THE SEABROOK ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF SEABROOK MET ON **WEDNESDAY, JUNE 21, 2017** AT 7:00 P.M. IN THE SEABROOK CITY HALL COUNCIL CHAMBERS, 1700 FIRST STREET, SEABROOK, TEXAS TO CONSIDER, AND IF APPROPRIATE, TAKE ACTION WITH RESPECT TO THE AGENDA ITEMS LISTED BELOW.

BOARD MEMBERS PRESENT:

PAUL R. DUNPHEY	PRESIDENT
TERRY CHAPMAN	VICE-PRESIDENT
GARY BELL	TREASURER
ERNIE DAVIS	SECRETARY
GLENNA ADOVASIO	COUNCIL REPRESENTATIVE
GLENN ROYAL	MAYOR

ALSO PRESENT WERE:

GAYLE COOK	CITY MANAGER
STEVE WEATHERED	CITY/EDC ATTORNEY
PAUL CHAVEZ	DIRECTOR OF ECONOMIC DEVELOPMENT
PAT PATEL	EDC ADMINISTRATIVE ASSISTANT

President Paul Dunphey called the meeting to order at 7:00 p.m. and declared that a quorum was present.

1. <u>WORKSHOP ITEMS</u>

1.1. Discuss and consider EDC Goals Workshop 2017-2018

EDC Director Paul Chavez discussed the current goals for 2016-2017 listed as follows:

- Promote Seabrook branding, image enhancement, communication and key marketing initiatives
    - ➢ Develop branding campaign with distinct branding and signage for each district within the City: The Point, Old Seabrook, SH146 corridor, North Seabrook, NASA Parkway / Lakefront
      This has been implemented with the new street signage as well as the designs developed by SWA for Old Seabrook and SH146 for corridor enhancements.
    - ➢ Partner with Planning and Zoning and City to develop design enhancements to the SH146 corridor to incorporate Seabrook specific design enhancements
    - ➢ Development of entry signage / gateway into City
    - ➢ Support implementation of the view corridor and boardwalk recommendation as outlined in the Waterfront Development Plan and the Comprehensive Master Plan
      EDC is continuing to implement the concepts outlined in the Comprehensive Master Plan with advertising campaigns and meetings with prospects on the potential development along Waterfront

- Focus on the development and promotion of Old Seabrook
  - ➢ Development of retail corridor along Main Street
    EDC is continuing to push this initiative with prospects for the area, including their pilot project, Merlion
  - ➢ Explore city infrastructure issues / options for parking and pedestrian traffic
    This is being reviewed and developed through the design recommendations from SWA for Old Seabrook and SH146 for corridor enhancements and reviewing projects outlined in the city's Capital Improvement Plan
  - ➢ Work with Planning and Zoning and City on ordinances / zoning
    Ongoing effort with City staff for new business development ideas
  - ➢ Support the application of a Main Street / Livable Centers Grant from H-GAC for Old Seabrook
    Staff will be exploring this option in full once the SWA plan is approved and the Livable Centers Program opens up the next round of funding
- Reviewing and potential expansion of incentives for business development
  - ➢ Old Seabrook EDC Improvement Project
    This directive includes sidewalks, parking and drainage ideas for Old Seabrook – currently under review with SWA with the idea of pursuing project funding via H-GAC's Livable Centers Program
  - ➢ Demolition Grant Program
  - ➢ Storefront Façade Improvement Grant
  - ➢ Chapter 380 Agreement
    All updated and implemented in the current Incentive Policy
- Provide guidance to the Seabrook City Council on economic development decisions and future land uses

Mr. Chavez did recommend to the board to add and integrate the City of Seabrook's CIP (community improvement projects) Program into the EDC's goals for 2017-2018. These will showcase areas of the community where infrastructure improvements that need to be taken place and that City and staff have identified those areas that need to be improved upon for not only residential use, but also for business expansion. Integrating some of these ideas from the CIP into the EDC's goals would be a wise choice because City Staff has identified areas of the community where there could be some lacking in the development of the real estate the City has and the CIP Program outlines some of those areas that need to be improved upon. These areas may have some potential for future business related activity and development. Mr. Chavez stated that this was an allowable expense with Economic Development as is to work on future development infrastructure improvements.

2. PUBLIC COMMENTS AND ANNOUNCEMENTS

There were none.

