



CITY CLERK DEPT.

Economic and International Development Department 2017 JUL -5 PM 4:14

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City Manager
Tommy Gonzalez

Tax Increment Reinvestment Zone Number 5 (TIRZ No. 5)**Board of Directors****Notice of Meeting**

DATE: Monday, July 10th, 2017
TIME: 3:00 p.m.
PLACE: Main Conference Room (City Hall, 2nd Floor)
300 N. Campbell - El Paso, Texas 79901

AGENDA

1. Call To Order, Roll Call, And Establishment Of A Quorum David Stout
2. Administrative Items:
 - (a) Approval Of Meeting Minutes For March 27th, 2017 TIRZ 5 David Stout
3. Discussion:
 - (a) FY2017 Budget Overview Christine Cobos
4. Discussion and action:
 - (a) Filing/Updating of Record Disclosure Forms Allowing City Clerk to Release Location(s) of Properties owned by TIRZ5 Board Members Rafael Arellano/Paola Gallegos
 - (b) Creation of Executive Committee to review and institute process for determining items to be placed on agenda for upcoming TIRZ5 Board meetings. Rafael Arellano/Paola Gallegos
 - (c) Creation of a New Project Committee to maintain a continuous identification and review of potential projects which may be of interest to the TIRZ5 Board. Rafael Arellano/Paola Gallegos
5. Identification of Items for Future Agenda David Stout
6. Adjournment David Stout

The Tax Increment Reinvestment Zone 5 Board of the City of El Paso may retire into CLOSED SESSION pursuant to Section 3.5A of the El Paso City Charter and the Texas Government Code, Chapter 551, Subchapter D, to discuss any of the items on this agenda, consistent with the terms of the Open Meetings Act. The Tax Increment Reinvestment Zone 5 Board will return to open session to take any final action.

SECTION 551.071	CONSULTATION WITH ATTORNEY
SECTION 551.072	DELIBERATION REGARDING REAL PROPERTY
SECTION 551.074	PERSONNEL MATTERS
SECTION 551.076	DELIBERATION REGARDING SECURITY DEVICES
SECTION 551.087	DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS

POSTED: July 5, 2017, City Hall 4:00 pm. By: Paola Gallegos, Economic & International Development Department

Jessica L. Herrera – Interim Director
City 3 | 801 Texas Ave. | El Paso, Texas 79901 | (915) 212-1624

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CITY CLERK DEPT.

Economic and International Development Department

2017 JUL -5 PM 1:16

PUBLIC NOTICE: Sign Language Interpreters will be provided for this hearing upon request. Request must be made to the Economic Development Department a minimum of 24 hours prior to the date and time of this hearing. Copies of this agenda will be provided in braille, large print or audio tape upon request. Requests must be made a minimum of 48 hours prior to the date and time of this meeting at the following number 915-212-1623.

Public comment on any item posted on the agenda may be taken at the discretion of the Chair in accordance to the Board's adopted by-laws so that any citizen of the City of El Paso shall have a reasonable opportunity to be heard.

Jessica L. Herrera – Interim Director
City 3 | 801 Texas Ave. | El Paso, Texas 79901 | (915) 212-1624

TAX INCREMENT REINVESTMENT ZONE No. 5
BOARD MEETING MINUTES
Main Conference Room (City Hall, 2nd Floor)
May 15th, 2017
3:00 P.M.

Board Members in Attendance:

David Stout
Rida Asfahani
Tanny Berg
Casey Stevenson
Brett Goldberg
Noemi Tovar
Lane Gaddy
Madhi Nair

Board Members Absent:

Ruben Torres
Art Fierro
Jorge Hernandez
Ricardo Fernandez
Mike Murguia (Ex-Officio)

Staff Members Present:

Juan Gonzalez
Rafael Arellano
Paola Gallegos
Patrick O'Kelley
Christine Cobos

Guest Members

Alberto Halpern
Jorge Salom
Joe Gudenrath

MINUTES

1.) Call to Order, Roll Call, and Establishment of a Quorum:

The meeting was called to order at 3:06 p.m.

2.) Administrative Items

a) Approval of Meeting Minutes for March 27th, 2017, TIRZ 5 Board Meeting:

Mr. Tanny Berg questions whether the minutes have to be so detailed.

Board members agree the attention to detail is fine.

Mr. Berg moves to approve the minutes. Mr. Lane Gaddy seconds the motion.
All present board members vote in favor, the minutes are approved.

3.) Discussion

Rafa, last meeting we discussed the ethics process and how to better it, so we got together with DMD. We compared the process the DMD has and what the TIRZ 5 Board has which are very similar. Difference is substantial interest definition. "A Director has a substantial interest in a business: (a) if his or her ownership interest is ten percent or more of the voting stock or shares of the business entity or ownership of \$15,000 or more of the fair market value of the business entity, or (b) if the business entity provides more than ten percent of the Director's gross income. A Director has a substantial interest in real property if the interest is an equitable or legal ownership with a fair market value of \$2,500 or more. An interest of a person related in the second degree by affinity or consanguinity to a Director or officer is considered a substantial interest." Mr. Arellano asks the board if they want to further define substantial interest.

Mr. Gaddy believes that after reviewing that, the definition is pretty clear. He also believes the affidavit is really helpful.

Commissioner Stout, asks if this definition is dealing with all decisions and not just any contract.

Mr. Arellano agrees that it is dealing with all decisions.

Mr. Berg asks Mr. Stout if he believes that any property having to do with downtown would be a conflict of interest.

Commissioner Stout, clarifies that he agrees that would be a restrictive definition he does not agree with.

Mr. Juan Gonzalez cautions board members stay away from this specific topic since it is not the item we are speaking on.

Item 3.B.: Financial Disclosure Statements

Mr. Berg asks for a clarification, stating he stands with the city attorney. Further stating the definition brought forth by the city attorney last meeting are valid considerations for how board directors should take care of business.

Mr. Gonzalez states it become a matter of what the individual board member feels comfortable with. The decision is ultimately left up to the individual and what they feel comfortable with.

Mr. Berg states that he understands ethics complaints can be filed but they can affect people. He suggests adding an addendum to clarify the financial disclosure statements they are adopting.

Mr. Gaddy states they should focus on disclosing all information of property they owned. If they are put in a situation where they might be conflicted then that information would have already been revealed to the board.

Mr. Berg believes they had already filed the information.

Mr. Gaddy asks Mr. Gonzalez if they have a conflict if they can still discuss or if they should abstain and not participate in discussion.

Mr. Gonzalez states board directors usually can't participate because they can influence that decision.

Mr. Arellano adds that one of the things the TIRZ 5 board does that the Downtown Management District doesn't is they sign off on orientation and ethics video, ensuring they have gone through with it, once a year or once per voting.

Mr. Berg wants to clarify that since they associate with the DMD, whether a board member on the TIRZ #5 board can apply for façade grants, for example, after having voted to give that money to the DMD.

Commissioner Stout suggests voting at the next meeting so they can read and go through the material.

Mr. Arellano – we are going to need you to sign disclosure forms.

Item 3.C.: Identifying the Location of Properties Owned by Board Members

Mr. Arellano states that they were able to get information that had been filed; however, the information can't be disclosed with disclosure forms.

Mr. Berg asks who the information will be disclosed to.

Mr. Arellano clarifies that the information will only be disclosed to board members, stating staff will send an updated version of the disclosure form they can fill out.

4.) Discussion and Action

Item 4.A.: Discussion and Action for the Exemption of the Tax Increment Contribution to TIRZ 5 of the Following Property: International Building, 119 N. Stanton (PID: M47399901202300)

Mr. Arellano explains the city's request that the property tax incremental value for the property located at 119 North Stanton be temporarily reassigned from the TIRZ #5 to the City's general fund, for a twelve year period. Without this incentive the TIRZ 5 will continue to keep the current base value which is \$0 dollars. The developer is proposing a \$3,230,785 dollar investment, 55 new residential units with one and two bedroom options, and ground and floor commercial space. With the incentive the TIRZ 5 will receive a total of \$272,645.50 by 2036.

