

**CITY OF CONVERSE  
ECONOMIC DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS  
MINUTES OF MEETING  
July 12, 2007  
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 Economic Development Corporation's Conference Room located at 601 South Seguin on Thursday, July 12, 2007 at 7:00 PM to discuss various items on the agenda. The following were present:

Mr. Reginal Harris, Chairman  
Dr. Betty Harkins, Director  
Mr. Scott Jauregui, Director  
Ms. Gloria Weers, Director

Mr. John Mendoza, Director  
Mr. Mark Luft, Executive Director  
Mr. Gerald Wilson, Treasurer  
Ms. Jackie Gaines, Secretary

**1. Call to Order**

Chairman Harris called the meeting to order at approximately 7:00 PM announcing all members present with the exception of Mr. Jim Uballe and Dr. Riley given prior notice to the Chair. Mr. Jauregui is on his way to the meeting.

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

Mayor Al Suarez, Mr. Jim McAden, Mr. Richard Weers and Christopher Evans.

**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 June 12, 2007.**
- B. Action to Approve Financial Report for May, 2007.**
- C. Action to Approve Investment Report for May, 2007.**

Ms. Weers made a motion to approve the Consent Agenda.

Dr. Harkins seconded the motion.

The motion passed with three for and one abstention from Mr. Mendoza not being present at meeting.

\* Mr. Jauregui was not present at time of vote.

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

Chairman Harris thanked the EDC staff for carrying out the responsibilities of the EDC and also thanked Mayor Suarez, the City Manager, Assistant City Manager and the City Council for the support.

**5. Discussion, Nominations and Action to Appoint a Vice Chairperson of the Board of Directors of the City of Converse Economic Development Corporation for a One Year Term Ending May 31, 2008.**

Ms. Weers nominated Mr. Mendoza for Vice-Chair.

By letter Mr. Uballe nominated Dr. Riley as Vice-Chair.

Mr. Mendoza was elected Vice-Chair by role call vote: Mendoza, Weers, Harkins and Harris.

Mr. Mendoza accepted the Vice-Chair position.

\* Mr. Jauregui was not present at time of vote.

**6. Discussion and Action to Assign Board Members to Each of the Following Subcommittee:**  
Chairman Harris asked to pair a seasoned Board Member with a newly appointed Board Member.

Mr. Luft explained the subcommittees. The Administration Subcommittee worked with the staff on Legislative issues and Legal Counsel items. The Current Program Subcommittee met with Mr. Luft on a monthly basis to go over all current programs. The Future Planning Subcommittee looked at future goals and helped to promote future needs for the City.

Mr. Luft made a recommendation since the other members are not present based on their skills and talents you may want to make a conditional appointment to them.

Chairman Harris stated he would like to leave Dr. Riley on the Future Planning Subcommittee, will ask Mr. Uballe to serve on the Current Programs Subcommittee and will ask Mr. Jauregui to serve on the Future Planning. Chairman Harris asked the Board's permission to not serve on any Subcommittees at this time due to being new to the EDC Chairman position and already taking on responsibilities. The following were appointed:

**A. Administration Subcommittee**

Ms. Weers and Vice-Chair Mendoza.

**B. Current Program Subcommittee**

Dr. Harkins and Mr. Uballe.

**C. Future Planning Subcommittee**

Dr. Riley and Mr. Jauregui.

Chairman Harris asked Mr. Luft to notify Mr. Uballe and Dr. Riley of their conditional appointments.

Vice-Chair Mendoza made a motion to approve the Subcommittee appointments. Ms. Weers seconded the motion. The motion passed unanimously.

\* Board Member Jauregui arrived at approximately 7:17 PM.

**7. Briefing and Discussion by Mr. Jim McAden, Economic and Business Development Advisor for CPS Energy on the Technical Support & Working Partnership which CPS Energy has with the City of Converse and the Converse EDC.**

Mr. McAden gave a briefing is the conduit to influence positive change from the stance on Economic opportunities for their customers and the cities. CPS Energy's mission is to help the Economic Development Foundation of SA help and attract and recruit the targeted industries of SA. Other than wanting to provide support, our primary focus is to interface between the SA Economic Development Foundation and our suburban cities. CPS Energy can assistance in locating businesses that have chosen not to locate in SA. Our job is to assist the City of Converse and Converse EDC in maintaining and retaining the businesses we currently have and also to help whose businesses expand. This is not only good for our business in selling electricity but is good for Converse ad-valorem tax base. One of our goals is to help suburban cities expand in the retail business.

Mr. McAden discussed the International Conference of Shopping Centers CPS supports and Converse EDC is invited to participate.

CPS Energy will be introducing and testing a new pilot for business retention and expansion. It is a software product that CPS Energy will maintain and house the data and hopefully be through with the trial testing within the next two to three month. We want to be able to help EDC with interview techniques.

