

**CITY OF KERRVILLE, TEXAS REGULAR MEETING  
ECONOMIC IMPROVEMENT CORPORATION**

**November 15, 2010**

On Monday, November 15, 2010, the meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:02 p.m. by Bill Crumrine, President, in the City Hall Council Chambers, 800 Junction Highway, Kerrville, Texas.

**Members Present:**

Bill Crumrine, President  
Jack Pratt, Vice President  
Alan Massey, Secretary  
Gregg Appel  
Rex Boyland  
Warren Ferguson; *left at 5:00 pm*  
Robert Miller

**Members Absent:**

None

**Staff Present**

Todd Parton, City Manager  
Mike Hayes, City Attorney  
Mike Erwin, Director of Finance  
Mindy Wendele, Director of Business Programs  
Teri Kinsey, Administrative Assistant to City Secretary

2. **INVOCATION:** Given by President Bill Crumrine.

3. **VISITORS FORUM:** Nobody spoke.

4. **PRESENTATION AND ACTION:**

4A. Commercial Improvement Program - A & D Properties No. 2.

Harvey Brinkman presented a letter to the Board regarding his application for the Commercial Improvement Program. The Board discussed whether or not his request met all requirements, specifically "job creation". The Board also discussed the following matters:

- Being able to view all applications, even the ones declined
- How much time to allow for job creation
- Possibly modifying the Commercial Improvement Program Application
- Base requirements on a "case by case" basis.

Mr. Pratt moved to approve the amended application and execute the commercial improvement agreement for A & D Properties No. 2, Mr. Miller seconded; motion passed 4-3 with Messrs. Pratt, Ferguson, Massey, and Miller voting in favor; Messrs. Crumrine, Appel, and Boyland voting against the motion.

4B. Presentation by KEDC concerning a funding request.

Todd Parton presented a funding request on behalf of the Kerrville Economic Development Corporation in the amount of \$225,000.00, to fund payroll for 2 employees, as budgeted in EIC's FY2011 budget. The Board questioned possible complications caused by the offset in budget years between KEDC and EIC.

Mr. Pratt moved to approve the funding request and directed staff to draft a funding agreement for \$225,000.00 and schedule a public hearing for the next EIC Board

meeting; Mr. Appel seconded, motion passed 5-1 with Messrs. Crumrine, Pratt, Massey, Appel, and Boyland voting in favor; Mr. Miller voting against the motion.

**5. PUBLIC HEARING AND ACTION:**

**5A. Funding agreement with the Hill Country Sports Shooting Center.**

Mr. Crumrine opened the public hearing at 5:22 pm; nobody spoke; the public hearing was closed at 5:22 pm.

Mr. Pratt moved to approve the funding agreement for \$494,838.00 to the Hill County Sports Shooting Center; Mr. Miller seconded, motion passed 6-0.

The Hill Country Sports Shooting Center funding agreement will be considered by City Council on December 14, 2010 for approval.

**6. CONSIDERATION AND ACTION:**

**6A. Authorize the execution of the EIC investment policy from Patterson and Associates.**

The consensus of the Board was to form a committee consisting of 3 members from EIC: Mr. Boyland, Mr. Pratt, Mr. Ferguson; Mike Erwin and another member to be named at a later date to review the proposed investment policy and make a recommendation to the Board.

**6B. Discussion of EIC Board policies, procedures, applications and funding.**

City staff addressed the following concerns from the EIC board:

- Grant Applications; required material, approval/disapproval of City Council, recouping costs or attorney fees in recovering EIC funds.
- Commercial Improvement Agreements; define time period for development; approve requests that will generate development.

The funding request application was modified in January 2010 to include owners, payroll, tax and pro forma information, et al. The process for requesting funding from EIC was explained by Mindy Wendele and the requirement that all requests be approved by city council. Mr. Hayes cited the statute and guidelines for 4B funding and the process for determining whether an application qualified. He also advised that the Board could attempt to amend existing contracts to recoup funds; however, increasing requirements for applicants could decrease the number of funding requests.

