

Minutes
Columbus Community and Industrial Development Corporation
Board of Directors Meeting

The Columbus Community & Industrial Development Corporation met in Regular session on Monday, **November 17, 2014** at 6:30 p.m., in the Council Chambers of City Hall located at 605 Spring Street, Columbus, Texas. The following CCIDC Members were present:

President	-	Curtiss Schonenberg
Vice President	-	Byron Marburger
Treasurer	-	Lori An Gobert
Secretary	-	Elizabeth Flint
Board Member	-	DyAnn Lauzon
Board Member	-	Joel Usher(arrived at 7:17)
Board Member	-	Barbara Peterman
City Manager	-	Donald Warschak
City Secretary	-	Linda Lakich
Asst. City Secretary	-	Traci Edman

1. Call to Order.

President, Curtiss Schonenberg, called the CCIDC meeting to order at 6:37 p.m.

2. Pledge of Allegiance and Invocation.

The Pledge of Allegiance and invocation was not recited because it was done in the preceeding meeting.

3. Consent Agenda:

- a) Approval of Invoices.
- b) Approval of October 2014 Financial Statements.
- c) Approval of Regular Meeting Minutes for October 20, 2014.

The Profit and Loss Statement had an error, so it will be on the next agenda for approval. Elizabeth asked where the legal notices were kept in case someone asked for them. Traci Edman said they were kept in the accounts payable file and Linda Lakich stated they were kept as a permanent record.

Lori An Gobert made the motion to approve the consent agenda as presented, less the Profit and Loss Statement. DyAnn Lauzon seconded the motion. The vote was as follows:

Ayes: Lauzon, Flint, Gobert, Marburger, Peterman, and Schonenberg
Absent: Usher

The motion passed.

4. Citizens' Presentations and Comments.¹

The citizen presentations would be heard later.

5. City Manager's Report: Sales Tax

City Manager, Donald Warschak, stated the sales tax revenue was up compared to last year's same time period. The CCIDC's portion of sales tax revenue was \$41,867, compared to last year, which was \$37,330. The City of Weimar, Eagle Lake and the county also experienced increases. Donald also gave a report on the Sidewalk Project. The workers would be saw cutting in front of the Silver Barn, meat

market, and the bank. The saw cutting was already completed in the northern block and some on the south side. They still have a little more to cut. Lori An asked if it would affect the holiday traffic because merchants were concerned about their holiday sales. Donald replied that they would have it saw cut within a day or two. There was a small place in front of the barber shop that would be cut out and replaced. If the weather cooperated, they would be finished in a week or two.

6. Discussion and Action, if necessary, regarding the 2014-2015 Community Grant Applications received.

The Board reviewed the applications at the last meeting and got an overall review from attorney Pat Gillespie. All of them, with the exception of the LOAC Whiskey Warehouse Ceramics Center, were clearly in accordance with the Community Grant guidelines.

The first application reviewed was from the Columbus Trash Off, presented by the Garden Club. They asked for \$2,500. This group has been awarded grant money in the past. Curtiss recused himself from this discussion and vote since his wife was part of the organization. Lori An commented that they have done an amazing job in the past and they meet the criteria.

Lori An Gobert made a motion to grant the full amount of \$2,500 to the Garden Club for Columbus Trash Off. Byron Marburger seconded the motion. The vote was as follows:

Ayes: Lauzon, Peterman, Flint, Gober, Marburger
Abstain: Schonenberg
Absent: Usher

The motion passed.

The second application reviewed was from Habitat for Humanity. They asked for \$20,000. Lori An had a concern about the purpose of the grant. The wording on the grant said that the purpose was for construction and the funds would be used exclusively to purchase material and contract labor to build a simple, decent house. She wanted to know the address because she wanted it to specifically be in Columbus. The address was 714 MLK Drive in Columbus. Elizabeth stated that it clearly fit the specifications of moderate to lower income housing. Several concerns were brought up by Board members, including tarped cars in the yards, garages and storage. Lori An stated a concern about the car with a tarp on it in the side yard on Montezuma Street that has been there for months. A spokesperson from Habitat stated they could not dictate to the homeowner how to keep their property because Habitat no longer owns it. Elizabeth asked if they were in violation of the junk car ordinance. Donald stated that the junk car ordinance has to do with the inspection and license. With the tarp on the car, you cannot see those. Curtiss asked about garages or storage building for the Habitat houses. He said there were some standards the Board would like to see in any future developments. Scott Mattingly said they could look into the issues and thanked him for pointing out the concerns. Curtiss stated that any grant money given is the tax payers money and they are trying to be good stewards of it.

