

GUN BARREL CITY
Economic Development Corporation
1720 W. Main Street
Gun Barrel City, TX 75156

Tuesday, July 11, 2023
6 p.m.
Gun Barrel City Council Chambers
1716 W. Main Street, Gun Barrel City, TX 75156

MINUTES

The Meeting was called to order by President Diane Johannes at 6:00 pm.

Ms. Johannes: Before we establish quorum tonight, Robin Sykora will come forward with our newest member Charles Ligon to be sworn in.

Ms. Sykora swore in Mr. Ligon.

Ms. Johannes: We are honored to have you and we appreciate your volunteering to be part of our Council and we'd like for you to come up here and have a seat. We'll establish a quorum.

Present: Keith Bond, Brian Crull, Diane Johannes, Deidra Jones, Charles Ligon, Roy Key, Kate Weller

Moment of Silence and Pledge led by Diane Johannes

Item #1: Citizens Comments

There were no Citizens Comments.

Item #2: Discuss/Take Action to approve the June 20, 2023, EDC minutes.

Motion by Mr. Key Second by Mr. Crull. There was no discussion. Motion passed unanimously.

Item #3: Discuss/Take Action to approve the June 2023 Financials.

Motion by Ms. Jones. Second by Mr. Bond. No discussion. Motion passed unanimously.

Item #4: Discuss Take Action to form a Bylaws Review Committee of 2 to 3 Board Members.

Motion by Mr. Key. Second by Ms. Weller.

Ms. Sykora: Does anyone want to volunteer, or do we want to nominate and vote on this? The President can form a committee and we can take volunteers.

Ms. Weller, Mr. Bond and Ms. Jones volunteered.

Ms. Johannes: Robin do we need to vote on the appointments? Since we made a motion, we were going to discuss and take action to form a committee, so we'll vote.

Motion passed unanimously.

Ms. Johannes: Ms. Sykora will get with you to set up when you guys want to meet or how we want to go about that over the next few weeks.

Ms. Sykora: We can set a deadline when we want to start. We'll have partial reviews and you guys can meet since you're not a quorum you can meet periodically at your discretion.

Item #5 Discuss/Take Action to schedule a budget workshop for the 2023-2024 EDC Budgets before the august EDC Meeting.

Motion by Mr. Bond. Second by Mr. Key.

A discussion was held and Tuesday August 1, 2023, at 6 pm was agreed upon.

Motion carried unanimously.

Item #6. Discussion of EDC Programs in other cities.

Ms. Johannes: If you'll look in your packet, you received all this information prior to the meeting.

Ms. Sykora: There's a Spreadsheet out for you that was not included in that packets that included some information about other EDCs Loan Rate.

Ms. Johannes: Robin, we appreciate the time and effort it took you and I'm not sure if anyone else worked on it with you getting this together but we appreciate both of you doing his because this was an item that we discussed at our last meeting which was very late in June because we met off calendar and so this is great. In that information we had asked for cities that are surrounding us or perhaps of likeness and we had Athens, Gladewater, Tyler, Kemp and Bonham. It was great information. I'll open the floor or recognize anyone that would like to make a comment at this time.

Mr. Bond: I'd just like to thank you Robin for doing that. I was very interesting. I've read through all the different little packets and that was my question that I was asking earlier was it seemed like most of the EDCs get their general funding through the sales tax. Most of them get a half of a present.

Ms. Sykora: That's actually the general rule in the creation of EDCs throughout the state but I'm not sure if any of them get property tax. I don't think so.

Mr. Bond: I didn't see any of that and like I said it was really kind of enlightening to see all the different things. The spreadsheet shows that, but they get a half of a percent, and we have to share with the street department. We get a quarter of one percent.

