

25.b. FIRST READING ORDINANCE

Authorizing the City Manager or his designee to execute an Airline Use and Lease Agreement with American Eagle Airlines, Inc., Atlantic Southeast Airlines, Inc., Expressjet Airlines, Inc., and Southwest Airlines Company for use of space at Corpus Christi International Airport in consideration of payment of fees that total approximately \$5.94 per enplaned passenger and are adjusted annually based on a fixed formula, for a term expiring July 31, 2008.

The foregoing ordinance was passed and approved on its first reading with the following vote: Neal, Chesney, Colmenero, Cooper, Garrett, Kelly, Kinnison, and Scott, voting "Aye"; Noyola abstained.

Mayor Neal opened discussion on Item 21 regarding the closure of two utility easements to allow the owner, Home Depot, to expand their current building over the subject area. City Secretary Chapa stated that staff wanted to amend Items 21.a. and 21.b. by adding a sixth condition regarding wastewater manholes to Section 1 of each ordinance. Mayor Neal made a motion to amend Items 21.a. and Item 21.b. as recommended by staff, seconded by Ms. Cooper, and passed. City Secretary Chapa polled the Council for their votes as follows:

21.a. ORDINANCE NO. 025841

Ordinance abandoning and vacating a 3,291-square foot portion of a 10-foot wide utility easement in Lot 10R, Block 1, Moore Plaza; requiring the owner, Home Depot U.S.A., Inc., to comply with the specified conditions.

An emergency was declared, and the foregoing ordinance was passed and approved as amended with the following vote: Neal, Chesney, Colmenero, Cooper, Garrett, Kelly, Kinnison, Noyola and Scott, voting "Aye".

21.b. ORDINANCE NO. 025842

Ordinance abandoning and vacating a 3,291-square foot portion of a 10-foot wide utility easement in Lot 18, Block 1, Moore Plaza; requiring the owner, Home Depot U.S.A., Inc., to comply with the specified conditions.

An emergency was declared, and the foregoing ordinance was passed and approved as amended with the following vote: Neal, Chesney, Colmenero, Cooper, Garrett, Kelly, Kinnison, Noyola and Scott, voting "Aye".

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Mayor Neal referred to Item 29a, and a motion was made, seconded and passed to open the public hearing on the following item:

- 29.a. Public Hearing to consider amending the Comprehensive Plan of the City of Corpus Christi by amending the South Central Area Development Plan to include the Bayfront Master Plan; amending related elements of the Comprehensive Plan including the Urban Transportation Plan.

Assistant City Manager Ron Massey introduced the members of the design team who would be presenting the final version of the proposed Bayfront Master Plan: Mr. Raymond Gignac of Gignac & Associates; Mr. Alan Ward with Sasaki Architects; and Mr. Matthew Summy of C.H. Johnson Consulting.

Mr. Gignac reported that design team held a series of public meetings to gauge public input on their views and aspirations for the bayfront. He said a total of approximately 32 public presentations have been made on the master plan. In addition, Mr. Gignac said the team has worked with the Regional Transportation Authority (RTA) since the beginning of the process. He reported that the RTA had decided to amend the schedule for the trolley feasibility study to better coordinate with the bayfront master plan decision-making process. Mr. Gignac stated, however, that the RTA's schedule was still too disparate to mesh well with the final presentation of the master plan, so the trolley was not included in today's presentation. Nevertheless, he said the master plan could accommodate the results of the RTA trolley study regardless of the results.

Mr. Gignac displayed a number of photos of the Corpus Christi bayfront in its current state. He noted that the bayfront stretched from McGee Beach to the arena and convention center complex, a two-and-half mile project site. Since this was a sizable project area, he stated that it may be best to implement it in smaller increments. He then introduced Mr. Ward to present the key elements of the master plan, with the notable inclusion of cost estimates for each zone of improvement.

Mr. Ward prefaced his presentation by saying that it was important to put the master plan in context. The proposed development area was over two miles in length, and he said his firm had never worked with a city able to implement a plan for such an extensive area at one time. Nevertheless, he said the master plan provided the city with a framework within which the first phases of the plan could be implemented, with the confidence that they fit into a cohesive and logical vision for the entire waterfront.

The key elements of the master plan were comprised of the following elements: a south bayshore park along the water at the south; a series of small parks connected to downtown at the marina; an arts district park along the water at the north; and all downtown streets would extend to the water. Mr. Ward commented that the creation of the north and south parks was possible due to the realignment of Shoreline Boulevard to the west.

