

February 8, 2016
Dickinson Economic
Development Corporation,
Regular Meeting
6:30 p.m.



Darrell Carney, President
Mike Reinschmidt, Vice President
Libby Moreno, Secretary
Jennifer Lawrence

Agenda
City of Dickinson
**Dickinson Economic
Development Corporation**
REGULAR MEETING

Robert Donley
Chris Tucker
Mark Martelli
Julie M. Robinson, Executive
Director

February 8, 2016

NOTICE is hereby given of a **REGULAR MEETING** of the Dickinson Economic Development Corporation of the City of Dickinson, County of Galveston, State of Texas, to be held on **Monday, February 8, 2016, at 6:30 p.m.** at: Dickinson City Hall, 4403 Highway 3, Dickinson, Texas 77539 in the Council Chambers for the purpose of considering the following numbered items. The Dickinson Economic Development Corporation of the City of Dickinson, Texas, reserves the right to meet in a closed session on any of the below items should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code. Regular

- ITEM 1.) CALL TO ORDER AND CERTIFICATION OF A QUORUM**
- ITEM 2.) CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Approval of the Minutes of Dickinson Economic Development Corporation of:
- A. January 19, 2016 Regular Board Meeting
 - B. February 1, 2016 Special Joint Meeting with City Council
- ITEM 3.) BRIEFING AND DISCUSSION CONCERNING:** Executive Director's Briefing
- A. Economic Development Update
 - B. Update on the Adopt-a-Street Program
 - C. Update on the Visual Improvement Program
 - D. Update on status of the Building located on the Hughes Road Property
- ITEM 4.) BRIEFING AND DISCUSSION CONCERNING:** Bay Area Houston Economic Partnership Monthly Update.
- ITEM 5.) BRIEFING AND DISCUSSION CONCERNING:** Quarterly Financial and Investment Report for Quarter Ending December 31, 2015.
- ITEM 6.) DISCUSSION AND DISCUSSION CONCERNING:** Possible Proposal For Additional Work In 2016 By The Retail Coach.
- ITEM 7.) CONSIDERATION AND POSSIBLE ACTION CONCERNING:** Resolution Number XXX-2016 - **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DICKINSON ECONOMIC DEVELOPMENT CORPORATION (DEDC) APPROVING AN ECONOMIC DEVELOPMENT GRANT AGREEMENT BY AND BETWEEN THE DICKINSON ECONOMIC DEVELOPMENT CORPORATION AND LILLEY INVESTMENTS, LLC, FOR THE REIMBURSEMENT OF \$107,000.00 FOR BULK HEADING RELATED TO THE CONSTRUCTION OF A**

NEW BUSINESS IN DICKINSON, TEXAS, AND AUTHORIZING THE PRESIDENT OF THE BOARD TO EXECUTE SUCH AGREEMENT.

ITEM 8.) EXECUTIVE (CLOSED) SESSION – The Dickinson Economic Corporation will hold a closed executive meeting pursuant to the provision of Chapter 551, Government Code, Vernon’s Texas Codes annotated, in accordance with the authority contained in:

A. Section 551.087- Discuss or deliberate regarding commercial or financial information that the Dickinson Economic Development Corporation has received from a business prospect that the Dickinson Economic Development Corporation seeks to have locate, stay or expand in or near the City and which the Dickinson Economic Development Corporation is conducting economic development negotiations.

B. Section 551.072 – Deliberation Regarding Real Property – Discussion Regarding the Purchase, Exchange, Lease or Value of Real Property.

ITEM 9.) RECONVENE

ITEM 10.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: Matters discussed in Executive Session

ITEM 11.) FUTURE AGENDA ITEMS

ITEM 12.) ADJOURN

CERTIFICATION

This is to certify that a copy of the Notice of the Dickinson Economic Development Corporation Meeting for February 8, 2016, was posted on the bulletin board at City Hall, 4403 Highway 3, Dickinson, Texas, on this the 4TH day of February, 2016, prior to 6:30 p.m.



Angela Forbes, Economic Development Coordinator

In compliance with the Americans with Disabilities Act, the City of Dickinson will provide reasonable accommodations for disabled persons attending Dickinson Economic Development Corporation Meetings. Requests should be received at least 24 hours prior to the scheduled meeting, by contacting the City Secretary’s office at 281-337-6217, or by FAX at 281-337-6190.

AGENDA

ITEM 1

**Dickinson Economic Development
Corporation Meeting**

CALL TO ORDER

Pledge of Allegiance

Given by:_____

ROLL CALL

**DICKINSON ECONOMIC DEVELOPMENT
CORPORATION MEETING
ATTENDANCE LIST**

**MEETING DATE: February 8, 2016
Regular Meeting**

<u>BOARD</u>	<u>PRESENT</u>	<u>ABSENT</u>
Darrell Carney	_____	_____
Mike Reinschmidt	_____	_____
Libby Moreno	_____	_____
Robert Donley	_____	_____
Chris Tucker	_____	_____
Mark Martelli	_____	_____
Jennifer Lawrence	_____	_____

MAKE NOTE ON RECORDING: THE FOLLOWING ALSO ARE IN ATTENDANCE:

Executive Director, Julie M. Robinson	_____	_____
Economic Development Coordinator, Angela Forbes	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

AGENDA

ITEM 2

ITEM 2A

Darrell Carney, President
Mike Reinschmidt, Vice President
Libby Moreno, Secretary
Jennifer Lawrence

MINUTES
City of Dickinson
**Dickinson Economic
Development Corporation**
REGULAR MEETING

Robert Donley
Chris Tucker
Mark Martelli
Julie M. Robinson, Executive
Director

January 19, 2016

NOTICE is hereby given of a **REGULAR MEETING** of the Dickinson Economic Development Corporation of the City of Dickinson, County of Galveston, State of Texas, to be held on **Tuesday, January 19, 2016, at 6:30 p.m.** at: Dickinson City Hall, 4403 Highway 3, Dickinson, Texas 77539 in the Council Chambers for the purpose of considering the following numbered items. The Dickinson Economic Development Corporation of the City of Dickinson, Texas, reserves the right to meet in a closed session on any of the below items should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code. Regular

ITEM 1.) CALL TO ORDER AND CERTIFICATION OF A QUORUM

President Darrell Carney called the meeting to order at 6:32 p.m. Economic Development Coordinator Angela Forbes called roll and certified a quorum. Board Members present were as follows: Darrell Carney, Mike Reinschmidt, Libby Moreno, Robert Donley and Chris Tucker. Directors Jennifer Lawrence and Mark Martelli were absent. Also present were Executive Director Julie Robinson, Economic Development Coordinator Angela Forbes and Administrative Services Manager Stephanie Russell

ITEM 2.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: Approval of the Minutes of Dickinson Economic Development Corporation of:

A. December 14, 2015 Regular Board Meeting

Director Moreno made a motion to approve the Minutes of the December 14, 2015 Regular Board Meeting. The motion was seconded by Director Reinschmidt.

President Carney requested that the following revisions be made the Minutes:

- In Item 3(C): Revise the language in the Public Hearing under those who spoke in opposition to the project to read: Elizabeth Harris, resident at 2114 Holly Drive, stated that she supported economic development but spoke against this project stating the development had created and will continue to create drainage problems on her property.
- In Item 6: The third paragraph should be revised to read: Director Donley amended his motion to accept the name change from Lilley Entertainment LLC. to Lilley Investment LLC. Director Lawrence agreed to the amendment and seconded the motion as amended.

