

**DRAFT - MINUTES
OF THE NEW BRAUNFELS ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING OF THURSDAY, JULY 20, 2023**

AGENDA

1. CALL TO ORDER

Vice President Kristen Carden called the meeting to order at 5:02 PM.

2. ROLL CALL

Present: Kristen Carden, Brian Cox, Stuart Hansmann, Larry Hammonds, Shane Hines (5:04 PM)

Absent: Kathy Meurin and Don Austin

Also in Attendance: Mayor Neal Linnartz

3. APPROVAL OF MINUTES

A) Approval of the June 15, 2023 workshop meeting minutes
Vice President Carden introduced this item.

Director Hammonds motioned to approve the June 15, 2023 workshop meeting minutes. Director Hansmann seconded the motion which was approved unanimously.

B) Approval of the June 15, 2023 regular meeting minutes
Vice President Carden introduced this item.

Director Hansmann motioned to approve the June 15, 2023 regular meeting minutes. Director Hammonds seconded the motion which was approved unanimously.

4. CITIZEN'S COMMUNICATIONS

This time is for citizens to address the Board on issues and items of concerns not on this agenda. There will be no Board action at this time.

None.

5. TREASURER'S REPORT

A) Presentation and discussion of the July 2023 Treasurer's Report
Vice President Carden introduced this item.

Jared Werner, Assistant City Manager, presented a PowerPoint addressing the July 2023 Treasurer's Report. Mr. Werner identified that May's sales tax activity showed an overall 5.8% decrease, however it is being compared to the data from May 2022 in which a positive audit adjustment of \$640,000 occurred. In removing the adjustments and looking at a current-to-current comparison, May 2023 was up by 8.4% which is very promising as we enter into the tourism season. Mr. Werner shared additional graphs and data to show projected revenues, current commitment projections, and the projected capacity for additional expenditures. Mr. Werner also included a copy of the proposed upcoming fiscal year budget for the Board; the overall City Budget will be presented to City Council for approval the first week of August.

6. ADVISORY TEAM REPORT

A) Review and discussion of changes to the New Braunfels Economic Development Funding Guidelines

Vice President Carden introduced this item.

Jonathan Packer, President & CEO of the Greater New Braunfels Chamber of Commerce presented this item. Mr. Packer reminded the board that the New Braunfels Economic Development Funding Guidelines document serves to provide guidance on obtaining economic development leads, pursuing projects, and providing incentive funding to new or expanding companies. The document outlines eligible project requirements, additional considerations for projects, and the process in which businesses and the board should operate for incentive requests.

B) Presentation and discussion of a Quarterly Advisory Report and a mid-year Confluence Report

Vice President Carden introduced this item.

Jonathan Packer, President & CEO and Michele Boggs, Vice President of Economic Development of the Greater New Braunfels Chamber of Commerce presented this item. Mr. Packer indicated the Advisory Report is provided but he will be presenting highlights of the mid-year Confluence report. There are six different strategies in Confluence: 1. Attract quality jobs in target industries, 2. Create competitive office and industrial spaces, 3. Align and optimize the workforce, 4. Support

the success of startups, 5. Improve mobility and transportation options, and 6. Execute proactive land use & development strategies. Ms. Boggs and Mr. Packer provided brief summaries of successes in each of the six aforementioned strategies.

Mr. Packer and Ms. Boggs answered a question from the Board.

7. **DISCUSSION AND ACTION**

A) Presentation and discussion of a proposed project expenditure for the 2019 Bond Sports Complex Project

Vice President Carden introduced this item.

Jordan Matney, Assistant City Manager, presented a PowerPoint providing a follow-up presentation from the recent joint workshop with City Council. Ms. Matney reminded the Board about the current timeline with the project's assigned Construction Manager at Risk, SpawGlass with plans to break ground later this year. The preliminary project deficit was initially \$14.7M and the project team have had several workshops to refine and reduce costs of the project by \$2.5M. Additional funds, not to exceed \$3.5M, is needed to address the irrigation and seeding of the turf, the planting budget, and an additional project contingency. Ms. Matney highlighted the next steps with this item up for public hearing and approval at the NBEDC special-called meeting on August 3rd. The City Council will take action on the project in mid-August and open-house meetings with community sports groups will take place mid-to-late August.

Ms. Matney answered questions from the Board; she also praised the work of the Transportation and Capital Improvements Department and the IT Department as a total team effort for this project.

B) Presentation and discussion on a proposed project expenditure for final design of the Kohlenberg Road project

Vice President Carden introduced this item.

