

SPECIAL JOINT WORKSHOP SESSION

NOVEMBER 29, 2017

The City Council of the City of Athens met in Special Workshop Session with Athens Economic Development Corporation's Board of Directors on Wednesday, November 29, 2017, 11:30 a.m. in the Derek D. Daniels Conference Room of the Athens Partnership Center, 201 W. Corsicana St., Athens, Texas with the following members present, to-wit:

Athens City Council

Monte Montgomery, Mayor
Ed McCain, Mayor Pro-Tem
Joe Whatley
Toni Clay
Robert Gross

Gary Whittle, Interim City Manager
Bonnie Hambrick, City Secretary

Athens Economic Development Corporation Board of Directors

Jeaneane Lilly
John Trent
Randy Jones
Carmen Hunt
Cliff Barrett
Cliff Bomer

others present: Thanasis Kombos, Marty Coursey, Dede Sims, Sherri Skeeters, Chris Knight, Dan Casey, Jess Laird, David Holdridge, Bill Jackson, Maurice Cox, Steve Grant, Charlie Tidmore, Michael Hannigan,

constituting a quorum at which time the following proceedings were enacted, to-wit:

The invocation was given by Mayor Montgomery.

The City Council recessed at 11:34 a.m.

The City Council returned to Special Workshop Session at 11:49 a.m.

DECLARATION OF CONFLICT OF INTEREST

No action was taken.

ENTER INTO JOINT MEETING WITH ATHENS ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS

The City Council entered into a Joint Special Session with the Athens Economic Development Corporation Board of Directors.

REQUEST FUNDING FROM ATHENS ECONOMIC DEVELOPMENT CORPORATION FOR PARTICIPATION IN TEXAN THEATER GRAND OPENING

Mayor Montgomery stated there is an opportunity for Athens Economic Development Corporation Board of Directors to participate in the Texan Theater Grand Opening. He stated there will be a light opening followed by a large Grand Opening of the Texan Theater. He stated the thoughts are to have a really large event to bring in people to get them involved and see the final results.

Mayor Montgomery read the legal opinion the City received from Attorney Scott Joslove, previously General Counsel with the Attorney General's Office and Texas Municipal League for the use of Type B funds for a concert at the Texan Theater. His legal opinion stated AEDC could use Type B funding.

Jeaneane Lilly, President of Athens Economic Development Corporation, stated the AEDC received an email providing official wording from the Economic Development Handbook, with three (3) opinions stating it is not an allowable use.

John Trent stated with the opinions received he is uncomfortable with contributing

Additional discussion ensued.

Mayor Montgomery thanked the Athens Economic Development Corporation for at least considering participation. He stated everyone should stay on the safe side and not pursue AEDC's participation.

DISCUSS AIRPORT PLANNING

Mayor Montgomery stated the Council wants to pursue the airport funding from the state. He stated it is a 90 percent grant from the state and the city contributes 10%. He stated the city is asking AEDC to make a commitment regarding funding and what will be done at the airport.

He stated currently it is a 90/10 grant, however, if it were 80/20 it would give the city a more competitive edge.

Ms. Lilly asked Jess Laird and others to elaborate and provide background information regarding the project. Mr. Laird stated that AEDC purchased the land and since the beginning the funding was to be a partnership between the city, the county and private donors.

Mayor Montgomery stated, in his opinion, that funding from the private sector is not guaranteed. Councilwoman Clay expressed the city should contribute and Councilmember McCain stated he's asking for good faith and the city should try to budget it in.

Mr. Trent asked when the Economic Impact study will be available, with Mr. Kombos stating it should be ready in January 2018. The two groups discussed the potential of scheduling a joint meeting, to possibly include the County, after the economic impact study is complete.

The City Council recessed at 1:02 p.m.

The City Council returned to Special Workshop Session at 1:10 p.m.

DISCUSS FREEPORT TAX EXEMPTION

Lisa Denton, Executive Director of Athens Economic Development Corporation, introduced Dan Casey with Moak Casey & Associates. She stated that Moak Casey & Associates are the consulting firm from Austin and that AEDC had retained their services to represent the taxing entities.

Mr. Dan Casey explained the Freeport Property Tax Exemption is a tax on inventory that is in Texas for a period of 175 days or less, used in some sort of manufacturing process and which will be taken outside of Texas.

Mr. Casey reviewed the Revenue Protection Agreements and options.

After the presentation, there was discussion regarding the Freeport Tax Exemption

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Marty Coursey, Finance Director, reviewed the year by year implications of offering a Freeport Tax Exemption.

There was discussion regarding how a Freeport Tax Exemption would help promote economic growth and development for Athens.

It was the consensus of the City Council to bring forth a Resolution for consideration on the December 11, 2017 City Council agenda regarding a Freeport Tax exemption for the 2018 Taxing year.

ADJOURN

The meeting adjourned at 1:50 p.m.

PASSED AND APPROVED THIS THE 11th DAY OF DECEMBER, 2017.

Monte Montgomery, Mayor

ATTEST:

Bonnie Hambrick, City Secretary