

**BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)**  
**BOARD OF DIRECTORS**  
**Minutes of Monthly Meeting, January 11, 2016**  
**Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas**

The Bastrop Economic Development Corporation (BEDC) met on Monday, January 11, 2016, at 6:00 p.m. at Bastrop City Hall, 1311 Chestnut Street, for the Regular Monthly Meeting.

Board members present were: Steve Mills, Gary Schiff, Kristi Koch, Mayor Ken Kesselus, Willie DeLaRosa, Cam Chavez, Joe Beal, and Mike Talbot (ex-officio). Staff members present: Shawn Kirkpatrick, Angela Ryan, and JC Brown, BEDC Attorney.

**1. CALL TO ORDER** – BEDC Board Chair Steve Mills called the Board Meeting to order at 6:00 p.m.

**2. PUBLIC COMMENT(S)** – Herb Goldsmith said he would like the BEDC to consider the north end of town as a priority moving forward. The Form Based Code Task Force will be looking at the area and may be asking for assistance in paying for any studies that may be required.

**3. REGULAR BUSINESS**

3.1. Approval of meeting minutes of the Regular Board Meeting of December 14, 2015. Mr. Schiff made the motion to approve the minutes as submitted, Ms. Koch seconded, and the motion passed.

3.2. Consideration, discussion and possible action on acceptance of the BEDC's financial summary report for period ending December 31, 2015. Mr. Kirkpatrick reviewed the financial report included in the Board packets. Mr. Beal made the motion to accept the financial report as submitted, Mr. Schiff seconded, and the motion passed.

**4. ACTION ITEMS**

4.1. Consideration, discussion and possible action on a presentation by Elliott Electric Supply on the development plan for their project located in the Bastrop Business and Industrial Park. Josh Thomas from Elliott Electric Supply and Joseph Willrich from BEFCO Engineering gave an update on the project. Mr. Willrich said that the project will consist of a 10,168 square foot building on a three acre lot. They have submitted their plans requesting a permit to start dirt work and will begin construction as soon as they receive it, with a projected opening date of May 9. Mr. Willrich showed site and building plans that meet all of the City of Bastrop and the BEDC's requirements; they do not anticipate needing any variances. Mr. Thomas said the front wall facing Technology Drive will be 100% masonry and the other three sides will be metal, which meets the BEDC's Restrictive Covenants. No Board action was required.

4.2. Consideration, discussion and possible action on a request that BEDC participate in funding the development of a YMCA facility, as a BEDC project, under statutory authority related to promoting the establishment/expansion of medical facilities for the community of Bastrop. Mr. Kirkpatrick reviewed the contents of his memo to the Board dated January 6 that included his recommendation regarding BEDC's participation in the YMCA project. Mr. Schiff gave some background information on the project. He explained that because of the additional funds that the YMCA project would require and the fact that the City Council had a deadline of December 31, 2015, to commit to the \$1.6 million HUD funds for an emergency shelter, the Council had developed "Plan B", a smaller facility that would meet the FEMA requirements for the shelter and could be built at the approximate amount of the HUD grant. Since that time, the YMCA has offered to finance the City's portion of the project, and commit \$2.5 million of their own funds. The new breakdown would be: \$2.5 million from the YMCA, \$1.6 million from the HUD grant, and \$2.5 million from the City of Bastrop and/or BEDC. The City of Bastrop would own the facility and would lease it to the YMCA for \$1 a year for 20 years, and the YMCA would operate it at no additional cost to the City.

Mr. Schiff explained that the discussion was on the City Council agenda for the following day, and they needed to ensure that the BEDC Board was interested in participating in the project prior to that. In order to meet the HUD grant requirements, the building would need to be completed by September 2017, so it was critical to determine the funding as soon as possible, and he would like for the BEDC Board to decide on a funding amount.

After a lengthy discussion, Mayor Kesselus made the motion to authorize the BEDC Board Chair and Executive Director to speak with the Mayor and City Manager with the understanding that the BEDC Board is interested in moving ahead with the partnership and having a joint workshop meeting to work out the details and ask for public input. Mr. DeLaRosa seconded, and the motion passed, with Mr. Schiff and Mr. Beal opposed.

