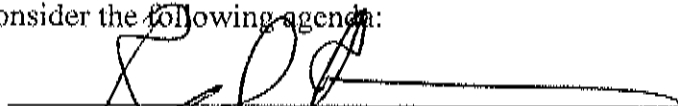


PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, April 24, 2007, in the Develop Abilene conference room, 174 Cypress St., Abilene, Texas, 3rd floor, commencing at 1:30 p.m. to consider the following agenda:

SIGNED:


Richard Burdine, Asst. City Manager for Economic Development

AGENDA

April 24, 2007
1:30 p.m.

Develop Abilene Conference Room
174 Cypress St., 3rd floor

1. Call the meeting to order.
2. Approval of minutes from February 20, 2007 meeting.
3. Preliminary financial and status reports for March 2007.
4. Presentation of semi-annual reports for 6 months ended March 31, 2007 by:
 - Abilene Industrial Foundation
 - TTU Small Business Development Center
 - City of Abilene Airport Business Development Management Program
5. Discussion and possible approval of the DCOA's Semi-Annual Report of Activities ending March 31, 2007.
6. Executive Session: Pursuant to Tex. Gov't Code Sec. 551.087, an executive session may be held (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1). After discussion in executive session, any action or vote will be taken in public.

Pursuant to Tex. Gov't Code Sec. 551.072, an executive session may be held to discuss the possible exchange, lease, or value of real property associated with a project to be funded by the DCOA since deliberation in open session would have a detrimental effect on the DCOA's negotiations with a third party. After discussion in executive session, any action or vote will be taken in public.

Pursuant to Tex. Gov't Code Sec. 551.071, an executive session may be held to consult with the DCOA attorney regarding pending or contemplated litigation or a settlement offer regarding DCOA

funded projects or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Chapter 551 of the Government Code. After discussion of the contemplated legal matters in executive session, any action or vote will be taken in public.

7. Discussion and possible approval of Addendum A to the Lease Agreement with Affiliated Food Stores, Inc. for the property at 4109 Vine St., Abilene, Texas.
8. Discussion and possible approval of a resolution authorizing an agreement with Ken Ford, PhD of the Florida Institute for Human and Machine Cognition (IHMC) to evaluate the feasibility of an Abilene-based research institute.
9. Adjournment

CERTIFICATE

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of Abilene, Texas, on the _____ day of _____, 2007, at _____.

City Secretary

NOTICE

Persons with disabilities who would like special assistance or need special accommodations to participate in this meeting should contact Department of Economic Development, (325) 676-6390, at least forty-eight (48) hours in advance of this meeting. Telecommunication device for the deaf is (325) 676-6360.

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
February 20, 2007

MEMBERS PRESENT: Ray Ferguson Stan Lambert
Mike Schweikhard Joe Crawford

MEMBER ABSENT: Dee Moore

STAFF PRESENT: Richard Burdine Kim Tarrant
David Wright Dan Santee

GUESTS PRESENT: Sydney Levesque Abilene Reporter-News

1. **CALL TO ORDER.** Ray Ferguson called the meeting to order at 1:30 p.m. in the Develop Abilene conference room located at 174 Cypress, 3rd floor, Abilene, TX and welcomed new DCOA board member, Mike Schweikhard.
2. **APPROVAL OF MINUTES FROM JANUARY 16, 2007 MEETING.** Stan Lambert made a motion to approve the minutes from the January 16, 2007 meeting. Mike Schweikhard seconded and the motion carried.
3. **PRELIMINARY FINANCIAL AND STATUS REPORTS FOR DECEMBER 2006.** David Wright presented the financial reports for December 2006. Total assets as of December 31, 2006 were \$49.2 million, total liabilities were nearly \$2.5 million, and the DCOA had an undesignated fund balance of almost \$17 million. The sales tax rebate for February was \$903,464.08 for economic development and was 7.03% higher than last year.
4. **DISCUSSION OF REGULAR MONTHLY MEETING DAY AND TIME AND POSSIBLY CHANGING TO BETTER ACCOMMODATE BOARD MEMBER SCHEDULES.** Due to the schedules of some DCOA board members, the Board considered moving the regular monthly meeting day from the 3rd Tuesday to either the second or fourth Tuesday of each month. After some discussion, it was agreed that the DCOA regularly scheduled monthly meetings will now be on the fourth Tuesday of each month, effective in March.
5. **DISCUSSION AND POSSIBLE APPROVAL OF THE PREFERRED SITE FOR CONSTRUCTION OF THE SPEC 3 SHELL BUILDING IN THE FIVE POINTS BUSINESS PARK, AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING FUNDING AND A CONTRACT WITH CARTER & BURGESS FOR SITE CIVIL ENGINEERING SERVICES.** At the December 2006 Board Meeting, Carter & Burgess proposed three separate optional site locations for a Spec 3 shell building. Richard Burdine reviewed the pros and cons of each site.

Site 1 is north of PWP (the company leasing the Spec 2 Building) and would require extensive and costly dirt work. Also, there may be future issues with TxDOT construction for the next two+ years that could possibly block or hinder access to Interstate 20 and Business 80 Highway.

Site 2 is southwest of PWP (south side of Five Points Parkway) and is the most expensive because of the need for a second main line switch plus rail cost.

Site 3 is west of PWP (north side of Five Points Parkway) and is the least expensive option. It is best suited for a spur extension.

Economic Development staff recommends Site 3 as the location for the Spec 3 building. After some discussion, the DCOA Board concurred with this recommendation.

Now that the site has been selected for the Spec 3 Building, part two involves the need for site civil engineering and related special services, which were not part of the previous contract that the Board approved in December 2006. That contract was for building design and engineering only.

In addition to the site selection of the Spec 3 building, staff requests the Board authorize a contract with Carter & Burgess in the total amount of \$151,200 (Basic Services plus 20% contingency-\$88,800, and Special Services plus 20% contingency-\$62,400) to conduct the site civil engineering work associated with construction of the Spec 3 Building.

Joe Crawford made a motion to approve Site 3 as the location for the Spec 3 Building and Resolution No. DCOA-2007.11 authorizing the contract with Carter & Burgess as presented. Stan Lambert seconded the motion and it passed by unanimous consent.

- 6. DISCUSSION AND POSSIBLE SELECTION OF THE PREFERRED OPTION FOR CONSTRUCTION OF A HANGAR AT THE ABILENE REGIONAL AIRPORT, AND CONSIDER DIRECTION TO THE CEO TO ADVERTISE A REQUEST FOR QUALIFICATIONS TO DESIGN THE HANGAR.** Richard Burdine briefly reviewed the seven options for the new hangar that were presented by URS Corporation at last month's meeting. As was mentioned in last month's meeting, Eagle Aviation staff prefers Option 2 and Economic Development staff concur.

Joe Crawford moved to adopt Option 2 for the construction of a new hangar and to allow the CEO to advertise a Request for Qualifications to design the hangar. Motion carried by unanimous consent.

Discussion followed regarding Eagle Aviation employee and airport passenger parking lots.

- 7. REVIEW OF THE TEXAS ECONOMIC DEVELOPMENT COUNCIL 2007 LEGISLATIVE AGENDA.** The Texas Economic Development Council (TEDC) represents more than 900 economic developers from across the state. Richard Burdine briefly summarized the six agenda items of the TEDC:

Agenda Item 1-Maintain the local economic development sales tax.

Agenda Item 2-Increase state resources for rural economic development.

Agenda Item 3-Boost funding for the Skills Development Fund.

Agenda Item 4-Continue funding the Texas Enterprise Fund and the Texas Emerging
Technology Fund at current levels or higher.

Agenda Item 5-Support efforts to locate a Nanoelectronic Research Institute (NRI) in Texas.

Agenda Item 6-Reinstate state economic development tax credits.

8. **EXECUTIVE SESSION:** There was no need for an executive session.
9. **ADJOURNMENT.** The next regularly scheduled meeting is March 27th. There being no further business, the meeting was adjourned.

Ray Ferguson, President

MEMORANDUM

April 11, 2007

TO: Larry D. Gilley, City Manager
FROM: David M. Wright, Director of Finance
SUBJECT: April Sales Tax

The sales tax rebate for April is \$2,563,043.14, which represents February sales. This is 13.36% above last year. The breakdown of the April rebate is \$1,922,282.36 to the General Fund and \$640,760.78 for economic development. Of this rebate, \$146,882 is from prior periods, audit payments, future payments, and unidentified payments. Based on this rebate, sales tax is 7.42% above last year for the period of October through April. I have requested the detail from the state.

Should you have any questions, please contact me.

DMW:ls

cc: Richard Burdine, Assistant City Manager
David Vela, Assistant City Manager

**CITY OF ABILENE
SALES TAX COMPARISON**

Accounting Period Month	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL
	Actual 2005-06	Actual 2005-06		Actual 2006-07	Actual 2006-07	
October	\$1,781,387.54	\$593,795.84	\$2,375,183.38	\$1,951,422.77	\$650,474.25	\$2,601,897.02
November	2,082,826.00	694,275.33	2,777,101.33	2,229,381.42	743,127.14	2,972,508.56
December	1,836,091.34	545,363.78	2,181,455.12	1,813,239.09	604,413.03	2,417,652.12
January	1,718,563.88	572,854.62	2,291,418.50	1,877,628.47	625,876.16	2,503,504.63
February	2,667,866.52	889,288.84	3,557,155.36	2,710,392.23	903,464.08	3,613,856.31
March	1,730,733.21	576,911.07	2,307,644.28	1,797,210.64	599,070.21	2,396,280.85
April	1,695,786.27	565,262.09	2,261,048.36	1,922,282.36	640,760.78	2,563,043.14
YTD	<u>\$13,313,254.76</u>	<u>\$4,437,751.57</u>	<u>\$17,751,006.33</u>	<u>\$14,301,556.98</u>	<u>\$4,767,185.65</u>	<u>\$19,068,742.63</u>
May	2,315,444.39	771,814.80	3,087,259.19			
June	1,781,984.09	593,994.69	2,375,978.78			
July	1,927,034.14	642,344.71	2,569,378.85			
August	2,297,829.76	765,943.25	3,063,773.01			
September	1,911,314.38	637,104.79	2,548,419.17			
FY TOTAL	<u>\$23,546,861.52</u>	<u>\$7,848,953.81</u>	<u>\$31,395,815.33</u>			

NOTE: REPORT REFLECTS THE MONTH SALES TAX IS RECEIVED FROM AUSTIN. REVENUE IS RECORDED ON THIS BASIS FOR BUDGETARY PURPOSES.

THE COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) WILL REFLECT GASB 33 REQUIREMENT IN ADDITION TO THE BUDGET BASIS.

DEVELOPMENT CORPORATION OF ABILENE, INC.
1/2 CENT SALES TAX REVENUE
FY 2006: Monthly and Year-to-Year Comparisons

Accounting Period Month	Actual 2005-06	Actual 2006-07	% Change
October	\$593,796	\$650,474	9.55%
November	694,275	743,127	7.04%
December	545,364	604,413	10.83%
January	572,855	625,876	9.26%
February	889,289	903,464	1.59%
March	576,911	599,070	3.84%
April	565,262	640,761	13.36%
YTD	\$4,437,752	\$4,767,186	7.42%
May	771,815		
June	593,995		
July	642,345		
August	765,943		
September	637,105		
FY TOTAL	\$7,848,954		

Note: Report reflects the month sales tax is received from Austin.
Revenue is recorded on this basis for budgetary purposes.

The Comprehensive Annual Financial Report (CAFR) will reflect
GASB 33 requirement in addition to the budget basis.

Revenue for April '07 represents February '07 sales. Approximately
\$36,720 of the rebate is from prior periods, audit, and future payments.

Audit Payments: Larger businesses submit sales tax collections to the State
Comptroller every month and smaller ones either quarterly or annually. The
Comptroller audits the books of these businesses on a four year cycle to
determine if sales tax was collected on all taxable sales. Audit collections
represent the sales tax revenue from prior sales and submitted or refunded
subsequent to the audit.

CITY OF ABILENE, TEXAS

DEVELOPMENT CORPORATION OF ABILENE, INC.

Balance Sheet
March 31, 2007

ASSETS:

Cash and Investments	\$16,210,947
Notes receivable	15,393,253
Accounts receivable	4,500
Due from other governments	1,385,606
Prepaid Expense	0
Total Current Assets	<u>32,994,306</u>

OTHER ASSETS:

Fixed assets	\$20,356,263
Accumulated depreciation	<u>(2,885,975)</u>
Total Other Assets	<u>17,470,288</u>

TOTAL ASSETS

\$50,464,594

LIABILITIES:

Vouchers payable	\$44,149
Deferred revenues	<u>2,408,250</u>
Total Liabilities	<u>\$2,452,399</u>

FUND BALANCES:

Investment in general fixed assets	\$17,470,288
Reserved for contractual obligations(external)	10,509,217
Reserved for obligated programs(internal)	421,101
Reserved for contingent liabilities	0
Undesignated Balance	<u>19,611,589</u>
Total Fund Balance	<u>\$48,012,195</u>

TOTAL LIABILITIES AND FUND BALANCES

\$50,464,594

FIXED ASSETS:

Buildings and Improvements:	<u>Original Cost</u>	<u>Improvements</u>	<u>Depreciation</u>	<u>Total</u>
2601 Airport Blvd.	1,563,210	540,632	240,431	1,863,411
2809 Airport Blvd.	396,519	444,583	276,636	564,466
2841 Airport Blvd.	456,736	62,923	251,868	267,791
4002 Loop 322	1,290,915	2,089,045	1,132,004	2,247,956
515 acres - Five Pts Bus Park	552,287	2,435,432	194,835	2,792,884
6450 Five Points Parkway	5,809,354	0	459,334	5,350,021
Grant Bldg 341 Pine	147,194	405,726	179,653	373,268
303.53 acres Hwy 36 & FM 18	449,238	0	0	449,238
2742 Lance Dr. (EASI Storage)	2,527,408	0	100,930	2,426,478
4109 Vine St	583,524	0	23,341	560,183
4009 Vine St	583,524	0	23,341	560,183
2005 Dodge Caravan	18,011	0	3,602	14,409
TOTAL FIXED ASSETS	<u>\$14,377,922</u>	<u>\$5,978,341</u>	<u>\$2,885,975</u>	<u>\$17,470,288</u>

DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ MARCH 31, 2007

March 2007 (2).xls

REVENUE-TO-DATE	(MARCH, 1990)			
	Beginning I-T-D Revenues	Current Month Revenues	Current FY Revenues	Ending I-T-D Revenues
City Sales Tax (3131)	\$ 94,393,714.78	\$ 594,804.46	\$ 4,102,219.41	\$ 98,495,934.19
Sales Tax Retained (3132)	192,737.03	4,400.75	24,340.46	217,077.49
Other Services Charges (3731)	25.00	-	-	25.00
Princ. - Loans & Assess (3775)	798,999.65	4,147.56	61,376.67	860,276.32
Int. - Loans & Assess (3802)	2,023,963.38	2,933.88	19,088.89	2,043,052.27
Interest (3803)	5,101,474.40	72,642.03	391,134.77	5,492,609.17
Land Lease (3810)	6,404.48	-	530.00	6,934.48
Building/Space Rent (3816)	2,421,768.41	47,312.50	284,630.00	2,706,398.41
City Pay Phones (3890)	9,170.58	-	-	9,170.58
Miscellaneous Revenue (3892)	26,770.03	-	350.00	27,120.03
EDA Grant (3305)	242,100.00	-	-	242,100.00
Miscellaneous State Grants (3359)	6,500.00	-	-	6,500.00
Miscellaneous Federal (3379)	937,926.00	-	-	937,926.00
Interest on Investments (3800)	176,263.67	-	-	176,263.67
Other Interest (3809)	32,252.85	-	-	32,252.85
Interfund Recovery (3828)	1,534,976.08	-	-	1,534,976.08
Miscellaneous Recovery (3839)	1,863,010.94	26,594.47	28,329.47	1,891,340.41
Miscellaneous Prior Year (3840)	16,464.88	-	-	16,464.88
D/COA Admin (3847)	7,070.55	-	-	7,070.55
Other Contributions (3860)	96,866.60	-	-	96,866.60
Sale of Land (3870)	273,554.84	-	-	273,554.84
Sale of Buildings (3871)	981,647.87	-	-	981,647.87
Miscellaneous Damage Claims (3889)	222.39	-	-	222.39
GASB 22 Restatement	355,634.89	-	-	355,634.89
GASB 34 FY 03 Adjustment	579,426.49	-	-	579,426.49
	\$ 112,078,845.79	\$ 752,835.65	\$ 4,912,001.67	\$ 116,990,847.46

