

**Athens Economic Development Corporation
Board of Directors Meeting
Minutes for April 26, 2016**

The Board of Directors of the Athens Economic Development Corporation (hereafter referred to as AEDC) held a Regular Board Meeting at 10:00 a.m. on Tuesday, April 26, 2016, in the Derek Daniels Board Room of the Athens Partnership Center, 201 W. Corsicana, Athens, Texas.

Directors present: Jess Laird, President, Maurice Cox, Jeaneane Lilly, Cliff Barrett, John Trent, Will Traxson

Directors Absent: Carmen Hunt

Staff present: Lisa Denton

Guests: Philip Rodriguez, City of Athens; Mayor Jerry Vaught, City of Athens; David Cundieff, Velvin & Weeks and Gary Traylor, Traylor & Associates

Call to Order

The meeting was called to order at 10:00 a.m. by President, Jess Laird for all agenda items. A quorum was present.

Declaration of conflict of interest

None stated

Citizen Comments

None

Consider discussion and approval of minutes from AEDC Board Meeting dated April 1, 2016

John Trent made a motion to approve the minutes from April 1, 2016, as presented. Maurice Cox seconded the motion. Motion passed 6-0

Consider discussion and possible action on the following items associated with AEDC Financials:

- A. March financials

Summary of March Financial Report:

- A. **Revenue-** Total revenue for the month was \$104,143.85; sales tax accounting for \$94,796.44 of that amount. Sales tax collections were up 7.62% over this time last year. Sales tax collections are up 3.06% for the year (as of 4/2016). Sales tax

collections are at 60% of budgeted revenue.

- B. Expenses**-Total expenses for the month were \$61,007.46.
- C. Balance Sheet**-The Balance Sheet shows the corporation has \$1,874,879.04 in liquid assets, as of March 31, 2016.
- D. Commitments/LTD**-AEDC has ED project commitments totaling \$517,759 and Long Term Debt Obligations of \$2,159,269.

Jeaneane Lilly made a motion to approve the March financials. Cliff Barrett seconded the motion. Motion passed 6-0

Consider discussion and possible action on the following items associated with Palestine Street LLC sewer line project at Loop 7 & Hwy 19

- A.** Project update was presented by David Cundieff with Velvin & Weeks.
- B.** Final invoice #6444 from Velvin & Weeks, in the amount of \$875, for inspection services.
- C.** Final invoice #6442 from Velvin & Weeks, in the amount of \$2,514.31, for engineering & design services.

Maurice Cox made a motion to approve payment of both invoices. John Trent seconded the motion. Motion passed 6-0

Consider discussion and possible approval the following items associated with HVAC Manufacturing, Inc.:

- A.** Pay App 5 from Athens Steel Building, in the amount of \$67,700.

Ms. Denton reported that this is the final invoice from Athens Steel. They have been addressing some drainage issues and also have some TDLR items to correct. HVAC is prepared to approve only \$34,000 to be paid at this time. The balance will be approved when all items have been corrected.

John Trent made a motion to approve payment, in the amount of \$34,000, to Athens Steel Building. Cliff Barrett seconded the motion. Motion passed 6-0

- B.** Termination of lease for facility located at 1391 Flat Creek Rd., Suite 103

Cliff Barrett made a motion to terminate the lease. Maurice Cox seconded the motion. Motion passed 6-0

Consider discussion and possible approval of grant payment, in the amount of \$25,000, to reimburse the city of Athens for expenditures related to improvements at Coleman Park

Jeaneane Lilly made a motion to approve payment, in the amount of \$25,000, for Coleman Park improvements. John Trent seconded the motion. Motion passed 6-0

Consider discussion and possible action on the following items associated with AEDC Business Assistance Grant Program:

A. Sotheara Leang & SVL, LP

This is the Donut Supreme located at 709 W. Corsicana. Owner proposes to paint the exterior, replace front wooden windows, repaint and re-letter the pole sign, restripe parking lot, install a new awning around the front of building and landscape. Estimates total \$15,729. This qualifies for a matching grant of \$7,864.50.

Maurice Cox made a motion to approve the business assistance grant for Sotheara Leang & SVL, LP, in an amount up to \$7,864.50. Cliff Barrett seconded the motion. Motion passed 6-0.

