


**NOTICE OF SPECIAL
MEETING
Montgomery Economic Development Corporation
(MEDC)**

Notice is hereby given that the Board of Directors of the Montgomery Economic Development Corporation will hold a special meeting at 6:00 p.m. on June 5, 2018 at the Montgomery City Hall, 101 Old Plantersville Road, in Montgomery, Texas.

1. Call to Order
2. Open Public Comment
3. Approval of Minutes of April 16, 2018
4. Monthly Financial Report (April, 2018)
5. Election of President and possibly Vice-President, Treasurer and Secretary as Needed
6. Consideration and possible action regarding Montgomery Original Snowballs grant application- Robert Skinner
7. Consideration and possible action regarding Hotel Incentive Program
8. Consideration and possible action regarding calling a public hearing for Amendment of Budget
9. Economic Development Report – Shannan Reid, Jack Yates
10. Adjournment



Jack Yates, City Administrator for
Bob Kerr, Vice- President of MEDC



I certify that the attached notice of meeting was posted on the bulletin board at City of Montgomery City Hall, 101 Old Plantersville Road, Montgomery, Texas, on the 1st day of June, 2018 at 12:15 o'clock p.m. I further certify that the following news media was notified of this meeting as stated above: The Courier

This facility is wheelchair accessible and accessible parking spaces are available. Please contact the City Secretary's office at 936-597-6434 for further information or for special accommodation.

MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION
MINUTES
APRIL 16, 2018

Present were: Kirk Jones, Cheryl Fox, Randy Moravec, Bob Kerr. Amy Brown. Bill Hanover and John Champagne were absent. Also present were, Shannan Reid and Jack Yates

Call to Order - President Jones called the meeting to order at 6:00 p.m.

Open Public Comment – There was no public comment.

Approval of Minutes of March 19, 2018—Motion by Moravec, seconded by Kerr to approve the minutes is presented. All in favor.

Monthly Financial Report (March, 2018) – Mr. Moravec spoke about the need to amend the budget due to specific event grants. Motion by Moravec seconded by Brown to accept financial report as presented. All in favor

Consideration and possible action regarding City Council Economic Development Report
Economic Development Report – Shannan Reid, Jack Yates – This item was moved up in the agenda for discussion because Shannan Reid had a family event to attend. She gave a brief summary of her proposed report to the City Council for first-quarter MEDC activity. Mr. Moravec recommended adding a listing of primary jobs to the report and Shannon said she would add that to the report.

Mr. Moravec and Mrs. Fox gave a positive comment regarding the Economic Summit held in late March.

Jack Yates presented his Development Status report and briefly presented the City Engineers report.

Recommendation to City Council of MEDC portion of sales tax in the 1% ESD shared area --

Jack Yates presented an informational memo regarding distribution of the 1% sales tax in newly annexed areas of the city, based on the ESD #2 sales tax agreement. There was a brief discussion regarding the limited expenditure categories available for the MEDC, future MEDC budgets and the need for the city's funds to meet all the needs of the city.

Motion by Moravec, seconded by Fox that the MEDC has no claim on the funds and will defer to the City Council as to how the funds will be distributed. All in favor

Consideration and possible action regarding downtown improvements for McCown Street – Pres. Jones said that McCown Street was brought up during the previous month sidewalk discussion so he wanted to present the item for any action that the Board may want to consider. The Board discussed the need for a master plan for downtown before doing any individual project. No

action on this item was taken outside the context of the statement of needing a master plan for the downtown area.

Adjournment – Motion by Moravec seconded by Brown to adjourn at 7:27 p.m. All in favor

Jack Yates, Recording Secretary

CITY OF MONTGOMERY - MEDC
ACCOUNT BALANCES REPORT
Through April 30, 2018

	<u>MONEY MARKET ACCOUNTS</u>	<u>INVESTMENTS</u>	<u>TOTALS</u>
<u>MEDC</u>			
CHECKING ACCOUNT #1017938	\$ 196,202.80		\$ 196,202.80
TOTAL INVESTMENTS	\$ -	\$ 487,112.72	\$ 487,112.72
TOTAL MIDC	<u>\$ 196,202.80</u>	<u>\$ 487,112.72</u>	<u>\$ 683,315.52</u>

INVESTMENTS

	Issue Date	Maturity Date	Interest Rate	Balance
Texpool #00006			1.67%	\$ 237,112.72
Certificates				
Allegiance Bank	12/17/2017	6/6/2018	0.85%	\$ 100,000.00
Icon Bank CD #7731	1/27/2018	1/27/2019	1.25%	\$ 150,000.00
Total Investment Balance				<u>\$ 487,112.72</u>

City of Montgomery - MEDC
Cash Flow Report
As of April 30, 2018

Date	Num	Name	Memo	Amount	Balance
51100 - MEDC Checking					109,468.16
04/06/2018	1883	Distrx, Inc.	17 Self-Guided Historic Walking Tours - Inv 348566	-1,718.00	107,750.16
04/06/2018	1884	Montgomery Area Chamber of Comme...	Partnership Grant for Director Services & Office Space Inv 1353 - 3/29/18	-2,566.67	105,183.49
04/06/2018	1885	China Chapel	Homecoming Celebration 2018	-3,000.00	102,183.49
04/06/2018	1886	Historic Montgomery Business Associat...	HMBA - Antique Festival 2018	-10,000.00	92,183.49
04/10/2018	Transfer		Sales Tax Transfer thru 3/31/18	104,650.08	196,833.57
04/20/2018	1887	Waste Management of Texas, Inc.	Blight Removal - Inv 1419952-1792-6, 1419921-1792.1	-577.63	196,255.94
04/20/2018			Lonestar College- Reimbursement for Training	600.00	196,855.94
04/25/2018	Transfer	City of Montgomery - General Fund	Reimbursement of Expense - Totes for Christmas Lighting/Supplies	-173.60	196,682.34
04/27/2018	1888	Waste Management of Texas, Inc.	Waste Bin Acct 19-82565-53004 Inv 1420128-1792-0	-479.54	196,202.80
Total 51100 - MEDC Checking				86,734.64	196,202.80
TOTAL				86,734.64	196,202.80

City of Montgomery - MEDC
Actual to Budget Performance
April 2018

	Apr 18	Budget	\$ Over Bud...	Oct '17 - A...	YTD Budget	\$ Over Bud...	Annual Bu...
Income							
55000 · Taxes & Franchise Fees							
55400 · Sales Tax	36,051.40	35,615.05	436.35	323,768.73	295,776.82	27,991.91	530,000.00
Total 55000 · Taxes & Franchise Fees	36,051.40	35,615.05	436.35	323,768.73	295,776.82	27,991.91	530,000.00
55300 · Other Revenues							
55391 · Interest Income	325.07	41.52	283.55	2,070.36	405.99	1,664.37	950.00
Total 55300 · Other Revenues	325.07	41.52	283.55	2,070.36	405.99	1,664.37	950.00
Total Income	36,376.47	35,656.57	719.90	325,839.09	296,182.81	29,656.28	530,950.00
Expense							
56000 · Pub Infrastructure - Category I							
56000.6 · Downtown Dev Improvements	0.00	5,366.89	(5,366.89)	6,151.38	32,521.64	(26,370.26)	55,000.00
56000.8 · Utility Extensions	0.00	80,003.13	(80,003.13)	142,225.50	105,009.39	37,216.11	180,000.00
56000.9 · Flagship Dev Improvements	0.00	0.00	0.00	4,465.00	8,000.00	(3,535.00)	8,000.00
56430 · Tsf to Debt Service	0.00	0.00	0.00	80,000.00	80,000.00	0.00	160,000.00
Total 56000 · Pub Infrastructure - Category I	0.00	85,370.02	(85,370.02)	232,841.88	225,531.03	7,310.85	403,000.00
56001 · Business Dev & Ret -Category II							
56001.8 · Sales Tax Reimbursement	0.00	0.00	0.00	0.00	35,000.00	(35,000.00)	35,000.00
56423 · Economic Development Grant Prog	0.00	0.00	0.00	0.00	20,000.00	(20,000.00)	20,000.00
Total 56001 · Business Dev & Ret -Category II	0.00	0.00	0.00	0.00	55,000.00	(55,000.00)	55,000.00
56002 · Quality of Life - Category III							
56404 · Seasonal Decorations	0.00	0.00	0.00	1,190.41	6,000.00	(4,809.59)	6,000.00
56420.2 · Christmas Lighting(Civic Assn)	0.00	0.00	0.00	2,469.49	1,600.00	869.49	1,600.00
56423.1 · Walking Tours	0.00	0.00	0.00	1,718.00	4,000.00	(2,282.00)	4,000.00
56429 · Removal of Blight	479.54	0.00	479.54	5,032.04	8,571.42	(3,539.38)	15,000.00
56433 · Downtown Signs	0.00	0.00	0.00	0.00	1,000.00	(1,000.00)	1,000.00
56435 · Fernland Improvements	0.00	0.00	0.00	0.00	4,000.00	(4,000.00)	4,000.00
56439 · Downtown Enhancement Projects	0.00	0.00	0.00	0.00	20,000.00	(20,000.00)	20,000.00
Total 56002 · Quality of Life - Category III	479.54	0.00	479.54	10,409.94	45,171.42	(34,761.48)	51,600.00
56003 · Marketing & Tourism-Category IV							
56408.1 · Promotional Video	0.00	0.00	0.00	0.00	1,500.00	(1,500.00)	1,500.00
56409 · Antique Show & Fest	10,000.00	0.00	10,000.00	10,000.00	10,000.00	0.00	10,000.00
56413 · Brochures/Printed Literature	600.00	0.00	600.00	5,040.00	3,750.00	1,290.00	5,000.00
56414 · Wine & Music Fest	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00
56415 · Texian/Heritage Festival	0.00	0.00	0.00	0.00	0.00	0.00	8,000.00
56418 · Christmas in Montgomery	0.00	0.00	0.00	5,000.00	5,000.00	0.00	5,000.00
56419 · Website	0.00	166.67	(166.67)	0.00	1,166.65	(1,166.65)	2,000.00
Total 56003 · Marketing & Tourism-Category IV	10,600.00	166.67	10,433.33	20,040.00	21,416.65	(1,376.65)	41,500.00
56004 · Administration - Category V							
56004.1 · Admin Transfers to Gen Fund	0.00	0.00	0.00	18,750.00	18,750.00	0.00	37,500.00
56004.2 · MACC Administration & Office	2,566.67	2,666.67	(100.00)	17,966.69	18,666.65	(699.96)	32,000.00
56004.3 · Miscellaneous Expenses	3,000.00	320.29	2,679.71	5,830.00	3,941.54	1,888.46	6,000.00
56004.5 · Internship Program	0.00	833.33	(833.33)	0.00	5,833.35	(5,833.35)	10,000.00
56327 · Consulting (Professional servi)	550.00	1,666.67	(1,116.67)	11,563.75	6,666.66	4,897.09	10,000.00
56354 · Travel & Training Expenses	(600.00)	0.00	(600.00)	840.00	2,240.00	(1,400.00)	2,800.00
Total 56004 · Administration - Category V	5,516.67	5,486.96	29.71	54,950.44	56,098.20	(1,147.76)	98,300.00
Total Expense	16,596.21	91,023.65	(74,427.44)	318,242.26	403,217.30	(84,975.04)	649,400.00
Net Income	19,780.26	(55,367.08)	75,147.34	7,596.83	(107,034.49)	114,631.32	(118,450.00)

AGENDA REPORT

Meeting Date: June 5, 2018	Budgeted Amount:
Prepared By: Jack Yates City Administrator	Exhibits:
Date Prepared: June 1, 2018	

Subject

This is a election for President of the Montgomery Economic Development Corporation. Is necessary because when Mayor Jones that the City Council his position became vacant, thus there is no President of the MEDC Board and is a required position. The City Council appointed Rebecca Huss to be the new member of the governing board to sit on the MEDC Board.

The reason that the item is worded the way it is with all the positions listed is if you were to elect Bob Kerr for President, that would mean a vacancy in the Vice President position requiring a election for that position. Also, while there is no restriction in the bylaws of dual place holding such as Secretary or Treasurer, if you were to elect one of those current officeholders as President, they may want to vacate their current position which would require an election to fill their position.

Description

My only comment as to the election of President, is that, and my and possibly others' opinion, that the President should be a resident of the city, although this is certainly not a requirement.

Recommendation

Act as you deem proper.

Montgomery City Council
AGENDA REPORT

Approved By

City Administrator

Jack Yates

Date: June 1, 2018

AGENDA REPORT

Meeting Date: June 5, 2018	Budgeted Amount:
Prepared By: Jack Yates City Administrator	Exhibits: MEDC application for financial assistance, his plans for improvement to the exterior of the building, a statement in support of the application
Date Prepared: June 1, 2018	

Subject

This is an application for \$5000 from Robert Skinner who is the new owner of Montgomery Original Snoballs business that is located at the corner of Clepper Street and FM 149. He is proposing a deck signage and lighting and request a \$5,000 grant out of a total project cost of \$8,200.

