



Athens Economic Development Corporation

Board of Directors

Monthly Board Meeting

Amended Minutes

April 19, 2022

The Board of Directors of the Athens Economic Development Corporation (hereinafter referred to as AEDC) held a monthly board meeting on Tuesday, April 19, 2022, at 10 am in the Derek D. Daniels Room of the Athens Partnership Center located at 201 W Corsicana Street, Athens, Texas.

Directors' present: John Trent, Randy Jones, Donna Meredith, Joe Mike Murphy,
Mark Ferrell and Cliff Bomer

Staff Present Joanie Ahlers, Executive Director and Valerie Franklin, Office Manager

Ex-Officio: City Manager Elizabeth Borstad, Mayor Toni Clay, Councilmen Robert
Gross, Aaron Smith and Mark Carroll

Guest: Randy Williams and Audrey Sloan

Call to Order

The meeting was called to order at 10:04 a. m. by President John Trent for all agenda items. A quorum was present.

Declaration of Conflict of Interest

Director Mark Ferrell withdrew from agenda item #9.

Public Communication

None.

Consider discussion and action regarding the approval of minutes from AEDC Monthly Meeting on March 22, 2022.

Executive Director Ahlers asked that the board consider an amendment to the minutes to reflect "a motion to approve the change order for LJA Engineering for the completion of construction documents for \$28,000". Donna Meredith made the motion to amend the March 22, 2022, minutes to reflect the

approval of amendment to the March 22, 2022 minutes and was seconded by Joe Mike Murphy. The motion carried unanimously.

Consider discussion and action regarding the approval of March financials

Executive Director Joanie Ahlers explained once again we have a double digit increase in our sales tax revenue. We brought in a little bit over \$145,000. This has been the trend for the last six months.

Randy Jones made a motion to approve the March 22, 2022 financials and Donna Meredith seconded it. The motion passed unanimously.

Consider discussion and action on Hub City Productions proposal for Architectural services for AEDC Spec building

Executive Director Joanie Ahlers stated last month we discussed Mr. Tom Nelson who came out and walked our locations for the Spec building and we decided to hire him. He sent us a formal proposal with his scope of work.

The size of the building was discussed. The building will be expandable. Councilman Mark Carroll asked if the architect would give us the documents to go out for bids. Executive Director Ahlers stated yes. It will be finished out as much as he is instructed to finish out.

The agreement is for 20,000 square feet for warehouse and 2,500 for office space.

Mark Ferrell made a motion to hire HUB City Productions for a total of \$9,800 with a retainer fee of 50% (\$4,900) to include the scope of work. Cliff Bomer seconded the motion. The motion passed unanimously.

Consider discussion regarding 380 Agreements

Executive Director Ahlers stated in the packet was included the actual statute language out of the government code. During a training last week, it was stated 380s may be in jeopardy. There was an open discussion about 380 agreements.

Director Ahlers and City Manager Borstad spoke with an economic development director from Addison, TX. Their economic development department is set up with the city budget. They use 380 agreements to get their projects completed. The language in the law is broad for flexibility.

City Manager Borstad stated Addison is being very creative in things she never thought of. We have not utilized it. It was eye opening. We would have to adopt a 380 policy that would guide us as far as incentives. They issued COs to install infrastructure and used the increase in ad valorem taxes, creating their own TIF to pay off COs they have issued. The redevelopment of existing shopping malls was interesting. We have a lot of building in town that a little bit of investment could help tremendously.

John Trent asked is the AEDC to administer all 380s or certain ones? What is the involvement of the AEDC in the 380 processes? Mayor Toni Clay stated she sees the AEDC overseeing the 380 agreements because that is what you do, and it goes through city council already.

Councilmen Mark Carroll said he thought of it as economic development opportunities for the city and AEDC and what bucket does it come from. It is either a 4B or a 380. There must be a mindset change for city council. We have not been open to a lot of it in the past. With Addison or other cities that are using

380s, or are they up- front payments or over time? City Manager Borstad said there was a combination of both.

Councilman Mark Carroll stated it also should line up with the future land use to help manage as we move forward.

President John Trent asked was there an official legal contract between the city and the AEDC. The City Manager stated she did not know how that would work.

Director Randy Jones thank staff for the update on 380s and stated we need to keep an eye on upcoming legislative sessions to know what is coming forward.

Consider discussion regarding the Future Land Use Plan for the City of Athens

City Manager Borstad stated Randy Williams is with the utility department and Audrey Sloan is Director of Development Services and both play a critical role in our future land use plan because they use it for zoning, and it ties into where we have utilities. The zoning map show what properties are being use for right now. We need to update and adopt a future land use plan. The city met with Planning and Zoning while AEDC was at their last training. We want to make sure city council, planning and zoning and the AEDC board are on the same page as you are moving forward with industrial park or development plan that we put our minds together to get everyone thoughts as far as future land use. We must adopt a new future land use plan. The comprehensive plan will be finished.

