

MINUTES OF REGULAR MEETING

September 19, 2022

MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION

CALL TO ORDER

President Rebecca Huss called the meeting to order at 6:00 p.m.

Present: Rebecca Huss - President
Carol Langley - Treasurer
Ryan Londeen - Secretary
Dan Walker- Board Member
Wade Nelson - Board Member

Absent: Jeff Angelo - Board Member
Byron Sanford - Board Member

Also Present: Dave McCorquodale, Interim City Administrator

OPEN PUBLIC COMMENT

No public comments were made.

APPROVAL OF MINUTES

1. **Minutes of the August 15, 2022, MEDC Regular Meeting.**

Motion to approve the minutes of August 15, 2022, was made by Carol Langley and seconded by Dan Walker. All in favor. (5-0)

APPROVAL OF FINANCIAL REPORT:

2. **Consideration and possible action on the August 2022 Financial Report.**

Carol Langley said their interest rate is 2.22 percent with TexPool. Carol Langley said they have transferred some of the money over to the TexPool accounts to earn more interest.

Carol Langley said sales tax for the month was \$87,888.78.

Carol Langley said she did not see anything unusual that was paid out.

Rebecca Huss said this does include the wire transfer that was made in August and there is still a \$2,000,000 balance in MEDC investment accounts.

Carol Langley asked if the Jeffrey Moon check was for surveying the property on the corner. Rebecca Huss said yes.

Carol Langley asked if the check for the Chamber of Commerce was for their ad in the maps. Rebecca Huss said yes.

Motion to approve the Financial Report was made by Ryan Londeen and seconded by Wade Nelson. All in favor. (5-0)

CONSIDERATION AND POSSIBLE ACTION:

3. Consideration and possible action on a grant request for the Lone Star Street Dance.

Mrs. Stephanie Fox, a local resident recently organized a street dance in the historic downtown area on August 13th. Mrs. Fox said the purpose was to bring community, fellowship, and family fun to the downtown area. Stephanie said around 800 people attended the event and all expenses were minimal. Mrs. Fox said it was a much larger turnout than she originally thought it would be and she would like to continue doing this in the future. Mrs. Fox said she does not want to bring in food vendors as she feels there are wonderful businesses downtown that could benefit from this event.

Mrs. Fox estimated it will cost \$2,500 per event. Mrs. Fox said she would like to ask for a grant for the upcoming event in October and one for the first quarter in 2023. Mrs. Fox said hopefully going forward this is an event they can continue to do quarterly.

Mrs. Fox said costs include liability insurance for the day and the cost of police officers for security. Mrs. Fox said they are still able to secure the DJ for a reduced rate but will still need to fund that cost and there will be permitting and deposit fees to include as well. Mrs. Fox said she is hoping MEDC can provide some funding to be able to do this event in the future.

Carol Langley asked where the band was located. Mrs. Fox said the DJ set up on the music stage and they blocked off Jacob's property. Mrs. Fox said she received suggestions from the City and Chief Solomon on how to stage the area better.

Carol Langley asked if there was enough lighting for the event. Mrs. Fox said she wished there would have been better lighting as they only had the lighting which the DJ provided. Mrs. Fox said additional lighting would be great.

Carol Langley asked what the hours were. Mrs. Fox said the first dance was from 8:00 p.m. to 11:00 p.m. because it was so hot, but going forward they would like to have the hours from 7:00 p.m. to 10:00 p.m.

Carol Langley said there was a street dance in Montgomery 10 or so years ago where they did not do much advertising, but the City paid for the band, and it brought a decent size crowd. Carol Langley said she knows people enjoy calling it a street dance knowing they are not expecting a big, major band.

Dan Walker thanked Mrs. Fox for doing the event and said he thinks it is perfect for the atmosphere they are trying to create and with everything MEDC is trying to create as well.

Rebecca Huss said she would also like to see if they can work with the City to reduce some of the expenses such as a permit fee once instead of every time or to use their insurance to cover the event.

Mrs. Fox said she would like to hold the event once a quarter and would like to have the next street dance on October 22nd,

Rebecca Huss said this is right in line with what they are trying to do.