Ms. Johannes: As we discussed in our precious meeting on the 20th we realize that we are not comparing apples to apples with other cities since Gun Barrel doesn't have a property tax that the city collects and so we definitely operate off of the sales tax that's generated from the retail restaurant, hotel and motel bed tax. So, it was interesting to see some of the incentives that other cities can offer businesses to entice them into the city. You know we had really started looking at this because of the loan program and you know why we would give a loan for two percent. How

often we do these types of loans. Of course, in our last meeting had discussed that this was an incentive you know to try to get a business to come to our city since we can't give them a break on property taxes or on a utility because we don't have our own utilities. I thought it was very enlightening. I appreciate the information because as we move forward looking at loans to other people or other businesses then we'll have this information to kind of say okay we're on the right track with what we're doing. We may want to make some adjustments.

Any other discussion?

Ms. Jones: I'd like to say thank you also. That was quite interesting to read all the different things that some of the other cities offer and to see that some of them don't offer loans at all.

Ms. Sykora: There are lots of EDCs really investing in infrastructure. For some of them that's the majority of what they're doing. It looks like from the chart that Athens does two and three present and then at the bottom Bontham is just under four.

Ms. Jones: So, we're right about where others are.

Ms. Sykora: Athens varies based on the project. They'll even do zero percent depending on the project. Also, some of the packets even the USDA will award based on a point system where you get points for the number of jobs you're bringing or points for the number of sales tax you'll be increasing in the city – different objectives. You can offer a better incentive or a better loan rate or tax rebates if you're doing a 380 agreement. Things like that.

Ms. Johannes: This is great information and again thank you Robin and Stephen for your work on putting this together. As we learned and listened tonight in the workshop with the City Council regarding an EDC is, what we found again and most of us already knew and Mr. Ligon has learned and you already probably knew this but being new to the Board was that our job is to generate new jobs, increase sales tax revenue, and promote our city. This loan program is a way that we try to do that that, to incentivize businesses to come here so it was timely information.

Ms. Johannes: Any further discussion? Hearing one we'll move on.

Item #7: Update on Pier 334 Project.

Ms. Sykora: Pier 334 is on their third compliance review with Mundo and Associates which is the city's engineering firm, and they are addressing some different things such as the traffic, the circle for the fire truck that we're adding a second one and also are working with TXDOT. There is an easement near Highway 334 that comes into that Circle Drive. I've contacted them and gone through a couple of chains of command to find out how we address that. Things are still rolling along; we still have a list of approximately 60 new jobs that would be generated by this project.

Ms. Weller: That's just the hotel alone.

Ms. Sykora: I believe that's correct.

Ms. Weller: There will be more jobs as the rest of the retail and restaurant space fills up.

Ms. Sykora: Jobs are one of the greatest economic development tools that really brings growth.

Ms. Johannes: We learned tonight times three. Whatever they're going to make multiply that times three and then that's the revenue that we can count on coming into the cities.

Ms. Johannes: Thank you Robin for the update. Moving on to item #8.

Item #8 Adjourn to Executive Session. Deliberations regarding Economic Development negotiations (551.087) and Deliberations about Real Property (551.072)

Ms. Johannes: Let the record show we are adjourning into Executive Session at 6:17 pm.

Item #9: Reconvene in Open Session.

Ms. Johannes: I'd like to call the meeting of the Gun Barrel City Economic Development Corporation on Tuesday July 11, 2023, back into session. Please let the record show that it is 7:06 pm.

We have a few items that we discussed in Executive Session, and we are now ready to take action on those.

Item #1 Discuss/Take Action to rescind the loan agreement for David Westfield for \$100,000.

Motion by Mr. Key. Second by Mr. Crull. Motion passed unanimously.

Item #2 Discuss/Take Action to approve a loan of \$300,000 to Gun Barrel Transmission.

Motion by Mr. Bond. Second by Mr. Crull. Motion passes unanimously.

Item #3 Discuss/Take Action to reallocate \$5,000 from the Business Expo fund to be used for sidewalks on Main Street.

Motion by Mr. Key. Second by Mr. Crull. Motion passed unanimously.

Item #10. Motion to Adjourn Meeting adjourned.

Submitted:

Kathryn J. Weller
Kathryn J. Weller, Secretary

August 2, 2023
Date

Approved:

Diane Johannes
Diane Johannes, President

8/29/23
Date