



**PASADENA ECONOMIC DEVELOPMENT CORPORATION**  
**Pre-Board Meeting**  
**Conducted in the Pre-Council Conference Room at City Hall**  
**August 23, 2018, 3:00 p.m.**  
**Minutes**

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**Members present:**

Steve Cote, President  
Rick Lord, Vice President  
Randy Drake, Treasurer  
Emilio Carmona, Secretary  
Marilyn Wilkins  
Steve Phelps  
Ernesto Paredes

**Members Absent:**

**Others Present:**

Jeff Moore, Brown & Hofmeister, LLP (via conference call)  
Carlos Guzman, Economic Development Executive Director  
Robin Green, Public Works Director  
Scott Slagle, Principal Owner, Clark Condon  
Cristina Womack, President, Pasadena Chamber of Commerce  
Tom Spurgeon, McCall, Parkhurst & Horton L.L.P.  
Jomie Blumreich, City Controller

**Call to Order**

The Pre-Board meeting for the August 23, 2018 Pasadena Second Century Corporation d/b/a Pasadena Economic Development Corporation was called to order at 3:00 p.m. by Chairman Steve Cote.

**(10) Board Action – Resolutions**

- a. Authorize Staff to negotiate and execute a contract with Clark Condon for Pasadena Blvd. enhancements in an amount of \$116,000.
  - Comments: Randy asked for the scope of work. Carlos showed the Board a presentation showing the current state of Pasadena Blvd. and the work that Clark Condon has done for other cities. Steve Phelps proceeded to ask if Robin Green had looked over the contract and if the amount proposed seemed to be fair. Robin stated it was a reasonable fee and that they have worked with them previously. Scott Slagle distributed a handout highlighting past work and then briefly went over the process of establishing a concept for this roadway. Steve Cote asked about the

anticipated timeline and Scott stated that the land acquisition would be tricky. They are presently looking at a 6 to 9 month process that would include several workshops. Randy asked him to elaborate on the land acquisition to which Scott stated they are not sure what will happen, but that they would be making several recommendations. At this time Marilyn stated that in the interest of disclosure she would be recusing herself from voting because her business is on Pasadena Blvd., but she stated that some of the buildings have been there so long that they are practically on top of the road already. She asked if this proposal would potentially result in the Board creating some special accommodations for businesses that are in the way. Scott stated that some businesses would be “grandfathered” and that there would be some sort of encroachment, possible buying out or relocating. Each piece of property would be looked at individually. In the end there will be multiple options in conceptual design. Part of the challenge is identifying gateway opportunities; is there a primary or secondary entry?

- b. Authorize Staff to negotiate and execute an agreement with Pasadena Chamber of Commerce to assist in Leadership Pasadena Pilot Program in an amount of \$25,000.
- Comments: Carlos pointed out that the Strategic Plan states that the City needs to have a pipeline of future leaders in Pasadena. The Chamber has also been looking at this so we thought of partnering up. Cristina Womack proceeded to provide further details and insight into the program. This program is designed for people who want to make an impact within Pasadena. People who want to serve in public office, civic boards, economic development boards; people who want to make a change. This will be an 18 month curriculum that includes educational components, event experiences and access to those that run our community. The Strategic Plan is the core of the program; utilizing the collective impact model the class participants will identify a need from the plan and that will be the initiative that they work to solve. Recruiting will begin in the fall so the first class will kick off in January 2019 and graduation in 2020. A Legacy Mentorship program will be built in so that the participants can build on the relationship with their mentor. This program is building some case studies to help explain how the businesses really contribute to the success of a community. There will be focused intentional certifications so the individual will come out with a variety of these outcomes, and the business that sends the candidate through the program will also benefit as a company because they will have grown in all these elements as well. Rick Lord asked if PEDC is the only group putting funds into the program. Cristina stated that they are working on seeking additional founding sponsors. Rick requested that Counsel advise if this is something that falls in the realm of Economic Development as a 4B tax organization. Jeff Moore stated that this is typical for EDC to reach out to Chamber and this item appears to be growing the economy and that this is something the EDC can contract to do. Rick stated that this seems like more of a school district item and should possibly come from the City budget as opposed to the EDC. Cristina elaborated that the program is more focused on business leaders of the community and using the Pasadena EDC Strategic Plan. Rick stated he is curious to know who does the selecting and how the selection process works. Cristina explained that the Steering

