTS FROM BOARD MEMBERS

Board discussed and agreed that the next meeting date and time will be August 14th at 5:00 pm.



ADJOURNMENT

Motion made by Board Member Jim Folse to adjourn, Seconded by Board Chair Julie Estlinbaum. Voting Yea: Board Chair Julie Estlinbaum, Vice-Chair DC Dunham, Board Member Bill Cornman, Board Member Samantha Denbow, Board Member Craig Hlavinka, Board Member Bryan Prochnow, Board Member Jim Folse. Motion carried and the board adjourned at 5:51 pm.

PASSED AND APPROVED, this ____ day of _____, 2023.

JULIE ESTLINBAUM.; BOARD CHAIRMAN

TIRZ BOARD #1 & #2

JEANNA THOMPSON

CITY SECRETARY

City of Bay City
Financial Statement
Tax Increment Reinvestment Zone #1
September 30, 2023

TIRZ 1		Notes:
Beginning Fund Balance 10-1-22	167,480.43	
Revenues		
TIRZ # 1 City	71,917.33	
TIRZ # 1 County	43,229.75	
TIRZ # 1 Hospital	32,530.02	
TIRZ # 1 Port of Bay City	5,617.44	
Interest Income (Net)	32.13	
Total Revenues	153,326.67	
Expenditures		
City Admin Fee 2.5%	3,832.36	Development Financing Agreement 9-4-17
City - Legal Fees	-	
Developer Reimbursement- SAL	-	
Bank Charges (Net)	-	
Total Expenditures	3,832.36	
 Net Revenue (Expenditures)	 149,494.31	
Ending Fund Balance	316,974.74	

Due to TIRZ in FY 2024 (to be collected)		
TIRZ # 1 City	104,645.21	Accounts Receivable
TIRZ # 1 County	65,262.81	Accounts Receivable
TIRZ # 1 Hospital	47,922.61	Accounts Receivable
TIRZ # 1 Port of Bay City	8,635.59	Accounts Receivable
	226,466.22	
Recap of Disbursements FY 2023:		Paid
Sal Holding, LLC	-	Phase II
	<u> </u>	
	\$ -	

*Board approved up to 20,000 to be used on landscape architect on 12-21-21.
Phase II to be completed no later than 9-30-22 per Developer Agreement.

Total After TIRZ Deposits **543,440.96**

City of Bay City
Financial Statement
Tax Increment Reinvestment Zone #2
September 30, 2023

TIRZ 2

Beginning Fund Balance 10-1-22	152,875.10
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Revenues

TIRZ # 2 City	\$72,268.19
TIRZ # 2 County	\$43,413.65
TIRZ # 2 Hospital	\$32,668.40
TIRZ # 2 Port of Bay City	\$5,641.34
Total Revenues	153,991.58

Expenditures

City Admin Fee 2.5%	3,849.79	Development Financing Agreement 9-4-17
City - Legal Fees		
Developer Reimbursement- BCCDC*	165,000.00	Schulman Parking Lot
Bank Charges (Net)	46.38	
Total Expenditures	168,896.17	<i>Board approved \$2,845,190.62 on May 18, 2018 Reimbursement made as funds are available and are verified</i>
Net Revenue (Expenditures)	(14,904.59)	

Ending Fund Balance	137,970.51
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BCCDC Payment 10-27-2023	135,000.00
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Due to TIRZ in FY 2024 (to be collected)

TIRZ # 2 City	\$79,465.43	Accounts Receivable
TIRZ # 2 County	\$49,589.22	Accounts Receivable
TIRZ # 2 Hospital	\$36,413.46	Accounts Receivable
TIRZ # 2 Port of Bay City	\$6,561.66	Accounts Receivable
	\$172,029.77	

*Balance Due BCCDC	2,054,462.69	as of 10-27-23
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Total After TIRZ Deposits	175,000.28
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TAX INCREMENT REINVESTMENT ZONE #1

The City of Bay City Tax Increment Reinvestment Zone (TIRZ) Number One (TIRZ #1) was established in 2015 and consisted of 219 acres of land located in the City's central core encompassing approximately 160 acres. Bay City TIRZ #1 is bounded by 11th Street to the north, Avenue E to the west, 5th Street to the south, and Avenue L on the eastern border.

TIRZ Revenue Overview

The City of Bay City TIRZ #1 base value was established in 2015 with a real property taxable value base of \$23,875,760. The City of Bay City agreed to contribute 100% of its incremental tax revenue to the TIRZ fund for a period of 30 years. Matagorda County, Matagorda County Hospital District, and Port of Bay City will each contribute 100% of their incremental tax revenue within the zone.