CONTRACTS ENCUMBERED/ EXPENDITURES-TO-DATE	Beginning I-T-D				Outstanding Contracts
	Expenditures	Current Month Expenditures	Current FY Expenditures	Ending I-T-D Expenditures	
Prior Years Programs	\$ 53,939,034.09	\$ -	\$ -	53,939,034.09	\$ -
Business Services Division	5,620,415.06	40,795.89	268,309.15	5,886,724.21	26,000.00
D/COA Annual Contracts	1,688,733.46	5,716.83	91,520.51	1,780,253.97	-
Abilene Industrial Foundation (4950)	9,916,868.50	58,195.51	253,394.90	10,170,263.40	459,695.10
Caruth Small Business Dev Cntr (4951)	1,850,621.05	15,693.75	84,656.25	1,935,277.30	110,343.75
Chamber Military Affairs (4952)	951,992.00	9,690.91	9,690.91	961,682.91	50,309.09
Airport Business Dev Mgr (4953)	225,374.81	-	40,647.17	266,021.98	133,478.02
TTU Engineering Ops 4975	1,875,000.00	-	-	1,875,000.00	-
TTU BLDG Purchase & A/E 4976	568,119.86	-	-	568,119.86	180,856.62
Five Points Utilities 4978	918,487.40	-	-	918,487.40	49,937.56
EAS/ Records Const. 4990	2,430,455.58	-	9,987.00	2,440,442.58	84,780.42
Murf Systems 4998	148,200.00	-	3,465.00	151,665.00	-
Bandag Training 5203	516,334.72	-	-	516,334.72	325,865.28
Sunoco Logistics 5208	94,744.00	-	-	94,744.00	57,256.00
EAS/ 04 5213	717,937.66	-	303,000.00	1,020,937.66	2,252,062.34
EHT 5216	65,900.00	-	-	65,900.00	-
TMAC 5218	40,925.00	-	-	40,925.00	-
Hirschfeld 5219	-	-	-	-	-
Fehr Food 5220	461,520.00	-	60,150.00	521,670.00	-
Research Ins 5221	500.00	-	-	500.00	-
Advanced Trailer 5224	-	-	12,775.00	12,775.00	90,000.00
Transcend Services 5227	249,075.33	-	-	249,075.33	1,000,000.00
Bandag Building Improv 5228	-	-	-	-	157,623.92
Glazara Ph III 5229	12,520.00	-	13,760.00	26,280.00	64,720.00
BCBSTX Roof 5230	58,666.46	-	2,000.00	60,666.46	833.52
Highland Campus Health 5231	122,791.66	-	6,000.00	128,791.66	373,466.67
Renlech 5232	48,800.00	-	-	48,800.00	-
Tige Infrastructure 5233	143,722.68	-	-	143,722.68	74,913.00
Robinson Fan 5237	-	-	90,482.00	90,482.00	748,698.10
Reg Website 5240	2,654.33	-	-	2,654.33	2,345.67
Lauren Holdings 5245	-	-	129,387.11	129,387.11	723,710.89
36/18 A/E 5246	23,800.00	-	-	23,800.00	11,200.00
Teleperformance USA 5247	-	-	-	-	757,000.00
BCBSTX Reroof Construction 5249	468,183.40	-	192,306.00	660,489.40	150,230.80
Shelter Distribution 5250	-	-	-	-	92,842.00
PWP Industries Ph I 5251	205,463.00	360,000.00	360,000.00	565,463.00	205,037.00
Abilene Internet 5252	59,340.00	-	-	59,340.00	-
Integrated Clinic Research 5253	-	-	-	-	695,602.00
SBIR/STTR 5255	23,283.51	-	-	23,283.51	0.50
Coca Cola 5256	-	-	300,000.00	300,000.00	-
Welder Training Program 5257	-	20,209.00	110,173.08	110,173.08	17,069.92
Genesis Network 5258	-	-	103,800.00	103,800.00	920,700.00
URS Consultants 5259	-	-	-	-	13,752.00
Carter Burgess 5260	-	164.10	21,141.93	21,141.93	294,178.07
Fehr Foods 5261	-	-	118,091.53	118,091.53	-
TMAC 5262	-	7,500.00	7,500.00	7,500.00	52,500.00
SBIR/STTR 5263	-	557.37	26,510.09	26,510.09	244,889.91
BMWT Leasing 5266	-	-	-	-	10,533.00
MSSC Training 5269	-	6,539.08	6,539.08	6,539.08	76,865.92
Miscellaneous Activities 2785	354,189.86	-	-	354,189.86	-
TOTAL ENCUMB. / EXPENDITURES	\$ 83,823,653.44	\$ 525,062.44	\$ 2,625,286.71	\$ 86,448,940.15	\$ 10,509,216.87

TOTAL FUND BALANCE

UNENCUMBERED FUND BALANCE

3,5

\$ 30,541,807.31

\$ 20,032,690.44

	Amount	Prior	Current	Current	Amount	Balance
BALANCE OF OBLIGATED PROGRAMS	Obligated	Years	Month	Year	Encumbered	
		Disbursed	Disbursed	Disbursed		
Business Services Division	\$ 576,784.26	\$ -	\$ 40,795.89	\$ 268,309.15	\$ 26,000.00	\$ 282,475.11
DCCA Annual Contracts	228,700.00	-	5,716.83	91,520.51	-	137,179.49
Ablene Industrial Foundation (4950)	713,090.00	-	58,195.51	253,394.90	459,695.10	-
Caruth Small Business Dev Cntr (4951)	195,000.00	-	15,693.75	84,656.25	110,343.75	-
Chamber Military Affairs (4952)	60,000.00	-	9,690.91	9,690.91	50,309.09	-
Airport Business Dev Mgr (4953)	174,125.19	-	-	40,647.17	133,478.02	-
TTU Engineering Ops 4975	1,875,000.00	1,875,000.00	-	-	-	-
TTU BLDG Purchase & A/E 4976	749,045.00	568,119.86	-	-	180,856.62	68.52
Five Points Utilities 4978	968,425.00	918,487.40	-	-	49,937.56	0.04
EASI Records Const. 4990	2,525,223.00	2,430,455.56	-	9,967.00	84,780.42	-
Murf Systems 4998	151,665.00	148,200.00	-	3,465.00	-	-
Bandag Training 5203	842,220.00	516,334.72	-	-	325,885.28	-
Sunoco Logistics 5208	152,000.00	94,744.00	-	-	57,256.00	-
EASI 04 5213	3,273,000.00	717,937.66	-	303,000.00	2,252,062.34	-
EHT 5216	65,900.00	65,900.00	-	-	-	-
TMAC 5218	40,925.00	40,925.00	-	-	-	-
Hirschfeld 5219	-	-	-	-	-	-
Fehr Food 5220	521,670.00	461,520.00	-	60,150.00	-	-
Research Ins 5221	500.00	500.00	-	-	-	-
Advanced Trailer 5224	102,775.00	-	-	12,775.00	90,000.00	-
Transcend Services 5227	1,249,076.00	249,075.33	-	-	1,000,000.00	0.67
Bandag Building Improv 5228	157,624.00	-	-	-	157,623.92	0.06
Glazers Ph III 5229	91,000.00	12,520.00	-	13,760.00	64,720.00	-
BCBSTX Roof 5230	61,500.00	58,666.48	-	2,000.00	833.52	(0.00)
Highland Campus Health 5231	502,259.00	122,791.66	-	6,000.00	373,466.67	0.67
Rentech 5232	48,800.00	48,800.00	-	-	-	-
Tige Infrastructure 5233	218,636.00	143,722.68	-	-	74,913.00	0.32
Robinson Fan 5237	839,180.10	-	-	90,482.00	748,698.10	-
Reg Website 5240	5,000.00	2,654.33	-	-	2,345.67	-
Lauren Holdings 5245	853,098.00	-	-	129,387.11	723,710.89	-
30/18 A/E 5246	35,000.00	23,800.00	-	-	11,200.00	-
Teleperformance USA 5247	757,000.00	-	-	-	757,000.00	-
BCBSTX Reroof Construction 5249	830,720.00	488,183.40	-	192,306.00	150,230.60	-
Shelter Distribution 5250	92,842.00	-	-	-	92,842.00	-
PWP Industries Ph I 5251	770,500.00	205,463.00	360,000.00	360,000.00	205,037.00	-
Ablene Internet 5252	59,340.00	59,340.00	-	-	-	-
Integrated Clinic Research 5253	695,502.00	-	-	-	695,502.00	-
SBIR/STTR 5255	23,285.00	23,283.51	-	-	0.50	0.99
Coca Cola 5256	300,000.00	-	-	300,000.00	-	-
Welder Training Program 5257	127,243.00	-	20,209.00	110,173.08	17,069.92	-
Genesis Network 5258	1,024,500.00	-	-	103,800.00	920,700.00	-
URS Consultants 5259	15,127.00	-	-	-	13,752.00	1,375.00
Carter Burgess 5260	315,320.00	-	164.10	21,141.93	294,178.07	-
Fehr Foods 5261	118,092.00	-	-	118,091.53	-	0.47
TMAC 5262	60,000.00	-	7,500.00	7,500.00	52,500.00	-
SBIR/STTR 5263	271,400.00	-	557.37	26,610.09	244,889.91	-
BMWT Leasing 5266	10,533.00	-	-	-	10,533.00	-
MSSC Training 5269	83,405.00	-	6,539.08	6,539.08	76,865.92	-
Miscellaneous Activities 2785	354,189.86	354,189.86	-	-	-	-
BALANCE OF OBLIGATED PROGRAMS	\$ 23,186,219.41	\$ 9,630,614.47	\$ 525,062.44	\$ 2,825,286.71	\$ 10,509,216.87	\$ 421,101.36
Contingent Liabilities						\$ -
UNDESIGNATED FUND BALANCE	(unencumbered balance less obligated programs and contingent liabilities)					\$ 19,611,589.06

DCCA Board approved projects waiting for signed contracts	EXPIRATION DATE
Research Ins 5221	02/28/2005
TTU Pharmacy School 5242	04/17/2007
TTU Pharmacy School 5242	01/05/2006
Incineration Recycling 5254	09/07/2006
Eagle Aviation Services 5265	08/19/2007
Abtex Beverage 5267	06/19/2007
Integrated Clinical Research 5253	06/19/2007
Welder Training '07 5257	07/16/2007
<u>6,537,062.00</u>	

3.6



Development Corporation of Abilene, Inc.

Loan Summary as of 03/31/07

F= Fixed Rate Int= Interest P&I= Principal and Interest D/T= Deed of Trust PO= Principal Only IO= Interest Only

Borrower	Lender	Account	Purpose	Original Loan Amt	Origin. Date	Maturity Date	DCOA Int Rate	DCOA Balance	Collateral	Guarantor	Payment Type	Past Due
402 CEDAR, LLP	DCOA	402CEDAR760	To abate asbestos and make improvements to the facility located at 402 Cedar, to be occupied by EHT (Enprotec/Hibbs & Todd)	\$155,000.00	08/02/2004	08/02/2009	0%	\$89,100.00	None.	None.	Annual (PO)	No
ABILENE INTERNET LLC	DCOA	ABINT05	to purchase used equipment from Leapfrog Technologies and relocate some equipment to 2913 South 1st.	\$115,000.00	05/12/2005	05/12/2011	0%	\$55,660.00	none	none	Annual (PO)	No
APT ADVANCED TRAILER AND EQUIPMENT, LP	DCOA	APT760	For construction of new facility in Tye, TX.	\$50,000.00	05/06/2005	05/31/2008	0.0	\$37,225.00	Letter of Credit No. SM213612W issued 5-6-05 by Wachovia Bank, NA for \$50,000.	None.	Annual (PO)	No
BANDAG, INC.	DCOA	BNDGT60	Purchase of 4549 FM 18 (former Cummings Sign bldg) for \$650,000, plus \$400,000 for improvements.	\$1,050,000.00	03/24/2005	03/24/2012	0%	\$892,376.08	1st lien D/T on 4549 FM 18, Abilene, Texas.	None.	Monthly (P&I)	No
BBP BIRD, LP	DCOA	BBP760	Permanent financing for construction of new plant. Pmt @ \$360/mo beg 7-5-06 until maturity on 7-1-2031. True-up pmts due 6-1-14, 6-1-21, 6-1-28. Additionally, monthly pmts of \$100 for each boat produced the previous month in excess of 36.	\$4,000,000.00	12/30/2005	07/01/2031	0%	\$3,896,608.00	1st lien D/T on 40 acres and new manufacturing plant located at 1801 E. Hwy 36, Abilene, TX.	Corporate Guaranty from Tigé Boats, Incorporated	Monthly (P&I)	No
BMWT LEASING, INC	FNBA	BMWT02RE	Permanent financing for construction of new warehouse at 2989 Pine St. FFB Participation No. 1924.	\$184,000.00	08/30/2002	08/30/2008	5%	\$140,738.15	1st lien D/T on 2989 Pine St., shared with FNBA for \$396,000 loan. Participation renewed 8-30-05 for 3 more yrs at WSJ Prime minus 1.5% (or 5%).	Wayne Lasham, Terry Lanham	Monthly (P&I)	No
BMWT LEASING, INC.	DCOA	BMWT07	To provide financing for the purchase of improvements made to the property located at 3125 Pine St., Abilene, TX.	\$75,000.00	01/01/2007	12/31/2009	0.0	\$64,467.00	HRB-59N 2 RAM Horizontal Baler, Ser #0598121, manufactured in 1995 by Harris Waste Management Group, and 60" wide x 4'16" long, 1/4" plate, 9" pitch steel belt conveyor, Ser #B3977, manufactured in 1995 by Hustler Conveyor Company.	Wayne Lasham, Terry Lanham	Annual (PO)	No

