

MINUTES
REINVESTMENT ZONE NO. ONE OF THE CITY OF PFLUGERVILLE
(FALCON POINTE TIRZ)
BOARD OF DIRECTORS MEETING
PFLUGERVILLE JUSTICE CENTER, 1611 E. PFENNIG LANE
WEDNESDAY, SEPTEMBER 7, 2011
5:00 PM

1. Call to Order. Chairman Mike Marsh called the meeting to order at 5:02 p.m. Boardmembers Ron Beyer, Scott Johnson, Bob Dwyer and Scott Williams were in attendance. City employees attending: Brandon Wade, City Manager; Trey Fletcher, Managing Director of Operations; Floyd Akers, City Attorney; Amy Good, Assistant Finance Director; Karen Thompson, City Secretary. Others attending: Rainer Ficken, Newland Communities; Bill Meyer, Newland Communities; Timothy Austin, Allen Boone Humphries Robinson LLP; John Barganski, First Southwest; David Garlick, Finance and Budget Committee Chair; Melody Ryan, Finance and Budget Committee member; Brad Marshall, Councilmember/Finance and Budget Committee member; Jeff Coleman, Mayor.

2. Election of Officers. (Vice Chair) Mr. Johnson volunteered to serve as Vice Chair. Mr. Marsh called for a vote on the appointment of Mr. Johnson as Vice Chair. All voted in favor. The motion carried.

3. Public Comment. There were no requests to speak under the Public Comment Item.

4. Approval of the minutes of the August 24, 2011, initial meeting. Mr. Beyer made a motion to approve the minutes. Mr. Johnson seconded the motion. All voted in favor. The motion carried.

5.A.) Executive Session Item: Discussion of personnel matters pursuant to Chapter 551.074 of the Texas Government Code regarding the appointment of administrative support. B.) Open Session Item: Discuss and consider action regarding appointment of administrative support. No discussion took place in executive session. The item was addressed in open session. Mr. Wade provided information and discussed with the Board. Mr. Dwyer stated that he had no issues with using the City for administrative support. Mr. Wade stated that the City is prepared to provide the services. Mr. Johnson stated that if desired, they could use a consultant later. Mr. Austin provided comments and discussed with the Board. Further discussion of the Board with Mr. Wade followed. Mr. Beyer made a motion to ask the City to provide the administrative support for the Board and TIRZ. Mr. Dwyer seconded the motion. All voted in favor. The motion carried.

6.A.) Executive Session Item: Discussion of personnel matters pursuant to Chapter 551.074 of the Texas Government Code regarding the appointment of legal counsel. B.) Open Session Item: Discuss and consider action regarding appointment of legal counsel. No discussion took place in executive session. The item was addressed in open

session. Discussion of the Board and Mr. Wade took place on the item. Mr. Wade explained that Mr. Austin prepared the initial documents for the TIRZ, but is representing the developer. He stated that Mr. Akers has been reviewing the documents, but would be the director of the Pflugerville Community Development Corporation in the near future. He explained that he would be assisting the City Council in the interim in acquiring a consultant or firm to provide legal services and that he thinks they could ask that firm to act on the TIRZ's behalf. He stated plans for placing an item on a Council meeting agenda to make the interim appointment and stated expectations for the City Attorney position to be filled at the end of October. Mr. Austin provided comments and indicated that at some point he would like to represent the TIRZ. Mr. Beyer suggested tabling the item until the next meeting. Mr. Wade indicated that an attorney would not be necessary until they are ready to adopt something, at which point, they would want legal review. Mr. Beyer made a motion to table the item until some point in the future. Mr. Dwyer seconded the motion. All voted in favor. The motion carried.

7.A.) Executive Session Item: Discussion of personnel matters pursuant to Chapter 551.074 of the Texas Government Code regarding the appointment of bond counsel.

B.) Open Session Item: Discuss and consider action regarding appointment of bond counsel. Mr. Wade asked to table the item, stating that he meant for the Board to consider a financial advisor. Discussion of the Board and Mr. Wade followed. Mr. Beyer made a motion to table the item. Mr. Johnson seconded the motion. All voted in favor. The motion carried.

8. Discuss and consider action regarding all claims of expenses to date against Reinvestment Zone No. One. Mr. Marsh asked if there are any claims of expenses to date against the TIRZ. Mr. Wade indicated that the City had none that it was billing for up to this time. Mr. Ficken indicated that Newland Communities is not looking for reimbursement for any expenses to date. Mr. Wade stated that it appears that there are no expenses and that any would accrue from this point forward. Discussion of the Board and Mr. Wade followed. Mr. Allen provided information and discussed with the Board. Mr. Marsh made the following statement of fact: "There are no expenses to date and no claims against the TIRZ. As of this day, we have no debt."

