

MINUTES
NASSAU BAY ECONOMIC DEVELOPMENT CORPORATION
FEBRUARY 3, 2020
7:00 PM

MEMBERS OF THE CORPORATION PRESENT: President Mark Denman, Bob Warters, Bryce Klug, Bill Quinn, and Tony Quezada

MEMBERS ABSENT: Board Members Cindy Harreld-DeWease and John Mahon

OTHERS PRESENT: Councilmember Matt Prior, City Manager Jason Reynolds, Assistant City Manager Mary Chambers, City Secretary Sandra Ham, Finance Director Csilla Ludanyi, and Planning Commission Chairman Roscoe Lee

PRESIDING: President Mark Denman

CALL TO ORDER AND ROLL CALL OF MEMBERS

The meeting was called to order at 7:05 p.m.

A quorum of the EDC was present with five Board Members in attendance.

APPROVAL OF MINUTES

The minutes of the meeting on October 28, 2019 were presented for approval.

It was moved by Board Member Bill Quinn, seconded by Board Member Bob Warters, that the minutes be approved.

Motion passed 5 – 0.

CITIZENS' REQUEST FOR HEARING BEFORE THE ECONOMIC DEVELOPMENT CORPORATION

Public Hearing was opened at 7:07 p.m.

There being no one wishing to speak, the Public Hearing was immediately closed.

NEW BUSINESS

Presentation by Erma's Nutrition Store and impact on economic development

Mr. John Milstead of Erma's Nutrition Store provided an overview of Erma's transition to their new location. He stated the store made a successful move to their new location on NASA Parkway. As part of the move, Erma's incorporated several upgrades to enhance the storefront, including a pergola, new signage, and golf cart parking. Mr. Milstead expressed thanks to Council and specifically City Manager Jason Reynolds, Building Official Mark Stelly, and Mayor Mark Denman for their expertise in the economic development portion of their transition. Mr. Milstead continued by remarking on the increased business seen since the move, with the Farmer's Market attracting an average

400 to 500 people per Saturday. He stated he originally considered two storefronts in League City, but was pleased he had an ability to stay in Nassau Bay. Since the grand opening on December 7th, sales have dramatically increased, with the new location exceeding nine-month projections in just 11 days. Mr. Milstead ended his comments by expressing his appreciation for the City's outstanding support and partnership.

Consider and take action on approval of orders for payment to reimburse the City for invoices paid on behalf of the EDC

Finance Director Ludanyi discussed the expenditures listed below. She specifically noted the reimbursements were expenses realized since October 1, 2019. In general, she indicated there were no abnormal expenses.

Board Member Bryce Klug inquired on the remaining reimbursement amount for the Chick-fil-A tax incentive. Ms. Ludanyi approximated there were four more years remaining on the incentive, with each monthly payment averaging \$1,000 to \$1,200 per month.

The invoice amounts to be reimbursed were:

Reimbursements to the City of Nassau Bay for FY20:

- a. Red River Conference & Deal Making - \$115
- b. BAHEP – AAC Billing - \$445
- c. Sherrariums – Town Square Holiday Decorations 50% - \$5,525
- d. Office Depot – EDC Market Study Printing - \$629.60
- e. Tax Incentives – CFA - \$4,454.40

TOTAL FY20 – \$11,169

It was moved by Board Member Bob Warters, seconded by Board Member Tony Quezada, to approve the FY20 items for reimbursement.

Motion passed 5 – 0.

Consider and take action on approval of the December 31, 2019 Financial Statements

Finance Director Csilla Ludanyi provided an overview of the December 31, 2019 Financial Statements and provided projections for the end of the fiscal year. Finance Director Ludanyi indicated each quarter the EDC receives and approves a financial statement of the previous quarter. The presented report is for activity from October 2019 to December 2019. She also remarked that during the first quarter of each year, the October and November sales tax are always accrued back to the previous fiscal year to reflect the time of the sales. The report presented does include information on the sales tax receipts from January since those were available at the time of report preparation.

At year end, the budgeted anticipated cash position for the Corporation is \$539,000, which is based on projected revenue and expenses. The original budgeted year end cash position was \$521,000.

Ms. Ludanyi continued by overviewing the Corporation's investment portfolio and sales tax projections. She indicated these sales tax projections were based on a three-year average, and currently the Corporation is ahead of budget. Finance Director Ludanyi continues to remain conservative on all financial projections. Additionally, she remarked on a single sales tax payer that is performing well, and his performance is attributed to approximately one-third of the sales tax projections.

Corporation members inquired if the January and February 2020 numbers were real numbers or projected numbers. Ms. Ludanyi indicated the numbers were actual numbers. Board Member Bryce Klug congratulated Finance Director Ludanyi on a well-presented financial statement.

It was moved by Board Member Bryce Klug, seconded by Board Member Tony Quezada, to approve the December 31, 2019 Financial Statements.

ADJOURNMENT

There being no further business, the meeting adjourned at 7:20 p.m.

Minutes approved as submitted and/or corrected this 3rd day of August, 2020.

CITY OF NASSAU BAY, TEXAS
ECONOMIC DEVELOPMENT CORP.



Mark A. Denman
President

ATTEST:



Sandra V. Ham / City Secretary
for Cindy Herald-Dewease / EDC Secretary