

**MINUTES OF REGULAR MEETING OF THE
LAMPASAS ECONOMIC DEVELOPMENT CORPORATION BOARD
OF THE CITY OF LAMPASAS, TEXAS
WEDNESDAY, JUNE 17, 2020
JACK CALVERT MUNICIPAL BUILDING BOARD ROOM
302 EAST THIRD STREET
5:30 P.M.**

The Lampasas Economic Development Corporation of the City of Lampasas met in regular session on the above date with Vice President Steve Hudson presiding.

LEDC Members Present:

Misti Talbert
Neal Leavell
TJ Monroe
Ronnie Vineyard
Roland Schaub
David Millican - Ex-Officio

LEDC Members Absent:

Charlie Pratus, III
Bobby Carroll – Ex-Officio

City Staff Present:

Finley deGraffenried, City Manager/Executive Director
Mandy Walsh, Economic Development Director
Vicki Tower, Parks Secretary
Chasity Shifflett, Administrative Secretary

**REGULAR SESSION
5:30 p.m.**

I. Call to Order

Vice President Hudson called the meeting to order at 5:35 p.m.

II. Open forum for citizen comments and questions (limited to five (5) minutes per person)

There were no citizen comments.

III. Discussion and possible action concerning approval of the minutes dated May 20, 2020

Board member Monroe moved to approve the minutes as presented. The motion was seconded by Board member Vineyard and with a unanimous vote, the motion carried. (Pratus and Carroll absent)

IV. Discussion and possible action concerning approval of the minutes dated May 26, 2020

Board member Monroe moved to approve the minutes as presented. The motion was seconded by Board member Schaub and with a unanimous vote, the motion carried. (Pratus and Carroll absent)

V. Discussion and possible action concerning the 2018-2019 Audit Report from Singleton, Clark & Co.

Jack Clark with Singleton, Clark & Company, PC reviewed the LEDC 2018-2019 Audit Report with the Board.

Topics of discussion included:

- No findings and no comments – clean report
- Financial balance sheet looks good
- Good financial position
- Tax return has been filed

Board member Talbert moved to acknowledge receipt of the 2018-2019 Audit Report from Singleton, Clark & Co. The motion was seconded by Board member Vineyard and with a unanimous vote, the motion carried. (Pratus and Carroll absent)

VI. Discussion and possible action regarding development & funding of Phase 1 infrastructure for the LEDC Business Park

Mandy Walsh, Economic Development Director, told the Board that Ryan Shahan with the Lampasas Branch of BancorpSouth Bank, has been working on a financing proposal for improvements for Phase 1 infrastructure for the LEDC Business Park. Shahan reviewed the financing proposal with the Board.

Topics of discussion included:

- BancorpSouth Bank is proposing a \$1,100,000.00 loan amount to finance improvements to the Lampasas Business Park known as Phase 1, Lots 1-8, currently estimated at \$1,973,879.00
- Third party attorney to prepare all closing documents
- 1.0% origination fee (if applicable by law)
- The Bank will allow a 12-month construction draw phase followed by semi-annual principal and interest payments on a 20-year amortization
- 3.20% fixed rate for the total 21-year term (tax free interest rate)
- Draws for payment will need to be submitted with appropriate documentation to verify the funds tax-free use for construction (engineering reports, etc.)
- Loan agreement will contain covenants requiring and annual debt-service coverage ration of no less than 1.25x (net cash flow divided by total debt payments) and restriction that all future debt must be approved by BancorpSouth.
- Existing loan to be renewed/re-amortized and maturity date extended to March 5, 2040 (10-year extension). The interest rate and all other terms will remain the same.

No action was taken.

VII. Discussion and possible action regarding proposal from Langford Community Management Services for grant writing and grant administration services.

Mandy Walsh, Economic Development Director, discussed with the Board, a proposal from Langford Community Management Services for grant writing and grant administration services.