Director Moreno amended her motion to accept the amendments requested by President Carney. Director Reinschmidt agreed to the amendment and seconded the motion as amended.

VOTE:

5 AYES (Carney, Reinschmidt, Moreno, Tucker, Donley)

0 NAYS

MOTION PASSED

ITEM 3.) BRIEFING AND DISCUSSION CONCERNING: Executive Director's Briefing

Economic Development Update

Executive Director Julie Robinson and Economic Development Coordinator Angela Forbes provided a briefing on current City and economic development projects. Board members took no formal action in this matter.

ITEM 4.) BRIEFING AND DISCUSSION CONCERNING: Bay Area Houston Economic Partnership Monthly Update.

Marketing Manager Barbara Cutsinger with Bay Area Houston Economic Partnership provided a briefing on current projects around the area BAHEP serves. Board members took no formal action in this matter.

ITEM 5.) BRIEFING AND DISCUSSION CONCERNING: Update on the Adopt-A-Street Program.

Economic Development Coordinator Angela Forbes provided an update to the Board on the Adopt-A-Street Program.

ITEM 6.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: Proposed Changes to Financial System Used for DEDC's Accounting and Finances.

Administrative Services Manager Stephanie Russell proposed changing the DEDC's accounting software from QuickBooks to the same financial software the City is currently using, STW Financial Management System. Ms. Russell provided an overview of the benefits of STW including its ability to safeguard internal controls, streamline processes, and that it exceeds the standards recommended by the Generally Accepted Accounting Principals (GAAP) – the uniform standards and guidelines for financial accounting and governmental reporting.

There was discussion regarding the differences between the two programs and their capabilities. The Board also discussed the estimated cost savings of \$1,610 versus the desire to keep the Corporation's financials separate from the City.

Following the discussion, Director Moreno made a motion to continue to use QuickBooks for the Corporation's financial accounting. Director Tucker seconded his motion. President Carney requested to amend the motion to add that the Board will revisit the topic again in six months. Director Moreno amended her motion as requested, and Director Tucker seconded the amended motion.

VOTE:

3 AYES (Carney, Moreno, Tucker)

2 NAYS (Reinschmidt, Donley)

MOTION PASSED

ITEM 7.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: Quarterly Financial And Investment Report For Quarter Ending September 30, 2015.

Administrative Services Manager Stephanie Russell provided the board with the Quarterly Financial and Investment Report for Quarter Ending September 30, 2015.

ITEM 8.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: Dickinson Economic Development Corporation's Sponsorship For 2016 Red, White & Bayou Crawfish And Texas Music Festival.

Mrs. Robinson advised the Board that, since the City is gearing up for the 2016 Red, White & Bayou Crawfish and Texas Music Festival, she was requesting that the Board consider approving its annual sponsorship for the Festival. Mrs. Robinson advised that, as a result of Dickinson Economic Development Corporation's sponsorship last year, the Festival generated approximately \$35,000 that will be awarded to local nonprofits that serve the Dickinson community, and it also generated an economic impact of approximately \$372,207.00 in one day. After discussion, Director Reinschmidt made a motion to approve a \$10,000.00 sponsorship for the 2016 Red, White & Bayou Crawfish And Texas Music Festival. The motion was seconded by Director Moreno.

VOTE:

5 AYES (Carney, Reinschmidt, Moreno, Tucker, Donley)

0 NAYS

MOTION PASSED

ITEM 9.) EXECUTIVE (CLOSED) SESSION – The Dickinson Economic Corporation will hold a closed executive meeting pursuant to the provision of Chapter 551, Government Code, Vernon's Texas Codes annotated, in accordance with the authority contained in:

President Darrell Carney recessed the regular meeting into a second Executive Session at 7:39 p.m.

- A. Section 551.087- Discuss or deliberate regarding commercial or financial information that the Dickinson Economic Development Corporation has received from a business prospect that the Dickinson Economic Development Corporation seeks to have locate, stay or expand in or near the City and which the Dickinson Economic Development Corporation is conducting economic development negotiations.
- B. Section 551.072 – Deliberation Regarding Real Property – Discussion Regarding the Purchase, Exchange, Lease or Value of Real Property.

ITEM 10.) RECONVENE

President Darrell Carney reconvened the regular meeting at 8:10 p.m

ITEM 11.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: Matters discussed in Executive Session

No action was taken.

ITEM 12.) FUTURE AGENDA ITEMS

ITEM 13.) ADJOURN

Director Tucker made a motion to adjourn the meeting at 8:13 p.m. The motion was seconded by Director Reinschmidt.

VOTE:

5 AYES (Carney, Reinschmidt, Moreno, Tucker, Donley)

0 NAYS

MOTION PASSED

PASSED, APPROVED AND ADOPTED this the 8th day of February, 2016.

Darrell Carney, President

ITEM 2B

Darrell Carney, President
Mike Reinschmidt, Vice President
Libby Moreno, Secretary
Mark Martelli

Minutes
City of Dickinson
**Dickinson Economic
Development Corporation**
and
Dickinson City Council
SPECIAL JOINT MEETING

Jennifer Lawrence
Robert Donley
Chris Tucker

February 1, 2016

NOTICE is hereby given of a **SPECIAL JOINT MEETING** of the Dickinson Economic Development Corporation and the Dickinson City Council for the City of Dickinson, County of Galveston, State of Texas, to be held on **Monday, February 1, 2016**, at **6:00 p.m.** at: 4403 Highway 3, Dickinson, Texas 77539 for the purpose of considering the following numbered items. The Dickinson Economic Development Corporation of the City of Dickinson, Texas, reserves the right to meet in a closed session on any of the below items should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

ITEM 1.) CALL TO ORDER AND CERTIFICATION OF A QUORUM

President Darrell Carney called the meeting to order at 6:02 p.m. Economic Development Coordinator Angela Forbes called roll and certified a quorum. The following Directors were present: Darrell Carney, Mike Reinschmidt, Chris Tucker, and Robert Donley. Directors Libby Moreno, Jennifer Lawrence and Mark Martelli were absent. Also present were Executive Director Julie Robinson, Economic Development Coordinator Angela Forbes, and Administrative Services Manager Stephanie Russell.

ITEM 2.) EXECUTIVE (CLOSED) SESSION – The Dickinson Economic Corporation will hold a closed executive meeting pursuant to the provision of Chapter 551, Government Code, Vernon's Texas Codes annotated, in accordance with the authority contained in:

President Carney recessed the regular meeting at 6:04 p.m.

A. Section 551.087- Discuss or deliberate regarding commercial or financial information that the Dickinson Economic Development Corporation has received from a business prospect that the Dickinson Economic Development Corporation seeks to have locate, stay or expand in or near the City and which the Dickinson Economic Development Corporation is conducting economic development negotiations.

ITEM 3.) RECONVENE

President Carney reconvened the regular meeting at 7:15 p.m.

ITEM 4.) CONSIDERATION AND POSSIBLE ACTION CONCERNING: Matters discussed in Executive Session

No action was taken.

ITEM 5.) ADJOURN

Director Tucker made a motion to adjourn the meeting at 7:15 p.m. The motion was seconded by Director Reinschmidt.

VOTE:

4 AYES (Carney, Reinschmidt, Tucker, Donley)

0 NAYS

MOTION PASSED

PASSED, APPROVED AND ADOPTED this the 8th day of February, 2016.