Mr. McAden and Mr. Luft are presently working on two projects.

Mr. Luft added CPS energy support 40% of the non-profit SA Economic Development Foundation's budget.

**8. Briefing and Discussion of the Operating Budget for Fiscal Year 2007-2008 for the City of Converse Economic Development Corporation.**

Mr. Wilson reported when he created the EDC budget he used the same methodology he uses for the City.

With us not knowing what sales tax we will receive from the annexation, I made contact with Wal-mart and received information on what the City would have received and estimated the sales tax from the remaining businesses and used that calculation in the budget. I also calculated the sales tax from Wendy's and Bush's Chicken giving me the estimated sales tax to be collected next year. The revenue is based on the conservative side.

Mr. Wilson also discussed wages, administration, employee benefits, and how the salary is paid.

Ms. Weers asked for explanation on the 5% merit increase.

Mr. Luft answered the City Council is suggesting to reduce the merit increase to 4%.

Mr. Luft discussed how EDC staff use to show appreciation to the businesses with large events similar to a gala and how the EDC staff now shows appreciation with smaller groups of business owners at a time having professional speakers present to educate the business owners.

Mr. Luft suggested the Board to discuss making an improvement to the City Hall marquee sign.

Ms. Weers asked why the Board did not know of the last event held in May.

Ms. Gaines and Mr. Luft replied that the Board decided after the large gala to let the EDC staff handle the events in a smaller setting.

Chairman Harris asked to change the Education and Training line item to reflect two single line items. One to cover the cost of professional development and the other to cover travel.

**9. Action to Approve a Contract with Thompson, Williams, Biediger, Kastor and Young, L.C. to Perform an Audit of the City of Converse Economic Development Corporation's Financial Activity in Accordance with Government Auditing Standards, GASB 34 (General Accounting Standard Board) and SAS 99 (Standard of Accounting Services) for Fiscal Year 2006-2007 in the Amount of \$3,650.00. (Gerald Wilson)**

Vice-Chair Mendoza made a motion to approve a contract with Thompson, Williams, Biediger, Kastor and Young, L.C. to perform an audit of the City of Converse Economic Development Corporation's financial activity in accordance with Government Auditing Standards, GASB 34 (General Accounting Standard Board) and SAS 99 (Standard of Accounting Services) for fiscal year 2006-2007 in the amount of \$3,650.00.

Dr. Harkins seconded the motion.

The motion passed unanimously

**10. Discussion and Action Relating to the Future Use and Disposition of the Economic Development Corporation's Facility. (Board Member Scott Jauregui)**

Mr. Jauregui reported at the last meeting there was consideration for the purpose of the EDC to utilize this facility. One is for EDC to utilize this building and the other is to have it available to other entities within the City that EDC could hold the meetings at City Hall like the other Boards and Committees and free up the EDC building for other events. I really wanted to see if there was an opportunity to give this space up and move the liability for the most part. I would like to continue to lease out and hold events as needed in priority attendance but allow the library daily operations to flow over more easily in this particular area on a consistent basis.

Mr. Wilson replied the City Manager indicated EDC can vacate this area but it is ultimately up to the City Council to determine what the use will be.

Mr. Luft added what the staff wants is direction from you. If you are tasking us to request to the City Manager to put this item on the agenda then we need your concurrence saying that is what you want us to do.

Mr. Jauregui said he would like this item on the agenda.

Mr. Wilson answered what I understand is you are wanting to give up the building completely.

Mr. Jauregui stated that is one example. The Library is using this space on a daily basis. If

there was a function then they would recognize that and need to adjust accordingly for the function, I think with the divider wall, the office space and things like that. They could utilize the storage. They can make it in such a way to where we can still utilize the facility but I think now these other plans are in place then maybe other opportunity for future meetings and things like that.

Mr. Wilson replied right now EDC owns this room and EDC controls how it is used.

Chairman Harris asked wouldn't it be prudent for us if we wanted to approach Council about giving up the space and making this building exclusive the Library or ask them to at least consider this? I know the Library wants to expand. I have talked to residents that do use the Library and it is cramped on that side. If we do decide to request to CC allowing the building to belong to the Library then the responsibility falls on the city for the infrastructure either making this a meeting space or putting shelves on the walls and computer spaces.

Mr. Jauregui stated he is for that too. I am worried and want to be considerate that EDC has had this building since the conception and if there was a concern of utilizing the space 100% for the Library, then that concern is just. If the majority of the EDC's vote is 100% for the Library, that would make more structured to utilize to best serve this community then I am all for that.

Ms. Gaines stated if you gave the building to the Library you would have to have the building 100% Library use only. You would not be able to lease the building out to other organizations and have the Library use the building at the same time.

Chairman Harris spoke with Carol Mire and asked if we were to consider giving the Library our space, would you still have your office and she said she would. Chairman Harris added that is fine with him, as long as you do not displace one of our city offices. I am extremely hopeful that all the members here would strongly let the Library have the building.

