

**PUBLIC NOTICE**

**DEVELOPMENT CORPORATION OF ABILENE, INC.**

A meeting of the Development Corporation of Abilene, Inc. (“DCOA”) will be held on September 4, 2024, at 174 Cypress Street, 2nd Floor Board Room, Abilene, Texas commencing at 10:00 a.m. to consider the Agenda set forth below.

The meeting may include members of the DCOA’s Board of Directors (“Board”) participating remotely by videoconference. In accordance with the Texas Government Code, the location of the meeting where a quorum of the DCOA’s Board will be physically present is 174 Cypress Street, 2nd Floor Board Room, Abilene, Texas and it is the intent of the DCOA to have a quorum present at that location.

Under Agenda Item 3, the opportunity for public comment will be announced and members of the public should identify themselves at that time should he or she choose to make any comments concerning any Items on the Agenda. Under Item 3 on the Agenda, public comments concerning Items on the Agenda are allowed for up to 3 minutes per person (or in the event that a person addresses the Board through a translator, such public comments on Items on the Agenda is allowed for up to 6 minutes).

**AGENDA**

September 4, 2024  
10:00 a.m.

1. Call the meeting to order
2. Invocation
3. Public Comment on Agenda Items
4. Recognition of DCOA employee's service
5. International Economic Development Council Economic Excellence Awards
6. Texas Economic Development Council Workforce Excellence Award
7. Governance Schedule
8. Approval of Minutes from the June 24, 2024, Board meeting
9. DCOA Financial Report for July 2024
10. DCOA Quarterly Investment Report
11. Foreign Trade Zone presentation and discussion
12. 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:

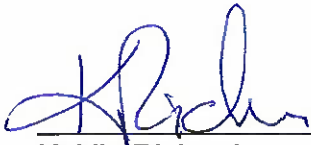
- A. 551.071 (Consultation with Attorney)
    - 1. Service Agreements with the DCOA's Service Providers which are as follows: City of Abilene for the Airport Business Development Management Program, Texas Tech University for the Small Business Development Center, Abilene Industrial Foundation, Military Affairs Committee, Abilene Independent School District, Wylie Independent School District, and the Big Country Society for Human Resource Management
    - 2. DCOA's Agreement for Financial Assistance with Belt Buckle Distillery
    - 3. DCOA's Agreements for Financial Assistance with PDPP Abilene, LLC
    - 4. DCOA's Agreement with Freese and Nichols
  - B. 551.072 (Deliberations about Real Property)
    - 1. Property 2024-02
    - 2. Property 2024-04
  - C. 551.074 (Personnel Matters)
  - D. 551.087 (Business Prospect/Economic Development)
    - 1. Project Shift
    - 2. Project Inwood
13. Report from the President and CEO:
- A. Strategic Plan Objectives:
    - 1. Business Attraction Initiatives
    - 2. Business Retention & Expansion Initiatives
    - 3. Workforce Development Initiatives
    - 4. Marketing & Brand Management Initiatives
    - 5. Real Estate Initiatives
    - 6. Effective Operations Initiatives
  - B. Discussion and possible approval of a Resolution approving expenditures over \$50,000 as described in the President and CEO's report.
14. Discussion and possible approval of a Resolution authorizing the DCOA's President to enter into the Fiscal Year 2025 Service Agreements with the City of Abilene for the Airport Business Development Management Program, Texas Tech University for the Small Business Development Center, Military Affairs Committee, and the Abilene Independent School District
15. Discussion and possible approval of a Resolution to purchase Property 2024-04
16. Discussion and possible approval of a Resolution authorizing an agreement with Project Shift
17. Discussion and possible approval of a Resolution authorizing the DCOA's President to take certain actions with respect to Belt Buckle Distillery's Agreement for Financial Assistance
18. Discussion and possible approval of a Resolution authorizing the DCOA's President to take certain actions with respect to PDPP Abilene, LLC's Agreement for Financial Assistance and other related documents
19. Discussion and possible approval of a Resolution authorizing the DCOA's President to enter into an Agreement with Freese and Nichols

DCOA Agenda  
September 4, 2024  
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20. Discussion on next Board meeting date
21. 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 29<sup>th</sup> day of August 2024 at 11:10 a.m.



Kaitlin Richardson, Deputy City Secretary, TRMC

DocuSigned by:



Misty Mayo, President & CEO

### 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. The telecommunication device for the deaf is (325) 676-6360.

# **Governance Schedule**

**FY 2024 DCOA Governance Schedule**

2023			2024											
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	
	✓		✓		✓		✓	✓			✓			<b>Post Agenda (72 hrs prior to the meeting)</b>
			✓											Monthly Board Meeting (minimum quarterly meeting)
			✓											Annual Meeting of Board of Directors (first regularly scheduled board meeting of the year)
									✓					Annual Economic Development Plan to City Council (prior to, or in conjunction with, the annual budget)
									✓					Annual Budget to City Council (sixty days prior to start of next fiscal year: August 1, 2024)
														Additional Meetings, as needed

2023			2024											
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	
	✓		✓		✓		✓	✓			✓			<b>Governance: Monthly Board Meeting Review</b>
			✓		✓		✓	✓			✓			Approval of Last Meeting's Minutes
	✓		✓		✓		✓	✓			✓			Financial Report Presented by DCOA Staff (Accounting Firm, As Requested)
	✓		✓		✓		✓	✓			✓			Schedule Next Meeting Date
					✓			✓			✓			Quarterly Sales Tax Report
	✓		✓				✓				✓			Written Quarterly Investment Report (within 45 days following the end of the quarter)
														Review of Strategic Plan
											✓			Review of Governance Checklist

2023			2024											
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	
			✓											<b>Governance: Semi-Annual &amp; Annual Reviews</b>
			✓											Presentation/Proclamation to Outgoing Board Members (City of Abilene and the Board)
			✓											Welcome New Board Member(s)
			✓											New Board Member(s) Onboarding
			✓											Officer Election (President, Chair, Vice Chair, Secretary, Treasurer & others, as determined)
			✓											Bank Account Signature Card - minutes required for bank
														President & CEO Annual Review
							✓							DCOA Insurance Coverage
					✓									Appointment of DCOA Investment Committee Members
					✓									Review of DCOA's Real Property Insurance

**FY 2024 DCOA Governance Schedule**

2023			2024											
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	<b>Governance: Reports of Activity</b>
✓														Partners Written Reports of Activity for activity from April 1, 2022 - September 30, 2023 due October 15, 2023
							✓							Partner Written Reports of Activity for activity from October 1, 2023 - March 31, 2024 due April 15, 2024
	✓						✓							Report of Activity from Stakeholder Organizations

2023			2024											
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	<b>Governance: Annual Approvals</b>
	✓													Annual Consideration and Commission for a Financial Audit
							✓							Review and adopt a written resolution approving the DCOA Investment Policy, Investment Strategy, and Procedures for Operation of the Investment Program (annually)
							✓							Financial Audit Prepared by 3rd Party Auditor
							✓							Financial Audit Presented to Board
					✓									Submit Required Report (Local Gov. Code 502.151) to Comptroller by April 1, 2024
								✓						Annual Budget Request from Partners due June 1, 2024
							✓							First Review of new Fiscal Year Budget
								✓						Budget to Board for vote (sixty days prior to start of new fiscal year: August 1, 2024)
							✓							Staffing/Staff Evaluation (Staff Potential Conflicts of Interest)
											✓			New Fiscal Year Contracts for Stakeholder Organizations

2023			2024											
Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	<b>Project &amp; Properties Review on Demand</b>
	✓		✓		✓		✓	✓			✓			Properties (as needed)
	✓		✓		✓		✓	✓			✓			Projects (as needed)
	✓		✓		✓		✓	✓			✓			Board Approval of Expenditures Over \$50,000 (as required)
												✓	✓	Benchmark Comparisons & Competitive Analysis

Rev. 08/30/2024

# **Board Meeting Minutes**

## **June 24, 2024**

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD MEETING MINUTES**  
**June 24, 2024**

**MEMBERS PRESENT:**    Shea Hall                    Sam Vinson  
                                 Floyd Miller                Buddy Napier

*Tracy Howle was absent*

**STAFF PRESENT:**    Misty Mayo                \*Julie Johncox            Lindsay Dennis  
                                 Ashley Whitmer        Evan Steele                Richard Jones  
                                 Regi McCabe-Gossett

*\*Julie Johncox joined the meeting by videoconference*

**GUESTS PRESENT:**    Chris Shelton, McMahon Surovik Suttle, PC  
                                 Gray Bridwell, Military Affairs Committee  
                                 Officer Stephen Brownlow, Abilene Marshal's Department

- 1. CALL THE MEETING TO ORDER:** Chair Shea Hall called the meeting to order at 1:30 pm and introduced Sam Vinson, Buddy Napier and Floyd Miller.
- 2. INVOCATION:** Board Member Floyd Miller offered the invocation.
- 3. PUBLIC COMMENT ON AGENDA ITEMS:** Chair Shea Hall announced an opportunity for the public to comment on any of the Agenda items. She further stated that there would be no votes or formal action taken during public comment, that this would allow members of the public to present ideas and information to the DCOA Board and staff pertaining to the items on the Agenda, and that if there was anyone who would like to make a public comment, to please state their name and address. No members of the public requested to make a public comment. Thus, Chair Shea Hall moved on to Agenda Item 4.
- 4. GOVERNANCE SCHEDULE:** President & CEO Misty Mayo stated that the governance schedule for Fiscal Year 2024 is in the packet. The governance schedule is a tool that ensures the DCOA is operating on schedule, and it can be amended as needed. The DCOA is currently on schedule with both the governance schedule and strategic plan.
- 5. APPROVAL OF MINUTES FROM MAY 1, 2024, BOARD MEETING:** Buddy Napier made a motion to approve the Minutes from the May 1, 2024, Board Meeting. Sam Vinson seconded, and the motion passed.
- 6. DCOA FINANCIAL REPORT FOR APRIL 2024:** Regi McCabe-Gossett, DCOA Controller, presented the Financial Report for April 2024. As of April 30, 2024, the DCOA's year-to-date total operating revenue was \$10,932,316 and cash at the end of the period was



\$27,323,544. The DCOA's total assets were \$99,788,122, and the DCOA's total liabilities were \$159,564.

**7. DCOA QUARTERLY SALES TAX REPORT:** Regi McCabe-Gossett, DCOA Controller, presented the Sales Tax Update as reported from the City of Abilene. The sales tax rebate for June 2024 is \$1,142,191. This year-to-date sales tax rebate was -2.0% below last year and +0.8% above the budgeted amount.

**8. EXECUTIVE SESSION:** Chair Shea Hall stated: I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, .072, .074, and .087 to consult with legal counsel, discuss real property transactions, personnel matters, and discuss economic development negotiations involving a business prospect, as set forth on the Agenda, and that any vote or action will be taken in open session.

Chair Shea Hall announced the date is June 24, 2024, and the time is 1:42 pm. Later, Chair Shea Hall announced the date is still June 24, 2024, and the time is 2:22 pm, and that no vote or action was taken in Executive Session.

**9. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING MATCH FUNDING FOR THE MILITARY INFRASTRUCTURE RESILIENCE RISKS GRANT:** President & CEO Misty Mayo and Gray Bridwell, Vice President of the Military Affairs Committee (MAC), presented Resolution DCOA-2024.19. MAC is working to position Dyess Air Force Base in such a way that it will continue to add value to our nation's defense while simultaneously reducing the likelihood of downsize or closure and MAC recommends that an expenditure on obtaining certain risk assessments that would further this purpose. Through the Military Infrastructure Resilience Risks Grant (MIRR), possible funding is available to conduct the assessments which have a total cost of up to \$550,000. MAC is requesting a match of up to \$50,000 from the DCOA before applying for a commitment of \$500,000 from the MIRR.

