



**PASADENA ECONOMIC DEVELOPMENT CORPORATION**  
**Pre-Board Meeting**  
**Conducted in the Pre-Council Conference Room at City Hall**  
**May 23, 2019, 3:00 p.m.**  
**Minutes**

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**Members present:**

Steve Cote, President  
Rick Lord, Vice President  
Emilio Carmona, Secretary  
Marilyn Wilkins, Treasurer  
Steve Phelps  
Ernesto Paredes  
Salvador Serrano, Jr.

**Members Absent:**

**Others Present:**

Jeff Moore, Brown & Hofmeister, LLP (via conference call)  
Carlos Guzmán, Pasadena EDC Executive Director  
Rick Guerrero, Pasadena EDC Manager  
Suzette McDowell, Pasadena EDC Marketing Manager  
Robin Green, Public Works Director  
Sheena Salvino, EDC Redevelopment Manager  
Karina Tomlinson, PEDC Assistant Secretary

**Call to Order**

The Pre-Board meeting for the May 23, 2019 Pasadena Second Century Corporation d/b/a Pasadena Economic Development Corporation was called to order at 3:01 p.m. by President, Steve Cote.

**(9) Board Action – Resolutions**

- a) Consideration to authorize Staff to take all appropriate action on a Business Enhancement Program application filed by Sadie E. “Nogie” Bass, at location Bass & Meineke, No. 1, LLC 202 Pasadena Blvd. for the design and fabrication of new signage in the amount of \$19,990.00.
- Steve Cote stated that he would be abstaining from vote on this item.
  - Marilyn asked if she should abstain since they had done work on her car to which the EDC legal Counsel, Jeff Moore stated that it was not necessary.
  - Carlos briefly presented details for the first applicant stating that per the Strategic Plan this is a business located on one of the six major thoroughfares. The application is for new signage on their façade. Sheena added some comments about the

location and how it draws more business in using more aesthetically pleasing signage while leveraging the investment that they have made currently.

- b) Consideration to discuss the proposed FY 2020 Budget and for the Board to call a public hearing on June 27, 2019 to allow public comment regarding the FY 2020 Budget.
  - Carlos stated this is just a call for a public hearing.

Pre-Board Meeting Adjourned at 3:05 pm.

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**Agenda Item One: Call to order, roll call.**

The Board meeting on May 23, 2019 for Pasadena Economic Development Corporation was called to order at 3:05 pm by President, Steve Cote.

**Agenda Item Two: Invocation.**

Invocation given by Salvador Serrano.

**Agenda Item Three: Pledge of Allegiance.**

Pledges led by Ernesto Paredes.

**Agenda Item Four: Approval of Minutes**

Chairman, Steve Cote called for a motion to approve the minutes from the meeting held on April 25, 2019. Ernesto Paredes moved to approve the minutes with a correction to page 8, seconded by Rick Lord, MOTION CARRIED UNANIMOUS.

**Agenda Item Five: Public Comments**

No public comments were given by those in attendance.

**Agenda Item Six: Presentations**

- a. FY2020 Budget – Carlos Guzman, PEDC Executive Director discussed some of the numbers that were reviewed in the previous meeting. If everything goes to plan we will adopt it at the June meeting and then subsequently to Council sometime in July. He pointed out that our sales tax is going up and joked that he'd like to use Jomie and her team for his retirement because last year we made \$165k this year we're forecasting almost \$1M. Jomie added that per the City policy we are only allowed to invest in a tax pool or class. Last year we budgeted possibly selling some debt, but that was set aside. If the Crystal Lagoon moves forward and there is an opportunity to sell debt it would go back to the Board for approval with very specific goals of what we are trying to accomplish and then it would go to City Council and they would have to approve any debt. Steve Cote stated we were also setting aside for a TIRZ and if it were to go into play, on top of that it would be advantageous if we wanted to sell debt against that as well. The investors coming in on North and South sides are going to need a TIRZ so we think that's going to come back. There's about a 45% decrease from what was budgeted last year. He went into more detail regarding the Professional Services line item highlighting Salaries, expenses reimbursed to the City and committed incentives. For the proposed expenses this year, we are requesting \$1.25M for incentives, down from \$2M last year. We're not going to

