

The Cleveland Economic Development Corporation met on January 28, 2019, for their monthly meeting and a strategic goals workshop at the Cleveland Civic Center, 226 Peach St, Cleveland, Texas with Board President Brad Browder presiding. This was an all-day session.

**MEMBERS PRESENT:** Board President Brad Browder, Boardmember Marilyn Clay, Boardmember Fred Terrell, Boardmember Kelly Jenkel-Axton, Boardmember Robert Reynolds, Boardmember Carolyn McWaters, Boardmember Niki Coats, J. Rice, Consultant, and City Secretary Angela Smith

**VISITORS PRESENT:** Bobby Pennington, Kelly McDonald, Rod Hainey, Chris Wood, Trent Staggers, Chase Herell, Robert Johnson, Robert Green, Danny Lee

Board President Browder called the meeting to order at 9:00 am and stated there is a quorum. He welcomed Chris Woods with Cleveland ISD to the meeting and the guests from Sharp International.

**1. Invocation, Pledge and Roll Call.**

J. Rice gave the invocation and Brad Browder led the Pledge of Allegiance to the US flag and to the Texas flag.

**2. Approve minutes from the December 17, 2018 meeting**

Boardmember McWaters made corrections to the minutes on #14 – Reports and Comments from Directors and Staff, second paragraph. She asked that additional people be added to the listing as attending the events and not just herself; “Marilyn Clay was also at Fat Floyd’s event and Robert Reynolds, Otis Cohn, Marilyn Clay and Carolyn McWaters was at the Shop with a Cop event.”

Boardmember Clay made a motion to approve the minutes with the corrections requested with a second from Boardmember Terrell. All members present voted “AYE”. Motion carried.

**3. Review and approve financial statements**

The monthly financial statements were presented to the boardmembers by Assistant City Manager/ Finance Director Bobby Pennington for review and approval. He moved some investments to TexPool because of the better interest rate.

Boardmember Reynolds made a motion to approve the financial statements as presented with a second from Boardmember McWaters. All members present voted “AYE”. Motion carried.

**4. Review and approve bill payments**

Assistant City Manager/Finance Director Pennington presented for approval the monthly bill payments. Board President Browder asked about the Retail Coach charge and if it was part of the agreement and the answer was yes.

Town Square Publications	\$1,562.00
Precision Lawns	\$4,010.00
The Retail Coach	\$7,665.68
City of Cleveland	\$ 600.00
Public Management	\$ 942.50
Sam Houston Electric	\$ 334.59
City of Cleveland	\$1,232.48
North Houston Association	<u>\$1,250.00</u>

TOTAL \$17,597.25

Boardmember Clay made a motion to approve the bill payments as presented with a second from Boardmember McWaters. All members present voted "AYE". Motion carried.

**5. Hear summary monthly business prospect report**

There was a random contact for the T&L property and they were disappointed that it was sold. They were provided the information on industrial airport area and the Cleveland West Industrial Park. J. Rice asked that the contact information is shared with the new owners of T&L - Sharp International as they still have some space to sell. Mr. Pennington stated that there is a grocery developer looking into the Grand Oaks Reserve area as well two restaurant locations. Robert Reynolds and Patrick P. started this process. Boardmember Niki Coats stated that the developer is Gulf Coast and they generally partner with grocery store chains. The property is 21 acres just south of Huddle House location. Austin Bank is coming to Cleveland.

**6. Discuss and approve marketing with Expansion Solutions**

Mr. Pennington stated that Dayton has participated with this company and they target manufacturing entities. The total package for 2019 is \$12,500 which includes editorial placement, priority placement and is bi-monthly edition. Staff feels it is a good deal and we have enough funds to cover the cost. The publications start with March/April issue.

City Manager McDonald said that Liberty and Dayton partnered with the City of Cleveland on a video that has gotten over one million hits in the last two years. It was produced by this company. It was asked how different is this company from Retail Coach. The reply was that this company deals more with commercial than retail entities. Ms. McDonald stated that 350 jobs were created in Dayton and three to four companies moved into the city so marketing does help. EDC board was informed that it is a one-year contract and if they don't like it after the year it can be cancelled. Staff is planning on staying on top of this company to get the feedback needed to justify the expanse.

Boardmember Clay made a motion to approve the agreement for \$12,500 for one year for the total package with Expansion Solutions with a second from Boardmember McWaters.

Mr. Terrell asked the guests from Gladewater EDC their opinion prior to the voting. Robert Johnson is the EDC Director and Robert Green is the President of the EDC. Mr. Johnson said his EDC did use Retail Coach in the past. He is happy to see that we are making sure that the work is being done by them as requested. The difference between Retail and Expansion is type of business they market. It is very important to attend the trade shows. The companies will mass market everyone but you have to market yourself as well. Mr. Coats stated he is not in favor of marketing instead do it yourself. He is not opposed to marketing just not with firms outside of Texas. Market locally.

