



**MINUTES OF THE MEETING OF THE
LEON VALLEY ECONOMIC DEVELOPMENT CORPORATION
Wednesday, March 25, 2015**

I. Call to Order and Determine If Quorum is Present

Board President Stephen Ynostrosa called the meeting to order at 6:30 p.m. Board Vice President Claude Guerra, Board Treasurer Mike McCarley, Board Member Rudy Garcia, Board Member Georgia Zannaras and Board Member Joe Sanchez were present, constituting a quorum. Board Secretary David Gannon was not present. Representing the Board Attorney was Ashley White. Also in attendance were Staff Liaison Claudia Mora, acting as recording secretary, and Economic Development Administrative Assistant Ana Federico.

II. Closed Session in Accordance with the Texas Government Code

The City of Leon Valley Economic Development Corporation Board will Convene in Closed Session:

- A. Pursuant to Tex. Gov't Code Ann. § 551.071 (1),(2) consultation with attorney regarding *Larry Little v. Leon Valley EDC*;
- B. The City of Leon Valley Economic Development Corporation Board will Reconvene into Open Session and may take action on the Closed Session Items.

There was no closed session.

At this time, the Board proceeded to agenda items IV, V, VI, VII, and VIII. For the purpose of the minutes, the agenda items and activity will be reported in numerical order.

III. Public Hearing – 7:00 P.M. Public Hearing, Presentation, Discussion and Consideration of Action on a Resolution by the Leon Valley Economic Development Corporation (LVEDC) Regarding the Expenditure of LVEDC Funds for the following applications and grant amounts: Imelda Valenzuela for Sari Sari Oriental Market, Bakery and Cuisine for up to \$8,118.75; Jared Diamond for National Outdoors for up to \$6,139.78; and New Friends Learning Center for up to \$2,000.00

The public hearing was opened at 7:08 p.m. Staff Liaison Mora presented each application, providing information on each project. Ms. Valenzuela's application was for signage. Mr. Diamond's application was for painting of the building, signage and restriping of the parking lot. The New Friends Learning Center (NFLC) application was for signage.

The Board questioned whether restriping of the parking lot was considered "façade improvements". It was determined that "façade improvements" referred to the building only; no parking lot improvements. Mr. Diamond's request for funding would be reduced to only the signage and painting of the building.

Regarding the new signage for NFLC, staff requested the Board consider waiving the requirement that the business generate sales tax in order for the business to apply for a grant under the Façade and Signage Program. Staff explained that the business recently was cited for not being in conformance with the City of Leon Valley's sign ordinance. Discussion ensued. Board Vice President Guerra commented that waiving the requirement would set precedence for the program; the Façade and Signage Program should remain a program for sales tax-generating businesses. He recommended that the NFLC apply for a regular LVEDC grant.

Board Member Garcia moved to approve funding for Sari Sari Oriental Market, Bakery and Cuisine for up to \$8,118.75. Board Member Sanchez seconded the motion. The motion carried by voice vote.



Board Member Zannaras moved to grant National Outdoors up to \$6,139.78 to help pay for façade improvements of \$1,156.00 and new signage \$4,584.00, with the recommendation not to approve the painting of the parking lot, and that detailed invoices be provided for payment of the grant. Board Vice President Guerra seconded the motion. The motion carried by voice vote.

Board Treasurer McCarley moved to deny funding under the Façade and Signage Program for the request submitted by New Friends Learning Center due to the applicant not meeting the program requirement of being a sales tax-generating business. Board Member Garcia seconded the motion. The motion carried by voice vote.

Board Member Sanchez moved that the New Friends Learning Center request for funding be approved and not to exceed \$5,227 for signage under the regular LVEDC grant program contingent upon the NFLC submitting a complete formal application - qualifying under the job retention criteria and other applicable criteria; that they provide proper invoicing, and report compliance with the City's sign ordinance and other City of Leon Valley code requirements. Board Member Garcia seconded the motion. The motion carried by voice vote.

Public hearing was closed at 7:18 p.m.

IV. Citizens to be Heard

There were none.

V. Consider LVEDC Minutes – January 28, 2015 and February 26, 2015

Board Treasurer McCarley moved to approve the January 28th and February 26th minutes. Board Vice President Guerra seconded the motion. The motion carried by voice vote.

