



PASADENA ECONOMIC DEVELOPMENT CORPORATION

Pre-Board Meeting

May 26, 2022, 3:00 p.m.

Minutes

Members present:

Steve Cote, President
Rick Lord, Vice President
Marilyn Wilkins, Treasurer
Emilio Carmona
Steve Phelps

Members Absent:

Salvador Serrano, Jr., Secretary
Ernesto Paredes

Others Present:

Jeff Moore, Brown & Hofmeister, LLP
Carlos Guzman, Pasadena EDC Executive Director
Sheena Salvino, PEDC Redevelopment Manager
Julianne Echavarria, PEDC Marketing Manager
Karina Tomlinson, PEDC Sr. Office Assistant

Call to order:

The Pre-Board meeting for the May 26, 2022 Pasadena Economic Development Corporation was called to order at 3:00 p.m. by Board President, Steve Cote.

Steve read through the Agenda briefly asking if there were any questions or comments on the first five items.

Agenda Item Eight: Board Actions – Resolutions

Steve read through the action items.

- a. Board to call a Public Hearing on June 23rd. Carlos added that this is something the Board does every year to allow the public to comment on the upcoming Fiscal Year CIP and Operating Budgets.
- b. Business Enhancement Program application – 402 Pasadena Blvd. Carlos presented a slide with details regarding the business. This business is on one of the major corridors and the application scored 85/100. Julianne, who scored the application briefly provided some details as to her score. She stated the only reason she knocked off points was that they are not anticipating a major cosmetic improvement. Steve asked if there is any sort of information being put out at the businesses when they are awarded a grant; something like you would see at newly landscaped home; “Landscaping By.” Maybe something like “Funding Supported by the Economic Development Corporation,” or something similar. Sheena added that we are waiting to get the okay to start doing some advertising and promotion of the program.
- c. Richey St. Roadway and Pedestrian Improvements – negotiate and execute a contract with Main Lane Industries, Ltd. Carlos briefly reviewed some previously presented information regarding the project and a schedule that began in April with the first bid advertisement. The third round of bidding resulted in the receipt of 2 bids for roadway and 0 for signage. The representative for the consultant, AECOM was present and provided a quick review of the project. Steve Cote

asked if it involved widening at all. The consultant responded that there would be no change to the right of way or the road width. There were no additional questions.

Agenda Item Nine: Report by Executive Director

Carlos stated that Sheena would be providing a Redevelopment Update presentation.

Sheena started by stating that she took the wheel of misfortune and recently changed it to 3 items that are continuously seen which are Plan First, Design Second, and Build Last. The planning process really engages the public. Examples are the PEDC Strategic Plan, Pasadena Blvd. Master Plan, Livable Centers, Healthy Parks, etc. Next, it is moved to the design step knowing what our taxpayers/stakeholders takes all of the guesswork out of designing solutions for challenges the community faces. It is also for higher-level fiscal responsibility and efficiency. Sheena emphasized that every design and engineering solution attempts to solve, the challenges and catalyzes the opportunities outlined by the community. This also provides good cost estimates for budgeting purposes. Then we build, implementing the solution on the expected budget, which yields accountability and trust. Sheena added that redevelopment, taken holistically, involves physical revitalization, lowering risk, and incentivizing the desired development (BEP program). We have to work in partnership with our public offices to partner with the private stakeholder. She stated that traditionally, this EDC has focused on infrastructure improvements (paving, drainage and utilities). Today, the EDC is starting to expand our work outside ROW along bayous and on publicly owned lands (gateways, underpasses, greenways). We work with the City to do things like working on a master plan for the convention center. We work with our private partners in very specific cases as are lined out in our Strategic Plan such as this mall building site, which is a strategic catalytic project. Therefore, we work with our private and public partners wherever possible. Today we are talking about our work on public ROWs, on City owned property, PEDC owned property to make ready for reinvestment, and working on private property in partnership with private owners. She stated that she thinks the future where we will maybe contemplate going is more into the private property and using different tools or expanding the tools that are currently used and use them more wholly and efficiently. Sheena then went over some of the tools that the EDC uses for redevelopment including Capital Improvement Plans; Environmental Remediation through Brownfields Opportunity Area Funds, Façade grants, etc. One of the powers she said the EDC could wield a little bit more to have a larger effect is the land acquisition and assembly. We try to do public/private partnerships as much as possible, and to some extent, we have performance grants, but we want to potentially widen how that is defined. She added that the EDC never acts alone; it is enhanced by the City using its tools. Tools like long range planning and comprehensive planning; zoning, which she's not advocating for, it's just a tool for redevelopment that this City currently does not use. MUD/BID/TIRZ which is a tool not being used, but would be beneficial; CIP which we contribute to in our budget; the City has Hotel Occupancy Tax and streamlined permitting that they are working on currently. Combining efforts, we could do a lot of redevelopment in the City, understanding what our community wants and getting them to that point. We're at a place where we are taking advantage of as many tools as we can, but we are limited by what and how much we use of our tools. On the next slide, she presented the Shaw Area Revitalization project as an example as well as a quote from one of the building owners and some buildings with potential for redevelopment. The next slide showed Shaw opportunity areas and partnership potential. She then talked about Crane Park & Friendship Park that bookend the business district that they are trying to create there. Giving them a face-lift and new life might be an opportunity the EDC would like to entertain soon. The tool she's asking to use is the Site Specific Planning, based on mutual goals of Pasadena Parks & Rec and PEDC's Shaw Area Revitalization Program/Livable Centers. The scope of work would include a survey, site analysis and master plan documents. She's working on getting some quotes before coming to the Board with a contract. We can ask the City to allocate some funds as well since we'll have the numbers. The City and/or Board may allocate funding for design and implementation. On the next slide, she pointed out that the Livable Centers zone includes the EDC Strategic Plan corridors and the corridors we have been working on with major projects that we have been focused on. The next slide was a table of current projects directly from the ED Strategic Plan and aligned with the