3. PRESENTATIONS

3.1 EDC Director's report on economic development activities for May 2017. (Chavez)

EDC Director, Paul Chavez, gave his monthly report on economic development activities for the month of May:

- Attended the annual ICSC Tradeshow along with The Retail Coach and made numerous appointments with developers & had prospect meetings and a lot of companies approaching them seeking warehousing, manufacturing, and industrial inquiries.
- Working with Pacific Ridge who owns the Seabrook Center, and developing ideas for getting prospects over to their center
- Attended the Keels & Wheels preview event Friday, May 5 and event was a huge success
- Advertising fliers from Red News for the ICSC Tradeshow
- Completed the Annual Report for City Council
- Updated Demolition Grant
- Talks with medical office prospect looking into our community
- Current Seabrook ad running in Houston Business Journal and Rednews
- 6 different people have called the EDC Director regarding the Article in REDNEWS wanting to know more about Seabrook and opportunities available in Seabrook
- Ad for Retail Coach data which highlights the large pieces of land on the North Side as well as a few properties in the Old Seabrook area
- Review of monthly budget spreadsheet
- Review of Sales Tax revenue analysis from 2013 to 2017 to date
- Listing of all the TXDOT hearings scheduled here at City Hall
- Gave Semi Annual Report to City Council on Tuesday, June 20.

4. EXECUTIVE SESSION

The EDC Board went into executive session at 7:22pm.

5. OPEN SESSION

The EDC Board reconvened from executive session at 8:14pm.

No action was taken in executive session.

6. NEW BUSINESS -The EDC Board will reconvene in Open Session

6.1 Consider and take all appropriate action to improve SeabrookEDC.com and develop SH146.com in an amount not to exceed $9,500. A budget amendment is required as this is not a budgeted item. (Dearman)

Marketing and Communications Director, LeaAnn Dearman, gave a presentation on the possibility of creating a separate SH146.com website as well as another separate website for SeabrookEDC.com. She stated that the 2012 contract agreement allowed for redesigning the main site at no additional cost every 4 years. Cost for the initial site was around $26,166 with the EDC portion at $8,722 and $1,800 annual maintenance starting in 2014. Ms. Dearman stated that they have surpassed the four year mark and in 2014 Civic Plus upgraded and improved the Content Management System. Since the 2012 contract agreement will expire in March 2018, a site upgrade and redesign is greatly needed. Redesign features and upgrades will greatly improve site responsiveness including mobile design, allows for site customization within the parent site, integration with Paypal and other site payment features, and improved compliance and accessibility.

The Seabrook EDC is a separate corporation from the City of Seabrook and has a unique set of navigation needs. The site customization for Seabrookedc.com would cost $3,500 with a current annual maintenance of $1,800 and an additional fee beyond year two of $650. Also the SH146 page of seabrooktx.gov is the second most visited page on the site and customization for the SH146.com would also cost $3,500.

Ms. Dearman highly recommended the upgrade to SH146.com at the very least as a separate site. If they do the SeabrookEDC.com and the SH146.com and keep the same color palette for the main City site that would be $7,000. She stated her recommendation was to actually do SeabrookEDC.com along with SH146.com and have the SH146.com have a custom color palette add on.

EDC Director Paul Chavez stated that the upgrades to the websites is much needed and a blessing since he goes to tradeshows and needs information off the website on the go, which needs to be accessed from his mobile device.

The Board wanted to know what the difference in price between the current price and the price the new system would be. Ms. Dearman stated that the current website has already been paid for and that they will be redesigning regardless. Add-ons are one-time costs and the only thing recurring after year two will be the additional $650 per site, therefore $3,100 for two years.