9. Discussion regarding Reinvestment Zone No. One draft Project Plan. Mr. Marsh provided comments and went to the list of questions for review. Mayor Coleman provided background on the Council's thoughts in establishing this TIRZ to provide for projects and development that would otherwise not take place until much later and to elevate the perception of Pflugerville. Mr. Austin provided information. Mr. Marsh explained the need to have the plan very specifically defined. Mr. Marsh asked Mr. Wade to provide some information on the possible pitfalls. Mr. Wade provided some examples.

The Board reviewed the questions and Newland Community's responses with Mr. Ficken and Mr. Austin. They also discussed the project list. It was noted that there would no longer be a "Zone A" and "Zone B," that these would be consolidated into one zone.

Mr. Marsh called for a break at 6:30 p.m. He resumed the meeting at 6:41 p.m.

The Board resumed review of the questions and project list with Mr. Ficken. Mr. Ficken discussed a proposal for incorporating funds for economic development into the plan for reimbursement to a property owner for providing land for economic development purposes. Mr. Akers provided information stating that some companies could be attracted by providing the land at this high profile location on the toll way. Mr. Austin indicated that the TIRZ can establish an economic development program. He explained that he believes that the TIRZ can sell bonds for economic development projects and is awaiting validation from the Attorney General's Office to confirm. Mr. Ficken indicated that he is proposing that all projects would need to be approved by the Pflugerville Community Development Corporation, City Council and TIRZ Board. Board discussion with Mr. Akers followed. Mr. Austin noted that the TIRZ would adopt and set the standards of the program. Mayor Coleman asked questions and discussion continued with the Board, Mr. Wade and Mr. Ficken.

The Board continued with the review of the list of questions and responses with Mr. Ficken. Mr. Marsh provided information regarding his initial thoughts on the need for executive housing in order to bring corporate campuses to Pflugerville. He explained that he was under the impression that corporate executives prefer to live near their offices and would locate their corporate campuses near where they intended to live and if Pflugerville had high-end executive housing, then corporate campuses would follow and that was the reason to build this executive housing; to attract businesses. Discussion of the theory followed with Mr. Ficken, Mr. Meyer, Mr. Akers and Mr. Wade. Following the discussion, Mr. Marsh stated that it sounds like the executive housing should be removed from the plan if it will not bring corporate growth by providing housing for corporate executives. No objection was stated to removing executive housing amenitization (landscaping, entry monument, gate, masonry walls) from the plan.

Mr. Marsh called for a break at 7:25 p.m. He resumed the meeting at 7:32 p.m.

There was continued discussion regarding the project plan, list of projects and the proposed schedule. Mr. Wade provided information on in-city municipal utility districts like Falcon Pointe vs. out of city municipal utility districts. An item was to be placed on the next agenda for further information and discussion. Falcon Pointe Boulevard was removed from the project list as it is currently under construction. A line item was to be added for Pflugerville Parkway right of way acquisition to provide for expansion of the roadway. A requirement for publicly bidding projects per city regulations was to be included as a requirement for reimbursement.

There was continued discussion on the questions with Mr. Austin, Mr. Ficken, Mr. Wade, and Mr. Barganski regarding the rest of the questions and responses. Mr. Rainer deferred questions regarding the financing plan until the next meeting since the numbers would require updating. Mr. Ficken noted that the market study is a requirement of the TIRZ and is for overall frame of reference. He stated he would combine the explanation with the finance question at the next meeting.

Mr. Johnson reviewed his questions that had not yet been addressed during review of the questions and responses.

No action was taken.

10. Discussion regarding Reinvestment Zone No. One draft Financing Plan.

Mr. Marsh noted that they need to have the project plan updated before discussing the financing plan. No action was taken.

11. Discuss and consider action regarding future meeting dates and agenda items.

The next meeting was set for Wednesday, September 21, 2011 at 5:00 p.m. Agenda items topics were to include: project and financing plan, creation of a local government authority, public comment, minutes, in city vs. out of city municipal utility districts.

12. Adjourn. Mr. Beyer made a motion to adjourn. Mr. Dwyer seconded the motion. All voted in favor. The motion carried. The meeting was adjourned at 9:04 p.m.

Approved as presented on September 21, 2011.

Mike Marsh
Chair