

SCHERTZ

ECONOMIC DEVELOPMENT

MINUTES
CITY OF SCHERTZ
ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS
REGULAR MONTHLY MEETING
THURSDAY, FEBRUARY 25, 2016

The City of Schertz Economic Development Corporation (SEDC) Board of Directors met for a Regular Monthly Meeting on Thursday, February 25th, 2016 at 6:00 p.m. in the City Council Chambers, Conference Room, 1400 Schertz Parkway, Schertz, Texas.

CALL TO ORDER

1. Roll call and recognition of visitors.

President Brown called the meeting to order at 6:00 p.m. and welcomed everyone in attendance.

Board of Directors:

Tim Brown – President
Angelina Kiser – Vice President
Roy Richard
Grady Morris
Paul Macaluso

Staff:

Kyle Kinateder – SEDC Executive Director
Colin Sherman – ED Specialist
Patty Horan – Executive Assistant - ED
James Walters – Assistant Finance Director

Absent Directors: Rosemary Scott and Marvin Thomas

Others present: Robert Brockman - Resident

2. Public comment.

This time is set aside for any person who wishes to address the Board. Each person should fill out the Citizen's to be Heard registry form prior to the meeting. Presentations should be limited to no more than 3 minutes. The presiding officer, during the Public Comment portion of the agenda, will call on those persons who have signed up to speak in the order they have registered.

There were no public comments.

ITEMS FOR INDIVIDUAL CONSIDERATION

3. **Consider/Discuss/Act on approval of the Minutes for the Board of Directors Regular Monthly Meeting held on Thursday, January 28th, 2015. (P. Horan)**

A motion to approve the minutes for the Board of Directors Regular Monthly Meeting held on Thursday, January 28th, 2016 was made by Mr. Roy Richard with the administrative correction on the agenda caption in regards to the meeting year date. Seconded by Mr. Grady Morris. Motion passed unanimously.

4. **Review of the SEDC Monthly Financial Report for the month of January 2016. (J. Walters)**

Mr. Walters provided an overview of the account statements, answered questions, and provided feedback.

No action was taken.

5. **PUBLIC HEARING – Consider/Discuss/Act on a recommendation to the City Council of the City of Schertz authorizing payment of an Economic Development Incentive Agreement under Resolution No. 16-R-08 among the City of Schertz Economic Development Corporation and Major Wire Texas, Inc. (K. Kinatader)**

Mr. Kinatader provided a recap of the Economic Development Incentive Agreement with Major Wire Texas, Inc. which was approved by the SEDC board at the January 28, 2016 meeting, and later by the City Council at their meeting on February 2, 2016. The recap included the project parameters, performance criteria and the incentive amount. Mr. Kinatader explained that a public hearing was required before spending money to undertake a project. Mr. Kinatader explained that Major Wire Texas, Inc. must secure their certificate of occupancy before they would receive the grant.

President of the Board opened the meeting for public comment:

Time start: 6:05 p.m.

There were no public comments.

Time end: 6:07 p.m.

A motion to recommend that the City Council authorize the payment of an economic development incentive agreement among the SEDC and Major Wire Texas, Inc. as outlined in the Agreement was made by Ms. Angelina Kiser. Seconded by Mr. Grady Morris. Motion passed unanimously.

6. Update on the annual certification process for active economic development incentives. (K. Kinateder/C. Sherman)

Mr. Kinateder and Mr. Sherman provided a briefing and visual presentation of the 2015 annual certification report and explained that as of December 31, 2015, the City of Schertz and the City of Schertz Economic Development Corporation (SEDC) had a total of ten companies with economic development agreements. The agreements were classified as active or expired. Six were classified as active and four were classified expired because their term ended on December 31, 2015. The 10 incentives included:

- Active: Caterpillar Inc.; Capital Group Companies, Inc.; Closner Equipment Co., Inc.; Sysco Central Texas, Inc.; GE Oil & Gas, Inc.; and Amazon.com.kydc LLC.

- Expired: Prologis Texas I, LLC.; Corridor Hotel II, LTD.; CST Diamond LP; and Verde Tri County LTD.

