

**STATE OF TEXAS
COUNTY OF DENTON
CITY OF CORINTH**

On this 12st day of September, 2016 the Corinth Economic Development Corporation (CEDC) of the City of Corinth, Texas, met in Special Session at 6:00 P.M. at Corinth City Hall, located at 3300 Corinth Parkway, Corinth, Texas. The meeting date, time, place and purpose as required by Title 5, Subtitle A, Chapter 551, Subchapter C, Section 551.041, Government Code, with the following members, to wit:

CEDC Board Members:

Lowell Johnson – President
Mike Amason – Vice President (6:03 pm)
David Burnett – Director
Wade May – Director
Jerry Blazewicz – Director
Don Glockel – Director

CEDC Board Members Absent:

Tina Henderson – Secretary

Others Present:

Jason Alexander, Executive Director
Catherine Stallcup, Administrative Assistant

CALL TO ORDER:

President Lowell Johnson called the meeting to order at 6:00 P.M.

BUSINESS AGENDA:

1. Consider and act on minutes from the August 1, 2016 meeting.

MOTION was made by Jerry Blazewicz to approve the minutes from the August 1, 2016 meeting as written.

Seconded by David Burnett.

Ayes:	Johnson, Blazewicz, Burnett, May, Glockel
Noes:	None
Abstain:	None
Absent:	Amason, Henderson

MOTION CARRIES

2. Consider and act on the CEDC Finance Report for the period ending July 2016.

Jason Alexander went over several figures in the budget for Fiscal Year 2015-2016. Alexander briefly discussed the hotel occupancy and tax collection report for the months of June and July. There are some discrepancies in the collections report. The Finance Department is looking into the discrepancies, and as soon as Alexander has an answer, he will report back to the Board. It appears that the exemptions report

by hotel management differed from that shown by the records. Otherwise, the anticipated collection of sales tax appears to be on target for Fiscal Year 2015-2016.

MOTION was made by Don Glockel to approve the CEDC Finance Report for the period ending July 2016.

Seconded by Johnson.

Ayes:	Johnson, Amason, Glockel, Blazewicz, Burnett, May
Noes:	None
Abstain:	None
Absent:	Henderson

MOTION CARRIES

3. Hold a discussion and give staff direction on the proposed City of Corinth Chapter 380 Economic Development Agreement Policies and Procedures.

Alexander opened the discussion on the proposed City of Corinth Chapter 380 Economic Development Agreement Policies and Procedures by discussing the purpose of Chapter 380 Economic Development Agreements and the City's history for incentivizing projects. A tax abatement policy was adopted by the City several years ago, based primarily on the provisions found in Chapter 312 of the Texas Tax Code, in addition to some other incentives that City Council could consider for eligible projects. After reviewing the existing tax abatement policy, which has expired, Alexander believed it to be best to separate those economic development incentives falling under Chapter 312 of the Texas Tax Code from those common to Chapter 380 Economic Development Agreements. Alexander stated that he would bring a revised Tax Abatement Policy to the Board in October, pending legal review.

While explaining the policy, there were some questions and a brief discussion concerning loans (including SBA loans), working capital and loan guarantees.

Alexander wanted to make it clear

Alexander explained that this group will be the recommending body and it will go to City Council as a controlling body. There are quite a few controlling mechanisms within this document. One of the things we will get to further in the document is limiting its use to certain zoning districts and certain key areas.

Discussion was held regarding hourly wage and how it is calculated.

Alexander said this is meant to be a guideline to abide by, there may be some circumstances where some of the definitions might have to be modified based on that particular need. That will come under the agreement where you can have definitions and you can further clarify what a full time job would be.

Discussion was held regarding the paragraph on the MIXED-USE definition as well as line 125 which reads "enclosed space that is intended for shelter or enclosing of persons, property, equipment or process" emphasizing on the word "process". Through the discussion the decision was made to take the word "process" from the Chapter 380 Agreement.

The Board discussed the qualifiers listed in Section 3, *Program Requirements*, and possible adjustments at considerable length. Two of the qualifiers to be adjusted included: (i) the removal of clause "a" under Paragraph A.1.; and (ii) providing a qualifier for additional full-time jobs that was more flexible, also under Paragraph A.2.