Darrell Carney, President

AGENDA

ITEM 3

AGENDA

ITEM 4

AGENDA

ITEM 5

**Dickinson Economic Development Corporation
Agenda Item Data Sheet**

MEETING DATE February 8, 2016

TOPIC:	Briefing and Discussion Concerning Quarterly Investment Report & Financials For Period Ending December 31, 2015.
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BACKGROUND:	Per the Corporation's Investment Policy, the Investment Officer shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last quarter. This investment report covers the quarter ending December 31, 2015.
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RECOMMENDATION:	None.
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ATTACHMENTS:	<ul style="list-style-type: none"> • Quarterly Investment and Financial Report For FY2015-2016 Quarter Ending December 31, 2015
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FUNDING ISSUES	<input checked="" type="checkbox"/> Not applicable <input type="checkbox"/> Not budgeted <input type="checkbox"/> Full Amount already budgeted. <input type="checkbox"/> Funds to be transferred from Acct.# - -
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SUBMITTING STAFF MEMBER	CITY ADMINISTRATOR APPROVAL
Stephanie Russell, Administrative Services Manager	



ACTIONS TAKEN		
APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO	READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	OTHER

Dickinson Economic Development Corporation

Quarterly Financial Report

Period Ending December 31, 2015

**DICKINSON ECONOMIC DEVELOPMENT CORPORATION
INVESTMENT REPORT
PERIOD ENDING DECEMBER 31, 2015**

<u>Account</u>	<u>Interest Rate</u>	<u>Purchase Date</u>	<u>Due Date</u>	<u>Days to Maturity</u>	<u>Book Value</u>	<u>Beginning Market Value</u>	<u>Ending Market Value</u>	<u>Market Value Change</u>	<u>Interest Paid Year to Date</u>
BBVA Compass - Operating	0.00%	4/7/2009	Demand	1	\$ 348,181.36	\$ 492,915.33	\$ 348,181.36	\$ (144,733.97)	\$ -
BBVA Compass - MMA	0.20%	4/7/2009	Demand	1	\$ 285,144.61	\$ 285,000.91	\$ 285,144.61	\$ 143.70	\$ 143.70
Hometown - Checking	0.00%	8/8/2013	Demand	1	\$ 15,335.63	\$ 15,023.99	\$ 15,335.63	\$ 311.64	\$ -
TexPool - Investment	0.03%	7/31/2013	Demand	1	\$ 116,541.40	\$ 116,502.79	\$ 116,541.40	\$ 38.61	\$ 38.61
Hometown - CD	0.50%	8/7/2015	8/7/2016	#VALUE!	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ -	\$ 311.64
Texas 1st - CD	0.20%	8/6/2015	8/6/2016	#VALUE!	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ -	\$ 90.74
Total (all cash & investments)					\$ 1,265,203.00	\$ 1,409,443.02	\$ 1,265,203.00	\$ (144,240.02)	\$ 584.69

Weighted Average Rate (WAR) 0.19%

Weighted Average Maturity (WAM) #VALUE! days


 Julie M. Robinson, Executive Director

2/3/2016
 Date


 Prepared by: Stephanie Russell, Administrative Services Manager

2/2/2016
 Date

DICKINSON ECONOMIC DEVELOPMENT CORPORATION
FISCAL YEAR 2015-2016
BUDGET VS. ACTUALS
PERIOD ENDING DECEMBER 31, 2015

Account Name	FY 15-16 Original Budget	FY 15-16 Actuals Year to Date	Actuals (Under)/Over Budget	% of Budget
REVENUE				
Sales Tax Revenue	1,433,700	252,839	(1,180,861)	17.6%
Rental Income	9,000	1,225	(7,775)	13.6%
Interest Income	1,500	585	(915)	39.0%
TOTAL REVENUE	1,444,200	254,649	(1,189,551)	17.6%
EXPENDITURES				
Capital Outlays				
Computers/Office Equipment	3,000	-	(3,000)	0.0%
Contractual Payments	26,027	1,400	(24,627)	5.4%
Real Property Acquisition	458,121	484,489	26,368	105.8%
Total Capital Outlays	487,148	485,889	(1,259)	99.7%
Contract Services				
ED Consulting	10,000	415	(9,585)	4.2%
Financial & Auditing	1,000	250	(750)	25.0%
GIS	2,900	-	(2,900)	0.0%
Legal	7,500	-	(7,500)	0.0%
Multimedia Services	500	-	(500)	0.0%
Branding & Marketing Study	75,000	-	(75,000)	0.0%
Demolition Services	54,525	-	(54,525)	0.0%
Total Contract Services	151,425	665	(150,760)	0.4%
Debt Service				
Interest	12,705		(12,705)	0.0%
Principal	50,000		(50,000)	0.0%
Total Debt Service	62,705	-	(62,705)	0.0%
Projects & Programs				
Cedar Oaks	75,000	7,800	(67,200)	10.4%
Hughes Road	10,000	420	(9,580)	4.2%
Hwy 3 Façade Improvement Prgm	28,000	-	(28,000)	0.0%
Business Retention Prgm	1,000	-	(1,000)	0.0%
Visual Improvement Prgm	40,000	-	(40,000)	0.0%
Visitor Information Kiosk	25,000	-	(25,000)	0.0%
Adopt-A-Street Program	3,820	-	(3,820)	0.0%
Project & Property Design Fees	50,000	-	(50,000)	0.0%
ED Grants & Projects	57,500	1,387	(56,113)	2.4%
Total Projects & Programs	290,320	9,607	(280,713)	3.3%

DICKINSON ECONOMIC DEVELOPMENT CORPORATION
FISCAL YEAR 2015-2016
BUDGET VS. ACTUALS
PERIOD ENDING DECEMBER 31, 2015

Account Name	FY 15-16 Original Budget	FY 15-16 Actuals Year to Date	Actuals (Under)/Over Budget	% of Budget
Museum-Tourism				
Building & Property Maintenance	35,950	8,745	(27,205)	24.3%
Dues, Subscriptions & Books	900	-	(900)	0.0%
Marketing & Advertising	5,000	-	(5,000)	0.0%
Museum Exhibits	1,000	-	(1,000)	0.0%
Office Supplies	5,500	936	(4,564)	17.0%
Property/Liability Insurance	10,000	-	(10,000)	0.0%
Storage Rental	2,400	-	(2,400)	0.0%
Utilities	20,000	3,569	(16,431)	17.8%
Total Museum-Tourism	80,750	13,250	(67,500)	16.4%
DEDC Administration/Operations				
Building Maintenance	500	-	(500)	0.0%
Bank Service Charges	367	115	(252)	31.5%
Dues, Subscriptions & Books	5,500	43	(5,457)	0.8%
Information Technology	13,850	5,972	(7,878)	43.1%
Marketing & Promotions	20,000	16,125	(3,875)	80.6%
Office Space Rental	3,000	750	(2,250)	25.0%
Office Supplies & Postage	2,502	400	(2,102)	16.0%
Personnel Services	184,231	46,058	(138,173)	25.0%
Public Official/E&O Insurance	1,167	-	(1,167)	0.0%
Travel & Training	11,489	7,664	(3,825)	66.7%
Utilities	2,492	500	(1,992)	20.1%
Total Admin./Operations	245,098	77,629	(167,469)	31.7%
TOTAL EXPENDITURES	1,317,446	587,039	(730,407)	
REVENUE - EXPENDITURES	126,754	(332,390)	(459,144)	

