

CITY DEVELOPMENT CORPORATION OF EL CAMPO
REGULAR MEETING
November 21, 2011

Board Members Present: Alan Heskamp, Wesley Lange, Randy Collins, Kinnan Stockton, David Allgayer

Staff Present: Chandra Spenrath, Executive Director; Brittanie O'Connor, Executive Assistant

Others Present: Chris Barbee, El Campo Community Services Director; Ronny Collins, Duckett, Bouligny, & Collins Law Firm; Mark Van Gorp, El Campo Little League Board President; Mindi Snyder, City Manager; Richard Young, City Mayor; Abby Goeri, Westloop Park Committee; Sherry Russell, El Campo Little League; Kyle Smith, University of Houston SBDC; Ken Shanks, Shanks & Associates

1. President Heskamp called the Meeting to order at 3:02 pm.
2. President Heskamp took roll of Directors and noted a QUORUM.
3. The minutes from the Regular Meeting of October 17, 2011 were in the Board Book for approval.
MOTION to approve the minutes of the Regular Meeting of October 17, 2011 as presented was made by Wesley Lange and Seconded by Kinnan Stockton. The MOTION passed unanimously.
4. Bills and financial reports were reviewed by board.

Kinnan Stockton asked about expenses from the Blue Creek Building. Executive Director Spenrath shared that these expenses are being tracked, and this form will be sent out to the board members.
5. President Heskamp skipped agenda items 5 & 6.
6. Agenda item 7: Review and take any necessary action on Strategic Plan 2011-2012.

President Heskamp reviewed the 2011/2012 Strategic Plan. This is a working document that is a result of the annual workshop held on 9 November 2011 to develop the economic development strategy for the city of El Campo. This document was taken from the information discussed and priorities identified at that workshop.

Wesley Lange raised questions about the \$800,000 goal in the first section of the plan. Kinnan Stockton and Randy Collins noted that this is an ambitious plan. Randy Collins raised concerns about implementation of the plan.

President Heskamp reviewed the BREP survey, and shortened the survey. The first step in implementation is to get this survey approved. After approval of this survey, the Executive Director will have the tools necessary to begin reaching out to employers with the help of the board.

Kinnan Stockton asked about the timeline and target dates for the rest of the goals. President Heskamp noted that he would like for these goals to be compiled in a spreadsheet and follow up on progress at least quarterly. This document is a living, breathing document, and always able to be changed. If, at any time, any board member or the Executive Director has a concern about progress, this discussion should be placed on the agenda immediately.

MOTION to approve the 2011-2012 strategic plan and present to council as presented was made by Kinnan Stockton and seconded by Randy Collins. The MOTION passed unanimously.

Ronny Collins raised questions about the \$800,000 commitment in the strategic plan. Randy Collins suggested that this plan be reworded to say that the CDC will invest *up to \$800,000*, instead of committing that exact amount. President Heskamp noted that he would like to commit this money in an effort to become proactive, rather than reactive. This amount will be the goal of the CDC. Randy Collins suggested that this amount be stated as a goal for the current year, as opposed to a commitment, which would need to be approved as a budget amendment by council. President Heskamp suggested that the heading at the top of the document say *CDC of El Campo 2011-2012 Strategic Plan Goals and Objectives*. This would cover everything in the document. Wesley Lange also raised concerns about using a specific amount, and suggested that the phrase *up to \$800,000* be used instead.

Kinnan Stockton and Randy Collins rescind the original MOTION and second.

MOTION to approve the 2011-2012 Strategic Plan subject to the two changes indicated was made by Kinnan Stockton and seconded by Randy Collins. The MOTION passed unanimously.

7. Agenda item 8: Review and take any action on business retention and expansion survey. President Heskamp presented and reviewed revised survey. Wesley Lange asked about how these surveys will be completed. The plan is to make personal phone calls and visits to complete this survey now.

Kinnan Stockton asked how many retail businesses the CDC was planning on visiting. Executive Director Spennrath noted that retail is not usually primary employers, but some are. The CDC can provide a lot of assistance with training needs, and is not limited to primary employers always.

Kinnan Stockton noted that the strategic plan sets a goal of surveying 95% of primary employers. Is the goal to have this completed in a 12 month period? President Heskamp noted that primary employers will first need to be identified, and then the goal can be revisited based on the number of primary employers.

MOTION to approve the Business Retention and Expansion survey as presented was made by Wesley Lange, and seconded by David Allgayer. The MOTION passed unanimously.

8. Board members opened executive session at 3:33 PM:

- A. Discuss and deliberate economic development incentives, as authorized by Section 551.087 of the Texas Government Code, regarding Grower Express, LP.
- B. Discuss and deliberate real estate negotiations, as authorized by Section 551.072 of the Texas Government Code, regarding Blue Creek Building.

9. Open Session reconvened at 4:00 PM:

- A. Take action, if necessary, regarding Grower Express:

MOTION that the CDC enter into an agreement with Grower Express, LLC in order to encourage primary job creation and to diversify our agricultural base, to provide 20,000 each year for five years, contingent on Grower Express meeting the following full time equivalent job requirements, annually, in Wharton County:

Year 1: 12

Year 2: 20

Year 3: 30

Year 4: 36

Year 5: 36

In any year, if the job requirements are not met, no payment will be provided. A full time equivalent job is defined as 1,666 hours worked per year, determined by IRS form 941, filed by Grower Express, LLC was made by Alan Heskamp, and seconded by Kinnan Stockton. The MOTION passed unanimously.

- B. Take action, if necessary, regarding Blue Creek Building:

MOTION to authorize the CDC president to execute documents for the sale of ½ undivided interests in the Blue Creek Building for \$350,000 to the ECEDC as per the terms of the Texas Capital Fund, was made by Wesley Lange, and seconded by David Allgayer. The MOTION passed unanimously.

10. President Heskamp called for a recess at 4:03 pm to attend City-CDC workshop.

11. CDC regular board meeting was reconvened at 6:01 pm.

12. Agenda item 5: Receive update on Westloop Community Park.

Adequate information was received in the City-CDC workshop, and no action was taken.

13. Agenda item 6: Review and consider MOU between City Development Corporation of El Campo and El Campo Little League; take any necessary action.

Executive Director explained the differences between this MOU and the MOU that was received at the October meeting. Bullet points two and three were combined. President Heskamp asked Little League President Mark VanGorp who this document was created by. President VanGorp responded that this document was created by various interested parties, including the Little League, City of El Campo, Westloop Park Committee, and Attorney Ronny Collins.

President Heskamp raised concerns about whether or not the City would need to sign this document as an interested party as well. President VanGorp said that this agreement is between the Little League and the CDC, which is why the City does not need to sign this document. President Heskamp noted that this document also commits the city; for example, the City must decide the project is not viable before the money can go back to the little league. Because the City is materially involved and receiving monies, should they also sign the agreement? Ronny Collins noted that

The original MOU was between the Little League and the CDC, and did not involve the City at all. This agreement is between the Little League and the CDC, but it materially involves the City; should the City also sign this document along with the CDC? Ronny Collins responded that the City does not need to sign this document. The City is not a party to this contract, because this contract is just confirming that the CDC's monies will not go away, and this can be taken back to the voters.

MOTION to approve the second memorandum of understanding between the El Campo Little League and the City Development Corporation was made by Kinnan Stockton, and seconded by Wesley Lange. The MOTION passed unanimously.

14. President Heskamp adjourned the meeting at 6:13 PM.