

**JOINT MEETING OF THE
BELTON CITY COUNCIL
BELTON ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS
BELTON AREA CHAMBER OF COMMERCE BOARD OF DIRECTORS
MARCH 13, 2012 – 4:00 p.m.**

The Belton City Council met in special session with the Belton Economic Development Corporation (BEDC) Board of Directors, and the Belton Area Chamber of Commerce Board of Directors, in the Kinchion Room at the Harris Community Center, with the following members present: Mayor Pro Tem Marion Grayson, Councilmembers Clifton Peters (arrived 4:30 p.m.), David K. Leigh, Wayne Carpenter, and John Agan. Mayor Jim Covington and Councilmember Craig Pearson was absent. Staff present were Sam Listi, Connie Torres, and Les Hallbauer.

Members attending from the BEDC were: Board President Chris Moore and Steve Jones, along with Executive Director Cynthia Hernandez and Ana Borchardt, Director of Business Expansion & Retention.

Members present from the Belton Area Chamber of Commerce Board were: Chair David K. Leigh, Marion Grayson, Joel Barryman, Ben Pamplin, Robert Potts, and Stephanie Turnham. Chamber of Commerce CEO/President Stephanie O'Banion was also in attendance.

Mayor Pro Tem Grayson called the City Council meeting to order at 4:00 p.m. (The BEDC Board was not called to order due to lack of a quorum, and the Chamber Board is not subject to the Open Meetings Act.)

Presentation of the Merchandising Plan developed by Catalyst Commercial and consider approval.

The City Manager introduced Brandon Wilhite, Catalyst Commercial, who presented an overview of the retail study performed for the City. He provided information on the company's data collection and research analysis, to include primary/competitive trade areas among the Killeen/Harker Heights/Temple and Belton areas. Mr. Wilhite reviewed retail strategies for specific districts in Belton in addition to some challenges, and addressed next step targeting efforts for retail recruitment to Belton.


General comments and questions were as follows:

- Councilmember Agan stated he would like to see analysis showing where people travel from to shop at Belton's new HEB Plus. Mr. Wilhite agreed once the store stabilizes and gets its steady consumer base (usually after a full quarter), Catalyst could go back and sample it to determine what the store was able to capture.
- Mayor Pro Tem Grayson asked if Catalyst is already making retail contacts for Belton, and Mr. Wilhite indicated preliminary talks have occurred to build awareness of Belton, and they will start facilitating handoffs so the City can begin to nurture those opportunities in the near future.
- Chris Moore asked if any handoffs have been made to the City yet and who will be working those, and Mr. Wilhite stated not yet; when initiated, leads will be given to the City Manager. Mr. Listi stated there have been a number of discussions about a retail champion with BEDC and the Chamber of Commerce. He stated once there are opportunities to capture, he believes it's important for the City to be at the table with the necessary data, to be in a better position to attract businesses here. It's an education and discovery process to help encourage interest in Belton's market, but the main objective is to be at the table to make sure retailers are looking at Belton. Mr. Listi indicated a decision will need to be made in the future about how the City plans to carry things forward with effective implementation.
- Councilmember Leigh asked where Belton stands with traction on retailers, and Mr. Wilhite replied it will be a challenge, with retailers reeling from the financial crisis and many downsizing, but he believes Belton's growing population and workforce base creates a retail market available to be captured. Mr. Leigh asked who he felt was an ideal retail customer for Belton, and Mr. Wilhite stated they will likely focus their efforts on an anchor-type tenant that can bring in more retail to follow such as a smaller format grocer or a restaurant tenant in a unique downtown location.
- Mayor Pro Tem Grayson asked what kind of urban "infill" retailers are they communicating with. Mr. Wilhite stated Catalyst holds an event called "Engage" where they have a panel of retailers talk about their expansion strategy and store concept (Alamo Drafthouse, Hawaiian

Falls Water Park, and Burger King participated in last event), and they inform these retailers about Belton and stay involved through the process.

- Councilmember Carpenter asked about opportunities along IH-35, and Mr. Wilhite indicated he sees huge opportunities along the interstate. Though not likely in the near term, as he thinks there needs to be more population growth to justify retail development, he believes Belton will eventually capture a significant retail shopping market in this area. Mr. Carpenter asked if they contact hotels/motels, and Mr. Wilhite stated that's not part of the company's implementation, but a boutique-type operator would be ideal for downtown Belton and should be targeted.
- Mr. Moore asked how Catalyst presents information about Belton to retailers, and Mr. Wilhite explained the company has developed a 4-page executive summary/flyer about Belton, and Catalyst's marketing people contact retailers. Once feedback is received, it's considered a conversion which is then referred to City staff.
- Mr. Listi asked how the company chooses who to contact, and Mr. Wilhite stated they categorize retailers into tier groups and compare the demographic profile of businesses with Belton's profile, and those with the highest probability are formed into a "hit list". He stated currently Belton's "hit list" is between 350-400 businesses. Mr. Wilhite added sometimes businesses are definitely interested, but they don't have a franchisee. Belton can then take that information, and try to recruit local investment in the franchise.
- With larger retailers already in the vicinity (Killeen/Temple), Mayor Pro Tem Grayson stated Belton is probably a better market for more unique retailers. She asked if Catalyst had businesses of this type on their list and how they communicate with them. Mr. Wilhite agreed it would be better to attract the more unique operators to Belton, as they are easily accessible from Killeen/Temple residents, and these type businesses contribute a lot more to the local economy. He added they do have the small unique retailers in their database, and are definitely in contact with them.
- Councilmember Leigh asked if Catalyst works with big conglomerate developers, and Mr. Wilhite indicated they do communicate with them also.

Several attendees thanked Mr. Wilhite for the work he and his company has done on this study, and agreed the data will help Belton to begin planning and working toward potential retail development opportunities. No action was taken on this item, and at 5:00 p.m., the Mayor Pro Tem adjourned the City Council meeting.



Marion Grayson, Mayor Pro Tem

ATTEST:



Connie Torres, City Clerk