

**MINUTES  
CITY OF CONVERSE  
ECONOMIC DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS MEETING  
February 10, 2009  
6:30 PM**

Be it known that the City of Converse Economic Development Corporation Board of Directors met in a Regular Meeting at the City of Converse City Hall Conference Room No. 1 located at 405 South Seguin on Tuesday, February 10, 2009, at 6:30 PM to discuss the following:

**1. Call to Order.**

Chairman Degenhardt called the meeting to order at 6:30 p.m.

**2. Roll Call and Recognition of Visitors.**

Those present were:

Mr. Carlton Degenhardt, Chairman	Dr. Jerry Riley, Vice-Chair
Mr. Howie Marbach, Director	Ms. Trish Seguin, Director
Mr. Craig Martin, Director	Mr. Joshua Cone, Director
Ms. Renee Paschall, Director	Mr. Mark Luft, Executive Director
Mr. Ray Ortiz, Attorney	Mr. Gerald Wilson, Treasurer
Ms. Leigh Ann Rogers, Secretary	

Recognized visitors were Ms. Marsha Hendler and Mr. Tim Hanson (Marketing Plus), Ms. Janet Pitman and Ms. Heather Thomas (Thompson, Williams, Biediger, Kastor, and Young, L.C.), Mr. Sam Hughes (City Manager), and Mr. Grant Lopez (Converse resident).

**3. Citizens to be Heard (limit remarks to 3 minutes).**

There were no citizens to be heard.

**4. Consent Agenda. All of the following items may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Board Member.**

- A.) **Action to Approve the Minutes from the City of Converse Economic Development Corporation Board of Directors Meeting on January 13, 2009.**
- B.) **Action to Approve Financial Report for December 2008.**
- C.) **Action to Approve Investment Report for December 2008.**

Mr. Marbach requested to pull item 4A for a separate discussion.

A motion to **approve** the financial and investment reports for December 2008 (items 4B and 4C) was made by **Mr. Martin**. Seconded by **Dr. Riley**. Motion **passed** unanimously.

Mr. Marbach requested a correction to the minutes from the City of Converse Economic Development Corporation Board of Directors meeting of January 13, 2009. Specifically, page 5, first paragraph, last sentence, “Mr. Marbach also made a recommendation to form a “business association.” This sentence should state, “Mr. Marbach reported that the *focus group* expressed interest in forming a ‘business association’.”

**Ms. Seguin** made a motion to **amend** the minutes (as mentioned above) of the City of Converse Economic Development Corporation Board of Directors meeting of January 13, 2009. **Mr. Cone** seconded the motion. Motion **passed** unanimously.

**Mr. Martin** made a motion to **approve the minutes as amended** for the City of Converse Economic Development Corporation Board of Directors meeting of January 13, 2009. Seconded by **Ms. Seguin**. Motion **passed** unanimously.

## **5. Opening Remarks by the Chairman, Economic Development Corporation.**

Chairman Degenhardt thanked everyone for their presence at tonight’s meeting.

## **6. Briefing and Discussion of the Audit Report for the City of Converse Economic Development Corporation’s Financial Activity for Fiscal Year 2007-2008 as Required by State Mandate and in Accordance with GAAP (Generally Acceptable Accounting Principles) and SAS 114 (Standard of Accounting Services).**

Ms. Pitman of Thompson, Williams, Biediger, Kastor, and Young, LLC briefly reviewed the final report handed out to the board members. A draft copy of this same report was provided in the agenda packets for prior review by the board members. Highlights of Ms. Pitman’s report were:

- Page one, third paragraph, the auditors’ opinion, reflected the highest opinion that can be awarded.
- Page two revealed increased sales tax, increased capital projects, and basically unchanged current liabilities.
- Page three reported increased revenue while keeping operating expenses stationary.

In conclusion, Ms. Pitman stated the audit went very well, they were given everything they needed, there were no disagreements, everything was in good order, and it was a pleasure to work with the EDC on this project.

Chairman Degenhardt gave special recognition to the Finance Director and Treasurer for the EDC, Mr. Jerry Wilson, by acknowledging that the favorable audit was an indication of Mr. Wilson's attention to detail, pride in his work, and expertise. Chairman Degenhardt then expressed personal appreciation to Mr. Wilson for all of the work that he does for the EDC.

**7. Action to Approve the Audit Report for the City of Converse Economic Development Corporation's Financial Activity for Fiscal Year 2007-2008 as Required by State Mandate and in Accordance with GAAP (Generally Acceptable Accounting Principles) and SAS 114 (Standard of Accounting Services).**

Motion to **approve** the audit report for the City of Converse Economic Development Corporation's Financial Activity for Fiscal Year 2007-2008 as required by state mandate in accordance with GAAP (Generally Acceptable Accounting Principles) and SAS 114 (Standard of Accounting Services) as presented was made by **Ms. Seguin**. Seconded by **Mr. Marbach**. Motion **passed** unanimously.