Ms. Clay stated that we need to move forward now and not dwell on what happened years ago. It was suggested that we would do better to invest in North Houston Association or something local. One of the men from Gladewater EDC asked if we had something to market ourselves with to industrial companies now and that 10% marketing is state mandated. He continued to say, if you have not used the whole amount each year (ie. 8% used in one year) you can

carryover the remaining 2% to the next year. Mr. Pennington stated that we have not carried over marketing each year and we need to spend more time marketing.

Mr. Browder agreed that the price of \$12,500 was kinda high and reminded the board that Western Forge moved from California to Texas and that is part of what J. Rice will do is to target some areas locally.

Voting on the motion occurred. Browder, Terrell, Clay and McWaters - AYE and Coats - NAY. Motion carried.

**7. Public Comments**

None requested

**8. Reports and comments from Directors and staff**

Kelly Jenkel-Axton asked all to keep in mind that the school is changing and spoke about the school bond.

Niki Coats - Grand Opening Feb 28th for Grand Oaks Reserve. They will be landscaping the houses and opening the golf course in August. Roads poured to temporary clubhouse will be done.

**9. Closed Executive Session**

Discuss or deliberate regarding commercial or financial information that has been received from a business prospect that the EDC seeks to have locate, stay or expand in or near the City of Cleveland and with which the EDC is negotiating and to deliberate the offer of a financial or other incentive to such business prospect, all as authorized by Sec. 551.087, Texas Government Code.

Board held the executive session at 10:06 am.

**10. Return to Open Session**

Consider purchase, sale, appraisal and option on real estate and/or procurement of related legal, surveying or environmental assessment assistance and/or consider incentives for business from Executive Session, if necessary.

Board ended the executive session at 11:00 am and the board took a break from 11:00 am to 11:12 am. The board returned to open session at 11:12 am with no action taken from executive session.

**11. Strategic Goals Workshop**

Board President Browder commented that they need to refocus on what EDC should be doing and it was the purpose of this meeting. Robert Johnson and Robert Green were introduced from Gladewater Economic Development Corp. They provided their bios.

Mr. Johnson spoke to the group about the purpose of EDC's, asked about current CEDC projects, state of having a director position for CEDC, and did his presentation that was given from a local TEDC conference about EDCs.

- 12. Lunch -** The group broke for lunch from 12:00 pm to 12:24 pm and then continued the presentation from the TEDC conference with Mr. Johnson.

Mr. Johnson spoke about lack of signage in Cleveland to direct people to downtown from the freeway and that landscaping architects are needed to help. He provided some ideas on policy review commissions, venue tax, section 106 regional reviewers with the Texas Historical Preservation website, etc. He will send to CEDC his façade guidelines from his EDC. They do business development breakfasts with the chamber as well as social media and marketing.

Some of his industrial suggestions are:

- Preparing industrial park packet and doing outreach
- Evaluate Expansion Solutions and keep an eye on their work
- Attend trade shows
- Need a EDC Director position as this person can go to trade shows and do the cold calling. This person need to monitor outreach as well. The time has come and you need to hire a person. This person can also help out on grants.

Robert Green stated that a good EDC director will generate income for the city and will pay for themselves. He has brought into his city several grants. Mr. Browder stated that CEDC does advertise in magazines and that J. Rice has been doing target marketing. Conversation about type of marketing and mechanism for existing business marketing occurred.

Both Mr. Johnson and Mr. Green thanked EDC for allowing them to be at this meeting and that just the fact that EDC is having this type of meeting shows that they are on the right path.

Mr. Browder invited them to attend Allies Day being held at Civic Center on March 6<sup>th</sup>.

Mr. Reynolds stated that BNSF did purchase 812 acres in the city limits and it closed last month. They will attend Allies Day event. The property was purchased for future development.

Ms. Jenkel-Axton stated that the school will be landscaping all their buildings in the school district.

**13. Adjourn**

There being no further business to transpire, Boardmember Reynolds made a motion for the meeting to be adjourned, with a second from Boardmember Clay. Meeting adjourned at 3:43 pm. All members present voted "AYE". Motion carried.

PASSED AND APPROVED this 25<sup>th</sup> day of February 2019.

\_\_\_\_\_/sigend\_\_\_\_\_  
Brad Browder, Board President

ATTEST:

\_\_\_\_/signed\_\_\_\_\_  
Angela Smith, City Secretary