



4-B COMMUNITY DEVELOPMENT CORPORATION

MINUTES

CITY OF MAGNOLIA

4B COMMUNITY DEVELOPMENT CORPORATION

REGULAR MEETING

THURSDAY MARCH 14, 2013 - 5:30 P.M.

Sewall Smith City Council Chambers

18111 Buddy Riley Blvd., Magnolia, Texas 77354

A meeting of the Magnolia 4B Community Development Corporation was held on March 14, 2013, beginning at 5:33 pm, in the Sewall Smith City Council Chambers located at 18111 Buddy Riley Blvd., Magnolia, Texas 77354.

1. CALL TO ORDER

The meeting was called to order by Pat Zaiontz at 5:33 pm.

a. **INVOCATION**

Clyde Hunt delivered the invocation.

b. **PLEDGE OF ALLEGIANCE**

Pat Zaiontz lead the pledge of allegiance.

2. ROLL CALL AND CERTIFICATION OF QUORUM

Pat Zaiontz called roll and certified a quorum present with the following Board members in attendance: Pat Zaiontz, Jonny Williams, Jerry Reed, Barbara Gardner, and Clyde Hunt

Absent: David Arevalo, and Gari Lynn Hessong

Staff present: Executive Director/City Administrator Paul Mendes, City Secretary Lynne George, Economic Development Coordinator Deborah Rose Miller

Guests: Mayor Pro Tem Patsy Williams and Council member Anne Sundquist

3. PUBLIC HEARING

Notice of Public Hearing

The 4B Community Development Corporation of the City of Magnolia will have a Public Hearing at Magnolia City Hall, 18111 Buddy Riley Blvd., Magnolia, TX 77354 at 5:30 pm on

March 14, 2013 to consider adopting the following projects to promote new and expanded business development within the City limits and ETJ of Magnolia as follows:

- a. Project to promote new and expanded business development within the City limits and ETJ of Magnolia - Allocation of \$10,000.00 for land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements to promote new or expanded business development pursuant to Section 505.158(a) of the Texas Local Government Code. The total aggregate amount of the transactions under this project may not exceed \$10,000.00 and the duration of the project is through September 30, 2014.
- b. Project to promote new and expanded business development through the creation of a City Centre - Allocation of \$10,000.00 for land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements to promote new or expanded business development pursuant to Section 505.158(a) of the Texas Local Government Code. This includes maintenance and operations. The total aggregate amount of the transactions under this project may not exceed \$10,000.00 and the duration of the project is through September 30, 2014. The public is encouraged to attend and provide comments.

Pat Zaiontz read the Notice of Public Hearing aloud, recessed the Open Meeting and convened the Public Hearing at 5:36 pm, inviting any comments or questions from the public or the Board.

Economic Development Coordinator Deborah Rose Miller stated that this came about from a suggestion from our City Attorney Leonard Schneider and it is typical for an Economic Development Corporation to have. If something should come up like recently some foreclosure land, it gives 4B the wherewithal to purchase it, or if something else came up like land for a parking lot or something of that nature, it would keep from having to go through the public hearing process and gives you an open item. The Board would obviously have to approve the expenditure.

Executive Director/City Administrator Paul Mendes further stated that it gives the Board the flexibility so that it doesn't have to start 45 to 60 days ahead of time, do the designation of a project, go through the approval process, and then have to wait 60 days to fund from the date of publication to get into a position where it can do something and then miss the opportunity. Discussion followed.

4. ADJOURN PUBLIC HEARING AND RECONVENE OPEN MEETING

Pat Zaiontz adjourned the Public Hearing and reconvened the Open Meeting at 5:40 pm.

5. CONSIDERATION – DESIGNATION OF NEW PROJECTS TO PROMOTE NEW AND EXPANDING BUSINESS DEVELOPMENT

Consideration and possible action upon finding that the following projects will advance the economic interests of the City of Magnolia and are the type of projects it believes is within the intent of the statute creating the Community Development Corporation to adopt and designate the following as projects and ask the 4B Community Development Corporation to consider adopting and funding the following:

- a. Project to promote new and expanded business development within the City limits and ETJ of Magnolia - Allocation of \$10,000.00 for land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements to promote new or expanded business development pursuant to Section 505.158(a) of the Texas Local Government

Code. The total aggregate amount of the transactions under this project may not exceed \$10,000.00 and the duration of the project is through September 30, 2014.

