

**MINUTES  
CITY OF CONVERSE  
ECONOMIC DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS MEETING  
March 10, 2008  
7:00 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. 2 located at 601 South Seguin on Monday, March 10, 2008, at 7:00 PM. The following Board Members were present:

Dr. Reginal Harris, Chairman  
Dr. Jerry Riley, Director  
Ms. Trish Seguin, Director  
Ms. Gloria Weers, Director  
Mr. Howie Marbach, Director  
Mr. Scott Jauregui, Director

Mr. John Mendoza, Vice-Chair  
Mr. Mark Luft, Executive Director  
Mr. Gerald Wilson, Treasurer  
Ms. Jackie Gaines, Secretary  
Mr. Ray Ortiz, EDC Attorney

**1. Call to Order.**

Chairman Harris called the meeting to order at approximately 7:03 PM.

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

All members present with the exception of Mr. Jauregui at the time meeting was called to order.

**3. 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 February 12, 2008.**

Mr. Marbach asked for clarification on Item 8, page 6: "The Mayor would like the Strategic Plan in about 60 days so he can have time to formulate the questionnaire". Is the Mayor going to formulate the questionnaire?

Vice-Chairman asked the minutes to state the Mayor would like the Strategic Plan in about 60 days so the Steering Committee will have time to distribute the questionnaire.

Mr. Marbach referred to Item 8, page 6 and asked to add in parenthesis **Site Analysis Market EDC 2005 Reports** to have the sentence read "I can assure you that these reports (Site Analysis Market 2005 reports) are what got Wendy's Melet's, and Grady's here.

Dr. Harris stated after these minutes were approved, we did discover that Ms. Weers was not present for the December meeting and asked for a correction on page 2, Item 3A, to read: Ms. Weers asked for a correction on the minutes to reflect that she was present for the meeting.

**B.) Action to Approve Financial Report for January, 2008.**

**C.) Action to Approve Investment Report for January 2008.**

**D.) Action to Amend the Minutes from the City of Converse Economic Development Corporation Board of Directors Meeting on December 11, 2007.**

Ms. Weers made a motion to approve item 3 with the amendments. Dr. Riley seconded the motion. The motion passed unanimously to approve item 3 with amendments.

**4. Opening Remarks by the Chairman, Economic Development Corporation.**

Dr. Harris stated I have tried to will this board with a loose grip and tried to stay out of the staffs way and all but literally told board members to stay out of staffs way to allow them to do their job. There seems to be in my opinion levels of confusion or miscommunication. In order for this Board to function and carry out a submission for the people of City of Converse my grip on the Board will change as of tonight.

Over the last few weeks I have learned what I did not know or what I thought I knew. I do not succumb to treachery very well. This Board has a responsibility and me as a Chairman to be open to the public; in every aspect. Every nickel, dime every penny we spend is public information. As a member of this Board, I will always strive to have open disclosure of what we spend. In doing that it is incumbent of this Board to decide the level of intellect you would like to have about the processes that this Board needs to know and are required to know by law about the things that we are entrusted to do.

The other thing is this Board has spent a lot of money over the last five years that to my knowledge did not go out for bids; they were decided on the Board.

As of today, March 10, 2008, any Executive orders, letters, memoranda that have come from previous Chairman, Chairwoman, or Chairperson, I would like to see them. I need to have a copy of them to look at and bring back to this Board so you all will know what we are Carte Blanch approving.

Secondly, I want this Board to be made aware tonight, the cost that we paid to participate in this Business Expo. We know we are participating, but at what level we have not been told. Did we buy a booth or a table? Did we give \$1,000, \$2,000, \$5,000?

In the future, this Board needs to approve any expenditure of any dollar amount. These are my opinions, I just happen to be the Chairman. You can out vote me 6-1. But I feel we have a fiduciary responsibility to the citizens of Converse to know where their money is going at all times with the exception of Executive Sessions.