Sam Vinson made a motion to approve Resolution DCOA-2024.19 authorizing match funding for the Military Infrastructure Resilience Risks Grant. Floyd Miller seconded, and the motion passed.

**10. FROM THE PRESIDENT AND CEO:** President & CEO Misty Mayo provided a report on the DCOA's Strategic Plan Initiatives.

### **Business Retention and Expansion Initiatives**

*Strategy – Become a hub for creative and innovative business.*

- The DCOA hosted local primary employers & guests at the Laura Bush Institute Dinner as well as hosted guests at the 2024 Salute to Small Business Week & Awards Luncheon
- DCOA Team Member, Evan Steele, is an active board member of the Texas Midwest Community Network Board

*Strategy – Develop Programs to support the growth of existing business.*

- 25 Local existing Type A Companies were visited.

### **Workforce Development Initiatives**

*Strategy – Further enhance and invest in education and training with educational partners, including an emphasis on exiting Dyess Airmen.*

- The DCOA hosted a City Council Member, DCOA Board Members, and executives from 6 local Type A businesses on a tour of Dyess Air Force Base.
- DCOA Executive Vice President & COO, Julie Johncox, attended the prestigious Air War College, a program designed to educate top-tier leaders in national security strategy. DCOA President & CEO, Misty Mayo, graduated from the Air War College in 2022. This ongoing investment in leadership development further strengthens DCOA's ability to understand and effectively support Dyess Air Force Base in its critical role in national defense.
- DCOA partnered with the Abilene Independent School District to strengthen efforts to develop workforce in innovation and technology and promote Abilene at the World's Robotics Competition.
- DCOA's NEXTU Graduation Celebration was May 7, 2024. There were 43 graduating seniors with 55.81% pursuing higher education, 2.33% entering the United States Air Force and 41.86% entering the workforce.
- 12 Airmen and their spouses attended From Active Duty to Active Career. The DCOA has developed an award-winning economic development program where local Type A companies present on opportunities for airmen to use their skills in the civilian workforce at their companies. Primal Pet Group and Funeral Directors Life Insurance Company presented.

*Strategy – Examine all aspects of the regional workforce and create an action summary to support the needs identified.*

- The DCOA awarded a \$1,000 scholarship to a high school student at Abilene Independent School District's Academy of Technology, Engineering, Math, and Science through the Big Country Manufacturing Alliance to support and encourage the next generation of skilled professionals in technology, engineering, and manufacturing.
- The DCOA attended the Skills Development Fund grant Award Ceremony in support of the DCOA's long-term company partners, Hendrick Health & Texas State Technical College, as they develop customized training in high-demand occupations.

*Strategy – Implement programs to sustain and enhance the skills and capabilities of the regional workforce aligned with targeted industries.*

- The DCOA attended the Texas State Technical College graduation to assist with encouraging a coordination of local industry and workforce talent. In attendance were Abilene companies who have hired graduates: Great Lakes Cheese, Hendrick Health, and Nextera Energy.

### **Business Attraction Initiatives**

*Strategy – Implement systems that identify and engage targeted prospects, manage their interactions with the DCOA, and lead them to an Abilene location decision.*

- 7 Marketing Missions that required travel

- 8 Meetings with developers
- 4 Targeted meetings with site selection consultants
- The DCOA launched the Foreign Trade Zone (FTZ) application process with FTZ Consultant, Ernst & Young
- Met with AEP Texas to better understand Abilene's current and future position for electricity
- Met with the City of Abilene Water Utilities Department to gain insight into existing infrastructure in Abilene for future development opportunities
- Attended 4 webinars focused on industry trends, best practices in economic development and data analysis

*Strategy – Utilize and expand data & software assets to perform next-level competitive business retention and expansion, business development, promotion, and marketing operations.*

- The DCOA contracted with Jobs EQ software that provides seamless workforce and talent data analytics, which will enable the DCOA to have a greater and more specific understanding of Abilene's labor force

### **Marketing & Brand Management Initiatives**

*Strategy – Utilize proactive marketing to implement organizational and industry marketing, and state, national, and international outreach efforts.*

- The DCOA won the Business Facilities 2024 Economic Development Organization Award for Mid-sized Economic Development Organizations.  
Entry: Building Tomorrow's Workforce.  
Abilene Mayor Weldon Hurt recognized the DCOA with an official proclamation and he declared May 20-24, 2024, Economic Development Week in Abilene, Texas.
- The DCOA won the Texas Economic Development Council (TEDC) Workforce Excellence Award for impactful and innovative economic development initiatives and was recognized at the TEDC mid-year conference.
- DCOA Vice President, Lindsay Dennis, was on a panel at the Texas Economic Development Council Women in Economic Development Conference
- The DCOA hosted TEDC leadership and guest speakers in Abilene
- DCOA President & CEO Misty Mayo was on a panel at the TEDC Sales Tax Workshop in Abilene
- DCOA President & CEO Misty Mayo presented at the West Texas Young Professionals Summit

*Strategy – Promote existing growth to leverage positive messages for workforce, business retention and expansion, and business attraction.*

- DCOA President & CEO Misty Mayo presented on economic development initiatives and recent project success in Abilene at the REDNews North Texas Industrial Real Estate Summit
- The DCOA had a +34.8% increase in social media impressions and a +7.4% increase in website impressions
- The DCOA advertises in premier digital locations on industry-leading site selection websites

### **Real Estate Initiatives**

*Strategy – Implement a real-time sustainable system that identifies and inventories all real estate potentially suitable for the needs of targeted prospects, including consideration of acquisition & expansion of existing assets and Industrial Parks.*

- The DCOA team executed due diligence on properties the DCOA would acquire to expand the DCOA's current asset offerings by obtaining and reviewing American Land Title Association surveys, mineral rights reports, environmental studies, building height restrictions, easement and right-of-way identification, flood zone and flood way evaluation, etc.

### **Effective Operations Initiatives**

*Strategy – Employ systems to ensure engagement of qualified and dedicated Staff and Board Members to ensure their contributions through effective training and education.*

- 100% of the DCOA Board of Directors and Team Members have completed Sales Tax Training, Open Meetings Act Training, and Public Information Act Training through the Texas Economic Development Council's Sales Tax Workshop
- 100% of the DCOA Team Members are certified in Basic Economic Development
- DCOA Team Members annual reviews were completed
- DCOA Team Members attended the Texas Economic Development Council's mid-year conference

## **11. DISCUSSION AND POSSIBLE APPROVAL OF A DCOA BUDGET FOR FISCAL**

**YEAR 2025:** President & CEO Misty Mayo presented the proposed DCOA Budget for Fiscal Year 2025 to the DCOA Board of Directors. Key Adjustments Included:

- Salaries & Benefits: \$75,191 Increase - Both Fiscal Year 2024 & Fiscal Year 2025 have budgeted for 12 FTEs. The DCOA anticipates a 40% increase in the number of employees who will select to use healthcare benefits in 2025. This also takes into consideration that annual inflation for Fiscal Year 2024 has averaged 3.4%.
- Business Insurance: \$52,777 Increase - Insurance coverage is vital for the DCOA to leverage its fixed and real estate assets to attract and sustain companies in Abilene. This represents insurance for 15 buildings and structures.
- IT Software, Cybersecurity & Equipment: \$26,570 Increase - In line with the DCOA's strategic plan, the expansion of data and software assets are necessary for the DCOA to continue next-level analysis for business attraction and retention and expansion efforts.

Buddy Napier made a motion to approve the DCOA Budget for Fiscal Year 2025. Sam Vinson seconded, and the motion passed.

## **12. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION TO PURCHASE**

**PROPERTY 2024-01:** President & CEO Misty Mayo presented Resolution DCOA-2024.21 to purchase Property 2024-01 for the amount of \$1,150,000, plus all applicable closing costs.

Sam Vinson made a motion to approve Resolution DCOA-2024.21. Buddy Napier seconded, and the motion passed.

**13. DISCUSSION AND POSSIBLE APPROVAL OF A RESOLUTION TO PURCHASE PROPERTY 2024-02:** President & CEO Misty Mayo presented Resolution DCOA-2024.22 to purchase Property 2024-02 for the amount of \$100,000, plus all applicable closing costs.

Buddy Napier made a motion to approve Resolution DCOA-2024.22. Floyd Miller seconded, and the motion passed.

**14. DISCUSSION OF THE NEXT BOARD MEETING DATE:** Board Members considered dates for the next meeting, and Chair Shea Hall announced that the next scheduled meeting of the DCOA Board of Directors is tentatively scheduled for August 15, 2024 at 9:30 am.

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

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Shea Hall, Chair

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Sam Vinson, Secretary & Treasurer

# **DCOA Financial Report for July 2024**

Development Corporation of Abilene, Inc.  
Statement of Net Position  
As of July 31, 2024  
**Unaudited**

	<b>FY24</b> <b>July 2024</b>	<b>FY23</b> <b>July 2023</b>
<b>ASSETS</b>		
Current Assets		
Cash & Cash Equivalents		
Cash	\$ 10,723,802	\$ 16,634,669
Investments	\$ 15,484,931	\$ 14,709,704
Total Cash & Cash Equivalents	<u>\$ 26,208,734</u>	<u>\$ 31,344,373</u>
Other Current Assets		
Accounts Receivable	\$ 2,663,931	\$ 2,800,360
Interest Receivable on Investments	\$ 84,269	\$ 107,977
Prepaid Expenses	\$ 425,213	\$ 386,958
Total Other Current Assets	<u>\$ 3,173,413</u>	<u>\$ 3,295,296</u>
Total Current Assets	<u>\$ 29,382,146</u>	<u>\$ 34,639,668</u>
Fixed Assets		
Land	\$ 3,870,670	\$ 2,694,232
Construction in Progress	\$ 1,018,596	\$ 1,237,752
Building & Improvements	\$ 27,336,361	\$ 25,311,780
Other Improvements	\$ 21,933,404	\$ 21,933,404
Machinery & Equipment	\$ 7,264	\$ 7,264
Vehicles	\$ 70,862	\$ 70,862
Total Accumulated Depreciation	<u>\$ (18,187,696)</u>	<u>\$ (16,730,124)</u>
Total Fixed Assets	<u>\$ 36,049,461</u>	<u>\$ 34,525,170</u>
Notes Receivable		
Notes Receivable - Earning Economic Incentives	\$ 6,105,417	\$ 7,371,194
Notes Receivable - BE in Abilene	\$ 152,708	\$ 195,312
Notes Receivable - Long Term	\$ 4,480,286	\$ 4,851,572
Accrued Interest on Notes Receivable	\$ 287,849	\$ 287,849
Allowance for Accrued Interest on Notes Receivable	<u>\$ (287,849)</u>	<u>\$ (287,849)</u>
Total Other Assets	<u>\$ 10,738,411</u>	<u>\$ 12,418,078</u>
Lease Receivables from Contracts (GASB 87)	\$ 23,254,364	\$ 24,291,533
<b>TOTAL ASSETS</b>	<b><u>\$ 99,424,382</u></b>	<b><u>\$ 105,874,449</u></b>
<b>LIABILITIES &amp; NET ASSETS</b>		
Liabilities		
Current Liabilities		
Accounts Payable	\$ 126,479	\$ 622,260
Payroll Liabilities	\$ 109,378	\$ 139,273
Total Liabilities	<u>\$ 235,858</u>	<u>\$ 761,532</u>
Deferred Lease Revenue from Contracts (GASB 87)	\$ 22,759,927	\$ 24,022,196
Net Assets		
Investment in Capital Assets	\$ 34,461,177	\$ 34,461,177
Unrestricted Net Assets	\$ (5,048,435)	\$ (2,371,422)
Restricted Net Assets	\$ 52,969,819	\$ 54,597,907
Net Income	<u>\$ (4,240,354)</u>	<u>\$ (5,596,942)</u>
Total Net Assets	<u>\$ 78,142,208</u>	<u>\$ 81,090,721</u>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b><u>\$ 101,137,992</u></b>	<b><u>\$ 105,874,449</u></b>

As companies complete contractual requirements this amount may reduce year over year based on active contracts.

