

**BASTROP ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS
Minutes of Monthly Meeting, January 12, 2015
903 Main Street, Bastrop, Texas**

The Bastrop Economic Development Corporation (BEDC) met on Monday, January 12, 2015, at 6:30 p.m. in the BEDC Boardroom at 903 Main Street for the Regular Monthly Meeting.

Board members present were: Steve Mills, Gary Schiff, Gary Gutierrez, Dr. Neil Gurwitz, Pat Crawford, Mayor Ken Kesselus, Willie DeLaRosa, and Mike Talbot (ex-officio).

Staff members present: Angela Ryan and JC Brown, BEDC Attorney.

Others in attendance: Nancy Wood, Bonnie Coffey, Lee Harle, and Debbie Moore.

ANNOUNCEMENTS

1. Call to Order – Steve Mills, Chairman of the Board, called the meeting to order at 6:30 p.m.
2. Public Comments – Bonnie Coffey requested that the Board consider a change to the Bylaws, and use the words “Chair” and “Vice-Chair” instead of “Chairman” and “Vice-Chairman”.
3. Presentations – None.
4. Announcements – None.

EXECUTIVE DIRECTOR’S INFORMATIONAL UPDATE REPORT - Items for update, discussion and possible action:

A. Meetings, Events and Travel attended/upcoming

1. Bluebonnet Electric Cooperative Economic Forum held on November 20. Mr. Talbot said that the forum had a very dynamic and informative speaker. Mr. Mills said they had talked about the importance of having ready sites available for prospects.

B. Update on BEDC Projects and/or Business:

1. Main Street Program Update (Nancy Wood) – Ms. Wood reported that on her quarterly report to Texas Main Street, she showed \$24 million in overall investment in the downtown area, with a net of two new businesses for the fourth quarter. She said Main Street Café is now open in the former Deli Depot location. Ms. Wood reported that the Bastrop Fine Arts Guild had removed the building on Chestnut in preparation for the gallery, and they saved as much of the original wood and materials that they could. They should begin construction on the new building by the end of the year.
2. Update on the Bastrop EDC Business Park
 - a) Project status update – Mr. Talbot said he was able to work it out with Mr. Coghlan to dump the 2,000 yards of dirt he needed to haul away as part of his expansion project, for the BEDC to use in the future.
 - b) Review of the proposed Master Plan for the BEDC Business Park – Mr. Talbot presented a preliminary master plan of the Business Park to the Board. He explained that it was divided into four phases, each of which could be broken down further into sub-phases. Phase 1 is the area south of South Street and would produce six marketable lots, including the 10.5 acre tract with regional detention, at a cost estimate of \$1,379,000. Phase 2 would include the detention pond for phases 2, 3, and 4, and would open up the 22 acres south of JAMCo, at a projected cost of \$2,522,000. Phase 3 would open up the 15 acres east of the Jackson Street extension, with a cost estimate of \$1,654,000. Phase 4 would extend the road from Jackson Street to the lot he had recently acquired on behalf of BEDC, at a projected cost of \$1,004,000. Mr. Talbot said that once the Board approves the master plan, he would like to put all the information together into a booklet to give to

prospects. He asked the Board to consider all of the options and be ready to discuss what steps they want take at the next Board meeting.