Ryan Londeen asked why they would fund this through a grant and not the events budget. Rebecca Huss said just because of the paperwork itself. Rebecca Huss said they could agree to pay for it from the events category rather than the economic development grant line item. Rebecca Huss said Mrs. Fox submitted it through the grant paperwork and they know who she is, but they can pay for it from any line item.

Ryan Londeen asked if there is an issue giving this money to an individual rather than to a non-profit company. Rebecca Huss said no, although in the past they have done it through submission of receipts. Ryan Londeen asked if they would reimburse Mrs. Fox for her expenses. Rebecca Huss said Mrs. Fox would invoice them, Mr. McCorquodale would work out the insurance portion, and the police department would invoice them as well. Rebecca Huss said expenses are not to exceed \$2,500 per event.

Ryan Londeen asked when the next event would be held. Mrs. Fox said for the first quarter of 2023 the date has yet to be determined. Ryan Londeen asked if it would make more sense to pay \$2,500 now. Ryan Londeen said it might be easier and make more sense to approve the events one at a time, so they know what the expenses are going to be, but if it is easier to approve two at a time that is fine. Carol Langley said she would prefer to approve one event at a time. Rebecca Huss asked if Mrs. Fox should come before them before the event in the first quarter of 2023. Ryan Londeen said if it is successful, it would be nice to receive a report on what happened especially if this was going to be a regularly occurring event. Ryan Londeen said he likes events that have proven themselves and is skeptical about those that he does not know about and have not proven themselves. Ryan Londeen said he is glad Mrs. Fox has done this event already once and it has proven itself so receiving a report on these events would help him make an informed decision to fund it more in the future.

Ryan Londeen asked if they can advertise these types of events on the water bill. Mr. McCorquodale said yes and the next one they would know, but they did not have enough time to advertise for the first event.

Motion to approve up to \$2,500 in reimbursable expenses for the Lone Star Street Dance on October 22nd to be paid for out of line item 400.40.46303 was made by Ryan Londeen and seconded by Dan Walker. All in favor. (5-0)

4. Consideration and possible action on additional financial support for Trick or Treat in Historic Montgomery.

Rebecca Huss said this item came about from discussions with various downtown business owners. Rebecca Huss said this event has gone from a small business run event to a giant, too big for one person type of event. Rebecca Huss said for some of these businesses it has become too big for them to be financially viable, but the success of the event runs on each business participating in it. Rebecca Huss said there are a lot of small businesses in Montgomery that do not have a lot of net profit especially now with prices increasing. Rebecca Huss said one of the businesses asked if MEDC could assist in this process financially by providing candy for the businesses to give out to the children. Rebecca Huss said she thinks it would be easier to consider distributing checks to all the participating businesses to say thank you for continuing to make this event a success.

Rebecca Huss said she believes it is an effective way to support an event that is an important part of the downtown experience and in order to keep it a successful positive image they should support it financially to make it possible for the businesses that are part of the success to keep participating.

Ryan Londeen asked how they determine they are only giving money to the businesses that have confirmed their participation. Rebecca Huss said she has been in contact with the business owners who have previously participated, and she does not have proof they will be open on Saturday, but she has four unconfirmed businesses at the moment. Ryan Londeen said if the business owners have committed to being on the map, then that would be their way of agreeing to participate in the event.

Motion to approve up to the \$5,000 in direct reimbursements to provide to downtown merchants for the Trick or Treat in Historic Montgomery in increments of \$100 per business was made by Carol Langley and seconded by Wade Nelson. All in favor. (5-0)

5, Consideration and possible action on the creation of a new line item in Category I - Public Infrastructure, transfer of \$598,848 from reserves. Amend the new line item 1111 and amend the FY2021-2022 Budget to account for the purchase by increasing revenue and expenditures from \$1,210,749, to \$1,809,597.

Mr. McCorquodale said this creates a line item not only for future MEDC members to be able to look back on purchases like this but also to be able to tell where those funds went without looking like they went to something else.