Mayor Toni Clay stated one thing that came out of the meeting with planning and zoning is the north wastewater plant needs help. The west is in better shape, and we could consider moving everything to the west. Our corridor to the west has been in trouble. One discussion has been where a future industrial park could go. Councilman Gross brought out what if we used economic development money to go in and purchase some of the areas along that corridor and create services and an industrial park.

There are utilities there. Can we combine it and get some of the properties purchased that have been languishing forever and create a place for industry? Or even just build some of those properties to lift that area. Someone must get it started.

Executive Director Ahlers asked what the business plan would be. Would land be purchased, demolished and just be raw land. This is just at the ideal stage. We have not typically done incentives for redevelopment but for jobs. That's where 380s could be used.

There was more discussion about property farther out on Hwy 31 W and the airport. Randy Williams stated utilities near the airport shows different water services. The area around the airport is Virginia Hill water. The lift station would be big enough, but you would have to construct sewer lines to get to it.

Councilman Mark Carroll asked to have discussion about future housing. We need to expand our workforce and try to get people to move into the city. How we might use 380s for housing in the city.

Consider discussion and possible action for approval of Hearn Survey Associates professional services contract

Director Mark Ferrell declared a conflict of interest and stepped out of the meeting. Executive Director Ahlers stated we have a need to survey the southern track of the AEDC property along Wood Street and

old Tyler Hwy. We have a purchase and sales agreement in place with Fieldstone Solar of what is left after GVD/Deer Park Apartments came in. We need a survey and a plat. Mr. Gerald Carter did the north side, and it took about four months. We have reached out to Andress Surveying, and I have been waiting six weeks. She has reached out to our board member that owns Hearn's and Ward Surveying and he has stated he could get it done in three weeks. In the packet I have our attorney's opinion and Mr. Ferrell has declared a conflict of interest.

Cliff Bomer made a motion to approve the hiring of Hearn's Surveying to complete the survey and plat of the southern tract of AEDC property along Wood Street and old Tyler Hwy. The motion was seconded by Joe Mike Murphy and the motion carried. Mark Ferrell rejoined the meeting.

Consider discussion and possible action for purchase of ad in Athens Chamber Directory

Executive Director Ahlers explained within the packet is the Chamber of Commerce's price list for ads. It is a business directory. We are a chamber member, and she sits on the chamber board. She wanted to make sure the board did not want a larger size ad.

A motion was made by Joe Mike Murphy and seconded by Mark Ferrell to purchase an ad for \$250.00. The motion passed unanimously.

Consider discussion and action of Biomerics Lease Agreement

This is for the last payment for the Biomerics agreement. The paperwork is not back to us yet. A motion was made by Cliff Bomer and seconded by Joe Mike Murphy to table this agenda item until next month.

Consider discussion and possible action for approval of Clayton Homes Employee Incentive final payment

Executive Director Ahlers stated this is the last payment for Clayton Homes of \$30,000. They did not complete their paperwork from last year, but we have verified the paperwork is sufficient for this year.

A motion was made by Joe Mike Murphy and seconded by Randy Jones to approve the \$30,000 payment to Clayton Homes. The motion passed unanimously.

Consider discussion and possible action for approval of Business Assistance Grants:

- A. Athens Lumber Company**
- B. McCain Motor Company**

Executive Director Ahlers asked for a short recess. She returned. She stated that the grant review committee met and reviewed two applications. Athens Lumber Company must spend a minimum of \$15,000 and the payout is not to exceed \$11,395.00. Under section 4a, no reimbursement will be made for cash payments and proof of payment must be made for all qualified expenditures.

A motion was made by Cliff Bomer and seconded by Randy Jones to approve the grant for Athens Lumber Company to spend \$15,000 and the payout is not to exceed \$11,395.00. The motion passed unanimously.

McCain Motor Company has expenditures of \$6,000 and we will reimburse not to exceed \$4,950.00. They will power wash and paint. A motion was made by Mark Ferrell and seconded by Donna Meredith to approve the grant to McCain Motor Company to spend a minimum of \$6,000 and they will be reimbursed in an amount not to exceed \$4,950.00. The motion passed unanimously.

Executive Session:

Pursuant to the Texas Government Code: Section 551.072 – Deliberation regarding real property – to deliberate the purchase, exchange, lease or value of real property – AIP

There was no executive session. The potential purchase in AIP is no longer interested.

Board of Directors' request for future agenda items

None.

Adjourn

Without any other business to discuss. The meeting was adjourned at 11:24 am.

Donna Meredith, Secretary

John Trent, President