- 4.3. Consideration, discussion and possible action on disposition of real property owned by BEDC located at 903 Main Street, as it relates to a potential economic development project for expansion of a local business, i.e., Zintek Properties (a.k.a. Maxine's Café Project). Mr. Kirkpatrick said he had summarized the deal points from the December Board meeting to Mr. Sartain, who had expressed concerns about the possibility of mold or mildew in the building. Mr. Kirkpatrick suggested hiring a consultant to test the building. It was the consensus of the Board that the BEDC cover the cost of having the building tested for mold, as well as asbestos.
- 4.4. Consideration, discussion and possible action on BEDC's involvement in the development of a marketing plan concerning a new 'on-site hotel' at the Bastrop Convention Center, including a potential recommendation to the Bastrop City Council from the BEDC related to same. Mr. Kirkpatrick went over his memo included in the Board packet, in which he explained that Mayor Kesselus had requested the Board consider marketing an onsite hotel at the Convention Center. He explained that the BEDC could either offer to put together a marketing plan, or the Council could request the BEDC to do so. He had been asked to test-fit a hotel, and it was determined that a suitable size hotel would fit and the parking requirements would be met. Mr. Kirkpatrick's suggestion was to have a feasibility study conducted by a firm who specializes in this kind of marketing, and then once the results of the study are received, engage a consultant who can develop a master plan and RFP. After the proposals are evaluated, the BEDC could then market the project to individual developers. Mr. Kirkpatrick said it would be very difficult to market the project without a feasibility study and master plan. Mayor Kesselus explained that the study the Council had commissioned had indicated having an onsite hotel would be key, that a lot of convention centers prosper with a hotel connected to them. Mayor Kesselus said the Council had not yet discussed it at length. He said he didn't want the BEDC to undertake it unless it is a legitimate enterprise that will make Bastrop a more prosperous community, so his question was whether or not it was of interest to the EDC. Mr. Schiff said he felt it would fall under the City's purview. Mr. DeLaRosa said that when the Convention Center was built, the Council at the time had stated that the remainder of the property would be left for future expansion of the Center, which would be a decision that the Council would have to make, and that Mr. Kirkpatrick should have called Mr. Talbot about it to get all the facts first. Mr. Schiff said it should be an item for the Council agenda, and then the Council could defer back to BEDC if they so desired, which was the consensus of the Board.
- 4.5. Consideration, discussion and possible action on committees, working groups, task forces, etc., for the BEDC. Mr. Kirkpatrick reviewed his memo included in the Board packets, and explained that typically the BEDC staff forms informal working groups, task forces, and committees related to projects. The Board Chair would appoint ad hoc committees, similar to when the Board updated the Bylaws and Restrictive Covenants. Mr. Kirkpatrick said he had considered putting together formal committees related to the core areas of economic development, but one of his concerns about including community members on the committees was the confidentiality of prospects. Mr. Kirkpatrick explained that when Board members are asked to attend project meetings, it is because the project has either asked for them specifically (such as when the Board chair's presence is

requested), or it is based on the specific skill sets and expertise and which Board members best match that particular project. There was no action taken.

## 5. UPDATE(S), REPORT(S), AND/OR ANNOUNCEMENT(S)

- 5.1. BEDC Projects and/or Business – Mr. Kirkpatrick’s report was included in the Board packet.
- 5.2. Main Street Program Monthly Report – Ms. Wood gave a brief update about Main Street.
- 5.3. City Manager’s Report (including update on Main Street Improvement Project) – Mr. Talbot gave a presentation about the Main Street Improvement and Alley D projects, explaining that the two go hand in hand and should be combined into a single project for bidding purposes, which would result in a cost savings for both the City and BEDC. He suggested completing the work in Alley D prior to beginning the Main Street Project. The Downtown Business Alliance and Main Street Program want to use the empty lot at 921 Main as a common meeting place, but an official decision has never actually been made as to what to do with the lot, and that needs to be determined prior to beginning the Alley D Project. Mr. Talbot explained that since the Board approved funding the Main Street Improvement Project, there has been extensive discussion about expanding the scope of it to include realigning the streets, expanding the sidewalks, removing the islands that currently hold the light poles, and possibly changing to parallel parking. (See Mr. Talbot’s complete [presentation](#) for additional details). After discussion, it was the consensus of the Board that they had previously decided not to increase the amount of funding for the project, and that at this point, all decisions related to the project should be made by the City Council.
- 5.4. City of Bastrop Comprehensive Plan – Ms. Koch reported the committee had not met this month.
- 5.5. City of Bastrop Construction Projects – The list of construction updates was included in the packet.

## 6. EXECUTIVE SESSION

- 6.1. At 8:18 p.m., Mr. Mills convened the BEDC Board of Directors into a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:

- (1) **Section 551.071(1)(A) and Section 551.071(2)** – Consultations with Attorney: (1) threatened and/or contemplated litigation, and (2) matters upon which the Attorney has a duty and/or responsibility to advise or report to the governmental body.
- (2) **Section 551.072** – Deliberation about real property: including, but not limited to, potential sales, acquisitions, exchanges, leases, dispositions or values of real property: ‘Project Bronze Star’, ‘Project Gold Steel’, and/or disposition of 903 Main Street – Maxine’s Café Project.
- (3) **Section 551.087** – Deliberation regarding economic development negotiations: ‘Project Bronze Star’, ‘Project Gold Steel’, ‘Project Apothecary’, and/or 903 Main Street – Maxine’s Café Project.
- (4) **Section 551.074** – Personnel Matters: Executive Director’s Six Month “Interim Performance Review” and Update.

- 6.2. At 9:35 p.m., the BEDC Board of Directors reconvened into open session to discuss, consider and/or take any action necessary related to the executive sessions noted herein, or regular agenda items, noted above, and/or related items. No action was taken.

## 7. BOARD INPUT ON FUTURE AGENDAS

- 7.1. Inviting input from the Board of Directors related to issues for possible inclusion on future agendas, related to (but not limited to) issues such as BEDC projects, property, economic development prospects, community events, and BEDC business. The Board requested to see the BEDC debt schedule at the next meeting.

8. **ADJOURNMENT** – Gary Schiff made the motion to adjourn and Cam Chavez seconded. The BEDC Board of Directors adjourned the meeting at 9:36 p.m.