



Minutes from April 19, 2018 Regular Board Meeting
Palestine Economic Development Corporation Board of Directors

Attendance Record:

Larry Weber
Alan Herrington
Linda Dickens
John McDonald
Stuart Whitaker
Ben Campbell
Michael Page, absent

Others Attending:

Gayle Cooper, Economic Development Director, PEDC
Terry Johnson, Economic Development Coordinator, PEDC
Mary Raum, Tourism & Marketing Manager, PEDC
Rachel Nichols, Tourism Event Coordinator, PEDC
Mike Hornes, City Manager
Steve Groom, Finance Manager

A. Call to Order: 11:34 am

The Palestine Economic Development Corporation reserves the right to convene into executive session at any time during the course of this meeting to discuss any of the matters listed on this agenda as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations and Security Devices) and 551.087 (Economic Development) to wit:

B. Public Comment: - None

C. Consideration and Possible Action Concerning: Minutes from PEDC Regular Board Meeting conducted on March 15, 2018 and Special Meeting conducted on March 27, 2018 – Ben Campbell moved to accept meeting minutes; seconded by Linda Dickens. Motion carried.

D. Consideration and Possible Action Concerning: Financial Report for March 2018. Motion to approve March 2018 financials made by Allen Herrington; seconded by Linda Dickens. Motion carried. Steve Groom, City Finance Manager, stated the City of Palestine property and sales tax revenues were on track, but health insurance premium costs remain the finance challenge for the city. PEDC revenues and expenses are on track as well.

E. Briefing and Discussion Concerning:

1. Economic Development Report

a. Status of Easement & \$100,000 Grant–The utility easement from PEDC to the City, granted on March 12th, 2018 has enabled construction of the apartments near the business park to move

ahead. Also, the vote on September 17, 2017 to allocate \$100,000 for Old Memorial Hospital asbestos abatement and demolition was made by PEDC Board. City Council will vote at its next meeting for budget amendment to move the \$100,000 from PEDC funds to City funds.

2. Business Retention and Expansion Report

- a. Gayle plans to put together a public PEDC Annual Report that reflects how and why PEDC spends tax payer dollars on certain projects. This annual report will include information about our new budget plans and the work we do with the City Finance Department to secure yearly funds for all the projects our department supports. The PEDC Board members concurred with a plan for an Annual Report from PEDC.

3. Main Street Report

Greg Laudadio, Danielle Shultz, and the Main Street Board members attended a Main Street training session in Longview, Texas on April 19, 2018. Gayle Cooper reported on the Main Street Clean Up Day with the PISD students that took place on Friday morning, April 13th, 2018. This was our second annual event with the students in Palestine and their work made our Main Street area more attractive while learning something about their civic duties. It was a fun morning for the students and for the city employees that worked the event. Project Curb Appeal was also discussed when Board Member Alan Herrington asked whether Rob Thames had the estimates for the concrete work for the curb fixes. City Manager Mike Hornes reported that city department is waiting on bids from contractors for the concrete work for the curbs and sidewalks that need fixes. Once Rob Thames, Deputy Director of Public Works, has the bid costs, an email will be sent to the PEDC Board Members.

4. Tourism & Marketing update

Mary Raum reported a research team from the Texas Governor's Office plans a Palestine tourism research assessment. This complimentary feasibility study will help Palestine Tourism focus on how to improve tourism for Palestine.

Mary also introduced Rachel Nichols, our Tourism Event Coordinator, and explained some of the items Rachel has been working on recently. Rachel concentrates on the Palestine Civic Center business, social media, and graphic work for tourism planning. The Wi-Fi experience was enhanced in December 2017 that allowed the new back stage sound equipment to be tablet operated. Rachel has also purchased some rentable items that will increase revenues for the Civic Center. The Civic Center continues to be used for concerts, dance recitals, conferences, and other local uses, all bringing in revenue to support the Civic Center revenue goals. Tourism has a rebranding effort underway for the Dogwood Trails Celebration brochure. Tourism is working with the Chamber to provide print inserts that will go inside the new brochure. There was no formal report for Hotel & Motel revenue numbers, but Mary will provide a new report when available. January 2018 revenue numbers were down 5.8% compared to January 2017, but the new report should reflect higher than average numbers for March 2018.

F. Consideration and Possible Action Concerning: Finances – Budget session next week

Nothing more to add here other than to say our budgeting process for next fiscal year starts next week.

G. Consideration and Possible Action Concerning: Status of Easement and \$100,000 grant re: PEDC/City

Mike Hornes, City Manager stated Air Quality Associates won the Old Memorial Hospital project bid.

Their asbestos and demolition bid was negotiated down to \$691,000. The Texas Community Development Block Grant, or TxCDBG Project 705272, provided the City with \$402,000, and the PEDC has approved a fund of \$100,000. Additional funds will be needed to complete the project. The City Manager requested additional funds from PEDC. No motion was proposed at this point in time. Larry Weber, Board President, suggested the City Manager and the PEDC Director visit Judge Johnston for county funding for a portion of the balance, and report back to PEDC at next Board Meeting. Larry Weber proposed any fund balance needed to finish the project could be equally divided among City of Palestine, Anderson County, and PEDC. There was some discussion about the use of the land once the project was completed. The overall consensus was to use the land for housing development.

H. Consideration and Possible Action Concerning: Compliance issues

All PEDC Board Members must have folders in the PEDC office showing they have completed training for Open Meetings Act, Public Information Act, and Sales Tax Workshop. Some PEDC Board members will complete the Sales Tax Workshop training in 2018. PEDC pays for the course and travel expenses.

I. Consideration and Possible Action Concerning: Developer Meetings re multi and single-family housing

Gayle Cooper stated PEDC is spending a lot of time on apartment and single family housing. The steering committee for the Memorial Hospital abatement and demolition project believes we should focus on single family housing to recuperate costs for asbestos abatement and demolition of the hospital. This recuperation cost should not be reflected in tax dollars. The steering committee has suggested craftsman style homes be built on this demolition site.

J. Consideration and Possible Action Concerning: Extension of time frame for Bat Abatement Grant: Tracy Torma

Ben Campbell moved to extend time frame for Tracy Torma's Bat Abatement grant to June 30, 1018; Linda Dickens seconded. The motion carried.

K. Closed Session – The Board will retire into executive session pursuant to the provisions of Texas Government Code. In accordance with the authority contained in Section 551.071 (consultation with Attorney), 551.074 (Regarding personnel matters), 551.072 (Deliberations regarding Real Estate) and 55.087 (Deliberations regarding economic development). Executive Session began at 12:45 pm

1. Discussion of real estate item
2. Discussion of potential grant

H. Reconvene into Regular Session at 1:17 pm

TAKE ACTION FROM EXECUTIVE SESSION:

1. Discussion of real estate item – Linda Dickens made motion for Gayle Cooper to move forward pursuing sale of land located behind Atmos Energy. Ben Campbell seconded, and motion carried.
2. Discussion of potential grant – no action taken

I. Adjourn → adjourned at 1:18 pm.


PEDC Board President, Larry Weber Date Time


PEDC Administrative Assistant, Terry Johnson Date Time