



PASADENA ECONOMIC DEVELOPMENT CORPORATION
Pre-Board Meeting
Conducted in the Pre-Council Conference Room at City Hall
July 25, 2019, 3:00 p.m.
Minutes

Members present:

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

Members Absent:

Rick Lord, Vice President
Steve Phelps

Others Present:

Jeff Moore, Brown & Hofmeister, LLP
Carlos Guzmán, Pasadena EDC Executive Director
Rick Guerrero, Pasadena EDC Manager
Suzette McDowell, Pasadena EDC Marketing Manager
Robin Green, Public Works Director
Karina Tomlinson, PEDC Assistant Secretary
Tammy Lehew, Accountant IV, City Controller's Office
Chris Gentile, Clark Condon

Call to Order

The Pre-Board meeting for the July 25, 2019 Pasadena Economic Development Corporation was called to order at 3:00 p.m. by President, Steve Cote.

(5) Dan Seal of BAHEP will have some public comments.

(6) a. Corridor Development Update will be pushed to the last item on the agenda.

(7) Tammy Lehew provided the financial status report as follows: This is your snapshot as of June 30th, you have a budget for Operating Expenses of \$9.7M. You have encumbrances of \$1.9M, expenses of \$2.3M, which leaves a balance of \$5.5M. If you go over to the next box, you have Fund 9950, which pays for Capital Projects. You've got cash \$53M, if you subtract your CIP budget which you have not spent of \$39.6M, less the operating budget of \$5.5M and encumbrances of \$1.9M that leaves you about \$6.4M to spend. Fund 9955 is closed, Fund 9960 that was for Vista is complete and there is \$29,744 left that will be used up eventually. Fund 9965 is for Richey Street; that's an ongoing project of a budget with \$5.2M, so there's \$159k left unspoken for. Fund 9966 for Fairmont Parkway, that is complete too will have \$56k left over that will be used at some point.

- (10) b.) Consideration to approve the in-kind donation of remaining bricks, marble and other salvageable items from the implosion of First Pasadena Bank building to the City of Pasadena.
- Carlos added that the City requires action from the Board donating the bricks, marble and other salvageable items in order for them to accept the donation. We will donate this, then City Council will take action accepting the donation and some of the bricks will go to the Historical Society and some of the marble to the new courthouse.
- c.) Consideration to authorize Staff to negotiate and execute an Economic Development Service Agreement with Bay Area Houston Economic Partnership (BAHEP) in an amount of \$35,000.00. Funding subject to Council Approval of FY 20 Budget.
- Carlos added that the reason this is subject to Council approval of FY 20 Budget is that our budget was deferred at the last council meeting and will be up again at the first August meeting. We are very happy with them; they are doing a great job. This is something from the Strategic Plan making sure Pasadena is at the table. We work with them, with Economic Alliance, Greater Houston Partnership, they all help us with certain parts where we don't have the bandwidth to be there.
 - Dan Seal thanked the Board for their continued support since 2002. Stated that this year they are celebrating their 43rd anniversary. They have 270 member companies, represent 13 cities, Harris and Galveston Counties; they also work closely with the Port of Houston and the Houston Airport System. Their primary goal is to be one of the key principal economic development organizations in the region to help convince companies to come here, move here, grow here, expand here, and create jobs here rather than other cities. He provided some detail around the work they helped develop around the maritime industry with collaborations with PISD and Dr. Kirk Lewis in 2008. He added some comments about NASA Johnson Space Center and the work that they have been involved with there and in other sectors. He concluded with a new initiative that is about a year old, which is the Mayoral Council that brings together the Mayors of their 13 cities so that they can convene in a safe place and work together on regional issues. They look forward to the continued relationship going forward.
- d.) Consideration to authorize Staff to negotiate and execute a Letter of Engagement with Olson & Olson, LLP for legal services.
- Carlos added that this is specific to an item being discussed in executive session. That although we love our attorney Jeff, we do need someone from the Houston area to help us with this very specific project. We have been working with the City Attorney with help on this one. We'll be working on a project together that will be coming to City Council in the near future.
- e.) Consideration to authorize Staff to execute an Incentive Agreement with H+M Industrial EPC for eligible public infrastructure improvements in an amount not to exceed \$300,000.00.
- At this time, Steve Cote stated he would be abstaining from voting on this item.
 - Carlos provided some details regarding the project and reviewed the fiscal impact analysis. He stated that Larry Hogan had the option of expanding either in The Woodlands or here in Pasadena. He will be building a new engineering office and

