

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

The Gun Barrel City Economic Development Corporation met in a Special Board Workshop meeting at the office located at 1720 West Main Street, Gun Barrel City, Texas, 75156 on Tuesday, January 14<sup>th</sup>, 2014 at 5:00 p.m. Rankin called the meeting to order at 5:00 p.m. with the following directors present: Cavanaugh, Osborne, Damiano, Braswell, and Cassady. A quorum was established. Sandy Janow was absent.

Citizens in attendance: Mayor Paul Eaton, Jack Thompson/Orasi Development, Connie Holubar/Outreach PR.

Citizen's Comment:

Jim Braswell: There have been a couple of heated meetings in this room in the last few weeks and city council meetings got a little heated. It was the vote of the council to move forward on Heritage Cove. I accept that, I will support the Task Force with an open mind anyway I can. There are a couple of things I have to get off my chest. I don't know if any of you have heard the term 'the big picture' or 'the overall picture' related to Heritage Cove at a board meeting up here. The first time I heard that comment was at a coffee meeting with the city manager and Councilman Goss, both used that term with me. There is nothing wrong with the big picture. The only problem I have with it is that one of our board members used that term to those two people and never used it at our board meeting, what that big picture was. Was that something the EDC could move forward on? It was all used basically by two or three people; that I've got a problem with. If we are going to be on the EDC council then I think our EDC council should be our first charge.

Cassady: I echo what Jim just said. One of the things that's been weighing on me is I'm confused now on what the EDC should be working on, because it's not clear to me anymore what that role is. It appears that there is an environment that wants to change what we focus on and how we go forward. I think we just need clarification. I don't want to sit in here and spin my wheels and spend time on stuff that's ultimately going to be taken out from under us. That doesn't make sense. So what I'd like to make sure is that we get clarification from the leader of the city on what we should be working and what direction-what's our charge. What is our responsibility; it's gotten real muddy.

Braswell: I'm not walking away. Councilman Hayes said if he was on the EDC he'd get up and walk out. I'm not quitter.

Cassady: I've come close

Cavanaugh: Let me make a comment. You are talking about roles and responsibilities. I was encouraged about the meeting of the task force for Heritage Cove. Their real focus was not on the businesses. Their real focus was about developing the area. What do we do with lighting, sidewalks, drainage and thoroughfare? In developing the area the EDC can bring in businesses. I was real encouraged with that. It felt like a clear split.

Braswell: What is the real charge for the EDC? What would the city fathers like to see us going out and pursuing? With all due respect Mayor, one of your comments was this task force would probably be an ongoing thing. I'm probably reading between the lines that means an industrial park. That's the way I see it and that's fine. What are we supposed to be doing? Chasing more What a Burgers, Jack in The Box?

Cavanaugh: I think, based on the discussion we had and we've had in here, is the fact that we want to bring in businesses that will create an environment that will bring people into that area.

Braswell: I have no argument with that.

Cassady: In the past we had budgeted for lighting and signage, because part of the development-just using Heritage Cove as an example-part of our charge was to move forward on that development. I'm just using that as an example, but that's where it started to get a little fuzzy from where we've been in the past as to what we need to be focusing on in the future. If we are going to be focusing on what businesses to

bring into a Heritage Cove, what businesses to bring into an industrial park, but we are not going to be involved in the development of that, that's ok, but we need to know that so that we are not spinning our wheels.

Mayor Eaton: I think clearing the water is exactly what we need. What Gerry and I have done is discussed this. We've been looking at some of the larger cities, a little bit bigger than us and try to come up with some ideas as to what will stream line this city to where your task are not so complicated or too broad. You can zero in on, for an example, like a tax rebate, that's a city's deal. The city ought to be involved in doing those kinds of things. Bringing business here, particularly retail, a lot of other cities we've been looking at they've started dividing commercial, industrial, development, that kind of thing, the city does and the retail business is a task of the EDC. Whether we are moving in that direction, I kind of feel like maybe we are, because I think it will make your job simpler.

Cassady: And we are unpaid, so that's fine.

Braswell: But we work hard.

Mayor Eaton: I don't want any one of you to feel like anybody's putting you down. I'm absolutely proud of what y'all have done. I think you've done a great job. I know there are some new ones on board; I don't want to run you off. I think the additions have been great ones.

