



**MINUTES OF THE MEETING OF THE  
LEON VALLEY ECONOMIC DEVELOPMENT CORPORATION  
Wednesday, May 28, 2014**

**I. Call to Order and Determine if Quorum is Present**

President Stephen Ynostrosa, Vice President Claude Guerra, Board Secretary David Gannon, Treasurer Mike McCarley, Board Member Rudy Garcia and Board Member Georgia Zannaras were present, constituting a quorum. Also in attendance were Board Attorney Steven Peña, Staff Liaison Claudia Mora, acting as recording secretary, and Economic Development Administrative Assistant René Raynes.

**II. Citizens to be Heard**

There were none.

**III. 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) update 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.

The LVEDC Board convened in closed session at 6:31 p.m.

The LVEDC Board reconvened in open session at 7:56 p.m. No action was taken by the Board in closed session.

**IV. Consider LVEDC Minutes – March 26, 2014, April 8 and April 23**

Board Member Garcia moved to accept the minutes of the LVEDC Board meetings held March 26, April 8 and April 23, 2014. Board Secretary Gannon seconded the motion. The motion passed by voice vote.

**V. Financial Report by LVEDC Treasurer and Consideration**

Board Treasurer McCarley reported that as of 1:15 p.m. on May 28, the total amount of funds in the LVEDC bank accounts was \$609,129.16. This was reported as \$19,210.87 in the checking account and \$589,918.29 in the money market account. For May, the sales tax deposit into the account was \$26,182.86. Mr. McCarley asked Staff Liaison Mora what had cleared the bank. Ms. Mora indicated that approximately \$4,000 in various accounts payables have cleared the bank. Mr. McCarley indicated he would transfer money into the checking account to cover the approximately \$22,000 in accounts payables for May.

**VI. Discussion and Possible Action Regarding Maintaining the 501(c)(6) Status**

Staff Liaison Mora outlined for the Board the 501(c)(6) status and the requirement to file an IRS Form 990 annually. She commented that there were no files or records of the LVEDC filing for designation as a 501(c)(6) status from the IRS. Ms. Mora also reported that the accountants who handled the filing of the 2012 Form 990, Jorge Herrera, CPA CIA PC, indicated that the IRS does not have records of the status request being filed. According to staff, the accountants could file the paperwork to have the



status terminated. If the LVEDC voted to terminate the status, the Board would be required to file the IRS Form 990 for the next two (2) years.

Board Secretary Gannon was asked with his experience with charitable organizations, did he think there was a reason for the LVEDC to have and maintain a 501(c)(6) designation. Mr. Gannon indicated that there was not a reason for the LVEDC to have or maintain that designation.

Board Attorney Peña was asked if there were any legal ramifications for the status to be terminated. Mr. Peña commented that he agreed with Mr. Gannon that the designation was not necessary. He also commented that rescinding the designation would not affect the LVEDC's status as an EDC.

Board Secretary Gannon moved to accept and adopt LVEDC Board Resolution 2014-0017 to terminate the 501(c)(6) designation and engage Jorge Herrera CPA CIA PC to perform the necessary paperwork to terminate the designation. Board Member Zannaras seconded the motion. The motion carried by voice vote.

**VII. Presentation, Discussion and Possible Action Regarding "Buy Local" for Future Façade and Signage Program Applicants**

Staff Liaison Mora briefed the Board on the idea to require applicants of the Façade and Signage Program to obtain bids from and/or use local vendors to perform façade improvements or sign work. The idea was brought up by Board President Ynostrosa at the April Board meeting.

Board Member Zannaras commented that while the preference is for the applicant businesses to buy local, there should be an option for the applicant to select the lower bid if the higher bid is from a local business.

Board Secretary Gannon suggested that the word "possible" be replaced by the word "feasible" in Board resolution 2014-0018 so that it allows the applicant latitude in buying local.

Ms. Mora informed the Board that the Façade and Signage Program guidelines would need to be amended at a future meeting, if the Board decided to require applicants to use local vendors to obtain bids from and, wherever feasible, to use to perform services for the applicant business.

Board Secretary Gannon moved to adopt LVEDC Board Resolution 2014-0018 with the change in words from "possible" to "feasible". Board Vice President Guerra seconded the motion. The motion carried by voice vote.

**VIII. Presentation, Discussion and Possible Action on the Proposal from The Retail Coach to Continue Services for One (1) Year**

Staff Liaison Mora briefly outlined the proposal from The Retail Coach (TRC) to continue the economic development retail plan services for one (1) year. Ms. Mora commented that TRC's proposal included updating the reports and demographics as needed. In addition, TRC would prepare quarterly marketing packages on Leon Valley to send out to retailers and developers. TRC would provide contact information on the retailers and developers contacted and receiving the quarterly information.

Board Member Garcia expressed concern regarding staff's actual use of the reports generated by TRC. Staff replied that the reports enable staff to focus or target specific retailers. Board President



Ynostrosa commented that having the assistance of TRC in targeting retailers was helpful in keeping Leon Valley in front of retailers and developers on a regular basis.

Board Treasurer McCarley moved to amend the proposed LVEDC Board Resolution 2014-0019 with the change of the fees for services from \$15,000 to \$16,000. Board Member Garcia seconded the motion. The motion carried by voice vote.

Board Member Zannaras moved to approve the LVEDC Board Resolution 2014-0019, as amended, which approves the agreement with The Retail Coach to continue services for one (1) year. Board Secretary Gannon seconded the motion. The motion carried by voice vote.

**IX. Presentation, Discussion and Possible Action on the Proposals from The Retail Coach and Drew Advertising to develop a Website and Trade Show Booth**

Staff Liaison Mora presented the highlights of the proposals from The Retail Coach and Drew Advertising. Included in the presentation were the deliverables as they related to the actual website and staff training from both bidders; booth concepts, production specifications and production information; and quotes on costs.

The Board asked staff to contact the bidders and ask for examples of communities for which they've developed websites, whether they would provide training for staff to update website, whether they could package the booth deliverables to include a tabletop display, and where the booth would be stored and shipped from.

Staff will report the requested information at the next LVEDC Board meeting in June.

**X. Presentation and Discussion on Proposed LVEDC Budget for Fiscal Year 2014-2015**

Staff Liaison Mora presented the draft LVEDC Budget for Fiscal Year 2014-2015. Ms. Mora highlighted the changes for the new fiscal year including the estimated \$3,000 increase in contractual services, \$300 increase in advertising, \$1,300 increase in EDC project funding, and \$5,000 decrease in travel.

The total budget amount was determined by averaging the total sales tax revenue collected for economic development for 2010 through 2013, and rounding the figure up to \$221,300.

Ms. Mora informed the Board that they would not vote on the budget until June or July, depending on the changes the Board may have to the budget. The goal is to submit the budget to the City at the end of July for presentation to the City Council in August, and approval by the City Council in September.

**XI. Presentation, Discussion and Possible Action on the City of Leon Valley Economic Development Corporation Investment Policy and Strategy**

Staff Liaison Mora presented the draft investment policy and strategy. Highlighted was the purpose of the policy, which is to ensure the safe investment of public funds. The policy was modeled after the City of Leon Valley's policy. It was reviewed by Linda Patterson of Patterson & Associates, Inc. After the LVEDC Board adopts the policy, the policy would be presented to the City Council for their approval.



The Board discussed possible changes to be made to the policy in the way of identifying the investment officers for the LVEDC. The Board wants to be sure that the reporting requirements are clear and carried out.

Staff will make the changes identified by the Board. The policy will be presented to the Board at the June meeting for consideration and possible adoption.

**XII. Report on ICSC RECon 2014**

Board President Ynostrosa made some general comments about ICSC RECon 2014. He informed the Board that he would present more information and detail at the next LVEDC Board meeting.

**XIII. Discussion and Possible Action on the Appointment of a Strategic Plan Committee**

Board Secretary Gannon commented that he would like for Board members to volunteer for the committee. Dates (during the summer) would be set for the committee to work on the plan. The committee would then present the plan to the Board for review and adoption. Mr. Gannon asked Ms. Mora to send out an email to the Board members asking who would like to volunteer for the committee. At the next Board meeting, he would share some proposed meeting dates.

**XIV. Staff Report on Economic Development Activity in Leon Valley**

Economic Development Administrative Assistant Raynes reported that there were five (5) applicants for Certificates of Occupancy in May. Of the five (5), four (4) were new businesses. Ms. Raynes briefly outlined the information on the new businesses.

**XV. Future Agenda Items**

- A.) Work Session(s) on Strategic Plan
- B.) FY2014-2015 Budget Adoption
- C.) "Downtown Leon Valley"
- D.) Special Joint Meeting of LVEDC and City Council
- E.) Façade and Signage Program Applications and Grants
- F.) Financial Strategy

Items A and B were covered during the meeting and will be discussed in future meetings. Staff reported that they were working on new names, terms, phrases for item C. Ms. Mora reported that a tentative date for item D was July 14. Staff reminded the Board that applications for the Façade and Signage Program would be accepted between June 1 and July 15. Also, Ms. Mora said that for a future meeting, the Board would discuss item F with information gathered from Patterson & Associates.

**XVI. Announcements**

The Board was reminded of the June 9 City Council meeting and June 14 Coffee with the Mayor and City Council.

**XVII. Adjourn**

Board Secretary Gannon moved to adjourn the meeting. Board Member Garcia seconded the motion. The motion carried by voice vote. The meeting was adjourned at 9:58 p.m.

A handwritten signature in cursive script, appearing to read "S. Mora", is written in black ink.