

# NEDERLAND ECONOMIC DEVELOPMENT CORPORATION

## Minutes August 16, 2023

### MEETING

A meeting of the Nederland Economic Development Corporation was called to order at 4:32 p.m. at the Nederland Economic Development Corporation, 1519 Boston Avenue, by President Bret Duplant.

### QUORUM

Board members present: Bret Duplant, Don Albanese, Anthony Toups, Mitch Macon and Kasey Taylor. Others present Kay DeCuir Nederland EDC Executive Director and Jim Wimberley, NEDC Attorney  
Absent: Billy Wayne Doornbos and Mike Roebuck

### INVOCATION AND PLEDGE

Bret Duplant gave the Invocation and led the Pledge

### MINUTES

**A motion was made by Kasey Taylor and seconded by Don Albanese to approve the minutes of the July 19, 2023 meeting.**

**Motion Carried**

**Ayes: Albanese, Duplant, Toups, Macon and Taylor.**

**Noes: None**

**Absent: Billy Wayne Doornbos and Mike Roebuck**

### DESTINATION OFF BOSTON PROJECT PRESENTATION

Mr. Ronnie Jones with Architectural Alliance made a short presentation to the NEDC Board on the two bid tabulations that were submitted for the project. Four contractors attended the pre-bid meeting but only two contractors submitted bids. One being N&T Construction and the other Construction Zone. Each Board Member was provided the overall bid sheet. The bid tabulations were inclusive of everything in the development except for a few short sidewalks pending neighbor approval. Only one culvert will need to be increased to address drainage. The streets when closed will meet TXDOT closure requirements. Ronnie has been communicating with the city to ensure all requests have been documented. This is not a curb and gutter business district. N&T Construction was in attendance and was asked a few questions by the board members as to this type of commercial development.

### 1215-1217 BOSTON AVENUE

Executive Director Kay DeCuir updated the NEDC Board on the two tenants and buildings. Not every Board Member currently serving on NEDC was on the board when the buildings were purchased. The buildings were purchased at the same price disclosed to all other potential buyers. Mr. Maraist chose the NEDC because he liked the vision of the NEDC downtown development. Mrs. DeCuir went through the list of upgrades made to the buildings since acquisition. When the commercial leases were created by the NEDC Attorney, while the two tenants were signing the leases, they were each told and knew that it was only a two-year lease and at the end of the lease they would have the option to purchase their building. It was not written in the lease that they had first right of refusal. The NEDC never charged a full \$100.00 per sf. The monthly lease was \$1250.00 per 1500 sf. In the lease they were required to purchase \$250,000.00 business insurance. This is an unheard-of lease amount anywhere in Nederland, thus another way the NEDC was helping small businesses. \$50.00 of the \$1250.00 monthly lease went to help with the taxes. There was never a price mentioned as to the cost to acquire the buildings at the end of the two-year term, and nothing was written in the lease. No one can predict what the market will do on a weekly basis so definitely not on a two-year basis. The NEDC Attorney stated that if NEDC had sold the buildings at what NEDC spent on the buildings with improvements, everyone would have been upset they didn't receive the same opportunity/ choice to purchase the buildings. Mrs. DeCuir shared that as directed by the board, she offered the said tenant buildings to the current tenants for \$250,000.00. One tenant started working with a lender per documented email communication and then chose to give

a 30-day notice to vacate instead of purchasing the building. Immediately after giving the 30-day written letter to the NEDC Board, said tenant started bashing the NEDC and made it appear the tenant had no recourse and the decision was out of their hands. Over the last year both tenants had expressed interest more than once in purchasing the buildings they occupied. Mrs. DeCuir expressed concern that only one side of the story was being expressed all over Facebook. The fact is the tenants were notified the lease was ending per the signed lease by each party and they could purchase the buildings prior to placing the buildings for sale on the market. Each tenant made the choice to give notice to vacate according to their lease. Neither tenant chose to make a presentation to the NEDC Board to see about a temporary lease until a new building owner was in place, nor did they opt to try and negotiate the sales price with the NEDC. Mrs. DeCuir shared many businesses fail to remember the incentives small businesses receive, for signage, bringing a new business to Nederland and or for painting of buildings. Also mentioned was that the NEDC spends from \$12,000-\$18,000 a year in commercials, billboards and other social marketing just for Nederland small businesses. Each year the NEDC pushes hard the Shop Local, Shop Often, Shop Nederland Campaign and has for many years. The NEDC also holds one to two market days on Boston Avenue where many businesses make close to their Black Friday revenue. The NEDC provides Concerts for Quality of Life, and did COVID Loans with no interest, Twelve Days of Christmas, Golf Cart Tour of Lights and Light Up Nederland Events. Mrs. DeCuir did try to find buyers to try and keep the current tenants but the 30-day notice was provided before a buyer could visit the building. The best way to do business is face to face and not behind a social media screen. Once the buildings are vacated the signs will go in the building window FOR SALE. The NEDC Attorney stated that if NEDC had sold the buildings at what NEDC spent on the buildings with improvements, everyone would have been upset they didn't receive the same opportunity/ choice to purchase the buildings. Comments by others were store front businesses are a very difficult business to operate with a reasonable lease. Not all businesses choose to have a store front. One of the tenants will stay in business in Nederland while the other business will move to Beaumont as previously announced several months ago.