Lori An Gobert made a motion to approve the \$20,000 for Habitat for Humanity. She also stated that she thought Habitat for Humanity was a good thing and low income housing was needed. She wanted to share some of the concerns from the community that were being heard since it was the taxpayers money. Byron Marburger seconded the motion. The vote was as follows:

Ayes: Lauzon, Peterman, Flint, Gobert, Marburger, and Schonenberg
Absent: Usher

The motion passed.

Curtiss made a motion to amend the wording on the application for Habitat for Humanity. He asked to change it from "funds exclusively to purchase material and contract labor to build a simple, decent house"

to saying "exclusively for low income housing in Columbus, Texas." This was to direct it to a program, not to a specific project. DyAnn seconded the motion. The vote was as follows:

Ayes: Lauzon, Peterman, Flint, Gobert, Marburger, and Schonenberg
Absent: Usher

The motion passed.

Elizabeth made a request for Donald to further investigate the tarped car on Montezuma to determine if it was in compliance with the junk car ordinance.

The third application reviewed was from J'Rae Sports Academy. Curtiss discussed with J'Rae Sports that this was a community development grant, not intended for an individual. An application for a facade grant was given to them to submit.

The fourth application reviewed was from LOAC Whiskey Warehouse Ceramics Center. Attorney Pat Gillespie had trouble with this application fitting into the guidelines. Elizabeth stated she was reluctant to rely on that advice. Lori An stated that she is a proponent of the art center, but she had some concerns about the application. First, the city attorney did not think that it qualified. Second, she was not quite sure she understood the scope and if it was the appropriate venue. She said it sounded like it was more for ceramic classes, so it would not be bringing in a lot of money from the outside. Her last concern was that the amount requested was way above the amount in the budget for community grants. Roger Wade asked if the LOAC qualified for coming to CCIDC for funds. Lori An stated the city attorney did not feel this particular project matched the criteria for these funds. Elizabeth asked for an additional opinion from a TML attorney, who is familiar with the act. Curtiss stated that could be done. He also said that he had a hard time fitting this application into economic development. It catered to such a small segment of people. One thing they talked about doing was putting in ADA bathrooms. This is a small part that can be grasped for the fund because it would help the overall function of the building. The preservation aspect would fit into HOT funds. Roger Wade stated the current structure is somewhat compromised and they do not feel comfortable having classes inside without having work done on it. It is not just a preservation project. Barbara asked how many people would be using the facility and about the interest in ceramics. Roger Wade said it was a limited number, but it was hard to determine in advance. An organization holds an exhibit every other year and they would conduct demonstrations in the building. There were also local people that were interested in using the kilns. Curtiss asked them to start with getting the building secured and then when the ADA bathrooms came up again to resubmit an application for that.

Elizabeth made a motion to get the LOAC application looked at by TML attorneys to see if it is authorized under the Community Development Act. DyAnn Lauzon seconded the motion. The vote was as follows:

Ayes: Lauzon, Peterman, Flint, Gobert, Marburger, and Schonenberg
Absent: Usher

The motion passed.

Joel Usher arrived at 7:17 pm.

11. Discussion and Action, if necessary, regarding any prospective companies interested in land at the Crossroads Business Park.

A presentation for item 11 needed to be made, so items 7-10 will be discussed after item 11.

Manuel Nuarga, from Acorn Seekers, made a presentation. Acorn Seekers would like to build a facility for the processing of Iberian hams. They would only process the meat at the perspective facility. No slaughtering would be done at the facility. They would have two different lines, one for fresh meat and

one for curing the meat. Their minimum space requirement would be 60,000 square feet, and they would need 2 acres. The date they would like to be set up by would be July of 2015.

Other companies interested in land is OIC, a pipe company. Curtiss said that Chuck Owens, from OIC, would be in Columbus within the next few weeks to look at the 24 acres south of Great Southern Wood, plus some additional property on the 54 acres. There were also two other companies looking for small acreage at the park.

