



Agenda 7/24/2019

Notice is hereby given of a regular meeting of the City of San Angelo Development Corporation (COSADC) to be held on July 24, 2019 at 8:30 AM at the McNease Convention Center – South Meeting Room, 501 Rio Concho Drive, San Angelo, Texas, for the purpose of considering the following agenda items.

1. Call to Order

2. Prayer

3. Public Comment

Issues or items that are not on the agenda may be raised by the public at this time. Citizens should speak from the podium, begin by stating their name and limit remarks to less than three minutes. Board members may request that a discussed item be placed on a future agenda. The Board takes public comment on all Regular Agenda items during the discussion of those items.

4. Consent Agenda

- a. Consider approving the June 26, 2019 meeting minutes
- b. Consider approving necessary corporation disbursement

5. Closed Session

Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

- a. a. Section 551.087 to deliberate regarding commercial or financial information that the Board is receiving from business prospects with whom economic development negotiations are being conducted, and discuss financial or other incentives relating to the following projects:

Project 2019-DB68

Project 2019-LSB181

Project Chem 1

Project Craft 716

Project S227

Project MAC2019-Prospect Meeting

Rail Port Meeting

Rail User Survey

- b. Consider a request of the San Angelo Chamber of Commerce to increase their contract amount for fiscal year 2020
- c. Section 551.071(2) consult with attorney when the governmental body seeks the advice of its attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter, regarding:

Matters relating to Mario and Jenifer Torres promissory note

6. Regular Agenda

- a. Consider approval of one-time, temporary expansion in the amount of \$1M for the Affordable Housing Assistance Program (AHAP) to address storm damage to residential structures city-wide and to temporarily allow rehabilitation and reconstruction as an eligible activity under the program (Presentation made by Bob Salas, Director of Neighborhood & Family Services)
- b. Consider approving the June 2019 financial statements (Presentation by Tina Dierschke, Director of Finance)
- c. Discussion and direction related to the proposed fiscal year 2020 budget (Presentation by Tina Dierschke)
- d. Consider a resolution authorizing the use of Sales and Use Tax funds in an amount not to exceed \$600,000, for purchase of a vacant tract of land being 180 acres more or less, out of J C Matthews Abstract 8071, Survey 0178, and W.C.R.R. Co Survey 177, Abstract 4031, being a portion of Tax Lot ID #61-08071-0711-000-00, generally located adjacent to the south right-of-way of FM 2105, 1.5 miles west of Hwy 277, a project authorized under Chapter 505 of the Texas Development Corporation Act for Industrial and Commercial Development necessary to promote economic development and expanded business enterprises that create or retain primary jobs (Presentation by Robert Schneeman, Economic Development Project Manager)
- e. Consider a resolution authorizing the use of sales and use tax funds in an amount not to exceed \$59,000 to provide an Economic Development Incentive to WEST TEXAS STEEL AND SUPPLY INC. (WTS) for a project authorized for a Type B Corporation under Local Government Code Chapter 505, and authorizing the Director of Economic Development to prepare an economic development performance agreement in a form approved by the City Attorney's Office; authorizing the Board President to execute said agreement and related documents; and recommending to City Council ratification of the incentive and approval of the economic development performance agreement (Presentation made by Shannon Scott, Business, Retention & Expansion Coordinator)

7. Follow Up and Administrative Issues

- a. Consider and possible action of items discussed in Closed Session, if needed
- b. Announcements and consideration of Future Agenda Items

8. Adjournment

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of the City of San Angelo, Texas, on the 19th day of July, 2019 at 4:00 P.M.

Guy Andrews, Economic Development Director

All agenda items are subject to action. All contracts/agreements may be subject to further negotiation prior to execution. The Board reserves the right to consider business out of posted order and/or meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code. In compliance with the Americans with Disabilities Act, the City of San Angelo Development Corporation will provide for reasonable accommodations for persons attending board meetings. To better serve you, requests should be received 48 hours prior to the meetings. Please contact the Economic Development Office at 325-653-7197. COSADC meetings are broadcast on Channel 17-Government Access at 8:00 A.M. on every Wednesday on the Wednesday after each meeting.