Topics of discussion included:

- Langford Community Management Services (LCMS) is assisting the LEDC in its efforts to secure an Economic Development Administration (EDA) CARES Grant for the Business Park Improvements project.
- Walsh told the Board that LCMS feels like the LEDC has a good chance of receiving all or most of the funding needed for the Business Park Improvements Phase 1 project.
- Application could be submitted as early as July 31, 2020.
- LCMS will substantially complete/compile the EDA application for submission, and will offer assistance through to the EDA's 'acceptance' of the completed application, for a fee of \$7,500.00
- Timing of grant – don't want to lose the opportunity for grant funds by committing to a loan

Board member Schaub moved to engage Langford Community Management Services for the EDA Grant Application. The motion was seconded by Board member Vineyard and with a unanimous vote, the motion carried. (Pratus and Carroll absent)

VIII. Discussion and possible action regarding the FY 2020-2021 LEDC Budget

Mandy Walsh, Economic Development Director, discussed a few highlights of the FY 2020-2021 LEDC Budget with the Board. The budget will be on the July agenda in more detail for review and approval.

Topics of discussion included:

- Legal Services increased \$500 from last year due to Business Park
- Promotion & Advertising – budgeted \$7,500 last year and \$5,000 for 2020-2021
- Professional Services – grant writing and impact studies
- Admin & Overhead – funding provided to the Finance Department
- Business Expenses – LEDC meetings; Business Retention and Expansion (BRE)
- Travel & Training – likely attend more virtual training/online webinars due to COVID-19
- Dues – canceled membership with the P-20 Central Texas Regional Council and the AUSA Board of Governors
- Economic Development Programs – \$100,000 was allocated from this budget item for the COVID-19 Emergency Grant; Vision Lampasas is not requesting a grant this year; LCHEC typically requests funding; Life Safety Grant funds will come from this budget item.

It was the consensus of the Board to review and discuss the FY 2020-2021 LEDC Budget at the next meeting.

No action was taken.

IX. Review and discussion regarding data provided by The Retail Coach

Mandy Walsh, Economic Development Director, reviewed with the Board, data provided by The Retail Coach.

Topics of discussion included:

- Leakage report
- Cell phone data
- Walsh is going to present this to the downtown merchants to assist in marketing/promotion
- Walsh will create various workshops to disseminate this information to local businesses
- Walsh said she will put the report from The Retail Coach on the LEDC website

X. Update and possible action regarding Financials for May 2020

Finley deGraffenried, City Manager/Executive Director, reviewed the May financials with the Board.

No action was taken.

XI. Update on the following:

1.) County and LISD Updates

There were no updates on the County due to the absence of Ex-officio member Carroll.

David Millican, LISD Ex-officio member, reviewed the following:

- Planning for the 2020/2021 school year – school starts August 10, 2020
- Trying to determine best policies and procedures to keep students and staff safe
- Trying to fill a few vacancies – in good shape though
- Annexation – upcoming hearing in Travis County

2.) Staff Updates

Mandy Walsh, Economic Development Director, reviewed the following:

- Internet
 - Nextlink Internet acquired a building on 580 East that will house their Central Texas Headquarters. Nextlink executed a lease agreement with the City on the Nix Water Tank that will allow them to begin serving subscribers within a five-mile radius.
 - Roll Call internet is expanding into a new location (TBD) within the City and will be increasing their staff.

- EDA Grant – Staff is working with Langford Community Management Services on the potential for an EDA grant to assist in developing Phase 1 of the Business Park
- Governor’s Office Prospects – Staff received an RFI recently from the Governor’s Office, and in conjunction with the Public Works Department did submit a response.
- Development
 - The Cherry on Top is moving along - completing plumbing and HVAC along with a few aesthetic items
 - The Beer Market – continuing their build-out and hoping to be open in time for the Spring Ho Festival
 - Former funeral home on Key Avenue will soon be home to Heritage Funeral Home
 - The Wool & Vine owners have expanded to open The Hidden Pearl, featuring various charcuterie boards, soups and sandwiches
- Sales Tax – Comptroller reports the City had an 8.87% increase with \$172,545.04 collected, compared to \$158,475.44 last year. Year-to-date we are up by 8.5%.
- PBS show, The Daytripper, will be coming to Lampasas July 1-2, 2020 to film
- CARES Act – the City is working on reimbursement for COVID-19 expenses

XII. Items that the Board Members may request to be placed on the next agenda

- FY 2020-2021 LEDC Budget

XIII. Adjourn

Board member Schaub moved to adjourn the meeting at 6:41 p.m. The motion was seconded by Board member Vineyard and with a unanimous vote, the motion carried. (Pratus and Carroll absent)

PASSED AND APPROVED this _____ day of _____, 2020.

Steve Hudson, Vice President

Vicki Tower, Parks Secretary