

NEDERLAND ECONOMIC DEVELOPMENT CORPORATION

Minutes February 17, 2016

MEETING

A meeting of the Nederland Economic Development Corporation was called to order at 4:30 p.m. at the Nederland Economic Development Corporation Office, 1519 Boston Avenue, by President Craig J. Belaire.

QUORUM

Board members present: Craig J. Belaire, Larry Ducharme, Jim McNeill, Billy Neal, Bert Rogers and Brian Swindel. Absent: Regan Meaux. Others present: Jim Wimberley, NEDC Attorney, Kay DeCuir, NEDC Executive Director and Christinia Herrmann, NEDC Administrative Secretary. Guests present: Chris Duque, Nederland City Manager, R. A. Nugent, Nederland Mayor, Don Albanese, Nederland Mayor Pro-Tem, David Ball, Port Arthur News Reporter, GLOW Investment Group Representatives Tri Nguyen, Attorney; Ann Quach, Director; Vincent Young, Project Manager; Dr. Jeffrey Chung, Investor; Michelle Chung, Investor; Dr. Johnson Cheng, Investor and Benchmark Hospitality, LLC Representatives, Mukesh "Mookie" Bahkta, Partner and Ketul "Kevin" Akhani, Partner.

INVOCATION AND PLEDGE TO AMERICAN FLAG

Secretary / Treasurer Bert Rogers gave the invocation and Vice President Larry Ducharme led the Pledge.

MINUTES

A motion was made by Larry Ducharme and seconded by Billy Neal to approve the minutes of December 16, 2015.

Motion carried.

Ayes: Belaire, Ducharme, McNeill, Neal, Rogers and Swindel.

Noes: None. Absent: Meaux

EXECUTIVE SESSION

The regular meeting was recessed at 4:34 p.m. by President Craig J. Belaire for the purpose of conducting an Executive Session as authorized by the Texas Government Code, Chapter 551.087, to discuss the offer of an incentive to a business prospect; Texas Government Code Chapter 551.071 to discuss litigation and/or legal advice; or Texas Government Code, Chapter 551.072 discuss potential acquisition, exchange, and/or release of property.

RECONVENE

The regular meeting was reconvened by President Belaire at 5:35 p.m. President Belaire announced no action was needed on Texas Government Code, Chapter 551.087, to discuss the offer of an incentive to a business prospect; Texas Government Code Chapter 551.071 to discuss

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litigation and/or legal advice; or Texas Government Code, Chapter 551.072 to discuss potential acquisition, exchange, and/or release of property.

FINANCIAL REPORT

Director Kay DeCuir shared the December 2015 and January 2016 Financials and pointed out that the January 2016 Sales Tax (for month of December 2015) had surpassed the May 2015 Sales Tax as the highest in the history of the Nederland EDC. Kay noted that the marketing programs, such as "Shop Nederland" campaign (Billboards and Yard Signs), "Light Up Nederland" contest and "Christmas on the Avenue" event are working. She also shared that several businesses began wearing and selling T-Shirt with "Shop Local" printed on them.

THE LANDING

Director Kay DeCuir advised the Board that she had met with Jim Gilley of Wells Fargo Bank to obtain information regarding the possibility of financing The Landing's infrastructure through Bonds. Kay informed them that she and Mr. Gilley also spoke with a Bond Attorney and Tax Attorney regarding the specifics of this project. One item to note is that lease payments may not be used to repay the bond due tax exempt status. However, there are several options to consider in addition to using NEDC Fund Balance. Jim Wimberley advised the current Interlocal Agreement states the NEDC will receive not less than fifty percent (50%) of the Ad Valorem Tax and all rent money but could be modified to receive fifty percent (50%) or more of the Ad Valorem Tax plus a dollar for dollar match of the Ad Valorem Tax on the lease, which will result in the same net proceeds received from County. Jim Wimberley advised the better option would be to Bond the financing and if the Board agreed, they would need to authorize he and Kay to obtain bids, develop bond package and then present to the Board at a future meeting.