3. Update on Bastrop Area Housing Study – Mr. Mills reported that the committee met for a conference call with RCLCO to review the second draft of the study. He said they're still working on the depth of the housing demand in the Bastrop area, and trying to drill down the numbers to better reflect Bastrop as opposed to the MSA. He said it is obvious that we need to continue working on creating good paying jobs, but he would like input as to what is needed to create that job growth. Mr. Mills said Bastrop has a lot of strengths: strong community, historic downtown, outdoor recreation, lower land costs, improvements in the school system, and close proximity to the airport. He said he would like to consider the possibility of hiring a marketing firm to make sure that areas such as Dallas/Fort Worth, Houston, and San Antonio know about the great things happening in Bastrop.
4. Update on Downtown Parking and Traffic Study
 - a) Proposed SH 71 transportation improvements – Mr. Talbot reported that TxDOT said both the Hwy 71/Tahitian Village overpass and the Hwy 71/95 overpass have been funded. The one at Tahitian Village will be started by March 1 and will take approximately 22 months to complete. The 71/95 overpass is currently expected to begin in December. Mr. Talbot said that after the construction of the first overpass is underway, we will be better able to gauge the effect on downtown traffic.
 - b) Main Street Improvement Project – Mr. Talbot suggested postponing the project until January 2016, to avoid the potential for increased downtown traffic during TxDOT's work on Hwy 71. Mr. Talbot said BEDC has about two years left on the bond proceeds. Mr. Talbot explained that the City Council asked him to undertake a downtown parking and traffic study in anticipation of the Main Street project, as well as address head-in versus parallel parking. Mr. Talbot said he had decided to do a lot of the work in-house and hire a traffic engineer on an hourly, as needed basis. Mr. Talbot said they were considering a pilot program to test parallel parking, and they might install a camera on the electrical pole to videotape throughout the day to see how it is working.
 - c) Alley D improvements (former Advertiser building) – Mr. Talbot explained that he envisions the Alley D Project as a joint project between the City and the BEDC. He reported that the City now owns the building, and the asbestos evaluation has been completed. The Veterans of Foreign Wars have requested the building be donated to them. Mr. Talbot said he is going to request that the Council stipulate a timeframe for removal of the building. He said once the building has been removed, they will put in temporary parking, with the ultimate goal to put in one straight slab of concrete that will provide an opportunity to build a parking garage in the future. Mr. Talbot said it would require the relocation of some infrastructure, but that he anticipates the lot will be ready for parking by May or June.
 - d) Parking lot at the southwest corner of Pine Street and Water Street – Mr. Talbot said the lot has been working well. The traffic consultant suggested installing larger signage to let people know the parking lot is open to the public.
5. Update on construction projects in the City of Bastrop – The Board discussed construction projects within the City under various stages of completion. Mrs. Ryan reported that Hobby Lobby had submitted their site plans.

A. CONSENT AGENDA

A.1 Approval of meeting minutes of the Regular Board Meeting of November 17, 2014. Ms. Crawford made the motion to approve the minutes as submitted, Mr. Gutierrez seconded, and the motion passed.

B. PUBLIC HEARINGS

C. OLD BUSINESS

C.1 Consideration, discussion and possible action on approval of an amended 'Economic Development Agreement' between the Bastrop Economic Development Corporation and Niece Equipment; status update on contracts and discussions with Niece and lender. Mrs. Ryan reported she had not heard back from Mr. Niece but had attended the meeting with Mr. Niece's architect, civil engineer, and the Planning Department. Mrs. Ryan reported they may be requesting additional variances to the Restrictive Covenants.

C.2 Consideration, discussion and possible action on a proposal by the Bastrop Parks Board to use a portion of the Bastrop Business & Industrial Park for a disc golf course. Mr. Mills reported that he and Mr. Talbot had toured the acreage and he wanted to discuss it in Executive Session.

C.3 Consideration, discussion and possible action on approval of the proposed revisions to the BEDC Restrictive Covenants for the Bastrop Business and Industrial Park. Ms. Brown went through the edits to the covenants. Dr. Gurwitz pointed out a discrepancy in the height of tree measurement, where in one instance it said four feet and in another it said one foot. Mr. Schiff made the motion to approve the Restrictive Covenants with the change to four feet, Mrs. Crawford seconded, and the motion passed.

C.4 Consideration, discussion and possible action on approval of the proposed revisions to the BEDC Bylaws. Ms. Brown went over the edits made from the last Board meeting, which included changing references to "President/CEO" to "Executive Director", making absences and vacancies consistent with the other City boards, and removing the requirement to have two signatures on checks, since the City's Finance Department processes all of BEDC's payments. Ms. Brown said Mayor Kesselus had requested she add verbiage which would allow the Mayor to designate another City Councilmember to take his/her place on the BEDC Board until such time as he/she wished to resume the seat. After lengthy discussion, Dr. Gurwitz made the motion to approve the edits that were submitted for review, the change from Chairman and Vice-Chairman to Chair and Vice-Chair, and the change proposed by Mayor Kesselus, that the Mayor be given unilateral authority to designate a City Councilmember to serve on the BEDC Board in his/her place. Mr. Schiff seconded, and the motion passed, with Mr. DeLaRosa and Mr. Gutierrez voting against it.

D. NEW BUSINESS

D.1 Consideration, discussion and possible action on acceptance of the Bastrop Economic Development Corporation's preliminary financial summary report for periods ending October 31, 2014, November 30, 2014, and December 31, 2014. Mr. Talbot reported that revenues are exceeding expenditures, and recommended acceptance of the financial report. Mr. DeLaRosa made the motion to accept the financial summary reports as submitted, Dr. Gurwitz seconded, and the motion passed.