Braswell: I think it's more a change of strategy.

Damiano: I'm relatively new and still learning. I've been trying to figure out through all of this; maybe Heritage Cove is better off being a joint effort between the city council and EDC or at least started just for the cooperation alone. It may not be a bad move; I'm not saying it's the best move or a bad move. I go down the line, Project Montana-maybe that's another one better off done jointly. There is an awful lot of work to it and we're volunteers. When I look at something like Montana; what is the net effect on Gun Barrel City. There is going to be a huge effect, jobs; more support services. We can't begin to staff Montana off the current population; it doesn't exist here. When I look at the EDC and I say where is the EDC's time best spent; have the biggest need for and the earliest pay back and the needed infrastructure for any expansion that we are going through. Maybe we are spending our time there. It's a question. Maybe that's where the workshop should start. Do we have an identity crisis so to speak as to where we should be looking?

Cassady: That's where I'm at.

Rankin: I know I took up where Steve left off. I was working on exactly what he had me working on. Then all of a sudden I wasn't supposed to be working on it.

Braswell: That's just kicking a dead horse. It's a whole new board so let's figure out what we are going to do and how we are going to go about doing it.

Damiano: Where is our time better spent? To me, it seems like a guiding question and when we answer that then we know what the tasks are.

Cavanaugh: With the new task force looking at Heritage Cove, we are looking at developing that area so it will be attractive to businesses. At the same time the EDC should be working at bringing in businesses to a more attractive environment.

Braswell: Like filling up those 34 empty store fronts.

Cavanaugh: That's where we need to focus.

Cassady: Then it comes around to be a marketing focus.

Rankin: I think if you get hung up on trying to find businesses for Heritage Cove you are omitting the rest of the city.

Damiano: Heritage Cove is not ready for businesses yet. What do we do while we are getting Heritage Cove dressed up to accept businesses? We have a number of empty buildings; we've got businesses on the brink of shutting down.

Braswell: Not counting the acreage.

Damiano: Even without Heritage Cove or Montana, we've got our work cut out for us.

Rankin: We haven't been assigned anything for Project Montana. If you have been then it wasn't through this board.

Damiano: I have not; I don't know where that came from.

Osborne: What we had the other night at the task force meeting was a different basis of conversation. We had a board up there and started throwing ideas up there and brainstorming. Then we had 14 items on the board and got them down to 5. Everybody walked out of there and felt like they had accomplished something. I called a guy today, a landscape guy, because what I think needs to be done there is clean up the trash, trees and growth so you can see the hotel and see the other buildings.

Braswell: I emailed Marty and said it was a great meeting.

Osborne: Everything flowed on the thing and here, the Montana thing, we can help out once we know we have a deal. We don't know if we have a deal. I don't want to talk about something if there is no deal. I'd be happy to fly in or call the guy at Montana and say what businesses do you need. What do you need; what support. Jim beat me by six hours, I figured there were 50 storefronts, but it's down to 34 which is sad. You've got to fill them up. What is it that we need? The survey that has been done, no one's talked about it. Some of the things in the survey are a pie in the sky, like a Neman Marcus, a big Target. But were some things that made sense.

Cassady: The last three years Larry had surveyed the board and asked for their input on what the board should target for the upcoming year.

Mayor Eaton: Once the land is bought things are going to change fast in Montana. Until that land is sold or bought this is just a waiting time. There are some things, but Dennis is taking care of most of that. I'm trying to get some of the local banks to step up.

Cassady: The survey that we were speaking of is a market priority survey and we would go through and identify what our highest priorities prospects were, retail vs. light industry, etc. What were the geographies emphasis and then the tactics; how would we go after it. Larry would lay it all out and that's what we worked from and how we were going to focus.

Rankin: I'm waiting for public comments to be over.

Item #1. Discuss and layout a plan for the 2014 marketing efforts and narrow down our marketing direction. Connie Holubar and Jack Thompson will direct the meeting which will include discussion on the sale of EDC properties, the EDC advertising buys, the EDC's prospect packages, and any other aspect of marketing that needs to be addressed, i.e. the business park.

Rankin: We can review a list of market material that the EDC is currently using or we can go ahead and list what we think our highest priorities and prospect targeting are.

