

Agenda – EDC Regular Meeting

Tuesday, March 13, 2018 at 6:30 p.m.

perfectly situated...

Elgin Economic Development Corporation

City Hall Annex, 310 North Main Street,
Elgin, Texas 78621

Board Members:

Jeff Carter - President, Bryan Bracewell – Vice President, S.H. McShan - Secretary,
Molly Alexander, Jessica Bega, Sue Brashar & Cody Mauck

- I. Call to Order
- II. Approval of Minutes from the December 12, 2017 EDC Special Meeting
- III. Public Comments - No discussion or action will occur beyond what is allowed by Texas Open Meetings Act
- IV. Financial Report
 1. Presentation by Charles Cunningham
- V. Director's Report
- VI. Discussion and Possible Action on funding for the Elgin Local Foods project.
- VII. Discussion and Possible Action on an MOU between the City of Elgin and the EDC
- VIII. Discussion and Possible Action to consider a mega grant application from Kenny & Brenda Chambers for improvements to 109 N. Main Street
- IX. Discussion and Possible Action to pick a date for the Board retreat
- X. Executive Session - The Elgin Economic Development Corporation Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following: Section 551.072 - Deliberation about real property and/or potential sales, acquisitions, exchanges, leases, dispositions, incentives or values of real property. Section 551.074 Personnel Matters.
- XI. Reconvene - The Elgin Economic Development Corporation Board of Directors will reconvene into Open Session to discuss, consider and/or take any action necessary related to the executive session noted herein, or regular agenda items, noted above, and/or related items.
- XII. Announcements.
- XIII. Adjournment

CERTIFICATION

I certify that the above notice for an Elgin EDC meeting was posted on the bulletin board at the City Hall of Elgin, Texas on or before, 5pm, Friday, January 12, 2018



Sandra Barrier, Executive Assistant

NOTICE OF ASSISTANCE AT A PUBLIC MEETING

The City of Elgin is committed to compliance with the Americans with Disability Act. The Council Chambers are wheelchair accessible and special marked parking is available in front of the building. Persons with disabilities who plan to attend this meeting and who may need assistance are requested to contact the City Secretary's Office at (512) 281-5724. Please provide forty-eight (48) hours notice when feasible.



EDC Special Meeting Minutes

Tuesday, December 12, 2017 at **6:30 p.m.**

City Hall Annex, 310 North Main Street,
Elgin, Texas 78621

Board Members:

Jeff Carter - President, Bryan Bracewell - Vice President, S.H. McShan - Secretary,
Molly Alexander, Jessica Bega, Sue Brashar & Cody Mauck

Attending: Jeff Carter, S.H. McShan, Jessica Bega, Bryan Bracewell, Cody Mauck, Sue Brashar, Bryan Bracewell

Absent: Cody Mauck

Staff: Owen Rock

- I. **Call to Order** The meeting was called to order at 6:30pm by Jeff Carter.
- II. **Approval of Minutes from the November 21, 2017 EDC Board Meeting** – Cody Mauck moved to approve the minutes with one change, seconded by Jessica Bega, passed unanimously.
- III. **Public Comments** - No Public Comments
- IV. **Financial Report** – No Financial Report.
- V. **Director's Report** – No Director's Report.
- VI. **Discussion and Possible Action on a resolution to approve an economic development agreement with Ascension Texas (also known as "Seton Healthcare Family")**. The Board discussed the economic development agreement with Ascension Texas. Sue Brashar moved to approve an economic development agreement with Ascension Texas, seconded by Jessica Bega, passed unanimously with Cody Mauck being absent.

The Board did not enter Executive Session.

- VII. **Executive Session - The Elgin Economic Development Corporation Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following: Section 551.072 - Deliberation about real property and/or potential sales, acquisitions, exchanges, leases, dispositions, incentives or values of real property. Section 551.074 Personnel Matters. - None**
- VIII. **Reconvene - The Elgin Economic Development Corporation Board of Directors will reconvene into Open Session to discuss, consider and/or take any action necessary related to the executive session noted herein, or regular agenda items, noted above, and/or related items.**
- IX. **Announcements.**
No announcements.
- X. **Adjournment**
The meeting was adjourned at 6:43pm.