a fab shop and in consideration for the investment and the jobs, we ran a fiscal impact analysis. He has to create 78 full time jobs, at the minimum engineering wage. A lot of them in a couple of years will be making over \$100k. This is exactly what the Strategic Plan said we should be focusing on. The engineering office will be 22,000 sq. ft., a fabrication shop 16,500 sq. ft. and based on this incentive the City breaks even in less than 2 years. We get new jobs, investment, spin-off jobs, etc.

- Marilyn stated that they print their business cards and asked if she should abstain from voting even if the amount of work they do for them is minimal. Jeff Moore stated that he would recommend abstaining and then explained that the abstaining parties do not count toward the quorum/majority vote for the item. What is needed is the majority vote of the three non-conflicted members who will be voting on the item.

Pre-Board meeting Adjourned at 3:16 pm.

PASADENA ECONOMIC DEVELOPMENT CORPORATION
Board Meeting
Conducted in the Pre-Council Conference Room at City Hall
July 25, 2019, 3:16 p.m.
Minutes

Agenda Item One: Call to order, roll call.

The Board meeting on July 25, 2019 for Pasadena Economic Development Corporation was called to order at 3:16 pm by President, Steve Cote.

Agenda Item Two: Invocation.

Invocation given by Steve Cote, Board President.

Agenda Item Three: Pledge of Allegiance.

Pledges led by Salvador Serrano, Jr., Board Member.

Agenda Item Four: Approval of Minutes

Board President, Steve Cote called for a motion to approve the minutes from the meeting held on June 27, 2019. Ernesto Paredes moved to approve the minutes seconded by Marilyn Wilkins, MOTION CARRIED UNANIMOUS.

Agenda Item Five: Public Comments

Dan Seal, Executive Director of Special Initiatives – BAHEP: Thanked the Chairman for their time and provided information regarding the Texas Department of Transportation voting to remove segments B, C and D from the Grand Parkway Plan from their 2020 funding plan which means it will be years and years before we can get those segments back into the plan for funding. He stated these are key segments that will service our area and commerce in the area. They also provide additional evacuation routes for us. He stated that they currently have a letter writing campaign to try to help them understand the importance of keeping these segments in that funding plan. Although the Public Comments period ends August 29, the letter writing campaign and time to get the word out is before their August 12 Board Meeting. They are hoping to have all of the letters by close of business July 31st. The instructions and form letter template can be found on the BAHEP Facebook page and he encouraged the public to get those letters sent to Austin.

Agenda Item Six: Presentations

This item will take place after Item Eleven: Comments from Board Members.

Agenda Item Seven: Financial Status Report by Tammy Lehew from the City Controller's Office

Board President, Steve Cote called for a motion to accept the Financial Status Report. Ernesto Paredes moved to accept the report, seconded by Emilio Carmona, MOTION CARRIED UNANIMOUS.

Agenda Item Eight: Project Status Update from Robin Green, Director of Public Works