The next thing is we will discuss the previous cost market analysis and questionnaire and all those items when we get to that item that talk about the Strategic Plan and those committees that have been formulated by Vice-Chair Mendoza and Ms. Weers. It is my hope that tonight that this Board will put a moratorium on any pre development spending until we put a process in place. Everything will be put on the table tonight so you all will know how it has been done. As a Board tonight we can decide how we want it done so that the process is in writing, succinct, and is consistent. I believe that this Board has un-reluctantly supported the Executive Director. I think I have caved in on some things that I should not have due to lack of being seen as a bad guy because I want EDC staff to be successful in the things that we ask them to do and understanding the overwhelming amount of responsibilities that has been placed on them by this Board as well as their responsibilities with the City.

\* Board Member Jauregui arrived at approximately 7:20 PM.

One of the last couple of things I will mention at this point is what I would like to see this Board do in the very near future, is one, review every document. Have access to and review every performance agreement that has agreed to that is still enforce. So we know what we are paying, who we are paying, and what the responsibilities are to this Board.

Since the members of this Board are appointed following every May's election, this Board needs to consider and I hope you strongly consider changing the date of the appraisal of the Executive Director to coincide with the May meeting of the Board so that the members that are seated on the Board can fairly assess and appraise the Executive Director.

Those are just a few of things we have to do to get the ship stirred back in the right current of the water. It is not a popular job. I had a 45 minute conference call with the Mayor and the Vice Chairman the other day. He was not happy with it, he appointed me to do this job and I have to do this job the best way I can with the limited knowledge I have until such time I have someone who is willing to share with me and right now I do not feel I have that as a Chair. So this Board has to decide tonight how to move forward.

Dr. Harris asked the record to reflect that as of 7:20 tonight EDC has all members present.

Dr. Harris called for a recess to retake the group picture at approximately 7:25 PM.

Dr. Harris reconvened the meeting at approximately 7:30 PM.

**5. Briefing and Discussion Relating to Wayfinding Signage for Directional Purposes to Provide an Effective Way to Manage Community Directional Information. (Ms. Weers)**

Ms. Weers passed out a brochure of the company showing what the signs look like and said the City of Selma and Kyle have these signs. Cibolo will have these starting tomorrow and Cibolo will have them soon as well as other cities. The cost is \$65 a month including a \$10 maintenance fee. We would be allowed a few free spaces for the Library, city parks, and so forth. I can not see any down side to having the signs. Ms. Weers read House Bill #413.

Dr. Harris asked what roll you see this Board playing in facilitating. I understand the EDC part of it with respect to wanting our businesses to advertise. I also see this as a two-tiered process working along with Planning, Zoning or Beautification Commission to make this happen. What is your vision from the Economic standpoint?

Ms. Weers replied builders like seeing the sign. There will be no cost to the City and the City will be paid back depending on how many signs they have in their City. If the City is dissatisfied with the signs, we can have the signs removed within 72 hours.

Dr. Harris stated the Current Program Committee will discuss this with Planning, Zoning and the Beautification and Environmental Commissions to figure out a way to collaborate in order to move this further and get it taken care of.

**6. Discussion and Appropriate Action to Commence with the Strategic Planning for the City of Converse, Final Draft for Phase I of the Process. (John Mendoza, Vice Chairman)**

Dr. Harris said in our discussion with the Mayor, it is clear to me the Mayor is adamant about doing this and I am in support of the Mayor. I feel that it is important that each of us step up to the plate tonight and voice any concerns or challenges tonight, but not with the Strategic Plan implementation. That is the City's responsibility. The Mayor wants us to do the ground work bringing the Steering Committee together and to formulate the questions and ideas for the questionnaire so the questionnaire can be forward to the consultant. It is really crucial for each of you to stay abreast of things that are happening since everything is happening so fast. At the same time, we need staff to keep us in the black of knowing if we over step our bounds as a body of making commitments or statements that are noncommittal. The Mayor and Council's responsibility is to approve it, put it in place and decide how it is to be funded.