Description

This appears to be a well thought out plan for expansion of sitting area for customers that will be attached to the very small building that holds the business.
He did not attach an Exhibit "F" on the application form which asks for Montgomery vendors to be employed.
This seems to be a practical addition to his building which should increase the sales and increase the customer count also.
Other than the normal "splitting" of the total cost this seems to be a worthwhile project.

Recommendation

Approval of one half of the total invoices submitted for the proposed improvements, not to exceed \$4,100 of MEDC funds.

Montgomery City Council
AGENDA REPORT

Approved By

City Administrator	Jack Yates	Date: June 1, 2018
--------------------	------------	--------------------

**City of Montgomery, TX
Economic Development Corporation
Grant Application**



Company Name: Montgomery Original Snoballs	
Company Contact: Bobby & Jennifer Skinner	Title: Owners
Best Phone: 713-702-6928 Bobby cell	Alt. Phone: 832-334-2982 Jenn cell
Email Address: rmskinner3@gmail.com	
Physical Address: 14460 A Liberty Street	City, State, Zip: Montgomery, TX 77356
Mailing Address (if different):	City, State, Zip:
Applicant's years of experience in this business: 1	How long has his business been located in Montgomery? Since 2012

Do you own or lease this facility?	If leased, please provide owner information and a copy of lease agreement.	
<input checked="" type="checkbox"/> OWN <input type="checkbox"/> LEASE	Owner Name: (Bobby) Robert Skinner	Owner Phone: 713-702-6928

Provide a detailed description of the proposed project as "Exhibit A" attached

What is the estimated total cost of the project? (Include supporting information, ie estimates/quotes as "Exhibit B" attached)	\$ \$8200.00
How much funding are you requesting from the MEDC for this project? (Typical grants are awarded at 1/3 the total project cost or up to \$5,000)	\$ \$5000.00
Are you requesting an exception for additional funding on this project? (Please provide additional supporting evidence for this request as "Exhibit C")	\$ NO

When will this project begin? June 16, 2018	What is the estimated completion date? July 31, 2018
---	--

Attach all drawings of planned improvements as "Exhibit D"

Include a description of expected commercial revitalization impact & sales tax revenue impact as "Exhibit E"

If this project will employ Montgomery vendors, please supply details as "Exhibit F"

Applicant's Signature: _____
Title: _____
Date: _____

OFFICE USE:			
Date Application Received:	Date Presented to Board:	<input type="checkbox"/> APPROVED	<input type="checkbox"/> DECLINED
Performance Agreement Received:	Project Completion Date:	Funding Date:	Check Number:

**Montgomery Economic Development Corporation Grant
PERFORMANCE AGREEMENT**

THIS PERFORMANCE AGREEMENT is made and entered into as of _____, (date) by and between THE MONTGOMERY ECONOMIC DEVELOPMENT CORPORATION (MEDC) and _____ (Grant Awardee), whose business address is _____.

In consideration of the mutual covenants herein contained and, intending to be legally bound hereby, the MEDC and Grant Awardee agree as follows:

1. Grant Awardee will complete the grant application.
2. MEDC will notify Grant Awardee by U.S. Mail.
3. In the event that the property covered by the grant is leased, the Grant Awardee must provide the city with a letter of approval from the property owner for said improvements to commence.
4. Grant Awardee must submit plans to city for proper approvals and proper city permits.
5. A proposed project must start after grant approval and be completed within six (6) months of the date of this agreement or according to the terms of this agreement.
6. When the project is complete, the Grant Awardee must request the MEDC to verify completion and costs.
7. Grant Awardee must agree to maintain said enhancements/improvements for a period of time not less than twelve (12) months.
8. Upon notification by staff that the project has been completed and a satisfactory Performance Agreement has been executed by both parties, the MEDC will transfer awarded funds to the Grant Awardee for reimbursement of costs up to the awarded amount at the specified matching ratio.
9. Only costs from a vendor for purchased labor or materials will be recognized for matching funds. Costs for the applicant's employee labor or in-stock materials are not eligible for reimbursement.
10. MEDC may, at its sole discretion, extend the period of performance.
11. The MEDC Representative will verify start of work and completion of work.
12. No grant reimbursement funds will be paid until the project is complete. Cost incurred prior to the date of the grant approval may not be recognized for matching funds.

Date of Completion. The date of completion of the project is established as _____.

Payment. At completion of project MEDC agrees to make the following payment in U.S. funds to Grant Awardee, provided Grant Awardee complies with all of the covenants and stipulations contained in this Agreement.

A set fee of up to _____.

Grant Awardee

MEDC President

Deck Expansion Proposal

- Adding onto the deck- roughly 12' extended and length 24' AND replacing all existing walk-ways and decking.
- Adding railing to deck and will look like below photo



- Skirts will be corrugated galvanized steel to give a rustic appearance to keep with the flow of Historic Montgomery. Like photo below



- Plans are to have every other exterior post extend ~4ft above railing to allow for decorative LED lighting for aesthetics. Like the below picture



- 2 Proposed large Snoball signs. One on each corner of the deck, made out wood with an acrylic dome painted to look like a rainbow colored snow cone. Base to look like what we serve as depicted below- top dome with rainbow painted.



- Adding tables and chairs to the deck area for sitting / lounging. Tables will be able to hold large umbrellas for shade that is removeable for inclement weather. Also adding 2 tables in the grassy areas.
- Updating the current signs due to weathering and age.
-

MONTGOMERY ORIGINAL SNOBALLS- EXHIBIT "B"

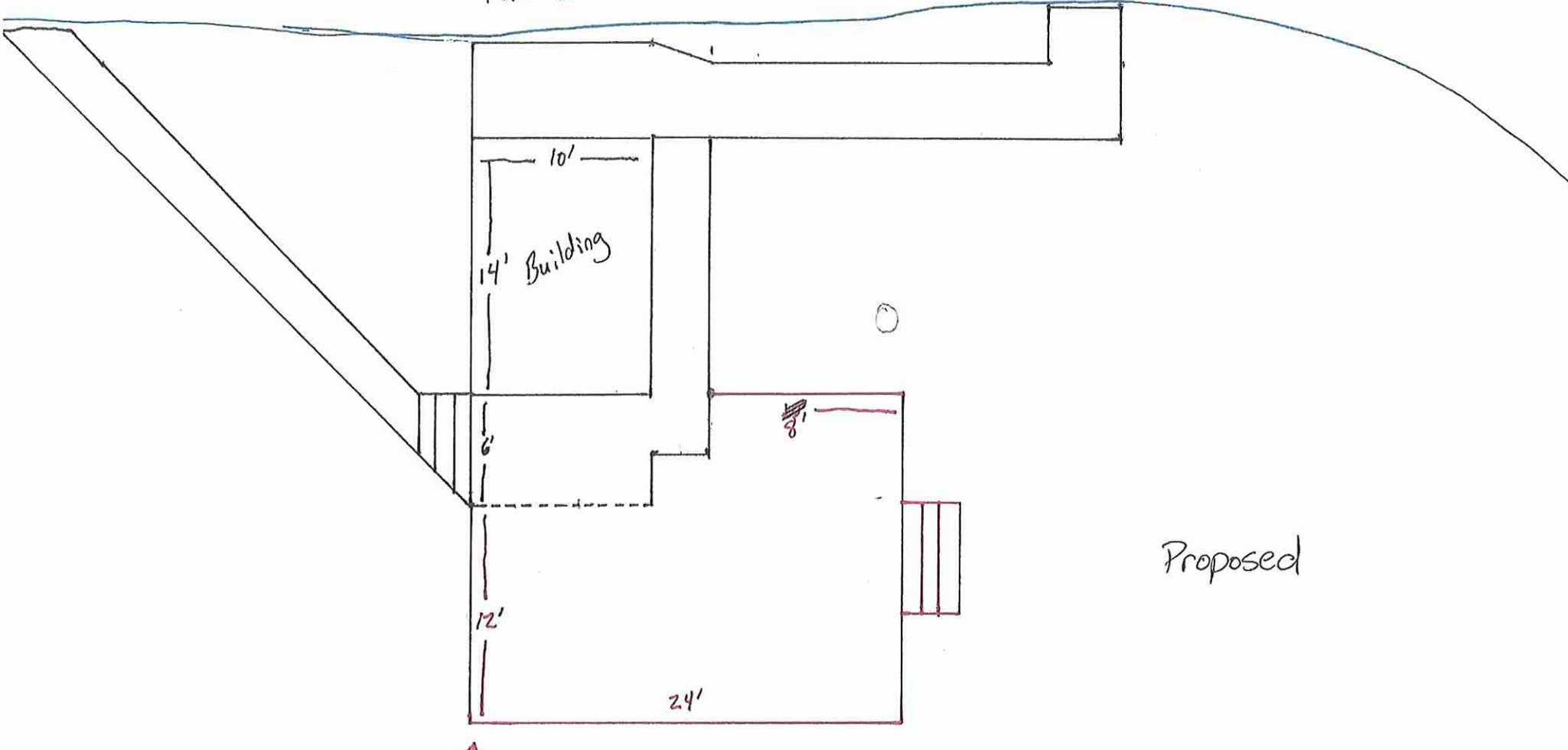
Estimated Costs-

Deck Expansion with railing-

Deck Upgrades	\$4,300.00
Signage update to include Snoball signs	\$1,800.00
Table, Chairs, lighting, Permits- etc	\$2,100.00
Total	\$8,200.00

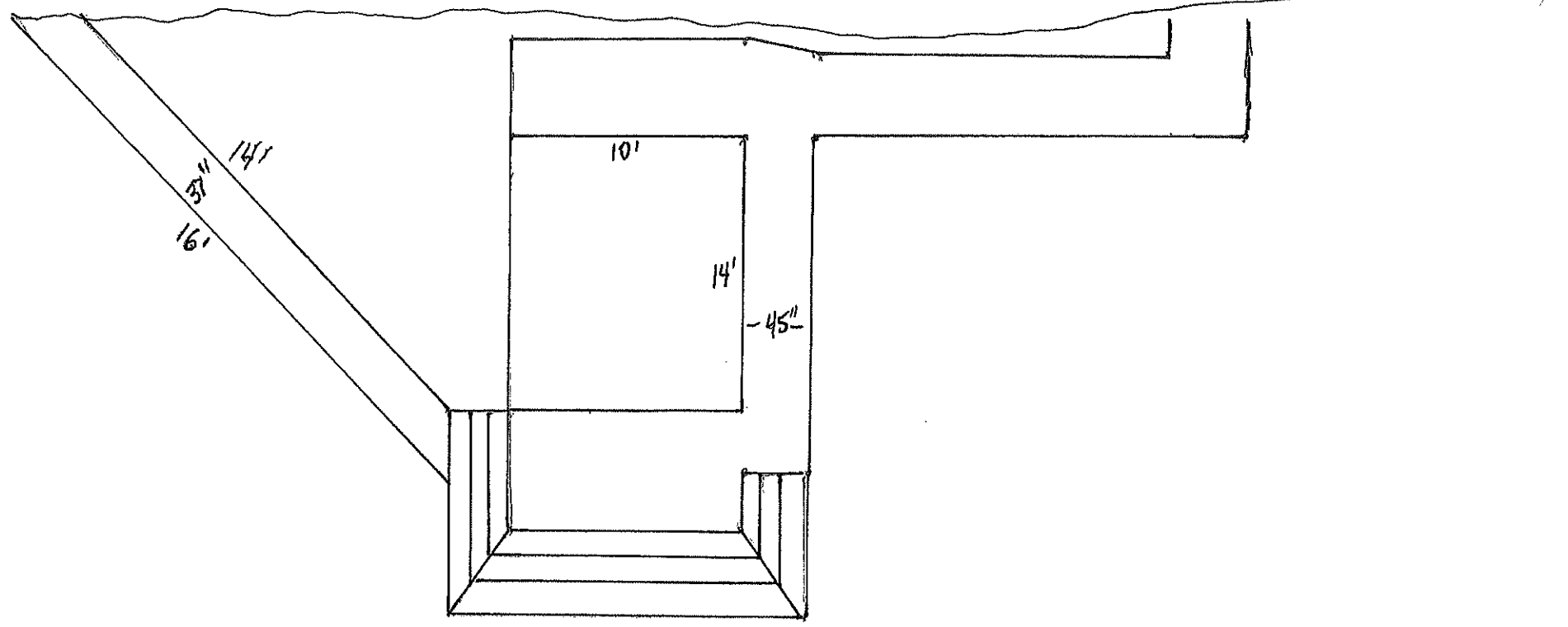
The requested improvements to the Montgomery Original Snoballs will attract new visitors to the Montgomery downtown business area by offering an inviting patio seating that encourages customers to stay in Montgomery. Additionally, with our corner "life size" Snoballs, customers will promote downtown Montgomery through photographs with the life size Snoballs through social media. Our patio seating will further our goal to provide patrons a place to share special moments with friends and family all in downtown Montgomery. The exact financial impact for the downtown community is unknown however; we expect it to be positive.