Utility Development: The section repairs on SB lanes on Preston from SH 225 to Red Bluff have been completed. Emergency repair on Red Bluff Rd. north of Spencer Hwy was completed and the contractor will have more paving repairs in that area as well. Work continues on the drainage projects on Burke Rd. and Crenshaw Rd. **High Rise Building Abatement/Demolition:** Building implosion took place on July 21st, contractor is now working on removing all debris from site. **Pasadena Blvd.:** Agreement with Harris County for design and construction was received and is under review. Staff anticipates Council approval in October. Harris County sill bid the project 4th quarter of 2019 and construction will begin 1st quarter of 2020. **Richey St.:** Continues to be ahead of schedule and will be finished by late this year or early next year. **Shaw Street:** Almost ready to have a pre-construction meeting to kick off that project. **Traffic Mobility:** Supplies have been ordered and contractor is waiting for them to begin the work. **Fairmont Parkway Waterline:** Project is done. The next project we're going to do in Utility Development is an opportunity to sell more water on Red Bluff to Nestle Waters and down on Bay Area Blvd. to OxyChem and to the City of Seabrook so we have to make some improvements along that line to improve capacity.

Agenda Item Nine: Report by Carlos Guzman, Executive Director

Carlos directed members to Tab 6, which is the Activity Report and proceeded to go through a Presentation starting with some pictures and the Bank Building implosion. A short video produced by the Pasadena Channel was played for those in attendance. Carlos stated that ERC provided a final report, a copy of which is in each Board member's packet. Suzette McDowell provided a brief marketing update pointing out the significant growth in following on all social media platforms. The reason this is important is because the Strategic Plan talks about us telling the story about Pasadena and us keeping the community informed on things related to not just our organization, but to the community as a whole help us paint the picture. A brief update on the Community Branding stated that the initial 3 steps have been completed. Focus group meetings as well as a Steering Committee helped us throughout the initial stages. Through that we came up with multiple logo designs, color schemes, and things of that nature. Once we settled on a couple of logos that most of the committee agreed upon we surveyed those focus group participants who were a part of the initial process that were approximately 100. The results told us that 64% of those participants either liked or really liked the new logo. A new logo has been selected, but details are still being finalized by DCI so it cannot be revealed at this time. In the next few weeks, the final files will be received from DCI including key messages and branding guidelines on how to rollout the new brand. One thing to note is that the rollout will not happen like a typical rebranding process where a switch goes off and everything is different overnight. Obviously, we are dealing with public funds so we want to do this in the best manner possible so we will be phasing things out slowly. From the Strategic Plan our goal is to start implementing that and start using it in our marketing materials. The biggest thing we want to take away from this is the key messaging and we will be sharing it with community stakeholders so that we're all telling the same message. Upcoming initiatives are implementation of community branding, we're going to continue the campaigns for our website and social media; targeting site selectors and investors as well as developing some marketing tools for the EDC. Carlos continued by informing the board that we welcomed the arrival of Sheena's baby. In the upcoming meetings, first up we will have John Karras to provide a "report card" on the Strategic Plan to keep everyone accountable. He will be providing updates and some tweaks to some things that have changed in the last couple of months and ways to maximize our resources. There's some discussion to do

Richey Phase II just south of Southmore that may be coming your way. Monument signs from our Strategic Plan that's something where we want to find locations. Also the renewal of IMPACT Pasadena, which will be up either the next meeting or the one after that. As far as upcoming events, we have the Gulf Coast Industry Forum as well as the Hispanic Impact Summit September 12th. He asked if anyone is interested in attending to let anyone on Staff know.

Agenda Item Ten: Board Action – Resolutions.

- a. **PEDC RESOLUTION 19-022** – Consideration to approve the Financial Report of Investment Activities for the Fiscal Quarter ended June 30, 2019.

Marilyn Wilkins made a motion to approve the Financial Report of Investment Activities, seconded by Ernesto Paredes that PEDC Resolution 19-022 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- b. **PEDC RESOLUTION 19-023** – Consideration to approve the in-kind donation of remaining bricks, marble and other salvageable items from the implosion of First Pasadena Bank building to the City of Pasadena.

- Marilyn asked if even though the discussion of Pasadena Blvd. enhancement hasn't been had yet, if the Board would have the opportunity to reclaim some of the remnants from the bank building implosion to be used as brick pavers or public art or something like that if these items are donated to the City? Carlos and Steve added that it would require working with the City to ensure that some of the remnants from the bank building be used as part of the Pasadena Blvd. project at a later date. Ernesto also added that it is important to other Board members that some of the material be used for the Pasadena Blvd project. Jeff Moore recommended that verbiage be added to reflect this request.