Vice-Chairman Mendoza gave a briefing of the Strategic Planning meetings. Phase 1A of item 6 started on the first of March. Phase 2A meeting is March 22<sup>nd</sup>. The City-wide meeting will be held on the 26<sup>th</sup> of April.

The gray area where we may need legal interpretation is with the spending of money to train the EDC staff, the law details who is to be trained and requirements then it comes to the Board to make the final decision who ought to be trained to understand where we are going and what we are doing where it relates to strategic planning.

What we would like to see accomplished with respect to strategic planning within the law:

- 1). The spending of money to train the EDC staff.
- 2). Then it comes to the Board to make that decision which Board Member needs to have training and whether all Board Members should get the necessary training to understand where we are going and what we need to do with Economic Development as it relates to strategic planning.

The Board is also authorized to spend 10% of its revenue to promote economic development. I would not recommend approving spending 10% but I would recommend starting out with 5% or 6% if we were to consider. I spoke to the Chair and I said a certain percentage will be allocated to promote economic development until such time businesses come in that provide the necessary revenues that no longer required the Board to spend the 5% or 6% approved by the Board. The important thing for us to understand clearly that strategic planning for the City of Converse is vital to get businesses in here that will provide the jobs that are necessary, the money that is necessary to move this City forward. The staff and the previous board members have done a commendable job but I believe that we can be better as a city

and do better as a governing entity to maximize every cent that comes in so that we might be able to draw from outside the City.

Mr. Ortiz said the way the EDC Board stays out of trouble is to stay in compliance with the EDC Act and complying with your own By-laws and the contents of the Articles of Incorporation. If you are using tax money it has to be within the parameters of the Act. If you are using Mr. Luft which is being paid from tax dollars what he does has to be within that same Act.

Mr. Mendoza asked Mr. Ortiz to research the three questions for legal advice.

Mr. Jauregui asked how many hours of research will be needed.

Dr. Harris said this is a mandate from the Mayor to do this unless he tells us otherwise.

Mr. Jauregui added we need to set some boundaries to the research.

Dr. Harris replied you are correct. Dr. Harris continued his discussion. We have so many other things as a Board, we need to get past the whole notion of the Strategic Planning Steering Committee issues so that we can get it done, get it to the City Council and let the City work with it.

Dr. Harris said if we send leadership to training, they should come back and provide the information of the training to the Board. Our Executive Director on our agenda should be provided with time to do training with this Board with the information he learns, ascertains and gains knowledge through training so this Board can be kept up to speed on the things he knows That in its self is cost saving because we do not have to pay anybody.

Mr. Jauregui said with having the agenda and the internet I would think you could come to the meeting with at least a concept of what the item might be about and you can formulate certain questions to ask. The problem with training is you will be training at certain levels. We are creating some of our own hurdles by making it harder than it has to be because this goes to the next level at City Council and I can assure you that they do not go to all those different trainings before they make a final decision. I think they rely on the different Commissions to do the background. Product Matter experts ought to be right here.

Ms. Seguin interjected saying if you want training, you can get training through the internet.

Vice-Chair Mendoza replied corporate training is important.

Mr. Marbach said this Board is here to entice the businesses to come into this community to make it a better place to live.

The three questions for legal research are:

- 1.) To what extend can EDC funds be spent for training as it relates to strategic planning?
- 2.) Can the EDC spend funds to contract a consultant to develop an Assessment Survey Questionnaire for citizens input directed to strategic plan?
- 3.) Can EDC Board authorize funds to hire a consultant to prepare a strategic plan?

**7. Briefing by Mr. Howie Marbach Regarding Statistical Data on the Converse Public Library and How It Involves the Future Strategic Plan.**

Mr. Marbach made a motion to table Item 7 until next meeting.

Mr. Jauregui seconded the motion.

The motion passed unanimously to table item 7 until the April meeting.

