

STATE OF TEXAS §  
COUNTIES OF ARANSAS §  
SAN PATRICIO AND NUECES §  
CITY OF ARANSAS PASS §

On this the 1<sup>st</sup> day of November, 2005 the Aransas Pass Municipal Development District convened in a Regular Meeting being open to the Public at the regular meeting place thereof in the City Hall and notice of said meeting giving the time, place, date and subject hereof having been posted and prescribed by Chapter 551 of the Texas Government Code with the following attendance to wit constituting a quorum.

ARANSAS PASS MUNICIPAL  
DEVELOPMENT DISTRICT  
PRESENT:

ROBERT JAYNE	President
HOPE COMINGORE	Vice President
SHERRI TRINGALI	Secretary
RANDY BOATMAN	Member
NAOMI HANSEN	Member
DON MCTEE	Member
LAURA WELBORN	Member
DON WILLIAMS	Member

ABSENT:

JESSE GALVAN	Member
JIMMY TURNER	Member

STAFF PRESENT:	DEBRA KELLER	Executive Director/Treasurer
	ADA OWENS	Recording Secretary

STAFF ABSENT: None

OTHERS PRESENT:	SCOTT THOMPSON	City Manager
	DARREN GURLEY	Public Works Director
	EMILY ROZYPAL	WKMC Architects
	ROBERT CONOLLY	WKMC Architects
	SID SMITH	American Appraisers

**ITEM 1. CALL MEETING TO ORDER.**

President Jayne called the Meeting to order at 6:34 P.M. on November 1, 2005. President Jayne stated there was a quorum present.

**ITEM 2. APPROVAL OF MINUTES OF REGULAR MEETING OF OCTOBER 6, 2005 AND OCTOBER 11, 2005.**

Secretary Tringali made the motion the minutes of the regular meetings of October 6, 2005 and October 11, 2005 be approved. Member Welborn seconded the motion. Motion carried.

**ITEM 3. CONSIDER AND ACT ON EXCUSED ABSENCES.**

Two absences were reported: Member Turner is still recuperating from knee and leg problems and Member Galvan is working out of town. No action was taken.

**ITEM 4.**

**REPORT FROM AMERICAN APPRAISERS ON LAND FOR COMMUNITY CENTER.**

Mr. Sid Smith with American Appraisers stated there were 31 parcels of land that needed to be acquired and among those was one church, one business, 3.6 acre tract of vacant land, ten single family residences and the balance are vacant tracts, some of which are one to three lots in size. He stated his company would like the City to write to each property owner to notify them about the project and that they would be contacted by an appraiser in the near future. Mr. Smith would then send a letter to each property owner and give them the dates and times he would be here to appraise the properties, his phone number, and invite the property owners to meet him in person. Some people want to be with the appraiser when they inspect their property and some don't. The property owners then have the opportunity to say what they want to say.

The City has a right to condemn property and the property owners have a right to receive just compensation, which means he would be a disinterested third party. His job would be to come up with what he believed to be the market value of the property if anyone else were buying it, not just if the City was buying it. In appraising vacant land there was only one approach to value and that is what other pieces of land in the area have sold for. Appraising a church is more difficult. The cost/value could be depreciated which may or may not be accurate, but it is based on what it would cost to rebuild the church from the same materials and add the land value to that. There is no income from a church so there is no income approach to value. They could try sales comparison because there are churches that have sold. For business there are three approaches to value: the cost approach, where they take the cost to build, depreciate it, then add the land value; for sales comparison they would see what other businesses have sold for and usually on dollar-per-square-foot basis and make adjustments; and income approach, how much income the property produces. Out of those three approaches the appraiser decides which is the most reliable and that would be the indication of value. The only viable way to figure out what a house is worth is what other houses have sold for. He would be looking for what other homes sold for in the area and make comparisons. In the appraisal process, because they use at least three comparable sales for each type of property, there is a range of value. Normally, he sticks right in the middle of the range of value. With condemnations, he had direction from the City Manager in that the City wanted to be more than fair with the people whose property is being taken. In this case, he would be leaning toward the upper end of the value range.

