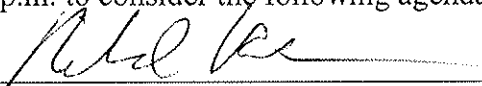


PUBLIC NOTICE

DEVELOPMENT CORPORATION OF ABILENE, INC.

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Tuesday, January 26, 2010, 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

January 26, 2010
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 December 17, 2009 meeting and the January 20, 2010 joint meeting with the Airport Development Board.
3. Sales tax revenue report for January 2010 and Preliminary Status of Funds 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 an increase in funding available to West Texas Coalition for Innovation and Commercialization (WTCIC).
6. Discussion and possible approval of a resolution authorizing another addendum to the lease agreement with Affiliated Food Stores for the property at 4109 Vine St., Abilene, TX.
7. Discussion and possible approval of a resolution authorizing assistance for Project KM.
8. 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 _____, 2010, 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
DECEMBER 17, 2009**

MEMBERS PRESENT:	Joe Crawford Marelyn Shedd Scott Senter	Mike Schweikhard Paul Cannon
STAFF PRESENT:	Richard Burdine Mike Rains	Kim Tarrant Dan Santee
GUESTS PRESENT:	Jaime Adame Bill Ehrie	Abilene Reporter-News Abilene Industrial Foundation

- 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 THE NOVEMBER 24, 2009 MEETING.** Mike Schweikhard moved to approve the minutes from the November 24, 2009 meeting. Marelyn Shedd seconded and the motion passed by unanimous consent.
- 3. SALES TAX REVENUE REPORT FOR DECEMBER 2009 AND PRELIMINARY STATUS OF FUNDS REPORT FOR OCTOBER 2009.** The sales tax rebate for December (which represents October sales) for economic development was \$602,229.90, which is 11.80% below last year for the period October through December.
- 4. 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 December 17, 2009, and the time is 1:39 p.m. Mr. Crawford then announced the date is still December 17, 2009, and the time is 2:49 p.m. No vote or action was taken in Executive Session.
- 5. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT NY.** There was no discussion and no action was taken at this time.
- 6. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT DOS.** There was no discussion and no action was taken at this time.
- 7. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT RC.** Project RC has served cattle buyers and sellers

for many years in Abilene. The company is considering making capital improvements to update the 50+ year old facilities. Project RC consistently employs 20 – 25 people year round with some addition of temporary staff seasonally. It is anticipated that all work will cost no more than \$100,000.

Staff recommends the Board approve reimbursing Project RC 15% of their actual capital expenditures up to a maximum of \$15,000 paid over two years. The company will be required to provide receipts of actual capital investment expenditures and certify the retention of at least 20 FTEs during that time frame.

A motion was made by Scott Senter to approve Resolution No. DCOA-2010.06 as presented. Marelyn Shedd seconded and the motion passed by unanimous consent.

8. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT KM. There was no discussion and no action was taken at this time.

9. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT DM. Project DM is a start-up wind initiative to facilitate collaborative wind energy R&D between federal and state governments, universities and the private sector. Many millions of dollars have already been committed to the project. Also, state Emerging Technology Funds (ETF) are being considered for this project.

Project DM is requesting the DCOA fund \$50,000 toward establishment of a wind research company. DCOA funds will be used in conjunction with other resources to form the research entity and provide start-up capital until state ETF money is available. The benefits to Abilene include access to unique research and development services, wind researchers, state of the art research and forecasting equipment and processes, and the opportunity for Abilene to play a key partnership role in establishing this consortium.

Paul Cannon moved to approve Resolution No. DCOA-2010.05 as presented. The motion was seconded by Mike Schweikhard and passed by unanimous consent.

10.ADJOURNMENT. The next board meeting is scheduled for Tuesday, January 12, 2010, at 1:30 pm. There being no further business, the meeting was adjourned.

Joe Crawford, President

**JOINT AIRPORT DEVELOPMENT BOARD AND
DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD MEETING MINUTES
JANUARY 20, 2010**

MEMBERS PRESENT: Mike Schweikhard Scott Senter
Paul Cannon

STAFF PRESENT: Richard Burdine Kim Tarrant

GUESTS PRESENT: Ron McNeil Mead & Hunt
Joseph Pickering Mead & Hunt

1. **CALL TO ORDER.** Larry Gill called the Airport Development Board meeting to order at 12:10 p.m. in the Training/Conference Room, Abilene Regional Airport, 2933 Airport Blvd., Abilene, TX. Mike Schweikhard called the Development Corporation of Abilene Board meeting to order at the same location.
2. **INTRODUCE VISITORS.** Don Green introduced Ron McNeil and Joseph Pickering from Mead & Hunt, air service consultants.
3. **STATE OF AIR SERVICE DEVELOPMENT PRESENTATION.** The Mead & Hunt representatives gave a power point presentation. They reviewed trends over the years. There have been gains, losses, as well as airline mergers and consolidations. The airline industry tends to reflect how the economy is doing. When the economy is down, the industry is cautious in its growth and does not focus on small communities. Additionally, there is no market for the smaller planes that service small communities. Also reviewed was what other cities have done to attract airline service.

