

## **PUBLIC NOTICE**

### **DEVELOPMENT CORPORATION OF ABILENE, INC.**

A regular meeting of the Development Corporation of Abilene, Inc. will be held on Thursday, June 15, 2017, at Develop Abilene conference room, 174 Cypress St., 3<sup>rd</sup> floor, Abilene, Texas, commencing at 1:30 p.m. to consider the following agenda:

SIGNED:

  
Kent Sharp, CEO

### **AGENDA**

June 15, 2017  
1:30 p.m.

Develop Abilene Conference Room  
174 Cypress St., 3<sup>rd</sup> floor

1. Call the meeting to order.
2. Approval of minutes from the May 16, 2017, board meeting.
3. Sales tax report for June 2017 and financial report for April 2017.
4. Executive Session:  
The DCOA reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by the Texas Government Code Sections:
  1. 551.071 (Consultation with Attorney),
    - A. Outstanding insurance claims
    - B. Prairie Dog Pet Products project
  2. 551.072 (Deliberations about Real Property)
    - A. Acquisition of parcels of land in West Abilene
    - B. 1417 N. Arnold Blvd. and NE corner of Loop 322 and Hwy 36
  3. 551.074 (Personnel Matters)
    - A. Construction Project Manager position
  4. 551.087 (Business Prospect/Economic Development)
5. Discussion and possible approval of a revised budget for FY 2017 and new budget for FY 2018.
6. Discussion and possible approval of a resolution authorizing the purchase of City-owned surplus parcels of land on Hwy 36 at Loop 322 and 1417 N. Arnold Blvd.
7. Discussion and possible approval of an amendment to the FY 2017 contract with the Texas Tech University Small Business Development Center.
8. Discussion of next monthly board meeting.
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 \_\_\_\_\_, 2017, at \_\_\_\_\_.

\_\_\_\_\_  
City Secretary

**NOTICE**

Persons with disabilities who would like special assistance or need special accommodations to participate in this meeting should contact the Development Corporation of Abilene, Inc., (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**  
**May 16, 2017**

<b>MEMBERS PRESENT:</b>	Dave Copeland Greg Blair	John Beckham Jack Rentz	Jack Rich
<b>STAFF PRESENT:</b>	Kent Sharp	Kim Tarrant	Marjorie Knight
<b>GUESTS PRESENT:</b>	Mark Zachary Bruce Kreidler Don Green Kate Alvarez Matthew Hitt	McMahon Law Firm City Council Abilene Regional Airport Abilene Regional Airport Abilene Regional Airport	

1. **CALL THE MEETING TO ORDER:** President Dave Copeland called the meeting to order at 1:31 p.m. at 174 Cypress St., 3<sup>rd</sup> floor conference room, Abilene Texas.

2. **APPROVAL OF MINUTES FROM THE APRIL 19, 2017 BOARD MEETING:** Greg Blair moved to approve the minutes from the April 19, 2017, board meeting. Jack Rentz seconded and the motion carried.

3. **SALES TAX REPORT FOR MAY 2017 AND FINANCIAL REPORT FOR MARCH 2017:** Kent Sharp, CEO of the DCOA, presented the sales tax report for May 2017. The sales tax rebate for May is \$4,064,327 which represents March sales. Economic Development received \$1,016,081.75, which is 4.59% above last year and 4.59% above the projected FY17 budget amount. For the period October through May, sales tax is .39% above last year and .39% above the revised FY17 budget amount. The DCOA's total current assets as of March 31, 2017, were \$20,541,640. The March revenues totaled \$889,896 and total expenditures were \$1,273,814 with \$1,119,501 being spent on six different projects.

4. **EXECUTIVE SESSION – SESSION 1:** I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, 072, 074 and 087 to consult with our legal counsel, discuss real property transactions, personnel matters, 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 Dave Copeland announced the date is May 16, 2017 and the time is 1:40 p.m. Later, President Copeland announced the date is still May 16, 2017 and the time is 2:30 p.m. No vote or action was taken in Executive Session.

5. **REVIEW AND DISCUSSION OF A PROPOSED BUDGET FOR FY 2018:** Kent Sharp, CEO of the DCOA, presented to the board for review the revised FY 17 budget and the proposed FY 18 budget. Mr. Sharp noted the new Entrepreneurship Challenge Grant allocation of \$250,000, which was added to the budget this year. This program will tie in to Strategy 3 of the Strategic Plan for promoting an entrepreneurial atmosphere in Abilene. The board discussed the budget, asked several questions and made a few recommendations to the CEO. The budget will be presented in June for final approval.

**6. DISCUSSION OF NEXT MONTHLY BOARD MEETING:** President Copeland announced the next scheduled meeting of the DCOA Board would be Thursday, June 15, 2017 at 1:30 p.m.

