

1 THE SEABROOK ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF
2 SEABROOK MET ON THURSDAY, AUGUST 17, 2017 AT 7:00 P.M. IN THE SEABROOK
3 CITY HALL COUNCIL CHAMBERS, 1700 FIRST STREET, SEABROOK, TEXAS TO
4 CONSIDER, AND IF APPROPRIATE, TAKE ACTION WITH RESPECT TO THE AGENDA
5 ITEMS LISTED BELOW.

6
7 BOARD MEMBERS PRESENT:

8 PAUL R. DUNPHEY	PRESIDENT
9 TERRY CHAPMAN	VICE-PRESIDENT
10 GARY BELL	TREASURER
11 ERNIE DAVIS	SECRETARY
12 GLENNA ADOVASIO	COUNCIL REPRESENTATIVE
13 THOMAS KOLUPSKI	MAYOR
14 KEVIN FERGUSON (exc. absence)	MEMBER

15
16 ALSO PRESENT WERE:

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

21
22 President Paul Dunphey called the meeting to order at 7:00 p.m. and declared that a quorum was
23 present.

24
25 **1.0 PUBLIC COMMENTS AND ANNOUNCEMENTS**

26
27 There were none.

28
29 **2. PRESENTATIONS**

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31 **2.1 EDC Director's report on economic development activities for July 2017. (Chavez)**

32
33 EDC Director, Paul Chavez, gave his report on economic development activities for the
34 month of July:

- 35
- 36 • In RedNews magazine, Seabrook had the front cover and a full page add
 - 37 RedNews has been an excellent advertising venue for Seabrook – lots of leads
 - 38 and calls on these ads from developers, retailers, and consultants
 - 39 • Prospects for our community – independent coffee shop looking at our area
 - 40 • Warehouse distribution for auto parts also looking in our area – although not an
 - 41 industry we can support
 - 42 • Two clothing boutiques and restaurant looking at our community this past month
 - 43 • Follow up meeting with the Retail Coach – few prospects they are pursuing
 - 44 include Starbucks, National Grocers, and Lidle (grocery chain similar to Aldi)
 - 45 • Newquest also had prospects for Seabrook

- Bricksmore – developer looking for retail development opportunities
- Bay Area Houston Site Consultant familiarization tour
- Monthly budget spreadsheet – Services for month of July went up due to annual webhosting fees and content removal, and under consulting – number is up due to BAHEP previous contract amount and SWA amount for prototype presentation
- SH146 Parcels map – leftover parcels post TXDOT taking
- EDC would like to have a special meeting on September 5th at 6:00pm

A Board member had a question regarding the monthly budget for July:
How do we have a \$30,000 profit but the fund balance dropped by \$58,000?

EDC Director explained that the fund balance involves not only the expenses and revenues, but there are other accounts that we have from Texpool so that figure is included with that fund balance, so as that fluctuates from the finance side, that figure fluctuates as to what finance is putting in or taking out within Texpool. EDC Director stated that he will get that clarified with the Finance department.

3. EXECUTIVE SESSION

3.1 551.071

Consult with attorney to receive legal advice on legal issues associated with proposed economic development agreement with Royal Cove LLC et.al., as provided by Section 551.071, Texas Government Code.

3.2 551.087

Discuss/deliberate potential financial incentive(s) and financial information received from a business prospect that the City/EDC seeks to have locate, stay, or expand for which the City is conducting economic development negotiations, as provided by Texas Government Code Section 551.087.

The EDC Board went into executive session at 7:10 PM.

4. OPEN SESSION

The EDC Board will reconvene in open session to allow for possible action on the agenda items listed above under “Executive Session”.

The EDC Board came out of executive session at 7:46 PM.

No action was taken during executive session.