Cassady: Let's talk about the material or the marketing tools that we've got.

Rankin: After visiting with Connie and Jack for several hours and you really put your thinking cap on a lot of things come to light. I would like to talk about each of these (list attached) and get your opinion because we already have these in place. The only thing that I know that's imminent is on the second page. Money was in the budget to keep things as is or to upgrade.

Billboard: Jack and Connie would get some ideas and bring them back to the board. An estimated cost to change the billboard was \$11,000.00. Jack recommended changing the billboard twice a year.

Marketing Hardcopies and Shells: Need to be changed, updated as well as going to digital information. A good website was a necessity that included all the information about your city and that supported links. You can design/customize information for specific request and send out a pdf file; keep aerials, zoning and thoroughfare maps printed out. Business cards were worth spending extra money on.

Most businesses coming to a city would run their own demographics, sales model and forecast.

Damiano liked the strategy of marketing to Dallas. Discussion was on sending out letters to weekender, the people that own homes on the lake that have businesses to entice them to look at GBC or have them recommend GBC to their other friends.

Rankin: The one thing that was said early on was the people that have already seen us aren't going to bring a business here until we look like we are ready. It looks like we're branding in Dallas; we can go ahead and get our name in Dallas. Marketing, by nature, is a long term thing.

Damiano: But there is a contradiction here, because Jim made it sound like Cedar Creek Lake was the best kept secret from Dallas. Most people don't know who we are.

Rankin: If you are going to use the lake as an asset, you need to have access to the lake. The lake is a great attraction, but it's not going to keep them here.

Thompson: Another thing the City could do that would really be beneficial is put on more events using hotel/motel funds. In my opinion the EDC handle infrastructure issues on industrial, retail and marketing on all of that. The city has so much other things to bite off. They need to make sure their building standards, code enforcement, streets are clean, make sure there are events and keep bringing people down. There is plenty for everybody to do.

Industrial Park: Mayor Eaton asked if everyone thought they ought to pursue an industrial park at this time. We've got to get our economy shifted from the lake.

Infrastructure: On the big issues it would be the City's responsibility. Roads open up growth. Gun Barrel City has two streets; 198 & 334. It needs another boulevard; the city needs to work on opening all of that development up. It would take money and time. Thompson said, "There is so much to do for everybody to be doing. You need to be careful not to cloud the two issues. Let the EDC do EDC things and let the City do City things. That's what we are made to do; that's what we both need to be doing. If everybody is doing that well, then you will be growing like crazy. Get the East/West Boulevard opened up, open up the whole northern part, because between us and Mabank there is nothing because there are no roads.

Trade Shows: Make trade shows for restaurants and any kind of business you can think of.

The cost to send a director to Vegas would be about \$1,200 a person. They wouldn't do a booth at ICSC tradeshow. They would walk the floor, hand out business cards, meet vendors and get their contact information. The Texas ICSC show will be in San Antonio in November. It's a smaller show than the one held in Las Vegas. Holubar suggested planning your route before going to any tradeshow. The internet displays the top 100 retailers. You will see what fits for your city.

Relationships: Thompson: Whose job is what? Your role is defined for you. An EDC is not going to do a thoroughfare plan, zoning plan, or code enforcement; you don't do that the City does. The city focus is on building streets, creating more development opportunities, zoning; make sure that when someone gets here it doesn't take six months to get through the development process. You've got to work as a team. The EDC's handle marketing, but that's only part of the battle. Economic development is about creating a business environment. It's about building an environment that brings businesses here. You can market all day long, but if you are not in the right place, you don't have the infrastructure, you don't care that you care about your town, your street looks good, and zoning is in place, it doesn't matter. That's just the way it rolls. On the city side, there is so much heavy lifting. The EDC's can't really handle the roads and all that. The City seemed to be quick to move on new businesses interested in coming to Gun Barrel City.

Cavanaugh: Should the focus be on industry or businesses? Some directors didn't think the EDC was ready to bring in industry. What is the most important thing for the EDC right now?

Rankin: Branding.

Cavanaugh: OK, branding, I think bringing in light industry is probably going to bring people in that's going to drive the additional restaurants.

Rankin: Right now you are going to have to put your light industry.

Cavanaugh: I think that is something we are working on, right?

Rankin: I don't know I'm not in that department.