**8. Discussion and Appropriate Action of Limitations of Campaign Signage on EDC Owned Properties in Accordance with Article 16 D of the Articles of Incorporation and City of Converse Ordinance 212 Section 3.**

Discussion included:

- Brief review of Article 16 D of the Articles of Incorporation.
- Courses of action for violations of Article 16 D.
- Clarification of rules for acquired properties on which the previous owners are still residing.

Motion to **approve** limitations of campaign signage on EDC owned properties in accordance with Article 16 D of the Articles of Incorporation and City of Converse Ordinance 212 Section 3 was made by **Mr. Martin**. Seconded by **Mr. Cone**. Motion **passed** unanimously.

**9. Discussion and Appropriate Action on Recommendations by Marketing Plus to Proceed with Tasks Relating to Marketing, Demographic and Economic Base Activities.**

The board members and Ms. Hendler briefly discussed revisions to the logos previously submitted to the board at the January EDC Board meeting. Additional suggested revisions will be presented at the March EDC Board meeting.

Ms. Hendler then reported on the proposed development of the website.

Motion to **approve** moving forward on the website developments as discussed was made by **Ms. Seguin**. Seconded by **Mr. Cone**. Motion **passed** unanimously.

Ms. Hendler stated that she would be prepared with an outlined copy of the homepage for review at the next board meeting.

**10. Discussion and Appropriate Action on a Request by VIM, Retail Clothing & Accessories for a Predevelopment Grant. (Board Member Trish Seguin and Board Member Howie Marbach).**

Ms. Seguin reported the application submitted by VIM for a predevelopment grant was lacking several key supporting documents. Of the eleven documents required, only three were provided. Ms. Seguin also reported that VIM is no longer in business.

Questions regarding the need for this action item arose. Attorney, Mr. Ray Ortiz, pointed out that although VIM is no longer in business, the requestors never withdrew their application and therefore their request should be addressed.

**Ms. Seguin** made a motion to **deny** a request by VIM Retail Clothing & Accessories for a predevelopment grant. Seconded by **Mr. Marbach**. Motion **passed** unanimously.

**11. Discussion and Appropriate Action of Recommended Modifications to the SmartCode (City of Converse Ordinance 633) Incorporating Recommendations of the Urban Design and Development Research Focus Meeting Held on December 9, 2008. (Board Member Trish Seguin and Board Member Howie Marbach).**

Ms. Seguin made a request to the Executive Director, Mr. Luft, to coordinate a meeting between the Business & Development Committee and City Staff prior to making modification recommendations to the Board of Directors. Mr. Luft agreed to make the meeting arrangements.

No action taken.

**12. Committee Reports:**

**REPORTS** In consideration of Texas Attorney General Opinion AG-0668, information provided on subjects not on the agenda shall be limited to statements of specific factual information; or recitation of existing policy. Any deliberation of or decision about a subject not on the agenda shall be limited to a proposal to place the subject on the agenda for a subsequent meeting.

**A.) Administration Committee (Mr. Cone and Mr. Martin)**

Mr. Cone reported that he and Mr. Martin will be meeting soon to discuss postings and maintenance for the EDC section of the City website.

**B.) Business & Development Committee (Mr. Marbach and Ms. Seguin)**

Mr. Marbach reported on EDC land acquisitions up to the present date. Out of 59 properties, 30 have been acquired, 13 more are in process, and there are 16 remaining.

**C.) Future Planning Committee (Dr. Riley and Ms. Renee Paschall)**

No report.

**13. Briefing on Current Projects: (1) Project Description, (2) Brief Background, (3) Where we are Specifically, (4) Project Challenges (budget shortfalls, issues with contractors), (5) Upcoming Actions.**

- A.) Toepperwein Project**
- B.) CDBG**
- C.) Town Square Development**
- D.) Airport City Development**

Mr. Luft briefly reviewed his written report which was included in the board members' agenda packets.

During the Project Red section of Mr. Luft's report, Mr. Marbach expressed gratitude for Mr. Luft and his contacts given that were it not for them, Project Red would have come to a standstill at this point. Mr. Luft was quick to give credit to the City Manager, Mr. Sam Hughes, and the City Attorney, Mr. Ray Ortiz, for their support in this project as well.

City Manager, Mr. Sam Hughes, then approached the board with a request for an exemption of a standing policy to allow the City staff to divulge independent appraisal information to the owners of a piece of property along FM 1976 in an effort to facilitate the acquisition of the land as part of the Toepperwein Road Project. City Attorney, Mr. Ray Ortiz, advised that sharing the information is a sensible strategy in this particular circumstance and no harm should come from doing so.

