

**SPECIAL MEETING AND PUBLIC HEARING  
CITY COUNCIL  
CITY OF NASSAU BAY, TEXAS  
JUNE 4, 2018  
7:00 PM**

**MEMBERS OF COUNCIL PRESENT:** Mayor Mark Denman, Mayor Pro Tem Sandra Mossman, Councilmembers Don Matter, John Mahon, Bryce Klug, Jonathan Amdur, Bob Wartens, Councilmembers-Elect Ashley Graves and Matt Prior

**MEMBERS OF COUNCIL ABSENT:** None

**OTHERS PRESENT:** City Attorney Dick Gregg Jr., City Manager Jason Reynolds, and City Secretary Sandra Ham

**PRESIDING:** Mayor Mark Denman

**CALL TO ORDER AND ROLL CALL OF MEMBERS**

Mayor Mark Denman called the meeting to order at 7:01 p.m. and announced a quorum of Council was present with all elected officials in attendance.

**OLD BUSINESS**

Mayor Denman requested agenda item 2.A, *Consider and take action on a request by Transitional Learning Center Galveston for a Special Use Permit to operate a hospital at 1275 Space Park*, be voted upon after Executive Session deliberations. Subsequently, the agenda item was held and action was considered after Executive Session.

**EXECUTIVE SESSION**

Meeting recessed to Executive Session at 7:01 p.m. as authorized by Texas Government Code, Chapter 551, Open Meetings, Subchapter D, Exceptions to Requirement that Meeting be Open, with Mayor Denman reading from the posted agenda the following topic to be discussed in Executive Session:

1. §551.074 Personnel – Discussion of membership of the Nassau Bay Economic Development Corporation Board of Directors.
2. §551.087: Deliberations Regarding Economic Development Negotiations – Discussion of Economic Development Negotiations pertaining to various properties within the City limits.
3. §551.072: Deliberations Regarding Real Property – Discussion of Real Estate Matters pertaining to various properties within the City limits.

Meeting returned to Open Session at 8:19 p.m.

**ACTION ITEMS FROM EXECUTIVE SESSION**

**Resolution reappointing Mark Denman, Bryce Klug, and Bill Quinn and appointing Tony Quezada to the Nassau Bay Economic Development Corporation as discussed in Executive Session**

The caption of the resolution reads as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NASSAU BAY, TEXAS, APPOINTING/REAPPOINTING MEMBERS TO THE NASSAU BAY ECONOMIC DEVELOPMENT CORPORATION.

(Said Resolution is of record in Resolution Book No. 19 of the City of Nassau Bay, Texas, being Resolution No. R2018-2146.)

For clarification purposes, Mark Denman, Bryce Klug, and Bill Quinn were reappointed to the Nassau Bay Economic Development Corporation for a two-year term of office to expire May 31, 2020. Additionally, Tony Quezada was appointed to fill the term of office previously held by Matt Prior, with a term expiration of May 31, 2019.

It was moved by Councilmember Bob Warters, seconded by Mayor Pro Tem Sandra Mossman, to reappoint and appoint the named individuals to the Nassau Bay Economic Development Corporation.

Motion passed 7 – 0.

**Action on a request by Transitional Learning Center Galveston for a Special Use Permit to operate a hospital at 1275 Space Park**

The request by Transitional Learning Center Galveston for a Special Use Permit to operate a hospital at 1275 Space Park was considered under §551.087: Deliberations Regarding Economic Development Negotiations. Subsequent action was taken under 4.2 *Consider and take action regarding economic development negotiations as discussed in executive session – 1275 Space Park Drive, Nassau Bay, Texas.*

It was moved by Councilmember John Mahon, seconded by Councilmember Bob Warters, to approve the request by Transitional Learning Center Galveston for a Special Use Permit (SUP) to operate a hospital at 1275 Space Park.

Councilmember Bryce Klug voiced uncertainty regarding approval of the request, noting approximately 30% of the commercial properties in Nassau Bay are occupied by non-profit entities. He requested further insight and discussion from Council.

City Manager Reynolds indicated Council's ability to exact additional provisions on the SUP, similar to the approval of the SUP request by Shell. Councilmember Klug continued discussion commenting on the rehabilitation costs needed by the property at 1275 Space Park Drive. He inquired whether a provision could be placed indicating a minimum of \$4 million be contributed to the rehabilitation and renovation of the property. Additionally, he asked for surety in the timeline for completion of the project construction. Steve Takas, CEO of TLC, accepted these additional provisions, projecting construction costs to be at \$6 million, and an indicating TLC's aggressive timeline of completion to be one year.

Both Councilmembers Mahon and Warters indicated approval of the amendments to the motion.

Mayor Pro Tem Mossman also provided comments of uncertainty for approval of the SUP, but after further review and discussion of possible residual benefits of TLC moving to Nassau Bay, she now supports approval. Dr. Mossman continued by encouraging Moody Foundation's involvement with TLC and in Nassau Bay.

It was moved by Councilmember John Mahon, seconded by Councilmember Bob Warters, to approve the request by Transitional Learning Center Galveston for a Special Use Permit (SUP) to operate a hospital at 1275 Space Park, with the conditions of TLC contributing a minimum of \$4 million to the renovation and rehabilitation costs of the property, and project construction to be complete within two years (June 4, 2020).

Motion passed 7 – 0.

**Action regarding real estate matter as discussed in executive session – 18 Leeward Lane, Nassau Bay, Texas**

It was moved by Councilmember Bob Warters, seconded by Mayor Pro Tem Mossman, to move forward and contribute \$4,600 to the acquisition of 18 Leeward, Nassau Bay, Texas, noting the property would be demolished and further transitioned to permanent green space.

Motion passed 5 – 0 – 2, Mayor Denman and Councilmember Amdur abstaining.

**Action regarding real estate matter as discussed in executive session – Surf Ct Property, Nassau Bay, Texas**

No action was taken.

**ADJOURNMENT**

There being no further business, the meeting adjourned at 8:33 p.m.

Minutes approved as submitted and/or amended this 9th day of July, A.D. 2018.



ATTEST:



Sandra V. Ham  
City Secretary

CITY OF NASSAU BAY, TEXAS



Mark A. Denman  
Mayor