recommendations from the Livable Centers Study as well as the development of the Vince Bayou Greenway/Trails Master Plan. In summary, since 2018, public and private stakeholders have contributed to a Strategic Plan, a Livable Centers Study, a Strategic Redevelopment Plan, and a Healthy Parks Plan. Every project the EDC could execute as an independent body – it has. Every planned project that EFC could partner to achieve a mutual goal – it has. She finalized by stating that the low hanging fruit has been picked; we need to start climbing that ladder. Steve Cote stated that some continuing education on some of the tools that are not being used would be beneficial not only for the Board, but members of City Council and other departments.

Carlos then moved on to his Executive Director Report. He started with a quick overview of projects and where they currently stand on the Plan, Design, Build, Complete timeline. He then provided an update on the wayfinding project – there were 11 proposals, and if everything goes as planned that will come for consideration next month. The next update was on the 225/Richey Monument – there was a weather related delay and they will be done very soon. Next was an update on Pasadena Blvd. – Center Point incorrectly placed 5 utility poles that the County and City are discussing. A decision on CNP clean up is expected in a week. *Marilyn asked if the poles are in the way of something else that is supposed to be there?* Carlos responded that because the road will be wider, the poles that are incorrect will be too close to the edge of the road and if someone is not paying attention they could hit them. On the ILA, the County requested an amendment to language that City Council will consider in June/July. Construction is scheduled to be clear by June/July. The next update was Little Vince Bayou where the planning is complete; Design – contract to complete engineering and land acquisition for remaining 4 parcels. Board Action – in June to allow Staff to execute a contract for design & property acquisition. The next slide was on Brownfield Opportunity Grant that was awarded to the PEDC in the amount of \$500k to establish a brownfields program for Historic Pasadena. With this award, funds may be used for site assessment, clean up, revolving loan fund, grants, and job training. The funding is targeted for use along the Shaw & Pasadena Blvd corridors; however, boundaries & locations may have flexibility. Next, he showed the Board the schedule for the Livable Centers II, which is the old Bayshore area. He stated that we are very interested in this project because it has the highest concentration of Senior Citizens in Pasadena so there is many opportunities. This is going in front of Council in the very near future. He added that HGAC was so pleased at how the Livable Centers I was handled that they put Pasadena on top of the list of projects to work on since they are limited to how many projects they can work on at a time. Steve Cote added that it's an ideal spot because HCA is already putting so much money into the area. Carlos added that was one of the things that they pitched to HGAC stating it was the perfect time to do the study. This is the perfect way to maximize the private investment. Upcoming items include the Wayfinding project, LVBG Design and FY 23 Budget.

