

Minutes of the Regular Board Meeting of the Gun Barrel City  
Economic Development Corporation

The Gun Barrel City Economic Development Corporation met in a regular Board meeting at the office located at 1720 West Main Street, Gun Barrel City, Texas, 75156 on Tuesday, February 21st, 2012 at 6:00 p.m. Webster called the meeting to order at 6:00 p.m. with the following directors present: Baade, Spiegel, Cavanaugh, Janow, Rankin and Cassady. A quorum was established. Jack Thompson, EDC consultant was also present.

Citizens in attendance: Jamye and Dino Perelli, Mike and Sheila Huskisson, and Lanny Roberts.

Citizen comments: Lanny Roberts/Harbor Point resident passed around a flyer on Welcoming Waterfowl festival that was held in Easton, Md that attracted 18,000 visitors. The festival was established in 1710. Rankin could use the report for her tourism board. Harbor Point POA was working on ideas to improve unattended lots in the addition that hopefully could be used as a model for other subdivisions in the city. Roberts had met with Carol Strickland of the Gun Barrel City Parks Board and would be in touch with City Council.

Items 3 and 4 were moved to the beginning of the meeting.

Item #3. Discuss and take action to assist Tip Top Auto.

Mike Huskisson was in the process of expanding his auto repair business located at 2310 W. Main Street. Tip Top Auto has been located in Gun Barrel City for a year and four months. He held thirty-eight certifications in the auto industry. Huskisson repaired lawn tractors as well. He asked the directors for financial assistance of \$15,000.00 in purchasing the following equipment:

State inspections equipment that would include a tint meter (\$900.00), brake pedal reserve tester, (\$1,400.00) and a gas cap testing device. (\$1,300.00) Huskisson informed the directors that he turns away an average of ten (10) inspections a week. Three out of ten vehicles fail the emissions test;

Pro Cut Brake lathe (\$6,500.00) that would prevent the need to send out rotors and drums to an outside source; and a Portable alignment machine. (\$9,700.00) The total cost of equipment would be approximately \$19,540.00. He had just hired a technician and would be hiring another one after the purchase of the equipment.

Rankin made a motion to assist Tip Top Auto with a revolving loan up to \$15,000.00 at 2% interest for a term of six years, with a grace period of one year. Baade seconded. All directors voted 'aye'. Motion carried.

Item #4. Discuss and take action to assist the Perelli's with an event center.

Dino and Jamye Perelli provided the directors with a power point presentation of Vintage Gardens, a wedding and event facility, which would be an expansion of Jamye Perelli's photography business. Jamye's fifteen years as a professional wedding and portrait photographer, combined with Dino's thirty year plus career in the entertainment, video media, and marketing fields would be keys to the success of Vintage Garden Events.

Vintage Garden events would be an indoor/outdoor wedding and event venue centrally located on an 8.72 acre tract of land that sets next to the Pleasure Land Subdivision in Gun Barrel City. The 8.72 acres is located in the county. It would have a full liquor license, catering facility, staging, complete lighting and sound, a photo studio, a video capability for recording DVD's and live Internet streaming. They will offer each client either an a-la-carte menu of services or a complete turn-key package designed to take the frustration out of organizing all of the various vendors needed to complete an event.

The daily operation of Vintage Garden events would be during regular business hours. The facility would have hours of Tuesday through Saturday from 10 a.m. to 5 p.m. and closed on Sunday and Mondays (unless there is an event). There would also be appointment slots available for evening client meetings and photo shoots. The facility would be staffed daily by a receptionist to handle phones, appointments, paperwork, filing, etc. Jamye and Dino would also be available during office hours and will always be available for events, appointments and sales call. During any event, everyone on permanent staff and a pre-determined number of temporary staff would be working.

Currently the road that provides access to Jamye's photography business is through a residential section of Gun Barrel City. The Perelli's asked the EDC directors for assistance in providing some type of road for the entrance/exit to the facility that would by-pass the residential area.

