

**CITY OF CONVERSE
ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING
MINUTES OF MEETING
August 14, 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 Tuesday, August 14, 2007 at 7:00 PM. The following Board Members were present:

Dr. Reginal Harris, Chairman
Mr. Jim Uballe, Director
Mr. Scott Jauregui, Director
Ms. Gloria Weers, Director
Dr. Jerry Riley, Director

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

Board Members not present: Dr. Betty Harkins.

1. Call to Order.

Dr. Harris called the meeting to order at approximately 7:00 PM. and stated all Board Members are present with the exception of Mr. Uballe and Dr. Harkins.

2. Roll Call and Recognition of Visitors.

The following visitors were present: Mr. Andy Burchfield, Ms. Elaine Farias, Mr. Mark Tapp, Mr. Michael Berlanga, Mr. Bill Gehring, Ms. Aida Gehring, Mr. Sam Hughes, Mr. Ray Ortiz, Ms. Becky Johnson, Mr. Richard Weers and Mr. Howie Marbach.

* At approximately 7:01 PM Mr. Uballe arrived.

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 July 12, 2007.**

- B. Action to Approve Financial Report for June, 2007.**
- C. Action to Approve Investment Report for June, 2007.**
- D. Action to Approve the Operating Budget for Fiscal Year 2007-2008 for the City of Converse Economic Development Corporation.**

Mr. Uballe asked to vote separately on item 3A due to an error in the minutes and not being present at the Meeting of July 12, 2007.

Mr. Jauregui asked to pull item D for additional discussion as needed.

Vice-Chair Mendoza made a motion to approve Item 3 B & C. Ms. Weers seconded the motion. The motion passed unanimously.

(Item 3A) Mr. Uballe stated he was not present at the meeting and to strike from the record the statement he voted by letter, further explaining he would not like to set a precedence to allow voting by letter. The letter of request was for an item to be placed on the agenda only.

Dr. Riley was not present at meeting and concurred with Mr. Uballe's statement asking to strike the statement that he voted as well.

Mr. Jauregui made a motion to approve item 3A with the stricken statement. Vice-Chair Mendoza seconded the motion. The motion passed with four Board Members for, (Harris, Weers, Jauregui, and Mendoza) and two abstentions, (Uballe and Riley) due to not being present at meeting.

(Item 3D) Mr. Jauregui asked for and received clarification on various items in the operating budget.

Vice-Chair Mendoza made a motion to approve item 3D. Dr. Riley seconded the motion. The motion passed unanimously.

At approximately 7:18 PM Dr. Harris asked to recess for the Board's photograph.

At approximately 7:21PM Dr. Harris reconvened the meeting.

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

Dr. Harris thanked Mr. Weers for coming to the EDC meeting to take the photograph. Dr. Harris also thanked the EDC Staff for their time and effort spent with the Economic Development Corporation.

5. Briefing and Discussion by Mr. Michael Berlanga with Resolutions Now, Inc. on the Progress of the Converse Town Square Mixed Use Development Project and Other Future Economic Development Efforts.

Mr. Berlanga briefed the Board Members on the partnership of Resolutions Now, Inc. with the EDC Board of Directors that began three years ago on Mr. Luft's vision for

a Town Square. Mr. Berlanga explained Phase One of the Town Square saying it was created by the help of Mr. Mike Hogan of Hogan Properties, Mr. Jim Plummer of Fulbright and Jaworski as Bond Counsel, and State Representative Jose Mendoza of Stewart Title as the National Marketing Director.

Mr. Berlanga described Phase Two of the Town Square that consists of office and retail components identifying Ms. Aida Guerring and Michelle Stettler-Gill as retail users. Mr. Berlanga also discussed development of demographic and shopping behavioral studies and the goals and requirements by specific market interviews and/or investors.

6. Briefing and Discussion by Mr. Mark Tapp with Entrepreneur Authority, Inc. to Inform the Board of Directors on an Event the “Converse Development Expo” Being Undertaken by EDC Staff to Promote Economic Expansion Activity and Market New Business’s to Locate in Converse at Various Locations.

Mr. Tapp of the Entrepreneur Authority explained the Business Expo is to enhance the development to the City of Converse and to give Converse more opportunities to capture tax revenue. This is going to be an unveiling to the public forum for everyone to be a part of from the underwriters to the public having a chance to learn how to own a franchise. Monday, September 10th is a private showing given by the City of Converse to market the City with the private investors and special interest groups only. Tuesday, September 11th will be open to the public.