DICKINSON ECONOMIC DEVELOPMENT CORPORATION
FISCAL YEAR 2015-2016
BALANCE SHEET
PERIOD ENDING DECEMBER 31, 2015

ASSETS

Current Assets

Cash & Investments

BBVA Operating Account	689,043
BBVA Money Market Account	285,145
Hometown Bank - Checking	15,336
Hometown Bank - CD	250,000
Texas First Bank - CD	250,000
TexPool	116,541
Total Cash	1,606,065

Accounts Receivable

Sales Tax Receivable	118,733
Other Accounts Receivable	4,500
Total Accounts Receivable	123,233

Total Current Assets

\$ 1,729,298

TOTAL ASSETS

\$ 1,729,298

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

Due to City of Dickinson	-
Accounts Payable	432,637
Rental Deposits	400
Total Accounts Payable	\$ 433,037

Total Current Liabilities

\$ 433,037

Total Liabilities

\$ 433,037

Equity

Fund Balance	1,628,651
Net Income	(332,390)
Total Equity	\$ 1,296,261

TOTAL LIABILITIES & EQUITY

\$ 1,729,298

**Unaudited as of 2/2/16*

AGENDA

ITEM 6

**Dickinson Economic Development Corporation
Agenda Item Data Sheet**

MEETING DATE February 8, 2016

TOPIC: Discussion And Direction Concerning Possible Proposal For Additional Work In 2016 By The Retail Coach

BACKGROUND: Aaron Farmer with The Retail Coach has submitted a proposal for additional work to be performed by The Retail Coach for the DEDC in 2016. Before a formal proposal is presented to the Board, Mr. Farmer and I would like feedback from the Board concerning what the work would include and whether the Board is interested in considering a formal proposal.

The Retail Coach has indicated that the emphasis in 2016 should be on identifying and marketing specific sites, and they propose to develop high quality marketing pieces for those specific sites. Additionally, the proposal would include:

- 2016 Reports - Demographics, Leakage, etc.
- Site Marketing
- Site Profiles (Marketing Fliers) for up to 10 sites
- Continued Retailer and Developer Recruitment
- Trade Show Representation

The cost would be \$15,000 which is consistent with last year, but will include more detailed strategic planning and a greater site focus.

Mr. Farmer will be at the Board meeting in order to further outline and discuss the possible work.

RECOMMENDATION: Staff requests direction from the Board concerning the proposal for additional work to be done by The Retail Coach in 2016.

ATTACHMENTS: • None

FUNDING ISSUES Not applicable
 Not budgeted – The FY 2015-2016 Adopted Budget includes \$10,000 for Economic Development Consulting. Any additional fees would be included in a budget amendment.
 Full Amount already budgeted.

SUBMITTING STAFF MEMBER	EXECUTIVE DIRECTOR APPROVAL
Julie M. Robinson, Executive Director	

ACTIONS TAKEN		
APPROVAL	READINGS PASSED	OTHER
<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	

AGENDA

ITEM 7

**Dickinson Economic Development Corporation
Agenda Item Data Sheet**

MEETING DATE February 8, 2016

TOPIC: Resolution Number XXX-2016

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DICKINSON ECONOMIC DEVELOPMENT CORPORATION (DEDC) APPROVING AN ECONOMIC DEVELOPMENT GRANT AGREEMENT BY AND BETWEEN THE DICKINSON ECONOMIC DEVELOPMENT CORPORATION AND LILLEY INVESTMENTS, LLC, FOR THE REIMBURSEMENT OF \$107,000.00 FOR BULK HEADING RELATED TO THE CONSTRUCTION OF A NEW BUSINESS IN DICKINSON, TEXAS, AND AUTHORIZING THE PRESIDENT OF THE BOARD TO EXECUTE SUCH AGREEMENT.

BACKGROUND: On December 14, 2015, the Board approved as a project of the Corporation the reimbursement of \$107,000.00 to Lilley Investments LLC for bulkheading work to be done for Marais Restaurant. Based on that approval, a proposed Economic Development Grant Agreement is presented to the Board for approval.

The Economic Development Grant Agreement generally provides the following:

- Lilley Investments, LLC will begin construction of a 5,000-5,200 square foot building with a bulkhead as shown in the Exhibits to the Agreement for a full service restaurant with a capital investment of approximately \$1,400,000.00 in the restaurant and retention of an assessed value of no less than \$1,850,000 million by February 29, 2016.
- Construction must begin no later than February 29, 2016, and shall be completed with a Certificate of Occupancy issued by the City of Dickinson no later than November 30, 2016.
- DEDC will reimburse \$107,000.00 to Lilley Investments LLC within thirty (30) days of completion of the bulkhead and boardwalk area and submission of a reimbursement request in writing by LILLEY, and approval of the work by the DEDC.
- Within 30 days after the issuance of the Certificate of Occupancy by the City of Dickinson, Lilley Investments LLC will hire at least 10 new employees, and such 10 new

ACTIONS TAKEN

APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO	READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	OTHER
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**Dickinson Economic Development Corporation
Agenda Item Data Sheet**

employees must be maintained for the entire term of the agreement. Documentation and audit provisions are included.

- The term of the agreement is the later of the DEDC's payment to Lilley Investments LLC of the Total Grant approved by the DEDC or three (3) years after the issuance of the Certificate of Occupancy by the City of Dickinson.
- Lilley Investments LLC agrees to purchase construction materials from suppliers located within the City limits of Dickinson to the extent possible.
- Default and clawback provisions are included in the agreement.

RECOMMENDATION: Staff recommends approval of the Economic Development Grant Agreement.

ATTACHMENTS: • Resolution Number XXX-2016

FUNDING ISSUES

Not applicable

Not budgeted – If approved, the grant amount will be included in a budget amendment.

Full Amount already budgeted.

SUBMITTING STAFF MEMBER	EXECUTIVE DIRECTOR APPROVAL
Julie M. Robinson, Executive Director	

ACTIONS TAKEN

APPROVAL <input type="checkbox"/> YES <input type="checkbox"/> NO	READINGS PASSED <input type="checkbox"/> 1 st <input type="checkbox"/> 2 nd <input type="checkbox"/> 3 rd	OTHER
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RESOLUTION NUMBER XXX-2016

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DICKINSON ECONOMIC DEVELOPMENT CORPORATION (DEDC) APPROVING AN ECONOMIC DEVELOPMENT GRANT AGREEMENT BY AND BETWEEN THE DICKINSON ECONOMIC DEVELOPMENT CORPORATION AND LILLEY INVESTMENTS, LLC, FOR THE REIMBURSEMENT OF \$107,000.00 FOR BULK HEADING RELATED TO THE CONSTRUCTION OF A NEW BUSINESS IN DICKINSON, TEXAS, AND AUTHORIZING THE PRESIDENT OF THE BOARD TO EXECUTE SUCH AGREEMENT.

* * * * *

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DICKINSON ECONOMIC DEVELOPMENT CORPORATION, THAT:

Section 1. The Economic Development Grant Agreement by and between Dickinson Economic Development Corporation and Lilley Investments, LLC, for the reimbursement of \$107,000.00 for bulk heading related to the construction of a new business in Dickinson, Texas is hereby approved, and the President of the Board is authorized and directed to execute such Agreement. A copy of said Agreement is attached hereto and made a part hereof for all purposes.

PASSED, APPROVED AND RESOLVED on this the 8th day of February, 2016.