91 **5. NEW BUSINESS**

92
93 **5.1 Consider and take all appropriate action on an Economic Development Agreement**
94 **between the Seabrook Economic Development Corporation and Morgan Southwest**
95 **Land Company/ Morgan Land LLC/ Royal Cove LLC at 2511 NASA Road 1,**
96 **(Ritson Morris Tract 29A & 29B, Abstract 52) for reimbursement incentives for**
97 **façade improvements estimated to cost at least \$41,766. (Chavez)**
98

99 The Board decided to pull this item. The Board recommended to Mr. Brad Emel to get
100 together with EDC Staff and get clarification on the electrical scope of work detailed and
101 the east bulkhead and walkway specifications. They requested Mr. Emel to get details, in
102 a drawing of some sort, or something that clearly identifies the scope of work, the linear
103 footage, type of materials, etc. and submit to the attorney for the contract.
104

105 **5.2 Consider and take all appropriate action on a three-year renewal of the contract**
106 **between the Seabrook Economic Development Corporation and The Bay Area**
107 **Houston Economic Partnership (BAHEP) for economic development services to the**
108 **Seabrook Economic Development Corporation from October 1, 2017 thru**
109 **September 30, 2020, in an amount not to exceed \$20,000 per year. (Chavez)**
110

111 Motion made by EDC Secretary Ernie Davis and seconded by EDC Treasurer Gary Bell.
112

113 To approve the three-year renewal of the contract between Seabrook Economic
114 Development Corporation and the Bay Area Houston Economic Partnership as presented.
115

116 MOTION CARRIED BY UNANIMOUS CONSENT
117

118 **5.3 Consider and take all appropriate action on the Seabrook Economic Development**
119 **Corporation (SEDC) Budget for Fiscal Year 2017-2018. (Chavez)**
120

121 Since the earlier draft, EDC Director Paul Chavez explained that the only real change
122 was the HGAC Livable Centers Project where the amount was initially \$40,000 and now
123 corrected to \$46,000. Also the Old Seabrook Project resolution 2017-11 figure was
124 brought down due to what has been spent this fiscal year.
125

126 EDC Board member Ernie Davis stated that EDC is allowed to spend up to 10% on
127 advertising and wanted to know why the budget couldn't be set to \$84,000 instead of
128 \$79,000 in order to have some flexibility and instead of having to do budget amendments.
129

130 EDC Director Paul Chavez stated that it is possible to increase the budget to \$84,000. He
131 also explained that the expected revenue for 2017-2018 was the same as this fiscal year.
132 Finance has highly recommended that we keep that number at a very conservative
133 amount especially with what's going on with the highway expansion.
134

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

To approve the budget as presented along with change of line item 5010 advertising from \$79,000 to \$84,000 equal to 10% of projected revenue.

MOTION CARRIED BY UNANIMOUS CONSENT

5.4 Consider and take all appropriate action on the renewal of a community coupon booklet with Anderson Advertising for Fiscal Year 2017-2018 in an amount not to exceed \$12,000. This is a budgeted item for 2017-2018, for expansion of business development. (Chavez)

EDC Director Paul Chavez suggested delaying issuing the coupon books until May 2018 due to the state highway 146 expansion and by then they should have a good idea as to what's going on with the businesses and figure out who's here and able to participate. He explained that internally Staff has also come up with a few ideas as how to promote the coupon book and posting more on social media. He stated that the coupon book program is a great way to promote our businesses.

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

To approve the renewal of a community coupon booklet with Anderson Advertising for fiscal year 2017-2018 in an amount not to exceed \$12,000.

MOTION CARRIED BY UNANIMOUS CONSENT

5.5 Consider and take all appropriate action on proposed SEDC Resolution 2017-01, "Update and Renewal of the Seabrook Economic Development Corporation (SEDC) Incentives Policy". (Chavez)

EDC Director Paul Chavez explained that the revolving loan fund was removed and replaced by the chapter 380 agreement.

Motion made by Council Member Glenna Adovasio and seconded by EDC Vice-President Terry Chapman.

To approve the update and renewal of the Seabrook Economic Development Corporation Incentives Policy resolution 2017-01.