Mr. Luft showed the power point presentation that will be highlighted at the Expo.

Dr. Harris strongly encouraged the EDC Board of Directors to show support at this event.

Mr. Luft prepared a sources and usage sheet showing where EDC is getting the funds for the Expo.

7. Discussion on the Business Appreciation Breakfast Program to Support and Provide Business Retention and Expansion Activity for Economic Development.

Mr. Luft reported on the \$1,000 per year allocated for the year for the Business Appreciation Breakfast Program which we will not use that much money since we are now meeting on a smaller basis with the business owners. The EDC Building is used for this space when we have those events.

Dr. Harris recognized Mr. Howie Marbach as a former member of the EDC Board and a huge supporter for the city.

8. Discussion to Consider the Future Use and Disposition of the Economic Development Corporation’s Facility for the Purpose to Transfer Said Facility to the City Of Converse. To discuss the future needs to support the growing concerns for services of the municipal facility space. (EDC Executive Director/City Manager)

Dr. Harris asked for Mr. Hughes to attend this meeting to explain the EDC's authority for the transition of this space so there will not be any misconception to this body overstepping their authority trying to tell the City what to do.

Mr. Luft thanked Mr. Hughes for getting the EDC established. The reason the City Manager is here as well as the City Attorney is because they have the history on how this body was created.

Mr. Hughes reported when we built this building we built both the Library and the EDC Building so two-thirds of the cost was funded by General Fund and one-third of the cost was funded by EDC. EDC has about \$165,000 invested along with whatever improvements that have been made. The Library is absent from the ballot but the city improvements are present so I believe this to be completely lawful for EDC to move the building over to the city. The City and EDC are separate items but are married. EDC and the City shares staff members. Both EDC and the City staff use this space as well as other locations to hold meetings.

The Library meets all standards for the size of building we have for example the volume of books on the shelves to the computers available to the public and the floor space. We currently have a librarian and have added the Human Resource Director to help as an Assistant Librarian because as the city grows, we end up with a task that requires additional staff but not necessarily one additional full-time staff member. Where we are at this point is we have gone to the City Council for our budget asking for an administrator for the Street Department, right now there is no administrative help at all for the Street Department. Now we are thinking through with the Library situation, what we have decided to is move the Human Resources out of the Library down to the Street Department having that employee do dual-duties which is more compatible to support office administration along with Human Recourses. We are now looking into having a full-time assistant to the Librarian. Like the rest of the growth of the city, the Library needs the EDC space but there are times when they do not need this space. If it were transferred to the City and have the City keep up with the maintenance, I have no objection to that but at this stage I would like it to have full flexibility to support the Library when that is needed, to support Parks and Recreation meetings when that is needed, and to support other various needs. If you do transfer the building to the City then I would like to use the previous EDC Directors office as Library storage and to keep the current EDC storage for EDC equipment. I am asking not to put a label on this stating this can only be used by the Library because we have too many uses for this space like the TML dinners and a lot of things that require us to use this space.

Mr. Luft suggested to the Board if you make this transaction happen Mr. Hughes will allow EDC to use the Conference Room to hold our Board Meetings.

Dr. Harris read over the last EDC minutes that stated a motion to approve the transition the use and the 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 that was passed unanimously, (by the Board Members present). How do we go back and make the changes?

Dr. Harris asked Mr. Jauregui if he is willing to restate his motion and put into a form of a motion for tonight?

Mr. Jauregui said we discussed this at the last meeting and at that time we agreed the Library is what we wanted it as. Now once we move this item over to the City Council and put this on the agenda for the City Council to decide whether to not allow the Library have 100% usage and have the building used for other opportunities, I say let the City Council make that decision rather than this board because from this boards perspective it really does not matter what we are giving it away for, but just the fact that we are giving it away.

Dr. Harris said he would like to go on record saying we are giving this building over to the City without any stipulations.

Mr. Jauregui replied just leave as is and let the City Council decide.

Dr. Harris said the challenge is there was a misconception by several people that this Board was trying to tell the City Council what to do and that was not our intention at all.

Mr. Hughes replied I guess it can be construed that the offer is to the City with the stipulation, just like the stipulations to City Hall. City Hall has a stipulation that the building remains as City Hall and if not then the land reverts back to the owner or the airs. So I think the way this is set up and presented is if the EDC Board accepts this, then the building is for the Library. That would be my concern.