Darrell Carney, President
Board of Directors

ATTEST:

Libby Moreno, Secretary
Board of Directors

**LILLEY INVESTMENTS, LLC
AND
DICKINSON ECONOMIC DEVELOPMENT CORPORATION
ECONOMIC DEVELOPMENT GRANT AGREEMENT**

This Economic Development Grant Agreement (“Agreement”) is entered into by and between DICKINSON ECONOMIC DEVELOPMENT CORPORATION, an industrial development corporation created pursuant to the Development Corporation Act, now Chapters 501 and 505 of the Texas Local Government Code (“DEDC”) and LILLEY INVESTMENTS, LLC, a Texas limited liability company (“LILLEY”).

WHEREAS, the DEDC is authorized under Chapters 501 and 505 of the Texas Local Government Code to make economic development grants; and

WHEREAS, the DEDC is granting economic benefits to LILLEY in recognition of the positive economic benefits to the DEDC and City of Dickinson through LILLEY’S (i) construction of full service restaurant building having approximately 5,000-5,200 square feet with a bulkhead as shown in Exhibit “A” attached hereto and incorporated by reference herein (“Building”) on the real property shown in *Exhibit “B”* attached hereto and incorporated by reference herein (“Property”), (ii) establishment of a full service restaurant business on the Property (“Business”), (iii) collection of DEDC sales tax generated by the Business, (iv) a capital investment of approximately \$1,400,000.00 in the Business; and (v) retention of an assessed value of \$1,850,000.00 on the Property and Business by the Galveston Central Appraisal District (collectively referred to as the “Project”); and

WHEREAS, the purpose of this Agreement is to promote economic development contemplated by the Development Corporation Act, now Chapters 501 and 505 of the Texas Local Government Code, whereby LILLEY will construct the Building on the Property, and operate the Business in compliance with all rules, regulations, permit requirements, and ordinances pertaining to them; and

WHEREAS, LILLEY, in consideration of this Agreement, agrees to construct the Building and operate the Business on the Property.

NOW, THEREFORE, in consideration of the mutual benefits and promises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the DEDC and LILLEY agree as follows:

1. **AUTHORITY.** The DEDC’S execution of this Agreement is authorized by Chapters 501 and 505 of the Texas Local Government Code, and constitutes a valid and binding obligation of the DEDC in the event LILLEY proceeds with the construction of a Building and establishes the Business on the Property. LILLEY’S execution and performance of this Agreement constitutes a valid and binding obligation of LILLEY in the event LILLEY proceeds with the Building and Business.

2. COMPLIANCE. LILLEY shall be obligated at all times to comply with all terms and provisions this Agreement in order to receive the economic benefits described within this Agreement. The DEDC shall be entitled to withhold economic benefits granted under this Agreement if LILLEY defaults under this Agreement in addition to all other relief provided to the DEDC under law and equity.

3. DEDC PERFORMANCE GRANTS.

A. CONDITIONS TO GRANTS: As a condition precedent and subsequent to any grant, LILLEY must complete construction of the Building and establish the Business on the Property, create not less than 10 new jobs as provided herein, and, to the extent possible, purchase construction materials for the construction of the Building from suppliers located within the City limits of the City of Dickinson, Texas.

B. TIME: Construction of the Building shall commence no later than February 29, 2016, and shall be completed with a certificate of occupancy issued by the City of Dickinson, Texas, no later than November 30, 2016.

C. REIMBURSEMENT: The DEDC will reimburse LILLEY as a grant an amount not to exceed one hundred and seven thousand dollars (\$107,000.00) ("Total Grant") for costs incurred by LILLEY for the construction of the bulkhead and boardwalk area related to the construction of the Building and operation of the Business within thirty (30) days of completion of such bulkhead and boardwalk area and submission of a reimbursement request in writing by LILLEY, and approval of the work by the DEDC.

D. EMPLOYMENT REQUIREMENTS: LILLEY shall comply with each of the following terms with respect to its employment at the Project, such terms to be collectively referred to herein as the "Employment Requirements":

1. LILLEY will hire at least 10 employees not later than Thirty (30) days after the issuance of the Certificate of Occupancy by the City of Dickinson, Texas;
2. LILLEY must achieve and thereafter maintain the 10 employees at the Business for the term of this Agreement;
3. LILLEY further agrees that it will, to the extent possible, advertise and fill the 10 jobs from within the City of Dickinson and the Dickinson community;
4. All such employees shall be documented to be eligible to work within the United States as required by 8 U.S.C. Section 1324a, as amended;
5. The failure by LILLEY to comply with these Employment Requirements shall constitute a breach of this Agreement. LILLEY

understands and agrees that, in the event of termination of this Agreement by the DEDC, or pursuant to Section 16 of this Agreement, LILLEY shall reimburse the DEDC the full amount of money paid by the DEDC to LILLEY on a pro rata basis based on the number of jobs created and maintained.

6. LILLEY shall keep and maintain complete and accurate records relating to its hiring and employment of persons, which is separate and identifiable from its other records, and shall make such records available for not less than three (3) years following termination of this Agreement. The DEDC and its representatives shall be entitled to inspect said records during the term of this Agreement and for three (3) years thereafter, upon reasonable notice to LILLEY.

E. PURCHASE OF CONSTRUCTION MATERIALS. LILLEY further agrees that, to the extent possible, it shall purchase the materials for the construction of the Building and other improvements on the Property from suppliers located within the City limits of the City of Dickinson, Texas. The DEDC will work with LILLEY to identify such suppliers meeting this requirement.

4. INSPECTIONS. Employees or designated representatives of the DEDC and City of Dickinson shall be entitled to inspect the Business during the term of this Agreement to verify and substantiate LILLEY'S compliance with this Agreement which compliance shall be conditions precedent and subsequent to this Agreement.

5. The DEDC shall be entitled to request information from LILLEY deemed by the DEDC to be reasonable or necessary to verify LILLEY'S compliance with this Agreement or entitlements under this Agreement.

6. BUSINESS OPERATION. LILLEY covenants and agrees that it shall continuously operate and maintain the Business on the Property throughout the term of this Agreement.

7. TERM. This Agreement shall become enforceable upon execution by the DEDC and LILLEY and shall be effective as of the date of this Agreement. This Agreement shall terminate no later than upon the later of the DEDC'S payment to LILLEY of the Total Grant approved by the DEDC or three (3) years after the issuance of the Certificate of Occupancy for the Business by the City of Dickinson, Texas, in consideration for the DEDC grant.

8. LILLEY'S OBLIGATIONS. In consideration of the DEDC'S establishment of this economic development program for LILLEY by the DEDC, pursuant to Texas Local Government Code Chapters 501 and 505 to promote local economic development and stimulate business and commercial activity within the City of Dickinson, if LILLEY proceeds with the Building on the Property, LILLEY agrees to the requirements of this Agreement.

9. COVENANTS, WARRANTIES, OBLIGATIONS AND DUTIES. LILLEY makes the following covenants and warranties to the DEDC, and agrees to timely and fully perform the following obligations and duties. Any false or substantially misleading statement contained herein or failure to timely and fully perform as required in this Agreement shall be an act of default by LILLEY. Failure to comply with any one covenant or warranty shall constitute an act of default by LILLEY.