Abilene market trends were reviewed, starting in 2004. American Airlines is pleased with Abilene's performance. One point that was made was that higher air fares will attract other airlines as opposed to low air fares. A reasonable premium will likely keep local business travelers flying out of Abilene versus driving to D/FW, Lubbock or Midland.

They compared catchment areas between Abilene and surrounding area airports. 56% of the bookings in Abilene's catchment area did use the Abilene Airport. They also compared destinations and their retention factor. Airlines also pay attention to what is working for their competitors when considering venturing into a new market.

The consultants reviewed some of the subsidy requirements. Community involvement is critical in attracting an airline.

4. **ADJOURNMENT.** Mike Schweikhard adjourned the DCOA portion of the meeting.

Mike Schweikhard, Vice President

MEMORANDUM

January 6, 2010

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

The sales tax rebate for January is \$2,379,043.75 which represents November sales. This is 9.97% below last year. The breakdown of the January rebate is \$1,784,282.81 to the General Fund and \$594,760.94 for economic development. Of this rebate, \$34,525 is from prior periods, audit payments, future payments, and unidentified payments. Based on this rebate, sales tax is 11.39% below last year for the period of October through January. 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	ECONOMIC DEVELOPMENT	TOTAL	GENERAL FUND	ECONOMIC DEVELOPMENT	TOTAL
	Actual 2008-09	Actual 2008-09		Actual 2009-10	Actual 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
December	2,122,016.60	707,338.86	2,829,355.46	1,806,689.71	602,229.90	2,408,919.61
January	1,981,869.70	660,623.23	2,642,492.93	1,784,282.81	594,760.94	2,379,043.75
YTD	<u>\$8,894,539.71</u>	<u>\$2,964,846.56</u>	<u>\$11,859,386.27</u>	<u>\$7,881,379.90</u>	<u>\$2,627,126.62</u>	<u>\$10,508,506.52</u>
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	1,961,484.00	653,828.00	2,615,312.00			
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.

3.2

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%
December	707,339	602,230	-14.86%
January	660,623	594,761	-9.97%
YTD	\$2,964,847	\$2,627,127	-11.39%
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 January '10 represents November '09 sales. Approximately
\$8,631 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.

Preliminary

CITY OF ABILENE, TEXAS

DEVELOPMENT CORPORATION OF ABILENE, INC.

Balance Sheet

November 30, 2009

ASSETS:

Cash and Investments	\$11,865,704
Notes receivable	17,122,279
Accounts receivable	39,086
Due from other governments	1,421,391
Total Current Assets	<u>\$30,448,460</u>

OTHER ASSETS:

Fixed assets	\$34,167,977
Accumulated depreciation	(4,349,765)
Total Other Assets	<u>29,818,212</u>

TOTAL ASSETS

\$60,266,672

LIABILITIES:

Vouchers payable	\$388,680
Deferred revenues	180,616
Notes Payable	321,082
Total Liabilities	<u>\$890,378</u>

FUND BALANCES:

Investment in general fixed assets	\$29,818,212
Reserved for contractual obligations(external)	19,335,004
Reserved for obligated programs(internal)	993,422
Undesignated Balance	9,229,656
Total Fund Balance	<u>\$59,376,294</u>

TOTAL LIABILITIES AND FUND BALANCES

\$60,266,672

FIXED ASSETS:

	Original Cost	Improvements	Depreciation	Total
Land:				
473.405 acres - Five Pts Bus Park	\$507,681			\$507,681
303.53 acres Hwy 36 & FM 18	449,238			449,238
122 acres - N Five Pts	482,238			482,238
5.6 acres UPS	69,217			69,217
Buildings and Improvements:				
2601 Airport Blvd.	1,563,210	540,633	366,662	1,737,181
2809 Airport Blvd.	396,519	444,583	327,102	514,000
2841 Airport Blvd.	456,736	62,923	283,048	236,611
4002 Loop 322	1,290,916	2,384,892	1,352,552	2,323,256
Five Pts Bus Park	0	8,227,561	399,534	7,828,027
6450 Five Points Parkway	5,809,354	7,016,797	1,018,399	11,807,752
Grant Bldg 341 Pine	147,194	405,726	203,996	348,924
2742 Lance Dr. (EASI Storage)	2,527,408	9,987	253,174	2,284,221
4109 Vine St	583,524	180,855	66,986	697,393
4009 Vine St	583,524	0	58,353	525,171
Equipment	9,250	0	5,550	3,700
Vehicle: 2005 Dodge Caravan	18,011	0	14,409	3,602
TOTAL FIXED ASSETS	<u>\$14,894,020</u>	<u>\$19,273,957</u>	<u>\$4,349,765</u>	<u>\$29,818,212</u>

DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ NOVEMBER 30, 2009

		Beginning I-T-D	Current Month	Current FY	(MARCH, 1990)
	Object	Revenues	Revenues	Revenues	Ending I-T-D
					Revenues
REVENUE-TO-DATE					
City Sales Tax	3131	\$ 119,897,206.99	753,533.46	\$ 1,421,129.15	\$ 121,318,336.14
Sales Tax Retained	3132	345,869.34	4,697.96	9,006.63	354,875.97
Other Services Charges	3731	25.00	-		25.00
Princ. - Loans & Assess	3775	3,087,911.90	-		3,087,911.90
Int. - Loans & Assess	3802	2,095,195.57	284.56	952.80	2,096,148.37
Interest	3803	6,661,950.13	2,994.27	6,932.00	6,668,882.13
Land Lease	3810	13,835.41	222.00	852.00	14,687.41
Building/Space Rent	3816	4,411,178.77	64,684.50	138,079.00	4,549,257.77
City Pay Phones	3890	9,170.58	-	-	9,170.58
Miscellaneous Revenue	3892	30,238.49	-	6,062.25	36,300.74
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	1,916,652.91	-	-	1,916,652.91
Miscellaneous Prior Year	3840	16,464.88	7,753.00	7,753.00	24,217.88
DCOA Admin	3847	7,070.55	-	-	7,070.55
Other Contributions	3860	96,866.60	-	-	96,866.60
Donation	3869	43,846.00	-	-	43,846.00
Sale of Land	3870	273,554.84	-	-	273,554.84
Sale of Buildings	3871	3,367,443.31	-	-	3,367,443.31
Sale of Equipment	3872	608,882.88	-	-	608,882.88
Gain (loss) Sale of Asset	3873	555,393.43	-	-	555,393.43
Miscellaneous Damage Claims	3889	1,173.04	-	-	1,173.04
Miscellaneous Revenue	3892	767,389.00	-	-	767,389.00
GASB 22 Restatement		355,634.89	-	-	355,634.89
GASB 34 FY 03 Adjustment		523,718.93	-	-	523,718.93
GASB 34 FY 08 Adjustment		44,606.57	-	-	44,606.57
GASB 34 FY 09 Adjustment		1,150,003.47	-	-	1,150,003.47
		<u>\$ 149,211,302.08</u>	<u>\$ 834,169.75</u>	<u>\$ 1,590,766.83</u>	<u>\$ 150,802,068.91</u>

DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ NOVEMBER 30, 2009

CONTRACTS ENCUMBERED/ EXPENDITURES-TO-DATE	Project	Beginning I-T-D Expenditures	Current Month Expenditures	Current FY Expenditures	Ending I-T-D Expenditures	Outstanding Contracts
Prior Years Programs		\$ 69,771,751.71	\$ -	\$ -	\$ 69,771,751.71	
Business Services Division	Div 2760	7,300,492.68	37,633.59	80,836.31	7,381,328.99	2,250.00
Life Sciences Property - Pine	Div 2765	43,089.08	8,839.98	15,987.85	59,076.93	4,753.65
DCOA Annual Contracts	Div 2775	2,058,373.84	19,483.31	29,511.68	2,087,885.52	4,890.00
Abilene Industrial Foundation	2775-4950	11,896,940.09	80,079.57	97,062.29	11,994,002.38	750,184.71
TTU Small Business Dev Cntr	2775-4951	2,435,621.05	21,281.25	21,281.25	2,456,902.30	173,718.75
Chamber Military Affairs	2775-4952	1,150,052.19	-	-	1,150,052.19	71,924.64
Airport Business Dev Mgr	2775-4953	503,260.66	-	-	503,260.66	183,112.46
Murf Systems	4998	151,665.00	-	-	151,665.00	-
Bandag Training	5203	724,485.20	-	-	724,485.20	117,734.80
Sunoco Logistics	5208	227,000.00	-	-	227,000.00	-
EASI 04	5213	1,592,489.23	-	221,644.95	1,814,134.18	662,803.48
Fehr Food	5220	2,089,560.00	-	-	2,089,560.00	-
Bandag Building Improv	5228	-	-	-	-	44,259.24
Glazers Ph III	5229	65,620.00	-	-	65,620.00	25,380.00
Robinson Fan	5237	352,408.98	-	-	352,408.98	311,800.00
CBER Website	5240	7,067.07	-	-	7,067.07	1,249.93
TTU Pharmacy School	5242	328,464.00	-	-	328,464.00	-
Teleperformance USA	5247	274,530.00	-	-	274,530.00	482,470.00
PWP (Project LF)	5251	1,556,842.70	-	-	1,556,842.70	2,010,620.30
Integrated Clinic Research	5253	7,440.00	-	-	7,440.00	688,062.00
Genesis Network	5258	1,375,333.81	-	-	1,375,333.81	15,055.81
Carter Burgess	5260	323,815.00	-	-	323,815.00	25,505.00
Fehr Foods	5261	118,091.53	-	-	118,091.53	-
TMAC	5262	60,000.00	-	-	60,000.00	-
SBIR/STTR	5263	127,159.85	95.00	190.00	127,349.85	144,050.50
EASI 7th Doc	5265	239,175.14	-	-	239,175.14	34,081.10
BMWT Leasing	5266	50,000.00	-	-	50,000.00	-
ABTEX Beverage	5267	634,339.80	-	-	634,339.80	-
MSSC Training	5269	71,762.03	-	-	71,762.03	74,353.05
WTCIC	5272	16,582.00	-	-	16,582.00	16,582.00
TTU HSC Research	5273	679,455.00	-	-	679,455.00	2,320,545.00
Spec 2 Expansion A/E	5275	7,075,849.57	-	-	7,075,849.57	-
Spec 3 Construction	5276	5,429,725.65	2,595.00	2,595.00	5,432,320.65	304,179.35
Energy Maintenance Service	5282	-	-	155,456.39	155,456.39	1,262,543.61
Genesis Network Phase II	5284	-	-	-	-	2,103,694.90
Tower Tech	5285	846,499.60	222,466.78	222,466.78	1,068,966.38	3,758,533.62
Texas Metal 08	5288	-	-	-	-	35,114.00
TMAC 09	5289	15,000.00	7,500.00	7,500.00	22,500.00	37,500.00
Project BG	5295	-	-	-	-	748,000.00
ACU 09 Springboard	5297	5,000.00	-	-	5,000.00	-
Land 122 Acres N 5 Pts	5302	171,558.71	-	-	171,558.71	339,409.79
ETI Contract	5304	-	-	112,500.00	112,500.00	1,267,680.00
Life Sciences Accelerator- Ph 2	5305	-	56,050.07	146,262.98	146,262.98	1,312,962.02
Miscellaneous Activities	2785	354,189.86	-	-	354,189.86	-
TOTAL ENCUMB. / EXPENDITURES		\$ 120,130,691.03	\$ 456,024.55	\$ 1,113,295.48	\$ 121,243,986.51	\$ 19,335,003.71
TOTAL FUND BALANCE					\$ 29,558,082.40	
UNENCUMBERED FUND BALANCE						\$ 10,223,078.69

