



(Athens Economic Development Corporation)

Web Site: www.athenstexasedc.com

Email: director@athensedc.com

Phone Number: 903.675.4617

AEDC Approves deal with California Company

Author:

Rich Flowers

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By Rich Flowers News Editor Athens Daily Review

The Athens Economic Development Corporation on Tuesday approved a memorandum of understanding with HVAC Manufacturing of California concerning preparation of the building the company plans to occupy in Athens.

‘It’s totally gutted inside,’ AEDC Board President Jess Laird said. ‘So they are going to add onto it, but they’ve got to create some offices. They’re also going to add some storage space. That’s why it’s a little more expensive than they originally thought.’

HVAC, which develops and manufactures products used in the heating, ventilating and air-conditioning industry entered an agreement in the spring to come to Athens and move into a property at 1010 W. Corsicana, which was formerly the home of Cade’s Building Supply.

The MOU, approved on Tuesday, stated that HVAC will select a contractor for construction on the building that will house their business. The company will be responsible for plan approval and construction oversight. The AEDC will reimburse the contractor for services rendered.

The AEDC has tailored 10-year lease purchase agreement for HVAC. The company will make monthly lease payments of \$4,389.09 per month for 10 years. After that time, the building will be deeded over to the company.

The purchase price of the existing property is \$300,000. The estimated cost to finish out the facility to make it ready for HVAC to start operations is \$543,000.

To offset the costs, the AEDC is providing HVAC with cash incentives in the amount of \$394,500. AEDC will also front the company additional \$123,500 for the project which will be rolled into the purchase note.

HVAC will contribute \$25,000 to the project.

AEDC Executive Director Lisa Denton said HVAC will maintain a portion of its operation in California while the Athens location is being established. There are currently four HVAC employees who’ve been hired for the Athens facility.

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