

**CITY OF GONZALES, TEXAS
ECONOMIC DEVELOPMENT CORPORATION MEETING
GONZALES MUNICIPAL BUILDING
820 ST. JOSEPH STREET
MINUTES – MARCH 29 , 2018 - 6:00 PM**

CALL TO ORDER, INVOCATION, AND PLEDGE OF ALLEGIANCES

Dewey Smith called the meeting to order at 6:01 p.m. Mr. Smith led the pledges, and James Hamilton offered a prayer. D. Smith certified a quorum with Dan Blakemore, Steve Sucher, James Hamilton, Gerri Lawing, Tommy Cox, James Ryan and Dewey Smith in attendance.

PUBLIC COMMENTS

The public comments section of the meeting is for citizens to address the Gonzales Economic Development Directors (as a whole). No interaction will be held between the speaker and the GEDC. There being no one signed up to speak, D. Smith moved to the Approval of Minutes.

APPROVAL OF MINUTES

1. February 26, 2018 Meeting Minutes – James Ryan requested that the words “other financial institutions” be changed to “our other accounts” on item #7. Ms. Young stated that she would make the changes to the minutes while the Board meets in Executive Session. Ms. Young did not participate in the Executive Session.

Mr. Cox asked for clarification on Item #3 regarding the amount of the funds to be moved from the fund balance to the line item #7.700.650. Ms. Young explained that the amount would be \$53,888.03 for the fairway mower which was delivered and paid for in the 2018 FY Budget. All other equipment was delivered and paid for in the 2017 FY Budget.

D. Smith called for a motion to approve the minutes with the amendment recommended by J. Ryan. Mr. Ryan moved to approve the minutes with suggested amendments. S. Sucher seconded the motion. The motion carried unanimously.

D. Smith moved to item #3, Financial Report until 6:15 p.m. for the opening of Sealed Bids.

OPEN SEALED BIDS

6:15 PM Publicly open and read aloud all sealed bids for 513 St. George Street property. Bidders are invited to attend the sealed bid opening.

D. Smith returned the Sealed Bid Opening at 6:18 p.m. One bid was submitted to the City Manager on March 29, 2018 at 3:35 p.m. Mr. Patek presented the Sealed Bid to Mr. Smith. Mr. Smith read;

Bid Proposal Name:

513 St. George Street Property/ .213-acre tracts of land

Bid Proposal Number: 18-001-RP

Submitted by:

Andrew and Racshel Brunken
819 St. Matthew Street
Gonzales, TX 78629

Offer amount: \$34,000.00

Financing plan: Cash

Proposed use: Commercial Use

The intended purpose of this property is to establish a Residential/Commercial Renovation Business-Showroom and Main Office. The business will support Gonzales and a 45-mile radius from the city.

In addition to the plans referenced above, a small boutique will occupy one-quarter of the building. This business will focus on selling unique home furnishings.

Renovation Plans:

Renovation of 513 St. George is slated to begin within 60 days of the purchase. Renovations will take approximately 120 days. The grand opening of the business will be upon completion of the renovation project.

The plan is to restore the exterior of the building to its original appearance. The 2nd exterior structure will either need to be demolished or reinforced. Further assessment of this structure needs to take place. The building will need to undergo an abatement process to remove all asbestos flooring, prior to starting renovations.

D. Smith stated that the previously read bid was the only Sealed Bid submitted. Mr. Smith read the following statement regarding Executive Session,

EXECUTIVE SESSION

The Gonzales Economic Development Corporation will hold a closed Executive Session meeting, pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in:

Section 551.071 - to seek legal advice from its attorney regarding the bid proposals for the St. George Street Property.

RETURN TO OPEN SESSION

The Board reconvened in Open Session at 7:30 P.M.

2. Discuss and Consider any action resulting from Executive Session

D. Smith called for a motion. G. Lawing moved to accept the Bid. J Ryan seconded the motion. D. Smith, T. Cox, G. Lawing, J. Hamilton, J. Ryan, and S. Sucher all voted, "Aye." D. Blakemore voted, "Nay." Motion carried 6 to 1. J. Ryan commented that it was in the best interest of the community to have the property renovated. He regretted that the original plan for the property did not happen. S. Sucher commended the investor for coming into the community and making things happen.

G. Lawing moved to authorize the President/CEO or Board President, in this case, the Board President to execute any and all documents necessary to convey the 513 St. George Street property to Andrew and Racshel Brunken. J. Hamilton seconded the motion. D. Blakemore, S. Sucher, J. Hamilton, J. Ryan, G. Lawing, T. Cox and D. Smith voted, "Aye." The motion passed unanimously.

D. Smith moved to the Committee and Financial Reports. J. Ryan noted that journal entries had not been made for the equipment purchased for the City and delivered during the 2017 FY budget. Mr. Ryan pointed out that the difference would be a more accurate and positive reflection of the GEDC financials for FY 2018. Ms. Young stated that she would speak with Laura Zella, City Finance Director. D. Smith moved to Agenda item #4.

COMMITTEE/FINANCIAL REPORTS

3. Financial Report – James Ryan

T. Cox commented that he liked Mr. Ryan's printed report. J. Ryan provided an update of GEDC Loan Agreements including the bi-weekly payments for the Come & Take It Bar & Grill, and interest rates. He

explained that the return of principal is flowing into the GEDC checking account and helping to build the balance. Mr. Cox asked if we received any payments from the Guerra's. Ms. Young stated that no payments were received. Tim Patek, Interim City Manager, stated that the Guerras were to make the final payment for delinquent Hotel/Motel Taxes on April 9, 2018.