**14. Recess.**

Chairman Degenhardt recessed from the regular meeting at 7:52 p.m.

**15. Executive Session In Accordance With Section 551.072, Texas Open Meetings Act DELIBERATION REGARDING REAL PROPERTY; Closed Meeting. A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person. (600 Block of Hilltop - County Block 5951, Block 6, Lots 1 through 16 and the 700 Block of Hilltop - County Block 5951, Block 7, Lots 1 through 16 - Toepperwein Road Realignment Project)**

Start: 8:42 p.m. End: 8:47 p.m.

- 16. Executive Session In Accordance With Section 551.072, Texas Open Meetings Act DELIBERATION REGARDING REAL PROPERTY; Closed Meeting. A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person. (Parcel 16 County Block 5951, Block 3, Lot 13 [located on the southwest side of Hilltop, 240 feet southeast of 3<sup>rd</sup> Street] - Toepperwein Road Realignment Project)**

Start: 8:48 p.m. End: 8:51 p.m.

- 17. Executive Session In Accordance With Section 551.072, Texas Open Meetings Act DELIBERATION REGARDING REAL PROPERTY; Closed Meeting. A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person. (204 Hilltop, CB 5951, Block 8, Lot 3 - Toepperwein Road Realignment Project)**

Start: 8:52 p.m. End: 9:02 p.m.

- 18. Executive Session In Accordance With Section 551.072, Texas Open Meetings Act DELIBERATION REGARDING REAL PROPERTY; Closed Meeting. A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person. (For the deliberation to consider the purchase of property for an industrial park and other economic development activities).**

Start: 8:02 p.m. End: 8:41 p.m.

\* The board members addressed agenda item 18 prior to agenda items 15 through 17 to accommodate the City Manager, Mr. Sam Hughes, who participated in executive session for agenda item 18 only and then departed from the meeting.

- 19. Reconvene.**

Chairman Degenhardt called the meeting back into regular session at 9:04 p.m.

- 20. Action to Approve Resolution No. 40 Authorizing the Executive Director of the City of Converse Economic Development Corporation to Purchase Vacant Land Located at 600 Block of Hilltop - County Block 5951, Block 6, Lots 1 through 16 and the 700 Block of Hilltop – County Block 5951, Block 7, Lots 1 through 16, as Part of the Toepperwein Road Realignment Project at the Price Established by the Board of Directors of the Economic Development Corporation.**

Motion to **approve** Resolution No. 40 authorizing the Executive Director of the City of Converse Economic Development Corporation to purchase vacant land located at the 600 block of Hilltop (County Block 5951, Block 6, Lots 1 through 16) and the 700 block of Hilltop (County Block 5951, Block 7, Lots 1 through 16) as part of the Toepperwein Road Realignment Project at the price established by the Board of Directors of the Economic Development Corporation during executive session was made by **Mr. Martin**. Seconded by **Mr. Marbach**. Motion **passed** unanimously.

**21. Action to Approve Resolution No. 41 Authorizing the Executive Director of the City of Converse Economic Development Corporation to Purchase Vacant Land Located at Parcel 16 County Block 5951, Block 3, Lot 13 [located on the southwest side of Hilltop, 240 feet southeast of 3<sup>rd</sup> Street], as Part of the Toepperwein Road Realignment Project at the Price Established by the Board of Directors of the Economic Development Corporation.**

Motion to **approve** Resolution No. 41 authorizing the Executive Director of the City of Converse Economic Development Corporation to purchase vacant land located at Parcel 16, County Block 5951, Block 3, Lot 13 (located on the southwest side of Hilltop, 2400 feet southeast of 3<sup>rd</sup> Street) as part of the Toepperwein Road Realignment Project at the price established by the Board of Directors of the Economic Development Corporation during executive session was made by **Ms. Seguin**. Seconded by **Mr. Cone**. Motion **passed** unanimously.

**22. Future Items.**

- Agreements for acquisitions, if any.
- Public hearing for proposed industrial park subject to approval by EDC Board of Directors and City Council.
- Proposed logo and website development discussion with Marketing Plus.
- Report on meeting between City Staff and Business and Development Committee.

**23. Set a Date, Time and Location for Next Meeting – Tuesday, March 10, 2009, at 6:30 PM, at Converse City Hall Conference Room No. 1, 405 South Seguin.**

**24. Adjournment.**

Chairman Degenhardt adjourned the meeting at 9:12 p.m.

PASSED AND APPROVED THIS 18<sup>TH</sup> DAY OF MARCH, 2009.

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Carlton Degenhardt  
EDC Chairman

ATTEST:

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Leigh Ann Rogers  
Secretary