W-7

Borrower	Lender	Account	Purpose	Original Loan Amt	Origin. Date	Maturity Date	DCOA Int Rate	DCOA Balance	Collateral	Guarantor	Payment Type	Past Due
DAY, JACOB G.	DCOA	760DAY	DCOA sold and financed 5050 E. Hwy 80 to Jacob G. Day, which will be leased to Day Sign Company, Inc. Sales price is \$390,286. Day was given upfront price reduction of \$55,000 to be earned over 3 years for jobs retained at \$1,666.67 each. Interest only for 6 mos with principal amort. beginning 5-15-04. Further principal reductions can be earned for 3 years for job creation at \$10,000 each.	\$335,286.00	10/15/2003	10/15/2018	2.5	\$223,547.88	1st lien Deed of Trust on 5050 E. Hwy 80, plus Assignment of Rent, Income, and Receipts from Day Sign Company Inc.	Day Sign Company, Inc.	Monthly (P&I)	No
FEHR FOODS, INC.	DCOA	FEHRO6	Renewal of balance of DCOA loan FEHRO5EQ (\$2,538,480) and combination with FFB participation no. 1857 (\$113,734.95), participation no. 1776 (\$199,675.19) and participation no. 1838 (\$730,442.84).	\$3,582,332.98	10/01/2006	06/30/2012	0.0	\$3,522,182.98	D/T and Security Agmt for 5425 North 1st Street and all equipment. Lien is subordinated to First Financial Bank, N.A.		Annual (PO)	No
GENESIS NETWORKS SOLUTIONS, INC.	DCOA	GENNETD6	To partially offset operating costs associated with the newly established office in Abilene located at 500 Chestnut, Ste. 200.	\$1,740,000.00	11/02/2006	07/31/2011	0.0%	\$904,500.00	Irrevocable Standby Letter of Credit #002286 issued 11-2-06 by First Financial Bank, N.A. on behalf of Rain Dance Capital, Inc. in the amount of \$1.3 mill. to expire 11-2-07. LOC can be extended 1 more year unless notified by FFB 30 days prior to expiry.		Annual (PO)	No
HBWJ PARTNERSHIP, LTD.	DCOA	BUTTERY-02-0	Improvements to real estate located at 417 Mesquite, Abilene, TX, a 27,000 s.f. bldg. Facility was purchased from West Texas Wholesale Supply. Operates under Buttery Hardware Company, L.L.P., delivering plumbing and electrical supplies over most of Texas.	\$200,000.00	03/14/2002	09/14/2012	4.0%	\$119,787.05	1st lien D/T on 417 Mesquite St., superior to Norma Buttery's lien taken at time of purchase, 10-1-01 as evidenced by a Subordination Agreement of Deed of Trust. Int. is due quarterly on 6-14-02 and 9-14-02, prms beg. 10-14-02 thru 9-14-12.	Limited guarantees from William Henry Buttery, Buttery Company, L.L.P., Brenda Ann Buttery Daurst, and John David Buttery	Monthly (P&I)	No
HIGHLAND CAMPUS HEALTH GROUP	DCOA	HIGHT60	The purchase of new equipment necessary to implement the electronic medical records software developed by Catalis and installed on various client university campuses & used in conjunction with Borrower's medical billing program.	\$100,000.00	09/15/2006	03/31/2009	0%	\$100,000.00	Security Agreement dated 9/15/06 and UCC-1 on all equipment purchased with Note funds.		Annual (PO)	No

Borrower	Lender	Account	Purpose	Original Loan Amt	Origin. Date	Maturity Date	DCOA int Rate	DCOA Balance	Collateral	Guarantor	Payment Type	Past Due
HIGHLAND CAMPUS HEALTH GROUP, L.P.	DCOA	HCHG760	The purpose of this loan is to provide financing for the purchase of new equipment and other relocation and start-up needs of Borrower for the Abilene facility.	\$110,000.00	02/23/2005	03/14/2008	0%	\$75,741.67	Security Agreement and UCC filing on all equipment purchased with note funds.	None	Annual (PO)	No
HOLLAND TRAINING & DEVELOPMEN T, INC.	DCOA	Holland 760	Purchase office furniture, fixtures, and equipment, including, but not limited to, computer network system, phones and phone system, and other computer equipment. Reimbursement of purchase price, delivery, & installation.	\$170,000.00	09/01/2003	08/31/2008	0%	\$93,435.86	Security agreement and UCC filing on equipment purchased.		Annual (PO)	No
HORIZON AG- PRODUCTS	DCOA	Horizon2003	Purchase facility in DXX Industrial Park in Merkel at 217 CR 287. Monthly prnts of interest only until 8-17-03, when prnts increase to \$357.26.	\$35,000.00	01/17/2003	01/17/2008	3.25	\$20,415.85	1st lien D/T on 1.671 acres at 217 CR 287, Merkel, TX	Michael G. Farmer, CEO and Bradley D. Knickel, Director	Monthly (PO)	No
LAUREN HOLDINGS, INC.	DCOA	LHI760	For expenses associated with construction of an approx. 21,500 s.f. addition to its offices located at 901 S. 1st St., recruiting, relocation, and purchase of office furniture and eqmt to accommodate growth. Principal reductions are earned thru creation of 42 new jobs.	\$853,098.00	04/14/2006	04/14/2013	0%	\$0.00	2nd lien D/T on the office plus improvements located at 901 S. 1st St.	C. Cleve Whitener	Annual (PO)	No
3.9 PWP INDUSTRIES, INC.	DCOA	PWP760	To reimburse @1.5% of invoice for equipment purchases plus installation costs for the Abilene plant at 6450 Five Points Parkway.	\$1,800,000.00	09/11/2006	03/01/2011	0%	\$1,440,000.00	Irrevocable Standby Letter of Credit #SE446616W in the amount of \$1,800,000 by General Electric Capital Corporation to expire 3-1-11. Automatic reductions will occur each March 1 for 5 years in the amount of \$360,000, beginning 3-1-07.	N/A	Annual (PO)	No
RENTECH BOILER SYSTEMS, INC.	DCOA	RNTCH760	the purchase of additional equipment by Borrower to be located at Borrower's Abilene, Taylor County, Texas facility at 5025 East Business I-20.	\$150,000.00	03/08/2005	12/31/2011	0	\$101,200.00	unsecured	none	Annual (PO)	No
RENTZ FAMILY PARTNERSHIP, LIMITED	FNBA	Rentz03RE	FNBA purchased note from ASB, terms to remain same Loan #3419656, Participation #1876	\$788,152.54	06/30/2003	04/12/2007	P - 4%	\$434,810.16	37+ acres at 5725 E Business I-20. DCOA's security interest in property is subordinate and inferior to FNBA's security interest.		Monthly (P&I)	No

Borrower	Lender	Account	Purpose	Original Loan Amt	Orig. Date	Maturity Date	DCOA Int Rate	DCOA Balance	Collateral	Guarantor	Payment Type	Past Due
ROBINSON FANS ABILENE, INC.	DCOA	ROBFANS06	Relocation costs (\$40,000), building investment incentive (\$36,000), and equipment investment incentive (\$76,409) for property at 2424 Oak, Abilene, TX. Replaces note dated 8-29-05 in the amt of \$196,450 with a balance of \$40,000.	\$452,409.00	10/03/2006	12/31/2010	0%	\$48,228.90	Eqmt, machinery, furniture and fixtures in Abilene, and 2nd lien D/T on 2424 Oak St., Abilene, TX.	Robinson Industries, Inc.	Annual (PO)	No
SUNOCO PIPELINE, LP	DCOA	SUN760	Permanent financing for costs associated with the relocation of Sunoco's West Texas District Headquarters, including inventory, equipment, furniture, fixtures, and employee moving expenses from Snyder and Denver City to Abilene. Annual pmts are \$40,000 with Sunoco earning \$25,000 each year by maintaining headquarters in Abilene.	\$200,000.00	05/13/2004	05/13/2009	0	\$120,000.00	None.	None.	Annual (PO)	No
TAYLOR CO EXPO	DCOA	94EXPO760	Purchase land from DCOA	\$192,168.59	11/29/1994	11/29/2034	0	\$133,317.14	1st lien D/T on property - 24.849 acres of land out of Section 52, Blind Asylum Lands, Abilene, Taylor Co., TX - Filed Vol. 2066 Page 460 Taylor Co 01/30/95. Partial Release of Lien filed 3-20-97 in Book 2219, Page 903, for 2.29 acres for public road	None.	Monthly (PO)	No
TRANSCEND SERVICES, INC.	DCOA	TRANS760	To offset start-up costs, first year operating losses and to support the creation of 104 new jobs in Abilene.	\$1,000,000.00	03/01/2005	03/01/2013	0.00	\$750,924.67	Letter of Credit #68005483 dated 3-15-05 issued by Bank of America for \$1,500,000 to expire 4-30-06, and any and all equipment, machinery, furniture and fixtures located in Atlanta and Abilene. The L/C was released 10-30-05.	None.	Monthly (PO)	No
ZOLTEK	DCOA	97ZOLTEK	Purchase 100,000 sf and 40,000 sf steel buildings at 1221 Fulwiler Abilene	\$3,099,287.00	09/29/1998	01/31/2008	0.00	\$2,128,994.51	First lien D/T on 52 acres and buildings located at 1221 Fulwiler Rd, Abilene, Taylor County, Tx	Zoltek Companies	Annual (PO)	No

\$15,393,252.90

W. 10

**ECONOMIC DEVELOPMENT DEPARTMENT
SERVICE EVALUATION REPORT**

MARCH 2007

**PERFORMANCE DATA
SERVICE ANALYSIS**

Staff: Richard Burdine-Assistant City Manager for Economic Development; Kim Tarrant-Contracts Administrator; David White-Construction Project Manager, Susan Campbell-Secretary to Assistant City Manager.

City of Abilene/Business Services - *Funding Sources: DCOA*

DCOA approved a one-year contract with the City of Abilene beginning 10-1-06 in the amount of \$576,730 for operating expenses for the Business Services Division, plus \$175,000 for maintenance expenses for DCOA-owned properties.

The DCOA board did not meeting during March 2007.

TTU Small Business Development Center - *Funding Sources: DCOA and Federal Govt. (SBA)*

DCOA approved a one-year contract beginning 10-1-06 in the amount of \$195,000 to reimburse SBDC for counseling services provided to Abilene residents.

A total of 126 Abilene client sessions were held this month with 60% being new clients. Eight new businesses opened, and 45 new jobs were created during the month. Attached is a summary of monthly activity.

Abilene Industrial Foundation, Inc./Abilene Chamber of Commerce - *Funding Sources: DCOA and Public Donations*

DCOA approved a one-year contract with AIF/ACOC beginning 10-1-06 in the amount of \$773,090: \$418,090 for AIF operating, \$140,000 for AIF marketing, \$155,000 for Dyess AFB retention efforts, and \$60,000 for Military Affairs Committee expenses and staff expenses incurred.

During the month, AIF responded to 2 requests for information. Staff visited 3 local companies, 7 out-of-town companies/consultants and hosted 3 visits to Abilene by prospects. The Develop Abilene website experienced 45,042 hits with 1,163 unique visits. Attached is a year-to-date summary of activity for this year and last.

SMALL BUSINESS DEVELOPMENT CENTER MARCH 2007 UPDATE

Billable Hours:

214.50	Abilene business counseling hours for the month of March
126	Client sessions conducted for the month of March
	76 New clients
12	Workshops
	252 Attendees

Business Created:

8	Month of March
	5 Service
	1 Retail
	1 Accommodation/Food Services
	1 Transportation/Warehousing
39	Year-to-Date
	15 Service
	11 Retail
	2 Manufacturing
	3 Transportation/Warehousing
	1 Health Care/Social Assistance
	3 Accommodation/Food Services
	2 Construction
	1 Arts/Entertainment/Recreation
	1 Wholesale Trade

Jobs Created (Full Time Equivalent):

45	Month of March
	10 Service
	29 Retail
	3 Accommodation/Food Service
	3 Transportation/Warehousing

229	Year-to-Date	
	36	Service
	54	Retail
	45	Manufacturing
	5	Transportation/Warehousing
	25	Health Care/Social Assistance
	46	Accommodation/Food Services
	5	Construction
	2	Arts/Entertainment/Recreation
	10	Administrative/Support
	1	Wholesale Trade

Capital Formation:

\$1,650,000	Month of March	
	\$257,000	Service
	\$1,293,000	Retail
	\$50,000	Transportation/Warehousing
	\$50,000	Accommodation/Food Services
\$9,351,332	Year-to-Date	
	\$890,900	Service
	\$1,403,000	Retail
	\$2,585,182	Manufacturing
	\$123,750	Transportation/Warehousing
	\$100,000	Health Care/Social Assistance
	\$2,440,000	Accommodation/Food Services
	\$264,500	Construction
	\$5,000	Arts/Entertainment/Recreation
	\$1,054,000	Administrative/Support
	\$485,000	Wholesale Trade

Abilene Industrial Foundation Summary of Activity

<u>ACTIVITY</u>	<u>Mar 07</u>	<u>Mar 06</u>	<u>YTD*</u> <u>2006/07</u>	<u>YTD*</u> <u>2005/06</u>
Publications in which ads were placed	1	0	4	1
Prospect responses from advertisements	0	1	3	8
Consultant E-Newsletter/Direct Mailouts	0	1,942	0	3,884
Prospect files opened	3	0	9	3
Site visits to prospects/consultant	7	9	17	34
Prospect visits to Abilene	3	3	15	19
Retention visits	3	6	28	62

* FISCAL YEAR-- OCTOBER 1 TO SEPTEMBER 30
Prepared by AIF Staff

DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: April 24, 2007

PROJECT: Semi-Annual Reports for FY07

STAFF: Richard Burdine, CEO

GENERAL INFORMATION

Since 1990, the DCOA has contracted with the Abilene Industrial Foundation (AIF) for promotion and marketing services for Abilene and the immediate vicinity. The AIF administers a marketing program which includes magazine advertisements, direct mail-outs, promotional videos, web-site management, trade shows, visits to consultants and/or prospects, retention visits to existing Abilene businesses, and hosting visits to Abilene by consultants and/or prospects.

The Texas Tech University Small Business Development Center (SBDC) has also contracted with the DCOA since 1990, providing business counseling services to clients in a 17-county region, free-of-charge. The DCOA has funded the SBDC at the rate of \$60/counseling hour spent with Abilene clients since inception. Only recently did the SBDC request an increased hourly reimbursement rate of \$75/counseling hour.

The DCOA began partial funding of the Airport Business Development Management Program in FY02. The Airport Master Plan recommends pursuit of a marketing program that will help the airport build activity within its business segments.

SPECIAL CONSIDERATIONS

The FY07 contracts expire 9-30-07. Attached are reports covering activities during the first one-half of the fiscal year, primarily from 10-1-06 through 3-31-07.

FUNDING/FISCAL IMPACT

None.

STAFF RECOMMENDATION

Staff recommends the board approve the attached mid-year reports.

ATTACHMENT

Abilene Industrial Foundation FY07 Mid-Year Progress Report, 10/06 through 3/07
Abilene Regional Airport Mid-Year Report, 10-01-06 thru 3-30-07
Small Business Development Center Semi-Annual FY07 Update



Develop Abilene

Abilene Industrial Foundation

Abilene Industrial Foundation, Inc.
P.O. Box 2281, Abilene, Texas 79604
174 Cypress Street, Suite 300
Abilene, Texas 79601
Tel.: 325/673-7349
800/299-0005
Fax: 325/673-9193
Website: www.developabilene.com

April 16, 2007

Mr. Richard Burdine
Assistant City Manager
City of Abilene
P. O. Box 60
Abilene, TX 79604

Dear Richard:

In accordance with the terms of the Development Corporation of Abilene contract with the Abilene Industrial Foundation, the following progress report is submitted for the period of October 1, 2006 to March 31, 2007 inclusive.

This report covers all categories listed in the AIF Marketing Plan. A brief summary of the data is as follows:

Marketing Budget	\$140,000.00
Spent to Date	\$21,532.15
Leads Received	43
Leads AIF Responded to	27
Prospect Files Opened.....	9
Retention Visits	28
Consultant Visits	17

The enclosures are examples of the marketing material produced to date, as well as a sequence of activities conducted.

If you have any questions we will address them at the monthly DCOA meeting.