Committee is working on the curriculum development, the application and selection process. The process will be through the Chamber and open for anyone to apply. The steering committee is looking for diversification in the participants as well as from a business standpoint to include different industries. Marilyn asked if there is a target for the total amount of funds needed to raise in addition to the 25k. Cristina stated they are still looking at the full curriculum as well as some trips to Austin and Washington and they are identifying all expenses involved. Each person will have a tuition investment as well. Steve Cote reviewed that it is something that falls within our guidelines and cost wise there will be additional sponsors. He stated that our community needs involvement. The challenge is finding more people to participate in all these groups. Steve Phelps stated that with his brother coming in February he will abstain from voting on this item. Rick Lord added that in his industry they paid for their own stuff. That you have to invest in yourself sometimes. Steve Cote stated that if this item passes they would want to see more communication as to how it's doing and what the money is being spent on. Rick asked the approximate cost for a student to take the course, and Cristina stated they are looking at \$3,000 right now. Steve Phelps asked the number of students they anticipate. Cristina stated the number is around 15. Rick Lord asked if there are any scholarships or grants and Cristina stated that there are some programs that do offer that so they are looking at that during the selection process so it is definitely open for dialogue.

- c. Authorize Staff to negotiate and execute a contract with Conrin, Inc. for Software Database and Licensing in an amount of \$10,500.
- Comments: Carlos provided some details on how the software is used and added that he has used it in the past. This software will help to keep track/history of Staff contact with the largest employers in Pasadena. Steve Phelps asked if this is an annual fee to which Carlos responded this is only the implementation fee, that the annual fee would be much less. Randy Drake stated that these programs typically are complex and require someone on staff to be an expert. Carlos explained that the software is being designed to our specific needs so we would not need to be experts; we would just need basic training and he anticipates Staff will be using it quite a bit.
- d. Consideration and possible action to approve an engagement letter with McCall, Parkhurst & Horton L.L.P. to serve as Bond Counsel to the Pasadena Second Century Corporation d/b/a Pasadena Economic Development Corporation.
- Comments: Steve Phelps asked what caused the change and how we got here. Carlos stated that we used to use Andrews Kurth and there has been a lot of turnover in their office. The EDC Staff has been working on this with the Controller's office and at this time he asked Jomie Blumreich to assist in introducing McCall, Parkhurst & Horton L.L.P. Jomie stated that she has worked with them since 2011, they are the City's bond counsel. Jomie stated that in 2017 we issued \$37M in certificate of obligations and we are currently working on issuing \$36M in certificate of obligations. She stated that there is very close and tedious communication between counsel and requires a firm with in depth knowledge and she highly

recommends this firm. Steve briefly summarized that previously Andrews Kurth was bond counsel, but during discussion regarding issuing long term debt we asked Jomie for guidance as far as the timing necessary and to not be late on issuing the debt. The high turnover and increased hand holding is also another reason to look for new bond counsel. Mr. Spurgeon proceeded to provide a brief history of the firm and summary of qualifications.

- e. Discussion with Bond Counsel and possible action relating to the submission of a Private Letter Ruling request to the Comptroller of Public Accounts in connection with the Corporation's economic development sales tax, including the possible approval of a Power of Attorney required by the Comptroller of Public Accounts to authorize the Corporation's Bond Counsel to represent the Corporation before the Comptroller's Office.
- Comments: Several Board Members asked for explanation of what this item entails. Mr. Spurgeon stated that Jomie and Carlos brought to their attention some correspondence between former bond counsel, the Comptroller's Office and the Attorney General's office that related to the ½ cent sales tax and whether we are supposed to carry debt. The question came up that when the 2011 bonds came to maturity in February 15, 2017 there was a concern that this would trigger a cessation of the economic development sales tax. They sent a letter to the Comptroller's Office on the 13<sup>th</sup> of February stating that bonds were retiring and a 1 year extension entering into 1 day before the bonds matured. They stated that this letter was not a notice to the Comptroller under Section 505 that would trigger the cessation of the tax. They copied the AG's office which has to approve all your bonds and she came back and said she thinks there are some questions whether or not this letter could be considered a notice to the Comptroller's Office even though the letter stated it was not. The AG said they will need a determination from somebody for the AG's office to approve any further issuances of bonds. Because the EDC is potentially considering issuing sales tax revenue bonds their recommendation is to go directly to the Comptroller's Office and ask for a Private Letter Ruling. Prior bond counsel talked about a bond validation suit which is relatively fast, but could be expensive. Mr. Spurgeon thinks that the Private Letter Ruling route would be much faster and less expensive. The Comptroller's Office requires they obtain a power of attorney to represent the corporation in front of the Comptroller. They expect to have a response between a month and 6 weeks. Steve asked Jomie if this would give us enough time to go up for bond to which Jomie responded yes. Mr. Spurgeon doesn't think there will be any issue with this and that the statute is very clear that the trigger to cease collection of your sales tax is a notice to the Comptroller that you have no debt outstanding, and even if you had no debt outstanding, if a notice was not given there is no triggering mechanism. Again, the letter previous bond counsel sent make it clear this is not a notice, but the AG has come up and said there's an open question and they want someone to tell them it's not. Steve Phelps asked Jomie if the fees seem reasonable and Jomie said yes.

