The City of Liberty

Liberty Community Development Corporation

Meeting

~ Minutes ~

1829 Sam Houston Street
Liberty, TX 77575
www.cityofliberty.org

Dianne Tidwell
City Secretary
(936) 336-3684

Tuesday, June 1, 2010 | **6:00 PM** | **City Council Chambers**

The Liberty Community Development Corporation of Liberty, Texas reserves the right to meet in closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code.

I. CALL TO ORDER

The Meeting was called to order on June 1, 2010 at the City Council Chambers, 1829 Sam Houston, Liberty,TX at 6:10 PM by President Dennis Beasley.

Attendee Name	Title	Status	Arrived
Dennis Beasley	President	Present	
Mike McCarty	Vice-President	Present	
Billy Page	Board Member	Present	
Louie Potetz	Board Member	Present	
Mike Van Etta	Board Member	Present	
Juan Venegas	Board Member	Present	
Robert Ward	Board Member	Present	
Gary Broz	General Manager	Present	

II. ACKNOWLEDGEMENT OF GUESTS AND VISITORS / CITIZENS FORUM

President Beasley welcomed guests and visitors, opening the floor for public comment to those individuals wishing to address the Board regarding non-agenda items. There were no comments from the audience.

III. PRESENTATIONS / REPORTS

A. LCDC Information Item (ID # 1685)

Financial Report-April, 2010

COMMENTS - Current Meeting:

General Manager Gary Broz reported that the LCDC budget is in good shape and that expenditures are at a minimum. Mr. Broz further reported that sales tax revenues were down by approximately 6% from the previous year. Further discussion included interest income and the financing of the property on Main Street, sales tax adjustment for over-estimation, miscellaneous expense, and other related issues.

Mr. Broz gave a brief report on the retail shopping convention in Las Vegas, attended by both he and President Beasley. Mr. Broz stated that they learned exactly which information should be gathered and prepared for future retailers interested in the City. These documents include traffic counts, map of retail businesses in the community, city map, and other material, which is preferred in electronic format. Mr. Broz reported that several good contacts were made that will be visiting the City of Liberty in the near future.

IV. CONSENT AGENDA

All consent items listed are considered to be routine by the LCDC and will be enacted by one motion. There will be no separate discussion of these items unless a Board Member so requests, and if such a request is made, the item will be removed from the Consent Agenda and considered in a normal sequence on the agenda.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Mike McCarty, Vice-President
SECONDER:	Billy Page, Board Member
AYES:	Beasley, McCarty, Page, Potetz, Van Etta, Venegas, Ward

A. Minutes Approval

1. Thursday, May 13, 2010

V. REGULAR AGENDA

A. Regular Session

1. LCDC Corporation Action (ID # 1686)

Consider Action on “LCDC Project Funding Options”.

COMMENTS - Current Meeting:

Board Member Van Etta stated that he would like to know the Board's consideration of a proposed project before being approached by someone requesting LCDC assistance. Discussion included full and partial grants, low-interest or no-interest loans, not assuming the entire expense of a project, having equity on both sides, property purchase, main street rehabilitation, airport, precedence for future board actions, and other related issues.

Also discussed was construction of the Fire Department Substation on Hwy. 90. Mr. Gunter explained that this project is a proper expenditure for a Type B Corporation as it is tied to the creation and/or retention of jobs, and that a public safety facility is also a proper expenditure. Mr. Gunter further explained different categories of projects whereby the public benefits and businesses benefit, including restrictions placed on the loans and/or grants.

RESULT:	**NO ACTION TAKEN**

2. LCDC Corporation Action (ID # 1687)

Consider Action on LCDC Budget and Financial Opportunities.

COMMENTS - Current Meeting:

General Manager Gary Broz reviewed the LCDC budget and proposed projects with anticipated costs. Mr. Broz stated that construction of the Texas Street extension is approximately $6-6.5 million. Mr. Broz stated that his concern was coverage, and upon review of the budget relative to past history and future proposed projects for FY 10/11, the coverage ratio is 4.16. If funds are expended to cover these projects, LCDC would be left with a coverage ratio of 1.83 which would be easily sustainable, while maintaining a healthy fund balance.