Braswell: How long have we been here? How many industries do we have? If this is such a great spot for an industry; what would we do to sell an industry?

Thompson: There is no infrastructure. They want to be in an industrial park that they know that it's going to hold its value. They want to know that they are next to like uses, quality of life, good labor market that's not overly competitive. You all have no place these guys to go into. Even if you do build it, it's going to be a battle to go get businesses. Now it's all about jobs again.

Rankin: Go to the web and look at all of these little towns in east Texas. They all have a business park and all are competing.

Trade and Industry Magazine (Online Search Engine) the EDC has a listing on their website, but it is not much. The EDC is listed in the Texas directory. Rankin and Holubar had talked to a guy when it came up for renewal at the end of December. The last listing was \$500.00, but the EDC could bump it up to a \$900.00 a year listing that would allow for a little more information to be attached, press releases, maps, real estate flyers, buy banner ads, display ads, and other things to the website. If the EDC is on that site, if someone is looking at Texas cities, the EDC would be there. Discussion on whether it was worth the money to continue. Holubar thought the EDC should be on the site, but not at the minimal level. Bump it up to the best level, maximize it and pay attention to it.

Boots to Business was developed to get stories and publicity. The EDC wasn't going to get publicity by advertising an Applebee's or Braums. It was a publicity vehicle. It's turned out to be a cool thing and we know for a fact it was the thing that caught Montana's eye. The only time we make the news in Dallas is if a meth lab blows up or if every home owner should own a gun. That's probably not the best way to attract business, but it got the EDC attention.

Rankin: What we have/need to do: Branding is important, marketing materials, what we think we need in terms of billboards. Thompson suggested getting your name out in Dallas, start branding your name; get Gun Barrel out there in a positive way. The EDC has the restaurant brochures and the Boots to Business brochures. Loop Net is going. Damiano said the EDC property was not on the site. Getting letters out to the brokers and there was a pdf already on the website.

Damiano: Marketing the EDC land. How do we get the land sold? Nobody is coming down to look at it. Thompson said, "We've sent it out to a lot of folk. Damiano said, "It's not working." Thompson said, "It didn't work on that property, but it worked on Taco Casa and Braums. Damiano: Do you think Taco Casa and Braums are coming here as a result of this? Holubar: Papa John's is coming here also. Thompson: We sent it all out and they said that's great, then they came down and started looking around, then they went to the city when they talked about a development project. Rankin: Wasn't it decided in general, and we didn't vote on it, that we were going to contact the Henderson County Realtors Association and get something going with them and we haven't done that yet. Holubar: We have an email blast list. Damiano: What are we going to give them? Holubar: That was developed for when you have inquires in and they are looking for property. All our commercial brokers know. Damiano: Do they know what they are going to get if they sell it? Holubar: When you update your signs just put Brokers Welcome. Rankin: Are we going to send a letter to the commercial brokers of Henderson County? Thompson: I told everybody we'd take care of them. Osborne: We are not in the land business. We will sell it for whatever we can get for it. We should make the sale price so attractive they can't turn it down. Evans: You have to sell it for fair market

value.

Thompson: My buddies asked if they would get a fee and I said yes. We keep sending out packets. We are also a member of Commercial Real Estate Brokers, which have about 900 hundred list of brokers and we send that out monthly. Holubar: I had a bank that, a broker client of mine that said Washington Federal was a new client and looking for new locations. I asked if they would consider coming outside of Dallas-. Damiano: That brings up something else-ok-we are talking about marketing to Dallas as well as Henderson County. Can we send it out to Dallas? Thompson: We send it to Dallas Brokers; you guys can send it out as a campaign.

Rankin: Orasi Development won a gold medal and silver medal for Kennedale's marketing at an International Conference.

Jack explained the best ways to work a tradeshow.

Get letters out to Brokers.

Website: City's website was out of date. Holubar offered to help with the site, because it's not something you would need a web developer for. It's a template site, a content management site; we can go in and fix it, but she didn't have access to the city's part of website. Rankin recommended paying the small fee to let them do it from the backend of the server so that we could add some stuff. The website is very important.

Another workshop would be held to cover the items that were not discussed today.

Meeting Adjourned: 6: 28 p.m.

Approved by: \_\_\_\_\_  
Linda Rankin, President

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