**7. ADJOURNMENT:** There being no further business the meeting was adjourned.

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Dave Copeland, President

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**MEMORANDUM**

June 7, 2017

**TO:** Robert Hanna, City Manager  
**FROM:** Mike Rains, Director of Finance  
**SUBJECT:** June Sales Tax

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The sales tax rebate for June is \$3,070,943.27 which represents April sales. This is 1.76% above last year and 1.76% above the projected FY 17 budget amount. The breakdown of the rebate is \$2,303,207.45 to the General Fund and \$767,735.82 for economic development. Of this rebate, \$89,436.60 is from prior periods, audit payments, future payments, and unidentified payments. For the period of October through June, sales tax is .53% above last year and .53% above the projected FY 17 budget amount. I have requested the detail from the state.

Should you have any questions, please contact me.

**Cc:** Mindy Patterson, Assistant City Manager  
James Childers, Assistant City Manager

# CITY OF ABILENE SALES TAX COMPARISON

Accounting Period Month	GENERAL FUND Actual 2015-16	ECONOMIC DEVELOPMENT Actual 2015-16	TOTAL 2015-16	GENERAL FUND Actual 2016-17	ECONOMIC DEVELOPMENT Actual 2016-17	TOTAL 2016-17
October	\$2,456,044.80	\$818,681.60	\$3,274,726.40	\$2,511,352.80	\$837,117.60	\$3,348,470.40
November	2,940,002.89	980,000.96	3,920,003.85	2,792,056.28	930,685.42	3,722,741.70
December	2,203,231.83	734,410.61	2,937,642.44	2,243,907.19	747,969.06	2,991,876.25
January	2,265,278.52	755,092.84	3,020,371.36	2,379,642.60	793,214.20	3,172,856.80
February	3,419,688.86	1,139,896.28	4,559,585.14	3,277,055.77	1,092,351.92	4,369,407.69
March	2,186,523.32	728,841.10	2,915,364.42	2,271,451.66	757,150.55	3,028,602.21
April	2,337,248.73	779,082.91	3,116,331.64	2,280,576.71	760,192.23	3,040,768.94
May	2,914,521.42	971,507.14	3,886,028.56	3,048,245.25	1,016,081.75	4,064,327.00
June	2,263,315.79	754,438.60	3,017,754.39	2,303,207.45	767,735.82	3,070,943.27
<b>YTD</b>	<b>\$22,985,856.16</b>	<b>\$7,661,952.04</b>	<b>\$30,647,808.20</b>	<b>\$23,107,495.71</b>	<b>\$7,702,498.55</b>	<b>\$30,809,994.26</b>
July	\$2,272,925.02	\$757,641.67	\$3,030,566.69			
August	2,955,004.91	985,001.64	3,940,006.55			
September	2,268,511.95	756,170.65	3,024,682.60			
<b>FY TOTAL</b>	<b>\$30,482,298.04</b>	<b>\$10,160,766.00</b>	<b>\$40,643,064.04</b>			

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 revenue based upon the month the sales tax is paid by the vendor to the State Comptroller in accordance with GASB 33 requirements.

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

Accounting Period Month	Actual 2015-16	Actual 2016-17	% Change
October	\$818,682	\$837,118	2.25%
November	980,001	930,685	-5.03%
December	734,411	747,969	1.85%
January	755,093	793,214	5.05%
February	1,139,896	1,092,352	-4.17%
March	728,841	757,151	3.88%
April	779,083	760,192	-2.42%
May	971,507	1,016,082	4.59%
June	754,439	767,736	1.76%
<b>YTD</b>	<b>\$7,661,952</b>	<b>\$7,702,499</b>	<b>0.53%</b>
July	\$757,642		
August	985,002		
September	756,171		
<b>FY TOTAL</b>	<b>\$10,160,766</b>		

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 revenue based upon the month the sales tax is paid by the vendor to the State Comptroller in accordance with GASB 33 requirements.

Revenue for June '17 represents April '17 sales. Approximately \$22,359.15 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.**  
**1/2 CENT SALES TAX REVENUE**  
*Five Year Comparison*

Accounting Period Month	Actual 2012-13	Actual 2013-14	Actual 2014-15	Actual 2015-16	Actual 2016-17
October	\$855,868	\$815,126	\$868,660	\$818,682	\$837,118
November	891,956	896,761	987,887	980,001	930,685
December	773,104	766,502	836,922	734,411	747,969
January	728,710	744,242	798,120	755,093	793,214
February	1,012,685	1,061,353	1,137,082	1,139,896	1,092,352
March	821,529	743,945	759,360	728,841	757,151
April	800,963	726,196	733,667	779,083	760,192
May	965,056	981,409	1,019,627	971,507	1,016,082
June	827,415	773,012	822,955	754,439	767,736
<b>FY TOTAL</b>	<u>\$7,677,287</u>	<u>\$7,508,544</u>	<u>\$7,964,281</u>	<u>\$7,661,952</u>	<u>\$7,702,499</u>
July	\$826,951	\$794,307	\$778,812	\$757,642	
August	927,272	966,814	998,076	985,002	
September	797,862	845,806	811,136	756,171	
<b>YTD</b>	<u>\$10,229,372</u>	<u>\$10,115,471</u>	<u>\$10,552,304</u>	<u>\$10,160,766</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  
revenue based upon the month the sales tax is paid by the vendor to  
the State Comptroller in accordance with GASB 33 requirements.

