



City of San Marcos

630 East Hopkins
San Marcos, TX 78666

Meeting Minutes City Council

Tuesday, June 19, 2018

3:30 PM

City Hall Conference Room

630 E. Hopkins - Work Session

I. Call To Order

With a quorum present, the work session meeting of the San Marcos City Council was called to order by Mayor Thomaides at 3:30 p.m. Tuesday, June 19, 2018 in the City Hall Conference Room, 630 E. Hopkins, San Marcos, Texas 78666.

II. Roll Call

Council Member Derrick arrived after roll call at 3:45 p.m.

Present: 7 - Mayor Pro Tem Lisa Prewitt, Council Member Saul Gonzales, Deputy Mayor Pro Tem Scott Gregson, Council Member Melissa Derrick, Council Member Jane Hughson, Mayor John Thomaides and Council Member Ed Mihalkanin

PRESENTATIONS

1. Receive a staff presentation and hold discussion regarding the establishment of an Innovation District in San Marcos, and provide direction to the City Manager.

Bert Lumbreras, City Manager introduced the staff that will be presenting this evening.

Kevin Burke, Economic Development and Downtown Coordinator, provided a presentation regarding Innovation Districts. Mr. Burke also introduced Dr. Walt Horton, Dr. Christopher Laing, and Adriana Cruz.

The purpose of this presentation is to understand the Innovation District Concept and present the initial assessment.

Mr. Burke discussed the Brookings Institution Framework of an Innovation District and the 12 principles guiding these districts, which include:

1. The clustering of innovative sectors and research strengths is the backbone of innovation districts.
2. For innovation districts, convergence—the melding of disparate sectors and

disciplines—is king.

3. Districts are supercharged by a diversity of institutions, companies, and start-ups.

4. Connectivity and proximity are the underpinnings of strong district ecosystems.

5. Innovation districts need a range of strategies—large and small moves, long-term and immediate.

6. Programming is paramount.

7. Social interactions between workers—essential to collaboration, learning, and inspiration—occur in concentrated “hot spots.”

8. Make innovation visible and public.

9. Embed the values of diversity and inclusion in all visions, goals, and strategies.

10. Get ahead of affordability issues.

11. Innovative finance is fundamental to catalyzing growth.

12. Long-term success demands a collaborative approach to governance.

Dr. Christopher Laing, Executive Director of Capital City Innovation, provided an update on the Central Austin Innovation District. Their focus is on healthy communities and this is anchored and supported by Dell Medical School, Dell Seton Medical Center, Central Health Brackenridge, Austin Chamber, and the Downtown Austin Alliance.

Staff does not have a specific boundary or mission statement outlined. So at this time Staff is only asking that Council plan on adopting a Resolution to:

- 1) Identify a district boundary around Downtown and STAR Park, and
- 2) Establish an "Innovation District Stakeholder Group" charged with:
 - Conducting an audit of assets
 - Establishing a governance structure
 - Developing an action plan

Dr. Walt Horton, Associate Vice President for Research and Federal Relations at Texas State University, expressed his support of an Innovation District.

Adriana Cruz, President of the Greater San Marcos Partnership, expressed her support and would like to see an Innovation District that connects Austin and San Antonio through San Marcos.

Council directed the Staff to move forward with the recommendations but boundaries need to be considered and identified. There were also questions of the "Innovation District Stakeholder Group" and the initial start up costs and

who will participate in this group. Some Council Members expressed their support in reaching out to the co-working space group and non-profit organizations.

EXECUTIVE SESSION

2. Executive Session item in accordance with Section §551.071 of the Texas Local Government Code, Consultation With Attorney, to seek advice of legal counsel regarding:

A) Resolution 2018-95R, a subordination agreement with Goldman Sachs Mortgage Company and JPMorgan Chase Bank that subordinates the City's Deed of Trust lien against the Embassy Suites Hotel Property securing a note in the principal amount of \$1,500,000 to the lien of such entities securing their loan to JDHQ Hotels, LLC. (a subsidiary of Atrium Hospitality) for the purchase of the hotel from JQH-San Marcos Development (a subsidiary of John Q. Hammons Hotels and Resorts) and

B) Resolution 2018-96R, a loan assignment and assumption agreement between the City, JQH-San Marcos Development, LLC. (a subsidiary of John Q. Hammons Hotels and Resorts) and JDHQ Hotels LLC. (a subsidiary of Atrium Hospitality) that assigns the duties and obligations of JQH Development LLC under various loan documents with the City related to the development of the Embassy Suites Hotel and Conference Center to JDQH Hotels, LLC. in connection with the sale of the hotel from JQH-San Marcos Development, LLC to JDQH Hotels LLC.

Mayor Thomaides adjourned into executive session at 4:45 p.m.

IV. Adjournment.

The City Council reconvened into Open Session at 6:00 p.m. Mayor Thomaides then adjourned the Work Session meeting of the San Marcos City Council at 6:00 p.m.

Jamie Lee Case, TRCM, City Clerk

John Thomaides, Mayor

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