The Government Accounting Standards Board (GASB) sets accounting requirements for governments and non-profits. GASB 87 added new requirements for how leases are presented on financials.

<b>Restricted Net Assets Detail - Contractual Obligations &amp; Operating Expenses</b>	
Contracted Economic Development Expenses	\$ 51,669,298
Aug - Sep 2024 DCOA Operating & Strategic Expenses	\$ 1,300,521
	<b>\$ 52,969,819</b>

Development Corporation of Abilene  
Revenues, Expenses, and Changes in Net Position  
July 31, 2024  
Unaudited

	July 24	FY24 YTD Oct '23 - July '24	FY24 YTD Budget Oct '23 - July '24	FY24 Annual Budget
<b>OPERATING REVENUES</b>				
Sales and Use Tax	\$ 1,188,077	\$ 12,467,251	\$ 11,241,733	\$ 14,988,977
Land and Building Leases	\$ 344,093	\$ 3,181,585	\$ 2,624,245	\$ 3,498,993
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 1,532,171</b>	<b>\$ 15,648,837</b>	<b>\$ 13,865,978</b>	<b>\$ 18,487,970</b>

<b>OPERATING EXPENSES</b>				
Workforce Development Initiatives	\$ 38,018	\$ 110,884	\$ 300,000	\$ 400,000
Business Retention & Expansion	\$ 3,065	\$ 56,553	\$ 225,000	\$ 300,000
Abilene Industrial Foundation	\$ -	\$ 262,500	\$ 262,500	\$ 350,000
Small Business Development Center	\$ 6,981	\$ 113,894	\$ 189,750	\$ 253,000
Military Affairs Committee	\$ 24,715	\$ 291,351	\$ 327,750	\$ 437,000
Abilene Regional Airport Business Development	\$ -	\$ 134,357	\$ 173,969	\$ 231,959
Asset Management and Administration	\$ 140,505	\$ 3,184,972	\$ 3,630,726	\$ 4,840,968
* Property Maintenance (Multi-Year)	\$ 68,780	\$ 435,389	\$ 742,650	\$ 990,200
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 282,064</b>	<b>\$ 4,589,898</b>	<b>\$ 5,852,345</b>	<b>\$ 7,803,127</b>

<b>NET OPERATING REVENUE</b>	<b>\$ 1,250,107</b>	<b>\$ 11,058,939</b>	<b>\$ 8,013,632</b>	<b>\$ 10,684,843</b>
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<b>NON-OPERATING REVENUES</b>				
Investment Earnings	\$ 92,877	\$ 710,794	\$ 97,035	\$ 129,380
Investment Unrealized Gain/loss	\$ 89,855	\$ 243,521	\$ -	\$ -
<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$ 182,732</b>	<b>\$ 954,315</b>	<b>\$ 97,035</b>	<b>\$ 129,380</b>

<b>NON-OPERATING EXPENSES</b>				
* Total Economic Development Expenses (Multi-Year)	\$ 1,106	\$ 15,032,078	\$ -	\$ -
Depreciation Expense	\$ 125,650	\$ 1,221,529	\$ -	\$ -
Miscellaneous Expense	\$ -	\$ -	\$ -	\$ -
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>\$ 126,756</b>	<b>\$ 16,253,608</b>	<b>\$ -</b>	<b>\$ -</b>

<b>NET NON-OPERATING REVENUES</b>	<b>\$ 55,976</b>	<b>\$ (15,299,292)</b>	<b>\$ 97,035</b>	<b>\$ 129,380</b>
-----------------------------------	------------------	------------------------	------------------	-------------------

<b>NET REVENUES</b>	<b>\$ 1,306,083</b>	<b>\$ (4,240,354)</b>	<b>\$ 8,110,667</b>	<b>\$ 10,814,223</b>
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\* Includes approved multi year expenses.

FYTD 2024 Investments Market Value and Interest Earned			
Month	Market Value	% Change from Prior Month	Interest Earned
June '24	\$ 21,035,245	0.4%	\$ 34,942
July '24	\$ 21,237,705	1.0%	\$ 86,493
Fiscal Year to Date 2024 Total			\$ 592,111



Development Corporation of Abilene, Inc.  
Statement of Cash Flow  
July 2024  
**Unaudited**

	<b>FY24 YTD July 2024</b>
<b>Operating Activities</b>	
Net Income	(4,240,354)
<b>Adjustments to Net Income</b>	
Accounts Receivable	57,590
Other Assets	155,008
Accounts Payable	(1,947,656)
<b>Total Adjustments to Net Income</b>	<b>(1,735,059)</b>
<b>Total Operating Activities</b>	<b>(5,975,412)</b>
<b>Investing Activities</b>	
Accumulated Depreciation	1,221,529
Construction in Progress	(2,981,862)
GASB 87 Leases - Net	540,999
<b>Total Investing Activities</b>	<b>(1,219,334)</b>
<b>Net Change in Cash for Period</b>	<b>(7,194,746)</b>
<b>Cash at Beginning of Period</b>	<b>33,403,480</b>
<b>Cash at End of Period</b>	<b>26,208,734</b>

**Development Corporation of Abilene, Inc.**  
**Economic Development Program Status**  
**July 31, 2024**

**FY24 Economic Development Project Activity for Multi Year Contracts**

<b>Multi-Year Capital Improvement Projects &amp; Contracts</b>	<b>Project Budget Amount</b>	<b>Prior Years Spend</b>	<b>Current YTD FY24 Spend</b>	<b>Balance Reserved</b>	<b>Project Completed?</b>
City Street Maintenance Fund FY 2019-2023	8,500,000	6,047,007	1,984,190	468,803	
Bridgestone/Bandag (Project Eagle II) 2022	6,000,000	-	3,000,000	3,000,000	
Petrosmith (Project Morello) 2023	2,750,000			2,750,000	
AbiMar (Project Zephyr) 2024	463,100			463,100	
ACUFloor (Project Balance) 2024	17,000			17,000	
Hardin Simmons University (Project Campo 2023)	49,900			49,900	
ABI Windows (Project Bonanza) 2023	7,479,250	758,000	9,630	6,711,620	
Hendrick Medical Center (Project Saldo) 2023	909,500	-	-	909,500	
Great Lakes Cheese Incentive 2021	30,000,000	16,000,000	8,000,000	6,000,000	
5 Points Business Park Permanent Parking 2023	287,326	-	287,326	-	Yes
Marigold & Fulwiler St. Upgrade/EDA Grant Match 2021	3,000,000	287,374	160,197	2,552,429	
United Ag & Turf (Quality Implement) 2021	500,000	250,000		250,000	
PactivEvergreen Lease Deposit 2023	100,000		100,000	-	Yes
Lancium 2021	2,500,000	-		2,500,000	
ACU Next Lab 2021	2,930,000	586,000	-	2,344,000	
Hendrick Medical Center (Project Double T) 2021	1,540,000	-	616,000	924,000	
5 Points Business Park Trucking & Maneuvering Area 2023	1,803,870	1,237,752	487,168	-	Yes
Dyess AFB DEAAG/Matching Grant 2022	300,000	92,217	37,903	169,880	
City Street Maintenance Fund FY 2024-2028	10,000,000	-	-	10,000,000	
Dyess AFB JLUS Implementation/Matching Grant 2022	55,000	31,934	-	23,066	
TSTC New Abilene Campus 2017	4,179,600	1,779,600	400,000	2,000,000	
<b>TOTAL Multi Year Capital Projects</b>	<b>\$ 83,364,546</b>	<b>\$ 27,069,884</b>	<b>\$ 15,082,413</b>	<b>\$ 41,133,298</b>	

<b>Multi-Year Economic Incentives Principal Reductions*</b>	<b>Economic Incentive Budget</b>	<b>Prior Years Expensed</b>	<b>Current YTD FY24 Expense</b>	<b>Remaining Economic Incentive Budget</b>	<b>Contract Fulfilled?</b>
BE in Abilene 2019	200,000	96,667	625	102,708	
BE in Abilene 2020	200,000	150,000		50,000	
FDLIC 2020	1,035,000	517,500	258,750	258,750	
Hartmann's 2020	900,000	-		900,000	
Primal Pet Group	4,532,988	172,988	-	4,360,000	
Bavarian - Extrusion Concepts 2020	400,000	80,000		320,000	
Chike Next Level Blending 2020	370,174	-	370,174	-	Yes
Vista Flags 2021	50,909	40,000	10,909	-	Yes
United Ag & Turf (Quality Implement) 2021	300,000	100,000	50,000	150,000	
<b>TOTAL Multi Year Economic Incentive Principal Reduction Earned</b>	<b>\$ 7,989,071</b>	<b>\$ 1,157,155</b>	<b>\$ 690,458</b>	<b>\$ 6,141,458</b>	

*\*These incentives are expensed as Principal Reductions based on company's contractual compliance reports.*

<b>APPROVED PROJECTS - NOT CONTRACTED</b>	
	<b>Amount Reserved</b>
Project RoadRunner 2024	\$ 10,536,000

# **DCOA Investment Report**

Q2 2024 DCOA Investment Report  
 For Period April 1, 2024 to June 30, 2024  
 Date Report Prepared: July 15, 2024

<b>PORTFOLIO SUMMARY</b>	
Beginning Market Value for Reporting Period (4/1/2024)	\$ 20,817,454
Ending Market Value for Reporting Period (6/30/2024)	\$ 21,035,245
\$ Change in Market Value for Reporting Period (April-June 2024)	\$ 217,791
% Change in Market Value for Reporting Period (April-June 2024)	1.05%
Income Received during Period (April-June 2024)	\$ 181,421
Total Accrued Interest for the Period (April-June 2024)	\$ 133,404
Estimated Annual Income Based on Current Holdings	\$ 712,202

<b>DCOA INVESTMENT POLICY REQUIREMENTS</b>	
Article IV(C) - Portfolio yield greater than Bloomberg 1-3 US Treasury Index yield.	
6/30/2024 DCOA Portfolio Yield	4.77%
6/30/2024 Bloomberg 1-3 US Treasury Index	4.78%

Article IX(A) - The Market Value of the pledged collateral must be equal to or greater than 102% of the principal and accrued interest for cash balances in excess of Federal Deposit Insurance Corporation (FDIC) insurance coverage.	
First Financial Bank Cash Balance in Excess of FDIC Insurance Coverage	\$ 3,917,596
Collateral Required for at 102% of Balances	\$ 3,995,948
Market Value of Pledged Collateral as of 6/30/2024	\$ 16,774,167

Q2 2024 DCOA Investment Report  
 For Period April 1, 2024 to June 30, 2024  
 Date Report Prepared: July 15, 2024