He then moved on to the FY 23 Budget starting with what is in the news currently. The guidance for the next fiscal year includes \$14M in revenue compared to the previous year it's stronger because last year we were still going through COVID. Major focus items include the Catalyst Projects, continued focus on Redevelopment and collaboration with other City Departments. Business development will have a stronger focus on small businesses and Pasadena Loves Local. The budget will be brought up for Board consideration at the June meeting. Carlos stated that if CIP is untouched for the rest of FY 22 the fund balance will be \$12-\$13M. The current revenue guidance for FY 23 is \$14.1M. We will continue to implement the Strategic Plan Update and the Livable Center Plan. On the next slide, he showed the major PEDC focus in North Pasadena. As he's mentioned before, if the we don't get the North side of the City right, as the South side of the City ages there will not be enough resources to fix the infrastructure on that side of town. Next, he emphasized the Quality of Life project that is Vince Bayou Greenway Trail, which is something that residents will enjoy and can potentially attract new residents as well. We're hoping to obtain some matching funds in the next couple of months through a grant that we feel very strongly about because of all the work we've been doing. The other 2 pillars of potential big spending are Catalyst Projects that are setup to where Council has veto power over what we do because we understand the commitments that we have to do. Going back to the redevelopment tools, if Council is not supportive of certain things than these projects will never move forward. The mall

project is something that will come to Council hopefully this summer with more information and public meetings. We've been working on this project for almost 2 years and we think we see then end of the tunnel, but still have to go through some other departments and it has to go to City Council before it comes to the Board. The next catalyst project is the Convention Center, which we are hopeful to have a workshop with Council from a private party that is interested in doing some improvements and developing the site. That MOU will go to City Council and if they move forward then council agrees to entertain the information provided. Depending on how Council proceeds, this may be another pillar of how EDC funds are allocated. Next, he went over the Operating Budget summary stating there is flat to decrease in expenditures and no major changes from FY 22. He is focused on 7124, which is incentives committed because everything is pretty much staying the same. The change will be H+M that we approved in 2019 which was for a new office building, but because of COVID, many of their employees have gone remote so at this point there is no need for them to build a new office. That money will be coming off the committed incentives. The next slide he covered was 7107 for professional services that is staying the same for the most part. Next, he presented a CIP Summary and stated that with the recent Budget Amendment many resources were allocated and cleaned up. For FY 23 final recommendations will be subject to change and there is a strong focus on Historic Pasadena that include catalyst projects which may or may not happen, strategic corridors and Quality of Life projects. Next, he showed some candidates for additional funding in the CIP budget. Corridor Development to replenish the fund because if the Board approves the contract for Richey Phase 2 it will deplete the account. Utility Development there might be some opportunities there and he's been talking to Public Works. North Pasadena depends on Pasadena Blvd. phase 2 because we're going to stop the project just past Jackson because if something were to happen with the mall we want to make sure we have everyone at the table to make sure that whatever happens there to Harris or Southmore is going to flow and help the project in what the City is trying to do. Again, he mentioned that if they don't touch anything in the fund balance there will be \$12-13M, but right now there is \$6-\$7M that can be allocated. It will be very limited what is done with the CIP as far as any new requests. He stated that for FY 24 the EDC goal is to adopt a 5 year CIP Program to align EDC further into key initiatives. What we're trying to avoid is putting money into projects that are worthwhile for the City, but not part of the EDC Strategic Plan. He added that partnership will be key because a majority of the initiatives are long term. He finalized with a FY 2023 Budget Recap stating the operating budget will see limited changes; CIP requests will be limited to replenish accounts and allocating money for recommendations. There is an opportunity for EDC budget to fully implement ED Strategic Plan Update and Livable Centers II. The Budget should be approved at the June meeting and then taken to Council in July for approval. He ended his report by informing the Board that we will be saying farewell to one of the Staff members. Sheena stated this was her last in person meeting and that it has been a pleasure to work with the Board. *Steve Cote thanked her for everything she's done and stated that she brought a lot to what Carlos always says about the EDC hitting at their weight. He stated that it's been a challenge to the City, but her professionalism, her passion, her excitement is appreciated very much.*

Steve then finished reading through the agenda and finalized the pre-board meeting.

Pre-board meeting adjourned at 3:53 pm.

PASADENA ECONOMIC DEVELOPMENT CORPORATION
Board Meeting
May 26, 2022, 3:53 p.m.
Minutes

Agenda Item One: Call to order

The Board meeting on May 26, 2022 for Pasadena Economic Development Corporation was called to order at 3:53 pm by Board President, Steve Cote.

Agenda Item Two: Invocation

Invocation given by Marilyn Wilkins, Board Treasurer.

Agenda Item Three: Pledges

Pledges led by Emilio Carmona, Board Member.

Agenda Item Four: Public Comments

- No comments made by those in attendance.

Agenda Item Five: Approval of Minutes

Steve Cote called for a motion to approve the minutes from the meeting held on April 28, 2022. Rick Lord moved to approve the minutes seconded by Emilio Carmona. MOTION CARRIED UNANIMOUS.