Motion made by Council Representative Glenna Adovasio and seconded by EDC Secretary Ernie Davis

*To approve the SeabrookEDC.com and the SH146.com in an amount not to exceed **$9,500**.*

MOTION CARRIED BY UNANIMOUS CONSENT

6.2 Consider and take all appropriate action on incentive application filed by Y.M. Properties, LLC at 2825 NASA Road 1, (Ritson Morris Tract 13A, Abstract 52) seeking EDC sales tax funds as an incentive for construction of enhanced signage and related landscaping improvements with a total projected cost of $18,875.50, ("Project") for the new commercial building constructed by Y.M. Properties, LLC (that includes at least 3,000 square feet of rental space, which costs estimated in the amount of $397,000). Project for Y.M. Properties, LLC request will include incentives by the SEDC for façade improvements/signage and related landscaping in an amount not to exceed $13,875.50. (Chavez)

Owner of sports chiropractic clinic, Dr. Dustin Young, gave a presentation to the board:

- Estimated project completion in next two weeks
- Benefits to city: revenue, increased business development, and provide additional space for other businesses needing to relocate
- Excess of $250,000 annual revenue with 3 full time employees
- Has been in Seabrook since 2010
- Member & President Elect of Seabrook Rotary Club
- Over last two years, 17,000 visits to the practice of sports chiropractic which leads to more revenue for the community
- Additional Rental space will be available for 1,000 sq ft. for any business needing to relocate for $16/sq ft. triple net

Dr. Young stated that he is requesting help with the funding for the new LED lit signage on the side of the building facing NASA Road 1, the landscaping to cover the drainage and detention pond along the sidewalk and upgrade the landscaping there instead of just having grass. The project is on the west side of Tires By Design.

Motion made by EDC Secretary Ernie Davis and seconded by EDC Treasurer Gary Bell

*To approve the incentive application filed by Y.M. Properties LLC and direct staff to draft an agreement between the SEDC and Y.M. Properties LLC in an amount not to exceed **$13,875.50** reimbursable upon showing proof of receipts for the upgrade of enhanced signage and related landscaping improvements.*

MOTION CARRIED BY UNANIMOUS CONSENT

6.3 Consider and take all appropriate action directing staff to prepare and publish a Project Notice for Façade Improvement Program Incentives and to include Y.M. Properties, LLC reflecting purpose to promote or develop new or expanded business enterprises and/or that create or retain primary jobs in or near the City of Seabrook, by expending SEDC sales tax funds as an incentive pursuant to the Façade Improvement Program and to assist Y.M. Properties, LLC at 2825 NASA Road 1, (Ritson Morris Tract 13A, Abstract 52) for construction of enhanced signage and related landscaping improvements with a total projected cost of

$18,875.50. Project for Y.M. Properties, LLC will include incentives as determined by the SEDC for façade improvements/signage and related landscaping. (Chavez)

Motion made by EDC Secretary Ernie Davis and seconded by Council Representative Glenna Adovasio

To approve as presented.

MOTION CARRIED BY UNANIMOUS CONSENT

6.4 Consider and take all appropriate action on incentive application filed by Morgan Southwest Land Company (Royal Cove) seeking EDC sales tax funds as an incentive to assist the retention, development, and expansion of new commercial development by Morgan Southwest Land Company (Royal Cove) at 2511 NASA Road 1, (Ritson Morris Tract 29A & 29B, Abstract 52) for targeted infrastructure, facilities and improvements. Proposed incentives consist of repayment of impact fees, permit fees, administrative costs and reimbursement for specific façade improvements in an amount not to exceed $333,135. (Chavez)

Mr. Brad Emel, owner of Seabrook Classic Café and Cabos, originally approached the city staff about the re-development of the former Turtle Club site and along with The Morgan Southwest Land Company which has taken over the project and expended it to include the re-development of the former Turtle Club as well as Knotheads and the apartments behind Knotheads and the vacant land around the site. He presented the following:

- Vision is to develop all the properties on both sides of the channel and in the middle of the channel
- Intent of development will impact Seabrook sales tax base positively in the near future. It will be a business for all types of businesses
- 20 new business are projected for the channel area all in an attractive floating location
- Vision is to create an exciting and beautiful Seabrook boardwalk and the economic impact should and will be great
- Removal of the apartments along with clean up already completed which cost $15,500
- Star fleet barge to be relocated from Clear Lake Shores to Seabrook which includes 1,800 sq ft kitchen which will be the primary kitchen for Knotheads (will be known as Bier Garden) – facility will employ 30 full time employees and 10-15 part time employees
- Barge 295 (formerly known as Turtle Club) will have about 5-7 new jobs
- Wants to expand Classic Café's to go options, Anticipate an increase of revenue for the Classic Café of over $250,000 a year and increase of jobs of 6 additional cooks and 30 part-time delivery people
- Buildings 2 to 5 are being built right now (in pictures presented to board)
- Boat docking expanded is optional
- Also seeking a façade improvement grant / beautification project of Royal Cove