PORTFOLIO HOLDINGS AT END OF Q2 2024 (6/2024)											
Security Name	CUSIP	Security Type	Interest Payments Received	Market Value	Yield	Interest Rate	Book Value (Cost)	Unrealized Gain (Loss)	Quantity	Maturity Date	Accrued Interest
Goldman Sachs Financial Square Government Fund	FGTXX	Money Market Fund	\$ 73,233.93	\$ 6,020,488.82	5.30%		\$ 6,020,488.82	\$ -	6,020,488.82		\$ 25,742.90
United States Treasury Note/Bond 1.375% 31 Aug 2026	912828YD6	Fixed Income	\$ -	\$ 466,155.00	1.47%	1.38%	\$ 462,011.31	\$ 4,143.69	500,000.00	8/31/2026	\$ 2,297.90
United States Treasury Note/Bond 1.5% 31 Jan 2027	912828Z78	Fixed Income	\$ -	\$ 370,188.00	1.62%	1.50%	\$ 372,158.12	\$ (1,970.12)	400,000.00	1/31/2027	\$ 2,505.50
United States Treasury Note/Bond 1.625% 30 Nov 2026	912828YU8	Fixed Income	\$ 4,062.50	\$ 465,940.00	1.74%	1.63%	\$ 472,172.01	\$ (6,232.01)	500,000.00	11/30/2026	\$ 688.19
United States Treasury Note/Bond 1.625% 31 Oct 2026	912828YQ7	Fixed Income	\$ 4,062.50	\$ 466,935.00	1.74%	1.63%	\$ 471,832.97	\$ (4,897.97)	500,000.00	10/31/2026	\$ 1,368.89
United States Treasury Note/Bond 1.75% 31 Dec 2026	912828YX2	Fixed Income	\$ -	\$ 466,640.00	1.88%	1.75%	\$ 469,748.44	\$ (3,108.44)	500,000.00	12/31/2026	\$ 4,398.78
United States Treasury Note/Bond 1.875% 28 Feb 2027	91282CEC1	Fixed Income	\$ -	\$ 373,156.00	2.01%	1.88%	\$ 371,451.12	\$ 1,704.88	400,000.00	2/28/2027	\$ 2,506.79
United States Treasury Note/Bond 1.875% 31 Aug 2024	9128282U3	Fixed Income	\$ -	\$ 397,572.00	1.89%	1.88%	\$ 395,774.16	\$ 1,797.84	400,000.00	8/31/2024	\$ 2,506.79
United States Treasury Note/Bond 2% 30 Jun 2024	912828XX3	Fixed Income	\$ -	\$ 400,000.00	2.00%	2%	\$ 396,126.39	\$ 3,873.61	400,000.00	6/30/2024	\$ -
United States Treasury Note/Bond 2.125% 30 Nov 2024	9128283J7	Fixed Income	\$ 4,250.00	\$ 394,864.00	2.15%	2.13%	\$ 397,001.55	\$ (2,137.55)	400,000.00	11/30/2024	\$ 719.94
United States Treasury Note/Bond 2.125% 30 Sep 2024	9128282Y5	Fixed Income	\$ 4,250.00	\$ 396,760.00	2.14%	2.13%	\$ 396,949.50	\$ (189.50)	400,000.00	9/30/2024	\$ 2,136.61
United States Treasury Note/Bond 2.125% 31 Jul 2024	9128282N9	Fixed Income	\$ -	\$ 398,932.00	2.13%	2.13%	\$ 396,886.95	\$ 2,045.05	400,000.00	7/31/2024	\$ 3,549.45
United States Treasury Note/Bond 2.125% 31 May 2026	9128286X3	Fixed Income	\$ 5,312.50	\$ 476,135.00	2.23%	2.13%	\$ 476,600.12	\$ (465.12)	500,000.00	5/31/2026	\$ 899.93
United States Treasury Note/Bond 2.25% 31 Dec 2024	9128283P3	Fixed Income	\$ -	\$ 393,992.00	2.28%	2.25%	\$ 395,147.18	\$ (1,155.18)	400,000.00	12/31/2024	\$ 4,524.46
United States Treasury Note/Bond 2.25% 31 Mar 2026	9128286L9	Fixed Income	\$ 5,625.00	\$ 478,750.00	2.35%	2.25%	\$ 482,049.70	\$ (3,299.70)	500,000.00	3/31/2026	\$ 2,827.87
United States Treasury Note/Bond 2.25% 31 Oct 2024	9128283D0	Fixed Income	\$ 4,500.00	\$ 395,864.00	2.27%	2.25%	\$ 397,519.36	\$ (1,655.36)	400,000.00	10/31/2024	\$ 1,516.30
United States Treasury Note/Bond 2.375% 30 Apr 2026	912828654	Fixed Income	\$ 5,937.50	\$ 479,065.00	2.48%	2.38%	\$ 483,639.44	\$ (4,574.44)	500,000.00	4/30/2026	\$ 2,000.68
United States Treasury Note/Bond 2.5% 28 Feb 2026	9128286F2	Fixed Income	\$ -	\$ 481,365.00	2.60%	2.50%	\$ 484,418.93	\$ (3,053.93)	500,000.00	2/28/2026	\$ 4,177.99
United States Treasury Note/Bond 2.5% 31 Jan 2025	9128283V0	Fixed Income	\$ -	\$ 393,572.00	2.54%	2.50%	\$ 396,951.61	\$ (3,379.61)	400,000.00	1/31/2025	\$ 4,175.82
United States Treasury Note/Bond 2.5% 31 Mar 2027	91282CE4	Fixed Income	\$ -	\$ 473,925.00	2.64%	2.50%	\$ 472,404.69	\$ 1,520.31	500,000.00	3/31/2027	\$ 3,142.08
United States Treasury Note/Bond 2.625% 31 Dec 2025	9128285T3	Fixed Income	\$ -	\$ 483,710.00	2.71%	2.63%	\$ 481,423.86	\$ 2,286.14	500,000.00	12/31/2025	\$ 6,598.17
United States Treasury Note/Bond 2.625% 31 Jan 2026	9128286A3	Fixed Income	\$ -	\$ 482,910.00	2.72%	2.63%	\$ 481,330.05	\$ 1,579.95	500,000.00	1/31/2026	\$ 5,480.77
United States Treasury Note/Bond 2.625% 31 Mar 2025	9128284F4	Fixed Income	\$ 5,250.00	\$ 392,468.00	2.68%	2.63%	\$ 398,030.34	\$ (5,562.34)	400,000.00	3/31/2025	\$ 2,639.34
United States Treasury Note/Bond 2.75% 28 Feb 2025	9128283Z1	Fixed Income	\$ -	\$ 393,504.00	2.80%	2.75%	\$ 398,874.90	\$ (5,370.90)	400,000.00	2/28/2025	\$ 3,676.63
United States Treasury Note/Bond 2.75% 30 Apr 2027	91282CEN7	Fixed Income	\$ 6,875.00	\$ 476,365.00	2.89%	2.75%	\$ 475,700.51	\$ 664.49	500,000.00	4/30/2027	\$ 2,316.58
United States Treasury Note/Bond 2.75% 30 Jun 2025	912828XZ8	Fixed Income	\$ -	\$ 390,848.00	2.81%	2.75%	\$ 398,906.25	\$ (8,058.25)	400,000.00	6/30/2025	\$ 5,529.89
United States Treasury Note/Bond 2.75% 31 Aug 2025	9128284Z0	Fixed Income	\$ -	\$ 389,640.00	2.82%	2.75%	\$ 391,276.40	\$ (1,636.40)	400,000.00	8/31/2025	\$ 3,676.63
United States Treasury Note/Bond 2.875% 30 Apr 2025	9128284M9	Fixed Income	\$ 5,750.00	\$ 392,488.00	2.93%	2.88%	\$ 399,343.75	\$ (6,855.75)	400,000.00	4/30/2025	\$ 1,937.50
United States Treasury Note/Bond 2.875% 30 Nov 2025	9128285N6	Fixed Income	\$ 5,750.00	\$ 388,876.00	2.96%	2.88%	\$ 387,390.66	\$ 1,485.34	400,000.00	11/30/2025	\$ 974.04
United States Treasury Note/Bond 2.875% 31 Jul 2025	912828Y79	Fixed Income	\$ -	\$ 390,780.00	2.94%	2.88%	\$ 392,340.75	\$ (1,560.75)	400,000.00	7/31/2025	\$ 4,802.20
United States Treasury Note/Bond 2.875% 31 May 2025	9128284R8	Fixed Income	\$ 5,750.00	\$ 391,768.00	2.94%	2.88%	\$ 399,375.00	\$ (7,607.00)	400,000.00	5/31/2025	\$ 974.04
United States Treasury Note/Bond 3% 30 Sep 2025	9128285C0	Fixed Income	\$ 6,000.00	\$ 390,252.00	3.07%	3%	\$ 393,699.83	\$ (3,447.83)	400,000.00	9/30/2025	\$ 3,016.39
United States Treasury Note/Bond 3% 31 Oct 2025	9128285J5	Fixed Income	\$ 6,000.00	\$ 389,892.00	3.08%	3%	\$ 390,961.32	\$ (1,069.32)	400,000.00	10/31/2025	\$ 2,021.74
United States Treasury Note/Bond 4.125% 15 Jun 2026	91282CHH7	Fixed Income	\$ 10,312.50	\$ 494,260.00	4.17%	4.13%	\$ 496,874.00	\$ (2,614.00)	500,000.00	6/15/2026	\$ 901.64
United States Treasury Note/Bond 4.5% 15 Jul 2026	91282CHM6	Fixed Income	\$ -	\$ 497,850.00	4.52%	4.50%	\$ 500,855.70	\$ (3,005.70)	500,000.00	7/15/2026	\$ 10,384.62
United States Treasury Note/Bond 4.625% 15 Sep 2026	91282CHY0	Fixed Income	\$ -	\$ 499,335.00	4.63%	4.63%	\$ 494,980.85	\$ 4,354.15	500,000.00	9/15/2026	\$ 6,786.69
			<b>\$ 162,921.43</b>	<b>\$ 21,035,244.82</b>			<b>\$ 21,092,696.54</b>	<b>\$ (57,451.72)</b>			<b>\$ 133,403.74</b>

SECURITIES MATURED DURING Q2 2024 (4/2024 - 6/2024)			
Security Name	CUSIP	Interest Payments Received	Maturity Date
United States Treasury Note/Bond 2% 30 Jun 2024	912828XX3	\$ 4,000.00	6/30/2024
United States Treasury Note/Bond 2.5% 31 May 2024	91282CER8	\$ 5,000.00	5/31/2024
United States Treasury Note/Bond 2.5% 30 Apr 2024	91282CEK3	\$ 5,000.00	4/30/2024
United States Treasury Note/Bond 2.25% 31 Mar 2024	91282CEG2	\$ 4,500.00	3/31/2024
		<b>\$ 18,500.00</b>	

Q2 2024 DCOA Investment Report  
For Period April 1, 2024 to June 30, 2024  
Date Report Prepared: July 15, 2024

**Committee Minutes and Compliance Certification**

The Committee reviewed the portfolio's market value, yield, and collateral requirements as outlined in the DCOA's Investment Policy.

The market value of the DCOA's portfolio at 6/30/2024 was \$21,035,245 showing an unrealized market value increase of 1.05% for the quarter. Total interest payments received during the quarter was \$181,421. The yield of the DCOA's portfolio as of 6/30/2024 was 4.77% which is on par the Bloomberg 1-3 US Treasury Index yield of 4.78%.

This Investment Report meets the requirements set for in the DCOA's Investment Policy; and because of that, this report is compliant with the Public Funds Investment Act (Chapter 2256 of Texas Government Code).