	2015 Base Year	2023 Taxable	Increment
TIRZ 1	23,875,760	42,236,180	18,360,420



*TIRZ #1 Boundary

Active Developer Agreements Recap:

Developer Financing Agreement Between Reinvestment Zone One, City of Bay City and SAL Holdings, LLC Approved September 12, 2019, Amended September 16, 2021 to extend Phase II timeline to September 20, 2022.

TAX INCREMENT REINVESTMENT ZONE #1A

In 2022, TIRZ #1 was expanded to encompass approximately 54.441 acres bringing total acreage to 214.41 acres. The expanded boundaries are non-contiguous to the north of the original TIRZ boundaries.

TIRZ Revenue Overview

The City of Bay City TIRZ #1A base value was established in 2022 with a real property taxable value base of \$2,151,750. The City of Bay City agreed to contribute 100% of its incremental tax revenue to the TIRZ fund. Matagorda County, Matagorda County Hospital District, and Port of Bay City will each contribute 100% of their incremental tax revenue within the zone.

	2021 Base Year	2023 Taxable	Increment
TIRZ 1A	2,151,750	417,450	(1,734,300)



- TIRZ #1 Boundary
- TIRZ #1A Boundary

Active Developer Agreements Recap:

Developer Financing Agreement Between Reinvestment Zone One, City of Bay City and SAL Holdings, LLC Approved March 8, 2022 (Max Reimbursement- \$6,620,356), Amended December 8, 2022 to add Development Standards.

TAX INCREMENT REINVESTMENT ZONE #2

The City of Bay City Tax Increment Reinvestment Zone Number Two (TIRZ #2) consists of approximately 344 acres of land located in the eastern sector of the City along TX-35. Most of the property within TIRZ #2 is currently vacant. The purpose of TIRZ #2 is to help pay for infrastructure costs associated with the development of a large mixed-use development totaling more than 2,200,000 square feet of new construction. It is expected to facilitate the construction of both residential and commercial development.

TIRZ Revenue Overview

The City of Bay City TIRZ #2 base value was established in 2015 with a real property taxable value base of \$2,099,193. The City of Bay City agreed to contribute 100% of its incremental tax revenue to the TIRZ fund for a period of 30 years. Matagorda County, Matagorda County Hospital District, and Port of Bay City each contribute 100% of their incremental tax revenue within the zone.

	2015 Base Year	2023 Taxable	Increment
TIRZ 2	2,099,193	16,041,720	13,942,527



*TIRZ 2 Boundary

Active Developer Agreements Recap:

Developer Financing Agreement Between Reinvestment Zone Two, City of Bay City & BCCDC Approved September 14, 2017 (Max Reimbursement- \$2,845,90.62)

TAX INCREMENT REINVESTMENT ZONE #2A


In 2021, the TIRZ was expanded to encompass approximately 147.27 acres bringing total acreage to 491.27 acres. The expanded boundaries are -contiguous to the west of the original TIRZ boundaries.


TIRZ Revenue Overview

The City of Bay City TIRZ #2 base value was established in 2021 with a real property taxable value base of \$16,020. The City of Bay City agreed to contribute 100% of its incremental tax revenue to the TIRZ fund. Matagorda County, Matagorda County Hospital District, and Port of Bay City each contribute 100% of their incremental tax revenue within the zone.

	2021 Base Year	2023 Taxable	Increment
TIRZ 2A	16,020	16,020	0



 - TIRZ #2 Boundary

 - TIRZ #2A Boundary

Active Developer Agreements Recap:

Developer Financing Agreement Between Reinvestment Zone Two, City of Bay City & Bold Fox Development, LLC Approved December 21, 2021 (Max Reimbursement- \$18,094,200)

**FIRST AMENDMENT TO THE DEVELOPMENT FINANCING AGREEMENT
BY AND BETWEEN
THE REINVESTMENT ZONE NUMBER ONE,
CITY OF BAY CITY, AND SAL HOLDINGS, LLC.**

This First Amendment to the Development Financing Agreement (First Amendment) is entered into between the **Tax Increment Reinvestment Zone Number One (TIRZ #1), City of Bay City, Texas**, a home rule Texas municipality located in Matagorda County, Texas (City) and **SAL Holdings, LTD.**, a Texas limited partnership (Owner). City and Owner are individually referred to as "Party" and collectively referred to as "Parties."

