

MINUTES OF REGULAR MEETING

February 18, 2019

MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION

CALL TO ORDER

President Rebecca Huss called the meeting to order at 6:04 p.m.

Present: Rebecca Huss - President
 Bill Hanover – Vice-President
 Julie Hutchinson - Treasurer
 Amy Brown – Secretary
 Tom Cronin – Board Member
 Cheryl Fox – Board Member
 Bob Kerr – Board Member

Also Present: Jack Yates – City Administrator
 Katrina Moore – Director of Marketing and Tourism

OPEN PUBLIC COMMENT

No public comment.

APPROVAL OF MINUTES

Minutes of January 21, 2019 Regular Meeting –

President Huss asked for comments on the minutes as presented.

Mrs. Huss, Mrs. Fox and Mr. Kerr thanked Mrs. Brown for the length and usefulness of the minutes.

Mr. Kerr made a motion to accept the minutes as presented, seconded by Mr. Cronin. All in favor. (7-0)

MONTHLY FINANCIAL REPORT

Report for January, 2019

Mrs. Hutchinson explained the expenses for January were minimal and included a reimbursement to Ms. Moore, "a couple of transfers out and the rebates."

Mrs. Hutchinson noted in the January meeting, the Board discussed possibly moving money from an expiring CD because of the interest rate. After speaking to Ms. Bronco, Mrs. Hutchinson was made aware of the increase in the interest rate for the CD. Ms. Bronco and Mrs. Hutchinson decided to simply renew the CD at the new interest rate.

Mrs. Hutchinson reminded the Board of another discussion during the January meeting concerning the high balance in the checking account, the fact the account does not earn interest, and no need by the Board to have such a high balance for cash flow purposes. Mrs. Hutchinson explained funds in the TxPool account can be transferred in thirty minutes if needed, so the funds are very liquid. Because of this, Ms. Bronco and Mrs. Hutchinson transferred \$153,000 on February 6th out of the checking account and into the TxPool account in order for the funds to earn interest. Ms. Bronco felt \$50,000 was a good amount to leave in the checking account. Mrs. Hutchinson said the funds will be monitored and the checking account balance could be adjusted if needed.

Mr. Yates said this month the EDC will have a \$50,0000 check to Kroger for their sales tax rebate, but the EDC will also "have about a \$30,000 to \$40,000 check" coming in on sales tax.

Motion by Mrs. Brown, seconded by Mr. Hanover to approve the January 2019 Financial Report as presented. All in favor. (7-0)

CONSIDERATION AND POSSIBLE ACTION

5. Consideration and possible action regarding memberships/advertising.

a) Central East Texas Alliance-

Mr. Yates explained the Central East Texas Alliance "is more of a general economic development type of group." He said the group is looking for businesses along the I45 corridor. Mr. Yates also said he did not believe this was the direction the Board was heading towards, so he suggested not becoming a member.

Mrs. Brown asked Mr. Yates what benefit the Central East Texas Alliance gives to members.

Mr. Yates said the Central East Texas Alliance has marketing classes at their meetings. The meetings are a type of contact group to share ideas.

Mrs. Brown asked if the EDC would receive that benefit and more from the Texas Downtown Association.

Mr. Yates said he believed that would be true.

b) Texas Downtown Association-

Mr. Yates said the Texas Downtown Association has fewer meetings with a newsletter once a quarter. This association also offers a downtown visit that is only available to members. Mr. Yates said he would like to check into this organization "because they come and do a downtown marketing, streetscape, parking and overall review of the downtown." Mr. Yates said this membership is \$180 per year.

c) KOA Publication-

Ms. Moore explained the KOA Publication ad has been purchased in the past through Shannon Reid and the Chamber of Commerce. The sales representative Jackie Fulbright contacted Ms. Moore concerning renewing the advertisement for the current year.

The cost of the ad is \$900.00.

Ms. Moore said if Distrx is included in the advertisement, Distrx will reimburse the EDC half the cost of the advertisement.