DocuSigned by:

*Sam Vinson*

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Sam Vinson, Secretary/Treasurer of the DCOA Board of Directors & Investment Officer

DocuSigned by:

*Floyd Miller*

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Floyd Miller, DCOA Board of Directors & Investment Officer

DocuSigned by:

*Misty Mayo*

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Misty Mayo, DCOA President & CEO; Investment Officer

Signed by:

*Julie Johncox*

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Julie Johncox, DCOA EVP & COO; Investment Officer

DocuSigned by:

*Regi McCabe-Gossett*

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Regi McCabe-Gossett, DCOA Controller; Investment Officer

7/15/2024

Date

# **Foreign Trade Zone**



Develop Corporation of Abilene,  
Inc (“DCOA”) – Foreign Trade  
Zone (“FTZ”)

August 2024

**EY**

Building a better  
working world



# Foreign Trade Zone Program Snapshot

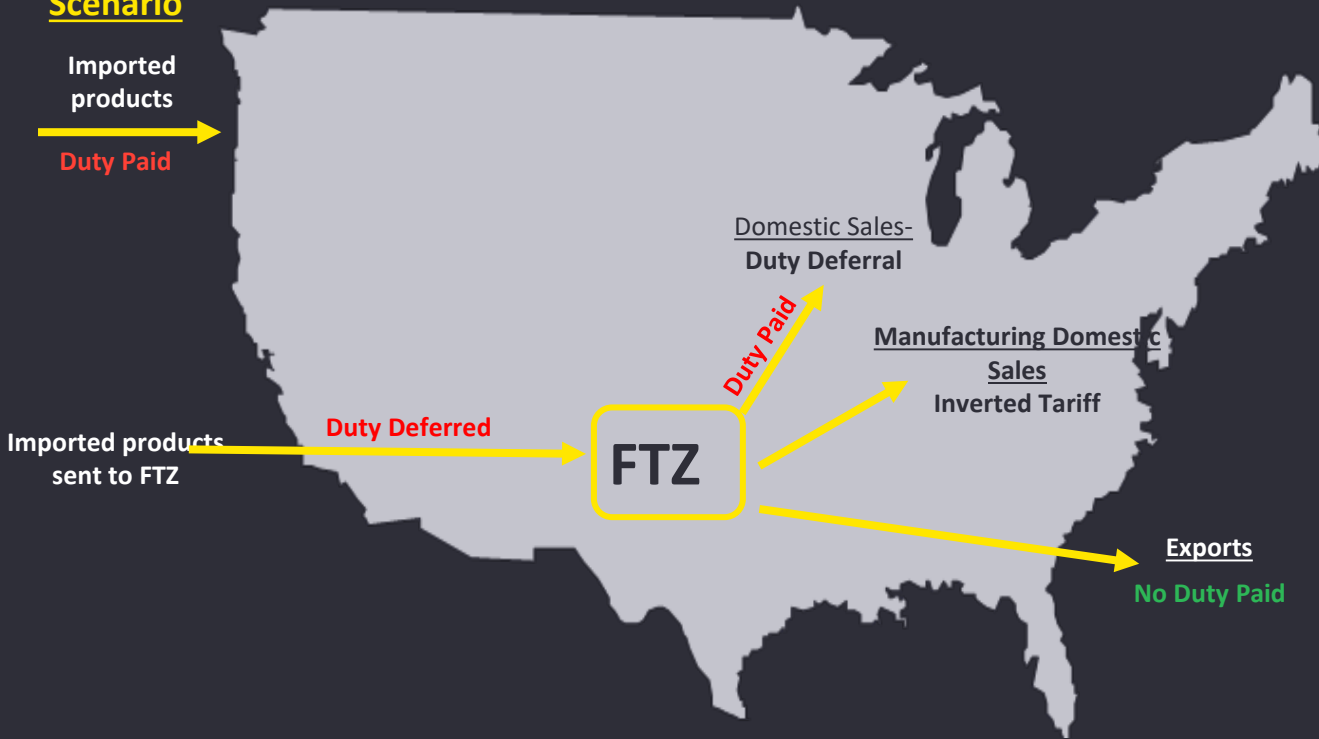


- What is an FTZ? (slide 3)
  - Foreign-Trade Zones (FTZs) are specially designated sites near U.S. ports of entry that allow importers and exporters of all sizes to move goods in and out of the country paying reduced or no customs duties, taxes, or fees. Designed to help U.S. companies remain globally competitive, companies operating in an FTZ are treated as if they are outside of U.S. Customs territory for duty purposes.
- What are the benefits for Development Corporation of Abilene (DCOA) becoming an FTZ? (slide 4)
  - Allows Abilene to access the programs federal incentive benefits.
  - Marketing tool which can be leveraged to entice companies to locate within DCOA's zone.
  - Fee collection to recoup cost of administering the program; associated fees are set by DCOA.
  - Control of zone administration and assisting companies with getting FTZ approval.
- How long does it take to setup a new FTZ? (slide 5)
  - In order for DCOA to receive a grant of authority from the FTZ Board it will take approximately **6-8 months** for approval.
  - Once the grant of authority is issued, any company that wishes to apply for FTZ status within DCOA's zone will take approximately **4-6 months**.
- FTZ administrative requirements for DCOA (slide 6)
  - Process, maintain and file operator applications; formal submission to the FTZ Board.
  - Update each site's information (activation: status, space, and date) and grantee contact information in OFIS.
  - Assist operators with compiling and filing the annual zone report to the FTZ Board.
  - Maintain communication system with zone operators and U.S. Customs.

# Foreign Trade Zone (FTZ) Program & Benefits



## Non-FTZ Scenario



- An FTZ is considered outside US Customs territory
- Designed to increase the use of American labor, US capital investment and US exports by allowing activity to occur in the US prior to the application of US customs laws, thereby equalizing the customs treatment of the activity with foreign competition
- **Benefits include:**
  - *Duty Elimination*
    - If imported item is exported in its original form or manufactured form, or destroyed
  - *Duty Deferral*
    - The realization of cash flow savings on the deferral of import duty until imported item is removed from the zone
  - *Inverted Tariff*
    - Manufacturers may elect to pay duty on the value of the imported materials at the lower rate of duty applicable to the materials or the finished products (potential for duty reduction or elimination)
  - *Fee Reduction (Merchandise Processing Fee)*
    - A single Merchandise Processing Fee (MPF) on imported items is paid weekly, instead of a separate charge at time of each import
  - *Production Equipment*
    - Duty deferral benefit is available on imported parts/component of a production equipment; Potential for inverted tariff as well
  - *State and Local Tax Benefits*
    - Imported inventory held in an FTZ and domestic inventory held in an FTZ for export may be exempt from state and local property taxes. Additional tax benefits may be available in other states such as Arizona, **Texas**, and Louisiana



# FTZ Economic Impact for DCOA Service Area



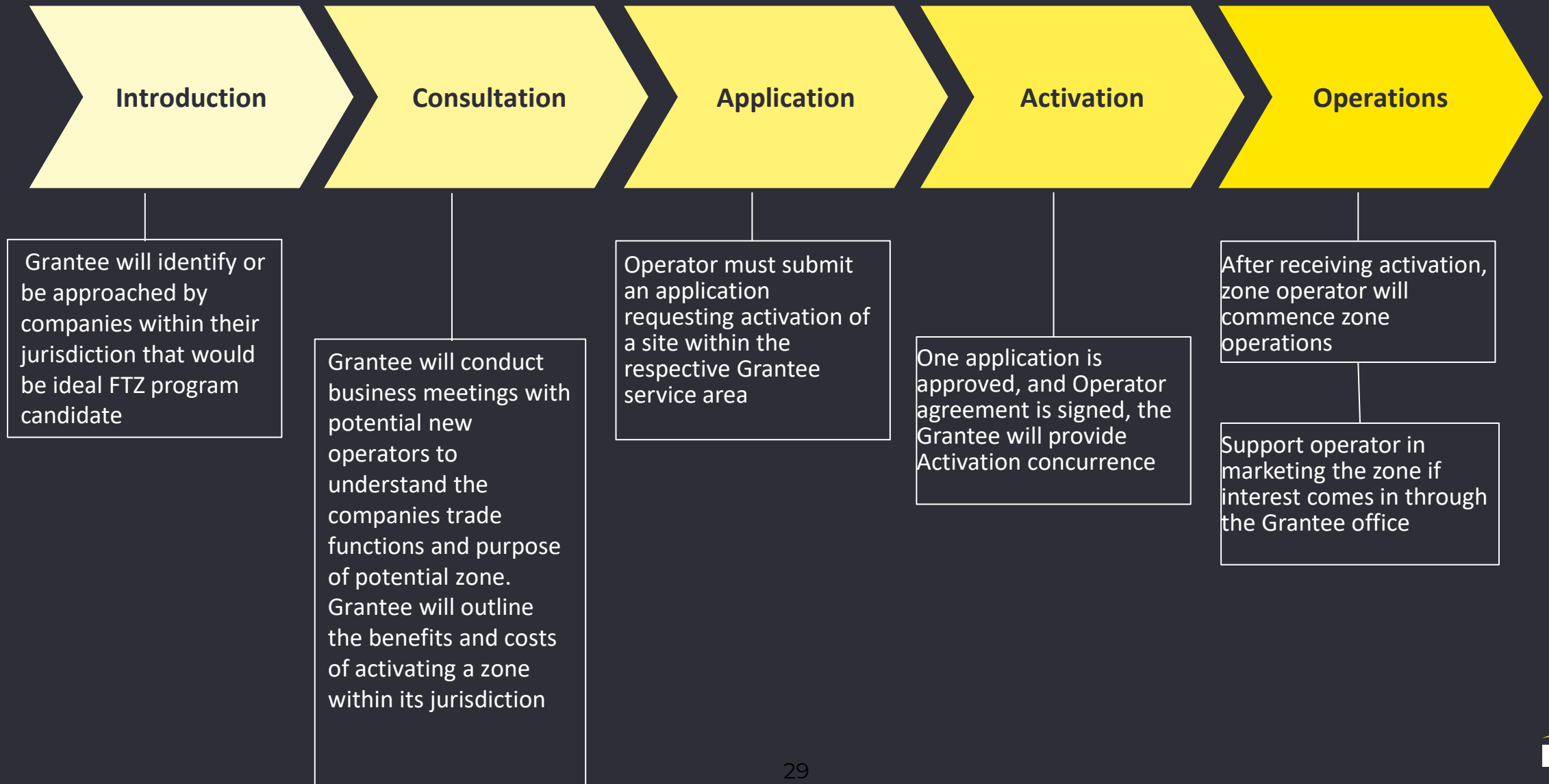
- Establishing an FTZ has the potential to deliver a myriad of advantages to the community. These benefits encompass bolstering local and statewide economic development, fostering increased capital investment, reinforcing the domestic presence of American companies, capitalizing on diverse opportunities for duty and tax savings, and create employment opportunity and job creation.
- The economic impact to the counties within DCOA service area becoming an FTZ will be significant. FTZ status often attracts American companies with foreign manufacturing plants and foreign companies looking to establish operations in a favorable business environment. This influx of Foreign direct Investment will bring in capital, technology, and expertise, stimulating economic growth. Lead to the creation of new jobs within the zone, as well as in supporting industries and services.
- Manufacturing, assembly, logistics, and trade-related activities typically generate employment opportunities, benefiting the local workforce. The establishment of an FTZ will spur infrastructure development within the counties. This may include improvements to transportation networks, utilities, and telecommunications infrastructure, benefiting both the zone and the broader community. While FTZs offer tax incentives and customs benefits to businesses within the zone, they can also generate revenue for the county through lease agreements, licensing fees, and other charges associated with operating the zone. By attracting businesses from various industries, FTZs can contribute to economic diversification, reducing reliance on a single sector and mitigating risks associated with industry-specific downturns.