3.4



**DEVELOPMENT CORPORATION OF ABILENE**  
**STATEMENT OF NET POSITION**  
**April 30, 2017 and 2016**

	April 2017	April 2016
<b>Current Assets:</b>		
Cash and cash investments	\$ 17,798,495	\$ 17,766,282
Accounts receivable	1,677,765	35,293
Due from other governments	1,757,691	1,789,074
<b>Total Current Assets</b>	<u>21,233,951</u>	<u>19,590,649</u>
<b>Noncurrent Assets:</b>		
Notes receivable, net	3,452,933	10,892,230
Notes receivable - earning economic incentives	12,311,867	8,768,190
Capital assets	62,437,447	51,765,462
Accumulated depreciation	(14,190,010)	(9,815,739)
<b>Total capital assets, net</b>	<u>48,247,437</u>	<u>41,949,723</u>
<b>Total Noncurrent Assets</b>	<u>64,012,237</u>	<u>61,610,143</u>
<b>Total Assets</b>	<u><u>\$ 85,246,188</u></u>	<u><u>\$ 81,200,792</u></u>
<b>Liabilities</b>		
Current:		
Accounts payable	\$ 31,747	\$ 347,121
Accrued expenses	1,677,765	-
<b>Total Current Liabilities</b>	<u>1,709,512</u>	<u>347,121</u>
<b>Total Liabilities</b>	<u>1,709,512</u>	<u>347,121</u>
<b>Net Position</b>		
Net Investment in capital assets	48,247,437	41,949,723
Restricted for contractual obligations	10,363,134	15,808,353
Unrestricted, designated for purposes of trust	24,926,105	23,095,595
<b>Total Net Position</b>	<u>83,536,676</u>	<u>80,853,671</u>
<b>Total Liabilities and Net Position</b>	<u><u>\$ 85,246,188</u></u>	<u><u>\$ 81,200,792</u></u>

**DEVELOPMENT CORPORATION OF ABILENE**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
For seven months ending April 30, 2017 and 2016

	April 2017	Fiscal YTD 2017	Fiscal YTD 2016
<b>Revenues:</b>			
Sales and use taxes	\$ 760,192	\$ 5,918,681	\$ 5,936,006
Interest income	10,940	216,296	122,471
Building rental / land lease	87,546	626,245	655,686
Sale of Land		-	496,459
Miscellaneous revenue	7,984	47,331	71,460
Total Revenues	<u>866,662</u>	<u>6,808,553</u>	<u>7,282,082</u>
<b>Expenses:</b>			
Economic Development Projects	157,617	3,879,646	3,328,292
Life Sciences property maintenance	23,391	171,548	241,895
DCOA property maintenance	24,626	143,398	269,584
Abilene Industrial Foundation	52,492	253,161	206,593
TTU Small Business Development Center	11,156	72,244	67,050
Chamber Military Affairs	-	88,967	63,566
Airport Business Development Manager	14,105	61,797	48,118
Economic Development Operating Division	58,636	493,540	392,899
Total Expenditures	<u>342,023</u>	<u>5,164,301</u>	<u>4,617,997</u>
<b>Changes In Net Position</b>	524,639	1,644,252	2,664,085
<b>Net Position at Beginning of Period</b>	<u>83,012,037</u>	<u>81,892,424</u>	<u>78,189,586</u>
<b>Net Position at End of Period</b>	<u>\$ 83,536,676</u>	<u>\$ 83,536,676</u>	<u>\$ 80,853,671</u>

**Summary of Current Period Economic Development Projects:**

Petrosmith Phase 5 (Principal reduction)	\$ 150,667
EASI De Fuel Truck	1,950
Communities in Schools (Job Training)	<u>5,000</u>
Total	<u>\$ 157,617</u>