Jim's Hardware
Parking Lot

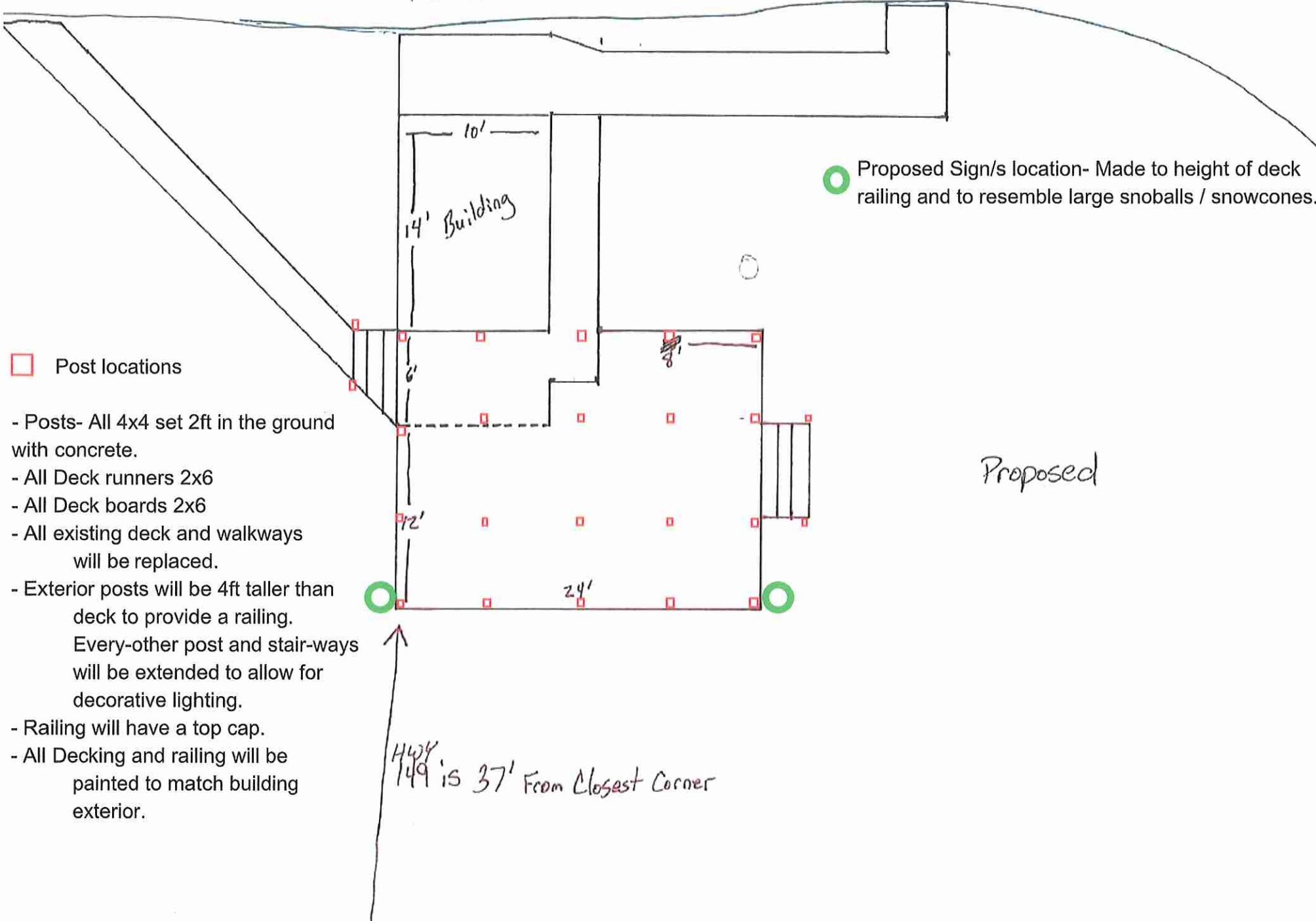


↑
Hwy
149 is 37' From Closest Corner

JIM'S



Jim's Hardware
Parking Lot



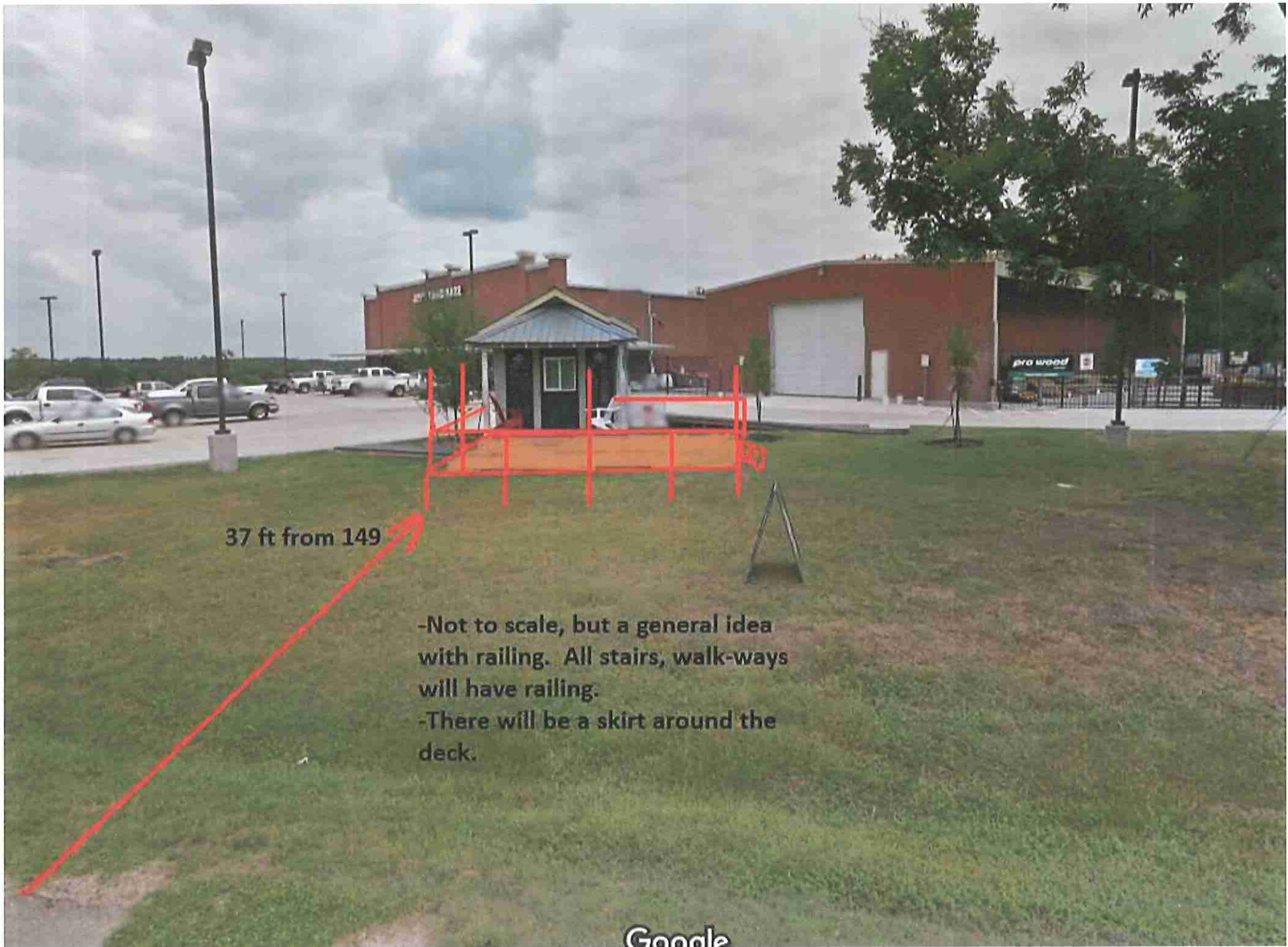
Proposed Sign/s location- Made to height of deck railing and to resemble large snoballs / snowcones.

Post locations

- Posts- All 4x4 set 2ft in the ground with concrete.
- All Deck runners 2x6
- All Deck boards 2x6
- All existing deck and walkways will be replaced.
- Exterior posts will be 4ft taller than deck to provide a railing. Every-other post and stair-ways will be extended to allow for decorative lighting.
- Railing will have a top cap.
- All Decking and railing will be painted to match building exterior.

Proposed

424
149 is 37' From Closest Corner



37 ft from 149

- Not to scale, but a general idea with railing. All stairs, walk-ways will have railing.
- There will be a skirt around the deck.



37 ft from
149

Snow Cones |
Montgomery Origin



AGENDA REPORT

Meeting Date: June 5, 2018	Budgeted Amount:
Prepared By: Jack Yates City Administrator	Exhibits: Proposed tax incentives for hotel to be placed in the City.
Date Prepared: June 1, 2018	

Subject

This is a presentation of a proposed tax incentive package for hotels that may want to locate in the inside the city.

Description

This is my attempt to come up with wording that could be offered/the basis for a 380 Development Agreement for the 1st 2nd and 3rd hotels to be placed inside the city.

The proposal is based upon other cities incentives being offered that I have heard about. The incentives, versus the business that they bring to the city, seems appropriate to me--- but that is for you to say/recommend to the City Council for their consideration of the ultimate consumer package.

Feel free to say whatever you think about the incentives, you certainly will not hurt my feelings.

Recommendation

This is a great proposal in the 1st time you have heard about it, so no vote is necessarily thought the happen at this meeting--- however if he feels supportive enough to recommend it to the City Council so be it. It could come up again at your June 18th meeting for a recommendation vote. While there is no time limit necessarily, I would like to get to the City Council by their 1st meeting in July.

Montgomery City Council
AGENDA REPORT

Approved By

City Administrator

Jack Yates

Date: June 1, 2018

THE INCENTIVE

An incentive may be discussed and an Agreement reached with a "Full service hotel" placed in the city limits of Montgomery. The term "Full service hotel" is defined as follows:

Full service hotels. A "full service hotel" is defined as: (1) shall have at least 100 guest rooms, (2) at least 1.25 parking spaces per room in addition to the parking required for the hotel's meeting space and restaurant, (3) at least ~~4,000~~ 3,000 square feet of meeting room space, (4) includes a table service restaurant providing breakfast, lunch and dinner in a dedicated dining room capable of serving at least thirty diners at a sitting, optional as being under the same roof as the main hotel. (5) Swimming pool(s). shall have a swimming pool of at least 800 square feet of surface area, and (6) otherwise comply with City Hotel Ordinance

*Choice
3,000 sq. ft.
or
400 sq. ft.*

The incentives to be considered in the placement of the **first** "Full service hotel" are; A 50% return of property taxes paid each year for the first five years, an annual marketing plan agreed upon equal to one-fourth of the Hotel and Occupancy Tax Collected for each of the first five years, a one-time payment from the Montgomery Economic Development Corporation in the amount of \$100,000 to be paid by the Montgomery Economic Development Corporation upon the first day the hotel is open for business.

The incentives to be considered in the placement of the **second** "Full service hotel" are; A 50% return of property taxes paid each year for the first five years, an annual marketing plan agreed upon equal to one-fourth of the Hotel and Occupancy Tax Collected for each of the first five years,

The incentives to be considered in the placement of the **third** "Full service hotel" are; A 50% return of property taxes paid each year for the first five years.

It is nor foreseen that incentives will be offered following the third placement.

THE MATH

Property Tax --- \$5,000,000 assessed building value x .4155 tax rate = \$20,775 annual tax paid / ½ = \$10,387.50 per year returned to hotel

Hotel Occupancy Tax/ Marketing Plan -- \$100/ cost per room x .06 City HOT rate = \$6.00 per room per night x 70% occupancy rate on 100 room Hotel = 70 rooms x \$6.00 x 365 days = \$153,300 / ¼ = \$38,325 per year committed for marketing of this hotel.

\$100,000 payment upon opening – City will get \$30,000 of sales tax from restaurant/hotel sales items per year (totaling \$60,000 over two year payback period), will net \$10,387.50 for first five years property tax (totaling \$20,775 over two year payback period), City will directly get \$114,975 net HOT charges per year (totaling \$229,950 over two year payback period). **Net Total received by City in first year \$155,362.50. Net Total received by City over the first two year period is \$310,725.**

Plus other, impossible to estimate but definite, increase in other sales tax collection increase from having persons spend overnight in city— food, grocery, gas particularly.

