

BASTROP ECONOMIC DEVELOPMENT CORPORATION (BEDC)
BOARD OF DIRECTORS
Minutes of Monthly Meeting, May 16, 2016
Bastrop City Hall, 1311 Chestnut Street, Bastrop, Texas

The Bastrop Economic Development Corporation (BEDC) met on Monday, May 16, 2016, at 6:00 p.m. at Bastrop City Hall, 1311 Chestnut Street, for the Regular Monthly Meeting.

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

1. **CALL TO ORDER** – BEDC Board Vice-Chair Kristi Koch called the Board Meeting to order at 6:01 p.m.
2. **PUBLIC COMMENT(S)** – Carolyn Banks said when she was at Upstart, she applied for a grant from LCRA to renovate one of their buildings and turn it into a “Makerspace”. Under then Executive Director Dave Quinn, the BEDC had provided the match for the grant in the amount of \$6,000. Ms. Banks stated after she left Upstart, the funds were not used for a Makerspace, and she wanted the BEDC to pursue action to have the money returned to them, as the LCRA had done. There were no other public comments.
3. **REGULAR BUSINESS & PRESENTATIONS**
 - 3.1. Approval of meeting minutes of the Regular Board Meeting of April 18, 2016. Mr. Schiff made the motion to approve the minutes as submitted, Mr. Chavez seconded, and the motion passed.
 - 3.2. Consideration, discussion and possible action on acceptance of the BEDC’s financial summary report for period ending April 30, 2016. Mr. Kirkpatrick reviewed the financial report included in the Board packets. Mr. Schiff made the motion to accept the financial report as submitted, Mr. Chavez seconded, and the motion passed.
 - 3.3. Consideration, discussion and possible action on presentation and update by Aaron Farmer, The Retail Coach, regarding Bastrop’s retail recruiting strategy. Mr. Farmer showed that Bastrop’s Retail Trade Area, or the population of consumers who shop in Bastrop on a regular basis, is about 187,000, which is extremely large for a community the size of Bastrop. He said that is why some of the larger retailers have decided to locate here. Mr. Farmer said they are currently working on identifying specific sites in Bastrop for retailers and restaurants. The Retail Coach will be marketing Bastrop at the International Council of Shopping Centers (ICSC) in Las Vegas May 22-25. They have meetings scheduled with potential retailers, restaurants and developers. The new gap analysis will be available in June, with expanded retail categories that will provide greater detail. (Mr. Farmer’s complete presentation is available at this [link](#).)
 - 3.4. Consideration, discussion and possible action on presentation and update by Eric Davis, KSA Engineering, regarding retail and commercial land development. Mr. Davis said economic development depends on real estate, finance, and workforce. He explained the difference between neighborhood strip centers, power centers, lifestyle centers, and mixed-use lifestyle centers. He said in the last five years, he has seen developers take a much greater interest in mixed-use lifestyle centers, which consists of office, retail, and “vertical living” residential. Mr. Davis said that a pasture is not a commercial site – you first need to do the public investment. Private investment may follow, but it will not come first, and will “follow the path of least resistance.” Mr. Davis suggested starting with a vision, which is a basic map with topographical survey. Then do the initial concept plans based on the topography, market analysis, traffic flows, etc., and also on whether or not the land is available, with agreements with the landowners that

they will sell it at a set price or market price. The next step would be the conceptual plan, including square footage, usage, flow, walkability versus vehicular traffic, etc. The last stage would be final concept plans, after consulting with local stakeholders, retailers, and developers. Mr. Davis said that Public Private Partnerships have become popular recently and having that mechanism in place shows that a city is progressive. He said having clear and concise ordinances and zoning that are fairly and consistently applied are key to successful development. (Mr. Davis' complete presentation is available at this [link](#).)

4. ACTION ITEMS

4.1. Update from Bastrop Fine Arts Guild representatives, as well as consideration, discussion and possible action related to an overview of the status of the existing BEDC grant and Performance Agreement between the Bastrop Fine Arts Guild and the BEDC, as per the direction of the BEDC Board from the April meeting. Karol Rice gave an update on the Arts Guild project which included contributions, expenses, and an updated maintenance and operation budget. Mr. Chavez requested the Guild add a line item to the operating expenses to include the cost of debt service for the outstanding fundraising required to complete the project. Mr. Kirkpatrick explained the Guild would have 24 months from the initiation of construction to complete the project, obtain the certificate of occupancy and begin operations. (Ms. Rice's complete presentation is available at this [link](#).) Mr. Chavez made the motion that the Bastrop Fine Arts Guild, with the initiation of construction on October 12, 2015, is in compliance with Section 5.9 of its Performance Agreement with the Bastrop EDC. EDC staff is instructed to continue working with the Guild on remedying any other conflicts in the agreement and keep the Board informed. Mr. Schiff seconded, and the motion passed.