**Development Corporation of Abilene**  
**Economic Program Status**  
**As of April 30, 2017**

Economic Programs:	Project	Amount Budgeted	Prior Years Disbursement	Current Year Disbursement	Balance reserved for budgeted programs
Murf Systems	4998	\$ 237,240	\$ 235,665	\$ 1,575	\$ -
TTU Pharmacy School	5242	1,924,943	1,893,035	31,908	-
TTU 842 Pine	5308	853,999	853,999	-	-
Petrosmith Ph 5	5330.1	301,334	150,667	150,667	-
TTUHSC School of Nursing	5331	1,076,253	1,076,253	-	-
Rentech '12	5342	470,000	470,000	-	-
Hangar Doghouses A/E	5348.1	423,000	322,318	27,524	73,158
Hangar Doghouses Construction	5348.2	2,732,618	2,722,255	-	10,363
Hangar 0 Doghouse Construction	5348.3	2,000,000	603,023	956,827	440,150
EASI De-Fuel Truck	5354	111,560	78,200	11,700	21,660
Tucker Energy Services	5359	585,000	171,705	-	413,295
Five Points Infrastructure	5359.1	1,000,000	137,491	-	862,509
5 Pts RR Expansion	5363.1	30,800	24,320	-	6,480
Fehr Foods Expansion	5368	5,123,000	3,103,196	1,749,801	270,003
Broadwind Towers 2014	5373	679,300	679,300	-	-
Corley Wetsel Trucking	5376	455,200	-	455,200	-
Fehr Foods 14	5378	160,278	106,852	53,426	-
Gift Card System	5379	82,019	55,395	26,624	-
BWJ Consulting	5382	619,000	280,940	-	338,060
Datoo Technologies	5385	280,750	81,460	-	199,290
DCOA Strategic Planning	5386	130,000	125,000	-	5,000
Coca Cola Refreshments	5387	-	-	-	-
Martin Sprocket & Gear	5388	-	-	-	-
Industrial Maintenance Training AISD	5389	78,000	50,100	13,444	14,456
Lone Star Canvas	5390	50,000	-	-	50,000
Abimar Foods 2015	5391	300,000	-	300,000	-
BCBS Roof Repairs	5392	953,400	-	-	953,400
TTUHSC School of Public Health	5393	87,422	87,422	-	-
Praire Dog Pet Products	5394	-	-	-	-
Spec 3 Remediation	5396	253,318	214,993	13,450	24,875
18/36 Industrial Park	5398	52,000	-	50,000	2,000
2016 Startup Week / 2017 Springboard	5399	32,500	-	32,500	-
Broadwind Towers	5400	715,000	-	-	715,000
TSTC New Abilene Campus	5401	4,179,600	-	-	4,179,600
AbiMar Employee Relocation	5402	25,000	-	-	25,000
Communities in Schools	5403	80,850	-	5,000	75,850
<b>Subtotal Economic Program Obligation Reserve</b>		<b>\$ 26,083,384</b>	<b>\$ 13,523,589</b>	<b>\$ 3,879,646</b>	<b>\$ 8,680,149</b>

**Plus Adminstrative Division Obligations:**

Economic Development Operating Division	Division 2760	777,490	-	493,540	283,950
Life Sciences Property Maintenance	Division 2765	322,550	-	171,548	151,002
DCOA Property Maintenance	Division 2775	465,670	-	143,398	322,272
Abilene Industrial Foundation	Division 2775	619,780	-	253,161	366,619
TTU Small Business Dev Center	Division 2775	200,000	-	72,244	127,756
Chamber Military Affairs	Division 2775	397,000	-	88,967	308,033
Airport Business Development Manager	Division 2775	185,150	-	61,797	123,353

**Subtotal Adminstrave Divisions Obligation Reserve** \$ 2,967,640 \$ - \$ 1,284,655 \$ 1,682,985

**Total reserve for obligated programs** \$ 10,363,134

**DCOA Board approved projects waiting for signed contracts:**

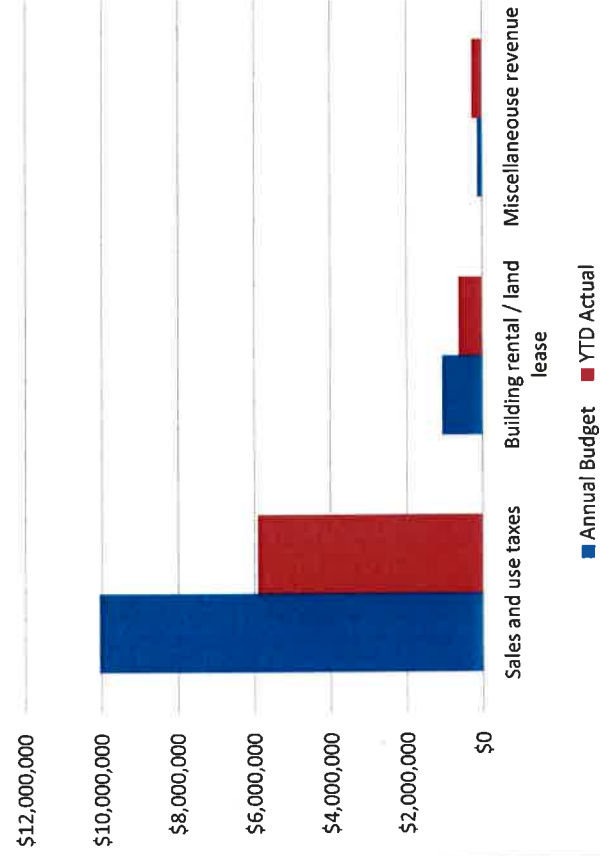
Dyess JLUS	\$ 50,000	Expiration Date 6/17/17
	<u>\$ 50,000</u>	

**Development Corporation of Abilene**  
**Revenue and Expense**  
**Budget vs Actual Comparison**  
**October 2016 - April 2017**

