



**SUNNYVALE 4A DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS  
REGULAR MEETING MINUTES  
WEDNESDAY, JULY 10, 2019  
TOWN HALL - 127 N. COLLINS RD  
5:00 PM**

**PRESIDENT  
VICE PRESIDENT  
SECRETARY  
TREASURER  
MEMBER**

**TERRI SHATTER  
FRANKLIN WEEKS  
K.PAUL CASH  
PAUL BOCHNIAK  
JAMES KORAH**

**CALL MEETING TO ORDER**

President Shatter called the meeting to order at 5:07 p.m. A quorum was declared with all members present except Secretary Cash.

**PUBLIC FORUM**

Citizens may speak on any matter other than personnel matters or matters under litigation. No actions or discussion will be taken until such matter is placed on the agenda and posted in accordance with law.

*No comments.*

**DISCUSSION / ACTION ITEMS**

**1. DISCUSS, CONSIDER AND ACT UPON THE REGULAR MEETING MINUTES FOR JUNE 19, 2019.**

Treasurer Bochniak made a motion to approve the June 19, 2019 Regular Meeting Minutes. Seconded by Member Korah. President Shatter called for a vote. All voted in favor. The motion passed unanimously.

**2. DISCUSS, CONSIDER AND ACT UPON THE JUNE 2019 FINANCIAL REPORTING AND RELATED ITEMS.**

Finance Assistant Phyliss Moore presented the June 2019 financials. Treasurer Bochniak made a motion to approve the June 2019 financials as reported. Seconded by Member Korah. President Shatter called for a vote. All voted in favor. The motion passed unanimously.

**3. DISCUSS, CONSIDER AND ACT UPON THE RECOMMENDED 2019-2020 BUDGET.**

Finance Assistant Phyliss Moore presented the Recommended 2019-2020 Budget. Treasurer Bochniak made a motion to approve the Recommended 2019-2020 Budget as reported. Seconded by Vice-President Weeks. President Shatter called for a vote. All voted in favor. The motion passed unanimously.

**4. DISCUSS, CONSIDER AND ACT UPON UPDATE REGARDING TOWN COUNCIL RECOMMENDATION TO STAFF ON FUTURE ACTIONS RELATED TO SALES TAX UTILIZATION.**

Economic Development Director Traci Anderson stated this was put on the agenda to be able to have a discussion regarding the possible dissolution of the 4A Development Corporation. She stated this would allow the Town to do utilize the funds for things that need to be paid for such as Street Maintenance and a new Police Department. This

would allow the Town to do these things without the restrictions that are currently held with 4A funds, such as only doing if it promotes business. We cannot do residential roads. Town Council determined Monday night to direct staff to put together wording for a ballot for an election to go before the voters in November to dissolve the 4A.

Town Manager Susan Guthrie shared that many options were presented to the Council, such as recreating the Street Maintenance Tax, a Crime Control Prevention District, and presented an election to terminate 4A, which those funds would then go into general fund. She thinks the discussion with council was to then utilize those funds towards police and street maintenance, very similar to what has already been happening. It's one of the steps we were looking at to make sure we were position well for next fiscal year. If we do an election in November it takes several months to get everything in place so we probably won't start collecting money until June into the general fund. Beginning next fiscal year, the legislator passed a measure that will limit the amount a town or city can grow in their revenues in the general fund by 3.5% and this year our preliminary roles show we have grown by 16%. That gap between 16% of growth and the 3.5% that we'll be allowed, it's not just we'll have less money, but we still have to provide those services to all the new people that are moving in. For a fast growing town like we are, it's a very big hit. We are looking at many things to prepare and do what we need to do to make sure that next fiscal year we can still provide what those services. Because we have to do something for street maintenance anyway, we started looking at the other things. One thing that was discussed was trying to blend the boards because 4B can do much of what 4A can do, but they have had many different perspectives over the years. There is one person terming out in 4B and there are some other positions are opening and we are unsure if people are coming back or not. Council hasn't taken this discussion up because it is something that will happen a later. But there is some dialogue going on. Another thing discussed was the fund balance. After all obligation would be met, \$1.8 million would run into general funds, but council has talked about earmarking that for Economic Development. Town Council really values this group of people. Also, less than 10% of cities have both 4A and 4B Boards and guess would be that more will get rid of one or the other based on the 3.5% cap.