ATTEST:

APPROVED:

S.H. McShan, Secretary

Jeff Carter, President

Elgin Economic Development Corporation

FY 2017-2018 Goals

Mission: : To improve the economy of Elgin by attracting new businesses, expanding existing businesses, and helping entrepreneurs grow

Vision: Elgin is Perfectly Situated for Creative Opportunity

Goal	One-Year Milestone	Progress	Budget	Lead	Status
Establish & Implement a Robust Business Retention & Expansion Program	Organize the BRE program and choose marketing methods	✓		OR	Plan and marketing identified
	Identify partners & programs.		Staff Time	OR	Identified Chamber & Comm Dev as potential partners.
	Identify & prioritize business visits		Staff Time	OR	Developed list of business but have not prioritized
	Develop survey and database to be utilized			OR	Survey has been developed but no database as yet
	Create method by which to measure results			OR	Semi annual and annual report
Make a Decision on the Future of our 80-acre Industrial Site	Decision made to keep and develop the 80 acres	✓		OR	Complete
	Purchase 60 acres from Rivers	✓	\$ 900,000	OR	From EDC Funds. Purchase completed
	Develop project with Seton for new medical facility	✓		OR	Agreement has been signed.
	Sell land to Assisted Living Facility			OR	Working on extending the infrastructure to accommodate the project
	Develop a partnership with AQUA in order to allow development in the 140 acres	✓		OR	Have come to an agreement with Aqua and hope to have contract in Dec
	Attract new retail and business to the 140 acres			OR	Ongoing
Establish a Food Niche Branding Campaign	Create a Food Niche Roundtable - determine stakeholders, develop partnerships (ACC, Sue Beckwith, farmers,etc),	✓		OR/SB	Completed
	Generate ideas for USDA Culinary Incubator/Cold Packaging facility. Research existing models, visit facilities to identify what we need, investigate possible local space.	✓		OR/SB	Completed
	Build a Branding Strategy - Elgin Inside, Agrarian Community & Culture, Do-It-Yourself/Maker elements			OR/SB	Made in Elgin completed also ongoing marketing and branding
	Create a hit-list of Target Businesses	✓		OR/SB	Completed
	Identify potential funding sources	✓	\$ 1,500,000	SB/OR	EDC funding along with future potential grants
	Conduct Market Feasibility Study to include income, size, pre-plan projections			OR/SB	Not currently completed but ongoing
	Write a business plan	✓		SB	Completed
Create an Existing Industry Incentives Package	Craft a practical incentives package for the benefits of existing businesses to stay and expand in Elgin.			OR	Will be addressed at retreat
	Design with minimum thresholds and allow for increased incentives based on individual scenarios			OR	This would be done in a 380 agreement
	Include incentives that are cash and non-cash to address various needs and situations			OR	Will be addressed at retreat
Progress Legend					
		✓		Completed	
				In Progress	
				Requires Attention	
				In Danger	
		6		Dead/Failure	
				Not Started	



City of Elgin Office of the City Manager

City Hall • 310 North Main Street • P.O. Box 591
Elgin, Texas 78621

MEMORANDUM OF UNDERSTANDING

by and between
THE CITY OF ELGIN
and

THE CITY OF ELGIN ECONOMIC DEVELOPMENT CORPORATION

March 12, 2018

The purpose of this Memorandum of Understanding (“MOU”) is to memorialize the primary elements of a working agreement between the City of Elgin (the “City”) and the City of Elgin Economic Development Corporation (the “EDC”), a non-profit corporation created by the City and organized pursuant to Section 4A of the Development Corporation Act of 1979, in furtherance of the acquisition, development, and/or sale of certain real property as described herein and in support of general economic development within the Elgin community.

This MOU is provided to formally clarify for the record the general terms of a financing partnership and on-going working relationship between the City and the EDC

Background

Last year, the City and EDC approved a partnership agreement to purchase a tract of land containing 60+/- acres also known as the *Hidden Oaks Highway 290 Property* (Exhibit A) for a total purchase price of approximately \$3.97M.