7. Public Hearing, if necessary, regarding the 2014-2015 Community Grants.

Curtiss closed the Regular meeting at 7:51 pm and opened the public hearing concerning the 2014-15 grants. Grants were awarded to the Garden Club and Habitat for Humanity. There were no concerns or comments from citizens, so the public hearing was closed at 7:51 pm. The regular meeting was reopened at 7:51 pm.

8. Discussion and Action, if necessary, regarding the agricultural exemption of the 54 acres at the Crossroads Business Park.

Curtiss talked with Mr. Mitchell at the Colorado County Central Appraisal District and he was not aware that there had been any hay baled. He was going to send his appraisers there to look at it. It would be their decision if enough hay was produced. There is an appeal process if they decide there is not enough. Elizabeth asked if Mr. Ruether would allow us to hire someone else to bale more if it doesn't qualify and if the Board could authorize Curtiss to get someone else. Curtiss stated he would first see what the Appraisal District decided.

9. Discussion and Action, if necessary, regarding the transfer of mineral rights to the City of Columbus.

Attorney Barry Rutta stated the Board should wait to transfer the mineral rights until after they are finished with a land deal to avoid extra steps in the process.

10. Discussion and Action, if necessary, regarding updates about the existing Crossroads Business Park Tenants: E'Kabel

Donald stated that E'Kabel inquired a few weeks ago about the status of the tax abatement. He informed them it was going through the Commissioner's Court at that time. They want to wait until the tax abatement process is finished before they continue.

12. Discussion and Action, if necessary, to award the maintenance contract bid at the Crossroads Business Park.

Donald said that only one bid was received, which was from Brushline Dozer Works. The bid was for \$5,000, which was the same amount as the previous year. Curtiss recused himself from the process because of his connections with Brushline Dozer Works.

Lori An Gobert made a motion to award the maintenance bid contract to Brushline Dozer Works. Elizabeth Flint seconded the motion. The vote was as follows:

Ayes: Lauzon, Flint, Gobert, Marburger, Peterman, and Usher
Abstain: Schonenberg

The motion passed.

13. Discussion and Action, if necessary, regarding modifications to the City of Columbus and County of Colorado's Tax Abatement Programs.

The updated tax abatement policy that the county adopted was discussed. Under the ineligible property, the electrical processing and gas processing companies were specifically targeted and would not be eligible for abatement on the policy. This was removed. The tier process remained exactly the same with a catch-all amendment. This would allow the county the right to negotiate abatement agreements outside of Tier 1 and Tier 2 structures, including, without limitation, abatement periods up to 10 years and abatement percentages up to 100% in each tax year. It would also reserve the right to consider receiving payments in lieu of taxes. So if anything falls above or below either of the two tiers, they can consider it on a case-by-case basis. It would be up to the commissioners to qualify a project as to what abatement they were going to receive. Lori An stated that no one would qualify for this since it is says outside of Tier 1 and Tier 2. They need to put a cap on Tier 2. Another part that changed was under recapture. If someone was in default, this would give them a period to cure any default that may arise. Also, some wording was changed throughout the old policy to make it consistent with state law.

14. Discussion and Action, if necessary, regarding developmental plans and goals for CCIDC.

This item was not discussed and will be put on next month's agenda.

15. Executive Session: In accordance with Texas Government Code, Subchapter D, Section 551.072 deliberation regarding real property and Section 551.087 deliberation regarding economic development.

Curtiss adjourned the Regular Session for Executive Session at 8:08 pm.

16. Reconvene into Regular Session and consideration and action, if any, regarding Executive Session, deliberations regarding real property and economic development.

Curtiss reconvened the Regular Session at 8:41 pm, with the same members present as before. Lori An Gobert made a motion to continue discussion regarding real property and authorize appraisal of the said tract. Byron Marburger seconded the motion. The vote was as follows:

Ayes: Lauzon, Flint, Usher, Marburger, Gobert, Peterman, and Schonenberg

The motion passed.

17. Discussion of items to be placed on the future agendas and announcements.²

There were no items discussed for future agendas.

18. Adjournment

President, Curtiss Schonenberg, adjourned the meeting at 8:43 pm.

President:

Attest
Secretary:




