

**MINUTES OF THE SPECIAL CITY COUNCIL WORKSESSION
OF THE CITY OF NORTH RICHLAND HILLS, TEXAS
HELD IN THE CITY HALL 4301 CITY POINT DRIVE
MARCH 20, 2019**

WORK SESSION

The City Council of the City of North Richland Hills, Texas met in a Special City Council Work Session on the 20th day of March at 6:00 p.m. in the City Council Workroom.

Present:	Oscar Trevino	Mayor
	Mike Benton	Mayor Pro Tem
	Tito Rodriguez	Council, Place 1
	Rita Wright Oujesky	Council, Place 2
	Tom Lombard	Council, Place 3
	Brent Barrow	Council, Place 4
	Scott Turnage	Council, Place 6
	Tim Welch	Council, Place 7

Staff Members:	Mark Hindman	City Manager
	Paulette Hartman	Deputy City Manager
	Karen Bostic	Assistant City Manager
	Traci Henderson	Assistant City Secretary
	Maleshia B. McGinnis	City Attorney

1. Call to Order

Mayor Trevino called the meeting to order at 6:00 p.m.

2. Discussion and Description of City Point Area and Introduction of Developer Centurion American.

Mayor Trevino welcomed everyone to the meeting and shared with council to be open-minded and if it is not the direction that council wants to go, now is the time to voice their opinions. Mayor Trevino reminded council that they will not be able to vote on this item but can talk about the direction of the future. Mayor Trevino acknowledged the developer and staff's time already put into the project and they have brought a unified direction for council to consider pursuing.

Mayor Trevino called on City Manager Mark Hindman to say a few words regarding the scope of project being presented to council tonight. Mr. Hindman indicated that this work session is out of ordinary protocol; however, due to the complexity of land use, size of the project and potential participation by the city, this meeting will provide council with a

thorough look at the entire project proposal for their consideration. Mr. Hindman went on to say the development portion of the project will be discussed in work session and any financial participation by the city will be discussed in executive session.

Mayor Trevino suggested creating a council committee of three to work with staff and the developer to address possible concerns before coming to council for a vote. Mayor Trevino would like Council member Wright Oujesky to chair the committee and Council members Rodriguez and Turnage to make up the remainder of the committee.

Mr. Hindman confirmed that an ad hoc committee could be established; however, this committee is not eligible for executive session.

Mr. Hindman called on Planning Director Clayton Comstock to introduce the item. Mr. Comstock gave a brief history of the North Hills Mall site, and presented and discussed the zoning district and street map for City Point.

3. Developer Presentation on Proposed City Point Mixed-Use Development.

Mr. Comstock introduced President and CEO of Centurion American, Mehrdad Moayed. Mr. Moayed introduced his team; Trevor Kollinger, Project Manager, Finance & Development with Centurion American, Sean Terry, Vice President Entitlements with Centurion American, Kirk Wilson, Principal with T. Wilson & Associates, Bryan Klein, Managing Director with Ion Design Group and Connie Cooper with Ion Design Group.

Mr. Moayed shared some of Centurion American's successes and struggles with projects in the Dallas/Fort Worth area and explained the vision for the mixed-use development in North Richland Hills. There would be 75,000 square feet of retail space in addition to restaurants, active water features and 350 single-family housing units to include villas and townhomes as well as an amenities center, to include a pool and gym. Mr. Moayed shared that Centurion American has invested in the restaurant business in order to keep their developments viable. The restaurants may change concept but will not go dark. This project would include one story underground parking to assist with green space and park areas. An additional 650 multi-family units would be a part of this development and implemented toward the end of the project.

Mr. Moayed spoke to the hotel portion of the development. It will not be a full service hotel because of the proximity of the restaurants. However, the hotel would include meeting spaces and a ballroom. In addition, there would be an entertainment venue concept of approximately 30,000 square feet to include bowling lanes.

Mr. Moayed indicated this development has a village feel to it with boutique shopping, ice cream and coffee shops. He commented that Centurion will own all of the retail. There will be minimal surface parking with majority of parking being below ground. Centurion will

most likely own the structured parking, as it is harder to sell. Mr. Moayedí shared that they would like to use golf carts to shuttle individuals from the local hospital and doctor offices to and from the development. Mr. Moayedí continued that they would like to upgrade the waterway to improve the appearance to include retaining walls and a waterfall. Additionally, they can create a public park and or dog park with the vacant property (owned by hospital) in the flood plain to increase foot traffic. Mr. Moayedí was available to answer questions from council.