**8. Discussion and Appropriate Action to Establish a Written Procedure Relating the Current EDC Predevelopment Grant Program. (Administration Committee)**

Mr. Luft said several years ago the grant was asked to give no more than 10% of obligated revenue. The Board at the time gave staff direction to give no more than \$30,000 and the amount does not roll over to the following year. The amount would go into reserve account or our investment account and if the Board wanted to give additional monies they would direct staff to do that. Mr. Luft also discussed the application Mr. Ortiz created.

Dr. Harris said as of December he had made an Executive decision to put a moratorium on any disbursements until this Board heard the procedure and decided how we wanted to move forward. We have not disbursed any monies and will not until this Board decides if we want to disburse funds. This is the time to decide the policy to see who receives the money and for what reasons.

Dr. Riley made a motion for staff to present a rough draft of written procedures related to the Pre-Development Grant for the April meeting.

Mr. Mendoza seconded the motion.

The motion passed unanimously.

**9. Discussion and Appropriate Action to Approve Predevelopment Grant Applications for the Following Applicants:**

**A) Doctor Karen Pape (dba Judson Dental)**

Dr. Riley made a motion to approve the Pre-Development Grant for Dr. Pape.

Dr. Riley withdrew his motion.

Dr. Riley made a motion to approve a Pre-Development Grant in the amount of \$2,500.

Ms. Seguin seconded the motion.

The motion to approve a Pre-Development Grant in the amount of \$2,500 to Dr. Pape was unanimous.

**B) Wendy's of San Antonio**

Ms. Seguin made a motion to approve a Pre-Development Grant to Wendy's of San Antonio in the amount of \$3,000.

Dr. Riley seconded the motion.

The motion to approve a Pre-Development Grant in the amount of \$3,000 passed with six for (Harris, Weers, Riley, Marbach, Jauregui, and Seguin) and one opposition from Mendoza.

**10. Recess**

Dr. Harris called for a recess at approximately 9:17 PM.

**11. 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. (209 Patsy - Toepperwein Road Realignment Project)**

**12. 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. (518 Fifth Street Lot 1, Block 2, CB 5052A and vacant lots 2 through 6, CB 5052A, Block 2- Toepperwein Road Realignment Project) - Gerald Wilson, Treasurer & Mark Luft, Executive Director

**13. Reconvene**

Dr. Harris reconvened the meeting at approximately 9:51 PM.

**14. Action to Approve a Resolution Number 33 Authorizing the Executive Director of the City of Converse Economic Development Corporation to Purchase Land with Improvements Located at 209 Patsy (CB 5951, Block 8, Lot 12), as Part of the Toepperwein Road Realignment Project at the Price Established by the Board of Directors of the Economic Development Corporation.**

Mr. Jauregui made a motion to approve Resolution #33 with the maximum purchase price of \$105,000 with the terms to be \$100,000 to be paid at closing with an initial \$5,000 to be paid if move out is accomplished within 30 days of executed contract date.

Ms. Seguin seconded the motion.

The motion passed unanimously to approve Resolution #33.

**15. Action to Approve a Resolution Number 34 Authorizing the Executive Director of the City of Converse Economic Development Corporation to Dispose of Land with Improvements Located at 518 Fifth Street (Lot 1, Block 2, CB 5052A) and five vacant lots 2 through 6, CB 5052A, as Part of the Toepperwein Road Realignment Project at the Price Established by the Board of Directors of the Economic Development Corporation to Neighborhood Housing Services of San Antonio, a non profit organization.**

Mr. Jauregui made a motion to separate the action item of the purchase of Lot 1, Block 2, CB 5052A from Lots 2 through 6, CB 5052A.

Vice-Chair Mendoza seconded the motion.

The motion passed unanimously to separate the action item of the purchase of Lot 1, Block 2, CB 5052A from Lots 2 through 6, CB 5052A.

Vice-Chair Mendoza made a motion to authorize the Executive Director to dispose of the land with improvements located at 518 Fifth Street, Lot 1, Block 2, CB 5020A.

