

MINUTES
ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF UNIVERSAL CITY, TEXAS
Regular Meeting, Thursday, 14 March 2024

1. **CALL TO ORDER:** Mr. Dagg, Vice President at 5:00 P.M.
2. **QUORUM CHECK:** Michael Cassata, Development Services & EDC Director

Present:

Lenny Dagg, Vice President
Christina Fitzpatrick, Director
Bear Goolsby, Director
Roland Hinojosa, Secretary
Dick Neville, Treasurer

Also Present:

Kim Turner, City Manager
Michael Cassata, Economic Development Director
Maribel Garcia, Deputy City Clerk
Janet Pitman, CPA (Auditor) - ABIP
Victor Quiroga, Bond Counsel – Specialized Public Finance Inc.

Not Present:

Dick Crow, President
Bryan Kuhlmann, Director

Mr. Hinojosa noted a quorum was present.

3. **INTRODUCTION OF GUESTS:** None.
4. **OLD BUSINESS:**

Mr. Hinojosa moved to approve the following consent agenda item with discussed edits: a) Minutes of the 08 February 2024 Regular Meeting. Ms. Neville seconded the motion.

Vote: All in favor, none opposed.
Motion to approve carried.

Mr. Neville gave the Financial Report.

Mr. Goolsby moved to approve the following consent agenda item: b) Financial Report. Ms. Fitzpatrick seconded the motion.

Vote: All in favor, none opposed.
Motion to approve carried.

5. **NEW BUSINESS:**

A. Discuss & Consider the Financial Audit Report for Fiscal Year 2022-2023.

Ms. Pitman presented her audit report, stating methodology and management principles used. The audit was reported as an independent and unmodified opinion, which is the best given for independent audits. She gave a brief overview of financial highlights, including land acquisition and business incentive expenditures, explained the error in recording payroll since it was a General Fund transfer, and noted expenditures came in under budget and sales tax revenue was slightly over expected amounts. She said there were no additional notes on finance statements. She reported that the EDC was PFIA compliant through collateralization of investments.

Mr. Hinojosa noted the difference in budgeted versus actual interest.

Mrs. Turner explained this difference was due to moving banks and gaining a better interest rate that applies to savings and investment accounts.

Mr. Hinojosa moved to approve the Financial Audit Report for Fiscal Year 2022-2023. Mr. Neville seconded the motion.

Vote: All in favor, none opposed.
Motion to approve carried.

B. Discuss & Consider approval of a Financing Plan for the issuance of Sales Tax Revenue Bonds, Series 2024.

Mr. Quiroga explained the process of adopting a financing plan and presented a procedural timeline for authorization of the plan. He further explained that he needed EDC direction to move forward. A joint meeting between City Council and the EDC would take place May 21st, the interest rate would be locked in on the same day, and funds would be available June 18th. He explained the debt service coverage ratio model to manage multiple EDC debts. He gave the EDC two methods of financing: one front loading debt payments due to overlapping debt schedules, and the other making all payments somewhat level by delaying a few debt payments to soften the blow of new bonds.

Mr. Dagg received clarification that the EDC was in more of an acquisition phase of development rather than anticipating selling any property.

Mr. Quiroga informed the Board that the interest rate used in the model was a conservative 5% though the actual may be 4.5%. He explained the use of a more conservative interest rate due to sales tax being volatile as a funding source.

Mr. Hinojosa was reassured that 5% interest was a safe rate by which to estimate. After asking, the Board received Staff opinions that option B to make debt payments more even was recommended.

C. Consider approval of Resolution 2024-4: A resolution setting a public hearing on the expenditure of Sales Tax Revenues in the approximate amount of \$5,300,000 related to various Projects; Providing Notice of the Projects and Authorizing the publication of a Notice of Public Hearing; and other matters in connection therewith.

Regarding Resolution 2024-4, Mr. Neville moved to approve the Board Resolution Authorizing Notice of and setting a Public Hearing related to various projects. Mr. Hinojosa seconded the motion.

Vote: All in favor, none opposed.
Motion to approve carried.

D. Consider Performance Agreement between the UCEDC and Alamo Community Disc Club approving the expenditure of funds for an economic development incentive.