# FTZ Operator Setup Timeline

- **Phase I: Geographical Approval (Grantee responsibility)**
  - Operator will apply through Grantee for geographical FTZ designation from the FTZ Board
- **Phase II: Obtain Production Notification approval (Operator responsibility for manufacturing sites only)**
  - FTZ Board approval will be needed for the production activity taking place at each manufacturing facility.
  - Approval will take 120 days once completed application is submitted to the FTZ Board. There will be 40-day comment period for the public to submit comments on the application to the FTZ Board. The notification can be submitted prior or simultaneously to the geographical application
- **Phase III: FTZ Activation (Operator responsibility)**
  - As part of the activation process, the Port Director will review the physical security of the site, FTZ inventory control procedures that have been established, background of the personnel who will have access to and could change the FTZ inventory and recordkeeping, operator bond and other CBP documentary requirements
  - Obtain Grantee concurrence for activation (Grantee responsibility)
    - Based on communication with Grantee, the grantee concurrence for activation will be provided upon approval of subzone status and agreement by the zone operator to execute the Operator agreement

Phase No.	Phases	FTZ Operator Timeline											
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
1	Geographical Application	1-4 Months											
2	Production Notification			4 Months									
3	Activation				6-8 Months								

# Grantee Administration Responsibilities



# **Report from the President and CEO**



**Develop Abilene**  
DEVELOPMENT CORPORATION OF ABILENE

## **OUR VISION**

The Vision of the  
Development Corporation of Abilene  
is to build the future Abilene.

## **OUR MISSION**

The Mission of the  
Development Corporation of Abilene  
is to lead economic growth in  
Abilene by attracting and sustaining  
industries that support job creation,  
foster strong business, and ensure a  
prosperous community.

# ECONOMIC DEVELOPMENT STRATEGIES AND OBJECTIVES



## **BUSINESS ATTRACTION**

*Promote Abilene as the premier location for business.*

Strengthen Abilene's competitive advantage by activating strategies that attract consistent and sustainable investment for the community.

## **BUSINESS RETENTION & EXPANSION**

*Influence business growth in the community.*

Create a culture that engages existing targeted-industry businesses as the catalyst for sustaining and growing our economic base.

## **WORKFORCE DEVELOPMENT**

*Implement innovative workforce initiatives to support Type A Companies.*

Initiate new innovative approaches to broaden workforce capacity, creating a sustainable pipeline of available workforce and support systems for existing and future Type A Companies.

## **MARKETING & BRAND MANAGEMENT**

*Market the community aggressively and proactively.*

Develop a robust marketing strategy for DevelopAbilene encompassing communication systems and strategic research to support all initiatives of the DCOA under a highly recognizable brand.

## **REAL ESTATE**

*Prioritize real estate assets that spur Abilene's future growth.*

Lead industry development initiatives and strategic projects that most effectively impact long-term economic development success.

## **EFFECTIVE OPERATIONS**

*Ensure DCOA's effectiveness to continue long-term success and impact for Abilene in economic development.*

Establish sustainable mission-critical operations that maximize the DCOA's effectiveness in implementing strategies aligned with the Mission.





# Business Attraction

*Promote Abilene as the premier location for business.*

Strengthen Abilene's competitive advantage by activating strategies that attract consistent and sustainable investment for the community.

# TEXAS GOVERNOR GREG ABBOTT'S TEXAS-ASIA TRADE MISSION - MISTY MAYO SELECTED AS MEMBER OF THE TEXAS DELEGATION

Served on a delegation to Asia to strengthen partnerships and meet prospective companies with the potential to expand in Abilene and in Texas.

140+ companies / attendees of meetings with

- Japan External Trade Organization (JETRO)
- Korea International Trade Association (KITA)
- Embassy of the Republic of Korea
- Taiwan Ministry of Economy & Ministry of Foreign Affairs



DCOA also met with companies and individuals outside of the Texas delegation to promote Abilene, Texas as a premier location for business expansion.

- 100+ companies / attendees of Japan Business Club meetings
- 16 meetings with companies and individuals with ties to Abilene
- Business Retention & Expansion Visit to business executives at an existing Abilene company's corporate headquarters

Strategic opportunity to continue to build Abilene's reputation within the state of Texas, providing access to resources and connections.

# THE DCOA WORKS TO PROMOTE ABILENE, TEXAS TO CORPORATE SITE SELECTION CONSULTANTS, DEVELOPERS, AND PROSPECTIVE COMPANIES



**Select USA**  
Foreign Direct Investment Summit

**9**  
Marketing Missions  
(Requires Travel)

**Consultant Connect**  
Site Selection Consultant Summit

**3**  
Developer Meetings

**6**  
Responses submitted to Requests for Proposals (RFPs)



**United State Embassy Bern**  
Visited Abilene as a direct result of connections established during a targeted marketing mission.



**A priority strategy for DCOA** is to identify developers for commercial development in Abilene, with a focus on exploring potential public/private partnership opportunities

**9 RFPs received**  
RFPs represent prospective company partnership opportunities to submit formal project responses that include detailed information about the DCOA and Abilene.

These types of requests are a direct result of DCOA relationships developed with corporate site selection consultants, prospective companies, Texas Governor's Office of Economic Development & Tourism (TxEDT), and others

**3**  
Site Visits

**Visits** from prospective companies and/or site selection consultants engaging with the DCOA to experience Abilene's competitive advantages



# Business Retention & Expansion

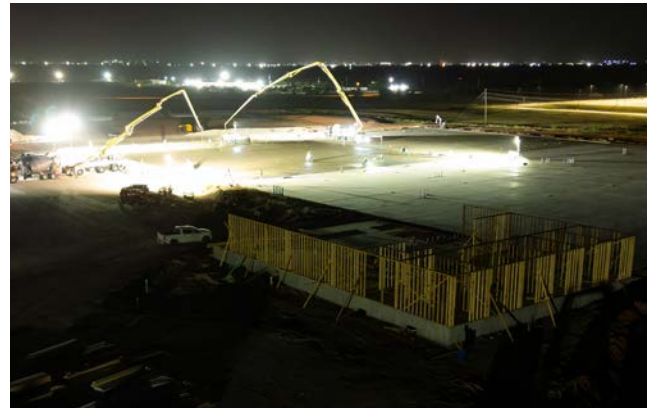
*Influence business growth in the community.*

Create a culture that engages existing targeted-industry businesses as the catalyst for sustaining and growing our economic base.

# THE DCOA PARTNERS WITH LOCAL PRIMARY EMPLOYERS TO ENSURE THEY STAY, GROW, AND PROSPER IN ABILENE, TEXAS

## 19 BRE MEETINGS

Conducted 19 Business Retention & Expansion visits with local existing companies to gather data, increase relationships, and identify workforce & expansion/growth opportunities.



**ABI Windows Expansion Project**  
Began pouring concrete for their facility in the DCOA's Five Points Business Park



**Lancium's Expansion Project**  
Lancium & Crusoe broke ground on the first facility located in Lancium's Clean Campus



### Great Lakes Cheese in Abilene, Texas

- DCOA hosted the outgoing President & CEO, incoming President & CEO, and additional corporate executives in Abilene to tour Dyess Air Force Base and the B-1 Bomber
- The success of the DCOA is due to consistently implementing best practices, including delivering on promises made - providing exceptional service after the deal is complete



### 2 Profs Gourmet Ice Cream 2020 Project Complete

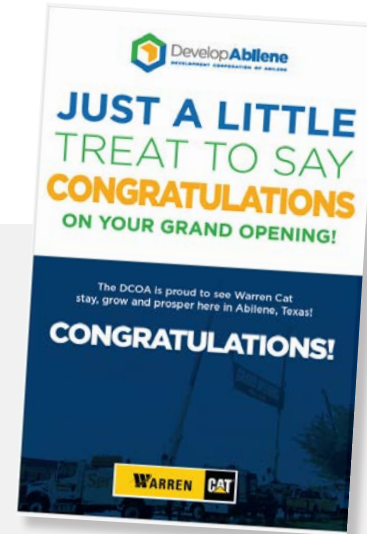
(BE in Abilene 2020)

# THE DCOA PARTNERS WITH LOCAL PRIMARY EMPLOYERS TO ENSURE THEY STAY, GROW, AND PROSPER IN ABILENE, TEXAS



DCOA represents economic development in Big Country Manufacturing Alliance (BCMA)

- **2 roundtables** with local companies to hear the needs from manufacturers in the region on topics like workforce education & trends that affect manufacturing on a national level
- **Senator Ted Cruz** joined BCMA roundtable in Abilene to hear directly from local primary employers



## DCOA's "Thankful" Campaign

A key strategy of the BRE program is to build relationships to promote ongoing growth.

- **Warren Cat** opened new facility in Abilene  
*DCOA team assisted Warren Cat in the early stages of site search*
- **Texas Star Trading Company** celebrated 20th Anniversary  
*Tenant in DCOA-owned building*
- **ABI Windows** operational in Abilene  
*Current tenant in DCOA-owned facility while they are building new facility in the DCOA's Five Points Business Park*

# THE DCOA IS COMMITTED TO EMPOWERING AND GROWING ABILENE'S PRIMARY EMPLOYERS



## Tour of Lockheed Martin with Military Affairs Committee

- Better understand government contracting with aerospace & aviation companies
- Cultivate valuable relationships with possible key suppliers with aerospace & aviation industry

### BUSINESS RETENTION & EXPANSION STRATEGY

Establish a sustainable system for identifying, research, and engaging existing Type A businesses.



## Tour of visiting B-52s at Dyess Air Force Base with Military Affairs Committee and Abilene business leaders

### BUSINESS RETENTION & EXPANSION STRATEGY

Develop programs to support the growth of existing businesses.



## Met with Texas Tech University Health Sciences Center - long-term partnership with DCOA

Discussed the National Science Foundation (NSF) Engines Grant application & explored how the DCOA can play a strategic role in attracting manufacturing and distribution companies within the biotechnology industry through the grant opportunity

### BUSINESS RETENTION & EXPANSION STRATEGY

Become a hub for creative and innovative business.



## Business Retention Expansion International Annual Conference

### Enhance DCOA's BRE Program

- Learned innovative strategies to expand and improve the effectiveness of the DCOA's BRE program

### Best Practices & Industry Trends:

- Gained insights into the latest best practices in the industry
- Captured emerging trends that can be leveraged to retain and grow local businesses

### BUSINESS RETENTION & EXPANSION STRATEGY

Develop programs to support the growth of existing businesses.



# Workforce Development

*Implement innovative workforce initiatives to support Type A Companies.*

Initiate new innovative approaches to broaden workforce capacity, creating a sustainable pipeline of available workforce and support systems for existing and future Type A Companies.



# THE DCOA WORKS TO CREATE OPPORTUNITIES TO CONNECT EDUCATION AND LOCAL PRIMARY EMPLOYERS TOGETHER



## NEXTU - Wylie ISD and Abilene ISD

- **159 students** actively enrolled
- **43 students** graduated in May 2024

### WORKFORCE DEVELOPMENT STRATEGY

Implement programs to sustain and enhance the skills and capabilities of the regional workforce aligned with targeted industries.



The DCOA hosted an intern through the Upward Bound program, underscoring our commitment to nurturing the next generation of professionals.



