

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

**REGULAR MEETING
June 20, 2011**

On Monday, June 20, 2011, the meeting of the directors of the City of Kerrville, Texas Economic Improvement Corporation, was called to order at 4:01 p.m. by Mindy Wendele, Director of Business Programs, in the City Hall Council Chambers, 800 Junction Highway, Kerrville, Texas.

Members Present:

Gregg Appel, President
Kenneth Early, Vice President
Tony Roberts, Secretary
Rex Boyland
Larry Howard
Stacie Keeble
Robert Miller

Members Absent:

None

Staff Present:

Todd Parton, City Manager
Mike Hayes, City Attorney
Mindy Wendele, Director of Business Programs
Mike Erwin, Director of Finance
Mike Wellborn, Director of Engineering
Teri Kinsey, Deputy City Secretary

2. **INVOCATION:** Given by President Gregg Appel.

3. **VISITORS FORUM:** No one spoke

4. **PRESENTATION:**

4A. Welcome of new members; Kenneth Early, Larry Howard, Stacie Keeble, and Tony Roberts.

Mindy Wendele introduced and welcomed the new EIC Board members.

5. **ANNUAL CORPORATION MEETING AND ELECTION OF OFFICERS:**

5A. Election of President, Vice President and Secretary in accordance with EIC bylaws.

Mindy Wendele opened the floor up for nominations for president; Mr. Boyland moved to nominate Gregg Appel, Mr. Miller seconded, motion passed 7-0.

Mr. Appel asked for nominations for vice president; Mr. Roberts moved to nominate Kenneth Early, Mr. Howard seconded, motion passed 7-0.

Mr. Appel asked for nominations for secretary; Mr. Howard moved to nominate Tony Roberts, Mr. Early seconded, motion passed 7-0.

6. **ELECTION OF OFFICER TO THE KEDC:**

6A. Election of representative to the Kerrville Economic Development Corporation.

Ms. Keeble moved to nominate Gregg Appel as the representative to the Kerrville Economic Development Corporation, Mr. Howard seconded, motion passed 7-0.

7. **APPROVE MINUTES:**

7A. Approve minutes from May 16, 2011.

Mr. Boyland moved to approve the May 16, 2011 minutes; Mr. Miller seconded; motion passed 7-0.

8. MONTHLY REPORTS:

8A. Monthly financials for May 2011.

Mr. Early moved to approve the May 2011 financials as presented; Mr. Howard seconded; motion passed 7-0.

8B. EIC construction project status.

Mr. Erwin presented the May 2011 construction project status report. The construction report was accepted by consensus.

9. CONSIDERATION AND ACTION:

9A. Consideration of funding agreement amendment for the Hill Country Home Opportunity Council.

Ms. Keeble moved to approve the funding agreement amendment for the Hill Country Home Opportunity Council; Mr. Howard seconded, motion passed 7-0.

10. PRESENTATION AND POSSIBLE ACTION:

10A. Kerr County Commissions' Court for \$750,000, for the Ag Complex improvement and expansion.

Commissioner Guy Overby presented a multi-phase plan for improvements and expansion for the Hill Country Exhibit Center. Construction would consist of 6 phases:

- Phase 1 – Remove existing outdoor arena & construct new arena
- Phase 2 – Remove existing exhibit hall & construct a new show barn
- Phase 3 – Upgrade existing indoor arena
- Phase 4 – Construct new exhibit & event center with upgrades
- Phase 5 – Construct amphitheater
- Phase 6 – Construct bridge to east park

The construction budget estimate of the total project will be approximately \$12.3M with an additional \$1.5M for engineering costs. Mr. Overby explained that very few jobs would be created by this project but the indirect benefit would be seen in hotel revenue, restaurant business, and bringing in ag related events. Mr. Overby wanted it clearly stated that this would not be a convention center, but an exhibit center for ag related venues. Various representatives for local organizations spoke on behalf of the Hill Country Exhibit Center:

- Bob Reed, Livestock Association
- Leah Bauer, 4-H participant & scholarship recipient
- Steve Bauer, Business Owner/Member of the Kerr County Farm Bureau
- Dennie Foster, Chamber of Commerce Board/Rodeo Committee
- Sudie Burditt, President of the Conventions & Visitor's Bureau

The Board asked about funding and fund raising from other organizations; Commissioner Overby advised the board that Kerr County has already invested \$213,000 and emphasized how important it was to get community wide involvement in this project, funding from EIC could spur numerous grants, donations and other assistance. The Board needed the following information from Commissioner Overby:

- Capitol campaign plan for total project funding detailing the amount Kerr County is contributing and amount the private sector is contributing
- Private sector commitments and/or pledges
- List of the competitive markets
- Actual proforma with statement of income and list of assumptions based on market potential

- Marketing plan to book events including how marketing for events in low season is handled
- List of new business commitments
- List of agricultural industry representatives who have reviewed the concept plans for functionality

Mr. Miller moved to table this item until July 18, 2011, after the additional information had been received by the Initial Response Team and had an opportunity to review it; Mr. Roberts seconded, motion passed 7-0.

11. INFORMATION AND DISCUSSION:

11A. Discussion regarding joint meeting between City Council and the EIC Board.

It was the consensus of the Board to schedule a joint meeting in late July with City Council regarding issues such as, but not limited to, the ED strategy and the EIC investment policy.

11B. Discussion regarding joint meeting between EIC Board and KEDC.

It was discussed that various local entities schedule a joint meeting, but it was the consensus of the board to have a smaller group meeting between EIC Board members and just the Kerrville Economic Development Corporation during the month of August.

11C. Consider proposal from Kerr Economic Development Foundation ("KEDF") for the Economic Improvement Corporation to enter into a Purchase and Sale Agreement with KEDF for the purchase of approximately 86.71 acres located at 300 Peterson Farm Road, which is intended to become the new site of the United State Department of Agriculture ("USDA") Knipling-Bushland Laboratory.

Mike Hayes gave an overview of past action taken on this item and informed the Board of its current status with the USDA. During a phone conference between Mike Hayes, Todd Parton and USDA, it was conveyed to city staff that government funding for this project would not be available for at least another 5 years and completion would take longer than 10 years. The Board discussed possibly purchasing the property, how much to purchase and if EIC had the fund available to purchase the property. Mike Erwin advised the Board that \$210,627.18 has been spent to date, and the remaining balance to purchase the property would be \$1,115,559.01 plus any interest accrued; money has been allocated for this purchase. This item was not slated for action, but it was the consensus of the Board to have city staff draft an agreement to purchase the 86.71 acres from KEDF and present it at the meeting in July.

9. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION:

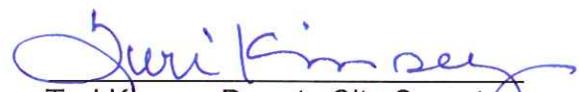
10. ADJOURNMENT:

Mr. Howard moved to adjourn the meeting; Mr. Roberts seconded; motion passed 7-0. The meeting adjourned at 6:18 PM.

APPROVED: July 18, 2011



 Gregg Appel, President



 Teri Kinsey, Deputy City Secretary