Amy Monahan, President of the Alamo Community Disc Club, gave history of the Live Oak Summer Open and stated this Open anticipated somewhere between 320 and 348 registrants. She explained the events hosted in Universal City related to the Open. A players' party will be hosted at Northeast Lakeview College. An overview of requested sponsorship level benefits was given. She explained the cost-sharing of coupons given to participants for local businesses.

Mr. Hinojosa received a review of benefits that all levels of sponsorship give. It was clarified that there is only one top tier sponsor (Live Oak), and that Universal City would be the second-to-top tier sponsor.

Mrs. Turner and Ms. Fitzpatrick discussed ideas for swag-bag items. Adult friendly places such as Screaming Chameleon and Gather Brewing were to be the focus.

Regarding the Performance Agreement between the UCEDC and Alamo Community Disc Club, Mr. Goolsby moved to approve the Performance Agreement. Ms. Fitzpatrick seconded the motion.

Vote: All in favor, none opposed.
Motion to approve carried.

- E. CLOSED SESSION: Pursuant to Texas Gov't Code Sec. 551.072 regarding the purchase and value of real property if deliberation in open session would have a detrimental effect on the position of the corporation in negotiations with a third party; and for attorney consultation pursuant to Sec. 551.071(2) regarding: a) UCEDC organizational chart regarding personnel; b) the potential purchase of real property located at 216 Pat Booker Road.**

Vice President Dagg began the Closed Session at 5:37 PM.

Vice President Dagg convened into Closed Session with present EDC Board Members, City Manager Kim Turner, and Economic Development Director Michael Cassata.

Vice President Dagg and the EDC reconvened into Open Session at 6:05 PM. No action was taken during the Closes Session.

- F. Reconvene in Open Session and take action, if needed, on any item pertaining to or listed in the Executive Session section of this Agenda.**

Mr. Goolsby stated that in accordance with Section 501.152 and Section 505.158, Chapters 501 and 505 of the Texas Local Gov't Code, the UCEDC Board of Directors determined that the potential purchase of property at 216 Pat Booker Road met the definitions of Project and Cost and, therefore, moved to authorize Staff to proceed with negotiations on the purchase of property at 216 Pat Booker Road and any related expenditures. Mr. Neville seconded the motion.

Vote: All in favor, none opposed.
Motion to approve carried.

- G. Staff Presentation regarding proposed changes to the Sign Code regarding Off-Premises Signs.**

Mr. Cassata explained the proposed changes to the Sign Code to allow certain off-premises signs in the Aviation District; it would allow agreements between business owners for sign use as well as allow the EDC and City to use signs in the right-of-way for off-premises uses. This was to address the lack of visibility of businesses on side streets from Pat Booker Road.

Ms. Turner reviewed the Ordinance approval process for the Sign Code.

Mr. Hinojosa asked about City-owned electronic signs and sign standards.

Mrs. Turner answered that the City owns two electronic signs with one waiting to be installed. The signs do not have guidelines to follow, but there should be public sign guidelines established for practicality of use. Aesthetic standards can be set for the District later in development.

Mr. Cassata explained Staff was exploring how to repurpose the EDC-owned sign fronting 302 Pat Booker Road using the existing sign structure.

The Board and Mrs. Turner discussed how the amendment to the Sign Code could encourage businesses to locate on side roads without feeling the need to be directly on Pat Booker for visibility.

Mr. Goolsby recommended consultation with a signage company to recommend lettering size and sign dimensions.

Mr. Dagg noted this could be an opportunity for extra income for businesses on Pat Booker Road.

Staff clarified that each business on Pat Booker Road in the Aviation District can only provide one sign for advertising business off Pat Booker Road. They emphasized that this amendment would only apply to the Aviation District and businesses located within the Aviation District.

Mr. Goolsby raised concerns over one business monopolizing off-premises signs and used Buccee's frequency of signage as an example.

Mrs. Turner cautioned that sign content cannot be regulated, but stated the EDC could regulate the content on their own sign.

Mr. Cassata noted it may be possible to limit the number of signs utilized off-premises per business, just not the content.

The Board conveyed consensus to explore options to limit the number of off-premises signs per business in the Aviation District to avoid off-premises sign monopolization.