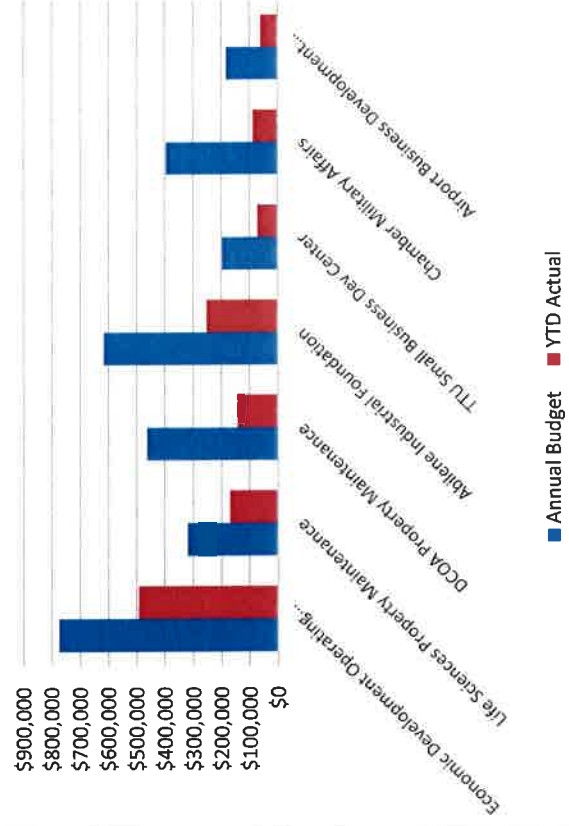
Revenue	Annual Budget	YTD Actual	% of Budget
Sales and use taxes	10,088,060	5,918,681	59%
Building rental / land lease	1,073,200	626,245	58%
Miscellaneous revenue	135,000	263,627	195%
Revenue	11,296,260	6,808,553	60%

Expenses	Annual Budget	YTD Actual	% of Budget
Economic Development Operating Division	777,490	493,540	63%
Life Sciences Property Maintenance	322,550	171,548	53%
DCOA Property Maintenance	465,670	143,398	31%
Abilene Industrial Foundation	619,780	253,161	41%
TTU Small Business Dev Center	200,000	72,244	36%
Chamber Military Affairs	397,000	88,967	22%
Airport Business Development Manager	185,150	61,797	33%
	2,967,640	1,284,655	43%

**FY 17 Budget vs Actual Revenue**



**FY 17 Budget vs Actual Expenses**



Information for Item #5 will be available  
during the board meeting

# **DEVELOPMENT CORPORATION OF ABILENE, INC.**

## **BOARD AGENDA**

**MEETING DATE: June 15, 2017**

**PROJECT: Purchase of Surplus City-Owned Land on Hwy 36 at Loop 322 and 1417 N. Arnold Blvd.**

**STAFF: Kent Sharp, CEO**

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### **BACKGROUND INFORMATION**

Years ago, the City conveyed land to TxDOT for construction of Loop 322. The deeds contained reversionary language that required TxDOT to convey any excess land back to the City. On the north side of Hwy 36, east side of Loop 322, TxDOT conveyed approximately 26 acres back to the City in 2004. The subject acreage when combined with parcels already owned by the City totals 33.968 acres (otherwise known as the Land) and is adjacent to the recently cleared 80 acres of DCOA-owned land in the 18/36 Industrial Park. The Land is clearly visible from Hwy 36 and Loop 322 and would be an asset to the Industrial Park for future development. The Industrial Park's location close to the airport helps make the area ideal for industrial development.

In the Five Points Business Park, the City owns a small approximately 3-acre tract at the NE corner of the intersection of Arnold Blvd and Marigold. This appears to be excess right-of-way land purchased in 1994 when F.M. 3438 (Arnold Blvd) was extended from Business I-20 north to the frontage road of I-20. This small tract was not included in the DCOA's purchase of the land in 1995 now known as Five Points Business Park, but is adjacent to DCOA-owned land. Continued growth in the Park would be benefited by the addition of this parcel to the DCOA-owned tracts.

Neither parcel of land is located in a flood zone or has ever been developed. They consist of raw, native pastureland.

### **THE REQUEST**

In May, the City issued Invitations to Bid and placed advertisements for bids to sell the two parcels under Bid #CB-1753 and Bid #CB-1752. The bid opening occurred on Wednesday, June 7<sup>th</sup>. The DCOA was the sole bidder for both parcels, with the purchase contingent upon approval by the Board. The DCOA staff submitted bid amounts as follows:

1. 33.968 acres at the NE corner of Loop 322 and Hwy 36 - \$339,680, or \$10,000/acre.
2. 3.164 acres at 1417 N. Arnold Blvd, at the NE corner of the intersection of Arnold Blvd and Marigold - \$31,640, or \$10,000/acre.

Surveys and appraisals for both parcels were commissioned and paid for by the City. The City's Invitations to Bid stated the successful bidder is required to reimburse the newspaper advertising cost in addition to the amount bid. The total advertising cost is \$2,640. The Abilene City Council will consider approval of the sale to DCOA during a regular meeting on June 22<sup>nd</sup>, which is also the meeting where the Council will consider authorizing the DCOA's purchase of the Land, should the Board approve purchase during this meeting.

Staff recommends closing the transactions with a title attorney and purchasing title policies. Total estimated closing costs are \$4,500. A Phase I Environmental Site Assessment for the Hwy 36 land will cost approximately \$8,500. The closing would most likely occur in late July or early August.