- b. Project to promote new and expanded business development through the creation of a City Centre - Allocation of \$10,000.00 for land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements to promote new or expanded business development pursuant to Section 505.158(a) of the Texas Local Government Code. This includes maintenance and operations. The total aggregate amount of the transactions under this project may not exceed \$10,000.00 and the duration of the project is through September 30, 2014.

MOTION: Upon a motion to adopt and designate the following as projects and ask the 4B Community Development Corporation to consider adopting and funding the following:

- a. Project to promote new and expanded business development within the City limits and ETJ of Magnolia - Allocation of \$10,000.00 for land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements to promote new or expanded business development pursuant to Section 505.158(a) of the Texas Local Government Code. The total aggregate amount of the transactions under this project may not exceed \$10,000.00 and the duration of the project is through September 30, 2014.
- b. Project to promote new and expanded business development through the creation of a City Centre - Allocation of \$10,000.00 for land, buildings, equipment, facilities, expenditures, targeted infrastructure and improvements to promote new or expanded business development pursuant to Section 505.158(a) of the Texas Local Government Code. This includes maintenance and operations. The total aggregate amount of the transactions under this project may not exceed \$10,000.00 and the duration of the project is through September 30, 2014.

made by Jonny Williams and seconded by Jerry Reed, the Board members present voted and the motion carried unanimously.

6. CITIZENS FORUM

(No official or formal action or vote may be taken on any comment made by citizens during Citizens Forum)

(For matters not on the agenda. Comments shall be limited to three (3) minutes per person. Comments by the Board shall be limited to:

- a. Statements of specific factual information given in response to an inquiry;*
- b. A recitation of existing policy in response to an inquiry;*
- c. A proposal to place the subject on a future agenda.*

Ms. Jennifer Nunez, a senior in high school, stated that she wanted the opportunity to open a snack shack at Unity Park and set up by the splash pad and provided a proposal.

7. ANNOUNCEMENTS

(Hear announcements concerning items of community interest from the Board members and City staff for which no action shall be taken or discussed.)

Economic Development Coordinator Deborah Rose Miller provided a copy of the latest tax report and reported that sales tax was down almost 13% for this month but that she did talk to the Comptroller and it boils down to one single item – it is actually a construction company not based in Magnolia, but who was doing business in Magnolia this time last year – that because of the sales of the project, which was Walgreens, we did not have that same project. Based on

that, and not realizing that when you have a big commercial project like that it had sales tax tied into it, we are probably going to see a reduction through June/July based on that construction project. The good news is thank goodness we expanded our sales tax base due to our new annexation to offset it. We are in a bit of a catch 22 though with the cost of the utility relocation and the fact that businesses are waiting for the completion of the 1774 road improvements.

Mrs. Miller also reported that the April meeting will be her last meeting.

8. FINANCE MANAGER REPORT- FEBRUARY 2013 FINANCIAL STATEMENTS

(Jerry Reed)

Provided in packet. Jerry Reed provided a recap of revenue and expenditures.

9. CONSENT AGENDA – ROUTINE ITEMS:

(This portion of the agenda consists of items considered to be routine and will be enacted by one motion unless separate discussion is requested by a Board Director or a citizen.)

- a. Approval of the minutes of the meeting of the 4B CDC held on January 10, 2013.
- b. Consideration and possible action to appoint David Arevalo as Chairperson of The Stroll Committee, now under the direction of 4B.

<u>Vendor</u>	<u>Project #</u>	<u>Amount</u>
c. WCA	500848	\$ 104.52
d. Coast to Coast Portable Toilets (Inv.#86413)	500841	\$ 60.00
e. Deborah Rose Miller	500632	\$ 1,333.85
f. Liles Parker (Inv.#101829)	500640	\$ 629.00
g. Elliott Electrical Supply (Ticket#28-18378-01)	500848	\$ 81.76
h. Magnolia Hardware	500848	\$ 285.47
i. Texas Facilities Commission	500848	\$ 2,545.00
j. Napa Auto Parts	500848	\$ 78.56
k. Texas Landscape Products, Inc. (Inv.#21396)	500848	\$ 564.00
l. Tex-Star Rentals (#118939-1)	500848	\$ 269.97
m. Words, Inc. (February 2013)	500674	\$ 110.00

MOTION: Upon a motion to approve Consent Agenda items a. through m. made by Jerry Reed and seconded by Jonny Williams, the Board members present voted and the motion carried unanimously.