- Initial Response Team; appointing EIC member, EIC be made aware of all applications received.

Members of the Initial Response Team were Mindy Wendele, Todd Parton and a representative from KEDF (soon to be KEDC); Mike Erwin and Mike Hayes, as needed basis. The Board discussed having a monthly report of all applications received including those denied and why.

- Executive Session; board members only be present, unless staff is invited.

Mr. Crumrine stated that staff is present during executive session to insure that Board members stayed on topic and to advise the Board on legal and financial issues. Mr. Hayes noted that if EIC went into executive session under Section 551.071, that an attorney must be present; further, no one who could be affected by the Board's decision could be in executive session; and no minutes were taken during executive session.

6C. Waive attendance requirements for EIC representative (Jack Pratt) on KEDC.

Mr. Appel moved to waive past attendance requirements for EIC representative, Jack Pratt on the Kerrville Economic Development Corporation Board; Mr. Massey seconded, motion passed 6-0.

6D. Discussion concerning December 20<sup>th</sup> EIC meeting.

The consensus of the Board was to possibly cancel the December 20, 2010 meeting if no funding requests were received by December 3, 2010.

7. **APPROVE MINUTES:**

7A. October 18, 2010.

Mr. Pratt moved to approve the minutes of the October 18, 2010 meeting; Mr. Ferguson seconded, motion passed 7-0.

8. **MONTHLY REPORTS:**

8A. Monthly financials for October 2010.

Mr. Pratt questioned why EIC had not applied for 501(c) 3. Mr. Hayes advised that they could apply for 501(c) 3 status but suggested EIC get council's approval first; he questioned why EIC wanted 501(c) 3 status? Mr. Pratt explained that potential EIC purchases could be tax free; EIC felt they should not have to get City Council's approval to proceed with filing.

Mr. Pratt moved to approve the October 2010 financials as presented; Mr. Massey seconded; motion passed 6-0.

8B. EIC construction project status.

Mr. Erwin presented the October 2010 construction project status report. The construction report was accepted by consensus.

9. **INFORMATION AND DISCUSSION:**

9A. Update on Convention Center Review Panel.

Mr. Ferguson reported the review panel gave Hunter Equity a 30 day extension to file a draft plan for the convention center due by the November 23<sup>rd</sup> City Council meeting.

9B. Update on Kerrville Economic Development Corporation.

Mr. Pratt advised the Board that KEDC would conduct the second round of interviews for the Executive Director.

10. **EXECUTIVE SESSION:**

Mr. Pratt moved that the Economic Improvement Corporation go into executive closed session under sections 551.071 (consultation with attorney) and 551.072 (deliberation regarding real property) of Chapter 551 of the Government Code of the State of Texas; Mr. Miller seconded; motion passed 6-0 to discuss the following matters:

Sections 551.071 and 551.072:

- Economic development grant/loan agreement between Kerr Economic Development Foundation, Inc. and the City of Kerrville, Texas Economic Improvement Corporation (USDA Facility).

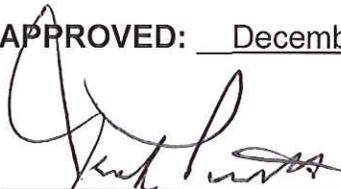
At 7:00 p.m. the regular meeting recessed and the Board went into executive closed session at 7:01 p.m. At 7:44 p.m. the executive closed session recessed and the Board returned to open session at 7:45 p.m. The chairman announced that no action had been taken in executive session.

11. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION: None

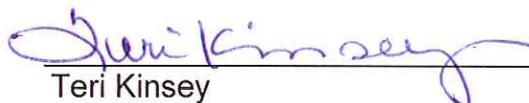
12. ADJOURNMENT:

Mr. Boyland moved to adjourn the meeting; Mr. Ferguson seconded; motion passed 6-0. The meeting adjourned at 5:45 PM.

APPROVED: December 20, 2010



Jack Pratt  
Vice-President



Teri Kinsey  
Admin. Assist. to the City Secretary