Ms. Christi Cobos presents on the TIRZ 5 financial status. She shares good news; cash balance in the fund reflects \$302,283.43 as of May 15th, 2017.

Mr. Berg asks if the partnership with the Central Appraisal District is a good partnership and if they are aware of all the investments is being made.

Ms. Cobos responds that after we receive certified vales, or something more concrete in July, we can ask for numbers. She projects we can ask for those around September.

Mr. Arellano clarifies that the Project and Finance Committee had already reviewed the project and they had motioned to approve this moment.

Commissioner Stout asks if there are any motions.

Mr. Berg motions, after a second, all present board members vote in favor of approving Item 4.A., Mr. Gaddy abstains due to substantial interest.

Item 4.B.: Proposed TIRZ FY 2017 Meeting Schedule

Mr. Arellano explains the dates, and asks the board if they would like to entertain a motion to approve or disapprove of the proposed dates.

Mr. Berg motions to approve, Rida Asfahani seconds the motion. Motion carries unanimously. The Board approves the FY 2017 Meeting Schedule.

5.) Identification of Items for Future Agenda

Mr. Gaddy proposes a *New Project Committee*, suggesting it can be merged with the existing Project and Finance Committee or a new committee can be created.

Mr. Stout asks for clarification on who would appoint members to the committee.

Mr. Arellano suggests an executive committee can vet what goes on the agenda before the meeting.

Mr. Gaddy agrees the executive committee would be a great idea.

Mr. Berg disagrees with an executive committee stating he would be worried if something would be kept of the agenda.

Mr. Asfahani suggests that an Executive Committee can serve as a tool to better use the board's time. The committee can approve information before it is sent out.

Mr. Berg clarifies the board would have to define what the Executive Committee is trying to do and what authority they are going to be given.

Mr. Asfahani suggests that this *grey area* seems to be the common theme of what multiple board members wish to talk about at the next meeting.

Mr. Stout clarifies two of the items that should be on the next agenda include the creation of the Executive Committee and New Project Committee. He asks the board if any other committees should be created.

Mr. Gonzalez states the items will be posted on the next agenda, if the board decides they want to move forth with these committees then the Chair, will appoint the committee members at the next meeting.

Mr. Gaddy asks how far out the City of El Paso staff is from looking at new projects.

Mr. Arellano states it is hard to commit to projects ahead of time, but commits to getting agendas and minutes to the TIRZ 5 Board of Directors way ahead of time.

Commissioner Stout motions to adjourn the meeting.

5.) Adjournment

The meeting was adjourned at approximately 3:40 p.m.

Approved: _____

Recording Secretary



Municipal Clerk

Mayor

Dee Margo

City Council

District 1

Peter Svarzbein

District 2

Alexsandra Annello

District 3

Cassandra H. Brown

District 4

Sam Morgan

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Claudia Ordaz Perez

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Henry Rivera

District 8

Cortney C. Niland

City Manager

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RECORDS DISCLOSURE

In Accordance with Article 6252-17a, Section 3A, Vernon's Annotated Texas States, Statutes

I, _____, do hereby choose to:

- ☐ Release
- ☐ Withhold

Information related to my Financial Disclosure Statement Form in the central file (located in the City Clerk's Office) of the Board/Commission to which I am appointed to for Board Directors and Members disclosure.

I realize that failure to request that the information be closed to Board Directors and Members access will result in the information being open to the Board Directors and Members.

I understand that I have the option at any time during the course of my appointment, or at any time thereafter, to change my choice.

Signature

Date

Richarda Momsen – Municipal Clerk
City # 1 | 300 N. Campbell | El Paso, Texas 79901 | (915) 212-0049

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