

**CITY OF LAREDO
WORKSHOP
M-2014-W-01
CITY COUNCIL CHAMBERS
1110 HOUSTON STREET
LAREDO, TEXAS 78040
JANUARY 27, 2014
5:30 P.M.**

I. CALL TO ORDER

With a quorum present, Mayor Raul G. Salinas called the meeting to order.

II. PLEDGE OF ALLEGIANCE

Mayor Raul G. Salinas led in the pledge of allegiance.

III. ROLL CALL

Raul G. Salinas,	Mayor
Mike Garza,	District I
Esteban Rangel,	Mayor Pro-Tempore, District II
Alejandro Perez, Jr.	District III
Juan Narvaez,	District IV
Roque Vela, Jr.,	District V
Charlie San Miguel,	District VI
Jorge A. Vera,	District VII
Cynthia Liendo,	District VIII
Gustavo Guevara, Jr.	City Secretary
Carlos Villarreal,	City Manager
Cynthia Collazo,	Deputy City Manager
Horacio De Leon,	Assistant City Manager
Jesus Olivares,	Assistant City Manager
Raul Casso,	City Attorney

Motion to excuse Cm. San Miguel.

Moved: Cm. Garza

Second: Cm. Liendo

For: 7

Against: 0

Abstain: 0

Cm. San Miguel joined the meeting at 6:13 pm.

IV. STAFF REPORTS

1. Economic development workshop to discuss potential economic incentives for The Coves at Winfield development located north of Winfield subdivision and Loop 20 and other similar developments, with possible action and directives to staff.

Radcliffe Killam, II from Killam Development reported that this project was good for the environment and would tie in nicely with the new schools there. He added that it would create a lot of jobs and was a good public-private partnership.

Bill Calderon stated that they had discussed getting a reinvestment zone in place before the end of the year. They wanted to make sure that there was enough time to address public policy issues. He explained that the general concern was to get everyone in a room and talk about these details, and so the process would have the city posting a notice in a newspaper of general circulation advising the public of the Council's intent to hold a hearing. The notice itself was fairly simple and straightforward, giving people a heads-up that they would discuss the elements of a reinvestment zone on a set date so that people could speak in favor or opposition formally. He said that the notice published in the newspaper a minimum of seven days in advance would include a map and boundary descriptions. He added that this notice was for a hearing held on February 10th which would give them enough time for a posting on February 1, 2014. In addition, the briefing book had a copy of a preliminary project plan and reinvestment zone financing plan which included a budget page. The document spoke to the current status of the land and estimated a \$61.9 million total cost to allow for the infrastructure such as schools, the hike and bike trail systems, above-standard landscaping of the corridors, and green spaces including conversion utility easements into usable green space. The column estimated tourist costs of \$43.1 million which the developer would contemplate being reimbursed. He concluded that the commercial portion of the acreage was about 20-25% of the overall acreage of 765 acres which would be about 1,900 homes selling at an average of \$250,000 per unit, or between \$190,000 and \$280,000.

City Manager Carlos Villarreal stated that they were in the process of forming a regional mobility authority and that he hoped that they would get participation from TxDOT so that they could upfront some of the money. He added that they might have a little bit of a logistical conflict so that they could take care of the one project for the seven or eight grade separations. He advised that they needed to have dialogue to concentrate on the loop and concluded that he would like to get hit once, not twice. He went on to say that the bond rating agencies would look at all of this and that the analysis would have an impact on it. He said that a concrete document would have to have some guarantees from the developer as to when you construct. He concluded that he did not want to tell TxDOT that the City of Laredo would be taking over their responsibilities.

Jerry Walker, an economist and principal of impact data source did an economic impact analysis of the project based on the information but took only a 20-year look at the project. He said that if the City of Laredo and Webb County contributed 80% of their tax revenues from real property over 20 years, the City of Laredo would contribute \$52 million and the net revenue from sales tax and property taxes would be about \$46 million.

Motion to postpone and reconvene thirty days and come back with recommendations and guidelines from staff and the financial advisor and receive all materials a week in advance of the meeting.

Moved: Cm. Vela

Second: Cm. Garza

For: 8

Against: 0

Abstain: 0

Jorge Garza of Estrada-Hinojosa reported that they had reviewed some of the materials and that they were very familiar with the concept of legislation and use of these districts and zones to promote development. He added that they had seen what it did to the credit of governmental entities. He stated that the first and most important component was that policies and guidelines be established so that criteria would be in place by the time they would approve one of these entities.

V. EXECUTIVE SESSION

None.

VI. ADJOURNMENT

Motion to adjourn.

Moved: Cm. Garza

Second: Cm. Vera

For: 8

Against: 0

Abstain: 0

I, Gustavo Guevara, Jr., City Secretary, do hereby certify that the above and foregoing is a true and correct copy of the minutes contained in pages 01 to 03 and they are true, complete, and correct proceedings of the City Council workshop held on January 27, 2014.

Gustavo Guevara, Jr.
City Secretary