Info on hotel tax at 800-252-1385

AGENDA REPORT

Meeting Date: June 5, 2018	Budgeted Amount:
Prepared By: Jack Yates City Administrator	Exhibits: Statement of. Income, Expenditures and changes to net assets sheet- w/ the right column being the proposed amended budget. MEDC budget details sheets
Date Prepared: June 1, 2018	

Subject

This is a request to call a public hearing for budget amendment. This public hearing is a requirement according to law.

Description

This is my and Randy Moravec's recommended budget amendments. Attached is the detailed budget memo you were sent at the 1st of this budget year—with the yellow being the proposed changes description. Also attached is the 2017 – 18 amended budget column showing the changes and their resulting totals ending net assets fund balance.

Recommendation

This is only calling of a public hearing for July 16,2018.

Approved By

City Administrator	Jack Yates	Date: June 1, 2018
--------------------	------------	--------------------

Montgomery Economic Development Corporation
Statement of Income, Expenditures, and Changes in Net Assets

	2016-17 Actual	2017-18 Original Budget	2017-18 Proposed Changes	*	2017-18 Amended Budget
Beginning net assets (fund balance)	\$ 834,815	\$ 648,220	\$ 137,810	1	\$ 786,030
Income					
Sales tax (one-half of one percent)	500,557	530,000	45,000	2	575,000
Interest income	2,979	950	-		950
Miscellaneous	-	-	-		-
Total income	<u>503,536</u>	<u>530,950</u>	<u>45,000</u>		<u>575,950</u>
Total Appropriable Funds	<u>1,338,351</u>	<u>1,179,170</u>	<u>182,810</u>		<u>1,361,980</u>
Expenditures					
<u>Public Infrastructure (Category 1)</u>					
Downtown development improvements	83,295	55,000	11,000	3	66,000
Utility extensions	159,987	180,000	-		180,000
Flagship development improvements	9,800	8,000	(3,000)	4	5,000
Transfer to debt service	130,500	160,000	-		160,000
Total infrastructure	<u>383,582</u>	<u>403,000</u>	<u>8,000</u>		<u>411,000</u>
<u>Business development and retention (Category 2)</u>					
Sales tax reimbursement	-	35,000	12,500	5	47,500
Economic development grant program	-	20,000	-		20,000
Total business development	<u>-</u>	<u>55,000</u>	<u>12,500</u>		<u>67,500</u>
<u>Quality of life (Category 3)</u>					
Seasonal decorations	9,940	6,000	-		6,000
Christmas lighting, civic association	2,543	1,600	-		1,600
Walking tour	500	4,000	2,000	6	6,000
Downtown enhancement projects	-	20,000	-		20,000
Removal of blight	10,791	15,000	-		15,000
Downtown signs	-	1,000	-		1,000
Fernland improvements	-	4,000	-		4,000
Heritage village detention pond improvements	10,450	-	-		-
Park improvements	-	-	-		-
Total quality of life	<u>34,224</u>	<u>51,600</u>	<u>2,000</u>		<u>53,600</u>
<u>Marketing and tourism (Category 4)</u>					
Promotional video	1,900	1,500	1,500	7	3,000
Website	7,976	2,000	3,000	8	5,000
Brochures / printed literature	5,626	5,000	2,500	9	7,500
Christmas in Montgomery	5,000	5,000	-		5,000
Wine and music festival	9,500	10,000	-		10,000
Antique show and festival	10,000	10,000	-		10,000
Texian heritage festival	16,000	8,000	-		8,000
Other minor festivals	-	-	7,500	10	7,500
Total marketing and tourism	<u>56,002</u>	<u>41,500</u>	<u>14,500</u>		<u>56,000</u>
<u>Administration (Category 5)</u>					
Transfers to city general fund	37,500	37,500	-		37,500
Montgomery area chamber of commerce office	30,800	32,000	-		32,000
Internship program	-	10,000	-		10,000
Miscellaneous expense	4,372	6,000	-		6,000
Consulting (professional services)	2,667	10,000	-		10,000
Travel and training	3,174	2,800	-		2,800
Total administration	<u>78,513</u>	<u>98,300</u>	<u>-</u>		<u>98,300</u>
Total expenditures	<u>552,321</u>	<u>649,400</u>	<u>37,000</u>		<u>686,400</u>
Net income (loss)	<u>(48,785)</u>	<u>(118,450)</u>	<u>8,000</u>		<u>(110,450)</u>
Ending net assets (fund balance)	<u>\$ 786,030</u>	<u>\$ 529,770</u>	<u>\$ 145,810</u>		<u>\$ 675,580</u>

* Budget amendment notes:

- 1) Adjusted to recognize audited FY2017 report.
- 12) Increased due to YTD history.
- 3) Increased for parking lot improvements.
- 4) Reduced due to narrower scope of improvements.
- 5) Increased due to expected Kroger sales.
- 6) Based on expected expenditures for project.
- 7) Based on expected expenditures for project.
- 8) Based on expected expenditures for project.
- 9) Based on expected expenditures for project.
- 10) Based on MEDC being approached for funding of minor events (\$5,000 or less).
Includes Haunted House (\$2,500) and Homecoming (\$5,000).

-No change

Original budget memo

= proposed changes
in yellow.

MEDC BUDGET - DETAILS

Amendment Discussion is highlighted in yellow

Attached is the Proposed MEDC 2017 Budget. Below is an explanation of each line item intention- I say intention because, please remember that the budget is more than just figures, it is the intended actions of the MEDC from October 1st, 2017 to September, 2018.

Not all of these intentions will happen during the upcoming year and there, almost certainly, will be new actions that you will decide to undertake during the upcoming fiscal year,

All of this is to say that the budget is as much a goals policy as a financial plan that can be amended during the year.

You may note that the budget has a planned surplus of expenditures over revenue. That will be the case if every dollar is expended during the year, which is not likely. The MEDC has a current balance of approximately \$795,000 and the projected use of \$74,950 (the amount expenditures are over revenues for next year) would come off that number.

The downtown development Improvements budget of \$25,000 , with the paving of the Jacobs parking lot and other planned improvements for downtown looks like it will be \$66,000. The \$180,000 budgeted in Utility Extensions is looking like it's total for the year will be approximately \$150,000. The Flagship Blvd. project is complete.

Revenues

-Sales Tax – Sales tax for the city overall is expected to increase. I allowed \$35,000 of sales tax to be attributed to Kroger, and that figure turns out to be \$48,750 is also in the expenditures under “Sales Tax Reimbursement”, The “Sales Tax” revenue line item will actually be closer to \$575,000 this year.

-Interest Income – this is interest income from the balance in MEDC funds

Expenses state law states what can come from each category

Category I ---

-Downtown Improvements – The thought is that the \$35,000 will be used for some lighting and/or general improvements toward the streetscape plan. This could also be used for planning purposes also. This line item also includes Clepper Sidewalks—This has been an often thought of idea, but never in a budget, to place sidewalks on Clepper Street to connect downtown area to the Fernland Park and to parking areas for special downtown events.

The payment for both parking lots downtown will go into this 2017-2018 budget , plus other downtown improvements means this figure needs to be budgeted for \$66,000. This does not include the Clepper Street sidewalks recommended but turned down by the City Council.

-Utility Extensions – This is proposed to be \$180,000 with nothing specific intended, but with the thought that there will probably be one or more projects in the year that the Board agrees to support.

The actual expenditures, including Houston Street improvements and water line improvements near the Heritage Medical Plaza and \$4,350 to the Soccer Club will mean that this account is less than expected and \$155,000 should be plenty for this year. If the FM 149 project is going to happen this year, there will be up to \$18,000 for engineers for the lighting program in addition to the \$155,000 so may that amount is fine where it is, at \$180,000.

- Flagship Boulevard improvements-this involves landscaping on the north side of Flagship Boulevard, to screen the back of the shopping center from the apartments and otherwise beautify Flagship Boulevard. This \$8,000 will complete the project Areas four and five of the overall plan. This project is complete with \$3,500 less than expected needed, resulting in a proposed amended budget line item of \$5,000.

-Transfer to debt service. Increase from \$117,500 in the past to \$160,000 due to the TWDB borrowing by the city for water and sewer needs. No change here.

Category II

- Sales Tax reimbursement – this is the reimbursement of the sales tax received from the Kroger Shopping Area included in the 380 Agreement. This amount is expected to be \$47,500 and not paid until December 2018

-Economic Development Grant Program – This is where a grant is made to a historic area business or home to make an improvement to their façade, structure or public use aspect of their building. The grant maximum is \$5,000 and are individually applied for and awarded by the MEDC Board. One grant for \$2000 has been given to Rancher’s Daughter, one grant to Pizza Shack for a sign and the non-utility portion of the Montgomery Soccer Club (\$5,550)x which I expect will be spent during this fiscal year there may be other such grants but \$20,000 should be plenty for this category.

Category III

-Seasonal Decorations – The thought is to add various lighting and improvements to Cedar Brake park enough to make it a destination for the area during the holiday season. City Secretary and Cheryl Fox (representing the Civic Association) will make a specific proposal to the MEDC. The sponsors of this project plan on asking for more funds all next year, so it makes sense for them to spend what they can this year, so no change recommended.

-Christmas Lighting – this helps the Civic Association with funding for their lighting of Cedar Brake Park and downtown during the holidays. The funds have been spent for this year, so no change.

-Walking tour- The Distrix system may have some expense to get started, first year expenses that will be needed. Cost of Distrix markers on historical markers is estimated at approximately \$1,000 per year. The Distrix markers and getting the contractual help of Home Focus will spend approximately \$6,000 before the end of the fiscal year, So amendment to \$6,000 suggested. .

-Removal of Blight - This is for removal of old houses/structures having to do with the appearance of the city. The city is starting a process on four such structures and the \$15,000 will go toward those removal expenses. There may be another building or two torn down before the end of the fiscal year, no change suggested.

-Downtown Signs – This is for the upkeep of the new electric sign at the corner of 149 and 105. No repairs, improvements made to sign, but no change suggested.

-Fernland Improvements– This will contribute toward the restoration of the Park’s inventory of buildings and artifacts of Fernland Park. They are about to embark on

several improvements that will use up the \$4,000 already budgeted, no change suggested.

- Downtown Enhancement Projects –Thought to be Streetscape type of improvements. Still planned for this year, no change suggested.

Category IV

-Promotional Video –This is for Shannan Reid to work with the producer of the MEDC community video to update the video. No work on the promotional video is/has been planned, but the MEDC was approved for \$3,000 in June, 2017 that will come due in May or June. Suggest changing budget to \$3,000 to cover MEDC short film.

-Brochures Printed Literature - This involves an advertisement in a Woodlands Chamber publication and other brochures and mail outs during the upcoming year. The Historic Society and HMBA have asked for some brochure financial help, -- suggest adding \$2,500 to this line item.

-Christmas in Montgomery -- the MEDC for several years has contributed to this local event that brings in persons for the event that generally “sells” Montgomery to visitors and locals alike. Money spent for this year, no change needed.

-Wine and Music Festival- the MEDC for several years has contributed to this local event that brings in persons for the event that generally “sells” Montgomery to visitors and locals alike. Money approved for this year, no change needed.

-Antique Show and Festival-- the MEDC for several years has contributed to this local event that brings in persons for the event that generally “sells” Montgomery to visitors and locals alike. Money spent for this year, no change needed.

-Texian Heritage Festival -- the MEDC for several years has contributed to this local event that brings in persons for the event that generally “sells” Montgomery to visitors and locals alike. There may not be an event this year, not sure, no change suggested.

Website – Update/reworking of website. This project wound up costing \$5,000, which is \$3,000 more than expected. Suggest changing website line item to \$5,000.

Other Minor Festivals -- Homecoming Event MEDC Board approved \$5,000 to this event and \$2,500 to the Haunted House event. The recommendation is to add \$7,500 to budget and add this as “Other minor festivals” as a new line item in the budget.