Mr. Ward covered a number of underlying master plan principles behind the plan. First, he said the plan included variations in green space and the relationship of the car to the water. Second, a prominent arrival feature was planned at Shoreline and IH-37. Third, the plan provided for small scale commercial elements such as cafes and kiosks in the green space areas. Fourth, it was flexible to allow festivals and events of multiple kinds on the bayfront. Fifth, the parks to the north and south provided for true pedestrian connections to the water without a roadway. Finally, he said Shoreline Boulevard had been reconfigured to create a more dramatic driving experience as related to the water.

Mr. Ward displayed an illustrative diagram of the master plan concept divided into Zones A through D. He discussed each zone individually, beginning with Zone A, the North Waterfront Park. Mr. Scott asked about the setbacks shown on the private parcels of land in Zone A. Mr. Gignac replied that the design team was proposing setbacks for any future development of those parcels facing the bayfront on the street side.

Mr. Ward stated that the cost estimates he would be presenting were concept cost estimates only, since the project had not reached a more detailed design phase yet. The concept cost estimates were comprised of two levels of improvements for both streets and parks. For the street improvements, Level 1 would include basic improvements, such as demolition, paving, utilities, sidewalks, and sod. Level 2 would add a moderate level of landscaping, site furnishings, planting and other amenities. For the park improvements, Level 1 would include demolition, sod, and minimal sidewalks. Level 2 would add a moderate level of landscaping, site furnishings, shade structures/kiosks/restrooms, planting, and other amenities.

Mr. Ward provided the cost estimates for the North Waterfront Park concept. He said Level 1 of the street improvements was estimated at \$7.30 million, and Level 1 of the park improvements was estimated at \$4.83 million, totaling \$12.13 million. Level 2 street improvements were estimated at \$7.57 million, and park improvements were \$7.42 million, totaling \$14.99 million.

Mr. Ward then covered Zone B, the downtown area, characterized by a series of small neighborhood parks and replete with curbside parking throughout the length of Shoreline Boulevard. The downtown concept cost estimate for Level 1 improvements was \$7.55 million for streets and \$6.78 million for parks, totaling \$14.33 million. Level 2 improvements for streets were estimated at \$7.82 million and \$12.45 million for parks, totaling \$20.27 million.

Regarding Zone C, the South Waterfront Memorial Park, Mr. Ward stated that this area would be characterized by a large festival park adjacent to the coliseum, which would hopefully be reused, and the waterfront. Level 1 improvements for streets were estimated at \$9.39 million and \$14.18 million for parks, totaling \$23.57 million. Level 2 improvements for streets were estimated at \$9.75 million and \$24 million for parks, totaling \$33.75 million.

In Zone D, the marina area, Mr. Ward said there was a whole range of possible improvements, including a wetlands habitat and breakwater extension. He said, however, that today's cost estimates were limited to improvements to the T-heads and L-heads only. Level 1 street improvement costs were estimated at \$1.25 million and \$3.17 million for park improvements, totaling \$4.42 million. Level 2 street improvement costs were estimated at \$1.70 million and \$5.52 million, totaling \$7.22 million.

Mr. Ward then discussed the possible phasing options. The phasing could include an additional Zone E to further break down Zone C, the larger-scale South Waterfront Memorial Park improvements. He said the design's team sense was that Zone B, the downtown area, coupled with the improvements to the T-heads and the L-heads, would be a logical first phase because it would create a catalyst for downtown development. He emphasized that the critical aspect of the planning effort was energizing private development in the downtown area.

Mr. Ward briefly covered the Shoreline traffic issues. He summarized that the traffic study

has indicated that there was more than adequate traffic capacity during peak hours on Shoreline Boulevard for a four-lane roadway with left-turn lanes. A discussion ensued over whether the traffic on Shoreline Boulevard would function well if it was decreased to a four-lane roadway. Mr. Kelly questioned the study's growth assumptions for the city, set at 1.5 percent, because the city could grow at a faster rate if the bayfront project were to stimulate downtown development. He was concerned about the public's reaction if the city were to decrease the number of lanes on Shoreline, but then underestimate the amount of traffic. He asked if the study assumed any residential development. Mr. Kevin St. Jacques, the traffic consultant, replied that their study assumed the harshest conditions by basing the city's growth assumptions on employment increases only. From a traffic standpoint, residential development would be a positive outcome because it would further reducing traffic projections since downtown residents would probably walk to work instead of drive.

Assistant City Manager Massey added that the study did not include provisions for public transportation either, which could further reduce traffic below forecasted levels.

Mr. Chesney stated that he did not support changing the number of lanes on Shoreline Boulevard from six lanes to four lanes. He was still not convinced that Shoreline would be able to handle traffic efficiently with only four lanes. Mr. Ward replied that a number of cities had chosen to limit traffic in a waterfront area to stimulate economic growth. He pointed out that the consultant's study had shown that the roadway wasn't being used anywhere near full capacity now, and the types of uses that were likely to occur as a result of new development were residential and entertainment uses, which would not affect peak hour traffic. Mr. Chesney asked if the plan could be modified to allow for the option to maintain the six-lane roadway. Mr. Ward and Assistant City Manager Massey replied affirmatively, but stated that this would decrease the amount of green space available.

Mr. Ward introduced Mr. Matt Summy with C.H. Johnson Consulting, who would discuss the market opportunities to fund these improvements. Mr. Summy stated that his firm's role in the process was to determine whether public investment should be part of the process and if so, what resources were available. He discussed a number of other communities around the country that have experienced this process and reported on their results and impact, including San Antonio, TX and Dubuque, IA.

Mr. Summy reported on the overall conclusions about the Corpus Christi market. He said the city's investments in the convention center, arena, and a new baseball stadium combined with waterfront improvements are appropriate, and are the only way to create density and create an attractive setting for an increased rate of development. He noted that the velocity of development was currently very slow, and market rate opportunities were limited. Finally, he said land ownership issues impacted the policy decisions.

Mr. Summy discussed the aspects of the initial downtown development. He said the economics of development favor adaptive reuse in the area first. There were many building underutilized, which signaled renovation and economic development opportunities. He said the next 18 months should focus on "activating" existing buildings by 1) identifying priority buildings and 2) identifying buildings best reserved for later development (market may shift priority).

Mr. Summy stated that new investments will need to be seeded because, unfortunately, the market was soft. As such, he said early entry projects will likely require subsidy. Hotels, retail, and

marina development are key destination drivers likely consuming resources hoped for other purposes. He said the design team's master plan improvements are required to establish a platform for future development.

Regarding residential development, Mr. Summy noted that the city was seeing an upswing in housing development, which indicated two things. First, he said people seemed to be interested in Corpus Christi. Second, housing development in the downtown area could be a real possibility since it was one of the last areas in the city without that purpose yet.

Regarding retail sales, Mr. Summy said the city outpaces the county by \$1,000 per person based on the volume of sales on a per capita basis. He said national retailers know this, but have not found attractive spaces in the downtown area or elsewhere for additional projects. A residential base downtown, however, could make retail development a draw.

Regarding the marina market, he said the city seemed to be well-positioned to benefit from this growing market. An additional advantage was that the marina had its own revenue stream, unlike other areas in the city, so it could become self-funding.

Mr. Summy discussed a number of methods to organize for success. He said often, the attitude is that the private sector should be responsible for new development and future trends should be driven by external market forces. However, he said the public sector and the populace should realize that when market forces are not providing additional opportunities, it must step in and "level the playing field" to provide a setting conducive to new development.

Mr. Summy also recommended the establishment of a development authority with the following requirements: power to assemble land for development; ability to negotiate and award development projects; certainty of multi-year financial support; broad-based community support; ability to coordinate and integrate public and private initiatives; and most importantly, the ability to issue debt, perhaps backed through mortgages. Ms. Cooper asked him to provide examples of development authorities in other communities. Mr. Summy said he would provide them to Mr. Massey.

Mr. Summy reported on likely funding sources for the improvements, saying that a menu of choices would be the preferred strategy. Infrastructure improvements could be funded through sales taxes, bond election, federal grant, and Special Assessment Districts (SAD). For specific projects, he said hotels could use tax legislation or retail investment to spur growth and raise funding. Other types of projects could be funded through a series of tax increment finance zones (TIFs).

Finally, Mr. Summy covered the requirements the city should look for in determining developer capacity. First, does the development team have experience with the scope and type of the proposed development project? Second, does the development team have the ability to be "hands on" throughout the project? Third, are broad-based and independent references available? Fourth, does the development team have the financial depth to pursue this scale of project? Fifth, what is the likelihood that the development team would pursue "follow-up" developments?

In conclusion, Mr. Summy stated that if the city provided a conducive environment and invested public dollars, the city may be able to attract private investment. He said a single source

of funding would not currently allow the city to stimulate growth; rather, a menu of funding sources was needed.

Mr. Ward then discussed a number of planting concepts for the bayfront parks, which were subject to wind and salt water conditions. For the park landscape areas, the design team recommended banyan, sea grape, mesquite, and possibly live oak trees for shade. For road planting, he said various palm species could be used. Finally, on the coastal edge, palm groves of salt and wind tolerant species were recommended. He emphasized that the planting would be done in a such a way to preserve the view corridors for park patrons.

