

PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, November 24, 2009, 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

November 24, 2009
1:30 p.m.

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

1. Call the meeting to order.
2. Approval of minutes from the November 10, 2009 meeting.
3. Sales tax revenue report for November 2009.
4. 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.

5. Discussion and possible approval of a resolution authorizing the reallocation of funds approved in March 2009 to hire a grant writer to use instead for periodic technical assistance from Long Performance Advisors with regard to the Abilene Life Sciences Accelerator.
6. 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 _____, 2009, 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
NOVEMBER 10, 2009

| | | |
|-------------------------|--|---|
| MEMBERS PRESENT: | Joe Crawford Marelyn Shedd Scott Senter | Mike Schweikhard Paul Cannon |
| STAFF PRESENT: | Richard Burdine Michael Rains Melissa Murphy | Kim Tarrant Dan Santee Don Green |
| GUESTS PRESENT: | Jaime Adame David Sougstad Gary Robinett Judy Wilhelm | Abilene Reporter-News Emergent Technologies, Inc Abilene Industrial Foundation Small Business Development Center |

- 1. CALL TO ORDER.** Joe Crawford called the meeting to order at 1:30 p.m. in the Develop Abilene conference room located at 174 Cypress, 3rd floor, Abilene, TX.
- 2. APPROVAL OF MINUTES FROM OCTOBER 13, 2009 MEETING.** Marelyn Shedd moved to approve the minutes from the October 13, 2009 meeting. Mike Schweikhard seconded and the motion carried.
- 3. PRELIMINARY STATUS OF FUNDS REPORT FOR SEPTEMBER 2009.** Michael Rains presented this report. The two major sources of revenue continue to be from city sales tax and rent from PWP Industries. The total external funds encumbered totaled \$17.5 million and total internal funds encumbered were \$87,532. The DCOA had an undesignated fund balance of about \$10.6 million as of September 30, 2009.
- 4. PRESENTATION OF ANNUAL REPORTS FOR FISCAL YEAR ENDED SEPTEMBER 30, 2009 BY: THE ABILENE INDUSTRIAL FOUNDATION, THE TTU SMALL BUSINESS DEVELOPMENT CENTER, AND THE CITY OF ABILENE AIRPORT BUSINESS DEVELOPMENT MANAGEMENT PROGRAM.** Gary Robinett presented the FY 2009 report from the Abilene Industrial Foundation (AIF). Of the 83 leads received, 49 were responded to. Seven prospect files were opened. The AIF made 68 retention visits and 68 consultant visits. The AIF focused significantly on promotion and advertising for the Spec 3 building, as well as marketing opportunities and trade show activity in the biotech sector. For their efforts, they were recognized as one of the Top 5 in the biotech sector. Of the \$140,000 marketing budget, \$122,523 was spent.

Judy Wilhelm presented the FY 2009 report from the Texas Tech University Small Business Development Center (SBDC). Of the 808 clients the SBDC served in FY09, 360 were new clients and 448 were returning clients. The SBDC helped clients open 97 new businesses and helped create 330 jobs. Capital formation totaled nearly \$16 million. In addition to performing their contractual obligations, the SBDC is highly involved in the community.

Melissa Murphy presented the FY 2009 report from the City of Abilene Airport Business Development Management program. They made several presentations to civic groups in Abilene and in surrounding cities throughout the year, taking advantage of the opportunity to promote the advantages of flying from Abilene versus driving to another airport. They have sponsored several events in an effort to connect with the community.

Three special programs were implemented in FY 2009. The *AE Matched Status Program* was created to retain as many Houston travelers as possible. The *Art at the Airport Program* debuted in December 2008 featuring nine local artists and photographers. The *ABI-VIP Passenger Rewards Program* started January 1, 2009. Currently there are 623 passengers registered in the program with 459 of them being from Abilene.

Enplanements were down for FY 09 by 9%. Rental car revenue was down 24%; however parking lot revenue was up 50%.

- 5. PRESENTATION AND POSSIBLE APPROVAL OF THE DCOA ANNUAL REPORT OF ACTIVITIES FOR FY 2009.** Richard Burdine reviewed the Summary of Projects for FY 2009. While there were not many DCOA-assisted projects, there were several companies that came to Abilene or expanded their business without DCOA assistance, which amounted to a net of 320 new jobs. The DCOA-assisted projects are Tower Tech, Run Energy, Coca-Cola and Ravin Air. There was a correction to the DCOA Financial Assistance Chart.