D.2 Consideration, discussion and possible action on a request for the Bastrop Economic Development Corporation to sponsor a table at the Eric Johnson/Mike Stern Concert on February 17, benefitting the Bastrop County Boys and Girls Club, in the amount of \$1,000. Mr. Schiff explained this concert was known as the Jazz Jam in past years. This year's concert will be at the Performing Arts Center on February 17th, and it is the only Austin area stop on Eric Johnson's concert tour. A sponsorship includes eight seats and back stage passes at the reception. Mr. Gutierrez made the motion for the BEDC to sponsor the concert in the amount of \$1,000, Mrs. Crawford seconded, and the motion passed.

D.3 Consideration, discussion and possible action on the Bastrop Economic Development Corporation's sponsorship of the 2015 Naturefest, in an amount to be determined at the discretion of the BEDC Board. Mr. Talbot explained that the City's Park Department is bringing back the Naturefest event and they are requesting donations in any amount. Mr. Gutierrez made the motion for the BEDC to sponsor Naturefest in the amount of \$3,000, Mrs. Crawford seconded, and the motion passed.

D.4 Consideration, discussion and possible action on a request by Donald Bennet for pre-approval of a mega-grant in the amount of \$20,000, for renovations to interior and exterior of the building at 711 Chestnut Street. Ms. Wood said that Mr. Bennet purchased the two-story building that used to be leased as a karate studio, and he is planning to live upstairs and have a retail business downstairs. Mr. Bennet anticipates doing about \$80,000 worth of renovations to the building, including floor stabilization, plumbing and electrical work, and installation of new windows. After a brief discussion, Mr. Schiff made the motion to approve the preliminary application, Mr. DeLaRosa seconded, and the motion passed.

D.5 Consideration, discussion and possible action on a request by Deborah Jones for pre-approval of a mega-grant in the amount of \$6,250, for renovations to interior and exterior of the building at 713/717 Chestnut Street. Ms. Wood explained that Ms. Jones is leasing the building for a mediation center, and she has obtained approval from the property owner. Mr. Gutierrez made the motion to approve the preliminary application, Mr. DeLaRosa seconded, and the motion passed.

E. EXECUTIVE SESSION –

E.1 At 8:33 p.m., Mr. Mills convened the Bastrop Economic Development Corporation Board of Directors into a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:

1. Section 551.071(1)(A) and Section 551.071(2) - Consultations with Attorney: (1) threatened and/or contemplated litigation, and (2) matters upon which the Attorney has a duty and/or responsibility to report to the governmental body.
2. Section 551.072 - Deliberation about real property: 'Project Copper' and/or potential sales, acquisitions, exchanges, leases, dispositions or values of real property: Purchase of real property by the BEDC, disposition of real property by the BEDC, and/or City use of BEDC property.
3. Section 551.087 - Deliberation regarding economic development negotiations: 'Project Copper' and/or 'Project Gnome'.
4. Section 551.074 - Personnel Matters: BEDC staffing, hiring, and performance and/or employment of an Executive Director/CEO.

E.2 The Bastrop Economic Development Corporation Board of Directors reconvened from Executive Session at 9:27 p.m.

Mr. Talbot recommended the Board's ratification of the lot in Pine Forest Unit #6 adjacent to the Business Park so the road could be extended. Mr. DeLaRosa made the motion to ratify the purchase of the property (R52158) in the amount of \$11,200, Mr. Schiff seconded, and the motion passed.

Mr. Schiff made the motion for a resolution giving Mr. Mills the authority to select a land planner and coordinate it with Mr. Talbot, to come up with a preliminary land plan for the 40 acres in the

Business Park that the Parks Department requested be used for disc golf. Mr. DeLaRosa seconded, and the motion passed.

Mr. Gutierrez made the motion to deed the BEDC-owned property near the rodeo grounds at Mayfest Hill (R36831 and R48757) to the City of Bastrop, Mr. Schiff seconded, and the motion passed.

F. BOARD INPUT ON FUTURE AGENDAS

Inviting input from the Board of Directors related to issues for possible inclusion on future agendas, related to (but not limited to) issues such as BEDC projects, property, economic development prospects, community events, and BEDC business. A summary of the current year's budget for façade and mega grants was requested for the next Board meeting.

G. ADJOURNMENT – Gary Schiff moved to adjourn and Gary Gutierrez seconded. The BEDC Board of Directors adjourned the meeting at 9:30 p.m.