EDC Board Member, Ernie Davis, stated that this was a very exciting project for an area where redevelopment is sorely needed. Although his concern was giving money back to things that are already completed. He stated he was very supportive of the incentive application but at the same time very interested in assuring EDC is incentivizing future activities and not reimbursing things that have already been done. Since the West side bulkhead was already in progress, he stated that he was very supportive of the reimbursement of the water tap fees, electricity and gas, East side bulkhead removal and the East side repair of electrical and plumbing. And since the irrigation system had not been completed yet due to water connection, he was also supportive of the façade improvement portion of it.

Motion made by EDC Secretary Ernie Davis and seconded by EDC Treasurer Gary Bell

To approve the incentive application filed by Morgan Southwest Land Company (Royal Cove) in an amount not to exceed ***$147,669.00*** *reimbursable upon proof of expenditure for City water tap/impact fees ($40,404), Centerpoint electricity and gas supply ($10,000), East side bulkhead removal and replacement ($75,000), and East side repair of electrical and plumbing ($22,265) as presented here tonight and ask staff to prepare an incentive agreement for future consideration and approval.*

MOTION CARRIED BY UNANIMOUS CONSENT

Motion made by EDC Secretary Ernie Davis and seconded by Council Representative Glenna Adovasio

To approve a façade improvement incentive application filed by Morgan Southwest Land Company (Royal Cove) for reimbursement of EDC sales tax funds in an amount not to exceed ***$2,000*** *for the irrigation system portion of the landscape improvements and ask staff to prepare an agreement for reimbursement upon proof of expenditures via receipts.*

MOTION CARRIED BY UNANIMOUS CONSENT

6.5 Consider and take all appropriate action directing staff to prepare and publish a Project Notice for Morgan Southwest Land Company (Royal Cove) reflecting purpose to promote or develop new or expanded business enterprises and/or that create or retain primary jobs in or near the City of Seabrook, by expending SEDC sales tax funds as an incentive to assist the retention, development, and expansion of new commercial development by Morgan Southwest Land Company (Royal Cove) at 2511 NASA Road 1, (Ritson Morris Tract 29A & 29B, Abstract 52) for targeted infrastructure, facilities and improvements as determined by the SEDC.

Motion made by EDC Secretary Ernie Davis and seconded by EDC Treasurer Gary Bell

To direct staff to prepare and publish a project notice for Morgan Southwest Land Company (Royal Cove) for the two incentive agreements that were consistent with the *dollar figures in the motions made under agenda item 6.4*

MOTION CARRIED BY UNANIMOUS

6.6 Consider and take all appropriate action on EDC goals for the next fiscal year 2017-2018. (Chavez)

Motion made by EDC Secretary Ernie Davis and seconded by EDC Treasurer Gary Bell

To approve and continue with current EDC goals as presented tonight and add/include CIP Programs designated by the City of Seabrook for Economic Development purposes for next fiscal year 2017-2018.

MOTION CARRIED BY UNANIMOUS CONSENT

6.7 Consider and take all appropriate action on the renewal of the Administrative Staffing Services Agreement for fiscal year 2017-2018, in an amount not to exceed $227,542.38. (Chavez)

Motion made by EDC Vice-President Terry Chapman and seconded by EDC Secretary Ernie Davis

*To approve the Administrative Staffing Services Agreement for fiscal year 2017-2018, in an amount not to exceed **$227,542.38.***

MOTION CARRIED BY UNANIMOUS CONSENT

7. ROUTINE BUSINESS

7.1 Approve minutes of the May 11, 2017 regular EDC meeting. (Patel)

Motion made by EDC Vice-President Terry Chapman and seconded by EDC Treasurer Gary Bell

To approve the minutes as written.

MOTION CARRIED BY UNANIMOUS CONSENT

7.2 Update on SH 146 Expansion.

No new updates were given.

7.3 Establish future meeting dates and agenda items.

- Next EDC Meeting scheduled to be Thursday, July 13, 2017

Upon motion duly made, the meeting was adjourned at 9:26p.m.

APPROVED ON THE 13^{TH} DAY OF JULY, 2017.

Pat Patel

Pat Patel,
EDC Administrative Assistant

Paul Dunphey, President