Rebecca Huss asked what the new line item would be called. Mr. McCorquodale said land investments. Ryan Londeen asked what the concern would be if the line item was called downtown improvements. Mr. McCorquodale said as opposed to a city expense on infrastructure or an expense on a design project, this is more of an asset and not something when the money is spent it is gone but is an asset you are holding. Rebecca Huss said it also does not depreciate the way an engineering project would because everything built has a certain life span whereas a piece of property will last forever and will always be on the balance sheet without a depreciation schedule.

Motion to create a new line item in Category I - Public Infrastructure, transfer of \$598,848 from reserves to the new line item and amend the FY2021-2022 Budget to account for the purchase by increasing revenue and expenditures from \$1,210,749 to \$1,809,597 was made by Wade Nelson and seconded by Ryan Londeen. All in favor. (5-0)

ECONOMIC DEVELOPMENT REPORTS

6. Administrator's Report (to be provided at the meeting).

Mr. McCorquodale said the markets are still strong in terms of residential and commercial activity. Mr. McCorquodale said interest rates coupled with construction costs are starting to affect the dynamics of local development.

Mr. McCorquodale said 48 new homes have been completed and 83 new single-family home permits were issued through August 31, 2022.

Mr. McCorquodale said on the commercial development side on the east end of Montgomery the Shoppes has just completed their second retail center.

Mr. McCorquodale said the market still seems strong in this area. Mr. McCorquodale said Montgomery is a very desirable place to be with the school districts for families and if you are a businessperson looking to where the population is moving to, this is an attractive place to be.

Rebecca Huss asked when Discount Tire is going to construct their road. Mr. McCorquodale said it is one of the first things they have committed to when they start construction but does not know when that will begin. Mr. McCorquodale said Discount Tire will be located at the northeast corner of SH-I 05 and Buffalo Springs Drive. Dan Walker asked if Discount Tire is going to continue their driveway out of the Kroger parking lot. Mr. McCorquodale said yes. Rebecca Huss said that is the excitement that you can get there from the north side of town without having to go onto SH-105. Rebecca Huss said it is still attractive for the city to loan them money to build the road and then they pay it back. Rebecca Huss said the longer this project goes on the more the residents are at risk because it is inefficient and dangerous.

Dan Walker asked if TxDOT is bringing the center median through town any time soon as it looks like it is heading east right now. Rebecca Huss said hopefully not but they will eventually.

Rebecca Huss asked if there is an update on TxDOT's progress. Mr. Kyle Beltrand, P.E. with Ardurra Corporation who is working on the MEDC downtown design project said TxDOT has not given him the extent of what they are going to do for Montgomery but knows they are working on it.

Rebecca Huss asked if TxDOT had any comments about the loss of safety the city has been experiencing as their accidents are up 40 percent. Rebecca Huss said the longer the barricades stay up and the narrower the lanes are it becomes a big security issue. Rebecca Huss said also adding on the construction happening on Walden Road makes it highly inefficient. Mr. Bertrand said the area engineer is on the city's side. Mr. Bertrand said he is just as frustrated as there have been materials issues and change order issues with the contractor.

Mr. Bertrand said he did speak with the area engineer regarding sharing the downtown plan so maybe they can get the roundabout integrated and in place.

Wade Nelson asked if they are past the window for any type of landscape. Mr. Bertrand said landscaping is more than likely not going to happen as it is not wide enough. Wade Nelson said he was referring to the big island areas. Mr. Bertrand said that would trigger an agreement between the City and TxDOT.

Mr. McCorquodale said a year ago when he spoke with the Houston office regarding what their options would be, he was assuming it was because of the speed limit and also, they need 100 or 300 feet on either side of the median for a landscape vehicle with a trailer to be able to pull in and have a place to park.

Wade Nelson said he believes from FM 2854 to Lone Star Parkway heading west there should be a landscaped area in the future. Mr. McCorquodale said the time to push for landscaping on this project was probably four years ago. Wade Nelson said they need to put it at the forefront today that this is a corridor that should be landscaped. Mr. Bertrand said you do need to get ahead of it and TxDOT has that ability with a roadway project. Wade Nelson said there is no doubt the landscaping can be done a couple of years down the road.