Dr. Riley seconded the motion.

The motion passed with six for, (Harris, Weers, Riley, Marbach, Mendoza, and Seguin) and one opposition from Jauregui.

Vice-Chair Mendoza made a motion to authorize the Executive Director to dispose of five vacant lots with improvements, Lots 2 through 6 as part of the Toepperwein Road Realignment Project at the price established by the Board of Directors.

Dr. Riley seconded the motion.

The motion passed unanimously to authorize the Executive Director to dispose of five vacant lots with improvements, Lots 2 through 6 as part of the Toepperwein Road Realignment Project at the price established by the Board of Directors.

**16. Committee Reports:**

Dr. Harris asked to change the name of the Administration Committee to Business and Development Committee.

**A.) Administrative Committee (Mr. Mendoza and Ms. Gloria Weers)**

Vice-Chair Mendoza reported the Strategic Planning Steering Committee has a meeting March 22, 2008 to be followed up by the April City-Wide meeting.

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

Ms. Seguin has discussed items with Mr. Luft.

Mr. Marbach reported they will provide a map of the purchased and un-purchased property next meeting.

**C.) Future Planning Committee (Dr. Riley and Mr. Jauregui)**

Dr. Riley reported since we are developing at such a fast pace, I think we need to look at transportation.

Dr. Harris thanked each of the different Committees for being active and functional.

Vice-Chair Mendoza made a recommendation to purchase a Tablet PC so Ms. Gaines can write on the screen to facilitate the minutes of the meeting. The price should be around \$700. I think it will save Ms. Gaines a lot of time.

**17. 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**

Mr. Luft reported we took action tonight with one the projects.

I will have to write a letter to the property owners at 210 Hilltop and may have to go to eminent domain since they will not respond thus putting us at our last resort.

**B.) Lake Project**

I am negotiating with the City of San Antonio's City Attorney and the Parks Director and for ingress off of FM 78.

**C.) Town Square Apartments**

The street has been cut out. Ms. Gehring and Mr. Berlanga are going through the closing process of the property and receiving letters of intent on the leasing.

**D.) Airport City Development**

The developer vacated and re-plated the first portion of the development.

**18. Future Items**

Dr. Harris reminded everyone the Randolph Marketplace Expo is Tuesday, March 11th from 1:00-6:00 PM and asked what EDC bought.

Mr. Luft reported a table space in the amount of \$200 and lunch for 9 at \$15 each totaling \$135 giving us a total of \$335 spent on the Randolph Marketplace Expo.

Dr. Harris asked the Board to attend if possible and announced the set up schedule.

Vice-Chair Mendoza asked to purchase standard business card holders to give to some of the businesses to hold the EDC Board Members business cards.

- Discussion and appropriate action of a pre-development grant draft procedure.
- Library briefing.
- Possible acquisition of Toepperwein Road Realignment Project.
- Mr. Ortiz possible executive session on the findings for the questions discussed tonight.
- Mr. Jauregui suggested Mr. Ortiz to draft a purchase agreement and a draft sales agreement as it relates to the Toepperwein Road Realignment Project. Mr. Luft will bring executed lease agreements Mr. Ortiz drafted for EDC instead of asking Mr. Ortiz to draft new documents.
- Tax increment meeting briefing.
- Discussion and appropriate action to change Executive Directors annual appraisal date to May.
- EDC sponsored Spring Breakfast with Businesses.
- Possibility of Business directory.
- Briefing of the Business Expo.

**19. Set a Date and Time for Next Meeting – Tuesday, April 8, 2008, at 7:00 PM**

Next meeting is set for Tuesday, April 8, 2008, 7:00 PM in Conference room #1.

**20. Adjournment**

Dr. Harris adjourned the meeting at approximately 10:36 PM.

**PASSED AND APPROVED this 7<sup>th</sup> Day of April, 2008.**

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Dr. Reginal Harris  
EDC Chairman

ATTEST:

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Jackie Gaines  
Secretary