Category V

-Admin. Transfer to General Fund – This is what MEDC pays for City support of MEDC, meaning the financial record keeping, my time and overall city support of MEDC economic development matters. **No change suggested.**

-MACC Administration and Office – This is payment to the Montgomery Area Chamber of Commerce for Shannan's Reid's time and office spent on economic development through the Chamber. **No change suggested.**

-Internship program- a cooperative program with local businesses wherein the local business pays half the paid to the intern and MEDC matches up to \$3,000. **Even though no participation yet, it is still possible, have one good application no change suggested**

- Miscellaneous Expenses - Just as it reads, minor expenses of the MEDC that do not seem to fit into any specific line item budgeted. A drone purchase is proposed. **Line item underspent, no changes suggested.**

- General consulting (Accounting , Eng., Legal) – This is in case there is some specific engineering or legal work or advice needed for the MEDC due to looking at some specific issue, plus it could pay for the economic development analysis programs that MEDC has done on two recent occasions to analyze requested infrastructure contributions to a specific business. **The downtown improvements may require some engineering to use up remainder of \$2,400 balance of expenditures, so no changes suggested.**

- Travel and Training Expenses -- Travel for MEDC members or staff to various trainings, seminars, etc. **Due to scholarships Shannan has been able to parlay, (paybacks of tuition being received now) this amount spent for year should come in well below budget, no change suggested.**

From: Sheriann Reid

p. 1 of 2

MEDC Activities Report – May 2018

- Met weekly with City administrator on a variety of ongoing projects including status of development projects throughout the city.
- Assembled New Business and New Resident Welcome Packets for distribution. I will deliver Business and Autumn will provide Resident. We will communicate on distribution just to be sure.
- Worked with Autumn on status of current projects around city. Most projects are still open from last month. Quiet month for new projects.
- Keynote Speaker for Lake Conroe Rotary Breakfast in late April.
- Contacted/arranged for upcoming keynote presentations for:
Keller Williams Agents – date TBA and JLA Realty Agents – date TBA
- Attended H-GAC Open for Business seminar for small communities in the surrounding Houston Metro
- Met with Dr. Rebecca Riley, Lone Star College – Montgomery President. Continuing to partner with workforce development resources for our RFP submissions. Also, partnering with LSC Small Business Development Center to provide training to small businesses in our local community via Chamber partnership.
- Liaison for Virginia Adams on the lease agreement of the property located at the NE corner of Hwy 105 and FM 149 at the Nat Hart Davis Museum.
- Received and researched 3 RFP's via the Governor's Economic Development office or the Greater Houston Partnership. After consulting property local owners, we did not qualify for submission.
- Spoke to commercial real estate representatives about various locations within the city, Corridor Enhancement guidelines, zoning concerns at various locations, and provided demographics for several brokers
- Interviews with Community Impact Newspaper regarding demographics and development trends of Montgomery Area
- Connected potential developer/investor with new property owner options – still working with same group as last report, but continuing to make introductions and find avenues for future opportunity
- Connected Victor Chea (new donut shop at the downtown triangle) with a local design/builder to help him complete the project per design standards to fit Historic District
- Partnered with local business leaders and engineers to evaluate and review engineering design students at Montgomery High School. The goal would be to promote those students to connect back to Montgomery upon

completion of their schooling

- Shared press release and opportunities with local businesses and MISD once again about the Sponsored Internship Program available through MEDC. Summer workforce would be a good time to take advantage of this program.
- Received Historic Walking Tour Beacons for the new Distrx App.
Roll out to be scheduled this summer including installation, marketing, local merchant buy in, and community launch.
- Called on businesses in active planning/construction stages:
 - Sno Balls – Bobby Skinner
Permits completed and open by Antiques Festival
Planning expansion and improvements to outdoor space with Grant request to MEDC
 - Uncle Bob’s BBQ
CO complete
Considering private launch events next week or so - Soft Open to public by the end of May
 - Pet Supplies Plus – Ashleigh (Bryan, TX Manager) / Noreen (local manager)
Soft opened on May 11 - Grand Opening scheduled June 2 - Fully staffed
 - Dentists of Montgomery
Now open to the public - Grand opening scheduled June 2
1 Dentist + 1 hygienist
Expansion room for additional dental, hygienists, oral surgeon, endodontics, orthodontics
All lab work capabilities in house and on site in single visit
 - CVS Pharmacy
Permits approved and waiting for pick up - Construction ready to begin
 - Kenrock Properties Development
Full plans have been approved by J|C
Driveway to Lone Star Pkwy approved
Finishing final steps for water/sewer now
2 pads out front ready to start build - AT&T tenant to be located in a portion of 10K sf bldg.
 - Brookshire Brothers
Recently began remodel work inside store
New flooring at check out, Deli and Produce remodel already complete
Paint and artwork for each department still in progress
Flooring for deli/produce + remodel to exterior entrance coming this summer
Working with Corporate and Local management to host a “Come see what’s new” event

May 31, 2018

Montgomery Economic Development Corporation
City of Montgomery
101 Old Plantersville Road
Montgomery, Texas 77316

Re: Engineering Development Report
Montgomery EDC Meeting: June 5, 2018
City of Montgomery

Board Members:

The following information summarizes the current status of development throughout the City:

Montgomery EDC Projects:

- 1) **Houston Street Rehabilitation** – All punch list items identified at the final inspection have been addressed, and the project is complete.

Development Projects Under Construction – Below is a list of the developments under construction or approved for construction:

- 1) **Heritage Medical Plaza** – 18,000 SF Medical Office Building
- 2) **Villas of Mia Lago, Section 2** – 42 Single Family Homes
- 3) **Hills of Town Creek, Section 3** – 49 Single Family Homes
- 4) **Town Creek Storage** – 29,000 SF Storage Facility
- 5) **Apache Machine Shop Expansion**
- 6) **Emma's Way Extension** – Public Road Extension
- 7) **Dusty's Car Wash** – Self Service Car Wash
- 8) **Madsen & Richards Development (610 Liberty St)** – 5,000 SF Mixed Use Commercial
- 9) **Montgomery First Phase I, II, & III**
- 10) **Shanon Salsbury, State Farm**
- 11) **CVS Pharmacy**
- 12) **The Shoppes at Montgomery, Phase I** – 27.68 Ac Mixed Use Commercial

Development Projects Under Design/Review – Below is a list of the developments that are currently in the design and approval phase:

- 1) **BlueWave Express Car Wash** – Self Service Car Wash
- 2) **The Shoppes at Montgomery, Phase II** – 27.68 Ac Mixed Use Commercial
- 3) **5.7-Acre Peter Hill Commercial Tract** – Mixed Use Commercial
- 4) **Samdana Investments Development (Eva St)** – Mixed Use Commercial
- 5) **ProCore Developments Retail Center**

Developments in Feasibility Process – Below is a list of the developments that are currently undergoing a feasibility study:

There are currently no active feasibility studies.

Capital Projects:

- 1) **FM 149 Widening (TxDOT)** – We received revised plans from TxDOT on April 11th, and await additional revised plans that identify the proposed locations of storm sewer. We are also working with TxDOT to enter into an Advance Funding Agreement (AFA) to incorporate the City’s required utility relocation needs with TxDOT’s project. Enclosed is an exhibit identifying driveways and intersection improvements that were not originally included in the scope of work but have been added at the request of the City. It is our understanding the City Council plans to hold a special meeting on June 14th to discuss the project.
- 2) **Buffalo Springs Drive Bridge Repair (FEMA)** – The contractor is proceeding with construction, but has been delayed due to the recent rains. The contractor is now on schedule for a middle of July completion.
- 3) **Atkins Creek Water, Sanitary, and Storm Sewer Repairs (FEMA)** – We are preparing our contract for professional services and a detailed scope of work for the project.
- 4) **Baja Road Paving Repairs (FEMA)** – We are preparing a scope and schedule for the project, which will take place following the completion of the Baja Road Water and Drainage Improvements (CDBG) project.
- 5) **Lone Star Bend (Montgomery County)** – Construction is complete and the road is open for use.
- 6) **Lift Station No. 1 Replacement (Texas Water Development Board “TWDB”)** – We are proceeding with the design of the project, and expect to be complete with the design and submit the project for approvals by the middle of June 2018.
- 7) **Lift Station No. 3 Force Main Re-Route (TWDB)** – We expect to complete the design by the end of the month and receive approvals in July 2018. We expect construction to begin in August 2018.
- 8) **SH-105 and Downtown Waterline Replacement (TWDB)** - We expect to complete the design and receive plan approval in July 2018. We expect construction to begin in August 2018.
- 9) **Water Plant No. 3 Improvements (TWDB)** - We expect to complete the design and receive plan approval this summer and start construction this fall.
- 10) **18” Gravity Sanitary Sewer Extension (Developer)** – We are proceeding with the design of the project, and expect to be complete with the design this month and receive all approvals by the end of June 2018.

- 11) **Buffalo Springs Drive Waterline Extension (General Funds/Developer)** – We continue to receive and review submittals from the contractor. It is our understanding the contractor is prepared to begin construction once the bridge construction has progressed sufficiently.
- 12) **2017 FM 149 Cleaning & Televising (General Funds)** – The contractor has submitted the outstanding items and we are finalizing our review and recommendations. We will present a report of our findings at the May 22nd City Council meeting.
- 13) **Water Plant No. 2 Ground Storage Tank Backfill (General Funds)** – We plan to receive bids in August 2018, and we expect construction to begin in September 2018.
- 14) **Baja Road Water and Drainage Improvements (CDBG)** – We are proceeding with the design of the project, and expect to be complete with the design this month and receive all approvals by the end of June 2018.
- 15) **GLO Projects (General Land Office)** – It is our understanding the application package is under review by the General Land Office. It is also our understanding the earliest funds will be available is July 2018.

Please contact Katherine Vu or me if you have any questions.

Sincerely,



Chris Roznovsky, PE
Engineer for the City

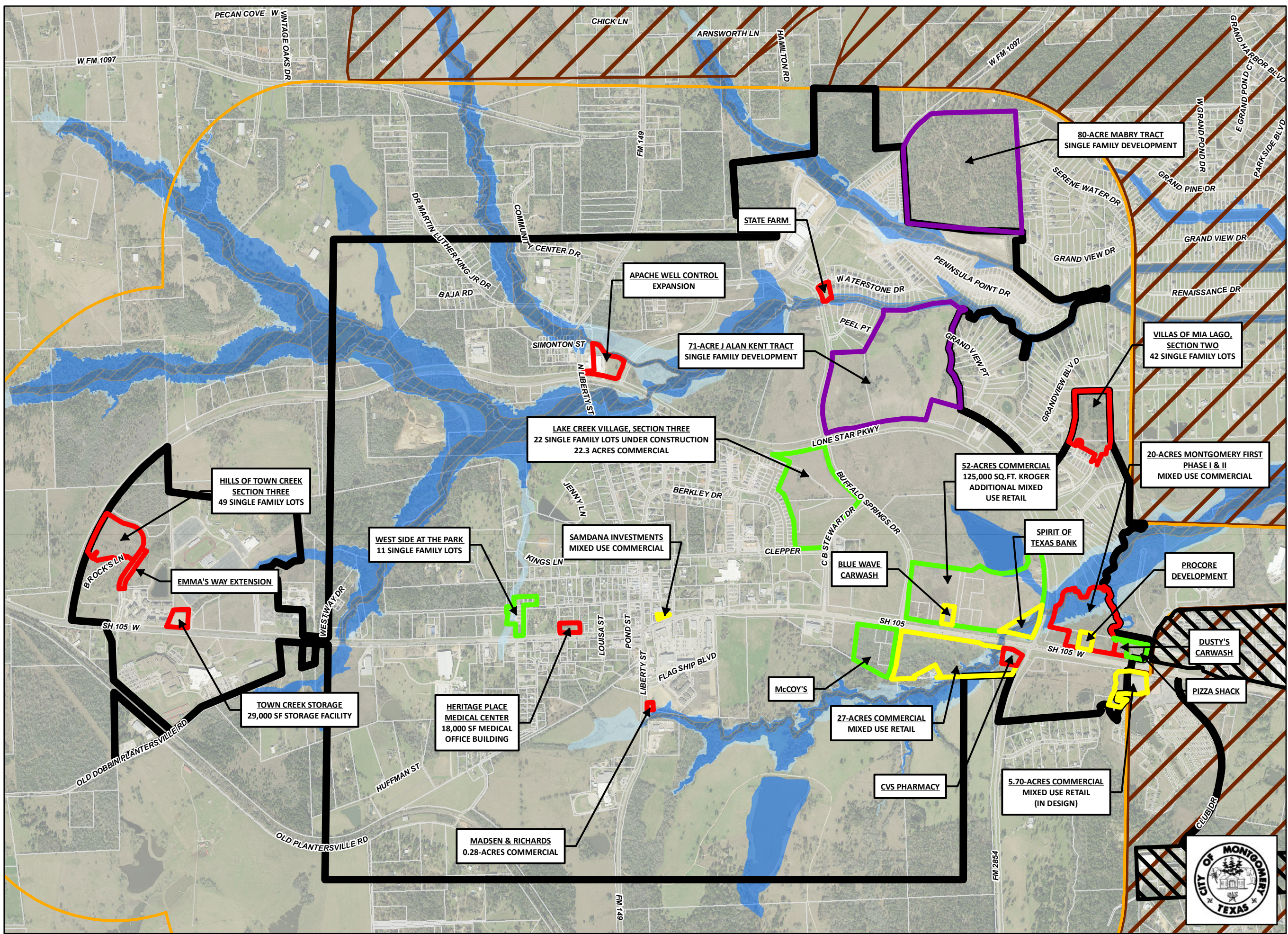
CVR/kmv

Enclosures:

Project Schedule
Active Developments Map
Active Capital Projects Map
FM 149 Plan Excerpt

cc (via email):

Mr. Jack Yates – City of Montgomery, City Administrator
Ms. Susan Hensley – City of Montgomery, City Secretary
Mr. Larry Foerster – Darden, Fowler & Creighton, LLP, City Attorney
Ms. Shannan Reid – Montgomery EDC – Director of Economic Development



LEGEND

- Active Development (Phase)
 - Complete/Under Warranty (Green outline)
 - Under Construction (Red outline)
 - In Design (Yellow outline)
 - Planning/Feasibility (Purple outline)
- City Limits (Black outline)
- Stanley Lake MUD (Hatched pattern)
- City ETJ (Orange outline)
- City of Conroe ETJ (Brown outline)
- Floodway (Blue shading)
 - 100-year (Dark blue)
 - 500-year (Light blue)
- MCAD Parcels (White outline)

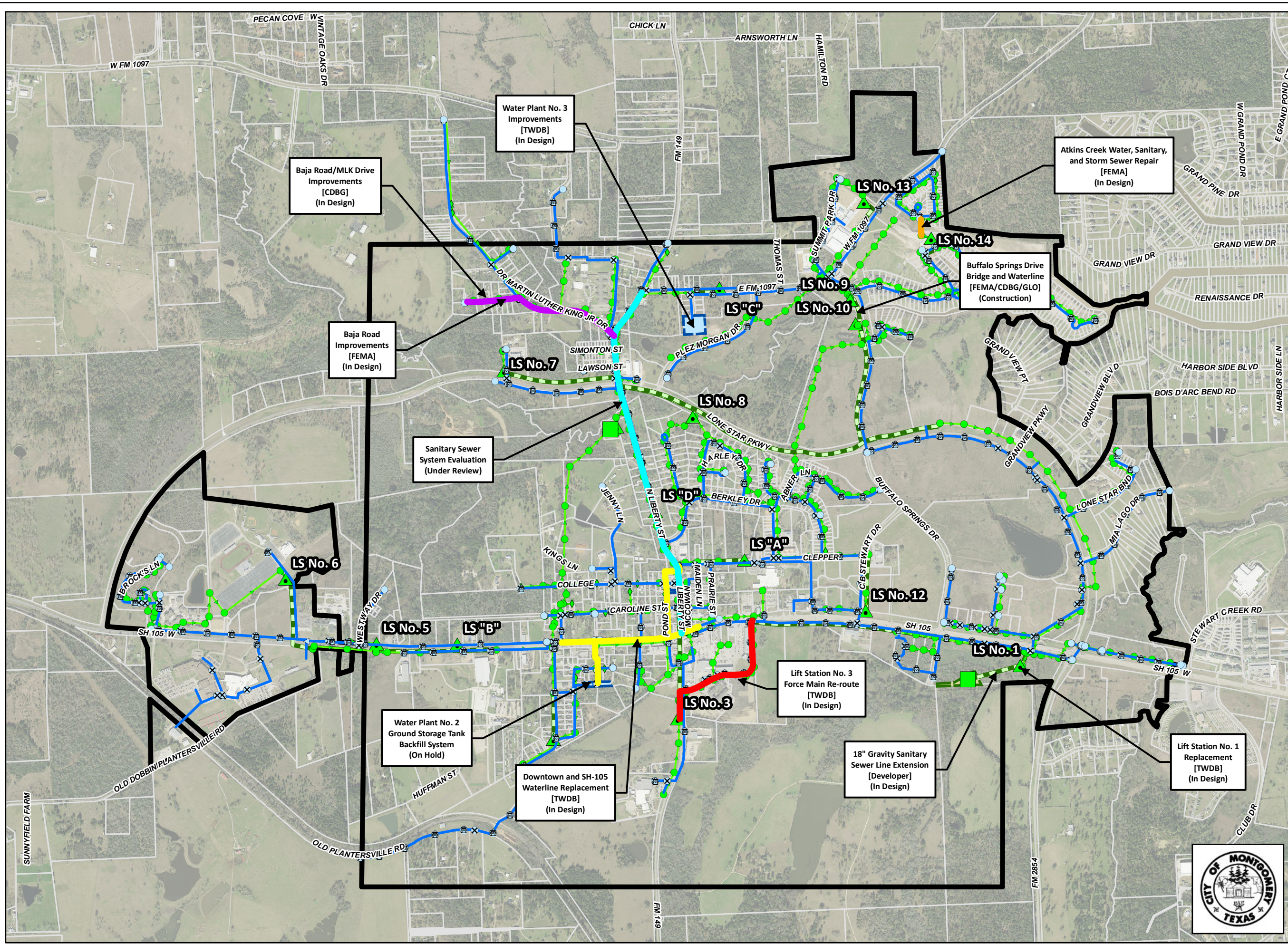
ACTIVE DEVELOPMENTS (MAY 2018)

0 750 1,500
Feet

1 inch equals 1,500 feet

Disclaimer: This product is offered for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property, governmental and/or political boundaries or related facilities to said boundary. No express warranties are made by Jones|Carter, Inc. concerning the accuracy, completeness, reliability, or usability of the information included within this exhibit.

JONES | CARTER
Texas Board of Professional Engineers Registration No. F-439

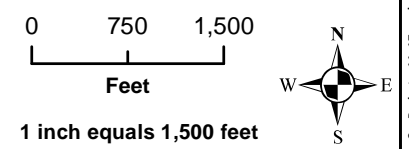


VICINITY MAP
Scale: 1 inch equals 20 miles

LEGEND

- Blowoff/Plug
- Flush Valve
- Main Valve
- Reducer
- Waterline
- WP Boundary
- Cleanout
- Manhole
- Lift Station
- WWTP
- Force Main
- Abd Force Main
- Gravity Main
- LS/WWTP Boundary
- City Limits
- MCAD Parcels

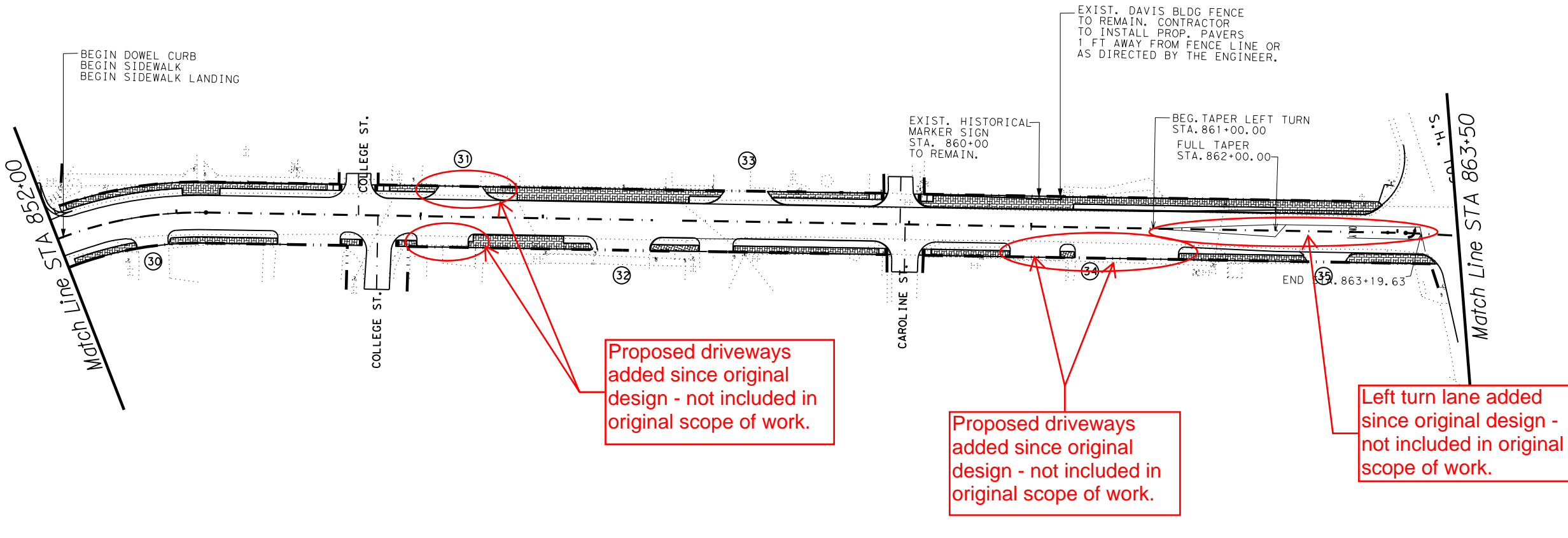
ACTIVE CAPITAL PROJECTS (MAY 2018)



Disclaimer: This product is offered for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property, governmental and/or political boundaries or related facilities to said boundary. No express warranties are made by Jones Carter, Inc. concerning the accuracy, completeness, reliability, or usability of the information included within this exhibit.



DATE: 04/10/2018 06:49 PM
 FILE: D:\dot\projectwiseonline.com\TxDOT\3\Documents\12 - HOV\Design Projects\072002077\4 - Design\Plan Set\3 - Roadway\pp\plan_pp5.dgn



Proposed driveways added since original design - not included in original scope of work.

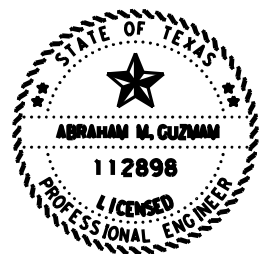
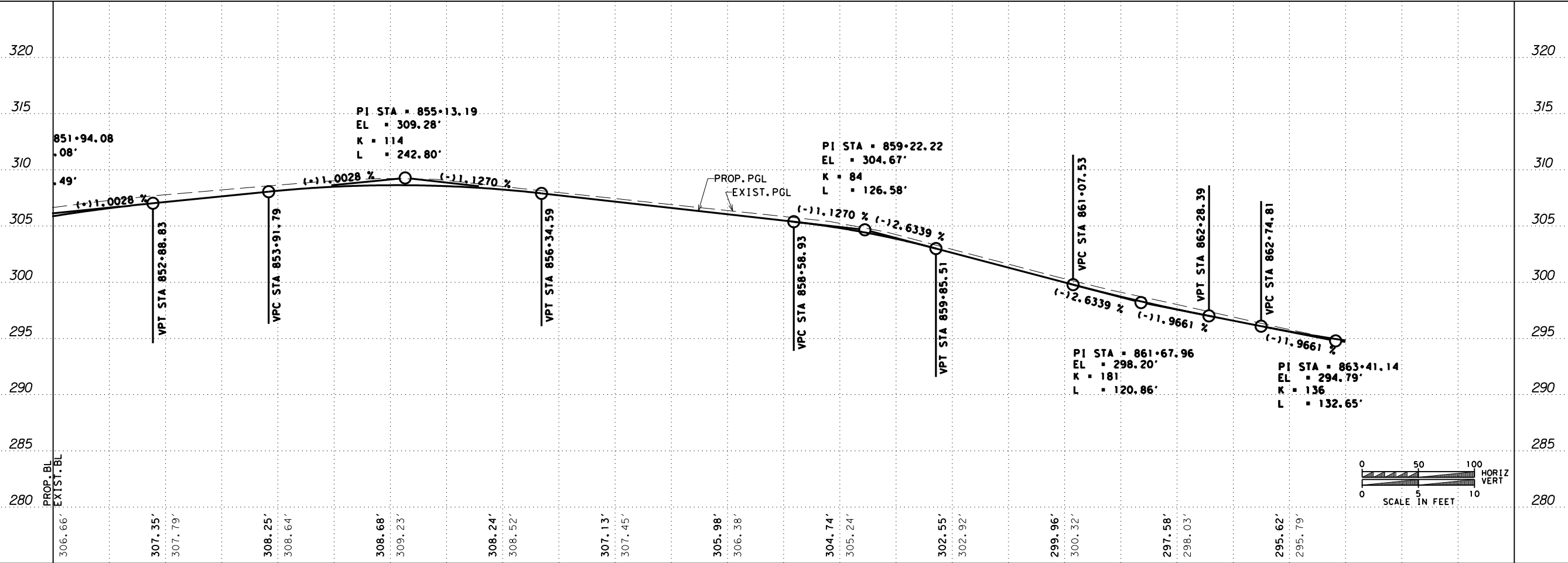
Proposed driveways added since original design - not included in original scope of work.

Left turn lane added since original design - not included in original scope of work.