Marilyn Wilkins made a motion, seconded by Salvador Serrano, Jr. that PEDC Resolution 19-023 be passed, approved and adopted as AMENDED: "Consideration to approve the in-kind donation of remaining bricks, marble and other salvageable items from the implosion of First Pasadena Bank building to the City of Pasadena ***with the understanding that the City will be amenable to utilizing requested items for future development of the Pasadena Blvd. corridor.*** MOTION CARRIED UNANIMOUS.

- c. **PEDC RESOLUTION 19-024** – Consideration to authorize Staff to negotiate and execute an Economic Development Service Agreement with Bay Area Houston Economic Partnership (BAHEP) in an amount of \$35,000.00. Funding subject to City Council Approval of FY 20 Budget.

Ernesto Paredes made a motion to approve Staff to negotiate and execute an Economic Development Service Agreement with BAHEP, subject to legal review and comment, seconded by Emilio Carmona that PEDC Resolution 19-024 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- d. **PEDC RESOLUTION 19-025** – Consideration to authorize Staff to negotiate and execute a Letter of Engagement with Olson & Olson, LLP for legal services.

Marilyn Wilkins made a motion to authorize Staff to negotiate and execute a Letter of Engagement with Olson & Olson, LLP, subject to legal review and comment, seconded by Salvador Serrano, Jr. that PEDC Resolution 19-025 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- e. **PEDC RESOLUTION 19-026** – Consideration to authorize Staff to execute an Incentive Agreement with H + M Industrial EPC for eligible public infrastructure improvements in an amount not to exceed \$300,000.00.

Salvador Serrano, Jr. made a motion to authorize Staff to execute an Incentive Agreement with H + M Industrial EPC, subject to legal review and comment, seconded by Ernesto Paredes that PEDC Resolution 19-026 be passed, approved and adopted. MOTION CARRIED AS FOLLOWS:

“Ayes” – Salvador Serrano, Jr., Ernesto Paredes and Emilio Carmona.

“Abstain” – Steve Cote and Marilyn Wilkins.

Agenda Item Eleven: Comments by Board Members.

Salvador Serrano, Jr. – “It went great on Sunday. I’m surprised that so many people came out to support. We’re all in the understanding that it’s progression, moving forward. It was a bittersweet day, but at the end everyone was cheering and happy to see new things coming to Pasadena.”

Marilyn Wilkins – “I’d like to compliment the selection process of DH Griffin who visited us several times. They went above and beyond to make sure we didn’t have any damage. They covered all my air conditioners on my roof and came back to take it off. They were very professional and nice to work with, so thank you all for everyone involved in that selection process.”

Emilio Carmona – “I pass.”

Ernesto Paredes – “I enjoyed it, everything went well. It was very well organized and let’s move on, go forward.”

Steve Cote – “It was a little more emotional when it came down. The last 18 months we negotiated to buy it, then we negotiated and bid to remediate, then we negotiated and bid for demolition. When it all comes down you’re like, wow. Just coming back down here and seeing nothing kind of gets you a little bit. After trying when I was on City Council to figure out a way to make that building work – do something to get a developer out there, a federal grant, remediated, re-done, nothing would stick. It was clearly evident that the progress was to take it down. The Grand Parkway issue I think is very important. Everyone should go out to their Facebook to look at all that. Indirectly it’s all commerce, it’s traffic. Section D is just east of us that heads north out of the Ship Channel. They did everything on the west side of town, but the side where we have more commerce, these are the most critical parts that will alleviate traffic. When Beltway 8 was being discussed there was talks of not doing it, and now look at what having it has done to Pasadena, the EDC and just given us the resources and tools to reinvest into the City. Even though 99 doesn’t come right into Pasadena it does have an indirect impact. I also like the comments on evacuation because that’s another dynamic that people don’t think about.