Pre-Board Meeting Adjourned at 3:43 PM

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Board Meeting  
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**Agenda Item One: Call to order, roll call.**

The Board meeting for the August 23, 2018 Pasadena Second Century Corporation d/b/a Pasadena Economic Development Corporation was called to order at 3:43 PM by Chairman Steve Cote.

**Agenda Item Two: Invocation.**

Invocation given by Rev. Gerald Goodrum, STD; San Juan Diego Catholic Church.

**Agenda Item Three: Pledge of Allegiance.**

Pledges led by Emilio Carmona, Secretary.

**Agenda Item Four: Approval of Minutes.**

Chairman Cote called for a motion to approve the minutes from the meeting held on July 26, 2018. Ernesto Paredes moved to approve the minutes, seconded by Marilyn Wilkins, MOTION CARRIED UNANIMOUS.

**Agenda Item Five: Public Comments.**

No Comments.

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

2 Things: Joe V's work is continuing, about 2 or 3 months to complete that job. The opening will likely be the first of the year. The next meeting he will bring construction contract for the transportation project: 4 signals – 1 at Fairmont/Allen Genoa, 3 at Shaver, 1 at Westside, 1 at Fresa and 1 at Queens/Pauline. Bids will be received in the next week or so.

**Agenda Item Seven: Report by Carlos Guzman, Executive Director.**

Carlos briefed the board on an Article from the TX Real Estate Business where the EDC was highlighted. He went over some projects and highlighted our Logo out on those signs. Carlos summarized the 3 day charrette that they had for the Convention Center Master Plan. There were over 18 consultants and City Staff that were involved with looking at 300 acres and how to maximize the City asset right across the Church and the upcoming San Jacinto Petrochem facility. Some of the objectives were development, a brand, one of the things that is not final yet, because they are still working on the numbers was that we do need a 40,000 sq. ft. convention center which would be building a new one or adding 20,000 sq. ft. to the existing one. That is still to be determined because we are still working on the numbers and will be coming before City Council at a future date as far as what exactly will be taking place. The market can support a 40,000 sq.

ft. facility here in Pasadena. Some upcoming board items are the bond sale, updating our CIP list to align with our Strategic Plan; some new memberships (GHP, TEDC) and renewal of BAHEP. Maybe some community branding; continuing with the Convention Center Master Plan implementation; something we're looking at is the Façade Pilot Program for businesses along major corridors in the city, sometimes they want to invest and there's ways we can participate to help beautify the city. Also in November we will do year end staff evaluations. Staffing update – the Strategic Plan recommendation was to hire 2 people; we expect to post those in mid-September. Upcoming Events – a table at the Gulf Coast Industry Forum, any Board Members who would like to attend please let us know and we will save you a seat at the EDC table.

**Agenda Item Eight: Board Action – Resolutions.**

- a. **PSCC RESOLUTION 18-021** – Authorize Staff to negotiate and execute a contract with Clark Condon for Pasadena Blvd. enhancements in an amount of \$116,000.

- Randy asked for clarification if the scope of work would be from 225 to Harris to which they responded that it would be to Southmore.

Randy Drake made a motion to approve Staff to negotiate and execute a contract with Clark Condon subject to legal review and comment, seconded by Emilio Carmona that PSCC Resolution 18-021 be passed, approved and adopted.

MOTION CARRIED AS FOLLOWS:

“Ayes” – Steve Cote, Rick Lord, Randy Drake, Emilio Carmona, Ernesto Paredes and Steve Phelps.

