

**CITY OF GONZALES, TEXAS
ECONOMIC DEVELOPMENT CORPORATION MEETING
GONZALES MUNICIPAL BUILDING
820 ST. JOSEPH STREET
MINUTES – JANUARY 22 , 2018 - 6:00 PM**

CALL TO ORDER, INVOCATION, AND PLEDGE OF ALLEGIANCES

Dewey Smith, GEDC Board President called the meeting to order at 6:01 p.m., led the pledges, offered a prayer, and certified a quorum present. Gerri Lawing, Dewey Smith, James Ryan, Steve Sucher, James Hamilton, and Dan Blakemore were present. Tommy Cox was absent.

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 requests for Public Comment, D. Smith moved to Approval of Minutes.

APPROVAL OF MINUTES

1. December 4, 2017 Meeting Minutes
J. Ryan moved to accept the Minutes as presented. G. Lawing seconded the motion. Motion carried.

EXECUTIVE SESSION

SECTION 551.072 of the Texas Government Code– To deliberate the purchase, exchange, lease or value of real property - 4.27 acres tract of land located in Gonzales County, Texas

The Board entered into Executive Session at approximately 6:04 p.m.

RETURN TO OPEN SESSION

The Board entered into Open Session at approximately 6:23 p.m.

2. Discuss and Consider any action resulting from Executive Session
There being no action, D. Smith moved to Action Item #3.

ACTION ITEMS

3. Discuss and Consider removing Sean Lally, Keith Brown, Clint Hille, and Crissy O’Neal as signatories from all GEDC Financial accounts and adding Dewey Smith, President, Tommy Cox, Vice-President, Gerri Lawing, Secretary, James Ryan, Treasurer and Laura Zella, City Finance Director as signatories to all GEDC Financial Accounts
Ms. Young informed the Board that G. Lawing declined as a signatory and that there are signatories on one of the accounts from years past. She spoke with GEDC Board attorney, Jeff Moore earlier to clarify if a motion could remove all current and past signatories adding new signatories as specified by the Board. Mr. Moore confirmed. J. Ryan asked if the motion could name the offices of the Board rather than specific individuals. Ms. Young explained that one financial institution required specific names. G. Lawing moved to remove all current and past signatories replacing them with Dewey Smith, Tommy Cox, James Ryan and Laura Zella, City Finance Director as signatories to all GEDC Financial accounts. D. Blakemore seconded the motion. S. Sucher asked if it has been routine for the City Finance Director to be a signatory. Ms. Young confirmed and stated that she occasionally had to have the City Manager and the City Finance Director sign if none of the GEDC officers were available. She often secures one Board member’s and the City Finance Director’s or City Manager’s signatures for the required dual signatures on all checks. D. Smith called for the vote. The motion carried unanimously.
4. Discuss and Consider authorizing the GEDC Board President to enter into a contract with Alysia A. Cook, PCED, IOM of Opportunity Strategies LLC of Austin, TX for Training & Facilitation Services in an amount not to exceed \$5,000.00 to support the Gonzales Chamber of Commerce’s proposed community-wide Hospitality Training

Ms. Young provided a brief summary of the presentation from Alysia Cook stating that the total cost for the GEDC would be \$4,991.00. The Chamber of Commerce would pay all travel expenses and accommodations for the consultant. The Chamber will also oversee the advertising and marketing for the event, as well as coordinate the location for the workshops. J. Ryan asked who the students would be. Ms. Young stated that employers and employees of the local businesses would be the target market. Ms. Young asked if Daisy Scheske, Executive Director of the Chamber of Commerce had any additional comments. Ms. Scheske stated that the Chamber of Commerce would handle all the logistics for coordinating the location for the workshops. She would contact Chamber members to promote the event. Upon completion of the workshops, each attendee would receive a certificate from Texas A & M Hospitality training program. Each attendee would learn something and walk away with a Hospitality certificate. J. Hamilton asked how success is measured. Ms. Scheske stated that business owners would see improvement in their businesses through comments from the public. Mr. Hamilton's concern was not for the cost of the service, but how success is measured and the justification or the "bang for the buck." Ms. Scheske was asked if she had commitments from businesses and she stated that she had business owners express interest but she did not have commitments that business owners would pay their employees to attend a training or workshop. D. Blakemore expressed his concerns about committing the funds with no guarantees for attendance. S. Sucher asked where in the budget the expense would fall. Ms. Young explained that she spoke with Jeff Moore, GEDC's Attorney and he advised that the expense best fit for Promotions and Marketing or Workforce. A Public Hearing and 60 day comment period are not required under Promotions and Marketing but are required under Workforce. S. Sucher asked what type of wiggle room there would be in the Promotions and Marketing line item and Ms. Young confirmed there was very little. G. Lawing applauded Ms. Scheske for the Chamber's efforts to coordinate such an effort. Ms. Lawing stated that she is a big supporter of these types of programs and that Alysia Cook is the best in the business; however, Ms. Lawing stated that she does not consider the request an Economic Development program, but more of a fit for Tourism. She further stated that if the Board approved the request, she would never want to see economic development funds used again for this purpose. S. Sucher echoed Ms. Lawing's sentiments. He advocated for a more controlled budget process. J. Hamilton agreed. D. Smith called for a motion. D. Blakemore moved to approve the \$5,000.00 action item as presented in the agenda. The motion died for lack of a second.