Also discussed was the $83,500 cost of issuance and the debt schedule for the $6-$6.5 million for the street extension, engineering survey, land acquisition, drainage issues, airport project, and other related issues.

ATTACHMENTS:

- LCDC Budget & Fin Opportunities (PDF)

RESULT:	**NO ACTION TAKEN**

3. LCDC Corporation Action 2010-8

Consider Action on Acquisition and Demolition of Mercy Hospital, 521 Travis Street, as Part of a Joint Effort of Taxong Authorities to Address Dangerous Condition of Building Pursuant to General Direction Received at Joint Meeting of Taxing Authorities Held Thursday, May 6, 2010, at City Hall and Authorize the General Manager to Negotiate Acquisition of Building from Taxing Authorities and Begind Demolition Upon Execution of Appropriate Agreements.

COMMENTS - Current Meeting:

City Attorney Randy Gunter reported that although this property had been to a tax sale does not prohibit title insurance, if the Corporation is willing to provide a General Warranty Deed. The title company will provide insurance provided there are no other title defects, and none have been discovered.

Mr. Broz reported the total cost is $113,500 which includes the demolition and cost for a 3rd party air monitor. This structure will be demolished in place, requiring no abatement. Lengthy discussion included various options for dividing the cost of this project between the City, School, County, and LCDC, whether or not this is a worthy project, getting the property back onto the tax roll, environmental issues, and other related issues.

Motion was made to prepare a proposal that LCDC fund 50% of the demolition cost, LISD and Liberty County each funding 25% of the remaining 50%, with LCDC having first option to purchase.

RESULT:	**APPROVED [5 TO 2]**
MOVER:	Dennis Beasley, President
SECONDER:	Billy Page, Board Member
AYES:	Beasley, McCarty, Page, Venegas, Ward
NAYS:	Louie Potetz, Mike Van Etta

4. LCDC Corporation Action 2010-9

Consider Approval of a Request from the Liberty County Workforce Academy for Additional Scholarship Assistance, in the Amount of $6,313.97, Applicable Toward Liberty's Workforce Training.

COMMENTS - Current Meeting:

Motion was made to approve the request from the Liberty County Workforce Academy for scholarship assistance in the amount of $6,313.97.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Mike Van Etta, Board Member
SECONDER:	Mike McCarty, Vice-President
AYES:	Beasley, McCarty, Page, Potetz, Van Etta, Venegas, Ward

5. LCDC Corporation Action 2010-10

Consider Request from the City for Funding Airport Improvements.

COMMENTS - Current Meeting:

General Manager Gary Broz reported on a plan for future airport operations. The proposed plan for the east side of the airport includes the following:

1. 20X30 terminal building to include an offices and restrooms - approximately $74,000,
2. move the fuel farm to the east side,
3. 200X50 area for terminal parking, providing twenty parking spaces, paving cost approximately $20,000,
4. 10-bay T-hangars with apron on both sides - approx. $800,000

Mr. Broz stated that this plan is set up for future growth and that the City is in receipt of $448,000 in FEMA and insurance funds toward construction of the T-hangars. Further discussion included other hangar rentals for $200-$250 per month, west side for commercial development, land acquisition, courtesy car, cost of dirt work, portable building vs. permanent facility, TXDOT Aviation and long-term master plan, and other related information.

Motion was made to provide the $450,000 in matching funds for airport improvements.

ATTACHMENTS:

- City's Request for Funding Airport Imp (PDF)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Louie Potetz, Board Member
SECONDER:	Robert Ward, Board Member
AYES:	Beasley, McCarty, Page, Potetz, Van Etta, Venegas, Ward

VI. ADJOURNMENT

A. Motion To: Adjourn

COMMENTS - Current Meeting:

There being no further business before the Board, President Beasley adjourned the meeting at 7:40 p.m.

Dennis Beasley, President

ATTEST:

Dianne Tidwell, City Secretary