#### **EXECUTIVE SESSION**

The regular meeting was recessed at 4:46p.m. by President Duplant for the purpose of conducting an Executive Session of the Nederland Economic Development Corporation, as authorized by the Texas Government Code Chapter 551.087 Deliberations regarding Economic Development Incentives; Texas Government Code Chapter 551.071 to discuss litigation and/or legal advice; Texas Government Code Chapter 551.072 to discuss acquisition, exchange and/or release of property.

#### **RECONVENE**

The regular meeting was reconvened by President Duplant at 5:37p.m. President Duplant announced action was needed on Texas Government Code Chapter 551.087 Deliberations regarding Economic Development Incentives; action was needed for Texas Government Code Chapter 551.071 to discuss litigation and/or legal advice; action was needed for Texas Government Code Chapter 551.072 to discuss acquisition, exchange and/or release of property

#### **1308 BOSTON AVENUE**

A motion was made by Anthony Toups and seconded by Mitch Macon to award Inland Environments Ltd the Asbestos Abatement in the amount of (\$32,925.00) thirty-two thousand nine hundred twenty-five dollars and 00/00.

#### **Motion Carried**

**Ayes: Albanese, Duplant, Toups, Macon and Taylor.**

**Noes: None.**

**Absent: Billy Wayne Doornbos and Mike Roebuck**

A motion was made by Kasey Taylor and seconded by Mitch Macon to award Honesty Environmental Services in the amount of (\$4,990.00) four thousand nine hundred ninety dollars and 00/00 for the Consulting and Air Monitoring Services of the Asbestos Abatement at 1308 Boston Avenue.

**Motion Carried**

**Ayes: Albanese, Duplant, Toups, Macon and Taylor.**

**Noes: None.**

**Absent: Billy Wayne Doornbos and Mike Roebuck**

A motion was made by Anthony Toups to authorize the Executive Director to consult with Texas First Bank about possibilities on Option 3 of using our own funds and to see if they will consider options on 12-, 24-, and 60-month term.

**Motion Carried**

**Ayes: Albanese, Duplant, Toups, Macon and Taylor.**

**Noes: None.**

**Absent: Billy Wayne Doornbos and Mike Roebuck**

**PRIDE**

A motion was made by Don Albanese and seconded by Anthony Toups to award K Beauty Supply located at 1607 Nederland Avenue a PRIDE Incentive for signage in the amount of (\$855.20) eight hundred fifty-five dollars and 20/100. The total cost of the signage is (\$1,710.39) one thousand seven hundred ten dollars and 39/100.

**Motion Carried**

**Ayes: Albanese, Duplant, Toups, Macon and Taylor.**

**Noes: None.**

**Absent: Billy Wayne Doornbos and Mike Roebuck**

**FINANCIALS**

Kay DeCuir presented the financials from June 2023 to the Board of Directors.

With four months of financials to go the NEDC once again will be bringing in more revenues than projected in the 22-23 fiscal year. Our overall sales tax is doing well and the market day and other marketing techniques are assisting our businesses to generate more revenue.

**RESOLUTION 2023-03**

The NEDC Board approved to move \$300,000.00 from the Airport Incentive Reserve Fund to the Downtown Development Reserve Fund. A motion was made by Kasey Taylor and seconded by Don Albanese.

**Motion Carried**

**Ayes: Albanese, Duplant, Toups, Macon and Taylor.**

**Noes: None.**

**Absent: Billy Wayne Doornbos and Mike Roebuck**

**COMMUNICATION**

Kay DeCuir shared the following with the Board;

- The Fall Market will be held on October 21<sup>st</sup> and as of today in less than one week we have secured 42 vendors.
- Commercials will begin to air September 1, 2023 on the Concerts, Fall Market and the Nederland Chamber Trunk or Treat. There will be a separate commercial for the holiday events as last year that will begin in November 2023. We will have 3 different commercials for fall and holiday marketing of Shop Local, Shop Often, Shop Nederland.
- Kay mentioned two upcoming events, Boots and Bulls on September 28 and The Legislative Conference on August 22 with Dade Phelan. The NEDC has a reserved table at each event.

**ADJOURN**

There being no further business, a motion was made by Anthony Toups and seconded by Mitch Macon to adjourn the meeting at 5:50 pm.

Motion Carried

Ayes: Albanese, Duplant, Toups, Macon and Taylor.

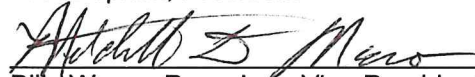
Noes: None.

Absent: Billy Wayne Doornbos and Mike Roebuck



---

Bret Duplant, President



---

Billy Wayne Doornbos, Vice President

Mitch Macon, Secretary