Mr. Cassata explained that this item would be presented to the Planning and Zoning Commission prior to presentation to City Council.

Ms. Fitzpatrick stated that the EDC, in an effort to meet the vision of the Aviation District Masterplan and foster revitalization and economic activity in that area of town, authorized Staff to provide its recommendation to City Council to proceed with a proposed amendment to the Sign Code, Section 4-4-82 – Off Premises Signs, to allow certain off-premises signs in the Aviation District that promote or advertise businesses in that district. Mr. Hinojosa seconded the motion.

Vote: All in favor, none opposed.

Motion to approve carried.

H. Staff Presentation regarding the upcoming Comprehensive Plan Update.

Mr. Cassata explained the want for both EDC and Planning and Zoning Commission feedback prior to presentation before City Council. He noted the procedural timeline for the Comprehensive Plan. He explained that a Comprehensive Plan gives Staff guidance when creating and amending sections of the City Code. He reviewed the various consultants that would be involved in the Comprehensive Plan creation and their areas of expertise, costs between \$200,000 and \$325,000, cost comparisons to cities of similar size, and length of the Comprehensive Plan. He noted the plan would be funded from the City's budget as well as the EDC's budget. He reviewed topics generally covered in a Comprehensive Plan and other potential topics. He emphasized the need for the plan to provide action items for Staff. He presented Staff recommendations for inclusion in the Comprehensive Plan as well as extra topics for the EDC to consider. Mr. Cassata discussed the following optional topics: Transportation and Mobility plan –

Public Transit Consideration, Housing Policy, Image, Identity & Community Character, Hazard Mitigation, Land Use & Development – Commerce & Employment Policies, and a Parks, Open Space, and Environmental Features Plan to revisit.

Mr. Neville raised objections to public transit as it would be expensive to contract with VIA.

Staff explained that the plan would only investigate whether the community would benefit from public transit and what alternatives could be explored. “Public Transit” does not have to mean VIA; it could also include micro-transits and ride sharing coupons.

The Board and Staff discussed how long the Comprehensive Plan would apply; it could be from 2024-2029 or be targeted for 40 years. The scope is flexible. They discussed budget allocations and that not all optional topics could be covered within the budget, but core topics would absolutely be covered by the plan.

Mr. Goolsby agreed with all optional recommendations but felt public transit, hazard mitigation, and parks and open spaces could be done outside of the plan. He felt housing policy may be helpful but could be done outside of the plan, and he questioned whether City branding through image and identity could be developed outside of the plan. He felt the City was already on the right track with land use and development.

Mr. Cassata explained the history of the Land Use Plan and how restrictive it is. He wanted the Comprehensive Plan to address this and make it more flexible. He explained the restrictions were the reason Staff could not respond to changing land use needs that would allow some non-conforming uses automatically.

Mr. Hinojosa agreed with Staff recommendations and asked to consider the addition of parks due to new parks being developed.

Mrs. Turner clarified that the new parks were included in the new 10-year Parks and Open Spaces Master Plan adopted by the City in 2023.

The Board received Staff clarifications and explanations regarding the Comprehensive Plan budget and process of Requests for Proposals. They also received clarification on the scope and intent of including image and identity branding in the Comprehensive Plan.

The Board reached consensus regarding a recommendation to include the following, if possible, in the Comprehensive Plan: Image, Identity & Community Character Plan.

Mr. Goolsby moved for the UCEDC Board of Directors to authorize Staff to provides its recommendations to City Council regarding what specific content areas to consider in the update to the City’s Comprehensive Plan and to also include the Image, Identity, & Community Character Plan to their recommendations. Mr. Nevilles seconded the motion.

Vote: All in favor, none opposed.

Motion to approve carried.

I. Next Meeting: Thursday, 11 April 2024 at 5:00 pm, Council Chambers.

6. STAFF REPORT:

Mr. Cassata gave updates on economic development projects throughout the City.

Mr. Neville noted that SeaWorld would sell tickets for \$60 for their 60th anniversary.

7. **PUBLIC COMMENT:** None.

8. **ADJOURNMENT:** Vice President Dagg adjourned the meeting at 6:55 P.M.



Dick Crow, President