**FISCAL IMPACT**

Bid amount for 33.968 acres (18/36 Industrial Park)	\$339,680
Bid amount for 3.164 acres (Five Pts Business Park)	\$ 31,640
Advertising cost reimbursement to City of Abilene	\$ 2,640
Closing costs for both parcels	\$ 4,500 (est.)
Phase I ESA for 33.968 acres	\$ 8,500 (est.)
TOTAL	\$386,960 (est.)

**STAFF RECOMMENDATION**

Staff recommends the board approve resolution DCOA-2017.10 authorizing the purchase of two parcels of City-owned surplus land and funding as described above.

**ATTACHMENTS**

Drawings of subject acreages  
Resolution DCOA-2017.10

S:\DCOA\Meeting Memos\FY2017\Purchase of Surplus City Land Hwy 36 and Five Pts 06-15-17.doc







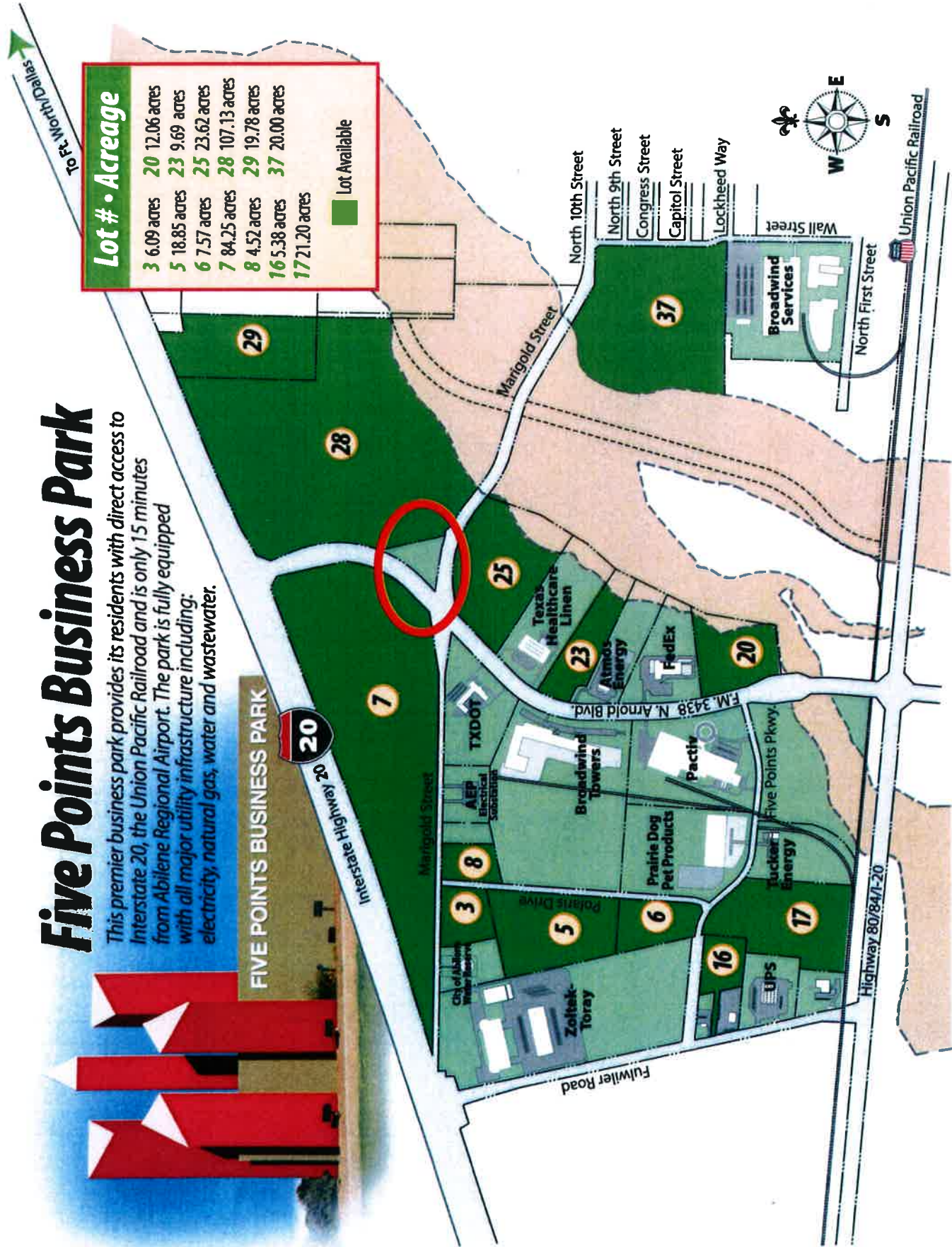
# Five Points Business Park

This premier business park provides its residents with direct access to Interstate 20, the Union Pacific Railroad and is only 15 minutes from Abilene Regional Airport. The park is fully equipped with all major utility infrastructure including: electricity, natural gas, water and wastewater.