B. Toni & Raymond Stanford

These are the property owners of 508 W Corsicana, which is the location of CJ's Resale Shop. The owners propose to repair and overlay parking lot. The lowest estimate is \$14,500, which qualifies for a matching grant of \$7,250.

Cliff Barrett made a motion to approve the business assistance grant for Toni & Raymond Stanford, in an amount up to \$7,250. Maurice Cox seconded the motion. Motion passed 6-0.

Consider discussion and possible action on the following items associated with BMC:

- A. Acceptance of funds, in the amount of \$12,610.02, transferred from city
- B. Accept transfer of ownership of Big Joe forklift from city of Athens

The city of Athens has received the above listed items from BMC and the corporation has been dissolved. The city council has approved the transfer of both assets to AEDC, to fulfill the intent of the MOU that was put into place last year.

Jeaneane Lilly made a motion to accept these assets from the city. Cliff Barrett seconded the motion. Motion passed 6-0

Public Hearings to be held on the following projects with Fieser Development:

- A. Financial assistance for The Oaks at Fairview, in the amount of \$187,102
The public hearing was opened at 10:38 AM to receive input on the proposed expenditure. Hearing no comments this public hearing was closed at 10:38 AM.
- B. Financial assistance for Fairview Cottages, in the amount of \$84,010
The public hearing was opened at 10:39 AM to receive input on the proposed expenditure. Hearing no comments this public hearing was closed at 10:40 AM.

Consider discussion and possible approval on the following items associated with Fieser Development:

- A. Loan agreement and promissory note for The Oaks at Fairview
- B. Loan agreement and promissory note for Fairview Cottages

John Trent made a motion to approve the loan documentation as presented. Maurice Cox seconded. Motion passed 6-0

Consider discussion and possible action on the following items associated with possible Texas Capital Fund Grant:

- A. Work Order No.1 from Traylor & Associates

This work order is for the grant application process and is in the amount of \$40,000. There is no fee due if the grant is not awarded.

Maurice Cox made a motion to approve Work Order No. 1 from Traylor & Associates. John Trent seconded the motion. Motion passed 6-0

- B. Letter of Commitment for funding

This commitment letter would be presented to the city as part of the grant process. This is for the deficit amount necessary to make the infrastructure improvements for the roadway and drainage.

Jeaneane Lilly made a motion to approve the letter of commitment for funding in the amount of \$227,330. Cliff Barrett seconded the motion. Motion passed 6-0

Consider discussion and possible action regarding retail recruitment strategy

The retail committee has now met with four retail consulting firms and do feel that, if AEDC and the city would like to see increased retail development, it will be necessary to hire a consultant. AEDC Board directed the committee to select the top two firms and then set a joint meeting with board and council for presentations.

Consider entering into Executive Session according to TEXAS GOVERNMENT CODE Chapter 551 to discuss following:

At 11:48 a.m., Jess Laird, President, announced that the Board would retire into Executive Session pursuant to the provisions of the TEXAS GOVERNMENT CODE Chapter 551, in accordance with the authority contained in the following sections:

- A. Section 551.087 – Deliberation Regarding Economic Development Negotiations:
Deliberations regarding negotiations with the following prospects:
Prospect #1522 Prospect #1535
Prospect #1532

Reconvene into Open Session and take any action resulting from Executive Session.

The board reconvened into Open Session at 12:31 p.m.

Prospect #1532, FutureMatrix Interventional is expanding their location at 1605 Enterprise St. Company proposes to construct and equip a new 20,000 sq. ft. facility, with an estimated real and personal property value of \$3,300,000. Company will also add 100 full time jobs, over their current base of 348, over a three year period. In return, AEDC will offer an incentive package for investment and job creation with a value of \$200,000, to be paid out over the three year period. AEDC will also co-apply with the city of Athens for a Texas Capital Fund Grant for construction of new roadway and drainage within the industrial park, for the benefit of Company.

Will Traxson made a motion to approve the incentive package for FutureMatrix Interventional. Jeaneane Lilly seconded the motion. Motion passed 6-0.

With no further action to be taken, the meeting was adjourned at 12:33 p.m.

Jess Laird, President

Carmen Hunt, Secretary