Mr. Yates noted the EDC has paid for the advertisement in the past, not the Chamber of Commerce.

Mrs. Huss said she would like an advertisement to bring people to Montgomery every day, not just during the six holidays or festivals.

Mr. Cronin asked who would be paid for the advertisement. He stated this is a privately owned company that has contacted his business every year. Mr. Cronin asked if the EDC has been able to quantify this advertisement to find out the return on investment.

Mrs. Brown said her business has paid for an advertisement with this company for the past four years and has seen very little return for the investment. She stated most people have cell phones and when traveling, will pull up businesses and events on their cell phones. Mrs. Brown said she did not know if using the advertisement for the EDC would have a different result, but she did not feel as if it would be wise to pay such a high amount for this particular advertisement.

Mrs. Huss asked if this booklet was handed out at the KOA.

Mrs. Brown said it is given to people as they check into the KOA at the front desk.

Mr. Cronin suggested the EDC may have just as much impact by printing brochures and leaving them at the KOA front desk.

Mrs. Hutchinson also noted the new billboard the EDC has contributed to that is very near the KOA.

Motion by Mrs. Huss, seconded by Mr. Cronin to approve annual membership with the Texas Downtown Association. All in favor. (7-0)

No action was taken on the Central East Texas Alliance membership or the KOA publication.

6. Consideration and possible action regarding designating Amy Brown to be the MEDC liaison to the City website.

Mrs. Brown explained the city is creating a new website spearheaded by Susan Hensley, the City Secretary, with the help of the Website Committee. The committee is comprised of five individuals who selected the website company, format and design.

Mrs. Brown said Ms. Hensley has asked Mrs. Brown to be the MEDC liaison since she has been involved since the beginning and is serving on the Website Committee.

Mrs. Brown said the MEDC will have it's own page on the city's website at no cost which the Board may use in any manner it chooses. There will be a sperate tourism page managed by Ms. Moore. The EDC page will be more of an informational resource page containing the Mission Statement, policies, minutes, and agendas. This page will not be an interactive page like the tourism page. The tourism page will have the events, calendars and contact information.

Mrs. Brown said she would also like to add short biographies of each of the Board members in order to allow the public to know who is on the Board.

Mrs. Fox agreed that most people do not know what the EDC does.

Mrs. Huss suggested adding items such as the Retail Coach reports.

Mrs. Brown informed the Board of the current status of the new website. The information is being transferred from the old website and the expectation is the new website will go live in March of 2019.

Mrs. Brown said the EDC does not currently have a page designed and needs to appoint a person to complete this task and manage or update the page in the future. The data on the page can be adjusted or changed in the future if the Board so decides. The liaison will have full access to change the page at any time in the future as often as necessary.

Mrs. Brown said if she is selected as the liaison, she will continually update the Board with any progress reports and updates on the website and EDC page. She said she would also welcome suggestions on what should be included on the page.

Motion by Mrs. Fox, seconded by Mr. Kerr to designate Amy Brown as the MEDC liaison to the new city website. All in favor. (7-0)

7. Consideration and possible action regarding accounting practices regarding internal festivals, events and miscellaneous income.

Mrs. Hutchinson said she met with Ms. Bronco and the decision was made to add new subaccounts in the EDC budget for internal festival funds. There will be a new income account that will be broken down by each festival in order to track data on each festival. In each

festival's subaccount there will be individual categories. This will be a fairly detailed accounting of each festival to track progress year after year.

Mrs. Hutchinson said the expenses will be tracked in the same way.

Mrs. Huss noted that after each festival is completed, the subcategories can be minimized so they do not show up on each monthly budget report, but instead are combined into one parent account for each festival.

Ms. Moore asked if she needs to separate the data on each festival into specific categories when she submits the information to Ms. Bronco.

Mrs. Hutchinson told Ms. Moore to use the categories that Ms. Moore has been using on the information sheets she has been showing the Board, and the budget categories will be modeled from Moore's list.

No action was taken on this item.