The Board also discussed Section 6, *Application Process*, at increased length, with the focus of much of the conversation on (i) the most appropriate time to discuss incentives, before or after the City approves the project; (ii) ensuring that the proposed policy include language in which City Council could modify the terms and conditions of any incentives agreement recommended by the Corinth Economic Development Corporation; and (iii) including a provision that protects the confidentiality of applicants to the extent state law allows. Alexander expressed to the Board that there are advantages to discussing incentives before and after the project is approved, and recommended that the Board consider discussing incentives after the project is approved to ensure that the project is supported by the community, and more importantly, allows staff an opportunity to enhance the project further through performance requirements.

Lowell Johnson recessed the meeting for a break at 8:07 pm.

Lowell Johnson called the meeting back to order at 8:12 pm.

There was a general discussion on whether to introduce a non-refundable processing fee for applicants requesting project incentives under the provisions of the proposed policy. Alexander expressed concern about legal costs associated with preparing and reviewing agreements for incentives with respect to the budget for legal consultation. The Board requested that Alexander research comparable cities to Corinth to see if non-refundable filing fees are included in the review of incentive applications at the next meeting.

Alexander shared with the Board that he would have a revised policy incorporating the Board's direction and guidance at the next meeting.

4. Consider and act on the creation of sub-committees to advance the efforts of the Corinth Economic Development Corporation in: (i) developing a Strategic Plan for Economic Development; (ii) executing a Comprehensive Branding Strategy; and (iii) implementing a Business Retention Program.

Johnson discussed the formation of three sub-committees to advance the efforts of the Corinth Economic Development Corporation. The purpose of forming the sub-committees, Johnson said, is two-fold: (i) to reach out to citizens and business owners interested in the City's economic development efforts and (ii) to provide [Alexander] with additional support on these three initiatives. The first sub-committee (Strategic Plan) would focus on the development of a strategic plan to guide the activities and actions of the Corinth Economic Development Corporation. Johnson asked Mike Amason and Burnett to lead the efforts of that sub-committee. The second sub-committee (Branding) would evaluate and assess Corinth's brand. May and Tina Henderson (in absentia) were asked by Johnson to lead the second sub-committee. May spoke briefly on some ideas for branding. The final sub-committee (Business Retention) would be responsible for the continued development and support of existing businesses. Johnson suggested that Henderson lead that sub-committee (in absentia).

Johnson then asked that the Board provide Alexander with the names of residents and business owners to volunteer for the various sub-committees.

No action was taken.

5. Reports and Updates

a. Board Members

No updates at this time.

b. Executive Director

No updates at this time.

Lowell Johnson recessed the Regular Session meeting and went into Closed Session meeting at 8:55 P.M. (See Executive Session)

Lowell Johnson reconvened the Regular Session meeting at 9:20 P.M.

EXECUTIVE SESSION:

If, during the course of the meeting, any discussion of any item on the agenda should need to be held in executive or closed session for the Board to seek advice from the City Attorney as to the posted subject matter of this Board Meeting, the Board will convene in such executive or closed session, in accordance with the provisions of the Government Code, Title 5, Subchapter D, Chapter 551, to consider one or more matters pursuant to the following:

Section 551.071. Private consultations with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with chapter 551.

Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.

Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.

a. Deliberation of the employment, reassignment or duties of the Executive Director of the Corinth Economic Development Corporation.

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

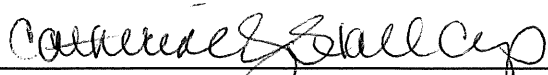
After discussion of any matters in executive session, any final action or vote taken will be in public by the Board. The Board shall have the right at any time to seek legal advice in Executive Session from its Attorney on any agenda item, whether posted for Executive Session or not.

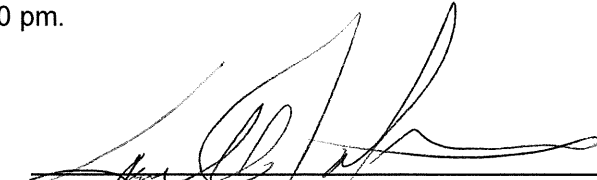
RECONVENE IN OPEN SESSION TO TAKE ACTION, IF NECESSARY, ON EXECUTIVE SESSION ITEMS.

There was no action taken from Executive Session.

ADJOURN:

There being no further business, the September 12, 2016 Special Session of the Corinth Economic Development Corporation stood adjourned at 9:20 pm.


Catherine J. Stallcup, Administrative Assistant
City of Corinth


Lowell Johnson – President
Corinth Economic Development Corporation