3.6

**DEVELOPMENT CORPORATION OF ABILENE
STATUS OF FUNDS @ NOVEMBER 30, 2009**

	Project	Amount Obligated	Prior Years Disbursed	Current Month Disbursed	Current Year Disbursed	Amount Encumbered	Balance
BALANCE OF OBLIGATED PROGRAMS							
Business Services Division	Div 2760	\$ 640,370.00	\$ -	\$ 37,633.59	\$ 80,836.31	\$ 2,250.00	\$ 557,283.69
Life Sciences Property -Pine	Div 2765	233,810.00	-	8,839.98	15,987.85	4,753.65	213,068.50
DCOA Annual Contracts	Div 2775	257,464.00	-	19,483.31	29,511.68	4,890.00	223,062.32
Abilene Industrial Foundation	2775-4950	847,247.00	-	80,079.57	97,062.29	750,184.71	-
TTU Small Business Dev Cntr	2775-4951	195,000.00	-	21,281.25	21,281.25	173,718.75	-
Chamber Military Affairs	2775-4952	71,925.00	-	-	-	71,924.64	0.36
Airport Business Dev Mgr	2775-4953	183,116.00	-	-	-	183,112.46	3.54
Murf Systems	4998	151,665.00	151,665.00	-	-	-	-
Bandag Training	5203	842,220.00	724,485.20	-	-	117,734.80	-
Sunoco Logistics	5208	227,000.00	227,000.00	-	-	-	-
EASI 04	5213	2,476,938.00	1,592,489.23	-	221,644.95	662,803.48	0.34
Fehr Food	5220	2,089,560.00	2,089,560.00	-	-	-	-
Bandag Building Improv	5228	44,260.00	-	-	-	44,259.24	0.76
Glazers Ph III	5229	91,000.00	65,620.00	-	-	25,380.00	-
Robinson Fan	5237	664,209.00	352,408.98	-	-	311,800.00	0.02
CBER Website	5240	8,317.00	7,067.07	-	-	1,249.93	-
TTU Pharmacy School	5242	328,464.00	328,464.00	-	-	-	-
Teleperformance USA	5247	757,000.00	274,530.00	-	-	482,470.00	-
PWP (Project LF)	5251	3,567,463.00	1,556,842.70	-	-	2,010,620.30	-
Integrated Clinic Research	5253	695,502.00	7,440.00	-	-	688,062.00	-
Genesis Network	5258	1,390,391.00	1,375,333.81	-	-	15,055.81	1.38
Carter Burgess	5260	349,320.00	323,815.00	-	-	25,505.00	-
Fehr Foods	5261	118,092.00	118,091.53	-	-	-	0.47
TMAC	5262	60,000.00	60,000.00	-	-	-	-
SBIR/STTR	5263	271,400.00	127,159.85	95.00	190.00	144,050.50	(0.35)
EASI 7th Doc	5265	273,257.00	239,175.14	-	-	34,081.10	0.76
BMWT Leasing	5266	50,000.00	50,000.00	-	-	-	-
ABTEX Beverage	5267	634,340.00	634,339.80	-	-	-	0.20
MSSC Training	5269	146,115.00	71,762.03	-	-	74,353.05	(0.08)
WTCIC	5272	33,164.00	16,582.00	-	-	16,582.00	-
TTU HSC Research	5273	3,000,000.00	679,455.00	-	-	2,320,545.00	-
Spec 2 Expansion A/E	5275	7,075,850.00	7,075,849.57	-	-	-	0.43
Spec 3 Construction	5276	5,736,500.00	5,420,725.65	2,595.00	2,595.00	304,179.35	(0.00)
Energy Maintenance Service	5282	1,418,000.00	-	-	155,456.39	1,262,543.61	-
Genesis Network Phase II	5284	2,103,695.00	-	-	-	2,103,694.90	0.10
Tower Tech	5285	4,827,500.00	846,499.60	222,466.78	222,466.78	3,758,533.62	-
Texas Metal 08	5288	35,114.00	-	-	-	35,114.00	-
TMAC 09	5289	60,000.00	15,000.00	7,500.00	7,500.00	37,500.00	-
Run Energy	5295	748,000.00	-	-	-	748,000.00	-
ACU 09 Springboard	5297	5,000.00	5,000.00	-	-	-	-
Land 122 Acres N 5 Pts	5302	510,968.00	171,558.71	-	-	339,409.79	(0.50)
ETI Contract	5304	1,380,180.00	-	-	112,500.00	1,267,680.00	-
Life Sciences Accelerator- Ph 2	5305	1,459,225.00	-	56,050.07	146,262.98	1,312,962.02	-
Miscellaneous Activities	2785	354,189.86	354,189.86	-	-	-	-
BALANCE OF OBLIGATED PROGRAMS		\$ 46,412,830.86	\$ 24,971,109.73	\$ 456,024.55	\$ 1,113,295.48	\$ 19,335,003.71	\$ 993,421.94

