



PASADENA ECONOMIC DEVELOPMENT CORPORATION
Pre-Board Meeting
Conducted in the Pre-Council Conference Room at City Hall
October 24, 2019, 3:02 p.m.
Minutes

Members present:

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

Members Absent:

Others Present:

Jeff Moore, Brown & Hofmeister, LLP
Carlos Guzman, Pasadena EDC Executive Director
Rick Guerrero, Pasadena EDC Manager
Suzette McDowell, Pasadena EDC Marketing Manager
Sheena Salvino, Pasadena EDC Redevelopment Manager
Robin Green, Public Works Director
Karina Tomlinson, PEDC Assistant Secretary
Tammy Lehew, City Controller's Office

Call to Order

The Pre-Board meeting for the October 24, 2019 Pasadena Economic Development Corporation was called to order at 3:02 p.m. by President, Steve Cote.

- 9 b) Consideration to authorize Staff to negotiate and execute a Professional Services Agreement with HR Green, Inc. for Bid, Construction Phase and Additional Services of the Bay Area Industrial Park Wastewater Lift Station and Forcemain Improvements (CIP WW063) as part of Utility Development Project (CIP M018) in the amount of \$202,810.00.
- Carlos asked Robin to provide some information regarding this item. Robin stated that the project was so big that it could not be funded fully in FY19 so the services were split between 2019 and 2020. It's not more money; it's just that the funding ran out in FY19. Additionally Robin asked Nestle and Johnson Development to make a commitment to show they are supporting the project.
- e) Consideration to approve a sponsorship of the Silver Sycamore Hometown Holidays and Trail of Lights event in the amount of \$15,000.00.

- Jackie Spiegenger of the Silver Sycamore provided some details surrounding the event and the non-profit (Time to Level the Playing Field) that will benefit from some of the funds that will be raised.
 - Emilio Carmona expressed concern that the Corporation would have to sponsor this event every year. Carlos pointed out that the memo summarizing the request provides very specific reasons this event was chosen to receive a sponsorship. One of the goals of the strategic plan is to make Silver Sycamore a tourist destination. There was also some discussion of Pasadena being on a list that we don't want to be on so this is one of the steps we can take to change the perception of Pasadena. We do get other requests for sponsorships of other events, but we have to turn them down because they are not in the lane of what was recommended by the strategic plan. There is no commitments beyond this year for this item.
 - Jackie added that there are other companies sponsoring as well.
 - Rick Lord asked if there would be an entrance fee to which Jackie responded that the fee would be \$10/pp. and the proceeds will go to "Time to Level the Playing Field." Additional details regarding the foundation were provided by Jackie.
 - Salvador Serrano asked what kind of promotion the EDC would be getting to which Jackie responded that the logo will be on the website as well as signs on the property the days of the event.
 - Rick Lord asked if it was a 501(c)3 and Jackie responded that their CPA is in the process of completing that process, but that the IRS is giving a 27 month temporary status because they know those requests take a long time.
 - Steve added that the key thing is getting promotions for people to come to Pasadena and either stay at the event or go to other places and make purchases, but we can try this and see how we do. There are no long-term commitments with the sponsorship, which is important.
 - Steve Phelps asked if this is recommended by Staff to which Carlos responded yes; due to the strategic plan and the recommendations from it. If it were not recommended by the plan, he would not bring it to the board.
- f) Consideration to approve funding in the amount not to exceed \$150,00.00. for costs associated with the Fiscal Impact Analysis, a component of the City-wide Strategic Plan.
- Carlos provided some information regarding the City-wide Strategic Plan and pointed out that they will be leveraging the ED strategic plan, the Parks Master Plan and the Livable Centers Study. One component that we're excited about is the fiscal impact that will give staff and Council the tools to focus on to make sure City resources are being maximized.
 - Marilyn Wilkins stated that in her opinion, \$150k seems like a lot. Carlos added that the entire cost is \$325k.
 - Steve asked Deanna Schmidt (Planning Director) to elaborate a little on the City's purpose of doing this. Deanna stated this study will look at land use and infrastructure decisions made on a daily basis and the impact those decisions have on long range tax revenues. These decisions have an impact that goes 20-30 years down the line of the kinds of sales tax and property tax revenues that come, that is what the study is looking at.

- Steve stated that it really gives you the bearing as to you don't just spend money because whomever says, "hey this looks like a good idea and I'm going to go spend some money" without having any data to support the fact that the money you're putting into it, is it worth it from a long term economic impact?
- Marilyn again commented that it seems like a high price tag and added that maybe there is something in the scope of work that she is not grasping. If other people do it and it's the price tag for it, then there has to be some justifications somewhere, but it just seems like a lot to her.
- Ernesto Paredes make a comment about a big session at the TEDC Conference where the speaker recommended this for those that are doing a city strategic plan and those that are not, they highly recommend it because you're talking about protecting your future.
- Steve asked Deanna regarding Marilyn's concerns and the bidding process for the City's contract with the people doing the fiscal impact analysis. Deanna responded that they went through the City's extensive procurement process to do the contract.
- Rick Lord asked about the time frame to which Carlos responded that the entire study is for a year, but this component is 3-4 months once they get going and we have the option to have them come to speak with City Council and this is something we definitely want them to engage with our elected officials for.

Pre-Board meeting Adjourned at 3:17 pm.

PASADENA ECONOMIC DEVELOPMENT CORPORATION
Board Meeting
Conducted in the Pre-Council Conference Room at City Hall
October 24, 2019, 3:17 p.m.
Minutes

Agenda Item One: Call to order, roll call.

The Board meeting on October 24, 2019 for Pasadena Economic Development Corporation was called to order at 3:17 pm by President, Steve Cote.

Agenda Item Two: Invocation.

Invocation given by Marilyn Wilkins, Board Treasurer.

Agenda Item Three: Pledge of Allegiance.

Pledges led by Steve Cote, Board President.

Agenda Item Four: Approval of Minutes

Board President, Steve Cote called for a motion to approve the minutes from the meeting held on September 26, 2019. Ernesto Paredes moved to approve the minutes seconded by Salvador Serrano, MOTION CARRIED UNANIMOUS.

Agenda Item Five: Public Comments

No comments made by those in attendance.

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

Tammy began by stating this snapshot is as of 9/30/19. The new budget was passed and some changes were made, but those will be on the next report. The operating budget was \$9.7M of which \$2.7M was spent, and there are encumbrances of \$1.6M. In fund 9950 Cash/Investments started at \$55M, if you subtract out the CIP budget not spent, less what's not spent of the operating budget and encumbrances not spent, the fund balance left is \$8.1M. Fund 9955 is closed, Fund 9960 the project is complete and the money is just drawing interest until there is a project for it. Fund 9965 is Richey Street, that project is still in progress with all funds appropriated for that street. Fund 9966 that project is also complete and funds are drawing interest until there is a project to spend it on.

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

Utility Development: It really hasn't changed that much from last time, contractor is working on repairs on Red Bluff north of Spencer and along Bayshore Hospital. They are continuing drainage project on Crenshaw. **Pasadena Blvd.:** Interlocal agreement with the County for Design and Construction was received and is under review. They project the contract will be awarded in the final quarter of 2020. **Richey St.:** The contractor is saying they could possibly finish by end of the year. The only thing that would change that is the weather. **Shaw St.:** We actually have a contract with Mar-Con for Shaw and Lafferty which they are working on right now. Once they are done with that or close to finishing they will move to Shaw. That gives us a

good opportunity to look at it again and make any changes. Sheena added that it would be nice to do some public engagement to get input on what the vision is for Shaw Street and take some of that information and build it into the planning effort over there. Robin added that there is a lot of flexibility. Mobility Project: Basically waiting, nothing going on there. Bay Area Wastewater Station: Currently under design. He added that sometime next year there will be a lot more construction on the North side and it won't be coming out of the EDC pocket, it will be out of FEMA's and the City's pocket. It will affect the people's image of the City because 25 miles is a lot. It's estimated to be a 2 year project. Rick Lord asked Robin why we couldn't use some of the leftover funds from the completed Vista project for sidewalks to which Robin responded that he thinks because bonds were sold specifically for those projects and the money has to be used on those roads (Vista and Fairmont).

Agenda Item Eight: Report by Carlos Guzman, Executive Director.