The acquisition of this property demonstrates the City and EDC’s commitment to foster economic growth within the city and to support the development of projects and services that best serve the interests of Elgin residents and property owners. The acquisition of the *Hidden Oaks Highway 290 Property* also created contiguity with an additional 80+/- acre tract acquired by the City many years prior - creating 140-acre tract of land with frontage on Hwy290 and a rail line that will be attractive to a variety of private development opportunities (the “Property”).

Simultaneous to this acquisition, city staff initiated negotiations with the Seton Healthcare Family/Ascension Texas (“Seton”) on a project to construct and operate a health care facility in exchange for the City and EDC providing land and certain public infrastructure improvements.

Development Agreement – Seton/Ascension

City staff and Seton representatives have now approved a Development Agreement (Exhibit B) defining certain terms, conditions, and economic development incentives that will be provided by the City and EDC in exchange for the construction of a multi-faceted medical services facility that will be located on the Property; and owned and operated by the Seton Healthcare Network. One of the primary incentives being provided to Seton under this agreement is the conveyance of approximately thirty-five (35) acres of land within the Property, initially free of charge.

Both the Elgin City Council and the EDC Board of Directors voted their unanimous support for this Project and the Development Agreement as presented.

Financing

The mutually agreed-upon financing plan for acquisition of the *Hidden Oaks Highway 290 Property* contemplated the possible combination of various city resources including, but not limited to long-term and short-term financing, bond proceeds, EDC funds, and/or cash reserves.

To complete this acquisition, the City and EDC ultimately utilized a combination of available cash reserves and the partial funding of eligible expenditures from the City's 2016 Certificates of Obligation. It was the intent of both the City and EDC, however, that such funding was to be temporary; and that anticipated proceeds from future land sales from the Property in the near future will be utilized to fully reimburse both the City and EDC for these costs.

Of the total \$3.97M purchase price, approximately \$3.07M was provided by the City and \$900,000 by the EDC. As proceeds are realized from future land sales within the Property as described above, the City shall be reimbursed first, the entire amount of its investment, with the EDC being reimbursed only after the City has been reimbursed the total amount of its initial investment.

Proceeds from Future Land Sales

In any and all circumstances (unless expressly agreed to otherwise by the City Council), all proceeds from the sale or lease of any and all property by the EDC within the entire 180 acres as described herein shall be first utilized to repay all costs associated with the purchase of the *Hidden Oaks Highway 290 Property*. Only at such time as the entire \$3.97M is repaid to the City and EDC respectively shall any proceeds from future land sales within the Property be eligible for other use.

After all proper reimbursements associated with the original purchase of the Property are made, proceeds from all subsequent land sales and/or leases from the Property will belong to the EDC.

Future Development Projects

One of the primary objectives for this investment in the Property was to create opportunities for the City and EDC to exercise greater control over the future development of said land. It is the expressed desire of both the City and EDC to encourage and/or secure private development projects within the Property that will (a) create enhanced resources supporting local government, (b) provide jobs and services desired by the Elgin community and (c) develop the property in a way that is aesthetically pleasing and a quality addition to the City of Elgin.

To that end, the EDC will not sell, lease, or complete any transaction affecting use of the land without the EDC Board of Directors first reviewing and approving a development plan for any such property. Said development plan shall include, but not be limited to, a site plan and elevation drawings clearly depicting construction plans for the property.

Subsequent to review and approval of any development plan associated with the proposed sale or lease of land within the Property, such plan will then be submitted to the City Council for their consideration. The EDC will not sell, lease, or complete any transaction affecting land within the Property without first receiving approval of such development plan by the City Council.

Timely Development

It is also the expressed desire of both the City and EDC to support active development of the Property as soon as practicable. As such, all land sold or leased within the Property shall be subject to a claw back provision, requiring the new owner or lessee to commence construction on the approved development plan within six (6) months of closing; and to be open to the public for business no later than eighteen (18) months after closing (unless otherwise expressly agreed to by the City Council and EDC Board of Directors) or be subject to return of the land to the City/EDC for the original purchase price.