Rebecca Huss said if they are going through this agony now does anyone want to do this again in four years. Rebecca Huss said the best way to do it is once where it might cost more but in terms of productivity and traffic you get the perfect solution the first time around. Dan Walker said he has seen landscaping done afterwards with elevated beds.

Mr. McCorquodale said outside of the roadway itself in the right-of-way off the shoulder they do have the option to add some landscaping that involves an agreement between TxDOT and the City. Mr. McCorquodale said there are ways to do things even outside where the roadway itself is. Mr. McCorquodale said it would help and even though it is not the same thing, you are not bound by a certain median width. Dan Walker said adding street lighting and flags down the side of the streets would also help.

Rebecca Huss said their design shows they have a very narrow setup to work with in terms of lanes so whenever there is a median it is bound to be small and that is why she thinks the design has flags and lighting as opposed to large trees in the center. Rebecca Huss said it would be practical if they can have the illusion of upper-end fixtures and place the trees on the side.

Wade Nelson said in gauging the aesthetic feel between the retail and the highway, if it is not all blended and just brick and mortar, it can be softened with landscape. Mr. Bertrand said TxDOT will work with municipalities and anything they consider an upgrade.

Ryan Londeen asked if some type of right-of-way landscaping plan through downtown requires an architectural plan in place to be presented to TxDOT. Mr. Bertrand said yes you want to have a plan in place.

Rebecca Huss asked how long it will be before TxDOT will move west of FM 2854. Mr. Bertrand said as of now he has not heard of any plans. Mr. McCorquodale said he thinks a 30 percent utility plan set because it is part of a Grimes County line to FM 2854 project, so it is very early in the utility design phase. Mr. McCorquodale said he does not know if they wait until that process is complete to even start the roadway design or not. Ryan Londeen said he thinks the scope of that stops at FM 149 and there is a gap between this project and the Grimes County line project. Mr. Bertrand said he heard there is a gap between FM 2854 to the west side.

Rebecca Huss asked when they need to start their planning to get what they want. Mr. Bertrand said he thinks it is never too soon, Mr. Bertrand said part of the problem with access management is so many people come out in droves to oppose it. Rebecca Huss said it is terrible, but they have accepted that it is happening. Mr. Bertrand said TxDOT's mission is to move traffic. Wade Nelson asked if he is thinking a city master plan for access is what needs to happen. Mr. Bertrand said before TxDOT does anything they will do an access management study. Wade Nelson asked if the City needs to propose and prepare a plan. Mr. Bertrand said the start would be downtown. Rebecca Huss said she feels like the access management needs to come from FM 149 and SH 105 starting in the middle and working outward. Mr. Bertrand he will check with the engineers and see if they are going to start looking at access management for this part of the corridor because you need to know what is going on. Rebecca Huss said they need to come to a solution that states any raised median must start after the turn onto Prairie Street otherwise people cannot get downtown.

Ryan Londeen said TxDOT has a project that stops on the east side of Montgomery to do access management and then they have another project on the west side to improve flow. Ryan Londeen said he feels like there is no access management from the east side through downtown because there is not a lot of commercial development there right now. Ryan Londeen said if

you were more progressive it would make sense to put in a raised median in anticipation of growth but that is not how TxDOT is thinking. Ryan Londeen said if they as MEDC are proposing to push in raised medians through downtown then they will be the ones that look like they are killing business. Wade Nelson said there is not much right-of-way either. Ryan Londeen asked if TxDOT ever plans to put in a raised median or is that something they are planning to do 15 years from now. Ryan Londeen said he would not want to be pushing for raised medians downtown so they can put flags in the middle of the road. Ryan Londeen said he would rather see what TxDOT is doing and if they are planning to put in medians, they want to be in on it in the forefront and not the back end to help make it a good plan for the City. Ryan Londeen said the speed limit going through the City is 35 mph so TxDOT is probably thinking it is not a big deal and not as dangerous so there is no incentive for TxDOT to put access management in place. Rebecca Huss said they could lower the speed limit from 45 mph to 35 mph to have everything the same west of FM 2854.