President Shatter stated she thought the blended Boards was a good idea as 4B has not been doing traditional economic development as long as 4A has due to their concentration on parks, so feels insight from some 4A Board members would be good.

Treasurer Bochniak stated he had attended the Council meeting Monday night and was asked to speak, only because he was the only one from 4A there. Speaking for himself, he could see how this makes sense with the cap coming and with the need for police department, there are a lot of uncertainty, but one thing we know is that there will be a limit of funds coming in. While thinking about this and wanting to make the case on why 4A doing what they are doing makes sense, it didn't make sense to me. Town Manager Susan Guthrie did an analysis that was around \$4 or \$500,000 worth of cap funds could go away from the Town based on the new law. That is roughly what we are taking in for our quarter piece. We were already giving a quarter piece for the roads. Had a hard time saying we would incentivize certain businesses when our Town is struggling on how to come up with funds to service them. It is a tough thing. My thought is to dissolve 4A and roll it in to general fund. So many uncertainties on police department and other expenditures. Council was very complimentary of this Board and appreciates this new Council and thinks communication has been tremendous.

President Shatter stated she appreciated Bochniak attending the meeting. She had planned to but was unable to attend.

Town Manager Susan Guthrie stated the reason for looking at 4A and not 4B is because 4B has the flexibility to do everything. Because of all the uncertainties we need to be flexible and remain as fluid as possible to prepare.

Treasurer Bochniak had a couple questions. One being what happens to the Board if the election passes. Susan mentioned we were still looking in to this legally. ED Director Traci Anderson stated it would probably be several months as all debts have to be paid off. She stated all Board members would stay on the Board until further notice. The other question is what happens with the \$1.8 million or whatever is left. Town Manager Susan Guthrie stated that the Council would have to vote on what to spend the funds on.

**5. DISCUSS FUTURE AGENDA ITEMS AND EVENTS.**

At the request of the board, the following future items need to be added.

- a. Downtown
- b. Glazer
- c. Rails to Trails

**EXECUTIVE SESSION**

Recess into executive session at 5:56 p.m. pursuant to Chapter 551, Subchapter D of the Texas Government Code:

**EXECUTIVE SESSION AGENDA:**

**A. SECTION 551.087 – ECONOMIC DEVELOPMENT**

To deliberate the offer of a financial or other incentive to a business prospect.

**PROJECT ITALIAN  
PROJECT WOOD**

**END OF EXECUTIVE SESSION**

Reconvene into open session and take any action necessary as a result of the Executive Session.

*President Shatter reconvened into open session at 6:57 p.m. No action taken.*

**A. SECTION 551.087 – ECONOMIC DEVELOPMENT**

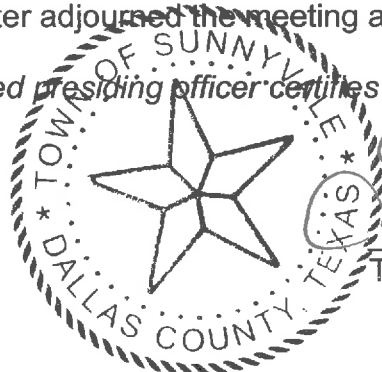
To deliberate the offer of a financial or other incentive to a business prospect.

**PROJECT ITALIAN  
PROJECT WOOD**

**ADJOURN**

President Shatter adjourned the meeting at 6:57 p.m.

*The undersigned Presiding officer certifies that this is a true and correct record of the proceedings.*



*Terri Shatter*  
\_\_\_\_\_  
Terri Shatter, President

Attest:

A handwritten signature in cursive script that reads "Anderson".

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Traci Anderson, Economic Development Director