- NOTES:
- FOR HORIZONTAL ALIGNMENT INFORMATION SEE HORIZONTAL ALIGNMENT DATA SHEETS.
 - ALL STATIONS AND OFFSETS ARE BASED OFF ALIGNMENT. (149 ALIGNMENT)

LEGEND

- EXIST. PAVEMENT
- EXIST. ROW
- EXIST. DITCH
- SAFETY END TREATMENT
- SIGNAL BOX
- TELE. PED.
- GTE
- PP
- POWER POLE
- GAS METER
- UTI. MARKS
- TP
- TELE PEDESTAL
- MMB
- MAIL BOX
- PROP. PVMT WIDENING
- TRAFFIC FLOW ARROW
- FC-FC
- EOP
- DRIVEWAY
- MAILBOX



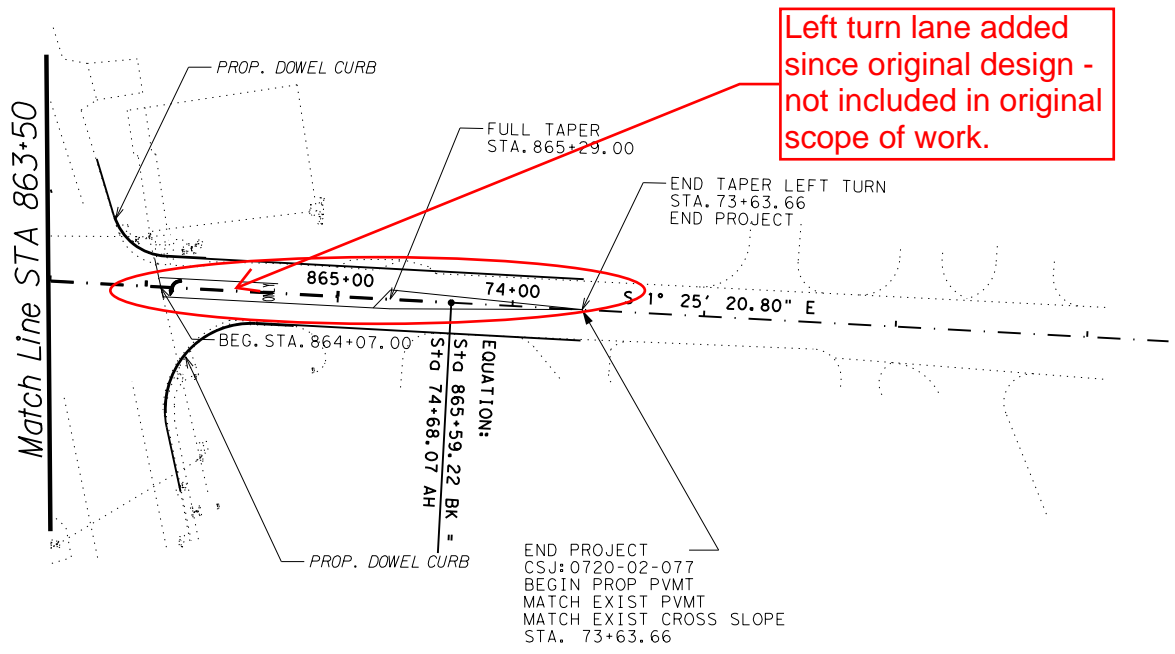
**FM 149
PROPOSED
PLAN & PROFILE**
STA. 852+00 TO STA. 863+50

SHEET 5 OF 6



CONT	SECT	JOB	HIGHWAY
0720	02	077	FM 149
DIST	COUNTY		SHEET NO.
HOU	MONTGOMERY		\$AA\$

DATE: 04/10/2018 06:46 PM
 FILE: D:\tdot\projectwiseonline.com\1x\013\Documents\12 - HOU\Design Projects\072002077\4 - Design\Plan Set\3 - Roadway\pp\plan_pp5.dgn

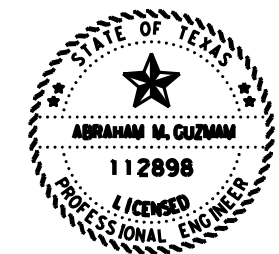
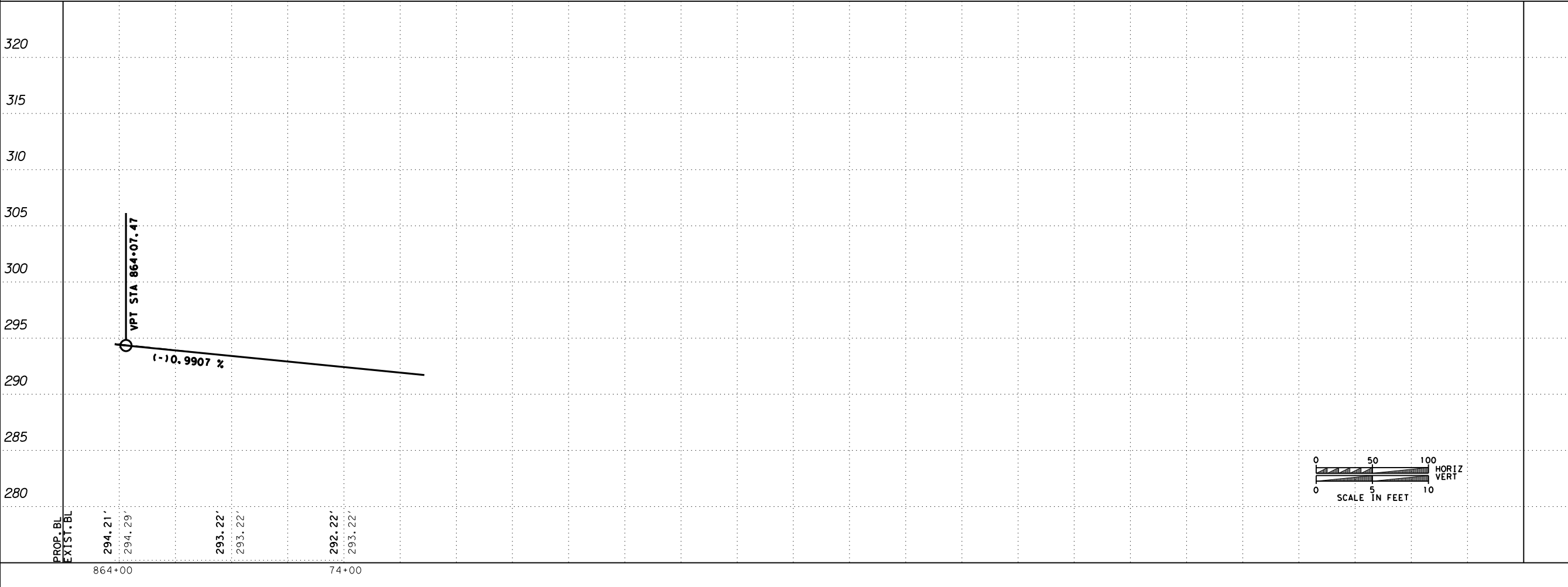


Left turn lane added since original design - not included in original scope of work.

- NOTES:
- FOR HORIZONTAL ALIGNMENT INFORMATION SEE HORIZONTAL ALIGNMENT DATA SHEETS.
 - ALL STATIONS AND OFFSETS ARE BASED OFF ALIGNMENT. (149 ALIGNMENT)

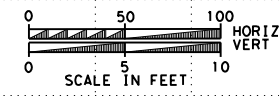
LEGEND

- EXIST. PAVEMENT
- - - EXIST. ROW
- - - EXIST. DITCH
- ▭ SAFETY END TREATMENT
- ⊙ SIGNAL BOX
- ⊠ TELE. PED.
- PP POWER POLE
- ⊙ GAS METER
- ⊙ UTI-MRK UTI. MARKERS
- ⊠ TP TELE PEDESTAL
- ⊠ MB MAIL BOX
- ▭ PROP PVMT WIDENING
- TRAFFIC FLOW ARROW
- FC-FC FACE OF CURB
- EOP EDGE OF PAVEMENT
- ⊕ DRIVEWAY
- ⊠ MAILBOX



FM 149
 PROPOSED
 PLAN & PROFILE

SHEET 6 OF 6



CONT	SECT	JOB	HIGHWAY
0720	02	077	FM 149
DIST	COUNTY	SHEET NO.	
HOU	MONTGOMERY	\$A\$	



CITY OF MONTGOMERY

Development Status Report

By: Jack Yates, City Administrator

June 1, 2018

Peter Hill Annexation – This is a 3.22-acre tract that is immediately south of SH 105 across from Pizza Shack. The total property is approximately 5 acres but 1.8 acres of the property is in the Conroe ETJ, and Conroe would not give up their right to annex.

That left the 3.22 to be annexed into the City of Montgomery. The plan is for businesses to be located on the total 5 acres. In the 3.22 portion located in the City, what is planned is an exercise gym and a tire repair/replacement shop. The owner is saying he is anxious to get started, but as of this date they have not obtained a building permit. The zoning on this property was approved for “B” Commercial at the March 24 Council meeting.

Lone Star Bend -- Road construction -- This is the connection between existing Lone Star Bend and Bois d’Arc Road. This will open up the Walden area to be more easily accessible to the Montgomery area. Work on the road has begun, with completion in early- May. The road is now open.

Kroger Site - They have approximately six pad sites on their property near Highway 105 and Lone Star Parkway. A Burger King restaurant is in the Kroger Center. The other businesses that is in the retail center next to Kroger is Great Clips, Halo and Coiffure,, Malibu Nails and Spa, Massage Envy, Everbright Dental, Taste of China restaurant, and a Stoney’s Liquor. There are two empty spaces remaining.

West of Kroger/East of Buffalo Springs Road - The developers have placed their interior water and sewer and other interior property utilities now. Blu-Wave Car Wash will be the first building at the southeast corner of the tract. Otherwise the site plan shows a strip center similar to the Kroger strip center and three pad sites up closer to SH 105.

Southwest corner of FM 2854 and State Highway 105- This 26-acre property Developer just reached approval of a development agreement with the City Council. A CVS drugstore will be going to one of the pad sites. They are expected to start construction work in July.

The City’s 380 Agreement includes relocation of the Lift Station #1 and getting about ¾ of an acre of land for an addition to the Sewer Treatment Plant. That will probably be part of a 380 Agreement between the Developer and the city with their utility feasibility study amount of approx. \$430,000 with the Developer paying \$200,00 toward the relocation of L.S. #1 to open up more developable property since the LS is roughly in the middle of their property now. All totaled, the city is rebating one-half of one cent of the two cents sales tax generated by the entire development to total 1.1 million dollars, or ten years whichever comes first, while the city is

receiving approximately \$850,000 of payments from the Developer.

A major announcement regarding a much-anticipated restaurant is expected in July for this tract of land.

South Loop around State Highway 105 – As the city continues to grow, traffic on Highway 105 and FM 149 will continue to get more congested. The City and Montgomery County Commissioners agreed late this past summer to pay for a Mobility Study for the City and the immediate area. The Mobility Study was accepted by the City Council in late-January. One of the items in the Study is the need for a south loop extending from 2854 to Highway 105 west of the city. The loop would probably be outside the city south of the present city limits but could be annexed into the city as time/circumstances allow. The reason to do the planning for the loop now is as development occurs in area of the loop land can be set aside for the right-of-way for the ultimate paving of the road.

Co. Commissioner Meador and Commissioner Riley joined with the city to pay for the preparation of the Plan.

North Loop around SH 105 -- The City Council at its December, 2017 meeting directed the City Administrator and Jones/Carter Engineering to start coordination work with the Houston Galveston Area Council to get either the northern loop and/or the southern loop on the Transportation Improvement Program (TIP) that will provide either 80% funding or 90% funding for these projects. Getting on the TIP involves probably several years of planning to get into the multiyear planning program. The TIP program is how major funding happens for major roads in the region. The first of this this coordination work will began in late-February this week with a meeting at the Houston regional office with TxDOT, HGAC, Montgomery County and City representatives at the first planning meeting.

The first meeting went well with very broad discussions toward what will probably be a four-year program of planning and funding arrangements

Expansion of Sewer Plant Area – The City has received State Department of Environmental Quality approval of a discharge permit for the sewage treatment plant located at the end of Buffalo Springs Road south of Highway 105. At the same time a discharge permit was approved for what is called the Stewart Creek Treatment Plant, the former treatment plant side that has been taken out of operation for about 10 years.

The Sewer Master Plan completed in March 2016 - presented a scenario to where the Stewart Creek Plant was put back in operation. By applying for both discharge

permits that leaves that option open.

The need for additional treatment capacity we think is 3 to 5 years away -- allowing time to make a decision about whether or not to expand the Buffalo Springs site or to put the Stewart Creek Plant back into operation.

Part of the Texas Water Development Board borrowing that happened summer, 2017, is to improve lift station number one that now feeds all the city sewage into the Buffalo Springs site. The decision regarding the sewer plant expansion/Stewart Creek operating will probably be in the next 1 to 2 years.