Webster said he and Baade would meet with Gerry to review the city's land use plan. They would report back to the Perelli's with their findings. The directors were in favor of their plans.

Item #1. Discuss and take action to approve the EDC board minutes of January 17th, 2012.

Spiegel made a motion to accept the minutes as written. Janow seconded. All directors voted 'aye'. Motion carried.

Item #2. Discuss and take action to approve the January 2012 financials.

Baade reported there was nothing unusual with the January financials. Sales Tax Revenue was down 6.82% for the same time last year. Baade was in the process of moving \$100,000.00 from the accumulation account at Prosperity Bank to Southside Bank. Rankin made a motion to approve the financials. Cassady seconded. All directors voted 'aye'. Motion carried. Webster said with the sales tax down there would be budget cuts.

Item #5. Discuss and take action on agreement with Country Place Living.

Baade was working with Tom McCord of Country Place Living on the revised Commercial Contract for the sale of 2 acres of land out of the 92 acres owned by the Gun Barrel City EDC. The purchase price is \$115,000.00 that included the appropriate ROW dedication for streets and utilities. The EDC will pay these costs to the City. Zero Costs to the developer, work with ECCFWSD and reimburse them to bring water and sewer service to the develop property. Zero costs to the developer. EDC will reimburse the City for engineering total runoff water plan with retaining of detaining of water. The EDC will reimburse the City all plan review costs to include inspections. Both parties agree to work together with the electrical provider to deliver energy to serve future residents, but the cost of this electrical service is not associated with the purchase price.

Baade suggested changing three items in the contract. The changes are:

Page 3, 6 a (1) Previous contracts had Attorney's Title at 427 N. Gun Barrel Lane, Gun Barrel City, Texas 75156; changed to Republic Title of Texas, Inc.

Page 6, 9 b (2) strike out Broker fee of 3% to zero fee; had previously agreed that the seller would not be paying any brokerage fee;

Page 10, #19-check 19A; on previous contracts the EDC had checked box 19A.

The City Attorney was reviewing the contract.

Rankin made a motion to approve the contract with the corrections mentioned. Janow seconded. All directors voted 'aye'. Motion carried.

Rankin mentioned that the EDC had no performance agreements on the ROW, roads, or any of the sewer. She would like the EDC to have something in concrete, because as a board member if anything goes wrong, the board is all liable. Baade said he and Webster had ran it by Jeff Moore on separate occasions and Jeff Moore assured them that the EDC does not have to have a performance agreement to sell land for profit.

Item #6 Discuss and take action on new Aerial Map project. /Spiegel

Last year the EDC directors approved an aerial map, but decided to wait until the opening of city hall to begin the process. In the first draft of the map, Spiegel found that the aerial map boundary and the planning and zoning boundaries did not agree. North Texas COG did not have the 2008 or 9 changes. Orasi informed the directors that Gun Barrel City was in the East Texas COG, so North Texas COG would not have our maps. After looking at seven maps and having to redraw the Island, Spiegel felt he had an accurate aerial map. The map was ready to go back to the focus people that can make the necessary changes. Rankin had the county appraisal district boundary map. Webster felt the city would use Lone Star's boundary map. Spiegel asked for two volunteers to proof the map with him and to authorize up to \$4,100 tonight and move on with the map. Spiegel said if the map was going to change in the next few months then \$4,100 should not be spent on the map. The directors reviewed the current map that Spiegel had made. Webster and Rankin volunteered to proof the map with Spiegel and they would run the map by Gerry. Spiegel made a motion to approve up to \$4,100 and complete the map. Baade seconded. All directors voted 'aye'. Motion carried. Spiegel passed out a memo concerning Marketing Priorities. Spiegel would send the directors a survey and asked that they select their choices in each area from highest to lowest and return to Spiegel by Friday, March 2, 2012.

Item #7. Discuss and take action on EDC Marketing.