5. Discuss and Consider authorizing the Board President to enter into a contract with a consultant to provide a 3 to 5-year economic impact analysis of JB Wells Arena, Expo Center and events held at the complex, set a date for Public Hearing and authorize staff to post Public Hearing

Ms. Young pointed out the dollar amount difference between the two quotes. She was asked to place this item on the agenda for consideration by the Board. She asked the Board to consider what the impact would be on the community if the facility and events did not exist. Part of the concern is the fact that 2018 is the last year of the existing Junior High Rodeo Finals contract in Gonzales, and the bid for the next contract will be submitted on April 30, 2018. Gonzales will bid on a 5-year contract with a 2-year option. Two other communities that may bid are Waco and Abilene. Each community recently passed multi-million dollar bonds for the expansion and improvements to their existing facilities. Both will be enclosed and air-conditioned facilities. She explained that there had been some discussion about doing an in-house analysis but stated that having an outside source perform the work was preferred. G. Lawing asked how any information from the analysis would be used or what exactly was the purpose of having such information. The information would be presented to the Board and the public to help businesses understand how important the facility and the events are to the community. D. Blakemore said he felt that the information could help the City to understand during a negotiation process if the City is correctly pricing the facility and services or not. He also wanted to know if the sales tax revenues produced are what leadership believes they are or should the City be more aggressive in their efforts to be more competitive and to provide information for businesses in town to better market themselves during events.

D. Smith stated that the data and metrics gathered from an analysis are valuable to the Board when developing and implementing a strategy; knowledge is power. He asked that the Board not lose sight of the value of information by looking only at the cost of gathering the information. D. Blakemore agreed with Mr. Smith, and J. Hamilton stated that the decision should include how valuable the information is. The question for him is how to quantify how good things are and whether it is important enough to spend the community's money. S. Sucher asked if the GEDC Board had invested funds in the facility. G. Lawing and Ms. Young confirmed. Mr. Sucher stated that the GEDC fulfilled the financing obligations. He would be more comfortable sharing the cost of studies with one or more entities rather than having the GEDC Board and funds used to maintain projects.

G. Lawing and S. Sucher shared concerns about how much staff time would be required to assist in developing this analysis.

S. Sucher moved to approve 50% of the funding costs for an economic impact analysis for the low quote of \$9,500.00. D. Smith seconded the motion. J. Ryan asked how the item would be funded. D. Blakemore asked if the item should be tabled for more information to be discussed at later meeting. G. Lawing pointed out that the discussion included GEDC and other entities which are all comingled. Mr. Smith called for the vote. G. Lawing voted Nay on the motion. S. Sucher voted Yay, D. Blakemore voted Yay, J. Hamilton voted Nay, J. Ryan voted Nay and D. Smith voted Nay. The motion failed; 4 Nays to 2 Yays.