The DCOA connected Abilene ISD's robotics team, developed through the Academy for Technology, Engineering, Mathematics, and Science (ATEMS), with local employers to support the development of students to become future leaders in future technologies.

# THE DCOA PROVIDES OPPORTUNITIES TO BRIDGE THE GAP BETWEEN ABILENE'S PRIMARY EMPLOYERS AND AIRMEN EXITING DYESS AIR FORCE BASE

## FROM ACTIVE DUTY TO ACTIVE CAREER

- 20+ Active-Duty Air Force personnel & spouses and 2 Abilene Companies Attended
- The DCOA coordinated event to strategically place exiting Air Force personnel and their spouses in front of Abilene's primary employers
- Empowers them to explore various career avenues within Abilene and strengthens local workforce



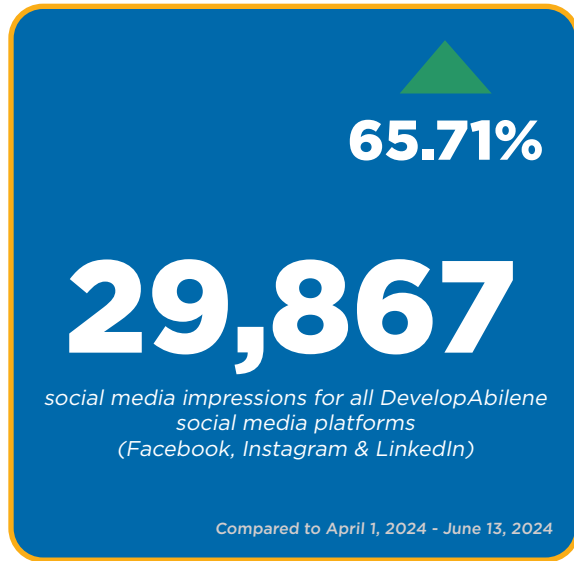


# Marketing & Brand Management

*Market the community aggressively and proactively.*

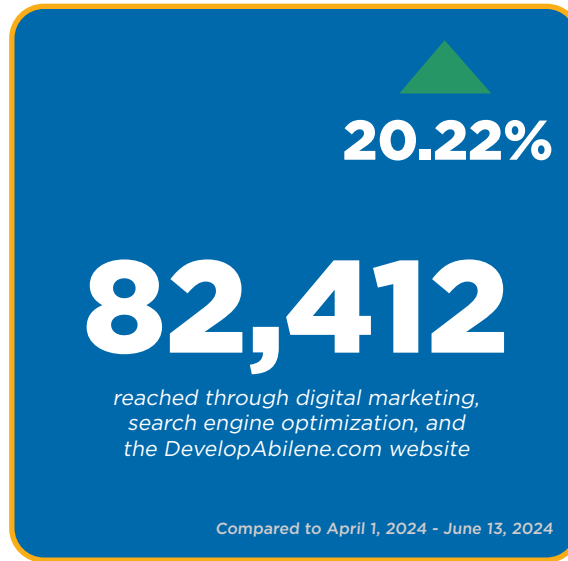
Develop a robust marketing strategy for DevelopAbilene encompassing communication systems and strategic research to support all initiatives of the DCOA under a highly recognizable brand.

# THE DCOA PROMOTES ABILENE, TEXAS AS THE PREMIER LOCATION FOR BUSINESS EXPANSION



#### MARKETING & BRAND MANAGEMENT STRATEGY

Utilize proactive marketing to implement organizational and industry marketing, and state, national, and international outreach efforts.



#### MARKETING & BRAND MANAGEMENT STRATEGY

Identify and develop resources needed to draw prospect interest and confirm the appropriateness of an Abilene location.



#### MARKETING & BRAND MANAGEMENT STRATEGY

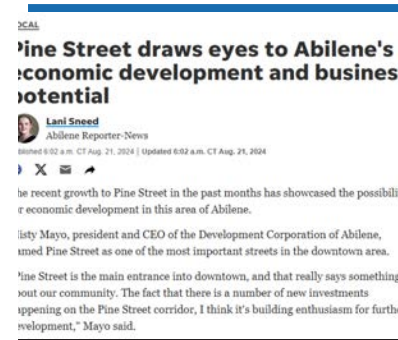
Utilize proactive marketing to implement organizational and industry marketing, and state, national, and international outreach efforts.

# THE DCOA EDUCATES LOCAL STAKEHOLDERS & THE ABILENE COMMUNITY ON THE DCOA'S MISSION, VISION, AND RECENT PROJECTS

Misty Mayo interviewed by KTAB for Texas-Asia Trade Mission and Lancium Project



Misty Mayo interviewed by Abilene Reporter News on Pine Street Development & Lancium Project

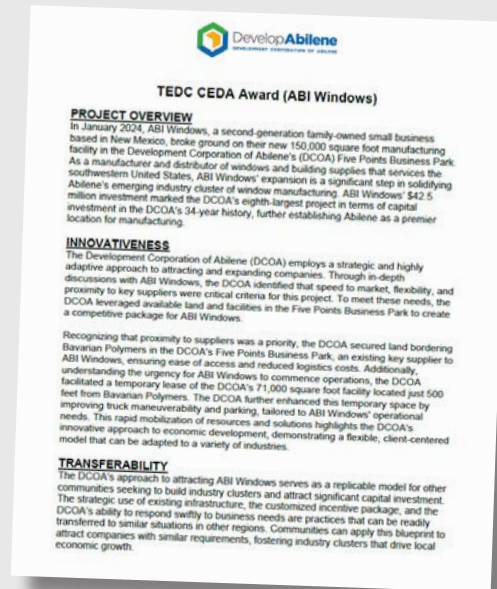


Julie Johncox, Executive Vice President & COO, and Akane Thaxton, Finance Manager, presented two Rotary Flags from Japan to the Downtown Rotary Club of Abilene

# THE DCOA IMPLEMENTS STATEWIDE & NATIONAL OUTREACH EFFORTS TO ENSURE ABILENE, TEXAS REMAINS A BEST PRACTICE ORGANIZATION WITH KEY INDUSTRY ORGANIZATIONS



## Submitted Texas Economic Development Council Community Economic Development Award



**MARKETING & BRAND MANAGEMENT STRATEGY**  
Promote existing growth to leverage positive messages for workforce, business retention and expansion, and business attraction.

## Abilene, Texas highlighted on a panel at the Southern Economic Development Council Annual Conference

Amazon corporate real estate executive selected Abilene to be featured panelist and discuss Amazon's expansion project of the last mile facility





# Real Estate

***Prioritize real estate assets that spur Abilene's future growth.***

Lead industry development initiatives and strategic projects that most effectively impact long-term economic development success.

# AVAILABLE LAND IS A COMPETITIVE ADVANTAGE FOR ABILENE IN ATTRACTING COMPANY EXPANSIONS

**Completed purchase of 2 properties approved by the DCOA's Board of Directors**

**REAL ESTATE STRATEGY**

Analyze and evaluate costs and benefits of all DCOA properties to determine the best use for each property and formulate plans to implement.

**Continued planning sessions with DCOA-hired consultant Ernst & Young to establish Foreign Trade Zone**

**REAL ESTATE STRATEGY**

Plan for long-term opportunities related to economic development incentives, incentive zones, and emerging opportunities.



# THE DCOA MAINTAINS AND IMPROVES CURRENT REAL ESTATE ASSETS TO REINFORCE ABILENE'S COMPETITIVE ADVANTAGE AS A PREMIER LOCATION FOR INVESTMENT



**Completed installation of new sewer line along Polaris Drive and Marigold Street as part of the DCOA's partnership with ABI Windows at Five Points Business Park**



**Completed upgrades & maintenance to DCOA-owned 174 Cypress Street Building, including balcony stabilization & exterior painting**



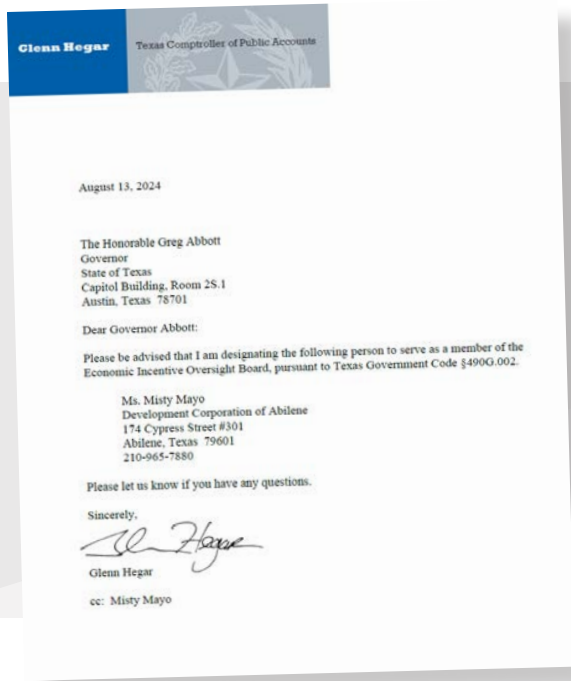
**Launched installation of new natural gas line on Polaris Drive in the DCOA's Five Points Business Park**



# Effective Operations

***Ensure DCOA's effectiveness to continue long-term success and impact for Abilene in economic development.***

**Establish sustainable mission-critical operations that maximize the DCOA's effectiveness in implementing strategies aligned with the Mission.**



## DCOA President & CEO Misty Mayo appointed to the Texas Economic Incentive Oversight Board

### EFFECTIVE OPERATIONS STRATEGY

Implement best practices for policies and financial management systems to ensure future strategic projects are considered, as well as appropriate budgeting, monitoring, recording, and reporting of financial practices.



## DCOA President & CEO Misty Mayo presented the FY 2025 budget & economic development plan to City Council for annual ratification



5 webinars focused on professional development, benchmarking & identifying best practices

# **Resolution Approving Expenditures over \$50,000**

**RESOLUTION NO. DCOA-2024.28**

**A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”) APPROVING EXPENDITURES GREATER THAN OR EQUAL TO \$50,000.**

WHEREAS, the DCOA’s President (“President”) has provided a report of upcoming DCOA expenditures, each of which are expected to be greater than or equal to \$50,000 (the “Report”).

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

**PART 1.** Each expenditure described in the Report is hereby approved and the President shall be and hereby is authorized to make and/or contract for each expenditure described in the Report.

The President is further authorized to, if necessary, on behalf of the DCOA, negotiate, enter into and execute all agreements, make expenditures under said agreements, and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above.

**PART 2.** This Resolution takes effect immediately upon passage.

ADOPTED this the 4th day of September 2024.