UNDESIGNATED FUND BALANCE (unencumbered balance less obligated programs and contingent liabilities) **\$ 9,229,656.75**

DCOA Board approved projects waiting for signed contracts	Expiration Date
Coca Cola 5296	900,000.00 03/01/2010
Project LW 5303	69,000.00 10/13/2009
EASI floor re-painting A/E 5306	8,000.00 03/23/2010
Long Performance Advisors 5307	8,000.00 05/24/2010
	985,000.00

3.7

DEVELOPMENT CORPORATION OF ABILENE, INC.

BOARD AGENDA

MEETING DATE: January 26, 2010

PROJECT: DCOA Funding for the West Texas Center for Innovation and Commercialization (WTCIC)

STAFF: Richard Burdine, CEO

BACKGROUND

The WTCIC is one of 8 regional centers supporting 83 counties that reviews applications to the Texas Emerging Technology Fund (ETF). ETF is a multi-million dollar fund established several years ago to encourage research and commercialization of technology. However, no funds were allocated for the cost of operating the regional review committees. The Lubbock Economic Development Alliance has been "footing the bill" for the WTCIC even though ETF grants are available to businesses throughout the region. In its most recent session, the Texas Legislature reauthorized \$300 million for the ETF during the current biennium. Half will be used to provide equity financing and the remainder will be granted for research.

In July 2007, the DCOA approved resolution DCOA-2007.21 authorizing participation funding of \$33,164 for 2 years. However, only \$16,582 was drawn down, leaving \$16,582 still encumbered.

THE REQUEST

To help with the necessary match to state funds, Steve Anderson, Executive Director of the WTCIC, is asking the Economic Development Corporations which are the members of the WTCIC (Abilene, Amarillo, Lubbock, Midland, Odessa, and San Angelo) for funding in the amount of \$25,000 for operations from September 2009 through August 2010. In return, each community can apply for a development grant up to \$20,000 to promote entrepreneurship, technology business development, and the ETF. In lieu of the grant, we can choose to designate that funds be used to support the SBDC in Abilene provide planning, research and ETF application assistance.

Staff requests the board authorize funding of \$8,418 to combine with the still encumbered \$16,582 to provide a total of \$25,000 to support WTCIC through August 2010 (FY10). In lieu of requesting a grant from WTCIC to recoup some of these funds back, staff recommends the Abilene SBDC be designated to receive the funds for providing assistance with applicants to the program, offsetting \$20,000.

FISCAL IMPACT

FY09 funding request	\$25,000
Less leftover funds	-\$16,582
Total new funding	\$ 8,418 through August 2010

STAFF RECOMMENDATION

Staff recommends DCOA approval of resolution DCOA-2010.08 authorizing participation in match funding for the West Texas Center for Innovation and Commercialization in the amount of \$8,418 for FY10 (through August 2010), resulting in a total encumbrance of \$25,000 when combined with the unfunded amount of \$16,582 from 2007. Also authorized is the designation of up to \$20,000 toward the Abilene SBDC for providing planning, research, and ETF application assistance in lieu of a grant request to recoup some of the DCOA-provided funds.