Mr. Kirkpatrick suggested the Board move into Executive Session to consult with the BEDC attorney about the agreement with 'Project Gold Steel'. At 7:38 p.m., Ms. Koch convened the BEDC Board of Directors into a closed/executive session pursuant to the Texas Government Code, Chapter 551, for consultation with the BEDC attorney. The Board of Directors reconvened into open session at 7:52 p.m.

4.2. Consideration, discussion and possible action on approval of an Economic Development Agreement between the BEDC and 'Project Gold Steel'. Mr. Schiff made the motion to approve the economic development agreement between the BEDC and AEI Technologies, Inc. (aka Project Gold Steel). Mr. Chavez seconded, and the motion passed.

4.3. Consideration, discussion and possible action on a Resolution by the Bastrop Economic Development Corporation authorizing BEDC Board Chair Steve Mills and/or Executive Director Shawn Kirkpatrick to execute all necessary contracts and related documentation necessary to finalize the conveyance of 1.4 acres of land in the Bastrop Business and Industrial Park to 'Project Gold Steel' in conjunction with the approval of the Economic Development Agreement. Mr. Chavez made the motion to approve the resolution as presented, Mr. Schiff seconded, and the motion passed.

4.4. Consideration, discussion and possible action on adoption of statutory findings related to the 'Project Gold Steel', which upon adoption waives the mandated public hearing(s) for Type B Corporations, as per State Law, i.e., Sec. 505.159 (b) of the Texas Local Government Code. Mr. Chavez made the following motion: In consideration of the information presented to the Board by the staff and the applicant, AEI Technologies, Inc., and because the Board finds that the expenditure of funds by the BEDC for the AEI Technologies Project, related to the development of a medical equipment manufacturing facility in the Bastrop Business and Industrial Park, would: (1) create or retain primary jobs, and (2) has been found by the board of directors of the BEDC to be an industrial manufacturing project, and (3) is therefore, an 'authorized project' pursuant to Section 501.101 of the Local Government Code, I move that

the Board approve the expenditure for the AEI Technologies Project, under the authority granted by Section 505.159(b) of the Local Government Code, and direct the staff to move forward immediately to seek Council approval of the Project. Mr. Schiff seconded, and the motion passed.

5. UPDATE(S), REPORT(S), AND/OR ANNOUNCEMENT(S) – The BEDC and City of Bastrop provided written reports (includes items for update, discussion, and/or possible action by the Board of the BEDC).

- 5.1. BEDC Projects and/or Business Update – Mr. Kirkpatrick’s report was included in the Board packet.
- 5.2. *Ad Hoc* Bylaws Committee Report – Mr. Kirkpatrick reported that the next meeting of the committee would be the first week of June, and that he should have their recommendations for the June Board meeting.
- 5.3. Main Street Program Monthly Report – Sarah O’Brien announced that there would be a Tax Credit Workshop on May 31.
- 5.4. City Manager’s Report – Excerpts from the City Manager’s report to City Council were included.
- 5.5. City of Bastrop Comprehensive Plan Update – Ms. Koch referred to the City Manager’s report.
- 5.6. City of Bastrop Construction Projects Report – The update was included in the packet.

6. EXECUTIVE SESSION

6.1. At 8:11 p.m., Ms. Koch 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 claims, causes, or litigation, and/or (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 the following real properties: ‘Project Bronze Star’, ‘Project Gold Steel’, ‘Project MT Star Wars’, and/or property owned and/or considered for acquisition/use by the BEDC.
- (3) **Section 551.087** – Deliberation regarding economic development negotiations: ‘Project Bronze Star’, ‘Project Gold Steel’, ‘Project MT Star Wars’, ‘Project Jetblue’, ‘Project Valley Stays’, and/or ‘Project White Foam’.

6.2. At 8:36 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. There was no action taken.

7. BOARD INPUT ON FUTURE AGENDAS

7.1. Inviting input from the Board of Directors related (but not limited) to issues for possible inclusion on future agendas and/or concerning issues such as BEDC projects, property, economic development prospects, community events, and BEDC business or activities. There were no suggestions.

8. ADJOURNMENT – Gary Schiff made the motion to adjourn and Cam Chavez seconded. The BEDC Board of Directors adjourned the meeting at 8:37 p.m.