Sincerely,

William J. Ehrie, CEcD
President
Abilene Industrial Foundation

cc: Kim Tarrant
Gary Robinett

Enclosures



4.2

Attachment 1

Abilene Industrial Foundation
FY 06-07 Mid-Year Marketing Summary
October 1, 2006 - March 31, 2007

Publication Advertisements

- New publication ads produced – 3
- Total publication advertisement submissions – 3
- Total publication advertisement production costs – \$6,269.33
- Total publication/internet advertisement placement costs – \$5,150.00
(includes \$4,500 for sponsorship ad at Phoenix AWEA show)

Lead Activity

- Total magazine ad responses received - 10
- Leads received from all sources excluding publications – 33
- Leads AIF responded to (consultants, allies, etc.) – 27
- Total pieces of information given out (General Info Packet, building flyers, etc.) – 40

Prospect Activity

- New prospect files opened – 9
- Prospect visits to Abilene – 15

Website and Internet Marketing

- E-Newsletter distributions – 900 approx.
- E-Newsletter distribution costs – \$462.00
- Website/internet marketing changes & enhancements – \$300

Trade Show/Conference Activity - 5

- TTU Conference – Lubbock, Bill Ehrie/Gary Robinett
- AWEA Wind Energy Fall Symposium – Phoenix, Bill Ehrie/Gary Robinett
- Site Selection Network Conference – Las Vegas, Bill Ehrie/Gary Robinett
- TEDC Winter Meeting – Austin, Bill Ehrie/Gary Robinett
- IEDC – San Diego, Bill Ehrie

Site Consultant Activity

- Consultant visits – 17

Marketing Videos

- 0

Existing Business Activity

- Retention Visits – 28

Upcoming Events

- Ranger –Yankee Site Selection Consultant Event – May 2007
- AWEA Windpower 2007, Los Angeles – June 2007
- 3rd Annual Site Selection Consultant Dove Hunt – September 2007
- Fall Sporting Event for Site Selection Consultants

**Abilene Industrial Foundation
Marketing & Enhancement Activities
October 1, 2006 - March 31, 2007**

- Monthly updates of all printed marketing/informational materials for Fact Book, Abilene File, and Call Center Book including Labor Market Review; Cost of Living; Building Permits; Wage Surveys, Sales & Use Tax, Living Units Available, etc.
 - Created new General Information Packet – incorporates many of the documents listed above into a more concise format
- Annual update of Community Profile
- Annual update of Manufacturers Guide
- Commercial Property Snapshot – combined former Office Leasing Guide and Shopping Center Survey to include industrial / light manufacturing section
- Hosted Manufacturer and Commercial Realtor Luncheons
- Conduct AACRA Cost of Living Survey
- Development and update of current building inventory materials
- Development and preparation of individual prospect packages
- Hosting of prospect visits to Abilene including tours to specific sites
- Cultivation of relationships with key site selection consultants
- Visits to Site Selection Consultants – Dallas/Ft. Worth
- Trade Show attendance
 - AWEA Wind Energy Fall Symposium – Phoenix, Bill Ehrie/Gary Robinett
- Conference attendance
 - TTU Conference – Lubbock, Bill Ehrie/Gary Robinett
 - Site Selection Network Conference – Las Vegas, Bill Ehrie/Gary Robinett
 - TEDC Winter Meeting – Austin, Bill Ehrie/Gary Robinett
 - IEDC – San Diego, Bill Ehrie
- Prospect Visit – Los Angeles – Gary Robinett/Richard Burdine
- Revamped marketing E-Newsletter program and format
- Reconstruction of databases to target consultants geographically
- Program will incorporate local e-newsletter

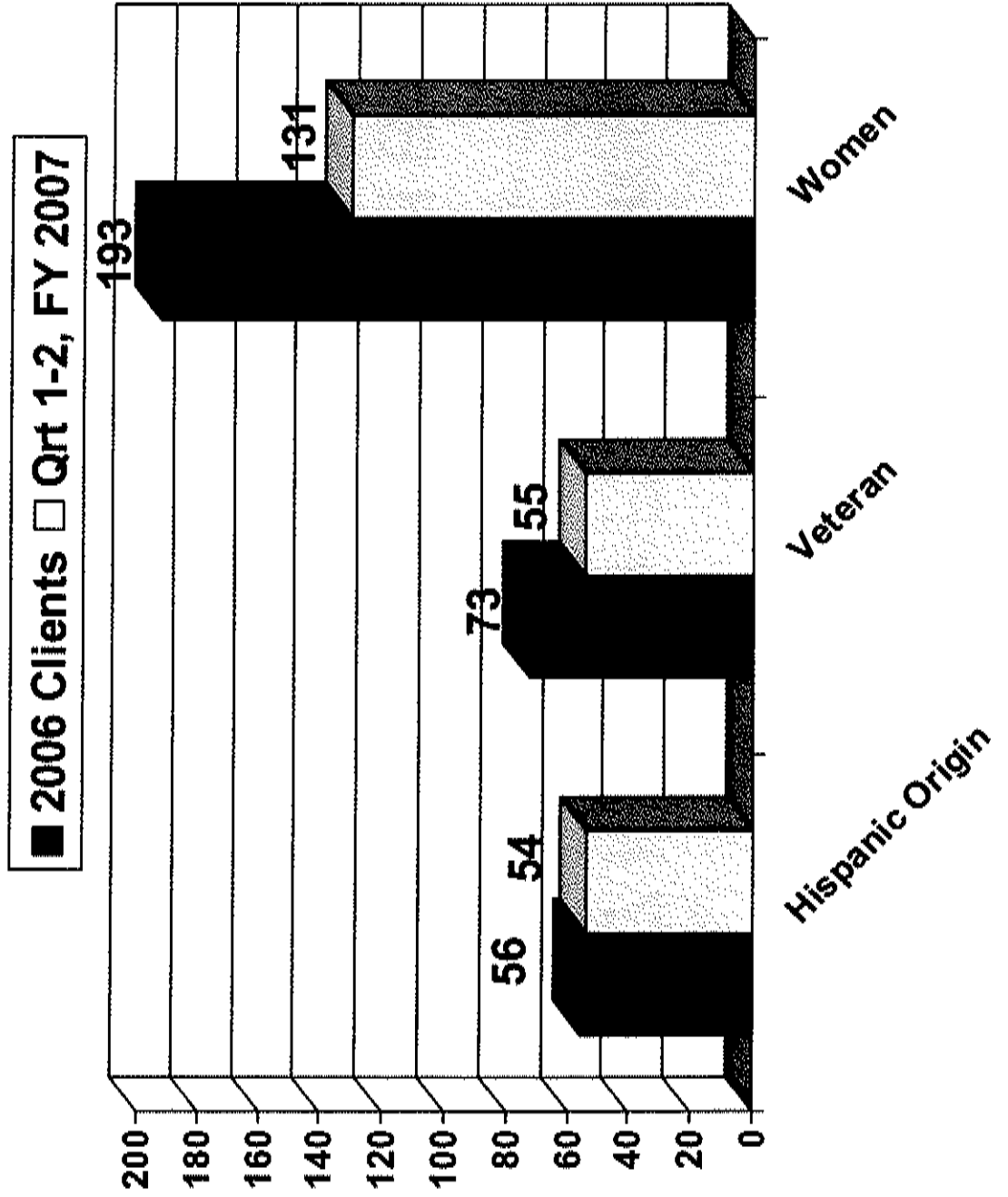
Abilene Industrial Foundation
Marketing Budget
October 2006 through March 2007

Category	Allocation	10/1/06 to 3/31/07	4/1/07 to 9/30/07	YTD
Publications (1)	\$ 10,000.00	\$ 5,150.00	\$ -	\$ 5,150.00
Trade Shows (6,10)	\$ 15,000.00	\$ 3,801.53	\$ -	\$ 3,801.53
Newsletter (13)	\$ 4,000.00	\$ 1,030.50	\$ -	\$ 1,030.50
Dyess/ABL Video Costs (5)		\$ (220.00)		\$ (220.00)
Material Development (3)	\$ 36,000.00	\$ 6,269.33	\$ -	\$ 6,269.33
Internet (2,8)	\$ 10,000.00	\$ 300.00	\$ -	\$ 300.00
Consultant Contacts (12)	\$ 60,000.00	\$ 5,200.79	\$ -	\$ 5,200.79
Contingency	\$ 5,000.00			\$ -
Total	\$ 140,000.00	\$ 21,532.15	\$ -	\$ 21,532.15

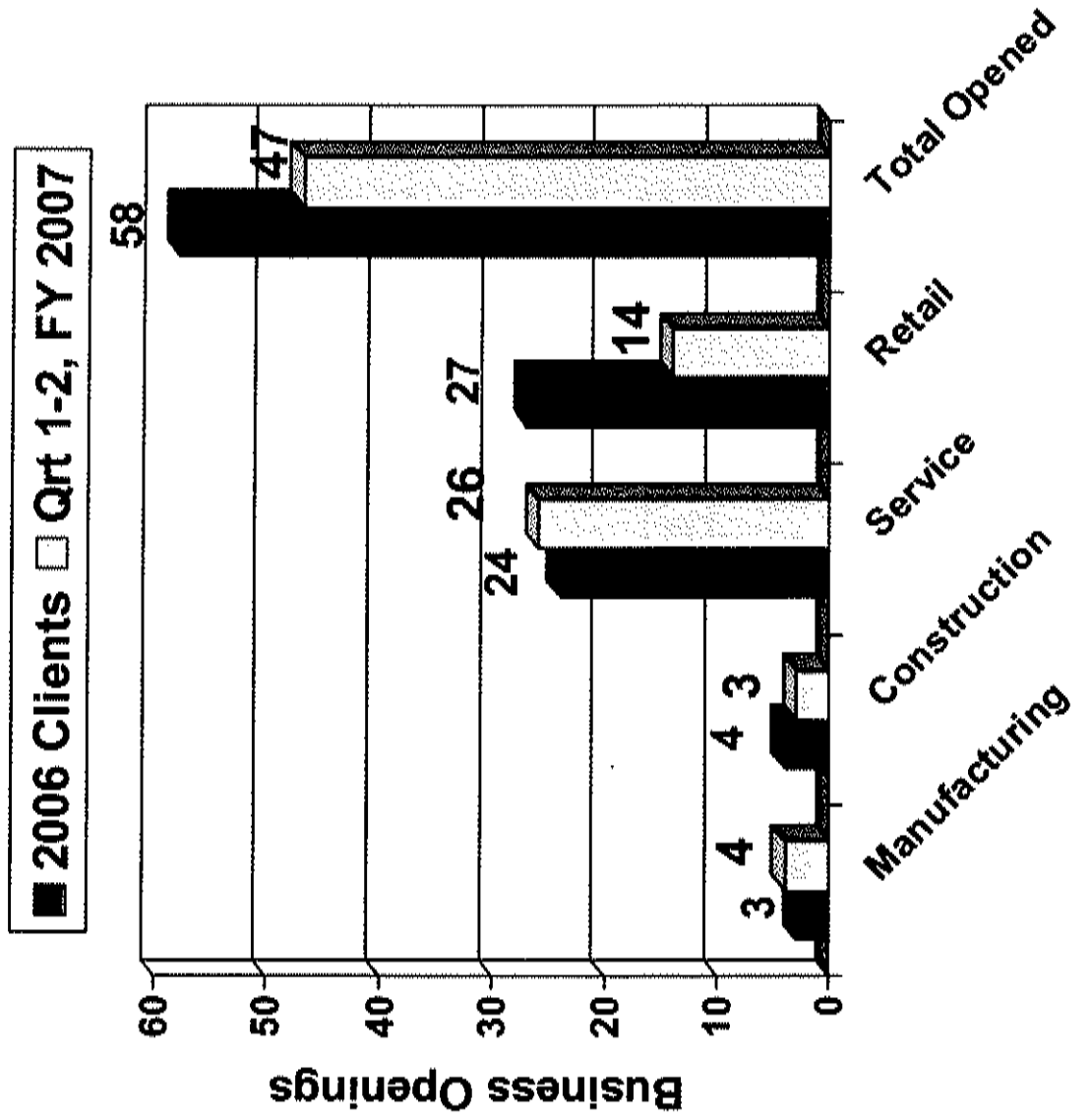
FY 2007 Mid-Year Report through 3/07

Texas Tech University Small Business
Development Center (SBDC)