Ryan Londeen said he would not mind speaking with TxDOT, but he does not see them ever putting in medians downtown in the near future and he does not want to be pushing raised medians because it will appear MEDC is killing business when they are to be promoting business. Rebecca Huss said they want to be able to stay ahead of TxDOT because they do not want what is east of FM 2854 happening any further west.

Mr. McCorquodale said TxDOT has committed to them that the project for a stop light at Buffalo Springs and SH I 05 is in design which means they will fund it, but not sure when. Mr. McCorquodale said just the aesthetics of intersections will have TxDOT grant a curb cut because it will push it out even farther from the intersection. Mr. McCorquodale said there are some opportunities to work aesthetic improvements in without necessarily doing a full-length access management. Dan Walker said that is why the back alleys are so important because TxDOT is not going to put a curb or driveway in every 100 feet. Rebecca Huss said that is okay because the fewer of those they have, there is the effectiveness of safer, less of a need for access management on SH I 05. Rebecca Huss said it goes back to they need the next lay of that back road between Buffalo Springs Drive and CB Stewart. Dan Walker said some of that needs to be written into the approval process. Rebecca Huss said she thinks it makes sense from a financial standpoint for TxDOT because there is one very long, thin parcel you can build on the front and then have parking in the front or back.

Ryan Londeen said he agrees with Mr. McCorquodale's point. Ryan Londeen said as TxDOT comes in and does improvements he would like to be able to be in contact with them and ask them what they can do to help to improve what they are doing. Ryan Londeen said if they just let TxDOT build their standard highway through the City, it is not going to have its sense of place and it will look like a standard highway through a historic town. Ryan Londeen said you want to be able to drive into Montgomery and not feel like you are on a highway but feel like you are in Montgomery. Ryan Londeen said he thinks as TxDOT comes in and does improvements they need to develop a good relationship with them and for TxDOT to let them know how they can help improve their projects aesthetically and then maybe at some point MEDC will have some type of plan in place for them to come back through and add additional aesthetic items. Ryan Londeen said and have a landscape plan in place for the state highway.

Ryan Londeen asked about the status of the water/sewer study for downtown. Mr. McCorquodale said it will be going out to bid and will be advertising this month or early next month for the rehabilitation work. Mr. McCorquodale said WGA is doing the drainage study as well.

Ryan Londeen asked about the progress of the McCown design. Mr. McCorquodale said they are in the initial stages and just completed the survey details they were waiting on. Ryan Londeen said it has been his main concern that they are doing a surface design on McCown Street, but they also have a drainage study, and he wants to make sure everyone is on the same page in communicating.

Rebecca Huss wanted to thank Wade Nelson for the work he did on the Adams property and to clarify that he waived his fee for his services. Rebecca Huss said she would like to issue a proclamation that makes that clear and to also say thank you.

Ryan Londeen said he saw there was an underground survey done for the burial site for the Adams property. Mr. McCorquodale said the Moore Archeologic Consulting report stated based on what they know there would be nothing to find on their radar. Mr. McCorquodale said the radar would find items, but it would highly unlikely be those remains based on the age factor alone. Mr. McCorquodale said nothing about the story seemed to line up with any other records from that time period they could find. Mr. McCorquodale said the next step is to submit the report to the State to let them know the work was done. Mr. McCorquodale said as of now there are no immediate plans for the property.

Rebecca Huss said Virginia Adams also provided a notarized statement saying she would be financially responsible should an unfortunate event occur where the remains were found.

7. **City Engineer's Report for August 2022.**

No report was given at this time.

EXECUTIVE SESSION

The MEDC Board of Directors reserves the right to discuss any of the items listed specifically under this heading or for any items listed above in executive closed session as permitted by law including if they meet the qualifications in Sections 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas.

POSSIBLE ACTION FROM EXECUTIVE SESSION:

No action was taken.

BOARD INQUIRY

ADJOURNMENT

Motion by Carol Langley and seconded by Ryan Londeen to adjourn the meeting at 7:49 p.m. All in favor. (4-0). Wade Nelson stepped out prior to the vote.

Submitted by: _____
Diana Cooley, Deputy City Secretary

Date Approved: _____

Rebecca Huss, MEDC President