Three Agreements including Corridor hotel II, LTD, CST Diamond LP, and Verde Tri County failed to properly submit their compliance report. Each of these agreements are between the City and the companies so the City Council will determine any future action. GE Oil & Gas, Inc and Amazon.com.kydc are still under review and will be addressed at a later SEDC Board Meeting.

No Action was taken.

7. Discussion on strategic planning of SEDC reserves. (K. Kinateder)

Mr. Kinateder led a discussion about the SEDC Reserves Fund and the SEDC's future participation in economic development incentives, repairing existing infrastructure, building new infrastructure, and land banking for future economic development growth. The Board suggested that Staff bring specific items for future discussion.

No action was taken.

Mr. Richard left the meeting at 6:45 p.m.

8. Director's Report. (K. Kinateder)

Mr. Kinateder provided highlights on the following:

- Project Updates
 - 1300 Schertz Parkway

Update - The final construction plans have been received from Ford Engineering and staff is drafting the RFP for the project.

▪ David Lack Blvd.

The City Council met on February 2, 2016 and approved the City of Schertz Economic Development Corporation Construction Agreement with the Yantis Company. On February 3rd staff met with Yantis, Bury and GE to review the project and coordinate construction. On February 8th, staff issued the Notice to Proceed and construction permit, Yantis will have 90 days to complete the project. Images were shown of the current status of the project.

- Eminent Domain Report – A copy of the report was included in the Board’s packet.
- Main Street Report – A copy of the report was included in the Board’s packet.
- LSRD Report – In February, the SEDC received the executed copy of the Lone Star Rail District and City of Schertz agreement. With the executed agreement in hand, the SEDC made the annual membership payment to the Lone Star Rail District. On February 10, 2016 the San Antonio Express News reported the Union Pacific had notified the LSRD that it would discontinue its partnership with the LSRD project. In response to the article the LSRD issued a letter to the City Council. A copy of the news article and letter was included in the Board’s packet.
- Events Attended
 - Job Shadow Day – Feb. 2nd. The City of Schertz and other area businesses hosted junior and senior high school students from area schools as part of Junior Achievement's annual "Job Shadow Day". The event was sponsored by SA Works and HEB and organized by Junior Achievement, the half-day event was geared toward providing career awareness opportunity for over 1700 students throughout the San Antonio region. The event was well participated by public, private and non-profit employers. The criminal justice class from Samuel Clemens High School was hosted by the City of Schertz to experience how city departments work together to provide community services. The students gained exposure to potential careers in municipal government, court, law enforcement, and other supporting departments. Throughout the day, the students were taught how to find, apply and interview for jobs.
 - Alamo Manufacturing Partnership (AMP) –Feb. 9th. Members. During the monthly meeting, AMP organizers announced that bipartisan group of senators and representatives introduced new legislation to create regional manufacturing hubs, invest in manufacturing jobs. Legislation would create permanent program to put designated “Manufacturing Communities” in front of the line to receive federal economic development funding.

- The Chamber – Feb. 16th. Monthly luncheon - State of the Cities Address from the City Managers of Schertz, Cibolo and Selma updating the public on the upcoming projects within each community.
- TexasOne – Invest in Texas Seminar – San Antonio

REQUESTS AND ANNOUNCEMENTS

9. Requests by Board Members that items be placed on a future SEDC Board Meeting Agenda.

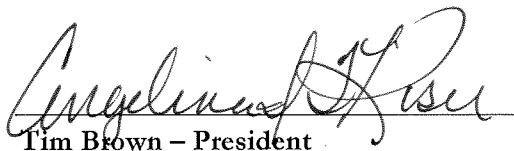
The Board requested a general briefing on all expenses related to economic development funding of projects within the past 5 to 10 years and highlight the areas where they've had the most impact.

Mr. Grady requested a briefing on Randolph area future development.

ADJOURN

President Brown declared the meeting adjourned at 6:55 p.m.

MINUTES PASSED AND APPROVED THIS 28th DAY OF APRIL 2016.


Tim Brown – President


Rosemary Scott – Secretary/Treasurer