“Abstain” – Marilyn Wilkins.

- b. **PSCC RESOLUTION 18-022** – Authorize Staff to negotiate and execute an agreement with Pasadena Chamber of Commerce to assist in Leadership Pasadena Pilot Program in an amount of \$25,000.

Ernesto Paredes made a motion to approve Staff to negotiate and execute agreement with Pasadena Chamber of Commerce, seconded by Rick Lord that PSCC Resolution 18-022 be passed, approved and adopted.

MOTION CARRIED AS FOLLOWS:

“Ayes” – Steve Cote, Rick Lord, Randy Drake, Marilyn Wilkins, Emilio Carmona and Ernesto Paredes.

“Abstain” – Steve Phelps.

- c. **PSCC RESOLUTION 18-023** – Authorize Staff to negotiate and execute a contract with Conrin, Inc. for Software Database and Licensing in an amount of \$10,500.

Rick Lord made a motion to approve Staff to negotiate and execute a contract with Conrin, Inc. subject to legal review and comment, seconded by Ernesto Paredes that PSCC Resolution 18-023 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- d. **PSCC RESOLUTION 18-024** – Approval by the Board of Directors of engagement letter with McCall, Parkhurst & Horton L.L.P. to serve as Bond Counsel to the Pasadena Second Century Corporation d/b/a Pasadena Economic Development Corporation.

Marilyn Wilkins made a motion to approve an engagement letter with McCall, Parkhurst & Horton L.L.P, seconded by Randy Drake that PSCC Resolution 18-024 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

- e. **PSCC RESOLUTION 18-025** – Per approval of engagement letter (PSCC RESOLUTION 18-024) with McCall, Parkhurst & Horton L.L.P.; discussion with Bond Counsel and approval of a Power of Attorney required by the Comptroller of Public Accounts to authorize the Corporation’s Bond Counsel to represent the Corporation before the Comptroller’s Office.

Randy Drake made a motion to approve a Power of Attorney required by the Comptroller of Public Accounts to authorize the Corporation’s Bond Counsel to represent the Corporation before the Comptroller’s Office, seconded by Steve Phelps that PSCC Resolution 18-025 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

**Agenda Item Nine: Comments by Board Members.**

Rick Lord – “No comment.”

Randy Drake – “I’ll pass.”

Marilyn Wilkins – “I’ll pass.”

Emilio Carmona – “I like the idea if it gets done that Pasadena Blvd. would be modernized and more beautiful. I’d like for people to come to Pasadena just to see the street and at the end of the street there is a beautiful mall. If that could happen that would be great” At this time Randy added that “10-12 years ago we worked on that, but it went nowhere. Hopefully this time around things happen.”

Ernesto Paredes – “I feel very confident that we will pull it off. You can tell with all the efforts that staff makes and the literature that they are taking us down the right path. We say yes and discuss the items, but they are doing all the hard work so my comments are kudos to Carlos and his staff.”

Steve Phelps – “Pass.”

Steve Cote – “Pass.”

**Agenda Item Ten: Executive Session.**

**\*\*NOTE\*\*3:55 PM** – At this time, Chairman 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, Texas Government Code to deliberate the purchase, exchange, lease or value of real property- Project #1804 – Bank Building.

**\*\*NOTE\*\*4:05 PM** – At this time, Chairman Cote announced that the Board “has completed its Executive Session.”

**Agenda Item Eleven: Reconvene into Regular Session**

**\*\*NOTE\*\*4:05 PM** – At this time, Chairman Cote reconvened the Board Meeting.

The Board will reconvene into Regular Session, pursuant to the provision 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. No action on this item.
- b. Deliberation regarding real property – Project #1804

**PSCC RESOLUTION 18-026** – Rick Lord made a motion to approve a resolution authorizing the Executive Director to execute a real estate sales contract and any and all closing documents necessary for the acquisition of the approximately 208,988 square feet or 4.798 acre tract of land, and generally located at 1001 Southmore Avenue, on the terms discussed in Executive Session, seconded by Ernesto Paredes that PSCC Resolution 18-026 be passed, approved and adopted. MOTION CARRIED UNANIMOUS.

**Agenda Item Twelve: Adjournment.**

Chairman Cote called for a motion to adjourn the August 23, 2018 meeting at 4:07 PM. Marilyn Wilkins moved, seconded by Ernesto Paredes. MOTION CARRIED UNANIMOUS.