Hispanic, Veteran, & Women Clients Served

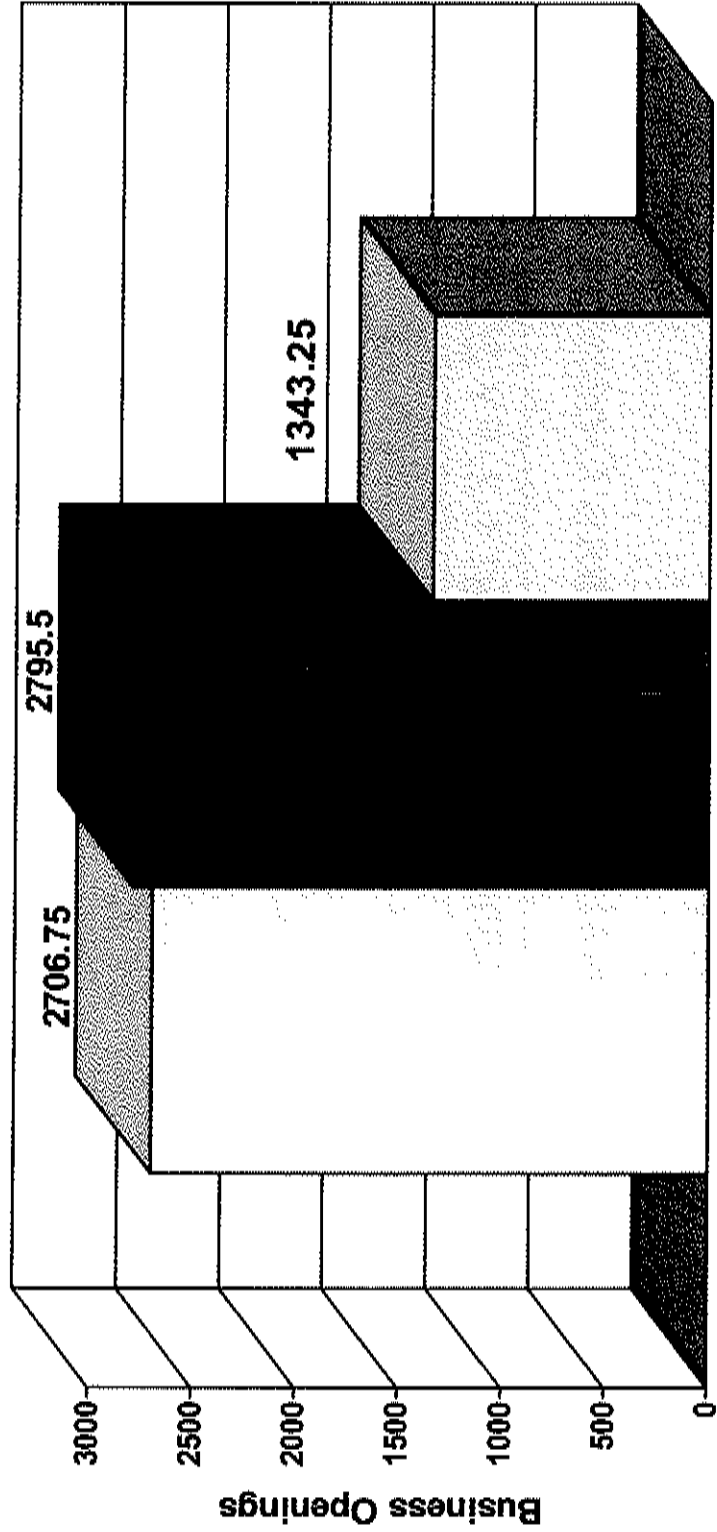


SBDC-Assisted Business Openings

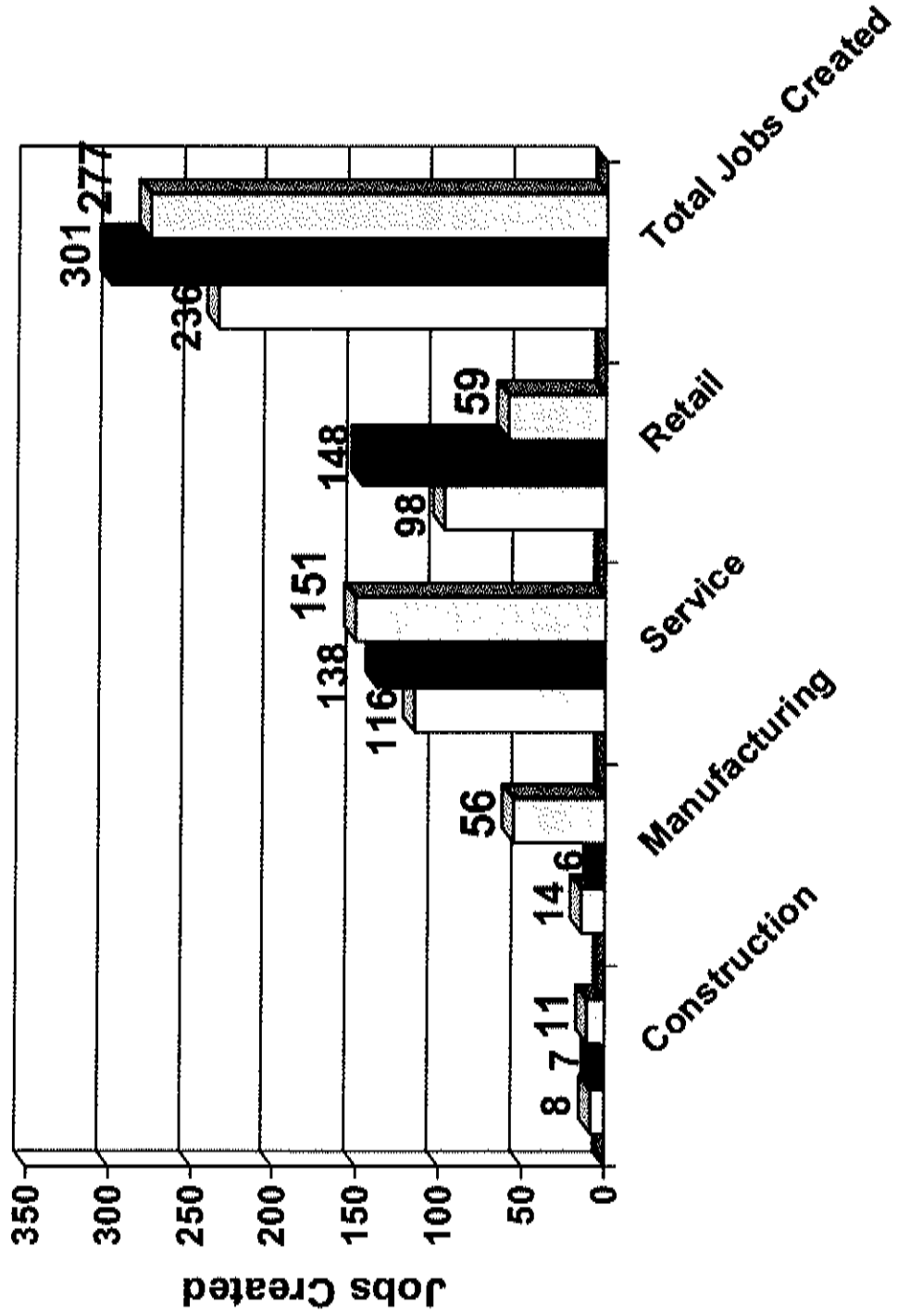
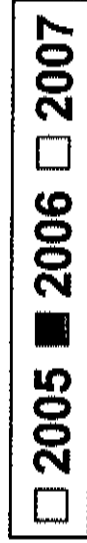


SBDC Billable Hours

□ 2005 ■ 2006 □ 2007

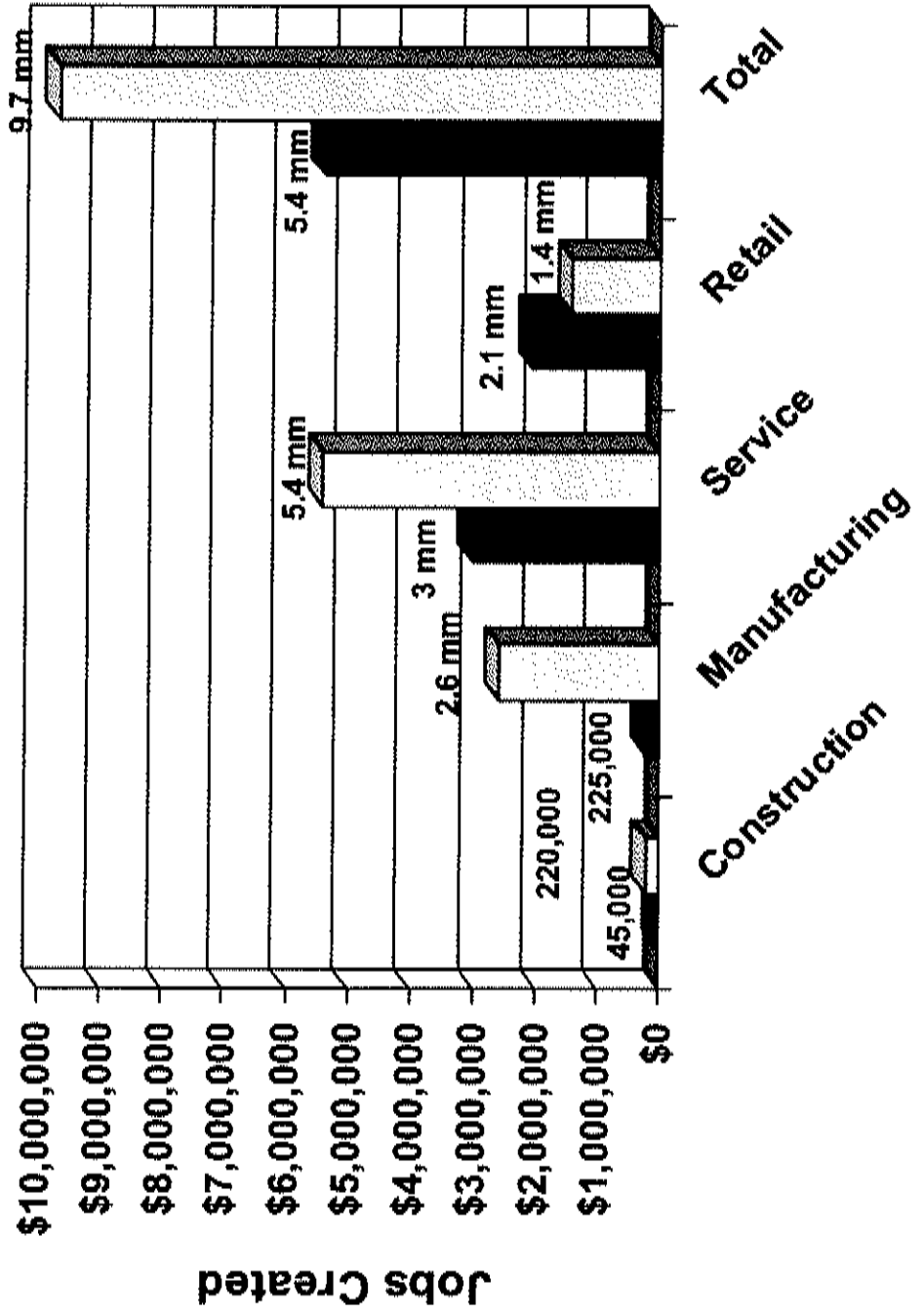


SBDC-Assisted Jobs Created



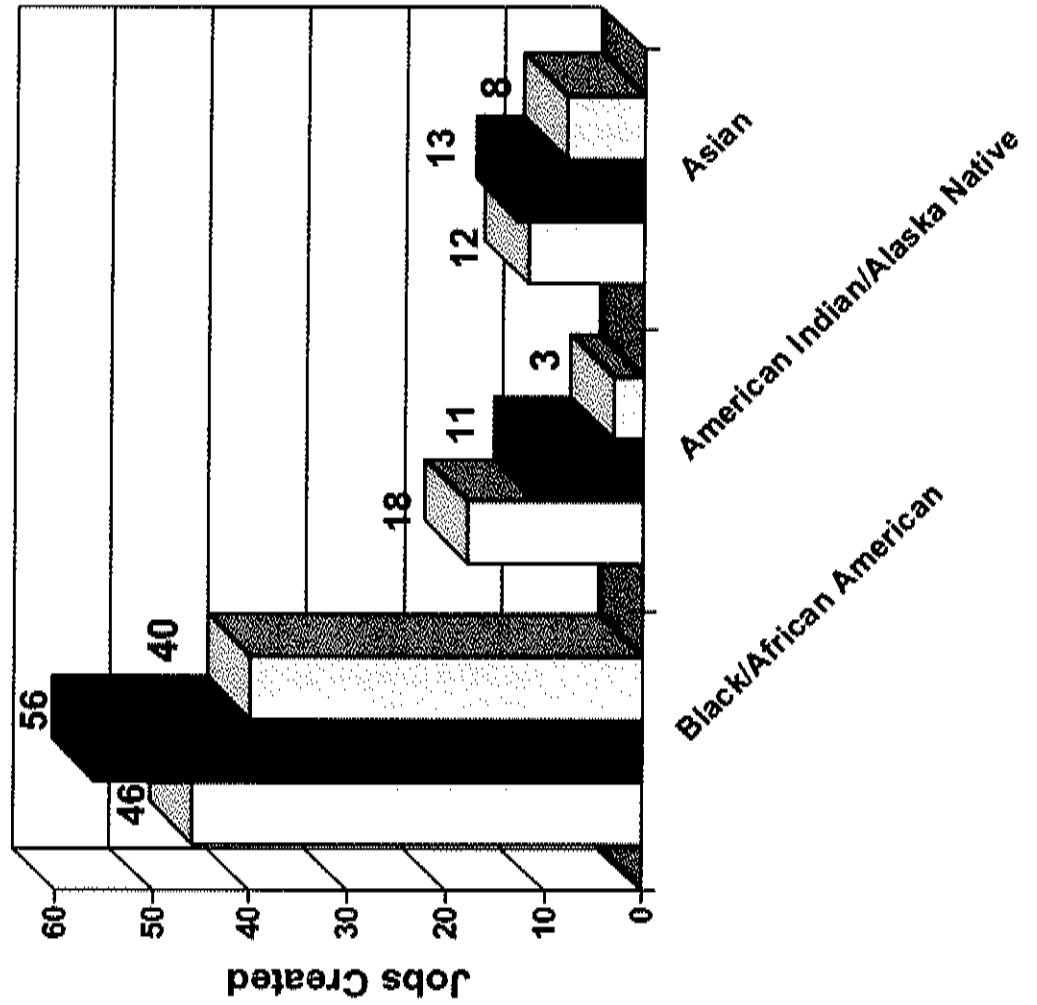
Capital Formation

■ 2006 □ Qrt 1-2 FY 2007



Client Race Background

2005
 2006
 Qrt 1-2 2007



**ABILENE REGIONAL AIRPORT'S
MID-YEAR REPORT TO THE
DEVELOPMENT CORPORATION OF ABILENE**

10-13-06 through 4-16-07

Contract

To continue the progress of the Business Development Program, begun in October 2002

Results to Date

Business Development Program success has exceeded planning expectations as the calendar year 2006 enplanement level of 95,359 is 107.4% of the master plan forecast for 2020. See attached for key operating statistics.

1. Increased passenger enplanements

- ▶ Oct-Mar FY07– 46,839 10.1% increase
- ▶ FY06 – 91,973 15.9% increase
- ▶ FY05 – 79,337 9% increase
- ▶ FY04 – 72,789 46.3% increase
- ▶ FY03 – 49,769

2. Increased service

- ▶ American Eagle – from six flights (three RJ's, 3 turboprops) to DFW Intl. Airport in FY03 to eight flights (five RJ's, 3 turboprops) in FY06.
- ▶ Continental Connection – contract carrier, Colgan Air, increased available seating by 26% with SAAB turboprop aircraft. Three daily flights to Houston Intercontinental Airport reduced to two for four months for Continental scheduling reasons. Flights returned full-time in December 2006.
- ▶ Allegiant Air operated nonstop low fare service between Las Vegas and Abilene for six months from April 6, 2006, through the suspension of service on February 5, 2007.
- ▶ Available Seats:
 - Oct-Mar FY07 – 155,723 4.9% increase
 - FY06 – 303,236 21.1% increase
 - FY05 – 250,342

3. Increased revenue

Parking:

- ▶ Oct-Mar FY07 – \$165,167 15.1% increase
- ▶ FY06 – \$306,873. 21.3% increase
- ▶ FY05 – \$252,918. 10.1% increase
- ▶ FY04 – \$229,815. 60 % increase
- ▶ FY03 – \$137,609.

Rental Cars:

- ▶ Oct-Feb FY07 – \$1,295,750. 22.6% increase
- ▶ FY06 – \$2,895,520. 19.1% increase
- ▶ FY05 – \$2,430,238. 34% increase
- ▶ FY04 – \$1,747,125. 12.5% increase
- ▶ FY03 – \$725,372.

3. U.S. Department of Transportation's Small Community Air Service Development Program

- ▶ Cited as a Best Practices Model for Business Development Program at a Non-Hub Airport funded by a FY 2003 Small Community Air Service Development Grant by the U.S. DOT's Office of Aviation Analysis.
- ▶ The U.S. Department of Transportation awarded the City its second Small Community Air Service Development Program grant in fall 2006, which contributes \$465,000 to fund about 70% of expenditures needed to pursue improved air service to the Abilene market, and particularly to gain service to the Western U.S. These resources will enable the identification of airlines which are best able to provide these needed services and to develop the route analyses they need in order to consider establishing the service. In addition, the resources available through the grant will enable the provision of marketing support and financial assistance to reduce the market risk for qualifying new service, as well as defray operating costs through the possible provision of ground handling services.

Agreement Tasks

1. Participate in major area trade shows

- ▶ Participated in Chamber of Commerce's annual Business Expo's, 2003 - 2007.
- ▶ Participated in Texas Midwest Community Network's (TMCN) Annual Conference and Business Expo, 2005 and 2006.

2. Develop an Air Cargo strategy

- ▶ With funding for Air Cargo ramp and infrastructure programming moved from 2006 to 2010, new air cargo strategy must be developed.
- ▶ Will coordinate with Economic Development staff on a proposed cargo market demand study closer to the time the Air Cargo ramp programming and funding is approved by the FAA.

3. Develop a Regional Air Service Advisory Council

- ▶ City Council approved bylaws (see attachment) for West Central Texas Air Service Advisory Council in January 2007
- ▶ Chair is the delegate appointed by the Texas Midwest Community Network (TMCN) to the Airport Development Board (ADB), Lori Dodd from Gorman
- ▶ Vice chair is the ADB vice chair, Woody Gilliland
- ▶ Letter from Mayor Archibald sent to the 32 County Judges on April 9
- ▶ County Judge appointees due to Mayor Archibald by May 5
- ▶ First meeting of West Central Texas Air Service Advisory Council is May 30 from 10:30 am – 12 noon, followed by optional lunch and airfield tour

4. Expand the email database

- ▶ Management of email address database will be converted to the City of Abilene's new email management system, and integrated with airport's new Customer Knowledge Program (see below)
- ▶ Continuing to add e-mail addresses to database, now numbering around 7,000

5. Continue to develop relationships with the Planning Departments and Marketing Departments of American Eagle Airlines, Continental Airlines, and Allegiant Air, making enhanced air service proposals when/if indicated.

- ▶ Planning and Marketing Departments of ABI's incumbent airlines and targeted airlines are contacted as-needed for discussion of key issues & opportunities.

6. Implement a baseline advertising strategy in Abilene

- ▶ Baseline advertising in annual publications includes annual ABILENE Magazine, annual Texas Midwest Community Network Visitors Guide, AreaWide Yellow Pages, SBC Yellow Pages, Brownwood Chamber of Commerce annual magazine, and Sweetwater Chamber of Commerce annual magazine.