VI. Financial Report by LVEDC Treasurer and Consideration

Board Treasurer McCarley reported that as of 1:15 p.m., the balance in the money market account was \$630,725.69 and the balance in the checking account was \$13,475.18. The total for both accounts was \$644,200.87. Mr. McCarley also reviewed the pending accounts payable for the month of March.

Board Member Garcia moved to accept the Financial Report. Board Vice President Guerra seconded the motion. The motion carried by voice vote.

VII. Presentation, discussion and Possible Action on a Budget Adjustment Adding \$118,680 to the Professional Services Line Item and Reducing Funds by \$118,680 from the EDC Project Line Item

Staff Liaison Mora presented the budget adjustment. She reported that due to increased fee payments to the Board's attorneys representing the LVEDC in the lawsuit *Larry Little v. Leon Valley EDC*, the LVEDC has spent more than the budgeted amount for the Professional Services line item. Staff took the average of attorney fees since May 2014 and projected spending to the end of the fiscal year. In addition, staff added in other projected professional services payments to be made through the end of the fiscal year. The amount projected was \$118,680. Staff recommended that the EDC Project line item be reduced by that amount and the Professional Services line item be increased by that amount.

Board Vice President Guerra moved to approve the budget adjustment as presented by staff. Board Member Garcia seconded the motion. The motion carried by voice vote.

VIII. Presentation, Discussion and Possible Action on Convention Gifts for ICSC RECon 2015

Economic Development Administrative Assistant Ana Federico presented ideas on giveaways or convention gifts for ICSC RECon 2015. Staff presented options for giveaways in pens, highlighters, mints and hand sanitizer. Ms. Federico recommended ordering 300 highlighters for \$237 and 250 hand sanitizer pens for



\$247.50. The number of each giveaway group recommended was the minimum order required. Board Member Zannaras moved to approve the purchase of convention gifts as recommended by staff. Board Treasurer McCarley seconded the motion. The motion carried by voice vote.

IX. Update on San Antonio Aquarium

Staff Liaison Mora reported that the San Antonio Aquarium was doing well since opening in December. The general manager estimated that the Aquarium did over \$250,000 in sales over the Christmas holidays. Since then, they estimate sales of over \$900,000.

Staff also reported that the Aquarium had yet to obtain a final certificate of occupancy (C of O). Ms. Mora reminded the Board that the first payment of \$100,000 was due within 60 days of the Aquarium's receipt of the final C of O. The Board asked why the Aquarium had not been able to get the final C of O. Staff mentioned that the contractors had not been able to complete some of the improvements. Such things as exposed wires, lack of handrails near the tanks, unmarked water lines, etc. contributed to the inspection failures. Ms. Mora also mentioned that the City of Leon Valley had issued a letter to the San Antonio Aquarium informing the Aquarium that they must have all identified items causing their failure of passing inspection fixed and resolved by April 13th.

The Board asked staff to provide an update as soon as the April 13th inspection was completed.

X. Future Agenda Items

Ms. Mora mentioned that the items listed would remain on the agenda as the Board took up the items in the coming months.

XI. Announcements

Staff presented a list of announcements to the Board. The Board was reminded that Board appointments or reappointments would take place in June and September. The public hearings for the LVEDC grant to the Leon Valley Area Chamber of Commerce (LVACC) would take place on April 13th and May 5th. The Volunteer Appreciation Dinner would be held April 7th. The Joint Meeting between the City Council, LVEDC and LVACC was postponed and will not be on April 13th. Staff reported that the budget process has started and the LVEDC will see its draft budget at the May or June meeting.

Board Member Garcia asked for an update on the LVEDC website at a future Board meeting.

XII. Adjourn

Board Member Garcia moved for adjournment. Board Treasurer McCarley seconded the motion. The motion carried by voice vote. The meeting was adjourned at 8:31 p.m.

A handwritten signature in blue ink, appearing to read "S Ynostrosa", written over a horizontal line.

Stephen Ynostrosa
Board President

A handwritten signature in blue ink, appearing to read "D Gannon", written over a horizontal line.

David Gannon
Board Secretary