Carlos briefly went over the Activity Report. He then pointed out an article that listed Pasadena as one of the Top 50 Most Miserable Cities (a copy was provided to board members) in America based on old Census data. He's been working with Suzette regarding some of the things that can be done to change these perceptions. He reminded everyone that under EDC Type B law we can spend up to 10% of our funding on marketing. Not that it's what will be done, but historically the EDC/Second Century hasn't spent any sort of money on this. He's asking the Board to start thinking if this is something they would like to explore. This is something that is recommended in the strategic plan, but he wants to gage what the Board is comfortable with. Suzette added we would just like to know what the board's thoughts are, we can go either end of the spectrum. We can continue the slow organic growth or we can look at local advertising partner with our allies or an ad agency, buying some media. That would have a higher cost associated with it, but that's why we want to get Board thoughts on if this is something they want to pursue. We can start at a base and slowly increase it or blow it out of the park. Carlos added that he will be meeting with them individually because likely there will be a budget amendment early next year and this as well as other areas are an option. There was discussion about where the data for this article came from. Suzette commented that it was written off of census data, but that it did bring light to something we knew and that is we have a perception issue. It enhances the fact that we need to reassess how we go about marketing. Steve Cote commented that it would be good to have a summary on various options, ideas, different amenities the City has and how it could be framed up and some idea of cost. We also want the Mayor and Council to hear what we're considering because they are going to want some input. Rick Lord added that he thinks "we are jumping the gun," spending money on media when you go down Pine with no sidewalks. All the cities that are doing good it's because they are doing things for the people that live in the community. Carlos pointed out that the first goal of the ED strategic plan highlights marketing and secondly there are things we can focus our resources on. One of those is a TIRZ that would help us get to work on some of the major roads. Rick again commented on the fact that there are no sidewalks in the community surrounding Silver Sycamore and that it's our fault. Ernesto asked if there was a way we could partner with the school district, the City and ourselves to build sidewalks in some areas. Carlos stated that there are limitations to what the EDC can do and building sidewalks in residential areas is one of them. It has to be major commercial corridors. Ernesto added that if the 3 entities sat down they could come up with a solution because there is a need of sidewalks. Steve Phelps asked if it was that strict that you can't figure out a way to make it an economic development issue? Jeff Moore (EDC counsel), stated that for residential areas it is difficult. When you get to a

mixed area (part residential/part commercial) you have to get down to a percentage basis trying to figure out what percentage is commercial, which percentage is residential and the EDC would only be able to fund the percentage of the project corresponding to the commercial percentage of the total. For residential areas we are limited to affordable housing projects. Carlos continued by saying he will be checking in with all board members for input on several items and especially if there is a future budget amendment request he wants to make sure there is approval by the board. Steve Cote finalized adding some comments about the Livable Centers and good land use and the media things that pop up every now and then that he takes offense to. He'd like to see a response, but would like to see some ideas of things to promote and highlight saying we're not a miserable city and the assets the City has. This along with input from Council and the Mayor to say what do you see as valuable, at least get something out there, maybe some ads in a couple of areas so when people see these kinds of things they don't immediately assume here we go again, it's Pasadena. Jeff added that sometimes the City is doing things that the EDC can assist with that would free up some funds that the City could then use to do the kinds of residential infrastructure improvements that the EDC cannot fund. Carlos continued with some department and project updates and events attended by Board and Staff. He highlighted the Richey Phase II community outreach meeting with business owners scheduled for the 29th and possibly early next year bring something to the board for approval. The monument signs project that was just approved, the contract was just executed and the work is underway. The first one will be the one on Richey and 225 that is already there and we will be making some improvements to it. They are looking for up to 4 more locations around the City where they can go. Steve Cote asked how we are looking for locations on the monument signs and Carlos said they were told along major entrances, but also we know there is interest in certain areas so that's where they are looking and of course taking into account the limitations the right of ways may have. Carlos finalized with some upcoming events and asked if any board member is interested in attending to just let the office know.

Agenda Item Nine: Board Actions - Resolutions.

- a. **PEDC RESOLUTION 19-031** – Consideration to approve the Financial Report of Investment Activities for the Fiscal Quarter ended September 30, 2019.