Right now, the sewer plant has a permitted capacity of 400,000 gallons per day with a current usage of approximately 135,000 gallons per day. However, state regulations say that you need to be in the planning/designing stage at 60% of capacity (240,000 gallons per day) and in construction and 80% of capacity (320,000 gallons per day).

With the addition of approximately 75 houses per year plus all the commercial development is not hard to imagine us doubling our flow in the next 3-4 years.

How that will be paid for is another entirely different subject.

McCoy's Lumber Development – McCoy's opened on October 8th. Their development has three pad sites in addition to the McCoy's building.

Development speculation is a Jack-in-the-Box restaurant. Nothing else is known on the other pad sites.

Ransom's Area Development- Phillip LeFevre has developed an area for soccer fields immediately north of the Ransom's Restaurant. He plans on having tournaments and league play there. The Montgomery Soccer Club, in November, 2017 received \$9,900 toward purchase of a \$16,500 irrigation system that will allow placement of a safer and more durable turf that will also allow tournaments and heavier use. The MEDC Board made the grant based upon the heavy visitation to the city from outside area residents coming to the practices, games and tournaments.

Fernland Historic Park - The Park is getting more and more popular. I am in discussions with the Fernland Inc. Board regarding a separation between the new housing subdivision on the east side of the park. I am proposing a vegetative barrier of bushes and small trees. Extensive sidewalk improvements were placed in late March. Part of the sidewalk concrete was donated by Cajun Ready Mix who have also assisted/contributed to several public projects inside the city over the last year- so keep them in mind for your concrete needs.

Memory Park – The Lake Conroe Rotary Club continues to do an excellent job with making improvements, maintaining and essentially managing the Park. They continue to put tens of thousands of dollars into the park every year with the City funding the park maintenance/overall expenses of approximately \$20,000 per year.

Downtown Walk Ability/Improvement Plan – This will be an effort to plan for sidewalks, drainage, parking, landscaping with the ornamental lights and overall making it easier to park and get around downtown. Downtown is thought to be the heart and soul of the city and what will keep the Montgomery atmosphere after all of the new development happens. The plan is under way now, funded by the Montgomery Economic Development Corporation. Upon receipt of a plan the intention is to meet with the downtown property owners, the general public and others to decide on a street by street detailed plan of action.

The first of these projects is the downtown parking area South of the Cozy Grape Restaurant. The city recently leased the area all the way from Cozy Grape Restaurant South to Caroline Street with the MEDC paying for the parking paving and landscaping around the area.

Hodge Podge Lodge – The owner is no longer planning a 3200 sq. ft. addition on the north side of the present building. He received a building permit to improve and enlarge his kitchen area for what is becoming an event center and has hired the Chef away from the Walden Yacht Club.

Montgomery Trace Shopping Center – The Center recently was sold to another investor. Brookshire Brothers has just renewed its lease and also just received a sizeable building permit for several instore upgrades. I think we are all glad that they are able to carve out a market for themselves with Kroger so they can continue their excellent business that they have supported Montgomery with for all these years. An Uncle-Bob's Barbecue Restaurant will be going in at the current Pizza Shack location and opened mid-May.

Montgomery on Eva Strip Center --A nail salon was added November, to the existing T-Mobile shop. A mattress sales business is now open, filling in the Center. The building is a fine-looking addition to the frontage area in front of the Shopping Center.

Madsen Commercial building—this is the new building that is going up on South FM 149 adjacent to the pond north of the MISD bus barn. The building will have for small offices and four large storage areas behind the offices. The thought according

to Mr. Madsen is for it to be commercial/services type of renters such as a small electrical shop or a small plumbing job that only needs a small office and then some storage for their supplies. I think that they are planning on being open by July, 2018.

Senior Housing Development – Lone Star Senior Housing, that has 11 other locations, and Blazer Development Company, developer of the Heritage Place Apartments, South of Brookshire Brothers Grocery -- the City Council, at its January 23rd meeting, gave support to both of their applications that they intend to make this year. The development would be for over 55 years of age occupancy only.

Baja Street Project - A Community Development Block Grant has been awarded from the state for repaving of Baja Street, replacing a water line and improving the ditches along Baja - and replacing some water line on Martin Luther King Blvd. \$26,000 cash match is required for the \$350,000 our grant. We expect to start work on the project in August/September of 2018.

Blight Removal in the Northwest Area – Over the past two years eight structures have been torn down and removed. All of these were with the permission of the owner and demolition costs were paid for by the Montgomery Economic Development Corporation, to the furthering of removal of blight for the overall economic improvement to the city.

HOME Grant --The City Council, at its May 9th meeting approved an application to be made for the state of Texas HOME project. This will fund up to eleven new replacement houses or major renovation) for those who qualify. The qualifications are: have income below the 80% of the average income for the area, be the owner of the house where the person now lives, have a clear title to the property where the new house would go. Preliminary review of the applications have eight that may qualify for the new houses.

The grant has no local match, but MEDC has said that they will front any incidental costs and any cost required by the grant.

The timing of the project is (approximately - remember this is the government and there is lots of coordination that needs to happen): verify qualified awardees in June, coordinate house design in July/August, take bids for house builders in August, finish building in November, move-in of residents in December, paperwork compilation/project closeout in January, 2019.

A meeting was held Thursday, April 19 at the City Hall for all that had applied for the new homes. Prior to the meeting, the 30-day open application period started on Tuesday, March 20.

Each house involves approximately \$100,000 in funding, administration, cost of legal work, site preparation and construction of the house..

FM 149 Road Improvement – The city staff has been having monthly meetings with TxDOT design engineers.

There have been meetings with TxDOT, individual property owners and businesses over the past several months. We received the final TxDOT plans last week. The City Council is planning a meeting regarding the project on June 14th. In the meantime I will be distributing the plans to interested parties.

State Highway 105 Widening to Four Lanes West of City Hall – The first planning session was held February 28, 2017 at the Stewart Creek Junior High. This project is probably several years away from construction.

Buffalo Springs Bridge – The status of the bridge repair is that the City Council accepted the bid of Glenn Fuqua, Inc. for \$1,023,747.90 at its November 14th meeting. Construction started in early January and will take approximately five months. The bridge decking will come slightly before the ending of the project, so the road should be opened by late-June with completion of the total project by late-July.

The project includes four inlet drains at the four corners of the bridge and substantial dirt and concrete work to support the four drainage entry ways of water getting to the four corners then down to the receiving channel. The project is funded by FEMA based on FEMA share of 75% of the actual contract price of the project.

A Disaster Relief Community Development Block Grant application for \$300,000 has been awarded that will go towards the city's 25% share of the bridge repair.

Heritage Medical Plaza II - This is the medical building being built by Chris Cheatham at the corner of Houston and State Highway 105. The business is now operating fully.

Land-Use Plan - A land-use plan is an overall broad – based view of how the land-use in and around the city in the ETJ area is to be planned. It is not a zoning map although it is often used as a basis for zoning. The City Council approved the Plan on April 24.

Another reason to do this process is to plan for where low density versus high density residential properties may be developed in the city. The Planning Commission and Council have discussed a pre-planned determination of where in the city they would be with agreeable to low density development. By doing this pre-planning the Council and the developer has an idea about how the area should be developed rather than on a one by one application/determination basis.

Town Creek Addition Sections One and Two- This is the new 48 lot addition immediately west of Town Creek Apartments off Emma’s Way. Style Craft builders did an excellent job of constructing the subdivisions water, sewer, streets and other improvements. The same group that built Town Creek Addition recently had approval of a Final Plat for Section III, with 48 more lots.

Terra Vista Addition - This is the new 36 lot addition immediately south of Summit Business Park on FM 1097. This addition was completed and accepted by the city in January. There are now 8 housing starts in the subdivision.

Rezoning of Property inside the City - This is an action of the Planning and Zoning Commission to rezone five properties inside the city, primarily on the S Hi105, where the current zoning does not fit the current need for the development of the property.

A joint City Council and Planning and Zoning Commission was held in late July, 2017. The Planning Commission has an idea of what they intend to rezone, but they are going to invite the property owners of the properties being considered to a discussion before starting the formal public hearing process. This discussion is planned for their June meeting. Then determining on the result of those discussions, the Commission will decide which properties to actually initiate rezoning.

Historic Markers – Funded by Montgomery Economic Development Corporation - The MEDC offers to pay for historic markers as designated by the County or State Historic Societies. This means that anyone with a property with historic enough significance to receive a County or a State approved plaque marker, that the MEDC as part of its promotion and marketing function will pay for the marker and will place the marker on the right-of-way in front of the location involved. This should have significant effect on keeping historic Montgomery in the forefront of people’s minds adding to the ambiance and character of the City.

Town Creek Self Storage Units Completed -- The Town Creek Self Storage Unit complex will be open for use by May 1st. Chris Cheatham is the builder/owner of the units.

The Units have 251 rental spaces available (165 climate controlled and 86 non-climate controlled), sizes ranging from 5' x 5' up to 10' x 30' with 24-hour high tech security and gated access code. In the convenient location on 22852 SH 105 and next to the Town Creek Apartments, across the street from Montgomery High School.

Emma's Way –Extension to Lone Star Pkwy. -- The thought here is for Emma's Way to get another extension with the next subdivision—then at some point the city and the MISD pay for the balance of the extension all the way up to Lone Star Pkwy. The cost of the city/school extension is estimated at \$600,000.

The discussion up to now has been that the school and the city would roughly split that \$600,000. With the basis for that being that Emma's Way will serve the football stadium facility running alongside their Western boundary. The City's desire is simply to get a through street direct from the high school to encourage traffic to Lone Star Pkwy. to relieve some traffic on State Highway 105. The discussions for this project will probably come back up after the subdivision's extension of Emma's Way **that is happening now, with completion expected in August.**

An extension to Emma's Way of approximately 600' is nearing approval for the purpose of serving Town Creek Subdivision Section III.

Shannon Salsbury New Office at Waterstone – Shannon is planning to place a new office building for his insurance office with two additional for lease spaces. Mr. Salsbury is building immediately north and east of the Buffalo Springs Bridge on Buffalo Springs Road. He now offices in the Montgomery Trace Shopping Center. He is expecting to be in the new Buffalo Springs location by the end of 2018. His long-range plan, he told me, calls for another strip office space center on the north side of Buffalo Spring Road across from his new office.

Texas Water Development Board – Funding -- The TWDB has provided funding of 2.8 million for water and sewer work. The projects are-- for water; connection of the 12-inch line north of Clepper to the 12-inch line immediately west of Cedar Brake Park (which should help the water pressure on the western side of the city and eliminates the six-inch bottleneck in the system), improvements at Well #3 the Catahoula well (that we think will increase production about 25%). For sewer: Lift Station #1 upgrades (all the sewage in the city goes through this station which is already operating beyond design capacity), Lift Station #3 Force Main Reroute will serve to eliminate the need for another lift station and secures capacity in the system).

All of the projects are in engineering design now, with a start date of June for completion of the design and construction to begin mid-summer. The reason for the May to mid-summer period is because TWDB requires their approval of the plans.

Monty West - Plans for retail/office park – Mr. West is planning a U-shaped office and retail space on the west side of FM 149 and Clepper Street. He is working with TxDOT regarding driveways and planning on requesting several variances from the City, so he is not ready for formal presentation.

Cedar Crest Mobile Home Park – An Agreement has been reached with the owners of the Park. A Master water meter will be placed at the entrance to the Park. The city will continue to bill the residential meters inside the park and read the Master meter monthly with the difference being charged to the Owner. The owner will be putting up a large deposit. The city will also acquire an easement for a water line that will be placed by the city to a resident adjacent to the Park that now gets their water through the Park's lines.

This was needed because now there is a supply line on the property of the Park that supplies the individual residents that is not metered, so leaks on that supply line were not being billed by the city.

General Land Office possible grant – In late May we found out about a 22-million-dollar grant that had been offered to Montgomery County from the Texas General Land Office (GLO) for flood related damages. Montgomery was one of six Counties in the state that the GLO had selected because of having the worse flood damages in the past two years. The county organized the GLO offer within the county for how the funds should be allocated. The County, after discussing with the cities in the County and two or three housing groups in the County, decided that the funds should be distributed based on the amount of FEMA damages and the amount of low income in the area involved. The city of Montgomery well this Jack is Jack had the most damage of any city in the County.

As such Montgomery was “allocated” \$2.2 million dollars of GLO dollars.

This “allocation” is not a grant, the actual application is made by the City to the GLO, but the money set aside for the City so long as we apply for “correct” type of projects. The GLO grant funds can be used for drainage, water and sewer, generators, and the 25% City match monies spent already on FEMA projects.

The GLO application is prepared and was filed at the end of March. GrantWorks will be the grant writer and administrator of the grant and Jones/Carter is the engineer on the project.