7. Continue the search for airlines with air service strategies that may benefit Abilene and the Texas Midwest

- ▶ New Biennial Air Service Study underway with completion scheduled for May 2007. This study will reflect new, three-carrier data. Results will be presented to Delta and its regional carriers; Frontier, United Express, U.S. Airways, ExpressJet (new branded service spun off from Continental in April 2007), Allegiant Air, American Eagle, Continental, Republic Airways/Chautauqua Holdings, and other carriers as appropriate.
- ▶ Air Service Consultant routinely represents ABI to all airlines and airports represented by SABRE Airline Solutions
- ▶ Developed Air Service Development Incentive Policy that was unanimously approved by City Council in February 2006. Allows City waiver of fees for new service, upgraded aircraft, and other service enhancements. First beneficiary of policy was American Eagle with waiver of landing fees for 8th daily flight that began in January 2006. Second beneficiary was Allegiant Air.

8. Allegiant Air

- ▶ Presented Air Service Study and route analyses for ABI-LAS and ABI-Orlando Sanford to Allegiant Air in January 2006.
- ▶ Low-cost, low-fare carrier Allegiant Air inaugurated new nonstop jet service from Abilene to Las Vegas on Friday, June 9, 2006. Flight pattern was Friday early evening arrivals and departures, and Monday early evening arrivals and departures.
- ▶ With funding from DCOA, Airport staff planned, placed, and paid media invoices totaling \$135,000. for six advertising campaigns in support of Allegiant Air's new service. Media was routinely placed in more than 70 newspapers in markets from Odessa to Weatherford, and San Angelo to Knox City; seven TV stations; and 10 radio stations.
- ▶ An audit of the \$135,000 media expenditures was completed by City Auditor Lee Hagelstein in March 2007. Results showed that \$129,786 was spent, but an additional \$283,183 in media was negotiated and bonused by various media outlets. This enhanced the value of paid media to \$412,969. (See attachment).

- ▶ During June, July and August, all flights averaged a 90% load factor. When school started in mid-August, the Friday flights remained at 90% load factor, but Monday flights dropped to an average of 28% load factor. Service was suspended on February 5, 2007.
- ▶ However, Allegiant Air requested analyses of ABI-LAS route and ABI-SMF (Orlando Sanford) route for possible seasonal service from June through August. Route analyses are now complete, and project that Abilene can support five monthly nonstops to Orlando Sanford with a 70% load factor, trip revenue of \$12,000, and an average one-way fare of \$114; and 9 monthly nonstops to Las Vegas, with 92% load factors, trip revenue of \$11,000, and an average one-way fare of \$79.
- ▶ March and April meetings with Allegiant Air Planning Director were cancelled at his request due to his two emergency hospitalizations.
- ▶ Teleconference to discuss two route analyses is tentatively scheduled for April 19 -20 or April 26-27.

9. Implementation of a Customer Knowledge and Research Program

- ▶ This program is designed to link business development strategies/decisions and market and consumer intelligence. This program will include four areas of integrated marketing communication and research activity:
 - Business – Corporate Market Research: primary research project targeting the business communities in Abilene Regional Airport’s 32-county service area. This component will be very helpful in determining air cargo needs.
 - Continuous Customer Satisfaction Research: development and execution of a primary on-site research program targeting air travelers
 - Airport Web Site: development and launch of a new, stand-alone site that incorporates an ongoing research component
 - Electronic Newsletter: development and production of a marketing-oriented newsletter targeting the entire collected database of Abilene Regional Airport
- ▶ The RFQ for this program generated two responses from qualified firms by the deadline of April 4, 2007. A Selection Committee composed of Staff and ADB members is being formed to rank and choose the most qualified firm.

- ▶ Implementation is tentatively scheduled to begin in summer 2007.

Additional Business Development Tasks in Progress

10. Airport Volunteer Ambassador Program

- ▶ This program will be designed to provide exemplary customer service, which meets or exceeds passenger and visitor needs, while offering friendly, accurate and up-to-date assistance by answering questions about airport services, facilities, and construction projects; and providing flight assistance and tourism information in a friendly and welcoming manner.
- ▶ First Ambassadors are planned to be in place by June 2007 when parking lot construction begins, necessitating shuttle van transportation between the terminal and temporary parking lot.

11. Airport Restaurant and Gift Shop – Search for Replacement

- ▶ Neither GameTime, the current concessionaire for the Airport restaurant and gift shop, nor the Airport is satisfied with the results from its first 16 months of operation.
- ▶ The Airport is looking for GameTime's replacement. Until the time that a new concessionaire is located and a contract executed, GameTime's contract is in force through July 2008.
- ▶ 18 restaurateurs have reviewed the Airport opportunity; one presented an initial proposal on April 12, 2007.
- ▶ For possible Gift Shop operation, United Way canvassed its affiliate agencies to assess interest in the possible formation of a nonprofit cooperative at the request of an anonymous funding source.
- ▶ 12 Interested agencies met with Airport and City Staff on March 8 and April 3 to brainstorm and discuss. As of April 17, one agency has provided a Letter of Intent to participate in the nonprofit cooperative if it is formed.

12. City Branding Partnership

- ▶ Appointed as a member of the Executive Committee for the recently formed City Branding Partnership.

- ▶ Fine-tuned RFQ, and will act as Project Lead through receipt of proposals from interested proposers.

13. Fly Texas Initiative

- ▶ ABI continued to participate in this Texas Department of Transportation project designed to develop intra-state nonstop air service to/from Austin.

14. In-terminal Advertising Program

- ▶ ABI assumed responsibility for in-terminal advertising on January 1, 2005, when concessionaire cancelled contract.
- ▶ Abilene Convention & Visitors Bureau agreed to sell two areas of terminal signage for one year beginning June 2006. Results to date include updated destination ads for the Welcome to Abilene top tourism venues, and sales of all ad space to hoteliers and restaurateurs on the Hotel/Motel/Restaurant board, all on the 1st Level by Baggage Claim. Letter of Agreement will be expanded to include co-op ventures from airline ticket jackets to LCD monitors playing "Top 10 Things to Do in Abilene" at the Visitors Welcome booth.
- ▶ Will eventually issue a RFP, which will include request for capital expenditures to update signage fixtures

15. Appointed by Airports Council International - North America (ACI-NA) to its national Steering Committee for Marketing and Communications

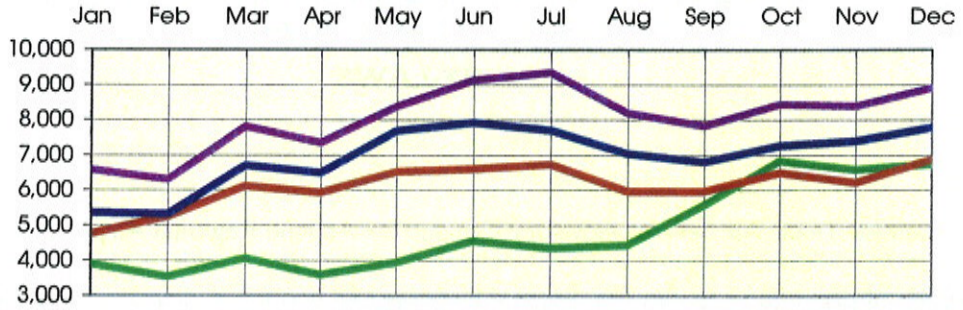
- ▶ Participate in monthly conference calls planning conferences and develop Best Practice case models for professionals in Airport Marketing, Communications, Media Relations, Customer Service, and Airline Route Development.
- ▶ Tentatively scheduled as a speaker for national 2007 Marketing and Communications Conference that precedes JumpStart Airline meetings.

16. ACVB Conventions

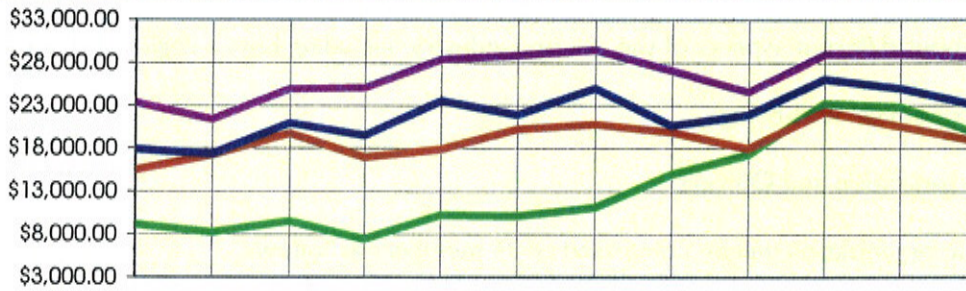
- ▶ Working with Abilene Convention & Visitors Bureau to determine air travel needs of convention attendees, and to increase number of attendees flying to Abilene when appropriate

Abilene Regional Airport Enplanement Impact Charts

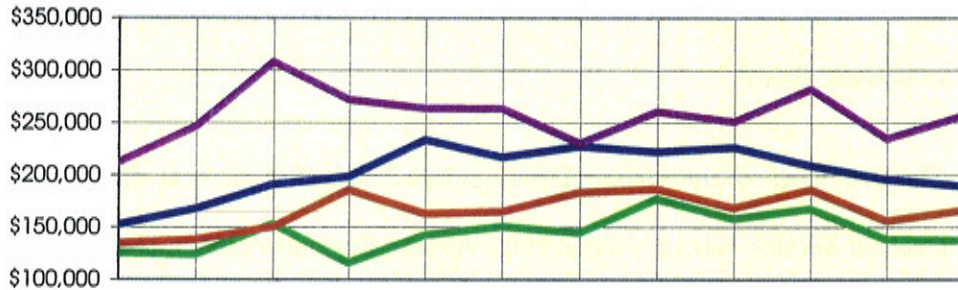
Enplanements



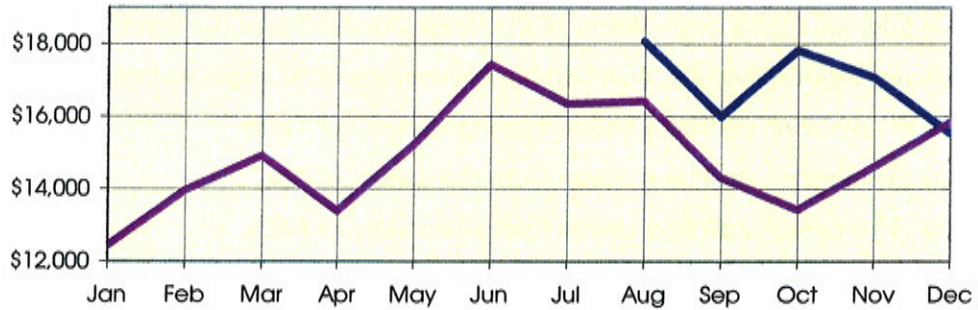
Parking Revenue



Car Rental Gross Revenue



Concessionaire Gross Revenue



Legend

— 2003 — 2004 — 2005 — 2006

4.20

**WEST CENTRAL TEXAS AIR SERVICE ADVISORY COUNCIL
OF ABILENE REGIONAL AIRPORT**

BY-LAWS

Purpose

A West Central Texas Air Service Advisory Council for Abilene Regional Airport shall be organized for the purpose of providing a forum for regional business and economic development leaders to:

1. Address passenger and cargo air service development needs from a regional perspective.
2. Learn about different aspects of the aviation industry, including how a regional airport can contribute to their economies' well-being.

A. **Organization and Officers**

The organization will be comprised of 34 members as follows:

1. The Chair of the West Central Texas Air Service Advisory Council for Abilene Regional Airport shall be the Texas Midwest Community Network's appointee to the Airport Development Board.

2. The Vice Chair of the Airport Development Board shall serve as the Vice Chair of the West Central Air Service Advisory Council for Abilene Regional Airport, chairing meetings when the Chair is unable to attend.

3. In addition to the two officers of the West Central Texas Air Service Advisory Council for Abilene Regional Airport, membership shall consist of 32 additional members as follows:

One (1) member shall be a citizen from the county of Taylor

One (1) member shall be a citizen from the county of King

One (1) member shall be a citizen from the county of Knox

One (1) member shall be a citizen from the county of Baylor

One (1) member shall be a citizen from the county of Kent

One (1) member shall be a citizen from the county of Stonewall

One (1) member shall be a citizen from the county of Haskell

- One (1) member shall be a citizen from the county of Throckmorton
- One (1) member shall be a citizen from the county of Young
- One (1) member shall be a citizen from the county of Scurry
- One (1) member shall be a citizen from the county of Fisher
- One (1) member shall be a citizen from the county of Jones
- One (1) member shall be a citizen from the county of Shackelford
- One (1) member shall be a citizen from the county of Stephens
- One (1) member shall be a citizen from the county of Mitchell
- One (1) member shall be a citizen from the county of Menard
- One (1) member shall be a citizen from the county of Nolan
- One (1) member shall be a citizen from the county of Callahan
- One (1) member shall be a citizen from the county of Eastland
- One (1) member shall be a citizen from the county of Erath
- One (1) member shall be a citizen from the county of Concho
- One (1) member shall be a citizen from the county of Somervell
- One (1) member shall be a citizen from the county of Coke
- One (1) member shall be a citizen from the county of Runnels
- One (1) member shall be a citizen from the county of Coleman
- One (1) member shall be a citizen from the county of Comanche
- One (1) member shall be a citizen from the county of McCulloch
- One (1) member shall be a citizen from the county of San Saba
- One (1) member shall be a citizen from the county of Mills
- One (1) member shall be a citizen from the county of Hamilton
- One (1) member shall be a citizen from the county of Mason
- One (1) member shall be a citizen from the county of Brown

The Airport staff liaison to the West Central Texas Air Service Advisory Council for Abilene Regional Airport shall be the Business Development Manager.

The Director of Aviation, or his/her designee, shall assist the West Central Texas Air Service Advisory Council for Abilene Regional Airport in its various functions.

B. Membership and Terms

The Mayor of Abilene shall request the Judge of each county to appoint a citizen of the county to the West Central Texas Air Service Advisory Council for Abilene Regional Airport.

Appointed members should have an interest in their local economic development, and in providing input on passenger and cargo air service issues and air service development needs from their county's perspective.

The term of appointment shall be three (3) years, and is automatically renewed at the discretion of the respective county judge. Replacement for a vacancy in an unexpired term of any member shall be filled by the process used in appointing members. All members shall serve without compensation.

C. Powers and Duties

The West Central Texas Air Service Advisory Council for Abilene Regional Airport shall provide periodic reports to the Airport Development Board and the Abilene Air Service Task Force for their information as needed. Reports shall focus on regional input pertaining to passenger and cargo air service issues and air service development needs from a regional perspective.

D. Rules of Procedure

The West Central Texas Air Service Advisory Council for Abilene Regional Airport shall adopt its own rules of order and procedures for conducting meetings and activities directly related thereto. A quorum of members is not necessary as the council will be advisory in nature, providing input to the Airport Development Board.

E. Meetings

Regular meetings shall be scheduled quarterly. Additional meetings may be held upon the call of the Chair, or the Vice-Chair in the absence of the Chair, or upon petition of a simple majority of members of the West Central Texas Air Service Advisory Council for Abilene Regional Airport. Meetings are not subject to the Texas Open Meetings Act.

F. Reports

The Chair of the West Central Texas Air Service Advisory Council shall provide periodic reports to the Airport Development Board. Reports are subject to the Texas Public Information Act.

MEMORANDUM

March 27, 2007

TO: Don Green, Interim Aviation Manager
Chris Proctor-Cleveland, Business Development Manager

FROM: Lee Hagelstein, Internal Auditor *LH*

SUBJECT: Allegiant Air Media Expenses

On March 24, 2006, the DCOA approved funding in the amount of \$135,000.00 to be used to inform travelers in the Abilene market of competitive opportunities available closer to Abilene, thereby demonstrating to air carriers the increased business opportunities in Abilene. The additional funding was used to develop a marketing strategy and budget to promote the new Allegiant Air service from Abilene to Las Vegas. The costs covered several different promotions which involved radio/TV stations and newspaper publications and covered a 32 county area. The final cost of these promotions was \$129,786.00.

On March 15, 2007, Ms. Proctor-Cleveland asked that an audit be performed regarding these promotional expenses. At this time, the audit has been completed.