The other item is the Gulf Coast Industry Forum is a big event that is impactful for industry. It's a good event to go to on the 18th and 19th."

Agenda Item Six: Presentations (Moved from beginning of meeting)

Chris Gentile provided a review of the Pasadena Blvd. Master Plan. Their process consisted of research, strategy, analysis and finally the master plan. The main focus was walkability that foster commerce and businesses. Walkable communities are profitable ones, it's been proven across multiple municipalities and across different states. This type of dense and diverse community can support and has municipal gains of return way higher than the typical suburban development that you have here. The density when the city was first established was a suburb of Houston. Today you are part of a metropolis area. The vision as a suburb needs to evolve to become a city. The last analytic is value, the graphic shown analyzed the land value and the improvements of each parcel in the area of town. He continued through the presentation and provided some analysis detail. Split up into 2 segments. Segment one runs from Hwy 225 to Thomas and the second from Thomas to Southmore. The one closer to the highway is seeing a unique opportunity in the Tatar neighborhood and a typical development associated with highways. The kind of corridor you want to have for your downtown doesn't start until after Little Vince Bayou. The area at Little Vince is a gateway to the corridor. They are trying to connect that area through a lot of green spaces. The project has gone through Harris County Engineering and they are providing four 12 foot lanes, that is 60 feet of pavement and acquiring additional right of way to make that happen. Chris proceeded to go through six different conditions starting with the existing condition and went through some interim conditions and ideal conditions. The ideal condition if you're able to move the curbs allocates 68% of the ROW to cars and 32% to people. You have 12 ft. sidewalks, the same four lanes that go through; street side parking that slows traffic down and creates a sticky edge for businesses and another 12 ft. sidewalk. He pointed out that having smaller lanes is extremely important to a pedestrian area because the travel speeds it supports are 20-45mph. He pointed out that if we're stuck with this we have to create the new pedestrian area. We'd have to expand out to create the boulevard configuration where there are access lanes on either side. The existing ROW stays the same 75' and then you have expanded realms on both sides for the pedestrians. These are very pedestrian friendly zones, very slow traffic and parking. The pedestrian dominates these areas. The tricky part is that a large part of this is outside the ROW. How do we make that happen when there's no zoning, codes, no type of way to guide it? TIRZ is one of the areas for that. By providing the design standards of your area you can force this type of configuration to occur. Within the pedestrian realm there is a lot you can do and it really defines the character of the boulevard. He proceeded to show some additional pedestrian realm configurations. Steve Cote added that his thought process was always just to have North and South bound traffic flow that it would create commerce, but that hearing about speed and all that he likes hearing that narrowing the lanes slows it down creating more pedestrian and commerce opportunity. It becomes more of a destination. Chris added that although moving traffic is what you want to do, you also want people to get out of their cars and onto the sidewalks to shop. This is a community focus approach. Marilyn Wilkins added that having an area like that around a redeveloped mall would capitalize on the redevelopment of the mall, but would drive a tremendous amount of commerce. Chris stated that the hardest sell on this would be for the County. In their mind they are building a County road and for them design standards don't change. They can build it and the City would have to re-stripe it. Mark Gardemal added that with the Boulevard condition the

EDC would have to fund the infrastructure that goes with it. Chris added that all of the examples every development that has mixed use has a private/public partnership with a developer. That way TIRZ/EDC is able to have an understanding with the developer with the same vision. He said enclosing the ROW motorists will look for cues for speed. Having buildings that support both sides will cause you to slow down because the environment is telling you to. Marilyn stated she's very encouraged by this because in the beginning, everyone was very concerned about ROW, but we weren't seeing the vision like this and it would be wonderful.

Agenda Item Twelve: Executive Session – CANCELLED

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

Agenda Item Thirteen: Reconvene into Regular Session

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.

Agenda Item Fourteen: Adjournment.

President, Steve Cote called for a motion to adjourn the July 25, 2019 meeting at 4:14 pm. Ernesto Paredes moved, seconded by Salvador Serrano, Jr. MOTION CARRIED UNANIMOUS.