

**ANNUAL REPORT OF THE NASSAU BAY
ECONOMIC DEVELOPMENT CORPORATION
Fiscal Year 2000 -- 2001**

Prepared for the City Council of the City of
Nassau Bay, Texas

November 2001

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In accordance with the by-laws of the Nassau Bay Economic Development Corporation, this annual report covering the period October 1 – September 30, 2001, is submitted as required by paragraph 5. (b). The following items summarize major EDC activities and decisions for Fiscal Year 2000 -- 2001:

1. Paris Air Show Promotion:
 - a. Joined CLAEDF Coalition to promote Nassau Bay at the Air Show. (\$2,000)
 - b. Developed a brochure promoting Nassau Bay as an ideal business location. (\$8,000) Copy attached.

2. Partnered with the developer of Mid-Towne Center on a storm drainage issue on Space Park Drive where three office buildings are to be constructed. (\$5,000) The Center is almost complete and is currently leased out. The developer has now shifted his attention to the construction of three office buildings on Space Park Drive, immediately behind Mid-Towne Center.

3. Supported the effort to bring a Charter School to Nassau Bay. In particular, Don Matter spent many hours providing advice and points of contact for the group, and John Haugen provided design ideas for the interior build-out of the space to save money. While the Charter School effort was abandoned, significant efforts of EDC members and the support of our community was appreciated by the school's leadership.

4. The EDC actively solicited the Wal-Mart Corporation to bring a Wal-Mart Neighborhood Market to the space of the old Arlan's Market. John Kennedy and Don Holick prepared data and a binder of information that was considered by Wal-Mart real estate planners. Wal-Mart decided not to locate one of their stores in our community because of our demographics, and because of intense local competition.

5. The EDC contributed \$25,000 to the NASA Road One landscaping project this year. Phase II of this project was completed with palm trees and an

irrigation system installed. The EDC will continue its' participation in this project in FY02 with an additional contribution.

6. EDC members met with the Nassau Bay Shopping Village management company to facilitate repair of the sign at the intersection of NASA Road One and Upper Bay Road.
7. EDC President Phil Johnson worked with City Staff to identify and prioritize areas of the City for repair of curbs. The EDC budgeted \$25,000 for street/boulevard improvements and the project will be completed during December 2001 and January 2002. In the FY02, the EDC budgeted \$110,000 for an additional curb and pavement project.
8. The EDC budgeted \$25,000 toward the dredging project.
9. Heard presentation from 1st Contact Technologies, Inc, a local high speed, wireless internet provider. Continuing discussions with 1st Contact to provide service throughout Nassau Bay by July 2001. This effort is proceeding slower than expected, however service is currently being provided throughout most of the commercial area, including City Hall. The company continues to plan service for the residential area. In addition, Time-Warner is now offering Road Runner, its high speed internet service.
10. EDC President/Directors continue efforts to revitalize the Nassau Bay Shopping Village. The owner of the property placed it on the market for sale in July. Several meetings have been held, some of them joint meetings with City Council. As a result, the City made an offer to purchase the property. The owner rejected this offer because he had a cash offer, which he accepted. This sale is currently in a due diligence period. The Mayor, EDC President, and the City Manager met with the prospective buyer and the owner's representative to discuss potential areas of cooperation.
11. The EDC and the City Council are working on proposals to expand the City's economic development powers, and to enact a tax abatement program. These proposals will be on the City Council's November 2001 agenda.

Attachments:

1. Economic Development Corporation Membership
2. Financial Report for Fiscal Year 2001