

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

The Gun Barrel City Economic Development Corporation met in a Special Board meeting at the office located at 1720 West Main Street, Gun Barrel City, Texas, 75156 on Monday, Aug. 27th, 2012 at 5:00 p.m. Webster called the meeting to order at 5:00 p.m. with the following directors present: Spiegel, Janow, Cavanaugh and Cassady. A quorum was established. Linda Rankin and Dennis Baade were absent.

Citizens in attendance: No citizens in attendance.

Item #1. Discuss and take action on financial incentives for Huddle House.

A motion was made after the executive session at the last meeting. Webster explained that he decided to call a special meeting and have a specific item to address the incentives.

Webster contacted Huddle House for the terms of the mortgage for the GBC location. There had been no response from Huddle House on Webster's request. Webster was seeking the board's authority on offering Huddle House a \$50,000 loan at 2% over some length of time, 5-7 years, to assist with their remodeling. Spiegel made a motion with the above terms of the agreement. After discussion, Spiegel modified his motion to include 5-7 years, at their option and the EDC takes second position. Cassady seconded. All directors voted 'aye'. Motion carried.

Item #2. Discuss and take action on any assistance needed for Movie Star Cinema.

Webster informed the directors that the owners of the theatre had the option to buy digital equipment for approximately a half million dollars or they have the lease option with Sony. Sony has two deals. One is a \$20,000 per screen price upfront; the other is a \$10,000 per screen price up front and then the payout of \$250.00 a month, per screen, per quarter, for ten years with Sony VFP. At a previous meeting the directors had discussed buying the equipment and leasing the equipment to the theatre owners. Webster thought the owners had already put in a credit application so they would go ahead and put the lease in the movie's name. The option now was to loan the owners of the theatre \$80,000 plus other cost involved with a personal guarantee from the owners. Spiegel said the deal was contingent on the owners taking personal liability for \$80,000. Webster said we can make offer, they can make the deal.

Spiegel made a motion to offer a loan of \$80,000 plus any associated cost @ 2% for ten years with the owner's personal guarantee. Janow seconded. All directors voted 'aye'. Motion carried.

Board of Director Comments.

Cassady reported that she and Connie Holubar were reviewing the website content and photos. They would share the changes to the website before putting it on the site. Spiegel had a meeting with Connie Holubar on PR material. Cassady and Cavanaugh asked to be reappointed to the board. Spiegel said there are no term limits for the EDC. Don Davis had offered, for a fee, engineering the road on the north side. He is interested in doing other engineering projects. The owner of property between Welch and Luther had contacted Webster and said he was looking for a developer for his property. Webster would be on vacation in September.

The Gun Barrel City EDC reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the 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 about Security Devices) or 551.087 (Deliberations Regarding Economic Development Negotiations).

Adjourn: 5:20 p.m.

Approved by: _____
Steve Webster, President

Attest by: _____
Pat Cassady, Secretary