COMMITTEE/FINANCIAL REPORTS

6. Financial Report – James Ryan

James Ryan provided handouts for the Board members. Mr. Ryan stated that he met with staff to review all project accounts and financials. GEDC has an estimated \$2,000,000.00 in liquid assets, and most are in a Sage Capital Bank interest-bearing checking account. Mr. Ryan stated that Sage Capital is a good safe bank paying a better interest rate than other GEDC financial accounts. Mr. Ryan summarized the status of project accounts. Sales tax revenues are greater than projected during the budget process. Mr. Ryan pointed out that there are possible repairs to the Lynn Theater and the possible replacement of the air conditioner. He mentioned his concerns about the structure. Mr. Blakemore inquired about the status of the Lynn Theater contract. Mr. Ryan and Ms. Young explained that the Lease Purchase Agreement expired and that the contract is now on a month to month basis. D. Blakemore stated that the air conditioner should be checked out because it could be the cause of other concerns and he asked that staff get a quote for the cost of replacing the unit. Mr. Blakemore stated that a more efficient system would also have a positive impact on monthly billing for the tenant. Mr. Ryan commented about the amount of reserves. He encouraged the Board to set a date for a workshop to allow the Board to get to know one another and develop a mission statement and goals.

7. Hwy 183 Beautification/Sign Committee – Tommy Cox

Chairman Smith moved to item #8 due to Mr. Cox's absence.

8. Staff Update including the 1st Annual SBIG Report from Pat Ford, Economic Development Leads, upcoming community events (Gonzales Chamber of Commerce Banquet, "Come & Taste It" Festival, Shorty Gorham's American Freestyle Bullfighting) – Genora Young

Ms. Young provided the Annual Report from Pat Ford for the SBIG grant he received for the Stahl Building. Mr. Ford is one-of-two Grant recipients who submitted the annual report without a reminder from staff. S. Sucher requested that a formal letter, signed by the Board President be sent to Mr. Ford. Ms. Young confirmed that she would draft a letter for the Board to sign.

Ms. Young informed the Board of a direct lead she received from a site selector. She thanked G. Lawing, GVEC staff, D. Blakemore, and Andy Rodriguez for their assistance with promptly providing information. S. Sucher expressed his excitement for this information and said he would appreciate more of this type of discussion. G. Lawing stated that this site selector was coming back for a property that the City purchased several years ago. D. Blakemore encouraged the Board members to discuss items openly during the meeting and recognized that there are forward-thinking members on the GEDC Board. He stated that he believes the Economic Impact study may come up again at another time and that the information provided by such a study will be valuable to the city and the county as well as other entities. He said he would carry the message to City Council that they should participate in funding such a study. G. Lawing and D. Smith said they hoped that the topic would come back before the Board.

Ms. Young said she wants to spend more of her time working on developing an inventory of properties for responses to leads. She stated that she would like to spend more time out in the public knocking doors with existing businesses. Ms. Young stated that she would appreciate the Board's participation when possible and she extended an invitation to Daisy Scheske, Executive Director of the Chamber of Commerce stating that the partnership would send a positive message to the public.

The Gonzales Chamber of Commerce Banquet is February 23, 2018, and the Come & Taste It Beer, Wine and Art Festival, a new event is scheduled for April 27th and 28th. Barbara Friedrich, Clint Hille, and Ms. Young met with

the Texas Department of Agriculture, and the Office of the Governor Economic Development and received valuable information for the new festival. Shorty Gorkman's American Bullfighting event is returning in May. Ms. Young is working with the auditors, and most of the requested information has been provided. The final piece of equipment funded by GEDC for the City of Gonzales was delivered and paid for prior to the Board meeting.

G. Lawing requested that the Board consider discussing the website at a future meeting. S. Sucher said that he volunteered to work with staff on the development of the website.

S. Sucher said that he heard positive comments regarding the potential sale of the St. George Street property. D. Smith updated the Board about the appraisal of the property.

The Board members welcomed James Hamilton to the Board and asked if he would share a little about himself. Mr. Hamilton has experience working in Washington DC, as well as having served as a City Councilman, and Mayor Pro Temp in Weatherford. He is an Assistant Principal at Gonzales High School. He has a passion for developing projects that create job opportunities for his students and their families.

D. Smith thanked the Board members for their support in the transition to his leadership role as President of the Board. He asked if the Board preferred the new seating arrangement. All agreed.

ADJOURN

D. Smith called for a motion to Adjourn. James Hamilton moved to adjourn. S. Sucher seconded the Motion. The meeting adjourned at 8:10 p.m.

Dewey Smith, Board President

Gerri Lawing, Secretary