A. No litigation or governmental proceeding is pending or, threatened against LILLEY or affecting LILLEY that may result in any material adverse change in LILLEY or the Business other than permits to be issued by the City of Dickinson or Galveston County Water Control and Improvement District No. 1 for the Business contemplated in this Agreement. No consent, approval or authorization of or registration or declaration within any governmental authority is required in connection with the execution of this Agreement or the transactions contemplated hereby.

B. No certificate or statement delivered by LILLEY to the DEDC in connection with this Agreement, or in connection with any transaction contemplated herein, contains any untrue statement or fails to state any fact necessary to keep the statements contained herein from being misleading.

C. There are no bankruptcy proceedings or other proceedings currently pending or contemplated, and LILLEY has not been informed of any potential involuntary bankruptcy proceedings.

D. To the best of its knowledge, LILLEY will have acquired and maintains all necessary rights, licenses, permits and authority to carry on the Business in Dickinson, Texas, prior to operating the Business, and will continue to use its best efforts to maintain all necessary rights, licenses, permits and authority.

E. LILLEY shall timely pay all taxes due and owing by it to all taxing authorities having jurisdiction. In addition, LILLEY shall timely pay all employment, income, franchise, and all other taxes due and owing by it to all local, state, and federal entities.

F. LILLEY shall complete the Business required by this Agreement and shall provide the investment and other economic development considerations described in this Agreement.

G. LILLEY shall timely and fully comply with all the terms and conditions of this Agreement.

H. LILLEY shall notify the DEDC in writing of substantial changes in Business management within seven (7) days during the term of this Agreement.

I. LILLEY agrees that, as to all of the programs and activities arising out of this Agreement, it shall comply fully with all Civil Rights Acts and specifically will not discriminate against any person on the basis of race, color, national origin, sex, or by reason of being disabled.

J. LILLEY hereby certifies that it does not knowingly employ and will not hereafter employ an undocumented worker as defined in Chapter 2264, Texas Government Code.

K. LILLEY shall operate the Business in compliance with all federal, state and local laws, rules and regulations applicable to the Business, Building and Property during the term of this Agreement.

L. LILLEY agrees to reimburse the DEDC a sum equal to the Grant Amount paid to LILLEY pursuant to this Agreement should LILLEY fail to construct the Building as required herein. Such reimbursement shall be made on or before ten (10) days after LILLEY notifies the DEDC that it shall not construct the Building or if construction has not commenced on or before November 30, 2016, whichever date is earlier.

10. MUTUAL ASSISTANCE. DEDC and LILLEY will do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement, and to aid and assist each other in carrying out such terms and provisions in order to put each other in the same economic condition contemplated by this Agreement regardless of any changes in public policy, the law or taxes or assessments attributable to the Business.

11. DEFAULT. If either the DEDC or LILLEY should default in the performance of any obligations of this Agreement, the other party shall provide such defaulting party written notice of the default, and a minimum period of thirty (30) days to cure such default, prior to instituting an action for breach or pursuing any other remedy for default. If the DEDC or LILLEY remains in default after notice and opportunity to cure, the non-defaulting party shall have the right to pursue any remedy at law or in equity for the breach. In addition, the DEDC shall have the right to terminate all economic benefits under this Agreement as well as all other relief provided under this Agreement.

12. ATTORNEY'S FEES. In the event any legal action or proceeding is commenced between the DEDC and LILLEY to enforce provisions of this Agreement and recover damages for breach, the prevailing party in such legal action shall be entitled to recover its reasonable attorney's fees and expenses incurred by reason of such action, unless prohibited by law.

13. ENTIRE AGREEMENT. This Agreement contains the entire agreement between the parties. This Agreement may only be amended, altered or revoked by written instrument signed by the DEDC and LILLEY.

14. **BINDING EFFECT.** This Agreement shall be binding on and inure to the benefit of the parties, their respective successors and assigns as allowed in this Agreement.

15. **ASSIGNMENT.** LILLEY may not assign all or any part of its rights and obligations to a third party without prior written approval of the DEDC.

16. **TERMINATION.** In the event LILLEY elects not to proceed with the Building and Business as contemplated by this Agreement, LILLEY shall notify the DEDC in writing, and this Agreement and the obligations on the part of both parties shall be deemed terminated and of no further force or effect, with the exception of reimbursements, if any, that may be due to the DEDC.

17. **NOTICE.** Any notice and or statement required and permitted to be delivered shall be deemed delivered by actual delivery, facsimile with receipt of confirmation, or by depositing the same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following address:

LILLEY: LILLEY INVESTMENTS, LLC

DEDC: DICKINSON ECONOMIC DEVELOPMENT CORPORATION
Executive Director
218 FM 517 West
Dickinson, TX 77539
281-337-6105

18. **INTERPRETATION.** Each of the parties has been represented by counsel of their choosing in the negotiation and preparation of this Agreement. Regardless of which party prepared the initial draft of this Agreement, this Agreement shall, in the event of any dispute, however its meaning or application, be interpreted fairly and reasonably and neither more strongly for or against any party.

19. **APPLICABLE LAW.** This Agreement is made, and shall be construed and interpreted, under the laws of the State of Texas and venue shall be in the State courts of Galveston County, Texas.

20. **SEVERABILITY.** In the event any provisions of this Agreement are illegal, invalid or unenforceable under present or future laws, and in that event, it is the intention of the parties that the remainder of this Agreement shall not be affected. It is also the intention of the parties of this Agreement that in lieu of each clause and provision that is found to be illegal, invalid or unenforceable, a provision be added to

this Agreement which is legal, valid or enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

21. PARAGRAPH HEADINGS. The paragraph headings contained in this Agreement are for convenience only and will in no way enlarge or limit the scope or meaning of the various and several paragraphs.

22. NO THIRD PARTY BENEFICIARIES. This Agreement is not intended to confer any rights, privileges or causes of action upon any third party.

23. NO JOINT VENTURE. It is acknowledged and agreed by the parties that the terms of this Agreement are not intended to and shall not be deemed to create any partnership or joint venture among the parties. The DEDC, its past, present and future officers, elected officials, employees and agents do not assume any responsibilities or liabilities to any third party in connection with the LILLEY or the design, construction or operation of any portion of the Building on the Property or the Business.

24. EXHIBITS. The following Exhibits are attached and incorporated by reference for all purposes:

Exhibit "A": The "Building"

Exhibit "B": The "Property"

Dated this the ____ day of _____, 2016.

LILLEY INVESTMENTS, LLC

By:

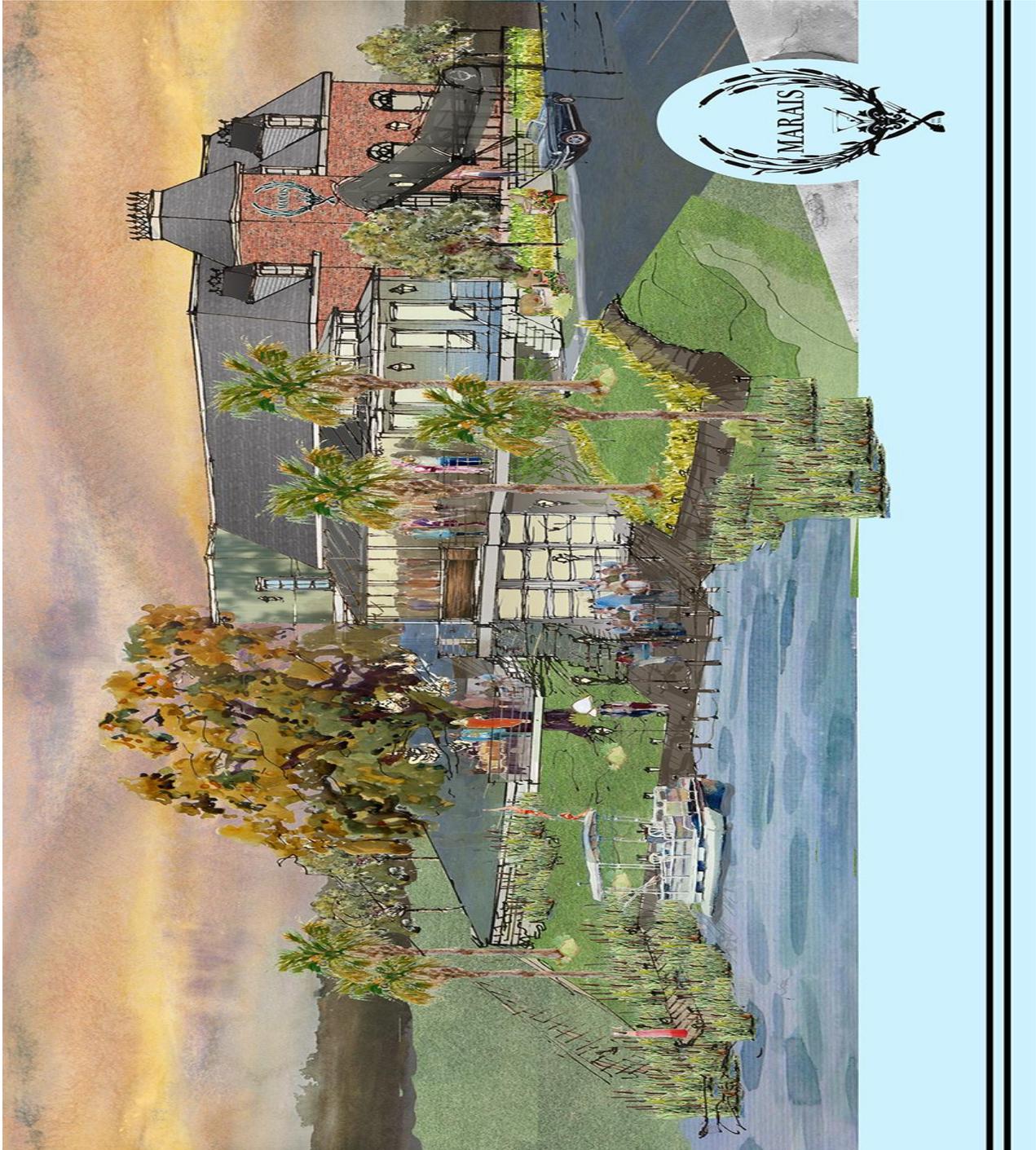
Its:

DICKINSON ECONOMIC DEVELOPMENT
CORPORATION

By: Darrell Carney

Its: Board President

**EXHIBIT "A"
THE BUILDING**

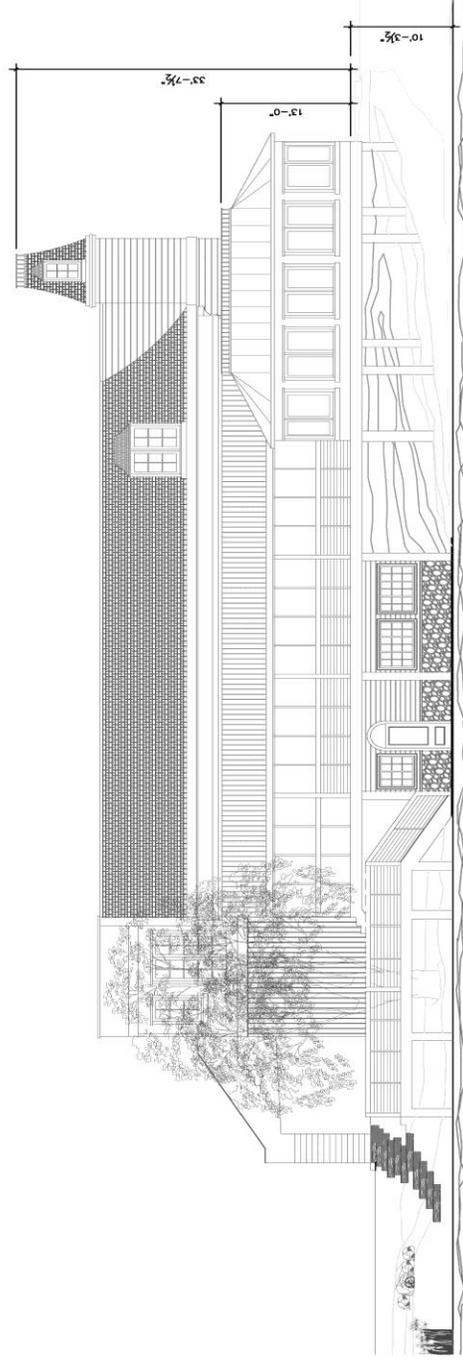
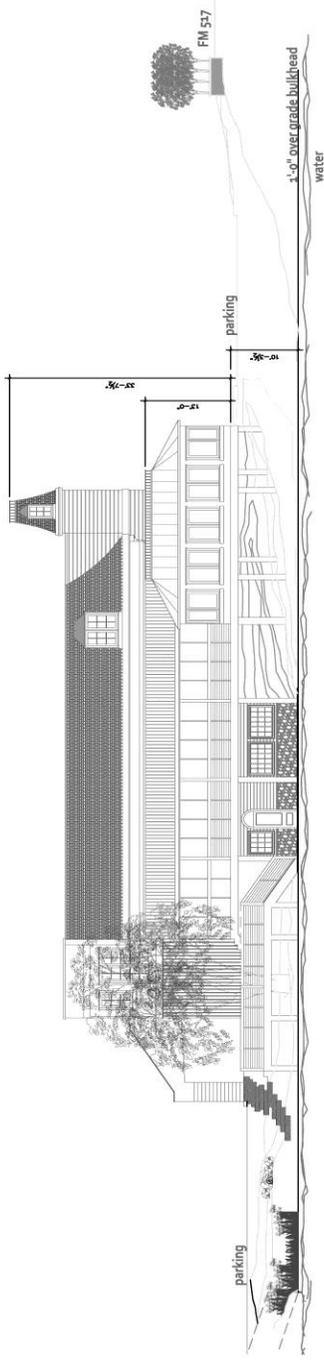


job title:
**MARAIS
RESTAURANT**
2015 FM 517
DICKINSON, TX 77539

date: 11.23.15
job number: RR_1_2015
drawn by: halle
approved:
scale: 3/16" = 1'-0"

sheet title:
ELEVATIONS
sheet number:
7.01

issue information:
elevation from water



scale: 3/16" = 1'-0"

job title:

MARAIS RESTAURANT
 2015 FM 537
 DICKENSON, TX 77539

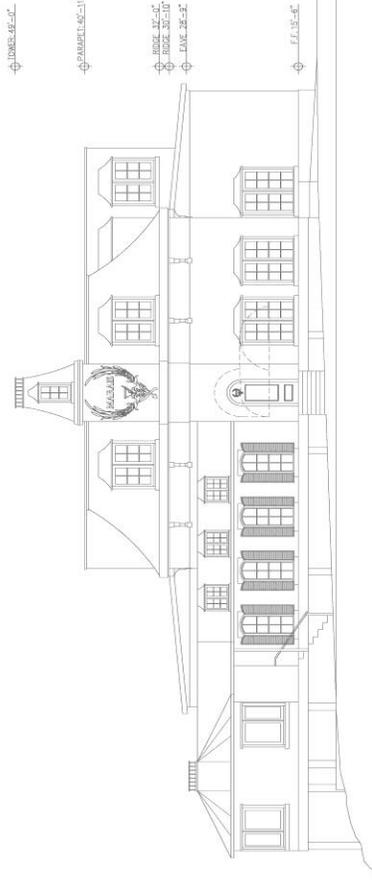
date: 11.20.15
 job number: BR_1205
 drawn by: kate
 approved:
 scale: 3/16" = 1'-0"

sheet title:
ELEVATIONS

sheet number:

6

issue information:
REVISED WOOD FRAMING



↑ DIMS: 45'-0"

↑ PARAPET: 45'-11"

↑ RIDGE: 32'-0"

↑ RIDGE: 30'-10"

↑ EAVE: 28'-9"

↑ F.F.: 15'-6"

↑ 5'-0"

↑ DIMS: 45'-0"

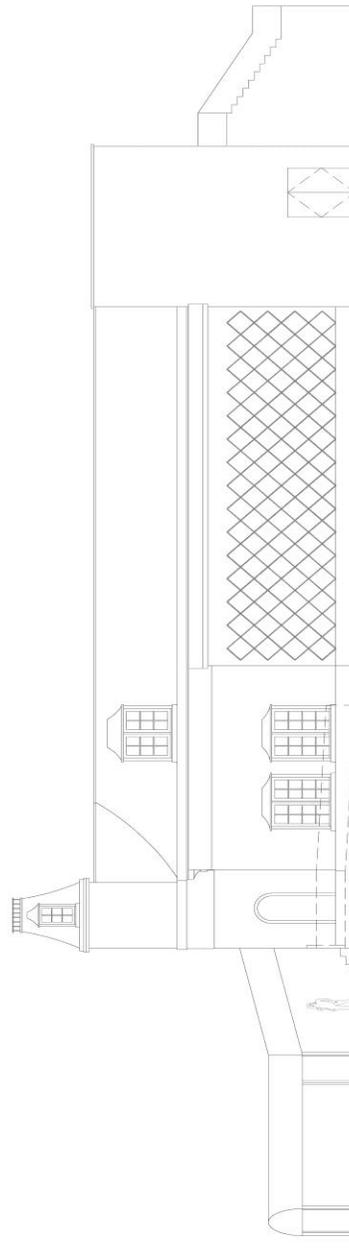
↑ PARAPET: 45'-11"

↑ RIDGE: 32'-0"

↑ RIDGE: 30'-10"

↑ EAVE: 28'-9"

↑ F.F.: 15'-6"



↑ 5'-0"

job title:

MARAIS
RESTAURANT
 201.5 FM 517
 DICKINSON, TX 77539

date: 11.20.15
 job number: RR_1_0015
 drawn by: kate
 approved:
 scale: 1/8" = 1'-0"

sheet title:

INTERIOR
FLOOR PLAN

sheet number:

5

issue information:

REVISED WOOD
FRAMING

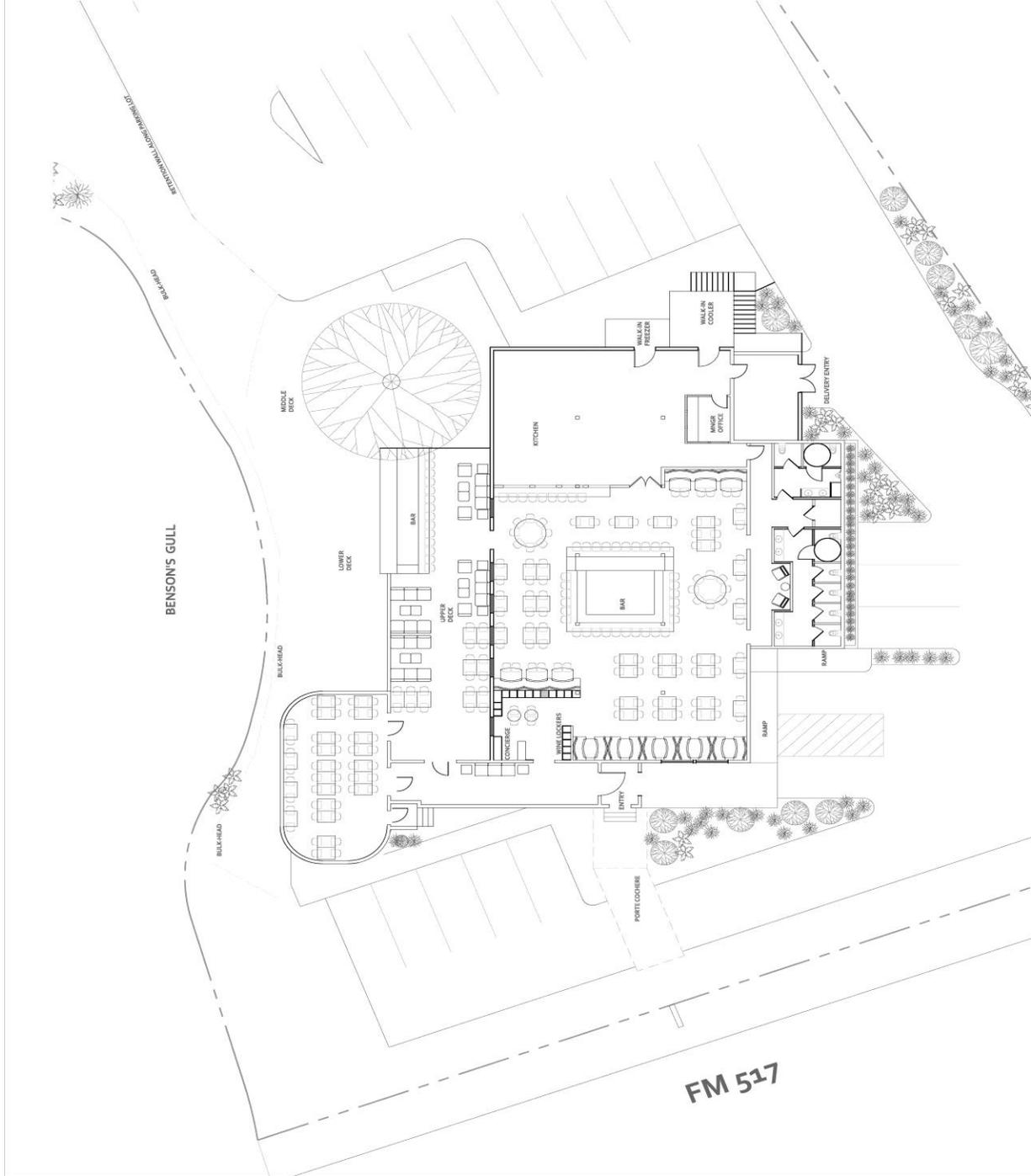


EXHIBIT "B"
THE PROPERTY



AGENDA

ITEM 8

AGENDA

ITEM 9

RECONVENE

TIME: _____

AGENDA

ITEM 10

AGENDA

ITEM 11

AGENDA

ITEM 12

ADJOURN

TIME: _____

MOTION: _____

SECOND: _____

VOTE _____