ATTACHMENTS

Letter from Steve Anderson, Executive Director of WTCIC, dated 12-14-09
Resolution DCOA-2010.08

S:\DCOA\Mecting Memos\FY 2010\WTCIC Funding 012610.DOC

December 14, 2009

Mr. Richard Burdine
Assistance City Manager for Economic Development
Abilene Economic Development Foundation
P.O. Box 2281
Abilene, TX 79604

Dear Mr. Burdine,

The West Texas Coalition for Innovation and Commercialization (WTCIC) is the regional center that supports the Texas Emerging Technology Fund (TETF) for eighty-three counties in West Texas. The TETF provides financial assistance to promote research and commercialization of new disruptive technology throughout Texas. The fund for this current biennium was approved for 300 million dollars. Half of the fund is used to provide equity financing to companies planning to commercialize new technologies and create high quality jobs in Texas. The remaining funds are provided as grants for research for new technologies that have a strong potential for future commercialization in Texas.

The WTCIC is requesting from the Abilene Economic Development Foundation \$25,000.00 to provide partial matching funds for our operations from September 2009 through August 2010. The cities of Amarillo, Lubbock, Midland, Odessa, and San Angelo are also providing \$25,000.00 to help the WTCIC promote the TETF in our region. Attached is an invoice that you may use to submit your payment upon your formal approval.

It is the desire of the Office of the Governor that the TETF foster regional collaboration. With this goal in mind, the WTCIC is able to provide your community with an opportunity for a development grant. The grant would be used to promote entrepreneurship, technology business development, and the Texas Emerging Technology Fund as you deem appropriate for your community and region. If your community chooses to participate in this grant opportunity you may submit a request for up to \$20,000.00.

In lieu of requesting a grant you may designated that funds be used to support the Texas Tech Small Business Development Center @ Abilene. The SBDC provides planning, research, and TETF application assistance to any company wishing to apply for TETF funding.

Your grant request should be address to:

Steve Anderson
Executive Director
West Texas Coalition for Innovation and Commercialization
2579 South Loop 289, Suite 210
Lubbock, Texas 79423

I am always available to answer your questions and to assist any business that may have an opportunity to apply for TETF funding. I would be happy to make a presentation to your Board and staff regarding the Texas Emerging Technology Fund. Thank you for your continued support of the West Texas Coalition for Innovation and Commercialization and the Texas Emerging Technology Fund.

Sincerely Yours,

Steve Anderson
Executive Director
West Texas Coalition for Innovation Commercialization

cc: Dr. Allen Carrigo, Director of Operations
Northwest Texas Small Business Development Center Regional Network

RESOLUTION NO. DCOA-2010.08

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING FUNDING FOR FY 2010 OPERATING SUPPORT FOR THE WEST TEXAS COALITION FOR INNOVATION AND COMMERCIALIZATION (“WTCIC”) REGIONAL CENTER, WHICH SUPPORTS THE TEXAS EMERGING TECHNOLOGY FUND PROGRAM.

WHEREAS, the purpose of the DCOA is to make Abilene competitive in the attraction of business and industry in order to create new, sustainable jobs, and strengthen and expand the skills of the Abilene labor force; and

WHEREAS, WTCIC is one of 8 regional centers that supports the Texas Emerging Technology Fund (ETF); and,

WHEREAS, the DCOA approved resolution DCOA-2007.21 in July 2007 authorizing match participation funding of \$33,164 for 2 years to support operations of the WTCIC, and only \$16,582 was funded leaving \$16,582 still encumbered; and,

WHEREAS, WTCIC is asking Amarillo, Lubbock, Midland, Odessa and San Angelo as well as Abilene to again provide partial match funds of \$25,000 for FY10 operations of WTCIC through August 2010; and,

WHEREAS, Staff proposes the DCOA provide funding to help match the state funding for regional center expenses to continue supporting participation in the ETF.

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

PART 1. DCOA reauthorizes Sixteen Thousand Five Hundred Eighty-Two and no/100's Dollars (\$16,582) and authorizes new funding of Eight Thousand Four Hundred Eighteen and no/100's Dollars (\$8,418) for total funding of \$25,000 to participate in match funds necessary to operate the West Texas Coalition for Innovation and Commercialization (WTCIC) during FY10 through August 2010.

In lieu of requesting a grant, also authorized is the designation of up to \$20,000 in Emerging Technology Fund (ETF) grant money to the Abilene Small Business Development Center for providing application assistance for the ETF program.

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 26th day of January, 2010.