Marilyn Wilkins made a motion to approve, seconded by Ernesto Paredes that PEDC Resolution 19-031 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- b. **PEDC RESOLUTION 19-032** – Consideration to authorize Staff to negotiate and execute a Professional Services Agreement with HR Green, Inc. for Bid, Construction Phase and Additional Services of the Bay Area Industrial Park Wastewater Lift Station and Forcemain Improvements (CIP WW063) as part of Utility Development Project (CIP M018) in the amount of \$202,810.00.

Steve Phelps made a motion to authorize Staff to negotiate and execute a Professional Services agreement with HR Green, Inc., subject to legal review and comment, seconded by Emilio Carmona that PEDC Resolution 19-032 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- c. **PEDC RESOLUTION 19-033** – Consideration to approve the acceptance of funds from Nestle Waters North America in the amount of \$50,000.00 for the Bay Area Industrial Park Wastewater Lift Station and Forcemain Improvement Project (CIP WW063).

Rick Lord made a motion to accept funds from Nestle Waters North America, seconded by Steve Phelps that PEDC Resolution 19-033 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- d. **PEDC RESOLUTION 19-034** - Consideration to approve the acceptance of funds from Johnson Development Associates, Inc. in the amount of \$50,000.00 for the Bay Area Industrial Park Wastewater Lift Station and Forcemain Improvement Project (CIP WW063).

Rick Lord made a motion to accept funds from Johnson Development Associates, Inc., seconded by Marilyn Wilkins that PEDC Resolution 19-034 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- e. **PEDC RESOLUTION 19-035** – Consideration to approve a sponsorship of the Silver Sycamore Hometown Holidays and Trail of Lights even in the amount of \$15,000.00.

Salvador Serrano made a motion to approve the sponsorship, seconded by Rick Lord that PEDC Resolution 19-035 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- f. **PEDC RESOLUTION 19-036** – Consideration to approve funding in the amount not to exceed \$150,000.00 for costs associated with the Fiscal Impact Analysis, a component of the City-wide Strategic Plan.

Ernesto Paredes made a motion to approve funding, seconded by Emilio Carmona that PEDC Resolution 19-036 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

Agenda Item Ten: Comments by Board Members.

Rick Lord – No comments

Salvador Serrano, Jr. – Invited everyone out to the Taste of the Town. Added a happy late birthday to Carlos.

Marilyn Wilkins – Passed.

Emilio Carmona – Wished the Silver Sycamore the best of luck on their project.

Ernesto Paredes – Asked if there was a possibility we can do something where the bank building was at? Trim the trees, bushes, make it walkable. He commented that maybe we could extend the decorations that the City does during Christmas to that area.

Steve Phelps – Wanted to say he appreciated the comments by the Board Members and said that they are very thoughtful. Added that when you think about the Astros and the way that our towns come together (it would have been better if they won the night before), but you just wonder if we all couldn't come together like that for something other than sports.

Steve Cote – Stated regarding the Astros that he’s not a big fan of the Nationals, but they have won 18 out of 20 games! He passed around a certificate of thanks from the Pasadena Education Foundation for the EDC’s sponsorship.

Agenda Item Eleven: Executive Session

****NOTE** 3:50 PM** – At this time, President Steve Cote announced that the Board would be “going behind closed doors” for an Executive Session.

- a. Convene in executive session pursuant to Section 551.087, Texas Government Code to deliberate regarding economic development negotiations for Business Attraction/Retention Projects.
 - Steve Phelps left executive session from 4:07 to 4:08 due to potential conflict of interest.
- b. Convene in executive session pursuant to Section 551.072, Texas Government Code to deliberate the purchase, exchange, lease or value of real property – Project #1902.

Agenda Item Twelve: Reconvene into Regular Session

****NOTE** 4:08 PM** – At this time, President Steve Cote reconvened the Board Meeting.

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.
- b. Deliberation regarding real property – Project #1902.
 - No action.

Agenda Item Thirteen: Adjournment.

President, Steve Cote called for a motion to adjourn the October 24, 2019 meeting at 4:09 pm. Ernesto Paredes moved, seconded by Emilio Carmona. MOTION CARRIED UNANIMOUS.