

# SCHERTZ

ECONOMIC DEVELOPMENT CORPORATION

MINUTES  
CITY OF SCHERTZ  
ECONOMIC DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS  
REGULAR MONTHLY MEETING  
THURSDAY, OCTOBER 27, 2016

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The City of Schertz Economic Development Corporation (SEDC) Board of Directors met for a Regular Monthly Meeting on Thursday, October 27<sup>th</sup>, 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  
Roy Richard  
Paul Macaluso  
Katie Chain  
Gary Howell

### Staff:

Kyle Kinateder – SEDC Executive Director  
Patty Horan – Executive Assistant - ED  
Jennifer Kolbe – Business Retention Manager  
James Walters – Finance Assistant Director

Directors absent: Angelina Kiser – Vice President

Others present:

Jim Fowler – Councilmember  
Robert Brockman – Resident

2. Consider/Discuss/Act on election of corporation officer for the Secretary/Treasurer position currently vacant for FY 2016-2017. (T. Brown)

On July 15, 2016, Mrs. Scott resigned from the SEDC Board of Directors which resulted in the positions of Secretary and Treasurer being unfilled. Per the SEDC Bylaws, the Board may from time to time elect to fill a vacancy. The Board nominated Mr. Macaluso for the vacant position and he gladly accepted.

**A motion to elect** Mr. Paul Macaluso for the Secretary/Treasurer position currently vacant for FY 2016-2017 was made by Mr. R. Richard. Seconded by Mr. G. Howell. **Motion passed** unanimously.

3. Introduction of new staff member: Jennifer W. Kolbe - Business Retention Manager (K.Kinateder/P.Horan)

Mr. Kinateder introduced Ms. Kolbe and provided a brief background on her professional education and experience. Jennifer Kolbe joined the SEDC on October 3, 2016 as the Business Retention Manager. She will work with existing businesses, workforce development initiatives and will represent the SEDC at various chamber and business related meetings. Mr. Kinateder explained that one of the main goals for this position is to formalize the development of a Business Retention Plan. Ms. Kolbe expressed her appreciation for the opportunity and complimented the staff for the confidence and support.

4. 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.*

Mr. Fowler congratulated Ms. Kolbe for her new position with the SEDC staff.

#### ITEMS FOR INDIVIDUAL CONSIDERATION

5. Consider/Discuss/Act on approval of the Minutes for the Board of Directors Regular Monthly Meeting held on Thursday, August 25, 2016. (P. Horan)

**A motion to approve** the minutes for the Board of Directors Regular Monthly Meeting held on Thursday, August 25, 2016 was made by Mr. R. Richard. Seconded by Mr. P. Macaluso. **Motion passed** unanimously.

6. Review of the SEDC Monthly Financial Report for the months of August and September 2016. (J.Walters)

Mr. Walters provided an overview of the SEDC Monthly Financial Statements Report for the month of August 2016. He was not able to provide the September report due to end of the year adjustments.

7. Consider/Discuss the Incentive Policy. (K. Kinateder)

Mr. Kinateder provided a brief recap on the different funding sources for economic development incentives offered at a City level and also through the SEDC. Mr. Kinateder cited the particular sections of the Texas Local Government Code (501, 502 and 505) that refers to the type of projects a 4B type organization is allowed to fund based on the creation and retention of primary jobs. He stated that the new Incentive Policy will provide a more strategic way for the City to invest money and it will set a framework for the type of incentives the SEDC can offer to attract and retain businesses.

Mr. Kinateder requested the Board's feedback on what type of key components should be listed on the new incentive policy. He provided examples of different criteria used by other organizations to address applications for incentives from small businesses. He cautioned the Board on putting in place stiff

regulations that may later limit the Board's decision on what type of businesses may be able to provide incentives. The Board requested to see a drafted document at the next Board Meeting that provided flexibility.

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

Mr. Kinateder asked if the Board had any questions related to the information reported on the summary of activities provided in the packet for project updates, businesses visited and events attended. The Board acknowledged the report and there were no questions asked.

- Project updates
  - 1300 Schertz Parkway
- SEDC personnel update
- Business visited
- Events attended

## REQUESTS AND ANNOUNCEMENTS

### Announcements:

Office closures: November 11, 24, 25, 2016

Next regular scheduled Board Meetings: Thursday, November 17, 2016; Thursday, December 15, 2016

Festival of Angels Parade: Dec. 2, 2016

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

No requests were made.

Board recessed the Regular Meeting into Executive Session at 6:37 p.m.

## 10. EXECUTIVE SESSION

- A. Called in accordance with Section 551.087 of the Texas Government Code, Deliberation Regarding Economic Development Negotiations; Closed Meeting. The governmental body is not required to conduct an open meeting (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect.

- Project E-025
- Project E-026

Start Time: 6:40 p.m.

End Time: 7:22 p.m.

## RECONVENE TO REGULAR SESSION

President Brown reconvened to Regular Session at 7:24 p.m.

11. Discussion, public hearing and possible action to authorize the SEDC Executive Director to take the necessary and appropriate actions to proceed with negotiations based on discussions held in Executive Session under Agenda Item No.10-A:
  - Project E-025 – Discussion, public hearing, and possible action relating to an expenditure of SEDC Funds for a warehouse and distribution project.
  - Project E-026

Mr. Kinatader revealed Project E-025 to be connected with a proposed Economic Development Incentive Agreement among the City of Schertz Economic Development Corporation (SEDC) and Advance Stores Company, Inc. He provided a presentation of the incentive offer package and grant schedule along with a thorough review of the terms and conditions of the incentive agreement.

President of the Board opened the meeting for public comment at 7:32 p.m.

No public comment was received.

President closed the Public Hearing at 7:33 p.m.

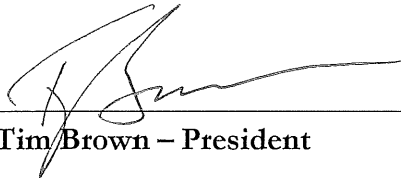
**A motion to approve and to authorize** the SEDC Executive Director to continue with negotiations with Advance Stores Company, Inc., and for the Board President to execute the agreement after the Schertz City Council has approved the expenditures. Motion was made by Mr. R. Richard. Seconded by Ms. K. Chain. **Motion passed** unanimously.

No action was taken on Project E-026

**ADJOURN**

President Brown adjourned the meeting at 7:34 p.m.

**MINUTES PASSED AND APPROVED THIS 26 DAY OF JANUARY, 2017**



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**Tim Brown – President**