Council member Welch asked Mr. Moayedí about the possibility of a brewpub or microbrewery. Mr. Moayedí said they are open to what the City Council envisions and is definitely an option. Mr. Moayedí also stated that on the retail side they are working on setting up an incubator system for North Richland Hills business owners to possibly expand to this location at a discount without it negatively impacting their current location.

Council member Lombard asked Mr. Moayedí if the city's spring concert series would be an obstacle in this development. Mr. Moayedí said they would like to make it more active and increase frequency. Mayor Trevino added that the development could adjust the restaurant patios to face the concert and fountain area. Mayor Trevino shared that more than six concerts a year would be beneficial to the success of the development. Mr. Moayedí concurred with Mayor Trevino.

Mr. Moayedí stated the infrastructure and parking garage would be constructed at the same time. Then followed by single family, one or two apartment pods on each end and holding off on the apartment site closest to Boulevard 26 until closer to the end of the project. Thirty to forty thousand of the seventy-five thousand square feet of retail space would start immediately.

Mayor Trevino spoke to the importance of transparency and disclosure regarding the current apartment project in City Point. Mr. Moayedí assured the City Council that full disclosure is part of the project.

4. City Council Discussion on Proposed City Point Mixed-Use Development and Public-Private Partnership.

Trevor Kollinger, Project Manager, Finance & Development with Centurion American spoke to three things--Public Improvement District, Tax Increment Reinvestment Zone and Local Government Corporation--Centurion would need from the city in order to move forward with the project. The creation of a Public Improvement District (PID) would encompass the boundaries of the property owned by Centurion. The levy would be put in place to finance water, sewer, drainage and roads prior to anyone else buying property. The only person involved as far as a land owner is their development group. As new property sales occur and homeowners buy houses or apartment developers buy apartment sites, they will be aware of the levy, payment terms and assessment. In

March 20, 2019

Special City Council Worksession Meeting Minutes

Page 3 of 5

addition to the PID, a Tax Increment Reinvestment Zone (TIRZ) was used by Centurion in another local project. As the property value grows that could be allocated to offset the assessment or be assigned to finance the parking garage. Mr. Kollinger mentioned that several entities participated in their previous development, and it is their hope that Tarrant County and Tarrant County College District would participate in this development. Mr. Kollinger also indicated that Centurion may want to create a Local Government Corporation (LGC) to finance the structured parking. This would be an ongoing discussion as the project moves forward. Mr. Kollinger was available to answer questions from council.

Lastly, Centurion American shared a video about their vision for the development.

Mayor Trevino commented the city has to have a vision and know what it takes to get there. The sub-committee of council will have the opportunity to work on the details, issues and ask the hard questions. This will assist in expediting the process.

Mr. Moayedhi said that they have a good working relationship with staff and are ready to follow their lead and get started.

Mayor Trevino recessed the work session at 6:52 p.m.

Council member Brent Barrow left the meeting at 6:53 p.m.

5. EXECUTIVE SESSION

5.a SECTION 551.087: DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS AT CITY POINT ADDITION, BLOCK 1, LOT 2; BLOCK 2, LOTS 1A AND 1B; AND BLOCK 3, LOT 1

Mayor Trevino announced at 6:52 p.m. that the City Council would convene into Executive Session as authorized by Chapter 551, Texas Government Code, specifically Section 551.087: Deliberation regarding Economic Development Negotiation at City Point Addition, Block 1, Lot 2; Block 2, Lots 1A and 1B; and Block 3, Lot 1. Executive Session began at 6:58 p.m and concluded at 7:54 p.m.

Mayor Trevino adjourned Executive Session at 7:54 p.m. and convened into the Special City Council Work Session.

6. Adjournment

Mayor Trevino adjourned the Special City Council work session at 7:55 p.m.

Oscar Trevino, Mayor

ATTEST:

Traci Henderson, Assistant City Secretary