Orasi had talked to Liza Hogue concerning Applebee's. Applebee's had lost out on the site located by Lowe's. They are visiting other sites. Orasi suggested the corner of Heritage Cove and Hwy 334, because it would be a plus if the PID went thru and it would help the hotel and movie theater. Webster asked how much space Applebee's needed. Orasi said 1.3 acres. Webster said he had another space for her to look at. Orasi said Hogue was taking the Heritage Cove property and another piece of property to committee on Thursday. Rankin asked if Hogue had been in Gun Barrel City. Orasi said Hogue had been here and was working with a broker. The space by Ivan Smith was available, but Rankin said it was too close to a church. Orasi had been having trouble getting

in touch with Carl Seller, broker for Martin Zapletal, but a meeting had been setup for 1 o'clock on Monday, February 27<sup>th</sup> at the EDC office to discuss what they wanted to try and finance on the first round. Suggestions would be lighting, sidewalks, the connectivity to it; there is nothing inviting to it. If you could get Applebee's on the corner, you could start a restaurant row. Rankin used the information from Orasi's Economic Analysis for her presentation at the Gun Barrel City COC breakfast. The directors were impressed with the work that went into the Economic Analysis for Gun Barrel City. Orasi would summarize the suggested steps to assist the City in moving forward and email them to the directors. Spiegel said Orasi's group was working on inserts for the folders. Lance Readen who has been doing Orasi's TIF's & PID's would be starting full time on March 1<sup>st</sup>. Webster thought the PID's would be a hard sell to the property owners in Heritage Cove. There was a general discussion on PID's. Orasi had talked to Kevin Patel and Patel and bankers were supposed to be negotiating out the final agreement today on a three year extension. Patel told Orasi that the bank had extended the 'pay interest only' for another year. Patel reported a really bad month in January.

Board of Director Comments.

Baade reported that Boren was working with Julie Forte on Affordable Senior Housing. They had the agreement between Mike Sugrue and the City of Chandler. Baade said it was a very well written agreement. Forte was going to add her comments to it to protect Gun Barrel City. They would send it to Sugrue's attorney for his approval. Baade and Boren had reviewed Sugrue's construction time line. Webster informed the other directors that Sugrue, Baade, Boren and he usually meet on Thursday's at 3 o'clock. Rankin asked if any of the in-kind contributions had changed. There had been no changes.

Spiegel said the Seven Points EDC has gone out of its way to make the library very comfortable in terms of what they are giving and how important it is for the library to stay in Seven Points. The Seven Points EDC has been questioned about their role in bringing in new business or supporting a library.

Webster asked to have an item on the next agenda concerning contribution of four hundred dollars a month to the Seven Points Library, which is the amount they have to pay the EDC for rent.

Bass Championship is in the works for September or October 2013 and paid for by the City. Spiegel will be the point person for the bass tournament. Janow reported that Southwest Stitches had closed their doors. Janow had a meeting setup with Sally's Beauty Products. Orasi reported that Game Stop wanted to go into a strip center, but Gun Barrel City didn't have anything to fit their size. They would need fifteen hundred square feet. Cassady said they were calling the local airport 'Gun Barrel City Airpark' now. They wanted to come to the EDC and give an overview of what all they've been doing out there and plans they have for the future. Cassady said if anyone was interested in going to the motor cross this weekend, let her know and she would comp you out there. The races are Saturday and Sunday. The EDC's sign would have prominence at the track. The EDC had purchased an erase board for the conference room. Rankin asked if any of the EDC projects would be affected with the budget cuts. Webster didn't foresee any cuts in the EDC projects, but was looking for a developer for the back portion of the 92 acres. Rankin was concerned about an amphitheater being around residential.

Adjourn: 8:10 p.m.

Approved: \_\_\_\_\_  
Steve Webster, President

Attest: \_\_\_\_\_  
Pat Cassady, Secretary