Mr. Smith stated it will take 30 to 45 days to appraise the 31 properties and during that period of time, he could give City Manager status reports. If the City was under Federal Guidelines, if the City had a grant, the City would have to follow the Federal Law which requires relocation adjustment. The City does not fall under that law so they do not have to worry about the Federal Laws, but what the City may come up against is the church wanting relocation expenses paid beside the payment for the property. That would be up to the City, the City does

not have to pay those relocation expenses; it can be very costly. And the City may be asked by all property owners for relocation expenses or down payments to buy other property if the City pays the church relocation expenses.

Somewhere in the process the City is going to have to have a negotiation/acquisition function. That is outside of the parameters of what appraisers do, but that party would help the City with the actual negotiations after the City gets the appraiser's property values. Someone has to talk to the property owners and he recommends that it be someone that has experience in that field. If the City wants to talk to some relocation assistants, Mr. Smith stated he talks to attorneys and acquisition agents regularly so he had good input. If the City has questions beyond his expertise, he could advise the City whom they need to talk to.

Executive Director asked who would be doing the negotiations?

City Manager asked Mr. Smith did he have a recommendation with regard to the buyers (acquisition agents)?

Mr. Smith stated he would recommend calling Mr. Sonny Garza, the manager of property and land acquisition for the City of Corpus Christi. Mr. Garza has a list of firms that have solicited him, local and out-of-town.

Member Williams stated it had been mentioned in one of the meeting that there would be no condemnation process involved with homeowners and Mr. Smith had mentioned condemnation several times. Condemnation means to him that the property is appraised for what it is worth and that is it.

Mr. Smith stated the City would have his input as to what the property is worth. The way some of the other communities work is the Council usually gives the buyer some leeway. A lot of people look for windfalls in these situations. The legal term is "eminent domain," that is the law that gives a City the right to take property for public use. The other part of the law is "just compensation," where someone like him comes in and says what the property is worth. The City can be as generous as they want, but in Corpus Christi the leeway is only about 10% (above the appraised value). The City Manager had told him the City did not want to use condemnation (eminent domain) but if you have someone who did not want to cooperate it may have to be used.

Secretary Tringali asked how does eminent domain affected with the District being the one to actually purchase the land, would the City have to purchase the land?

Executive Director stated yes, the District was making the recommendation for the land the City will purchase.

City Manager stated The City is in charge of purchasing the property and the money will come from the District.

Mr. Gurley stated the City would own the property and maintain it.

President Jayne asked is having 31 parcels of land, the one business, the one church and then 10 residents, going to create a problem?

Mr. Smith stated he was a little worried about the church. The church may find it is going to cost money more than they have to relocate somewhere else, so that might be a problem.

President Jayne asked how would the District/City deal with that?

Mr. Smith stated the City had the right to take the land for public use. Sometimes people will reconfigure their projects if someone holds out and they do not want to condemn that property. Discussion was held on the location of the church.

Member McTee stated he understands the City owns numerous pieces of property within the town. He asked if there is a problem with the church, could the church property be exchanged for a piece of property the City owns in another area?

City Manager stated that was certainly a possibility. He would have to explore the pieces of property the City owns. Different vacant properties were discussed.

Executive Director asked is the appraiser going to appraise all of the property or just Blocks 287 and 320 and see what they come up with?

Mr. Gurley stated Blocks 287, 320 and 321.

City Manger stated that is the property the Council approved to be purchased, so that is the property to be appraised. If the District decides not to buy the church property and build around it, they could go back to the Council for approval.

Mr. Smith stated the District was sitting in a spot where, in 20 years time, people will be asking why didn't the District take that extra land (meaning the church).

Member Boatman asked if Mr. Smith could not find three comparable sales in the area, how far out does he anticipate having to go out for comparable property?

Mr. Smith stated he will start in the center of the area and if he cannot find what he is looking for, he will go farther and farther out.