ATTEST:

Marelyn Shedd
Secretary/Treasurer

Mike Schweikhard
Vice President

APPROVED:

T. Daniel Santee, City Attorney

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DEVELOPMENT CORPORATION OF ABILENE, INC.
BOARD AGENDA
MEETING DATE: January 26, 2010

PROJECT: Affiliated Food Stores Lease Addendum D

STAFF: Richard Burdine, CEO

BACKGROUND

The DCOA owns the property located at 4109 Vine St. and leases it to Affiliated Food Stores (AFS). AFS is an Oklahoma corporation organized in 1939 as a wholesale grocery distributor selling merchandise to its member-stockholders from the Abilene location. With a recent influx of major supermarkets in the area, small stores have been forced to close, reducing AFS's business. The primary lender forced AFS to file bankruptcy in late 2003, jeopardizing the Abilene operation and the then existing 100 jobs. The warehouse at 4009 Vine is currently under lease to Fehr Foods.

The DCOA purchased the property and the warehouse at 4009-4109 Vine in 2004 from AFS for \$1.2 million. AFS occupies approximately 110,000 sq ft of space that includes office and warehouse. The regular lease amount is \$14,375/month; however, the lease rate was reduced by the DCOA in April of 2007 (via Addendum A) to \$7,500/month until January 2009 to further assist AFS toward financial stability. The original lease expired in May 2009, but was renewed through May 2014 via Addendum C, which also amended the lease rates to:

- January 2009 through May 2009 - \$7,500/month
- June 2009 through December 2009 - \$8,500/month
- January 2010 through May 2014 - \$10,000/month

Addendum B effective May 2008 provided for DCOA funding to repair the roof and interior damage caused by roof leaks. The cost of the repairs will be added to the purchase price should AFS exercise its option to purchase the property back.

THE REQUEST

AFS was losing money at the time the DCOA approved the rent reduction in 4/07. The company was able to pay down about 75% of its bankruptcy debt and turn a profit in FY2008. However, with the economic downturn, sales are down again by 25-30% with the closing of member stores. Additional cost cutting measures are required now. The age of the facility is a constant concern and requires ongoing repairs. AFS recently paid for repairs to the fire suppression system, which because of its age is raising questions by the insurance company about the facility's insurability if other changes are not made. The scheduled rent increase in January 2010 from \$8,500/month to \$10,000/month will undoubtedly make it difficult for the company to meet all of its financial obligations. The company is very grateful to the DCOA for its assistance over the years and requests the board consider another revision to the lease payment schedule as follows:

- January 2010 through December 2010 - \$9,000/month
- January 2011 through December 2011 - \$9,500/month
- January 2012 through May 2014 - \$10,000/month

FISCAL IMPACT

See above.

STAFF RECOMMENDATION

Staff recommends approval of Addendum D to the Lease with Affiliated Food Stores amending the monthly rental payments as outlined above.

ATTACHMENTS

Addendum D to Lease with Affiliated Food Stores, Inc.

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STATE OF TEXAS X
 X
COUNTY OF TAYLOR X

ADDENDUM D
TO LEASE AGREEMENT

This is Addendum D (“Addendum”) to the Lease Agreement executed April 26, 2004, (“Lease”) by and between the **Development Corporation of Abilene, Inc.** (“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.

WHEREAS, AFS and DCOA entered into a Lease Agreement (“Lease”) effective May 19, 2004, for the property located at 4109 Vine St., Abilene, Texas, consisting of approximately 110,000 sq ft of building floor space and adjoining parking lot spaces, which will expire on May 31, 2009 unless extended; and,

WHEREAS, the Lease was amended by Addendum A effective April 1, 2007, until December 31, 2008, whereby the monthly rental rate referred to in Section III. Rental Rate, of the Lease (page 2) was reduced effective April 1, 2007, 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; and,

WHEREAS, the Lease was again amended by Addendum B effective May 20, 2008, whereby the DCOA agreed to fund the cost of replacing portions of the roof and repairing interior damage caused by water leaks from the roof, with the actual cost of such repairs being added to the total sales price of \$1.2 million as stated in Section V. PURCHASE OPTION of the Lease, should AFS choose to exercise its option to repurchase; and,

WHEREAS, the Lease was again amended by Addendum C effective January 1, 2009, whereby the DCOA agreed to extend the lease via Section IV.B. of the Lease, Option to Extend, an additional five years through May 2014 with rent remaining reduced at \$7,500/month from January 2009 through May 2009, increasing to \$8,500/mo from June 2009 through December 2009, and increasing again to \$10,000/month from January 2010 through May 2014; and,

WHEREAS, AFS continues to experience economic hardship and increasing the rent to from \$8,500/month to \$10,000/month on January 1, 2010 would compound current financial issues; and,

NOW THEREFORE, the Lease is hereby amended and the parties hereby agree as follows:

1. The Lease continues in full force and effect, with the addition of the terms described in Addendum A, Addendum B, Addendum C and below.

2. Effective January 1, 2010, the monthly rental rate shall be as follows:

- January 2010 through December 2010 - \$9,000/month
- January 2011 through December 2011 - \$9,500/month
- January 2012 through May 2014 - \$10,000/month

This Addendum, Addendum A, Addendum B, Addendum C and the Lease shall constitute the sole agreement between the 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: January 26, 2010

PROJECT: Project KM

STAFF: Richard Burdine, CEO

THE COMPANY

Project KM (the Company) is a start-up company founded by a local entrepreneur to work in the consumer debt reduction business. The Company will function similar to a franchisee with Credit-Advisors.com, a national company for which additional information is available at <http://www.credit-advisors.com/customer/support-guidance/our-full-support-process/>. The Company will enroll customers and turn them over to Credit-Advisors.com for account servicing. The company fits in the North American Industrial Classification System code 541990 – consumer credit repair, and is thereby eligible for assistance under state law.