8. Economic Development Report – Jack Yates

Engineer Report –

Mr. Yates said the city is still working on the Adkins Creek project which is the washout of the water and sewer line near Terra Vista.

Mr. Yates said the city received a phone call from Chick-fil-A saying they were moving up the project if they can get the Lift Station #1 relocated in time. Mr. Yates said he contacted the city engineer and stressed the importance of moving the lift station to the city and to the development of the property. He also stressed the importance of meeting Chick-fil-A's deadline. Mr. Yates said the city engineer gave Mr. Yates a date that was acceptable to Chick-fil-A.

Chick-fil-A told Mr. Yates they plan on breaking ground in May of this year.

Mrs. Fox asked the status of Wendy's. Mr. Yates said he has not been given a date.

Development Status Report –

Mr. Yates pointed out page 39 of his report has a new section having to do with sales tax. He explained that Montgomery is a Receiver City, meaning the sales tax comes mostly from outside the city. Mr. Yates noted the income from sales tax has surpassed what the city receives in property taxes.

Mr. Yates said the CVS store is scheduled to open the 24th of February. Mrs. Huss asked if MEDC gave any money towards the CVS project. Mr. Yates said it was one half of one half of a percent.

Mr. Cronin asked if the city receives revenue from AirBnb or something of that nature. Mr. Yates said the city is supposed to receive a hotel/motel tax. Mr. Cronin asked if that has ever been tracked. Mr. Yates said it is very difficult to track.

Mrs. Fox and Mrs. Huss both said they did not believe AirBnb charges hotel/motel tax.

Tourism and Marketing Report –

Ms. Moore said she had a meet and greet at the library and had seven attendees. She said those who attended said they liked the new direction the city is headed towards, specifically tourism. Some attendees asked for more family-friendly events.

Ms. Moore discussed the workshop she organized for small businesses in town that discussed social media for small businesses. She said fourteen people attended and found the information useful and valuable.

Ms. Moore is planning another workshop on safety and security, possibly with Lt. Belmares and the police department. She also said the men who did the financial workshop may possibly come back for another workshop in April.

Ms. Moore said she is currently working with Distrx on content to post on social media.

Ms. Moore said she is working with a promoter to get live music for the Lone Star Flag and Foodtruck Festival. She said she is also working with local people to get advertising and souvenirs for the event.

Ms. Moore said she is also meeting with the Conroe hoteliers to help market the upcoming events.

Mrs. Huss asked Ms. Moore for a progress report on the Texas Birthplace slogan. Ms. Moore said she needs to do some additional research to determine the proper category on the application, then she can submit the application.

Mr. Yates expressed his concern that the Lone Star Flag and Foodtruck Festival date is quickly approaching and Ms. Moore may need to devote more of her time towards organizing the festival. Mrs. Hutchinson suggested finding one large sponsor such as Lone Star beer instead of spending time looking for several small sponsors.

BOARD INQUIRY

Mr. Hanover asked the status of the possible lawsuit. Mr. Yates said the City Attorney has spoken with the other attorney concerning the matter and there has been no further action from the other attorney.

ACTION ITEMS FROM JANUARY MEETING


<i>ACTION ITEM</i>	<i>ASSIGNEE</i>	<i>RESULT</i>
Construction mitigation 149	Cronin	
Minor Festivals	Moore	Updated
Front Foot Assessment/Tax Abatement	Huss	
Amend Budget for Internal Festival	Hutchinson/Yates	Completed

ACTION ITEMS FOR FUTURE MEETINGS


<i>ACTION ITEM</i>	<i>ASSIGNEE</i>	<i>DUE DATE</i>
Branding/Name	Moore	Updates as necessary
Birthplace of the Lone Star Flag		

ADJOURNMENT

Motion by Mrs. Brown, seconded by Mrs. Fox to adjourn the meeting at 6:53 p.m. All in favor. (7-0)

Submitted by:  Date Approved: 03/18/19
 Amy Brown, MEDC Secretary




 Rebecca Huss, MEDC President