Scott McClelland, Assistant Director of Transportation and Capital Improvements, provided a PowerPoint presentation addressing the Kohlenberg Road final design project. Mr. McClelland outlined the project with diagrams showing 12-foot driving lanes, a 16-foot median, a 6-foot sidewalk, and a 10-foot shared use path. The project also included new turn lanes at major intersections, a new traffic signal at

FM 1101, and improved drainage infrastructure. The total cost for the whole project is estimated to be \$14M with final design costs to be \$1.3M with an included 10% contingency to address potential adjustments. Construction is anticipated to begin in 2026. The approved 2023 Bond will address the construction costs for this project and the NBEDC previously agreed to cover the costs for final design. Plans are to have this item ready for public hearing and possible approval at the NBEDC special-called meeting on August 3rd.

Mr. McClelland answered questions from the Board.

C) Presentation and discussion of a proposed expenditure for a professional services agreement with the City of New Braunfels

Vice President Carden introduced this item.

Jeff Jewell, Economic and Community Development Director addressed this item. Mr. Jewell reminded the Board of their annual professional services agreement (PSA) with the City of New Braunfels for administrative and professional support to the Corporation to include contract development and management, pay applications, company and incentive auditing services, fiscal impact analysis, and record keeping. The annual costs supplement the Economic and Community Development Department (ECD) and help to offset the costs incurred by the many City Departments that work to support the NBEDC as well as the workforce housing consultant costs. An increase of \$115,413 is being requested for the 2023-2024 professional services agreement to address the full funding of an Assistant Project Manager in the Transportation and Capital Improvements Department (TCI) and funding of the ECD Administrative Assistant to move from part-time to full-time. More than 20% of the TCI department's project workload are from NBEDC supported projects and an additional project manager will be dedicated to working on EDC projects. This PSA will be a project expenditure up for consideration at the August 17th regular meeting.

Mr. Jewell answered questions from the Board.

D) Public hearing, discussion, and possible action approving an expenditure of up to \$485,584 to the City of New Braunfels for a professional services agreement with Vickrey & Associates, LLC. to complete preliminary design and engineering for segments of the Dry Comal Creek Hike and Bike Trail, a project authorized under 505.152 of the Texas Local Government Code; and authorizing the President to

execute said agreement.

Vice President Carden introduced this item.

Scott McClelland, Assistant Director of Transportation and Capital Improvements, provided a Powerpoint presentation on this item. Mr. McClelland shared a map with the Board reminding them of the proposed trail segments. The feasibility study and conceptual design process for segments two and three will cost \$485,584. This next step will take about 9 months in duration and Vickrey & Associates, LLC have been selected for this work.

Mr. McClelland answered questions from the Board.

Vice President Carden opened the public hearing at 5:56 PM. Mr. Jonathan Alorda, a New Braunfels resident, spoke at this time. Ms. Courtney Lyons-Garcia, a New Braunfels resident, spoke at this time. Vice President Carden closed the public hearing at 6:00PM.

Director Hansmann made a motion to approve the project expenditure, of up to \$485,584, for the feasibility study and conceptual design of segments 2 and 3 of the Dry Comal Creek Hike & Bike Trail. Director Cox seconded the motion which was approved unanimously.

E) Discussion and possible approval of a one-year extension to the existing Texas Tito's NBEDC Economic Development Agreement

Vice President Carden introduced this item. Director Hammonds recused himself from discussion of this item.

Jeff Jewell, Economic and Community Development Director addressed this item. Mr. Jewell reminded the Board that in April of 2022 a project expenditure was approved to support a Texas Tito's expansion project to help grow their business, retain, and create primary jobs. At the time, the company had plans to expand their footprint and build a larger facility. At the time, it was anticipated that Texas Tito's would be in their new building by the end of June 2023, but this has not occurred and the building construction is still underway. The request tonight is to slide the existing contract and performance requirements one year forward. The cost on the agreement will not change, just the dates.

Mr. Jewell answered questions from the Board.

Director Hines made a motion to approve the one-year extension to the existing Texas Tito's economic development agreement. Director Hansmann seconded the motion which was approved unanimously.

8. EXECUTIVE SESSION

In accordance with the Texas Government Code, Section 551.071, the Board reserves the right to retire into executive session concerning the items listed on this agenda to consult with its attorney. In addition, the Board may convene in executive session on any of the following items, with any final action being taken in open session:

A) Deliberate issues regarding economic development negotiations in accordance with Section 551.087 of the Texas Government Code:

1. Project Care Package
2. Project Camp Unicorn

Deliberate the pending/contemplated litigation, settlement offer(s), and matters concerning privileged and unprivileged client information deemed confidential by Rule 1.05 of the Texas Disciplinary Rules of Professional Conduct in accordance with Section 551.071 of the Texas Government Code:

1. Frantic Holdings

Vice President Carden introduced this item.

The Board retired to Executive Session at 6:04 PM. The Board entered Executive Session at 6:07 PM.

Items were discussed in the order of their appearance on the agenda. No action was taken.

The Board returned to open session at 6:34 PM.

9. ADJOURNMENT

Vice President Carden adjourned the meeting at 6:34 PM.

By: _____
KATHY MEURIN, PRESIDENT