Agenda Item Six: Public Hearing

Public Hearing Opened at 3:55 pm

- a. Consideration to authorize Staff to take all appropriate action on a Business Enhancement Program application filed by KB Quality Investments, at 402 Pasadena Blvd. for exterior improvements and lettering for logo in the amount of \$11,500.00.

- b. Consideration to authorize Staff to negotiate and execute a contract with Main Lane Industries, Ltd. for Richey St. Roadway and Pedestrian Improvements (CIP# S110) in the amount of \$2,953,225.00 and a 10% contingency in the amount of \$295,322.50 for total appropriation of \$3,248,547.50 from the Corridor Development (S113) and North Pasadena Redevelopment (M008) Project accounts.

Public Hearing closed at 3:56 pm. No comments made by attendees.

Agenda Item Seven: Presentation – Redevelopment Update, Sheena Salvino, PEDC

Presentation given during pre-board.

Agenda Item Eight: Board Actions - Resolutions

- a. **PEDC RESOLUTION 22-010** – Consideration for the Board to call a public hearing on June 23, 2022 to allow public comment regarding the proposed FY 2023 Budget.

Marilyn Wilkins made a motion to approve, seconded by Rick Lord that PEDC Resolution 22-010 be passed, approved and adopted. MOTION CARRIED UNANIMOUS

- b. **PEDC RESOLUTION 22-011** – Consideration to authorize Staff to take all appropriate action on a Business Enhancement Program application filed by KB Quality Investments, at 402 Pasadena Blvd. for exterior improvements and lettering for logo in the amount of \$11,500.00.

Emilio Carmona made a motion, seconded by Rick Lord that PEDC Resolution 22-011 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- c. **PEDC RESOLUTION 22-012** – Consideration to authorize Staff to negotiate and execute a contract with Main Lane Industries, Ltd. for Richey St. Roadway and Pedestrian Improvements (CIP# S110) in the amount of \$2,953,225.00 and a 10% contingency in the amount of \$295,322.50 for total appropriation of \$3,248,547.50 from the Corridor Development (S113) and North Pasadena Redevelopment (M008) Project accounts.

Rick Lord made a motion, seconded by Marilyn Wilkins that PEDC Resolution 22-012 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

Agenda Item Nine: Report by Carlos Guzman, Executive Director

Carlos provided the report during Pre-Board meeting.

Agenda Item Ten: Comments by Board Members

Rick Lord – Thanked Sheena for everything she’s done. Stated that everything has been very enlightening and appreciates a lot of the projects she brought up and added that he’s not sure anyone would have seen some of the things she did and just again said he appreciated her.

Marilyn Wilkins – Echoed what Rick just said and stated she’s been around since the first visionary CIP projects began and action just didn’t move forward. She added that it takes someone with Sheena’s expertise and Carlos’s leadership and everyone getting behind it. She added that Sheena has been critical to that and thanked her for her efforts.

Emilio Carmona – Thanked Sheena very much.

Steve Phelps – He also thanked Sheena very much and was trying to think of what to say and doesn’t think it could be said any better than the prayer Marilyn gave.

Steve Cote – Stated we will miss Sheena’s presence at the meetings and he also added that Ernesto is dealing with a tragedy in the family and asked for everyone to keep him and his family in their prayers and reach out to him.

Agenda Item Eleven: Executive Session

****NOTE** 4:00 PM** – At this time, Board 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.
- b. Convene in executive session pursuant to Section 551.072 and 551.087, Texas Government Code to deliberate the purchase, exchange, lease or value of real property and to deliberate regarding economic development incentives – Project #2002.
- c. Convene in executive session pursuant to Section 551.087, Texas Government Code to deliberate regarding economic development incentives – Project #2202.
- d. Convene in executive session pursuant to Section 551.074, Texas Government Code to deliberate the appointment, employment, evaluation, reassignment, or duties – discussion of economic development staff.

Agenda Item Twelve: Reconvene into Regular Session

****NOTE** 4:57 PM** – At this time, President Steve Cote reconvened the Regular 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 #2002.
- c. Deliberation regarding economic development initiatives – Project #2202.
- d. Deliberation regarding economic development staff.

PEDC RESOLUTION 22-013 – Consideration to authorize the Executive Director to negotiate and execute a Consulting Agreement with Sheena Salvino or related entity on the terms as discussed in Executive Session.

Rick Lord made a motion, seconded by Steve Phelps that PEDC Resolution 22-013 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

Agenda Item Thirteen: Adjournment

Board President, Steve Cote called for a motion to adjourn the May 26, 2022 meeting at 4:58 pm. Rick Lord moved, seconded by Marilyn Wilkins. MOTION CARRIED UNANIMOUS.