10. CONSIDERATION – YELLOW HOUSE (MONTGOMERY COUNTY GRILLE) LEASE AGREEMENT ASSIGNMENT

Consideration and possible action to review and authorize lease agreement assignment of potential new lessee of Montgomery County Grille.

Jeff Wetzel introduced himself and stated that he plans to take over the business, believes it can be a great anchor facility for The Stroll, he stated that he has done market research, he plans to make everything fresh and from scratch daily, plans to get involved with the culinary department at West Magnolia High School, he wants to get involved in the community and hopes to take over next week. Discussion followed.

MOTION: Upon a motion to continue negotiations and to enter into a new lease agreement with Jeff Wetzel subject to approval of the application made by Barbara Gardner

and seconded by Jerry Reed, the Board members present voted and the motion carried unanimously.

11. APPROVED PROJECTS REPORTS/UPDATES

- a. Unity Park Project – *(approved 2006-2007)* - Jonny Williams, Pat Zaiontz
Executive Director/City Administrator Paul Mendes reported that he had received a list of items that needed to be addressed from Jonny Williams and Pat Zaiontz and that he will have the majority of the items completed for Unity Park by tomorrow.
- b. Yellow House – *(approved 2009)* – Barbara Gardner, Jonny Williams
Covered in item 10.
- c. Street Extension Project – *(approved 2006-2007)* – Gari Lynn Hessong, Jonny Williams
 - i. The extension of 6th Street to adjoin Unity Drive - *(approved 2011)*
Executive Director/City Administrator Paul Mendes reported that this coming week, the signs will be up for Unity Drive, and we will remove the dead end sign. For all practical purposes, most of the road is complete, is approximately 18 ft. wide, with 6” stabilized limestone base stabilized with cement, and 2” of compacted asphalt, with the only thing left to do is to re-dig the ditches to redirect the water shed. The contractor gave us a seal coating on the entire road so it should stand up to moisture even better.
- d. Economic Development Program – *(approved 2007-2008)* – Jerry Reed
No report.
 - (i). Grow Magnolia
Economic Development Coordinator Deborah Rose Miller reported that the big focus is the Comprehensive Plan and the public hearing on March 28th with the Planning & Zoning Commission. Mrs. Miller commented that Bret Keast paid the City a huge community compliment regarding the attendance at the workshop that Kendig Keast put on and stated that of all the communities that he’s done, it was the first time he had ever had that kind of response – 100% of 4A, 4B and Planning & Zoning Commission were there and we were only missing two people from our flock of directors – and she stated that was a compliment to Magnolia and to the interest of this Comprehensive Plan and he was impressed. From the public hearing will come twelve bullet points that we will be focusing on and we will start looking on our schedules so that it becomes this living, breathing document so that the money is well spent in our community for what we need to do. Meanwhile, Mrs. Miller stated that we are still looking at more annexation and ETJ expansion.
- e. Farmers Market - Pat Zaiontz
Pat Zaiontz announced that by the end of the fiscal year in September, they are going to go on their own, so there will be no further cost to 4B, but that they will temporarily continue to use the City trailer and portacan. Discussion followed.
- g. Gateways – Barbara Gardner
No report.

- h. Downtown Upgrades - (approved 2011) - Gari Lynn Hessong
Executive Director/City Administrator Paul Mendes reported that CenterPoint has been notified that we will be installing lights down the entire length of 6th Street (now Unity Drive) from Commerce all the way down to Cloyd Street. Mr. Mendes further stated that they (TxDot) are going to repave the areas where our streets join 1774 when they widen it which will remove all of the bad potholes down by the Shell station, Kemah Seafood and the 6th grade campus.

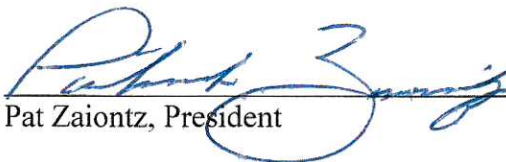
12. BOARD OF DIRECTORS CONCERNS AND REQUESTS

None.

13. ADJOURNMENT

MOTION: Upon a motion to adjourn made by Clyde Hunt and seconded by Jerry Reed, the Board members present voted, the motion carried unanimously, and the meeting was adjourned at 6:18 pm.




Pat Zaiontz, President

I hereby certify this is a true and correct copy of the minutes of the meeting held on March 14, 2013, by the Board of the City of Magnolia 4B Community Development Corporation.

ATTEST:


Lynne George, City Secretary