The schedule attached shows a summary of those promotional expenses. During the audit, the accounting records from March 2006 through December 2006 were reviewed to ensure completeness and accuracy. The individual totals for Paid TV, Paid Radio and Paid Newspaper were verified. Therefore, it appears that all invoices were adequately documented and complete records are maintained concerning this project.

cc: David Wright, Director of Finance
Kim Tarrant, Contracts Administrator

ABILENE REGIONAL AIRPORT & ALLEGiant AIR RECAP OF 2006 NEGOTIATED PAID AND BONUS ADVERTISING

NEGOTIATED ADVERTISING									
	APRIL	MAY	JUNE	JULY	AUGUST	OCTOBER	TOTAL	NEGOTIATED PROMOTIONS	GRAND TOTAL
DATES	10 - 21	1 - 20	12 - 21	7 - 20	13 - 25	8 - 20		11/2 - 12/8	
OFFER	\$69	\$79	Fly Free	\$89	\$89	Fly Free		Tkt. Giveaway/\$59 Fare	
TV									
<u>TV Contracts Negotiated</u>	4		5			5	14	1	15
Paid TV	\$15,660		\$12,970			\$10,005	\$38,635	\$0	\$38,635
Bonus TV	\$52,718		\$11,493			\$17,150	\$81,361	\$52,500	\$133,861
Radio									
<u>Radio Contracts Negotiated</u>	9		9			8	26	7	33
Paid Radio	\$8,348		\$9,664			\$8,663	\$26,675	\$0	\$26,675
Bonus Radio	\$18,640	0	\$4,275			\$4,246	\$27,161	\$102,534	\$129,695
Newspaper									
<u>Nsp. Contracts Negotiated</u>	65	65	24	9	7	24	194		194
Paid Nsp.	\$33,402	\$14,049	\$8,026	\$4,391	\$2,596	\$2,012	\$64,476		\$64,476
Nonprofit Rate Savings	\$9,332	\$2,167	\$2,193	\$2,380	\$2,789	\$766	\$19,627	\$19,627	\$19,627
GRAND TOTAL									
Negotiated Contracts	78	65	38	9	7	37	234	8	242
Paid Media	\$57,410	\$14,049	\$30,660	\$4,391	\$2,596	\$20,680	\$129,786		\$129,786
Bonus Media	\$80,690	\$2,167	\$17,961	\$2,380	\$2,789	\$22,162	\$128,149	\$155,034	\$283,183
TOTAL VALUE NEGOTIATED	\$138,100	\$16,216	\$48,261	\$6,771	\$5,385	\$42,842	\$257,935	\$155,034	\$412,969
Financial Assistance Remaining from \$135,000									
\$5,214									
Ticket Giveaways									
Round Trips							58	100	
Cost to Allegiant							\$24,882	\$42,900	\$67,782

4.26

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: April 24, 2007

SUBJECT: DCOA Report of Activities Through 3-31-07

FROM: Richard Burdine, CEO

GENERAL INFORMATION:

As required in the by-laws of the corporation, a report of activities for the first one-half of the current fiscal year has been prepared. The report covers the 6-month period beginning 10-1-06 and ended 3-31-07.

SPECIAL CONSIDERATIONS:

None.

FISCAL IMPACT:

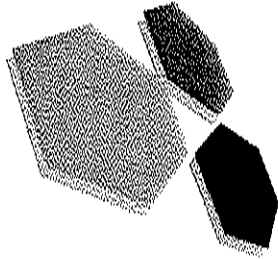
None.

STAFF RECOMMENDATION:

Staff recommends the Board approve by oral resolution the attached report of activities for the 6-month period ended 3-31-07.

ATTACHMENT:

Development Corporation of Abilene, Inc.
Report of Activities for period ended 3-31-07.



Develop Abilene

Development Corporation of Abilene

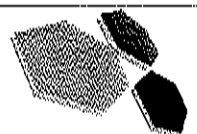
**SEMI-ANNUAL REPORT
OF ACTIVITIES**

MARCH 2007

DEVELOPMENT CORPORATION OF ABILENE, INC.
SEMI-ANNUAL REPORT OF ACTIVITIES
OCTOBER 2006 – MARCH 2007

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DEVELOPMENT CORPORATION OF ABILENE, INC.

Mission Statement:

The mission of the Development Corporation of Abilene, Inc. is to use sales tax revenue to effectively stimulate Abilene's economic growth. This is done by assessing the community's economic development needs, developing a plan to meet those needs, coordinating community economic development efforts, and supporting targeted activities that enhance the quality of life in the community and maximize the public's return on invested tax dollars.

Board of Directors:

President:

Ray Ferguson

Vice President:

Joe Crawford

Secretary/Treasurer:

Dee Moore

Members:

Stan Lambert

Mike Schweikhard

Goals:

The Board has identified six key goals in the City's economic development efforts.

1. To make Abilene competitive in the attraction of business and industry in order to create new, sustainable jobs.
 2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses.
 3. To strengthen and expand the skills of the Abilene labor force.
 4. To strengthen and revitalize downtown Abilene.
 5. To increase the number and size of minority-owned, woman-owned, small and entrepreneurial businesses in Abilene.
 6. To effectively administer the sales tax revenue.
-

Organization:

The DCOA is a non-profit corporation established under Section 4A of the Development Corporation Act of 1979, as amended. The DCOA consists of a five-member board, which is appointed by the Mayor and City Council, with terms of three years each. The fiscal year for the DCOA begins October 1st and ends September 30th.



Progress Made Toward Goals

1. To make Abilene competitive in the attraction of business and industry in order to create new, sustainable jobs.

The DCOA continues to work toward competitiveness with other communities by funding the marketing efforts of the Abilene Industrial Foundation. The DCOA approved contracts with Carter & Burgess to update the master plan for the Five Points Business Park and to design a third speculative building.

2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses.

The DCOA approved assistance for six different companies. Five of them are local companies: Coca-Cola Bottling Company, Eagle Aviation Services, Inc., Ab-Tex Beverage, BMWT Leasing (RWL Recycling), and Integrated Clinical Research. A total of 109 jobs are to be retained and 40 jobs created.

3. To strengthen and expand the skills of the Abilene labor force.

The DCOA approved \$26,000 to extend the Welder Training Program, which has proved to be quite successful after the first two training sessions graduated 26 students and helped place 22 of these with local businesses. The DCOA also approved \$83,405 to help fund a pilot program to train and assess local workers as Manufacturers Skills Standard Training Council (MSSC) Certified Manufacturing Production Technicians. The DCOA approved \$194,622 in additional assistance for the Texas Tech University Pharmacy School being constructed on the campus of Hendrick Health System.

4. To strengthen and revitalize downtown Abilene.

During the report period (10-01-06 through 03-31-07), none of the projects approved specifically address or will directly benefit downtown.

5. To increase the number and size of minority-owned, woman-owned, small and entrepreneurial businesses in Abilene.

The DCOA provides \$195,000 annually to the Small Business Development Center (SBDC) for services to Abilene residents and businesses. The SBDC provides business counseling free of charge to clients in a 16-county area surrounding Abilene. In addition, the SBDC can assist businesses desiring to sell products or services to any level of government. Integrated Clinical Research and BMWT Leasing (RWL Recycling) are small, entrepreneurial businesses approved for assistance by the DCOA.

6. To effectively administer the sales tax revenue.

During the report period (10-01-06 through 03-31-07), the DCOA approved \$2,562,662 in funding to assist companies with growth and retention in Abilene, anticipating new employment of 40 jobs and retained employment of 109 positions. In addition, \$109,405 was approved to help train residents for employment with local manufacturers.



Project Summaries

Texas Tech University Pharmacy School

The Texas Tech Pharmacy School will offer an extensive training program, creating job marketable professionals for a growing industry in need of workers for the foreseeable future. Construction is under way of a facility of about 30,000 sq. ft. on the campus of Hendrick Health System at an estimated cost of \$6 million to accommodate up to 160 students and employment of 43. It has limited competition in its market and is expanding into Abilene to fill an existing shortage of trained professionals on local, regional and national levels.

Under Section 4a of the Development Corporation Act, eligible infrastructure improvement expenditures are limited to streets and roads, water, sewer, electric and gas utilities, drainage, site improvements and related improvements, telecommunications and internet improvements. In July 2005, the DCOA approved assistance in the form of a forgivable loan for infrastructure improvements of up to \$850,000, earnable through operation of the enterprise and will be 100% forgiven at the end of 7 years of operation. The pharmacy school anticipates creating 39 jobs paying in excess of \$30,000/year with an annual payroll of \$2.4 million.

At the same time, the DCOA approved assistance under the name Project Enterprise in the form of a \$150,000 forgivable loan for research and training, with principal reductions calculated at 7% of salaries expended for research each year for the first 10 years of the project. The research operation is expected to create four high-wage jobs with a payroll of over \$350,000 per year and will be housed with the Texas Tech Pharmacy School.

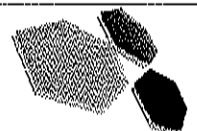
The estimated qualified infrastructure expenditures increased from \$850,000 to \$1,044,622. In October 2006, the DCOA approved additional assistance to the project of \$194,622. The pharmacy school will open in the fall of 2007 and administrative offices are temporarily located in the Grant Building downtown.

Goals addressed: 2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses, 3. To strengthen and expand the skills of the Abilene labor force, and 6. To effectively administer the sales tax revenue.

Coca-Cola Bottling Company

Coca-Cola Bottling Company of North Texas (Coke) is an established employer for Abilene. The plant has been in operation on Highway 351 for many years and currently employs 221 people. Recent development in the Wal-Mart Super Center area around the Coke plant has triggered an increase in traffic that is expected to grow with further development, causing concerns about Coke trucks safely crossing SH 351.

In order to alleviate some of the congestion and to assist in additional development of the area, Coke is participating in plans to establish a new road to connect Highway 351 to Interstate 20 through property owned by Coke and Horne Properties, Inc., developers of a shopping center at the northwest corner of the IH20 service road and Musgrave Boulevard. Development of the road has created an opportunity to remedy a long-standing sewer capacity problem at the Coke



Coke plant. The existing sewer line near the plant does not have sufficient capacity to receive the periodic surges of effluent water generated by the manufacturing process.

In July 2006, the DCOA authorized \$220,000 in funding to install a new sewer line to be constructed along the new road from the Coke plant to a 12-inch sewer main currently running along IH 20. This amount was based on cost estimates at that time; however, actual costs are now \$300,000. In November 2006, the DCOA approved additional funding in the amount of \$80,000.

Goals addressed: *2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses and 6. To effectively administer the sales tax revenue.*

Eagle Aviation Services Inc. (EASI)

The local facility for Eagle Aviation Services, Inc. (EASI) currently operates four aircraft maintenance dock lines and was chosen as the site to receive another dock line and 40 new employees. EASI is currently understaffed due to a lack of qualified applicants. Several entities have worked together to formulate a recruitment plan for the Abilene plant. In December 2006, the DCOA approved total assistance of \$550,000 to assist EASI with recruitment efforts and equipment needs for the new dock line.

In January 2007, URS Corporation presented seven options to the DCOA for hangar expansion. The following month, the DCOA selected Option 2 – a new 25,000 square-foot metal hangar which will accommodate two aircraft to be located to the west of Hangar 0 on the existing employee parking lot. The engineer's preliminary construction cost estimate (worst case) is \$7.6 million which includes replacing the parking lot. The Board authorized the CEO to advertise a Request for Qualifications to architectural/engineering firms interested in designing the hangar. Once Statements of Qualifications are received and ranked, staff will make a recommendation to the Board.

Goals addressed: *2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses and 6. To effectively administer the sales tax revenue.*

Ab-Tex Beverage

Ab-Tex Beverage currently employs 285 people including 104 full-time production jobs and currently produces and delivers two major lines of products: Pepsi and Dr. Pepper. In order to serve the changing needs of its clients, Ab-Tex was faced with the decision to either make a capital investment in the adjacent former Crown Cork & Seal building for production and/or warehousing, or possibly become solely a distribution center. The company purchased the former Crown Cork building and is also planning to purchase over \$3 million in new equipment. In December 2006, the DCOA approved total funding of \$1,599,040 to assist with real estate upgrades, equipment purchases and a job retention incentive for its existing 104 production jobs.

Goals addressed: *2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses and 6. To effectively administer the sales tax revenue.*



BMWT Leasing (RWL Recycling)

BMWT Leasing (BMWT) and RWL Recycling (RWL) are wholly owned companies of Texas Metals and Recycling (TM&R). All three companies are located at 2989 Pine Street. In an effort to keep up with increased demand for recycled metals and recycled paper, the owners purchased the property located at 3125 Pine and are relocating RWL to that site. This will, in turn, give TM&R much-needed storage space for trucks, trailers, and containers, currently taking up yard space. In December 2006, the DCOA approved total funding of \$75,000 to assist with the real estate purchase and real improvements, as long as the company continues its operations at the Abilene location. Seven jobs will be retained by RWL Recycling.

Goals addressed: 2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses, 5. To increase the number and size of minority-owned, woman-owned, small and entrepreneurial businesses in Abilene, and 6. To effectively administer the sales tax revenue.

Integrated Clinical Research, LLC

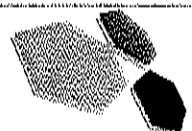
Integrated Clinical Research (ICR) is an existing successful business involved in retina research to preserve the vision of individuals with potential visual loss. The DCOA approved funding on March 7, 2006 to assist the company (formerly known as Project DS) with an expansion of the business, including the construction of a 7,151 sq. ft. building on Health Center Drive to house the research and equipment. Also approved was funding as an incentive for job creation. Actual construction costs have exceeded the estimated cost of the building by \$426,029. The original capital investment incentive package for the building was based on 15% of estimated cost. In keeping with the 15% structure, the DCOA approved additional financing of \$64,000 in December 2006 to reflect the increase in the actual cost of the building.

Goals addressed: 2. To create new jobs and retain existing jobs by providing assistance to existing and emerging businesses, 5. To increase the number and size of minority-owned, woman-owned, small and entrepreneurial businesses in Abilene, and 6. To effectively administer the sales tax revenue.

Summary of Projects – FY2007

<u>Company</u>	<u>Assistance Amount</u>	<u>Committed Job Retention</u>	<u>Committed Job Creation</u>
Texas Tech Univ. Pharmacy School	\$ 194,622	00	00
Coca-Cola Bottling Company	80,000	00	00
Eagle Aviation Services Inc.	550,000	00	40
Abtex Beverages	1,599,040	104	00
BMWT Leasing (RWL Recycling)	75,000	05	00
Integrated Clinical Research	64,000	00	00
TOTAL	\$ 2,562,662	109	40

Percentage of assistance to Abilene companies (**names in bold**) – 83%



Administrative / Other

Five Points Business Park - Carter & Burgess Contract

In August 2006, the DCOA authorized a contract with Carter & Burgess (C&B) to review and update the existing master plan for the Five Points Business Park (Park). C&B completed preliminary drawings for development of the Park plus potential sites for a Spec 3 building and presented them to the Board during the November meeting. In December 2006, the DCOA approved an addition of \$108,000 to the contract with C&B to design a third speculative building in the Park. In February 2007, the DCOA chose Site 3 in the Park (west side of Spec 2, north side of Five Points Parkway) as the site for construction of the Spec 3 building, plus authorized a contract with Carter & Burgess and funding of \$151,200 to conduct site civil engineering work for Spec 3. Staff anticipates at least 35% of the work on Spec 3 will be sub-contracted to local firms.