spend all the money, we just need to be prepared in case there is a project that comes in and there is interest from the Board. Other than what is committed, salaries and expenses reimbursed to the City; everything else will be brought to the Board for approval. Items such as consulting contracts, façade improvements, implementation for strategic plan, community branding and the like. **Marilyn asked what dates the fiscal year is** to which the response was October 1<sup>st</sup> through September 30<sup>th</sup>. **Steve Cote added** that we have to finalize everything in June, vote on it and then Council will vote in July or August. Carlos added that for us it is July, but then it goes rolled into the City budget, which is voted on after that for the Fall. He continued going through the other line items of the Operating Budget. He highlighted line 7124 for Committed Incentives approved by this Board and previous Board – Restaurant Depot and Emerson. **Steve Cote commented** that the TX McDonald’s Invitational tournament makes Pasadena a destination. Impact Pasadena is a great program that is cultivating future leadership. **Steve Phelps asked** what Bank Charges is in reference to which Jomie stated that it’s for processing fees. Carlos then proceeded to go over the CIP project funding. We have been working very closely with the Public Works department to align funds to reflect what the Strategic Plan wanted us to work on. We eliminated or reduced funds for certain projects. The first was reducing the Convention Center Hotel by \$3M and reallocating those funds to the North Pasadena Redevelopment. The convention center rodeo arena is complete and excess funding will be returned to fund balance. We’re going to zero out the balance of the land acquisition, as there are no immediate acquisitions at this time. The Fairway Plaza Extension is on hold at the moment so we are reducing it by 2.9M and will reassess at a later time. The remaining are being re-prioritized and the funding is being reallocated. He then went over the projects that are receiving the re-allocated funds such as North Pasadena Redevelopment, Utility Development Project, Gateway Signs and Pasadena Blvd. (Harris to 225) The new projects in the proposed FY 20 are Corridor Development and Traffic Mobility Project. The Corridor Development refers to major thoroughfares, open to the North and South areas of Pasadena. Traffic Mobility is a project Robin has an ongoing process to help with signals and other things to help with mobility around the city. So just to re-cap this is the first opportunity for the EDC budget to fully reflect the EDC Strategic Plan. The operating budget is pretty much the same; changes are limited to professional services. There is a strong focus on Historic Pasadena from CIP with \$15M exclusively for Historic Pasadena/North Pasadena.

#### **Agenda Item Seven: Project Status Update from Robin Green, Director of Public Works**

Updates: Gateway Signs – This project is complete after 7 years. Steve Cote added that hopefully with the Community Branding project we can get some wayfinding. Robin stated that if it’s not too soon he would like to ask Knudson for a quote to do the next phase for the design and location, but also the wayfinding signs and show it to the board at the next meeting. Ernesto Paredes stated we have a historical society and we could work with them and brought up the work being done at the cemetery. Carlos added that there is a recommendation of branding some of the historic sites and there is discussion of some things like that being done. Joe V’s is complete and we should get some money back. High-rise Building - the asbestos abatement is complete and the demolition will be scheduled soon. For the Pasadena Blvd. project – Meeting with Harris county this afternoon. There are 4 tracts left to acquire. Richey Street is ahead of schedule and 85% complete. Shaw Street – contracts have been executed and pre-construction

is pending to be scheduled. Traffic Mobility Improvements – Next phase will have 6 locations for signal poles. The last thing is that Nestle Waters is doing so well that they are expanding their production and will probably have to build a small lift station to take additional flow. This will be funded by Johnson Development, Nestle and EDC.

**Agenda Item Eight: Report by Carlos Guzman, Executive Director**

Steve Cote asked if Javier Morales could give an update on the work being done at the Post Office property. Carlos stated that we are trying to find the right time to have him come to a Board Meeting to provide an update.

Carlos provided some project updates; the first was the demolition of the high-rise building. Next, the livable centers study we will try to have the Planning Director provide a brief presentation on what it is and what it isn't. They are going to leverage our Strategic Plan to tie together the existing plans the City has by using the Livable Centers Study. This will pinpoint how we will budget in 2021. Announcements – Update to the board members that we are up to \$360,000 in bills being reimbursed to previous and current board members in connection to the indictment. Suzette then provided a brief marketing update. The Annual Report is complete and will begin to be mailed out to key community members and will be available online on the EDC website. In regards to the Community Branding project, Phase I is complete and brought it to the Taskforce for input. We are now in Phase II with logo design and tag line creation. We just got our first round, so they are going back to the drawing board to tweak what was presented and creating some additional designs for the taskforce to have more discussion on. We hope to have that selected within the next few weeks. The project is expected to complete in July. Macro Plaza Mall – a brief video was shown of the Cinco de Mayo event and there are talks of another music festival in September for Mexican Independence Day. Some upcoming events – we have a table for the Houston Global Economy hosted by GHP and our friends at Economic Alliance also have the Legislative Wrap Up luncheon so if Board Members are interested please let us know. Finally, we adopted our annual calendar and had talked about a tentative August meeting, but if we adopt our budget in June, we'd like to propose taking off the July meeting instead and would like your input.