Discussion was held on comparable properties in different neighborhoods and their effect on the appraisals.

**ITEM 5.**

**DISCUSSION ON ARCHITECTURAL DESIGN OF COMMUNITY CENTER WITH WKMC ARCHITECTS.**

Mr. Robert Conolly introduced his associate Ms. Emily Rozypal and stated they were there to get the Board's vision of a community center. What does the Board see in a community center?

Ms. Rozypal asked what kind of activities would be held?

Mr. Conolly showed and described the plans for the Portland Community Center and asked the Board about what they wanted in their community center.

President Jayne stated the number one thing they wanted was a large meeting room for conferences, proms, weddings and showers for 300 to 400 people.

Discussion was held on activities that would be held, number of people for those activities, being able to divide a big meeting room with movable partitions, a full or catering kitchen available to the meeting rooms, all fiber optics, communication, data, phone and cable accessible to each room, loading dock with overhead doors, nonpermanent stage, no carpet in large rooms, flexibility of the rooms being a main point, storage space, sufficient restrooms with easy access, and hookups for trade shows.

City Manager stated from a City standpoint they wanted as many common areas such as Council Chamber/Courtroom and meeting/conference rooms.

President Jayne stated the community center project would be different because the community center and city hall would be together and they wanted to be able to work back and forth and both use the space.

City Manger stated the rooms had to be modular so when rooms were not being used as Court or Council Chambers they could be used for meeting rooms for civic functions.

Member Williams stated the City has given up the tax office, the City finances are not close to \$1M, that they should look at remodeling the City Hall and tying it to the community center rather than building a new city hall.

President Jayne stated the City was going to move to a new building and the Police Department was going to take over the old City Hall.

Discussion was held on the need for space for City Hall and Police Department.

Executive Director stated typically in city hall there is one room reserved for the Council and it is not a room that they would want to break down for every council meeting. It could double as a courtroom, but its main purpose is to use as a council room.

City Manager stated if there were a way to use rooms for multipurpose, they would save money.

Multi-use of rooms by community center and city hall was discussed.

President Jayne stated the City would have to decide what they want in a city hall, the Board's number one issue is what do they want in a community center. The architect can then take that information and put it together and go from there.

Mr. Smith stated he would come back with a written program of what he had heard the Board say and put some sizes to the spaces to try to give the Board as much information as he could . The Board can look at it and decide if that is what they wanted.

Discussion was held on large meeting rooms with dividers.

Executive Director stated as much as the Board could steer away from specific functionality rooms, they better it would be. The rooms should be designed to be useful and pay for themselves. The functions of the rooms should not compete with local business.

Discussion was held on possible use of rooms, the equipment that would be needed for different activities, building for phasing in the future, using the outside of the building for functions, the results of the survey on a community center, specialty rooms such as arts and crafts, child care, rooms for children's use, and use of a full or catering kitchen. Landscaping will be discussed later.

Discussion was held on outdoor activities at the community center, liability responsibilities, controlling the outdoor space.

**ITEM 6.**

**DIRECTOR'S REPORT.**

Executive Director stated the financial and investment report would be on the next agenda. Some invoices and payment checks were kept by the City at the beginning of the fiscal year and she is trying to get those from the finance department with the City Manager's help. She is hoping the website will be updated by the new IT person the City is going to hire.

Executive Director quoted the Bylaws on Member's absences and discussed the procedures pertaining to absences.

Discussion was held on meeting in November and December. It was decided the next meeting would be November 15, 6:00 p.m.

**ITEM 7.**

**CITIZEN'S COMMENTS.**

There were none.

**ITEM 8.**

**GENERAL DISCUSSION.**

There was none.

**ITEM 9.**

**ADJOURNMENT OF MEETING.**

Member Williams moved to adjourn the meeting. There was a second by Member McTee. Motion carried.

Meeting was adjourned at 8:10 p.m.

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Robert Jayne

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President

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Hope Comingore

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Vice President

ATTEST:  
  
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Ada Owens

Recording Secretary