Mr. Jauregui added this has been brought up more than once and it has never gone through so I am prepared for a little opposition on the change and that is why I was going to be flexible on the voting.

Dr. Harkins asked if the rental of this building generate revenue.

Ms. Gaines replied no, 95% of the rentals are non-profit groups so we do not charge for non-profit organizations.

Mr. Luft said since we rent out this space we have had to replace the locks on the doors at least 2 – 3 times in the past four years.

Chairman Harris asked in respect to the elections, if this facility becomes full exclusive use of the City and they let this become the Library, and I hope they expand and put books in here, then what happens to the elections?

Mr. Wilson answered the Bexar County elections would be held at the old Council Chambers.

Mr. Weers said the City Council has functions here, we hold TML functions here. I do not know where we would hold them if we did not have the EDC Building.

Vice-Chair Mendoza questioned where would EDC hold the breakfasts for the business

owners?

Mr. Luft said in the Old City Council Chambers.

Chairman Harris suggested FS #2 conference space for functions.

Chairman Harris asked for an action to approve transfer by a roll call vote.

Mr. Jauregui made a motion to approve the transition the use and disposition of the current EDC facility to the City with preference given a future transition as quickly as possible 100% use given to the Library and holding the Board Meetings at the City Hall Conference Room.

Vice-Chair Mendoza seconded the motion.

The motion passed unanimously by a roll call, (Weers, Jauregui, Mendoza, Harkins, Harris).

**11. Discussion and Action Authorizing the Executive Director to Accept the Lowest and Responsible Bid for the Construction/Rehabilitation of the Home Located at 518 Fifth Street in Conjunction with the Relocation of Said Structure Associated with the Right of Way Purchased for the Toepperwein Road Realignment Project.**

Mr. Luft reported the previous EDC Board of Directors approved designating several lots on 5<sup>th</sup> Street to become the Gardens of Converse for this type of development. The purpose of the staffs objectives and goals are is to market this home at the market rate. The Bexar County Commissioners Court Staff helped with the HOME program which is an ability to assist in adapting an assistance program giving a maximum of \$10,000 grant for first time home buyers.

Staff had advertised June 7<sup>th</sup> and 14<sup>th</sup> of this year in the Herald Newspapers for the Construction/Rehabilitation bid on 518 Fifth Street. The mandatory pre-bid inspection was held on June 20<sup>th</sup> 2007.

Mr. Wilson asked the Board to remember EDC is buying Right of Way but in this case the house was good enough to relocate.

Mr. Jauregui said he has seen the house and does not think it fits in well with the other houses in the area.

Mr. Luft replied since this is a two-story house we were limited to a location.

Ms. Weers made a motion to approve authorizing the Executive Director to accept the lowest and responsible bid for the construction/rehabilitation of the home located at 518 Fifth Street in conjunction with the relocation of said structure associated with the Right of Way purchased for the Toepperwein Road Realignment Project.

Dr. Harkins seconded the motion.

The motion passed unanimously.

**12. Briefing on Current Projects:**

**A.) Toepperwein Project**

Mr. Luft gave a report to the City Council on the Toepperwein Project. Since we have been active in this project we are at 27% of completion and at the end of this fiscal year we are anticipating being at 41% complete. In the fiscals of 2008-2009 we will acquire eight additional properties. In fiscal year 2009-2010 we will acquire the remainder of the properties.

We anticipate TXDOT coming in to acquire parcels 38 through 59.

To date out of EDC funds \$762,000 has been spent. Remaining to be spent is \$1.4 million. TXDOT should be allocating a million dollars. The total for this acquisition at today's cost is 3.1 million dollars.

**B.) CDBG Grant Up Date**

On the 24<sup>th</sup> of this month I will go to the Commissioners Court to get the answer of the monies given to us and I will be able to report back to you.

**C.) Lake Project**

The Lake Project belongs to the City and EDC staff is helping to facilitate. The letter of intent is to expire at the end of this month and the City Council has agreed to work with the developer to mitigate some understanding that is outside our control inside the county and the City of San Antonio.

**13. Future Items**

- To plan future business luncheon.
- Discussion of improves and updates to the EDC website with a full photo of the Board.
- Review current and future Toepperwein expansion cost annalist (10 years).
- Final approval of budget with modifications.
- Marquee sign funding.
- Update from Michael Berlanga on the Town Square.
- Dr. Harkins handout on Town Squares.

**14. Set a Date and Time for Next Meeting – August 14, 2007 at 7:00 PM****15. Adjournment.**

Chairman Harris adjourned at approximately 9:07 PM.

PASSED AND APPROVED on August 14, 2007.

Reginal Harris  
Chairman

ATTEST:

---

Jackie Gaines  
Secretary