J. Ryan emphasized the obligation for HVAC at the Lynn Theater (\$50,000), Expo payment, Beautification Project (\$20,000), Main Street (\$75,000), and BYK (\$50,000). Mr. Cox asked if the \$50,000 for the Lynn is budgeted and not spent. Mr. Ryan confirmed. He pointed out that revenues continue to increase and if the trend continues he estimated that revenues would be \$157,000.00 ahead. D. Blakemore asked to have further discussion about the Lynn Theater. Ms. Young explained that the lease/purchase agreement expired and the agreement is now month-to-month at \$1,500 per month. A history of inconsistent payments dates back several years. Mr. Blakemore was concerned about investing in the HVAC. T. Cox explained that the building has been of concern for many reasons; however, the Board did not want to operate a movie theater and having a theater open was better than not. D. Blakemore asked if the insurance was current. Ms. Young confirmed.

4. Hwy 183 Beautification Committee – Tommy Cox

T. Cox shared the revelation that lighting Hwy 183 has been a challenge for several reasons; one being the lack of electrical connectivity on the West side of the highway and LCRA will not allow for the attachment of equipment to their poles. Mr. Cox suggested that through an easement from property owners could allow for overhead connectivity. He will continue to research possibilities with the assistance of G. Young and other Committee members, D. Smith and J. Ryan. J. Ryan asked how many lights are required. Mr. Cox stated that he would like to install them every 200 feet for a solid mile. He shared that the Committee continues to consider banners. D. Blakemore supported a coordinated effort between the Committee and Spade and Trowel Club. Mr. Cox was very receptive. D. Blakemore stated that the Riverside Center might be a good location for a business incubator and beautiful Visitor Center. Mr. Cox pointed out the Board had considered the relocation of the entrance into downtown to St. Louis Street.

5. Staff Update including BYK Groundbreaking, Come & Taste It Festival, CDI Advanced Training, 52nd Legislative Conference, local business visitations, upcoming events – Genora Young

Ms. Young informed the Board that her email is down. She shared information about the BYK Groundbreaking and Partners' Celebration party. Dr. Stephan Glander, BYK Global President, and Alison Avery, North American President will be in attendance. She thanked the Board for their leadership in the unprecedented partnership.

The Come and Taste It Festival is April 27th and 28th. The Gonzales Inquirer will host the VIP Party on April 27th. Eight local restaurants will provide food at the VIP Party for a "Taste of Gonzales." There are eight wineries signed up for April 28th, and there will be vendors on the Square, as well as a car show.

Ms. Young attended Community Development Institute Advanced Training as part of her continuing education hours for PCED recertification. She attended the 52nd Legislative Conference. Goerge Strait did attend. John Sharp spoke and provided information about the recovery efforts regarding hurricane Harvey.

Ms. Young shared a list of questions she uses when making Business Retention Expansion calls. She provided this information because of Mr. Sucher's expressed interest. Ms. Young stated that she does not hand out a questionnaire but has informal conversations with business owners. The objectives of BRE conversations are to make introductions and build rapport and trust, to create awareness about GEDC, to learn how GEDC can better serve existing businesses, target supporting industries for recruitment, and to learn if and where there are industry gaps. Questions also vary whether the conversation is with a retail business or industrial/manufacturing business. Ms. Young highlighted Elgin Heinemeyer at Frames and Things as an example. Through an impromptu interview with Mr. Heinemeyer, Ms. Young was inspired to expand on the Tourism promotion for "32 Reasons to Visit Gonzales" to include business and industry. She stated that she was considering seeking support from the *Gonzales Inquirer* because they have become a strong partner for community and economic development. Another strong corporate partner for GEDC is TXGN. They encourage Gonzales to refer to them as Gonzales" Short Line Rail. D. Blakemore suggested working with the newspaper to do a cover story about TXGN and to continue with stories that spotlight business and industry on a regular basis.

G. Lawing commented that transportation data would be extremely valuable intel. She provided information about what GVEC is doing to promote business and industry through stories on their website. J. Hamilton stated

that Gerri shared information on Linked In, which he shared with his connections. He confirmed that the stories are truly “Hometown Proud.”

Ms. Young informed the Board that she met with the Melissa Collazo at Thrive, Business Development and Marketing Manager due to a suggestion by Dewey Smith. The purpose of the meeting was to determine how GEDC can help promote Thrive and healthcare services. Ms. Young plans to include weekly postings on the GEDC Facebook page and postings of special events at the healthcare facilities and Thrive. She informed the Board the Clint Hille, City Tourism Director reached out the staff at Thrive which resulted in day passes for Texas Junior High Rodeo contests and attendees during the May finals in Gonzales.

Further discussion included the potential impacts of social media.

D. Blakemore informed the Board that the City would hand out pins to the Junior High Rodeo contestants and families so that locals can readily recognize and acknowledge them as visitors in our community. 2018 is a bid year. Discussion included the value and importance of the rodeo and how to determine an economic impact analysis. Ms. Young stated that the community is encouraged to “roll out the red carpet.” Buckets including coupons and promotional items are given to contestants and volunteers are needed to fill the buckets with those items before contestants arrive. Volunteers are also needed to greet the contestants as they arrive at the JB Wells facility. Ms. Young will send an email to the Board as she knows more.

G. Lawing also promoted the value of the Texas Independence Relay. She emphasized the need to welcome those who come to Gonzales for events as they will return if they are welcomed properly.

Ms. Young informed the Board about a spa development near Palmetto State Park and reminded the Board about the Bullfight in May and Project Graduation.

J. Ryan provided a GBRA regarding the Mid-basin Project. He expressed his encouragement that the Board is making progress.

ADJOURN

J. Hamilton moved to adjourn. S. Sucher seconded the motion. Motion carried. The Board adjourned at 8:17 p.m.

Dewey Smith, Board President

Gerri Lawing, Secretary