MOTION CARRIED BY UNANIMOUS CONSENT

5.6 Consider and take all appropriate action on an application to the Houston-Galveston Area Council (H-GAC) for the Livable Centers Study Grant. This grant will focus on the Old Seabrook area to assess the feasibility of walkways, parking and connectivity between retail nodes, residential areas and the existing trail systems. The grant application requires a 20% match which includes the required 3% TXDOT fee for H-GAC administrative costs of the program. (Chavez)

EDC President Paul Dunphey then corrected the total match would require 23% and that EDC budgeted \$46,000 which is the high end anticipated since they have not received the price for the study yet.

EDC Director Paul Chavez explained that EDC has been pursuing this grant for a couple of years and it's not an annual grant offered by H-GAC. He stated that there's an 18 month window to re-apply. Mr. Chavez also stated that this was the best time to pursue this grant opportunity because Seabrook has its Comprehensive Master Plan done and they have SWA who is working on the Old Seabrook area and the improvements there on Main Street, therefore this study helps to identify the walkway and/or walk ability between the retail, parking spaces, residential areas, and hopefully find a way to connect the walkway to our existing trail system. The idea is to safely get people around our retail, residential and existing trail system. Additionally this grant identifies funding sources to pursue these kinds of projects. The high end of the amount we could expect to spend is \$46,000, that's based on \$200,000 which is the ceiling of what you can apply for in this particular grant. The study/consultant will be chosen by H-GAC and they will come back with their proposal on what they estimate the cost will be for this particular study.

Results should be expected by November of this year with announcement of who will be awarded this program. The program implementation should be expected by March.

Motion made by Council Member Glenna Adovasio and seconded by EDC Treasurer Gary Bell.

To approve the H-GAC Livable Centers Study Grant application.

MOTION CARRIED BY UNANIMOUS CONSENT

5.7 Consider and take all appropriate action for approval of a proposal between the Seabrook Economic Development Corporation (SEDC) and K&K Tractor Service in an amount not to exceed \$3,450 for 1202 3rd Street legally known as Lot 6 and 7, in Block 23 of Seabrook, a subdivision in Harris County, Texas, for the demolition of foundation and clearing of debris to convert to a district public parking area as part of the Old Seabrook District Project as published on March 16, 2017.

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

To approve the proposal from K&K Tractor Service in an amount not to exceed \$3,450 to

perform the services as described in the agenda and direct staff to proceed.

MOTION CARRIED BY UNANIMOUS CONSENT

6. ROUTINE BUSINESS

6.1 Approve the minutes of the July 13, 2017 regular SEDC meeting. (Patel)

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

To approve the minutes as presented.

MOTION CARRIED BY UNANIMOUS CONSENT

6.2 Update on SH 146 Expansion.

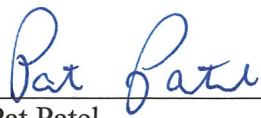
- Total amount of land that TXDOT will be acquiring about nine and half acres total of what they'll be taking, that's including both sides of 146
- TXDOT will be holding a 60% completion hearing regarding the utility relocation on August 31
- December 31 is when utility relocation plans must be submitted to TXDOT
- The Union Pacific right-of-way has been acquired by TXDOT. Letting date of whole project is expected for May 2018
- Confirmed businesses for relocation in Seabrook include: Blueline Rentals will stay at their current location, Autozone and CVS relocating to Repsдорф Circle, Mario's Pizza relocating to 2100 Nasa, Enterprise relocating to Miramar Shopping Center
- Pending relocations include McDonalds, Taco Bell, KFC, Sonic, Tookie's Hamburgers, Valentine Law Office, and Seabrook House of Flowers
- KIWO is expanding at their current location

6.3 Establish future meeting dates and agenda items.

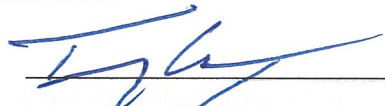
- September 5th special EDC meeting
- September 14th regular EDC meeting

Upon motion duly made, the meeting was adjourned at 811p.m.

APPROVED ON THE 14TH DAY OF SEPTEMBER 2017.



Pat Patel,
EDC Administrative Assistant



Terry Chapman, Vice-President