This MOU shall take effect upon the execution of all parties hereto, as evidenced by the date of execution set forth below under each signature.

CITY OF ELGIN:

Chris Cannon
Mayor
Date:

Thomas L. Mattis
City Manager
Date:

CITY OF ELGIN ECONOMIC DEVELOPMENT CORPORATION:

Jeff Carter
President
Date:

Owen Rock
Director, Elgin Economic
Development Corporation
Date:

ELGIN ECONOMIC DEVELOPMENT CORPORATION/
MAIN STREET REVITALIZATION GRANT PROGRAM

GRANT APPLICATION

APPLICANT [OWNER(S)/REPRESENTATIVE] (Note: If Applicant is not the building or property owner(s), the building and property owner(s) must sign the Application or submit a notarized 'letter of authorization' with this Application). If the property/building is owned by more than one individual or entity, then all co-owners must personally sign the Application.

Name Kenny + Brenda Chambers
Address 469 Upper Elgin River Rd City Elgin State TX Zip 78621
Telephone (Work) (512) 285-5500 (Home/Cell) (512) 913-7155

PROJECT/BUILDING OR PROPERTY

Project/Building Name _____

Project/Building Address (including legal description) 109 N. Main St
Block 39 Lot 16 Elgin, TX

Project/Building Owner _____

Address _____

Building Age _____ Date of Original Construction 1908

Architect/Builder (if known) _____

Brief History of Building (Elgin Depot Museum and/or Library and/or County Courthouse are resources please provide historic photographs of the building/site)
past business jewelry store, photographer
Ice House

This is a Contributing Bldg in a National Registered District.

Is this property a City of Elgin Historic Landmark? (☒ No) (☐ Yes)

Date established as a Historic Landmark _____, 20__

Note: If the structure involved is within the Downtown Main Street Program area, the project must be submitted for review and approval by the Historic Review Board prior to submission to the EDC.

Is this property on the National Register of Historic Places or a Recorded Texas Historic Landmark? (☐ No) (☐ Yes-Explain which _____)

DESCRIPTION OF PROJECT/WORK PROPOSED

Exterior Paint, minor wood repair

Interior Complete Renovation of interior

Windows Replacement of front and back windows

Roof patching

Façade (Storefront/Doors) paint + minor repairs

Painting interior + exterior

Awning painting + minor repairs

Other All utilities will ~~be~~ need to be installed
ie Plumbing, electrical, HVAC

Total Estimate \$ 120,000.⁰⁰

Qualified Bids and/or cost estimates must be obtained and submitted with Application in order to substantiate cost of improvement(s)

Requested Grant amount:

Mega-Grant (up to \$25,000 matching, as 25%/75%) () \$ 25,000

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Project Architect/Designer _____ Phone: _____

Project Contractor/Coordinator _____ Phone: _____

Are you planning to apply for a Tax Credit for rehabilitation of historic structures? () Yes (✓) No

CRITICAL TIMING AND COMPLETION REQUIREMENTS:

1. Construction must not have begun on any part of the proposed grant related Project prior to submission of the EDC Pre-Application form.
2. For Mega-Grant Projects – Construction on Mega-Grant improvements must begin within 6 months of Project Application Approval. To be eligible for reimbursement through the Grant Program, Mega-Grants Projects must be completed within 18 months from Final Approval by EDC.
3. A one-time 6 month extension to these deadlines may be considered by EDC, upon written request and acceptable documentation force majeure type justification for the delay of initiation of work or completion.

If the above deadlines are not met, or extensions are not approved by the EDC Board, the funding for the Project will be denied.

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When do you expect to begin Project work? April, 2018

[Note: Work may begin after Pre-Application submission and before Final Approval of the Board; however, Applicants undertake this work at their sole risk, acknowledging that EDC may – at its sole discretion – ultimately determine not to fund the Project.]

What is the anticipated completion date? October, 2018

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