A motion was made by Larry Ducharme and seconded by Bert Rogers authorizing Jim Wimberley and Kay DeCuir to obtain bids, develop bond package and present information to Board at a future meeting.

Motion carried.

Ayes: Larry Ducharme, Billy Neal, Bert Rogers and Brian Swindel

Noes: Craig Belaire and Jim McNeill

Absent: Regan Meaux

PRIDE PROGRAM

A discussion was held regarding applications for the PRIDE Program.

An application was received from a business, Sassy Trendz located in the Chatzkies Home Decor building, 1220 Boston Avenue in Nederland, TX. They are requesting one thousand eight hundred fifty dollars and no/100 (\$1,850.00) for a project totaling three thousand seven hundred dollars and no/100 (\$3,700.00). Project is for signage and painting of exterior façade.

A motion was made by Larry Ducharme and seconded by Billy Neal to approve the PRIDE Program application for Sassy Trendz in the amount not to exceed one thousand eight hundred fifty dollars and no/100 (\$1,850.00) for signage and painting of exterior façade located at 1220 Boston Avenue.

Motion carried.

Ayes: Craig Belaire, Larry Ducharme, Jim McNeill, Billy Neal, Bert Rogers and Brian Swindel

Noes: None

Absent: Regan Meaux

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An application was received from a business, Junkin Gypsies located at 407 Memorial Highway in Nederland, TX. They are requesting nine thousand dollars and no/100 (\$9,000.00) for a project totaling eighteen thousand dollars and no/100 (\$18,000.00) for signage, lighting and painting.

A motion was made by Bert Rogers and seconded by Larry Ducharme to approve the PRIDE Program application for Junkin Gypsies in the amount not to exceed nine thousand dollars and no/100 (\$9,000.00) for signage, lighting and painting of exterior façade located at 407 Memorial Highway in Nederland.

Motion carried.

Ayes: Craig Belaire, Larry Ducharme, Billy Neal, Bert Rogers and Brian Swindel

Noes: None

Absent: Regan Meaux and Jim McNeill left the meeting prior to vote.

COMMUNICATION

Kay DeCuir informed the Board that so far this budget year, nineteen (19) PRIDE applications have been given out with eight (8) completed, returned and approved. In addition, eleven (11) total CBA applications have been given out with two (2) being completed, returned and approved.

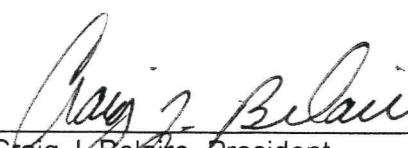
Kay also shared the following with the Board;

- The EDC, Chamber & Heritage Festival enter a float in the Port Arthur Mardi Gras Parade and this year we invited businesses to supply beads or other items with their logos on them to be thrown from our float. Six (6) businesses participated by supplying beads, cups and koozies with their logos or coupons attached.
- On February 8, 2016 six (6) Letters of Intent were presented to Jefferson County Commissioners Court and all were approved. Prior to the presentation, Kay met with each Commissioner to review the development layout
- The EDC staff is currently planning to contact the Jefferson County Sheriff's Department to schedule an "Active Shooters" class for our local businesses
- On February 10, 2016, a report was filed with the Nederland Police Department for an attempted break-in at the EDC. One window screen and the brick window ledge were damaged. Officer Matt Dixon was also informed that on January 26, 2016 the EDC Staff discover the back outdoor light fixture was not working due to lightbulbs were loosened.
- Due upcoming Heritage Festival the March meeting needs to be moved to March 23, 2016.

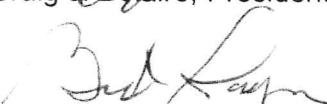
President Belaire shared information and handouts received from the Regional Forecast Breakfast held in Beaumont on January 12, 2016.

ADJOURN

There being no further business, President Belaire adjourned the meeting at 5:55 pm.



Craig J. Belaire, President



Bert Rogers, Secretary/Treasurer