City Attorney, Mr. Ray Ortiz suggested to make this item the clearest will be to put this back on the agenda for an action item.

Dr. Harris reiterated it is clear what the City Attorney said and that is to undo what we did to make it correct before this item goes in front of the City Council for a vote.

Mr. Luft said since this Board has discussed this, he would like to present this item on the next agenda as an action item.

9. Discussion to Consider a Joint Partnership with the City of Converse to Fund a Marquee to be Located at City Hall for the Purpose to Communicated Public Information to Promote Economic Expansion and Community Development Activity for the Business and General Public. (Board Member Jauregui)

Mr. Jauregui said the thought process is this would be a better means of communication for the public about on going activities from this Board as well as City events. If money is as issue for the City then EDC should share the cost and then we will be able to use the sign to welcome new businesses. I think what they are looking at is a scrolling message board similar to what Live Oak has.

Mr. Luft said we have asked the City Council to consider doing this and it did not get

approved at that time. Mr. Luft also said he would have to ask the City Attorney if EDC can use the money for this.

Mr. Hughes replied that at one time there was a cap on EDC funds to be use on Capital Improvements.

Mr. Luft replied that he would follow up on this

Dr. Harris asked to have this item on the next agenda as an action item due to the understanding we do not have enough research.

10. Recess

Dr. Harris called for a recess at approximately 8:25 PM.

11. Executive Session In Accordance With Section 551.087 DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS; CLOSED MEETING. To discuss or deliberate commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations. (Proposal for a Light Industrial User)

12. Executive Session In Accordance With Section 551.087 DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS; CLOSED MEETING. To discuss or deliberate commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations. (Proposal for the Converse Lake Area)

13. Reconvene

At approximately 9:10 Dr. Harris reconvened the open meeting.

14. Discussion and Action to Consider a Request from Melet Plastics USA LLC, to Increase their Pending Predevelopment Grant Application from \$3,000 to \$9,000.

Mr. Uballo made a motion to approve to consideration on a request from Melet Plastics USA LLC, to increase their pending Predevelopment Grant Application from \$3,000 to \$9,000.

Dr. Riley seconded the motion. The motion passed unanimously.

15. Subcommittee Reports:

A. Administration Subcommittee (Mr. Mendoza and Ms. Gloria Weers)

Mr. Mendoza stated they do not have anything to report at this time.

B. Current Program Subcommittee (Mr. Uballe and Dr. Hawkins)

Mr. Uballe stated the current programs are in the packet and have been discussed.

C. Future Planning Subcommittee (Dr. Riley and Mr. Jauregui)

Mr. Jauregui said he does not have anything to report and will get with Dr. Riley before the next meeting to discuss future planning.

16. Briefing on Current Projects:

A.) Toepperwein Project.

Mr. Luft reported asbestos removed at 104 Hilltop and are in the process of getting the utilities removed. A family is going to vacate a home next month which was averted from condemnation and soon we will begin demolition.

B.) CDBG Grant Up Date.

Mr. Luft said we received favorable approval which was voted unanimously from Bexar County Commissioners Court in the amount of \$90,000 for the Placid Park Subdivision for street replacement and infrastructure. This has been declared as a Phase-In project. Every year as funds are available we will get funding to rebuild the entire subdivision. My goals and objectives are to do this in three years. Once we finish the CDBG there I will move it to this side of town to work on drainage, street replacement, and utility replacement. In two more months I am going to write another grant for the next fiscal year.

C.) Lake Project.

You were briefed on this project earlier and there is not much I can say at this time. There are challenges and with Mr. Hughes help I am getting those addressed.

17. Future Items.

- Action to approve the disposition of EDC Building removing the stipulation 100% Library Use.
- Action to approve joint partnership to fund a marquee to be located at City Hall for the purpose to promote Economic expansion and community development activity for the business and general public.

18. Set a Date and Time for Next Meeting – September 11, 2007 at 7:00 PM.

Dr. Harris set the meeting at 7:00 PM, September 11, 2007 in the EDC Building. If the location is changed, you will be notified accordingly.

19. Adjournment.

Dr. Riley made a motion to adjourn the meeting at approximately 9:22 PM. Mr. Uballe seconded the motion. The motion passed unanimously.

PASSED AND APPROVED this 11th Day of September, 2007.

Dr. Harris, Chairman

ATTEST:

Jackie Gaines, Secretary