

**DEVELOPMENT CORPORATION OF ABILENE, INC.**  
**BOARD MEETING MINUTES**  
**JANUARY 26, 2009**

|                         |   |   |
|-------------------------|---|---|
| <b>MEMBERS PRESENT:</b> | Mike Schweikhard<br>Marelyn Shedd           | Scott Senter<br>Paul Cannon   |
| <b>MEMBER ABSENT:</b>   | Joe Crawford                                |   |
| <b>STAFF PRESENT:</b>   | Richard Burdine<br>Mindy Patterson          | Kim Tarrant<br>Dan Santee   |
| <b>GUESTS PRESENT:</b>  | Jaime Adame<br>Bill Ehrie<br>Andrew Carlson | Abilene Reporter-News<br>Abilene Industrial Foundation<br>KTAB/KRBC |

1. **CALL TO ORDER.** Mike Schweikhard called the meeting to order in the Develop Abilene conference room located at 174 Cypress, 3rd floor, Abilene, TX.
2. **APPROVAL OF MINUTES FROM THE DECEMBER 17, 2009 MEETING AND THE JANUARY 20, 2010 JOINT MEETING WITH THE AIRPORT DEVELOPMENT BOARD.** Scott Senter moved to approve the minutes from the December 17, 2009 meeting and the January 20, 2010 joint meeting with the Airport Development Board. Paul Cannon seconded and the motion passed by unanimous consent.
3. **SALES TAX REVENUE REPORT FOR JANUARY 2010 AND PRELIMINARY STATUS OF FUNDS REPORT FOR NOVEMBER 2009.** Mindy Patterson, Director of Finance for the City of Abilene, reported the sales tax rebate for January (which represents November sales) for economic development was \$594,760.94, which is 11.39% below last year for the period October through January. Total assets were \$60.26 million as of November 30, 2009 and the DCOA had an undesignated fund balance of \$9.2 million.
4. **EXECUTIVE SESSION.** I hereby announce we are going into Executive Session pursuant to Texas Government Code Sections 551.071, .072, and .087 to consult with our legal counsel, discuss real property transactions, and discuss economic development negotiations involving a business prospect, as set forth on the agenda. Any vote or action will be taken in open session.  
  
Vice President Mike Schweikhard announced the date is January 26, 2010, and the time is 1:42 p.m. Mr. Schweikhard then announced the date is still January 26, 2010, and the time is 3:11 p.m. No vote or action was taken in Executive Session.
5. **DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING AN INCREASE IN FUNDING AVAILABLE TO WEST TEXAS COALITION**

**FOR INNOVATION AND COMMERCIALIZATION (WTCIC).** The WTCIC is one of eight regional centers supporting 83 counties that review applications to the Texas Emerging Technology Fund (TETF). TETF is a multi-million dollar fund established several years ago to encourage research and commercialization of technology. However, no funds were allocated for the cost of operating the regional review committees. In July 2007, the DCOA authorized participation funding of \$33,164 for two years. However, only \$16,582 was drawn down, leaving \$16,582 still encumbered.

To help with the necessary match to state funds, the WTCIC has asked the Economic Development Corporations which are members of the WTCIC for funding in the amount of \$25,000 each for operation from September 2009 through August 2010. In return, each community can apply for a development grant up to \$20,000 to promote entrepreneurship, technology business development and the ETF.

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

Paul Cannon moved to approve Resolution No. DCOA-2010.08 as presented. Marelyn Shedd seconded and the motion carried.

- 6. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ANOTHER ADDENDUM TO THE LEASE AGREEMENT WITH AFFILIATED FOOD STORES FOR THE PROPERTY AT 4109 VINE ST., ABILENE, TX.** The DCOA owns the property located at 4109 Vine St. and leases it to Affiliated Food Stores (AFS). AFS is an Oklahoma corporation organized in 1939 as a wholesale grocery distributor selling merchandise to its member-stockholders from the Abilene location. The most recent addendum provides for AFS' rent to increase in January 2010 from \$8,500/month to \$10,000/month.

With the economic down turn, sales are down by 25-30% with the closing of member stores. The age of the facility is a constant concern and requires ongoing repairs. The scheduled rent increase in January 2010 from \$8,500/month to \$10,000/month will make it difficult for the company to meet all of its financial obligations.

The company requests and staff recommends another revision to the lease payment schedule as follows:


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

A motion was made by Scott Senter to approve Addendum D to the Lease Agreement as presented. Paul Cannon seconded and the motion passed by unanimous consent.

**7. DISCUSSION & POSSIBLE APPROVAL OF A RESOLUTION AUTHORIZING ASSISTANCE FOR PROJECT KM.** There was no discussion at this time.

Scott Senter moved to table this item. Marelyn Shedd seconded and the motion carried.

**8. ADJOURNMENT.** The next board meeting is scheduled for Tuesday, February 9, 2010, at 1:30 pm. There being no further business, the meeting was adjourned.

  
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Mike Schweikhard, Vice President