In addition, Mr. Ward provided examples from other communities on the following design concepts: creating basins of water in the downtown parks to make the bay more visible; creating small-scale protected spaces; designing the edge to make the linear space more interesting; designing for recreational use; park structures; types of outdoor event spaces; collaboration with artists; and extending improvements to downtown streets.

Finally, Mr. Ward discussed the next steps in the process as follows: adopt the bayfront master plan; identify phasing priorities; secure funding sources; schematic design for first phase; and future phases to follow.

Mayor Neal asked for public comment. Mr. James Skrobarczyk, 3410 Floyd, expressed his concerns about reducing Shoreline from six lanes to four lanes and whether there was public support for this project. Mr. Abel Alonzo, 1701 Thames, expressed his concern about funding for the project and whether the public supported the project. Mr. Trian Serbu, 14310 Playa del Rey, spoke in support of the plan, and suggested making the South Park even larger by moving Shoreline Boulevard all the way to Water Street. He also spoke against the proposed streetcar system. Ms. Dorothy Ramela spoke against the proposed bayfront plan. Mr. Bill Kopecky, 3609 Topeka, expressed his concerns about the lack of U-turn lanes in the proposed traffic plan for the bayfront. Ms. Cooper made a motion to close the public hearing, seconded by Mr. Chesney, and passed.

Mr. Scott commented that proposed improvements to Port Avenue will also relieve congestion in the convention center and arena area after events by serving as an alternative to Shoreline Boulevard. Assistant City Manager Massey also mentioned Tanchua Street as an alternate route.

Mr. Scott also asked how much the proposed breakwater in the marina area was projected to cost. Mr. Noe replied that the breakwater alone was projected to cost \$37 million. Mr. Scott said he liked the idea of the breakwater and the basin, but it was prohibitively expensive.

Mr. Scott also stated that he was not against a four-lane roadway with left-turn lanes because he recognized the opportunity to create additional public space. He liked the idea of using water basins and fountains in the parks, creative lighting, and shade structures.

Mr. Colmenero spoke in support of the proposed bayfront plan, saying that other communities like San Antonio have done a good job managing traffic around attractions. He also spoke in support of fostering residential developments in the downtown area. Finally, he said the public sector would have to work with the private sector to generate development in the downtown

area.

Mr. Chesney said he was still concerned about decreasing the roadways from six lanes to four lanes. He said he did not want to decide on this aspect of the plan today, and asked for suggestion. Mr. Kelly stated that he was not convinced that the traffic models used were based on appropriate growth assumptions. City Manager Noe suggested that the Council authorize the first reading of the plan, and then staff could construct an amendment for the second reading that would deal with the issue. The Council concurred with Mr. Noe's suggestion.

Ms. Cooper spoke in support of the plan, and she was excited that the plan could potentially spur economic growth in the area. She also pointed out that the proposed bayfront plan would not just benefit residents living in the Ocean Drive area. Rather, she said the project would benefit the entire community by stimulating economic growth. City Secretary Chapa polled the Council for their votes as follows:

29.b. FIRST READING ORDINANCE

Amending the Comprehensive Plan of the City of Corpus Christi (the City) by amending the South Central Area Development Plan to include the Bayfront Master Plan; amending related elements of the Comprehensive Plan including the Urban Transportation Plan.

An emergency was declared, and the foregoing ordinance was passed and approved with the following vote: Neal, Chesney, Colmenero, Cooper, Garrett, Kelly, Kinnison, Noyola and Scott, voting "Aye".

Mayor Neal called for a brief recess to present proclamations.

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The Council returned from recess, and Mayor Neal called for petitions from the audience. The following individuals expressed a number of concerns about the Corpus Christi Fire Department: Mr. Albert Villarreal, 3013 Edmonton; Mr. Michael Sabala, 6118 Killarmet; Mr. Carlos Torres, 6014 Ayers; and Mr. Dennis Noble, 317 Stages. Mr. Michael Manjarris spoke regarding his proposal to create a sculpture garden in the Water Garden area. Ms. Juanita Gordy and Mr. Jack Gordy, 4118 Bray, spoke against a police action that took place in their home. Mr. Abel Alonzo, 1701 Thames, spoke regarding his concerns that the city and the county had not been able to come to an agreement on the jail use issue.

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Mayor Neal announced the executive sessions, which were listed on the agenda as follows:

37. Executive session under Texas Government Code Section 551.074 for deliberations regarding the duties of Municipal Court Judges and the appointment of full time and/or part time municipal court judges with possible discussion action related thereto in open session.