RECITALS

WHEREAS, on September 12, 2019, the City approved a Development Financing Agreement (Agreement) recommended by Tax Increment Reinvestment Zone Number One and Owner on July 17, 2019; and

WHEREAS, the Owner requests an twelve-month extension of its deadline to construct certain improvements described on Exhibit B of the Agreement; and



NOW, THEREFORE, in consideration of the mutual benefits described in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the TIRZ #1 and the Owner agree to this First Amendment as follows:

**1.
Amendment**

- 1.0 Exhibit "E" Project Completion Schedule:
Phase II
Subject to reimbursement of Phase I
To begin on or before September 20, 2019 and to be completed no later than September 20, 2022.
- 2.0 The remaining provisions in the Agreement remain in full force and effect.
- 3.0 The effective date of this First Amendment is the date this First Amendment is last signed by a Party.


[signatures follow]

Recommended for approval by Tax Reinvestment Zone Number One, City of Bay City, Texas at its meeting on the 9th day of September, 2021.

SAL Holdings, LLC, a Texas Limited Liability Corporation	REINVESTMENT ZONE NUMBER ONE CITY OF BAY CITY, TEXAS
	
Stuart Lynn, Member Date	William Bell, Chairman Date

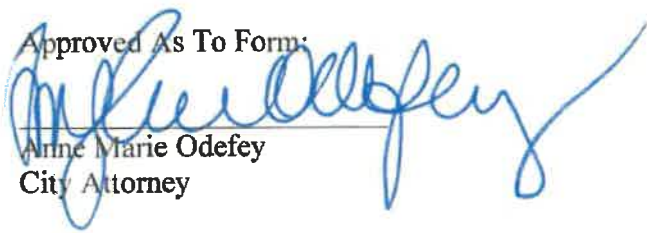
EXECUTED to be effective as of the 16 day of September 2021.

THE CITY OF BAY CITY, TEXAS,

By: 
~~Jason Childers, Mayor Pro Tem~~
 Robert Nelson
 Date: 9-16-2021

Attest:

 Jeanna Thompson, City Secretary

Approved As To Form:

 Anne Marie Odefey
 City Attorney



vista

Planning and Design

E mitch@vistaplanningdesign.com

T 512 673 8274

19 Sugar Shack Dr.

West Lake Hills, Tx 78746

ITEM #4.

May 9, 2023

D.C. Dunham

Lynn Development/ Lynn Group

Via email dc.dunham@lynnngroup.com

Re: Proposal for park amenities for Cottonwood Park in Bay City

Dear D.C.;

Thank you for spending time with me explaining your work there in Bay City! I've been so pleased to get to know this area of Texas so much better and I look forward to working with you and your company to fulfill all the needs within my practice areas!

The project as I understand them are the following:

1. **Development of park areas for Cottonwood Park in Bay City**

This tract already has a land plan by others and Vista's work will be to review and refine the amenity features along the sides of Cottonwood Creek in the development. The following steps are included in the fee:

A) Data Gathering:

- Visit site with client and photograph/drone fly the site and understand the issues associated with the access, development site, etc.
- Acquire all necessary data on the development tract including overall subdivision with platted lots, amenity areas, jurisdictional parameters in Bay City for compliance, and specific programming to be included in the amenity areas. All plan data to be provided in AutoCAD if possible.
- Any information regarding the development/ future development of the adjacent parcels if possible.

B) Conceptual Design:

- Develop first round of concepts by sketch that lays out various features for leisure and play that associate with the demographic anticipated.
- Set up Cost estimate and begin gathering data
- Discuss any subdivision aspects that Vista may see an opportunity to increase quality of life value that may result in lot premiums or overall aesthetic or improvement.
- Receive comments and revise plans in schematic form in AutoCAD or hand drawing according to the needs of the client. Update cost estimate
- Create plan in AutoCAD with conceptual details, and specifications. Apply minimum dimensioning
- Upon approval, advance drawings in AutoCAD to schematic level of information including details and outline specifications.
- Create marketing rendering of overall development inclusive of new amenity features.