FIVE POINTS BUSINESS PARK

Lot # • Acreage	
3	6.09 acres
5	18.85 acres
6	7.57 acres
7	84.25 acres
8	4.52 acres
16	5.38 acres
17	21.20 acres
20	12.06 acres
23	9.69 acres
25	23.62 acres
28	107.13 acres
29	19.78 acres
37	20.00 acres

Lot Available



**RESOLUTION NO. DCOA-2017.10**

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. ("DCOA"), ABILENE, TEXAS AUTHORIZING PURCHASE OF TWO PARCELS OF VACANT LAND FROM THE CITY OF ABILENE ("CITY") LOCATED AT 1417 N. ARNOLD BLVD AND NE CORNER OF LOOP 322 AND HWY 36.

WHEREAS, City owns two parcels of raw land, which appear to be surplus from separate road construction projects; and,

WHEREAS, the first parcel is described as 3.164 acres of vacant land located at 1417 N. Arnold Blvd., and the second parcel is described as 33.968 acres of vacant land located at the northeast corner of Loop 322 and State Hwy 36; and,

WHEREAS, the first parcel is located at the northeast corner of Arnold Blvd. and Marigold St. in the Five Points Business Park ("Park"), which is bounded by DCOA-owned land and is desirable for future development efforts in the Park; and,

WHEREAS, the second parcel is adjacent to the recently cleared 80 acres of DCOA-owned land in the 18/36 Industrial Park, which is clearly visible from Hwy 36 and Loop 322 and would be an asset to the Industrial Park for future development; and,

WHEREAS, City issued invitations and placed advertisements for bids to sell the two parcels under Bid #CB-1753 and Bid # CB-1752; and,

WHEREAS, DCOA staff submitted bids on the DCOA's behalf to purchase both parcels at a price of \$10,000/acre with the first parcel bid at \$31,640.00 and the second parcel bid at \$339,680.00; and,

WHEREAS, City opened bids on Wednesday, June 7, 2017, and DCOA was the sole bidder, therefore the successful bidder for both parcels; and,

WHEREAS, the DCOA's purchase is contingent upon approval by the DCOA board and subsequently authorized by the Abilene City Council; and,

WHEREAS, the Abilene City Council will consider approval of the sale to DCOA during a regular meeting on June 22, 2017; and,

WHEREAS, surveys and appraisals for both parcels were commissioned and paid for by the City, and the City's Invitations to Bid stated the successful bidder is required to reimburse the newspaper advertising cost in addition to the amount bid; and,

WHEREAS, DCOA staff recommends closing the transactions with a title attorney and purchasing title policies; and,

WHEREAS, DCOA staff also recommends a Phase I Environmental Site Assessment be conducted for the Hwy 36 land only; and,

WHEREAS, staff requests the DCOA approve the purchase of two parcels of City-owned surplus land as described above.

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

**PART 1.** DCOA hereby authorizes the purchase of two parcels of vacant land from the City of Abilene pursuant to Invitations to Bid under bid numbers CB-1753 and CB-1752, located at 1417 N. Arnold Blvd., and NE corner of Loop 322 and Hwy 36, respectively. Funding hereby-approved totaling Three Hundred Eighty-Six Thousand Nine Hundred Sixty and no/100's Dollars (\$386,960.00) is as follows:

Bid amount for 33.968 acres (NE corner Loop 322 & Hwy 36)	\$339,680
Bid amount for 3.164 acres (1417 N. Arnold Blvd.)	\$ 31,640
Advertising cost reimbursement to City of Abilene	\$ 2,640
Closing costs for both parcels	\$ 4,500 (est.)
Phase I ESA for 33.968 acres	\$ 8,500 (est.)
TOTAL	\$386,960 (est.)

Purchase and other costs are contingent upon authorization by the Abilene City Council.

**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 enter into and execute final contracts and all other related documents on behalf of the DCOA.

ADOPTED this the 15th day of June, 2017.

ATTEST:

\_\_\_\_\_  
John Beckham  
Secretary/Treasurer

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Dave Copeland  
President

APPROVED:

\_\_\_\_\_  
Mark Zachary, Attorney

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**DEVELOPMENT CORPORATION OF ABILENE**  
**BOARD AGENDA**  
**MEETING DATE: June 15, 2017**

**PROJECT: Small Business Development Center FY17 Contract Amendment**

**STAFF: Kent Sharp, CEO**

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**BACKGROUND:**

The Small Business Development Center (SBDC) partners with the U. S. Small Business Administration, which operates a system of over 1110 centers, and Texas Tech University is the host institution. The SBDC provides one-on-one counseling, business plan development, and financial planning for small businesses, free of charge, in a 16 county area surrounding Abilene, Texas. The SBDC also provides assistance to area firms interested in international trade and doing business with federal, state, and local government entities.

The DCOA has contracted with the SBDC annually since 1990 to perform these services for Abilene residents and business owners as a way to accomplish its goals of facilitating the creation of new jobs and retention of existing jobs by providing assistance to existing and emerging businesses and increasing the number and size of minority-owned, woman-owned, small and entrepreneurial businesses in Abilene.