The DCOA has acquired approximately 128 additional acres for the Five Points Business Park. Infrastructure projects include a water pumping improvement project and an underground electrical loop in the Park.

Scott Senter moved to approve by oral resolution said report as corrected. Mike Schweikhard seconded and the motion carried.

- 6. EXECUTIVE SESSION.** I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, .072, and .087 to consult with our legal counsel, discuss real property transactions, and discuss economic development negotiations involving a business prospect, as set forth on the agenda. Any vote or action will be taken in open session.

President Joe Crawford announced the date is November 10, 2009, and the time is 2:06 p.m. Mr. Crawford then announced the date is still November 10, 2009, and the time is 2:34 p.m. No vote or action was taken in Executive Session.

- 7. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING THE REAUTHORIZATION OF FUNDS FOR THE SBIR/STTR PROGRAM.** One of the recommendations of the Wadley-Donovan Study was to “reinvent” our local and regional economy by encouraging growth of research and development. The largest source of venture capital funds is the federal government through the Small Business Innovation Research (SBIR) and the Small Business Technology Transfer (STTR) programs.

The board first approved funds for these programs in March 2006. In September 2006, the board approved \$271,400 through FY07 and reauthorized the same funds in February 2008 through FY09. As of September 2009, \$78,461.50 has been spent, leaving \$192,938.50 unspent. Staff requests the DCOA Board reauthorize the remaining unspent funds of \$192,938.50 through September 30, 2011 for the different phases of the application process.

Paul Cannon moved to approve Resolution No. DCOA-2010.03 as presented. Marelyn Shedd seconded and the motion carried.

- 8. ADJOURNMENT.** The next regularly scheduled board meeting is November 24, 2009. There being no further business, the meeting was adjourned.

Joe Crawford, President

MEMORANDUM

November 9, 2009

TO: Larry D. Gilley, City Manager
FROM: Mindy Patterson, Director of Finance
SUBJECT: November Sales Tax

The sales tax rebate for November is \$3,032,925.70 which represents September sales. This is 15.13% below last year. The breakdown of the November rebate is \$2,274,694.28 to the General Fund and \$758,231.42 for economic development. Of this rebate, \$69,130 is from prior periods, audit payments, future payments, and unidentified payments. Based on this rebate, sales tax is 10.44% below last year for the period of October through November. I have requested the detail from the state.

Should you have any questions, please contact me.

MP:ls

cc: Richard Burdine, Assistant City Manager
David Vela, Assistant City Manager
Evalin E. McClain, Assistant City Manager

**CITY OF ABILENE
SALES TAX COMPARISON**

| Accounting Period Month | GENERAL FUND Actual 2008-09 | ECONOMIC DEVELOPMENT Actual 2008-09 | TOTAL 2008-09 | GENERAL FUND Actual 2009-10 | ECONOMIC DEVELOPMENT Actual 2009-10 | TOTAL 2009-10 |
|----------------------------|--------------------------------------|--|------------------------|--------------------------------------|--|-----------------------|
| October | \$2,110,326.56 | \$703,442.19 | \$2,813,768.75 | \$2,015,713.10 | \$671,904.36 | \$2,687,617.46 |
| November | 2,680,326.85 | 893,442.28 | 3,573,769.13 | 2,274,694.28 | 758,231.42 | 3,032,925.70 |
| YTD | <u>\$4,790,653.41</u> | <u>\$1,596,884.47</u> | <u>\$6,387,537.88</u> | <u>\$4,290,407.38</u> | <u>\$1,430,135.78</u> | <u>\$5,720,543.16</u> |
| December | 2,122,016.60 | 707,338.86 | 2,829,355.46 | | | |
| January | 1,981,869.70 | 660,623.23 | 2,642,492.93 | | | |
| February | 2,867,665.67 | 955,888.56 | 3,823,554.23 | | | |
| March | 1,807,393.10 | 602,464.36 | 2,409,857.46 | | | |
| April | 1,849,680.13 | 616,560.04 | 2,466,240.17 | | | |
| May | 2,380,270.93 | 793,423.64 | 3,173,694.57 | | | |
| June | 1,961,132.05 | 653,710.68 | 2,614,842.73 | | | |
| July | 1,794,109.23 | 598,036.41 | 2,392,145.64 | | | |
| August | 2,397,269.11 | 799,089.70 | 3,196,358.81 | | | |
| September | <u>1,961,484.00</u> | <u>653,828.00</u> | <u>2,615,312.00</u> | | | |
| FY TOTAL | <u>\$25,913,543.93</u> | <u>\$8,637,847.95</u> | <u>\$34,551,391.88</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
Monthly and Year-to-Year Comparisons