- Advance schematic CAD drawing to construction document level and add all notes and details This would be a near construction drawing level of design and depending on the features, would likely not include the necessary details for construction specifications
- C) Schematic and construction drawings, construction supervision:
- Discuss with client budgets and estimates of CD Package TBD

4) Excluded Items from this Proposal

The following items are not included in this project scope and fee proposal and can be added as additional services and billed at \$160.00 per hour or with a lump sum proposal. With some of the services below, Vista would be outsourcing the work due to expertise or seal and therefore the project would be subject to the fee proposal generated by that sub:

- Construction document level of information TBD
- Site grading and stormwater drainage design; Preliminary grading notes provided
- Irrigation design
- Geotech or soils investigations, dam analysis or any structural /engineering analysis or design
- Site surveying
- Slopes or detailed ADA analysis
- Site layout (dimensioning) of any conceptual features except as stated as being “general” meaning basic for site engineering purposes
- Reproduction, materials cost or time
- Additional site concepts after conceptual plan is produced
- Engineering or architecture as defined by seal
- Sketchup 3D models, perspectives and rendering
- Educational interpretation other than indicating features worthy of this effort
- Revisions as a result of political changes, elections, or influence by interest groups

5) Summary of Fees and Reimbursements

Proposed project fees are based on an estimated amount of time of tasks performed by Mitch Wright. Mr. Wright’s fee is set at \$160.00 per hour and includes an averaging of time accumulated for the full range of actions (project administration, CAD or Photoshop work, public and client meetings, and design expertise) required for accomplishing the tasks as listed in the scope of services above. Driving time is included at \$80/hour as it is routine to make notes pre and post trip. The fee listed below represents a ceiling not to exceed without written confirmation of additional services. The ceiling is for the overall fee, not the individual tasks.

Project initiation, existing conditions and data gathering _____	\$ 4,720.00
Conceptual design _____	\$ 14,400.00
Construction documents and construction supervision _____	\$ TBD
TOTAL FEE _____	\$ 19,120.00

6) Retainer

- A retainer in the amount of: _____ \$ 2,000.00
Shall be submitted with a signature on this letter contract to initiate the contract.

7) Reimbursable Expenses:

19 Sugar Shack Dr. • West Lake Hills Tx 78746 • mitch@vistaplanningdesign.com • vistaplanningdesign.com



Reproduction costs _____
Travel per IRS _____
Hotel costs (simple/economic is fine) _____

Cost plus 10%
\$.655/mile
Cost

Invoices will be billed monthly based on percentage of work completed. Terms are thirty (30) days upon receipt of invoice by the client. Payments beyond that date are subject to a 4% per month additional charge. In the event of any additional consultation required of Vista Planning & Design and its sub-consultants for unforeseen or protracted developments in the project, work will be billed at the specified hourly rate as an addition to the specified contract fee. An estimate of time and fee will be provided to the client for approval prior to commencement of work and will be added as Addenda to the main contract.

If any errors occur during the project process that are the responsibility or oversight of Vista Planning & Design, then Vista Planning & Design reserves the right to address and correct this work, prior to construction, without a formal legal process. Mr. Wright and Vista Planning & Design is a landscape architecture and certified land planning firm and though elements of a design may represent engineering or architectural related elements, We do not perform engineering or architecture tasks as regulated by the state and no work from Vista Planning & Design is to be misconstrued to be certified engineering or architectural work.

We would like to thank you for the opportunity to submit this proposal for master planning services for this project. We look forward to working with you and earning your work in the future. We would be happy to meet with you to discuss any items outlined above at your convenience and are ready to proceed immediately with all necessary resources to meet your overall schedule.

Accepting this proposal:

D.C. Dunham or Company Representative

Date

Submitted By:

E. Mitchell Wright
Vista Planning & Design

Exhibit C - Phase II - Amended

Phase II estimated costs of public green space and park area:

TIRZ Project Plan	Project Description by Developer		
Street & Intersection Improvements	Sidewalks / Entryways	\$ 20,167.68	paid
Storm Water Facilities and Improvements	Drainage / Culvert work	\$ 13,976.38	paid
Open Space, Park and Recreation Facilities & Improvements	Green space Landscape Architect*	\$ 20,000.00	
Open Space, Park and Recreation Facilities & Improvements	Sculptures*	\$ 40,000.00	
Open Space, Park and Recreation Facilities & Improvements	Miscellaneous / Contingency*	\$ 5,855.94	

Total estimated phase II costs* \$ **100,000.00**

Sidewalks/Entryways	\$ 16,038.97
Sidewalks/Entryways	\$ 4,128.71
Drainage/Culvert Work	\$ 13,976.38
Landscaping Budget \$20,000.00	
Paid 4-29-22	\$ 8,650.00
Paid 5-25-22	\$ 3,350.00

Balance Phase II Estimated Costs	\$ 53,855.94
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Landscaping Budget Balance \$8,000