The current FY17 contract provides the SBDC with up to \$200,000 as partial reimbursement for business counseling to new and existing small business owners in Abilene and its ETJ. Funds are reimbursed at an hourly rate of \$75 for time spent in preparation for and in actual counseling sessions.

During the May 16, 2017, board meeting, Mr. Sharp reviewed the proposed FY18 budget, which includes \$250,000 to initiate an Entrepreneurship Challenge Grant Program ("Program"), which will be designed to provide funding to fledgling businesses or start-ups that meet program criteria. The Program's official name has not yet been determined, and it will be operated through a partnership between the DCOA, Abilene Industrial Foundation, the SBDC and ACU's Griggs Center for Entrepreneurship and Philanthropy.

**REQUEST:**

Judy Wilhelm, Director of the SBDC, has a staff person that can dedicate her time to helping develop the new Program and also help administer it once the Program launches later this year. The FY17 contract, as written, doesn't allow the DCOA to reimburse for this staff person's time spent on program development. Ms. Wilhelm requested the DCOA amend the FY17 contract to allow some of the \$200,000 allocated for counseling to be used instead to pay administrative costs for this staff person through September 30, 2017. She believes \$15,000 will be enough to cover the costs.

**FUNDING IMPACT:**

None.

**RECOMMENDATION:**

Staff recommends approval of resolution DCOA-2017.11 authorizing an amendment to the SBDC's FY17 contract to reallocate \$15,000 for reimbursement of staff costs through September 30, 2017, while helping develop the new Entrepreneurship Challenge Grant Program.

**ATTACHMENTS:**

Resolution DCOA-2017.11

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**RESOLUTION NO. DCOA-2017.11**

A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. ("DCOA"), ABILENE, TEXAS AUTHORIZING AN AMENDMENT TO THE FY 2017 CONTRACT WITH THE TEXAS TECH UNIVERSITY SMALL BUSINESS DEVELOPMENT CENTER ("SBDC").

WHEREAS, the SBDC partners with the U. S. Small Business Administration, which operates a system of over 1110 centers, and Texas Tech University is the host institution; and,

WHEREAS, the SBDC provides one-on-one counseling, business plan development, and financial planning for small businesses, free of charge, in a 16 county area surrounding Abilene, Texas; and,

WHEREAS, the SBDC also provides assistance to area firms interested in international trade and doing business with federal, state, and local government entities; and,

WHEREAS, the DCOA has contracted with the SBDC annually since 1990 to perform these services for Abilene residents and business owners as a way to accomplish its goals of facilitating the creation of new jobs and retention of existing jobs by providing assistance to existing and emerging businesses and increasing the number and size of minority-owned, woman-owned, small and entrepreneurial businesses in Abilene; and,

WHEREAS, the current FY17 contract provides the SBDC with up to \$200,000 as partial reimbursement for business counseling to new and existing small business owners in Abilene and its ETJ, with funds reimbursed at \$75/hour spent in preparation for and in actual counseling sessions; and,

WHEREAS, during the May 16, 2017, board meeting, Mr. Sharp reviewed the proposed FY18 budget, which included \$250,000 to initiate an Entrepreneurship Challenge Grant Program ("Program"), which will be designed to provide funding to fledgling businesses or start-ups that meet program criteria; and,

WHEREAS, the Program's official name has not yet been determined, and it will be operated through a partnership between the DCOA, Abilene Industrial Foundation, the SBDC and ACU's Griggs Center for Entrepreneurship and Philanthropy; and,

WHEREAS, the SBDC, has a staff person that can dedicate his/her time to helping develop the new Program and also help administer it once the Program launches later this year; and,

WHEREAS, the FY17 contract, as written, does not allow the DCOA to reimburse for this staff person's time spent on program development, so the SBDC requested the DCOA amend the FY17 contract to allow some of the \$200,000 allocated for counseling to be used instead to pay administrative costs for this staff person through September 30, 2017; and,

WHEREAS, the SBDC believes \$15,000 will be enough to cover the costs; and,

WHEREAS, staff requests the DCOA authorize an amendment to the SBDC's FY17 contract to reallocate \$15,000 for reimbursement of staff costs through September 30, 2017, while helping develop the new Entrepreneurship Challenge Grant Program.

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

**PART 1.** DCOA authorizes an amendment to the Texas Tech University Small Business Development Center's current FY 2017 contract to allow the re-allocation of \$15,000 of the \$200,000 contract amount to instead be used for reimbursement of the SBDC's staff costs associated with development of the new Entrepreneurship Challenge Grant Program ("Program"). No additional funding is approved for the FY 2017 contract, which stands at a total of \$200,000.

**PART 2.** This resolution is contingent upon execution of all necessary agreements. The 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 DCOA is hereby authorized to negotiate any contract and all other related documents on behalf of the DCOA.

ADOPTED this the 15th day of June, 2017.

ATTEST:

\_\_\_\_\_  
Jack Rich  
Secretary/Treasurer

\_\_\_\_\_  
Dave Copeland  
President

APPROVED:

\_\_\_\_\_  
Mark Zachary, Attorney

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