**Agenda Item Nine: Board Action – Resolutions.**

- a. **PEDC RESOLUTION 19-019** – Consideration to authorize Staff to take all appropriate action on a Business Enhancement Program application filed by Sadie E. “Nogie” Bass, at location Bass & Meineke, No. 1, LLC 202 Pasadena Blvd. for the design and fabrication of new signage in the amount of \$19,990.00.

Ernesto Paredes made a motion to authorize Staff to take all appropriate action on the Business Enhancement Program application filed by Sadie E. “Nogie” Bass , Emilio Carmona seconded that PEDC Resolution 19-019 be passed, approved and adopted. MOTION CARRIED AS FOLLOWS: “Ayes” – Ernesto Paredes, Emilio Carmona, Rick Lord, Salvador Serrano, Jr., Marilyn Wilkins, Steve Phelps. “Abstain” – Steve Cote.

- b. **PEDC RESOLUTION 19-020** – Consideration to discuss the proposed FY 2020 Budget and for the Board to call a public hearing on June 27, 2019 to allow public comment regarding the FY 2020 Budget.

Rick Lord made a motion to call a public hearing on June 27, 2019 to allow public comment regarding the FY 2020 Budget, seconded by Ernesto Paredes that PEDC Resolution 19-020 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

**Agenda Item Ten: Comments by Board Members.**

**Rick Lord** – No comments.

**Salvador Serrano, Jr.** – No comments.

**Marilyn Wilkins** – No comments, just looking forward to a nice Memorial Day weekend and hopes that we all properly memorialize all of those in our lives who have gone before.

**Emilio Carmona** – Hopes everyone remembers Memorial Day and what it stands for. He’s glad the Festival mentioned “dieciseis” because that’s what he’s used to, the 16<sup>th</sup> which is the real Mexican Independence Day. Dieciseis de Septiembre “El Grito” they call it when Miguel Hidalgo declared independence. He also saw it said Festival Houston and would like to see Pasadena on there.

**Ernesto Paredes** – Hopes to encourage other businesses when they see improvements on Pasadena Blvd. *Steve Cote asked if we are promoting the program to which Suzette stated that it is being promoted on all platforms as well as through some of our ED partners.*

**Steve Phelps** – Passed.

**Steve Cote** – Passed and added that he hopes everyone has a safe weekend and a relaxing time with family.

**Agenda Item Eleven: Executive Session**

**\*\*NOTE\*\* 3:48 PM** – At this time, President Steve Cote announced that the Board would be “going behind closed doors” for an Executive Session.

- a. Convene in executive session pursuant to Section 551.087, Texas Government Code to deliberate regarding economic development negotiations for Business Attraction/Retention Projects.

**\*\* Steve Cote & Marilyn Wilkins left the room and did not participate in discussion.**

- b. Convene in executive session pursuant to Section 551.072, Texas Government Code to deliberate the purchase, exchange, lease or value of real property – Project #1901.
- c. Convene in executive session pursuant to Section 551.072, Texas Government Code to deliberate the purchase, exchange, lease or value of real property – Project #1902.

**Agenda Item Fourteen: Reconvene into Regular Session**

**\*\*NOTE\*\* 4:15 PM** – At this time, President Steve Cote reconvened the Board Meeting.

The Board will reconvene into Regular Session, pursuant to the provisions of Chapter 551 of the Texas Government Code, to take any action necessary regarding:

- a. Deliberation regarding economic development negotiations for Business Attraction/Retention Projects.

- No action.
- b. Deliberation regarding economic development negotiations for Business Attraction/Retention Projects – Project #1901.
  - No action.
- c. Deliberation regarding real property – Project #1902
  - No action.

**Agenda Item Fifteen: Adjournment.**

President, Steve Cote called for a motion to adjourn the May 23, 2019 meeting at 4:16 pm. Ernesto Paredes moved, seconded by Rick Lord. MOTION CARRIED UNANIMOUS.