ATTEST:

\_\_\_\_\_  
Sam Vinson  
Secretary/Treasurer

\_\_\_\_\_  
Shea Hall  
Chairman of the Board

APPROVED AS TO FORM:

\_\_\_\_\_  
Chris Shelton, Attorney at Law

# Approval of Expenditures over \$50,000



Vendor	Amount	Details
Freese & Nichols	\$61,359.50	<b><u>Freese &amp; Nichols, Inc. (FNI) Master Rail Plan</u></b> Rail Expansion Master Plan to include: <ul style="list-style-type: none"><li>▪ Ultimate Expansion Plan (10-50 years)</li><li>▪ Phasing Options for Short-term Track Expansion (1-10 Years)</li></ul>
Eternal Mark Construction	\$54,348	<b><u>Maintenance to the Fire Loop in DCOA-Owned Hangars at Abilene Regional Airport</u></b> <ul style="list-style-type: none"><li>▪ Installation of 3 new isolation valves</li><li>▪ The Fire Loop supports the hangars that Eagle Aviation Services, Inc. leases from the DCOA</li></ul>

# **Resolution authorizing the DCOA's President to enter into the Fiscal Year 2025 Service Agreements**

- **City of Abilene for the Airport Business Development Management Program**
- **Texas Tech University for the Small Business Development Center**
- **Military Affairs Committee**
- **Abilene Independent School District**

## RESOLUTION NO. DCOA-2024.23

**A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”) AUTHORIZING APPROVAL OF THE FISCAL YEAR 2025 SERVICE AGREEMENTS WITH THE CITY OF ABILENE (THE “CITY”), THE MILITARY AFFAIRS COMMITTEE, TEXAS TECH UNIVERSITY AND ITS DESIGNATED AGENT, THE SMALL BUSINESS DEVELOPMENT CENTER (“SBDC”), AND ABILENE INDEPENDENT SCHOOL DISTRICT (“AISD”).**

WHEREAS, the DCOA’s agreements with the City, the Military Affairs Committee, the SBDC, and AISD are collectively referred to herein as the **“FY25 Service Agreements”**; and,

WHEREAS, the DCOA’s Board of Directors (the **“Board”**) has approved a Fiscal Year 2025 Budget that includes expenditures for each of the FY25 Service Agreements; and,

WHEREAS, the DCOA provides annual funding of up to \$268,714 for certain services performed by the City in its administration of the Airport Business Development Management Program (**“Airport Program”**) at the Abilene Regional Airport and the Board finds that the Airport Program will help the DCOA promote and develop new and expanded business enterprises by allowing the DCOA to promote Abilene as a community that has access to daily commercial flights; and,

WHEREAS, the DCOA provides annual funding of up to \$437,000 for certain services performed by the Military Affairs Committee in its pursuit of additional missions and improvements for Dyess Air Force Base (the **“Project”**), as directed by the Military Affairs Committee and the Board finds that an expenditure on the Project is for the creation or retention of primary jobs and suitable for the development, retention, or expansion of Dyess Air Force Base; and,

WHEREAS, the DCOA provides annual funding of up to \$206,000 for certain expenses incurred by the SBDC to provide counseling services and contract procurement services to small business owners and entrepreneurs based within the City of Abilene (the **“SBDC Program”**) which allows the SBDC to continue to leverage federal and state funds in providing assistance to small businesses and entrepreneurs and the Board finds that the SBDC Program will recruit and/or develop businesses in Abilene, including Abilene’s small business owners and entrepreneurs; and,

WHEREAS, as part of a partnership with AISD, the DCOA provides annual funding of up to \$52,500 for a program designed to transition AISD students from high school into local vocational training programs in the following pathways: Airframe & Powerplant, Applied Agricultural Engineering, Engineering, Electrical Power and Controls, Information Technology Support Services, Industrial Systems, Programming and Software Development, Welding, and/or other fields that fit the criteria of a primary job as defined in Texas Local Government Code Section 501.001 et. seq. (**“NEXTUniversity”**). The Board finds that the expenditure on NEXTUniversity will create or retain primary jobs that are suitable for the development, retention, or expansion of manufacturing facilities, industrial facilities, distribution centers, and other industries listed in Section 501.101(2) of the Texas Local Government Code.



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

- PART 1.** DCOA hereby authorizes and approves of the FY25 Service Agreements and the DCOA’s President (“**President**”) is hereby authorized, on behalf of the DCOA, to negotiate, enter into and execute all of the FY25 Service Agreements, make the expenditures described above, and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above.
- PART 2.** 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 funding commitment herein is extended in writing by the President prior to the expiration date.
- PART 3.** This Resolution takes effect immediately upon passage.

ADOPTED this the 4<sup>th</sup> day of September, 2024.

ATTEST:

\_\_\_\_\_  
Sam Vinson  
Secretary/Treasurer

\_\_\_\_\_  
Shea Hall  
Chair of the Board

APPROVED AS TO FORM:

\_\_\_\_\_  
Chris Shelton, Attorney at Law

# **Resolution to purchase Property 2024-04**

**RESOLUTION NO. DCOA-2024.25**

**A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”) AUTHORIZING THE PURCHASE OF PROPERTY 2024-04.**

WHEREAS, Property 2024-04 (the “**Property**”), as identified during the Board’s discussion in executive session, is for sale and its acquisition would be beneficial to the DCOA; and,

WHEREAS, the DCOA’s staff requests that the DCOA authorize the purchase of the Property, including all fixtures and/or personal property described in the purchase contract for the Property, if any, in an amount not to exceed \$950,000.00, plus all applicable closing costs.

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

**PART 1.** The DCOA authorizes the purchase of the Property, including all fixtures and/or personal property described in the purchase contract, if any, in an amount not to exceed \$950,000.00, plus all applicable closing costs.

**PART 2.** 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 funding commitment herein is extended in writing by the DCOA’s President (the “**President**”).

**PART 3.** The President is hereby authorized to, on behalf of the DCOA, negotiate, enter into and execute all agreements, amend said agreements, make any expenditures described above, and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above. The President is also hereby authorized to obtain a legal description of the Property to be used at closing, obtain a survey if necessary, and amend said legal description if necessary.

**PART 4.** This Resolution takes effect immediately upon passage.

ADOPTED this the 4<sup>th</sup> day of September, 2024.

ATTEST:

\_\_\_\_\_  
Sam Vinson  
Secretary/Treasurer

\_\_\_\_\_  
Shea Hall  
Chair of the Board

APPROVED AS TO FORM:

\_\_\_\_\_  
Chris Shelton, Attorney at Law

# **Resolution authorizing an agreement with Project Shift**

**RESOLUTION NO. DCOA-2024.24**

**A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”) AUTHORIZING AN INCENTIVE FOR PROJECT SHIFT (“COMPANY”).**

WHEREAS, Company will make improvements at its existing facility (the “**Facility**”) in Abilene, Texas at a projected capital investment of approximately \$1,200,000; and,

WHEREAS, Company currently employs 22 full-time employees (“**FTEs**”) and expects to create an additional 8 FTEs; and,

WHEREAS, the DCOA’s staff requests the DCOA’s Board of Directors to authorize an incentive for Project Shift in an amount up to \$120,000; and,

WHEREAS, the DCOA's Board of Directors finds that Project Shift (a) creates and/or retains primary jobs, and (b) is suitable for the development, retention or expansion of a manufacturing and industrial facility, and/or any other facilities described in Section 501.101(2) of the Texas Local Government Code.

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

**PART 1.** DCOA hereby authorizes an incentive package for Project Shift in an amount up to \$120,000 in exchange for the Company’s retention of 22 FTEs and creation of 8 new FTEs over a period of 2 years. The incentive package will be up to \$120,000, funded at 10% of the Company’s actual capital investment to make improvements to the Company’s Facility.

**PART 2.** 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 funding commitment herein is extended in writing by the DCOA’s President (“**President**”) prior to the expiration date.

**PART 3.** The President is hereby authorized to, on behalf of the DCOA, negotiate, enter into and execute all agreements, make the expenditures described above, and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above.

**PART 4.** This Resolution takes effect immediately upon passage.

ADOPTED this the 4<sup>th</sup> day of September, 2024.

ATTEST:

\_\_\_\_\_  
Sam Vinson  
Secretary/Treasurer

\_\_\_\_\_  
Shea Hall  
Chair of the Board

APPROVED AS TO FORM:

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Chris Shelton, Attorney at Law

**Resolution authorizing the  
DCOA's President to take  
certain actions with respect  
to Belt Buckle Distillery's  
Agreement for Financial  
Assistance**

**RESOLUTION NO. DCOA-2024.26**

**A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”) AUTHORIZING THE PRESIDENT TO TAKE CERTAIN ACTIONS WITH RESPECT TO THE DCOA’S AGREEMENT FOR FINANCIAL ASSISTANCE (THE “AGREEMENT”) WITH WEST TEXAS SPIRITS, LLC DBA BELT BUCKLE DISTILLERY (THE “COMPANY”).**

WHEREAS, the Company expects to make capital expenditures of \$50,000 in addition to the original capital expenditures under the Agreement; and,

WHEREAS, the DCOA’s staff requests the DCOA’s Board of Directors authorize credit for the additional capital expenditures made by the Company in exchange for the Company meeting its full-time employee (“FTE”) goals in Years 1, 2, and 3 but missing the full amount of the Year 4 FTE goal.

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

- PART 1.** The DCOA’s President (“**President**”) be and hereby is authorized to provide the Company credit under the Agreement in the amount of \$25,000 for the FTEs that the company did have in Year 4 and an additional \$50,000 in capital expenditures made by the Company during the term of the Agreement and make any changes to the Agreement that the President determines to be necessary.
- PART 2.** The President is hereby authorized to, on behalf of the DCOA, negotiate, enter into and execute all agreements and/or amendments, make all expenditures under said agreements and/or amendments, and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above.
- PART 3.** 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 President prior to the expiration date.
- PART 4.** This Resolution takes effect immediately upon passage.

ADOPTED this the 4<sup>th</sup> day of September, 2024.

ATTEST:

\_\_\_\_\_  
Sam Vinson  
Secretary/Treasurer

\_\_\_\_\_  
Shea Hall  
Chair of the Board



APPROVED AS TO FORM:

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Chris Shelton, Attorney at Law

**Resolution authorizing the  
DCOA's President to take  
certain actions with respect  
to PDPP Abilene, LLC's  
Agreement for Financial  
Assistance and other related  
documents**

**RESOLUTION NO. DCOA-2024.27**

**A RESOLUTION OF THE DEVELOPMENT CORPORATION OF ABILENE, INC. (“DCOA”) AUTHORIZING THE PRESIDENT TO TAKE CERTAIN ACTIONS WITH RESPECT TO THE DCOA’S AGREEMENT FOR FINANCIAL ASSISTANCE (THE “AGREEMENT”) EFFECTIVE DECEMBER 27, 2022, WITH PDPP ABILENE, LLC, A TEXAS LIMITED LIABILITY COMPANY AND PRAIRIE DOG PET PRODUCTS, LLC, A DELAWARE LIMITED LIABILITY COMPANY (COLLECTIVELY THE “COMPANY”)**

WHEREAS, as part of the Agreement, the DCOA and Company agreed to set up an Escrow Account and interest has been accruing on the Escrow Account despite the parties’ initial intentions that the Escrow Account be a non interest bearing account; and,

WHEREAS, the DCOA’s staff requests the DCOA’s Board of Directors to authorize DCOA’s President (“**President**”) to take certain actions to divide and distribute the interest accruing in the Escrow Account.

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

**PART 1.** The President be and hereby is authorized to execute an amendment to the Agreement, the Escrow Agreement referenced therein, and any other related incentive agreements to allow for Company to receive the accrued interest from 2022, 2023, and all or a portion of the 2024 accrued interest, and for the DCOA to receive all remaining interest from the Escrow Account.

**PART 2.** The President is hereby authorized to, on behalf of the DCOA, negotiate, enter into and execute all agreements and/or amendments, make all expenditures under said agreements and/or amendments, and to take any steps necessary which are consistent with and necessary to effectuate the actions outlined above.

**PART 3.** 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 President prior to the expiration date.

**PART 4.** This Resolution takes effect immediately upon passage.

ADOPTED this the 4<sup>th</sup> day of September, 2024.

ATTEST:

\_\_\_\_\_  
Sam Vinson  
Secretary/Treasurer

\_\_\_\_\_  
Shea Hall  
Chair of the Board

APPROVED AS TO FORM:

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Chris Shelton, Attorney at Law