| Accounting Period Month | Actual 2008-09 | Actual 2009-10 | % Change |
|------------------------------------|---------------------------|---------------------------|---------------------|
| October | \$703,442 | \$671,904 | -4.48% |
| November | 893,442 | 758,231 | -15.13% |
| YTD | \$1,596,884 | \$1,430,136 | -10.44% |
| December | 707,339 | | |
| January | 660,623 | | |
| February | 955,889 | | |
| March | 602,464 | | |
| April | 616,560 | | |
| May | 793,424 | | |
| June | 653,711 | | |
| July | 598,036 | | |
| August | 799,090 | | |
| September | 653,828 | | |
| FY TOTAL | \$8,637,848 | | |

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 November '09 represents September '09 sales. Approximately
\$17,283 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.

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: November 24, 2009

PROJECT: Reallocation of Funds Approved to Hire a Grant Writer To Use Instead For Periodic Technical Assistance From Long Performance Advisors With Regard to the Abilene Life Sciences Accelerator.

STAFF: Richard Burdine, CEO

BACKGROUND INFORMATION:

In March 2009, the board authorized \$8,000 (by oral resolution) to hire a grant writer to pursue potential grants available through the American Recovery and Reinvestment Act. It appeared after preliminary review of the Act, the National Institutes of Health had several opportunities for funding to further develop infrastructure in support of our biotech sector initiative. The funding was to hire someone to do the research to develop successful grant applications.

With the kind assistance of a scientist from Emergent Technology Inc. we learned the grant opportunities were not available for our use, so the grant writer funds were never encumbered.

THE PROJECT

I am requesting the board reallocate the \$8,000 to employ the services of Mark Long with Long Performance Advisors as needed to help work out some operational issues associated with the Abilene Life Sciences Accelerator. Mr. Long assisted us with development of build-out plans for the shell space and projection of annual operating for the Abilene Life Sciences Accelerator. He has extensive experience in operations of life science accelerators with over 30 years in the medical device/ diagnostics/ biotechnology industry. He spent over 16 years in University technology transfer and incubation. Before starting Long Performance Advisors, Mr. Long was CEO of the Indiana University Research and Technology Corporation (IURTC), managing the research products of nine campuses across the State of Indiana.

FISCAL IMPACT:

Up to \$8,000.

STAFF RECOMMENDATION:

Staff recommends approval of resolution DCOA-2010.04 authorizing the reallocation of \$8,000 previously approved to hire a grant writer to pursue stimulus grant funds for the ALSA to instead be used to employ the services of Mark Long of Long Performance Advisors to assist with ALSA operations.

ATTACHMENTS:

Resolution DCOA-2010.04

RESOLUTION NO. DCOA-2010.04

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING THE REALLOCATION OF FUNDS PREVIOUSLY APPROVED TO HIRE A GRANT WRITER TO PURSUE FEDERAL STIMULUS GRANT MONEY FOR THE ABILENE LIFE SCIENCES ACCELERATOR TO INSTEAD BE USED TO EMPLOY THE SERVICES OF MARK LONG OF LONG PERFORMANCE ADVISORS TO ASSIST WITH OPERATIONS OF THE ABILENE LIFE SCIENCES ACCELERATOR.

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

WHEREAS, in March 2009, the DCOA authorized \$8,000 via oral resolution to hire a grant writer to apply for federal stimulus grant funds for the Abilene Life Sciences Accelerator, and later learned the grant opportunities were not available for that use; and,

WHEREAS, the funds were not used or encumbered; and,

WHEREAS, staff requests the DCOA reallocate the \$8,000 to employ the services of Mark Long of Long Performance Advisors to assist with operations of the Abilene Life Sciences Accelerator.

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

- PART 1.** DCOA authorizes the reallocation of Eight Thousand and no/100's Dollars (\$8,000) originally approved in March 2009 to hire a grant writer to apply for federal stimulus grant money for the Abilene Life Sciences Accelerator ("ALSA") to be used instead to employ the services of Mark Long of Long Performance Advisors to assist with operations of the ALSA.
- 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 a final construction contract and all other related documents on behalf of the DCOA.

ADOPTED this the 24th day of November, 2009.

ATTEST:

Marelyn Shedd
Secretary/Treasurer

Joe Crawford
President

APPROVED:

T. Daniel Santee, City Attorney