THE REQUEST

See the spreadsheet (below) titled, “Project KM Incentives Scenario 012010.” I recommend job creation incentives of \$172,500 using our standard incentive rates for the various salary levels, capital investment incentives of 10% of actual costs not to exceed \$4,950 and training incentives of 50% of actual training costs, not to exceed \$200/employee, or \$1,800 total.

All incentives will be paid in arrears over 3 to 5 years upon annual certification, except the \$1,800 in training assistance. It would be paid no more than quarterly upon completion of employee training and documentation of actual costs. Although a Company employee could work from anywhere, only those residing in Abilene or within a 60-mile commuting range will be counted for incentive calculations.

FISCAL IMPACT

Total Incentives Package	\$179,250
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STAFF RECOMMENDATION

Staff recommends approval of resolution DCOA-2010.09 authorizing funding of up to \$179,250 to assist Project KM with job creation, capital investment and training costs.

ATTACHMENTS

Resolution DCOA-2010.09

Project KM - Job Creation Incentives

Annual Salary Level*	Number of Jobs	Incentives per Job	Incentives Total
\$30 to \$40,000	7	\$ 10,000	\$ 70,000
\$40 to \$50,000	3	\$ 12,000	\$ 36,000
\$50 to \$60,000	0	\$ 15,000	\$ -
Over \$60,000 (below)	2	35%	\$ 66,500
Total:	12		\$ 172,500

Management Positions	Annual Salary Level*
Over \$60,000	
Sales Manager @ \$70k/year	\$70,000
President @ \$120k/year	\$120,000
Total Salaries:	\$190,000

* Calculations based on salaries provided without non-mandatory benefits.

Project KM - Capital Investment Incentives

Investment:		Incentives %	Incentives Total
Tenant-Paid Improvements	\$ 3,600	10%	\$ 360
Capital Equipment	\$ 45,900	10%	\$ 4,590
Site Development Costs		10%	\$ -
Total:	\$ 49,500		\$ 4,950

Project KM - Other Incentives

Training - 50% of actual costs not to exceed \$200/employee	\$ 1,800
Other Incentives:	\$ 1,800

Incentives Grand Total	\$ 179,250
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RESOLUTION NO. DCOA-2010.09

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (DCOA), ABILENE, TEXAS AUTHORIZING ASSISTANCE FOR PROJECT KM.

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

WHEREAS, Project KM is a start-up company founded by a local entrepreneur to work in the consumer debt reduction business and anticipates employing 12 full time people; and,

WHEREAS, staff requests the DCOA approve an incentive package for Project KM up to \$179,250 as outlined below.

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

PART 1. DCOA approves an incentive package for Project KM for an amount not to exceed One Hundred Seventy-Nine Thousand Two Hundred Fifty and no/100's Dollars (\$179,250) to assist Project KM with The assistance shall be disbursed as outlined below.

1. Job Creation Incentive For the creation of 12 new jobs, total funding of **\$172,500** paid out over 3 to 5 years as outlined below:

Salary Level/Annually*	Projected Jobs	Incentives	Total
\$30 to \$40,000	7	\$10,000	\$70,000
\$40 to \$50,000	3	\$12,000	\$36,000
\$50 to \$60,000	0	\$15,000	0
Over \$60,000	2	35%	\$66,500
Total Jobs:	12		\$172,500

*Calculations are based on salaries provided without non-mandatory benefits.

Although a Company employee could work from anywhere, only those residing in Abilene or within a 60-mile commuting range will be counted for incentive calculations.

2. Capital Investment Incentive The company anticipates spending \$45,900 for new capital equipment and \$3,600 for tenant-paid improvements to lease space, totaling \$49,500. Funding of up to **\$4,950** shall be provided to reimburse company's capital investment at the rate of 10%, upon receipt of copies of paid invoices evidencing actual costs. Payments shall be limited to \$1,650/year over 3 years (or \$990/year over 5 years) with the first payment occurring on or after the first anniversary date of the assistance agreement, and annually thereafter.

3. Training Assistance Up to **\$1,800** for training assistance to be paid at 50% of actual cost, not to exceed \$200/employee that completes the company's training program. Reimbursement shall be provided after certification by the company of the employee's

completion of training. The company will be required to provide evidence of actual training costs, and may only submit requests for reimbursement every 3 months.

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 contract and all other related documents on behalf of the DCOA.

ADOPTED this the 26th day of January, 2010.

ATTEST:

Marelyn Shedd
Secretary/Treasurer

Mike Schweikhard
Vice President

APPROVED:

T. Daniel Santee, City Attorney

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