Five Points Business Park - Conveyance of Right-of-Way to TxDOT

North and south access to the Five Points Business Park is gained via FM 3438 (Arnold Blvd) which bisects the Park, or Fulwiler Rd, which runs along the western border. Part of the Carter & Burgess design concepts were developed around a Texas Dept. of Transportation (TxDOT) project to construct an overpass for FM 3438 over Hwy 84 (Business I-20), with plans to begin in July 2007. Before plans can proceed, TxDOT must have ownership of all the land necessary to widen FM 3438 and allow for rights-of-way (ROW). TxDOT needs a total of .64 acres from the DCOA and all of it is in the flood plane. In December 2006, the DCOA approved the conveyance of the needed acreage to TxDOT at no cost to TxDOT because of the benefit to the Park and because the affected land is in the flood plane, and therefore not usable for development in its current state.

Welder Training Program

The first two training sessions were completed in the fall of 2006 and graduated 26 students, 22 of which are currently working for local businesses. Because the program has been so successful, the entities involved are extending the program to include two more four-week sessions. To continue the training, economic development staff applied for and was awarded a \$50,000 grant from the West Central Texas Workforce Development Board in partnership with four local companies that employ welders. In January 2007, the DCOA approved additional funding of \$26,000 to extend the welder training program.

Manufacturers Skills Standard Council (MSSC) Training Program

Nation-wide industry surveys have revealed that many workers demonstrate deficiencies in basic skills. The Manufacturing Skills Standards Council (MSSC) certification process addresses skills deficiencies by assessing and certifying individuals on their abilities in math, science, reading, listening, communicating, computer technology, analysis, problem solving, teamwork and basic technical skills, all in a manufacturing context.

The West Central Texas Workforce (WCTW) Board has committed funding toward the development of a pilot project to train and assess local workers as MSSC-Certified Manufacturing Production Technicians. In January 2007 the DCOA authorized funding of \$83,405 to cover all training-related costs, including TSTC instructor wages, tuition and fees, pre-screening,



pre-screening, assessments, and student incentives. The total cost of the pilot program will be \$86,835. If the pilot program is successful, the WCTW Board will partner with TSTC, community colleges, targeted manufacturers, and school districts in the region to apply for skills development funding through the Texas Workforce Commission to continue the program.

DCOA Board Meeting Date

Due to the schedules of some DCOA board members, they agreed in February 2007 to change the DCOA regularly scheduled monthly meetings to the fourth Tuesday of each month, effective in March.

STAFF:

Chief Executive Officer	Richard Burdine
Dir. of Business Services	vacant
Contracts Administrator	Kim Tarrant
Construction Project Mgr.	David White
Sec. to Assist. City Mgr.	Susan Campbell

FOR MORE INFORMATION CONTACT:

Development Corporation of Abilene, Inc.
174 Cypress, Suite 301
P.O. Box 60
Abilene, Texas 79604-0060
325.676.6390
Fax 325.676.6377



DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: April 24, 2007

PROJECT: Affiliated Food Stores Rent Reduction

STAFF: Richard Burdine, Chief Executive Officer

THE COMPANY

Affiliated Foods Stores, Inc. (AFS) is an Oklahoma corporation organized in September 1939. The company is a wholesale grocery distributor that sells merchandise to its member-stockholders from its facilities in Abilene. The company services approximately 500 stores in Abilene and the region, with most of the region stores being in small communities. State law says a primary job is one available at a company for which a majority of the products or services of that company are ultimately exported to regional, statewide, national, or international markets, infusing new dollars into the local economy, AND, in one of the eligible business classifications, i.e., 42 – Wholesale Trade. AFS certainly serves regional and statewide markets and their business falls into NAICS code “424410 General Line Grocery Merchant Wholesalers - This industry comprises establishments primarily engaged in the merchant wholesale distribution of a general line (wide range) of groceries.” Therefore they meet the two part test for a primary job and are eligible for DCOA assistance.

With the recent influx of major supermarkets in the area, small stores have been forced to close, reducing AFS’s business. The primary lender forced Affiliated to file bankruptcy in late 2003, jeopardizing the Abilene operation and the then existing 100 jobs. In 3/04, the DCOA approved the purchase of the real estate owned by AFS located at 4109/4009 Vine St. for \$1.2 million. Purchase of the building was the only viable way for the DCOA to assist the business in bankruptcy while protecting our investment if the business were to fail.

The property contains a total of approximately 180,000 sq ft, which is mostly warehouse space. AFS leases a portion of the property (4109 Vine), containing approximately 110,000 sq ft, at a lease rate of \$1.50/sf/year, or \$13,750/mo, triple net, plus a \$625/month pass through from a subtenant for a total of \$14,375/month. The lease term is 5 years through 4/09, with an option to extend for 5 more years. AFS was granted a 6-month reprieve of lease payments in order to help the company get back on its feet. The remaining 70,000 sq ft warehouse is currently under a triple net lease to Fehr Foods at \$1.50/sf/year or \$8,750/mo. AFS currently employs 80 persons in its Abilene office and warehouse operation, located at 4109 Vine Street.

At the time of purchase, AFS and the DCOA executed a Sale and Leaseback Agreement and a Lease Agreement, whereby AFS was granted the right to repurchase the entire property at any time during the lease period for \$1.2 million, plus 4% per annum calculated from the effective date of the Lease (5-14-04). AFS has made good progress toward financial stability by paying off primary creditors, eliminating unprofitable routes and liquidating assets that were not essential to operations. However, despite the progress made to date, AFS is not a good candidate for a commercial loan because of the recent bankruptcy. One of AFS’ largest operating costs is the building lease payment to DCOA.

THE PROJECT

In order to further assist AFS toward financial stability, staff proposes reducing the monthly rental payments by 50% from \$13,750 to \$6,875, plus the payment from the Ryder lease in the amount of \$625, for a total monthly rental payment of \$7,500. The reduction will be in effect beginning April 1, 2007 and go through December 31, 2008.

FISCAL IMPACT

Monthly revenue will decrease from \$14,375 to \$7,500.

STAFF RECOMMENDATION

Staff recommends approval of Addendum A to the Lease Agreement executed 4-26-04 between the DCOA and AFS reducing the monthly rent from a total of \$14,375 to \$7,500 beginning April 1, 2007 and continuing through December 31, 2008.

ATTACHMENTS

Addendum A to Lease Agreement between DCOA and AFS.

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STATE OF TEXAS X
 X
COUNTY OF TAYLOR X

ADDENDUM A
TO LEASE AGREEMENT

This is an Addendum (“Addendum”) to the Lease Agreement executed April 26, 2004, (“Lease”) by and between the **Development Corporation of Abilene** (“DCOA”), a Texas corporation formed pursuant to Tex. Rev. Civ. Stat. Ann. Art. 5190.6, and **Affiliated Food Stores, Inc.**, (“AFS”) an Oklahoma corporation with headquarters located at 4109 Vine, Abilene, Taylor County, Texas, 79602. This Addendum is effective April 1, 2007, and applies to the Lease effective May 14, 2004 for the real property located at 4109 Vine St., consisting of approximately 110,000 square feet of building floor space and adjoining parking lot spaces. The parties hereby agree as follows:

1. The Lease continues in full force and effect, with the addition of the terms described below.
2. Effective April 1, 2007 until December 31, 2008, the monthly rental rate referred to in Section III. Rental Rate, of the Lease (page 2) shall be reduced by 50% from \$13,750 to \$6,875, plus the rental from the Ryder Lease in the amount of \$625, for a total monthly rental payment of \$7,500.

This Addendum and the Agreement shall constitute the sole agreement between DCOA and AFS relating to the subject matter herein.

AGREED:

Affiliated Food Stores, Inc.
4109 Vine St.
Abilene, Texas 79602
(325) 692-1440

Development Corporation of Abilene, Inc.
174 Cypress, Ste. 301
Abilene, Texas 79601
(325) 676-6390

Darrell Earnest, President/CEO

Richard Burdine, CEO

Date: _____

Date: _____

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: April 24, 2007

PROJECT: Discussion and possible approval of a resolution authorizing an agreement with Ken Ford, PhD of the Florida Institute for Human and Machine Cognition (IHMC) to evaluate the feasibility of an Abilene-based research institute

STAFF: Richard Burdine, Chief Executive Officer

Kenneth Ford is Founder and Director of IHMC, a not-for-profit research institute of the Florida University System and affiliated with several Florida universities. A detailed description of IHMC and Dr. Ford's resume are attached.

IHMC was founded in 1990 with two part-time faculty positions. Since that time, IHMC has grown into one of the nation's leading research institutes with more than 110 researchers and staff. IHMC is located in downtown Pensacola, Florida and has had a major impact on the economic viability of the community. Dr. Ford speaks nationally about research institutes as a catalyst for downtown redevelopment, the importance of a sense of place to attract young researchers and entrepreneurship in government.

We became aware of Dr. Ford's work through his friend and collaborator, Dr. Dan Cooke. You may know Dr. Cooke because he was heavily involved in creation of the TTU Graduate Software Engineering Program located in Abilene.

Dr. Ford is willing to assist the Abilene community and Texas Tech University to evaluate the feasibility of an Abilene-based research institute. Tasks include:

1. definition of the institute's research focus or niche,
2. development of an organizational structure, and,
3. formulation of a business plan and projections for the first 10 years of the institute's operation.

PROJECT / FISCAL IMPACT

Initial feasibility analysis is proposed at \$25,000. If the Board later decides to help establish an Abilene-based research institute, staff anticipates the need for additional assistance from Dr. Ford and IHMC staff during early stage development. Any request for additional funding authority will come back to the Board for consideration.

STAFF RECOMMENDATION

Staff recommends approval of Resolution DCOA-2007.12 authorizing an agreement with Ken Ford, PhD of the Florida Institute for Human and Machine Cognition (IHMC) to evaluate the feasibility of an Abilene-based research institute.

ATTACHMENTS

Information on IHMC and Ken Ford
Resolution DCOA-2007.12



IHMC is a not-for-profit research institute of the Florida University System and is affiliated with several Florida universities.

Researchers at IHMC pioneer technologies aimed at leveraging and extending human capabilities. Our human-centered approach often results in systems that can be regarded as cognitive or perceptual prostheses, much as eyeglasses are a sort of ocular prosthesis. These systems fit the human and machine components together in ways that exploit their respective strengths and mitigate their respective weaknesses. The design and fit of computational prostheses require a broader interdisciplinary range than is typically found in one organization, thus IHMC staff includes computer scientists, cognitive psychologists, neuroscientists, physicians, philosophers, engineers and social scientists of various stripes, as well as some people who resist all attempts to classify them.

Current active research areas include: knowledge modeling and sharing, adjustable autonomy, robotics, advanced interfaces and displays, communication and collaboration, computer-mediated learning systems, intelligent data understanding, software agents, expertise studies, work practice simulation, knowledge representation, and other related areas.

IHMC faculty and staff collaborate extensively with industry and government to develop science and technology that can be enabling with respect to society's broader goals. IHMC researchers receive funding (current funding in force exceeds \$22,000,000) from a wide range of government and private sources. IHMC research partners have included: DARPA, NSF, NASA, Army, Navy, Air Force, NIMA, NIH, DOT, IDEO, Nokia, Sun Microsystems, Fujitsu, Procter & Gamble, Boeing, Lockheed, SAIC, and IBM among others.

Kenneth M. Ford

Kenneth Ford is Founder and Director of the Florida Institute for Human & Machine Cognition (IHMC), a statewide not-for-profit research institute of the State University System of Florida.

IHMC has quickly grown into one of the nation's premier research organizations with world-class scientists and engineers investigating a broad range of topics related to building technological systems aimed at amplifying and extending human cognitive and perceptual capacities. IHMC staff collaborates extensively with industry and government labs to develop science and technology that can be enabling with respect to society's broader goals. IHMC research partners have included: DARPA, NASA, NSF, Navy, Army, NIMA, Air Force, Sun Microsystems, IBM, Nokia, Fujitsu, IDEO, Lockheed, Raytheon, and Boeing to name but a few.

Ford is the author of hundreds of scientific papers and five books. Ford's research interests include: artificial intelligence, cognitive science, human-centered computing, and entrepreneurship in government and academia. He received a Ph.D. in Computer Science from Tulane University. He is Emeritus Editor-in-Chief of AAAI/MIT Press, involved in the editing of several journals, and is a Behavioral and Brain Sciences (BBS) Associate. Ford has received local and national teaching awards. Dr. Ford is a Fellow of the American Association for

Artificial Intelligence (AAAI), a member of the American Association for the Advancement of Science, a member of the Association for Computing Machinery (ACM), a member of the IEEE Computer Society, and a member of the National Association of Scholars.

In January 1997, Dr. Ford was asked by NASA to develop and direct its new Center of Excellence in Information Technology at the Ames Research Center in the heart of Silicon Valley. He served as Associate Center Director and Director of NASA's Center of Excellence in Information Technology. In July 1999, Dr. Ford was awarded the NASA Outstanding Leadership Medal. That same year, Dr. Ford returned to private life and to the IHMC.

In March 2001, Governor Bush appointed Dr. Ford to the Board of Directors of itFlorida.com. In April of 2001, Governor Bush appointed Dr. Ford to the Board of Supervisors of the Florida Space Authority. In October of 2002, President George W. Bush nominated Dr. Ford to serve on the National Science Board. His nomination was confirmed by the United States Senate in March of 2003.

In 2004, Ford was the recipient of the Pensacola Area Chamber of Commerce Business Leader of the Year Award for the growth of IHMC and for its restructuring as a not-for-profit public research institute. Also, in 2004 Florida Trend Magazine selected Dr. Ford as one of Florida's 4 most influential citizens working in academia. In September 2005, Dr. Ford received the Doctor Honoris Causas from the University of Bordeaux. Also in 2005, Dr. Ford was appointed and sworn in as a member of the Air Force Science Advisory Board.

RESOLUTION NO. DCOA-2007.12

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING AN AGREEMENT WITH KENNETH FORD, PhD. AND FUNDING TO STUDY THE FEASIBILITY OF ESTABLISHING AN ABILENE-BASED RESEARCH INSTITUTE (INSTITUTE).

WHEREAS, the purpose of the DCOA is to expand employment opportunities for the citizens of Abilene; and

WHEREAS, a research institute in downtown Abilene could have a very positive impact on the Abilene economy and our local universities, and,

WHEREAS, Dr. Ford works with the Florida Institute for Human and Machine Cognition (IHMC), a not-for-profit research institute of the Florida University System that is affiliated with several Florida universities; and,

WHEREAS, Dr. Ford is willing to assist the Abilene community and Texas Tech University to evaluate the feasibility of an Abilene-based research institute; and

WHEREAS, the DCOA is authorized by the Development Corporation Act of 1979, as amended, to provide financial assistance in order to facilitate the creation, retention or expansion of primary employment.

NOW THEREFORE, BE IT RESOLVED BY THE DEVELOPMENT CORPORATION OF ABILENE, INC., ABILENE, TEXAS, THAT:

PART 1. DCOA authorizes a contract with Kenneth Ford, PhD to conduct the initial feasibility analysis for establishment of an Abilene-based research institute. Also authorized is funding in an amount not to exceed Twenty-Five Thousand and No/100's Dollars (\$25,000). Feasibility tasks include:

1. definition of the institute's research focus or niche,
2. development of an organizational structure, and,
3. formulation of a business plan and projections for the first 10 years of the institute's operation.

If the Board later decides to help establish an Abilene-based research institute, staff anticipates the need for additional assistance from Dr. Ford and IHMC staff during early stage development. Any request for additional funding authority will come back to the Board for consideration.

PART 2. Funding under this resolution is contingent upon execution of all necessary agreements. The funding commitment authorized under this resolution shall expire without notice 180 days from the date of adoption of same unless all required documents and agreements are executed prior to that expiration date or the

commitment herein is extended in writing by the DCOA.

PART 3. The Chief Executive Officer of the Development Corporation of Abilene, Inc. is hereby authorized to negotiate, enter into and execute any contract and all other related documents on behalf of the DCOA.

ADOPTED this the 24th day of April, 2007.

ATTEST:

Dee Moore
Secretary/Treasurer

Ray Ferguson
President

APPROVED:

T. Daniel Santee – Interim City Attorney