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: July 24, 2019

Item type: Consent Item

Caption:

Consider approving the June 26, 2019 meeting minutes

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

1. COSADC Minutes 06-26-2019	COSADC Minutes 06-26-2019.doc
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Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

City of San Angelo, Texas
Development Corporation Meeting
Wednesday, June 26, 2019

Todd Kolls, President
Bill Dendle, First Vice President
Dr. David Cummings, Second Vice President
Edward Carrasco
Max Puello
Garland Freeze
Erika Lara

1. Call to Order

With a quorum of the City of San Angelo Development Corporation Board Members present, President Kolls called the regular session of the City of San Angelo Development Corporation meeting to order at 8:35 a.m., on Wednesday, June 26, 2019 in the San Angelo McNease Convention Center, 501 Rio Concho Drive, San Angelo, TX 76903

2. Prayer

An invocation was provided by First Vice President Dendle.

3. Public Comment

Issues or items that are not on the agenda may be raised by the public at this time. Citizens should speak from the podium, begin by stating their name and limit remarks to less than three minutes. Board members may request that a discussed item be placed on a future agenda. The Board takes public comment on all Regular Agenda items during the discussion of those items.

Matt Lewis, CEO San Angelo Area Foundation, asked the board to consider using ½ Cent Sales Tax to assist the Bradford area affected by the tornado.

Nora Nevarez, Economic Development Assistant discussed the Business Plan Competition. First deadline to enter the competition will be August 5, 2019 by 5:00 p.m. Competitors will need to submit a two page business over view on-line.

4. Consent Agenda

- a. Consider approving the May 22, 2019 meeting minutes
- b. Consider approving the necessary corporation disbursements
- c. Consider approving the May 2019 financial statements

Motion: First Vice President Dendle made a motion, seconded by Second Vice President Dr. Cummings to approve the consent agenda as presented. The motion carried unanimously seven (7) ayes to zero (0) nays.

5. **Regular Agenda**

- a. Presentation of the Principal LED/BREP video. (Presentation made by Shannon Scott, Business, Retention & Expansion Coordinator)

No action taken on this item.

- b. Public Hearing regarding the use of sales and use tax funds in an amount not to exceed \$60,000 to provide an Economic Development Incentive to Jack P. Graves and Kimberly D. Graves, d/b/a/ J's Deer & Wild Game Processing, for a project related to Business Enterprises that create or retain primary jobs, as authorized for a Type B Corporation under Local Government Code Chapter 504 Subchapter C. (Presentation by Shannon Scott, Business, Retention & Expansion Coordinator)

No action taken on this item.

- c. 2018 Annual Report (Presentation made by Guy Andrews, Director of Economic Development)

No action taken on this item.

- d. Consideration and approval to modify the Affordable Housing Assistance Program (AHAP) to include a financial incentive to promote infill development in neighborhoods targeted for revitalization. (Presentation made by Bob Salas, Director of Neighborhood & Family Services)

This item was not presented.

- e. Consider a resolution authorizing the use of Sales and Use Tax funds in an amount not to exceed \$1,100,000, to provide an economic development incentive to U.S. Customs and Border Protection Air and Marine Operations, (CBPAMO) with participation by the City of San Angelo (City) for a project authorized under Chapters 501 and 505 of the Local Government Code for Type B Development Corporations; and authorizing the Board President to negotiate and execute a Memorandum of Understanding with the City providing for the economic development project terms. (Presentation by Robert Schneeman, Economic Development Project Manager)

Motion: Director Carrasco made a motion, seconded by Second Vice President Dr. Cummings to approve the resolution as presented. The motion carried unanimously seven (7) ayes to zero (0) nays.

- f. Consider a resolution authorizing the sale of approximately 12 acres of land out of the San Angelo Business and Industrial Park to Allen's Transport USA, Inc. at a price of \$25,000.00 per acre; authorizing the Board President to negotiate and execute a real estate sales contract in a form approved by the City Attorney; and recommending ratification by City Council. (Presentation by Robert Schneeman, Economic Development Project Manager)

Motion: First Vice President Dendle made a motion, seconded by Director Puello to approve the resolution as presented. The motion carried unanimously seven (7) ayes to zero (0) nays.

6. Closed Session

Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meetings, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

At 9:12 a.m., the Board convened Executive Session under the provision of Government Code, Title 5. Open Government; Ethics, Subtitle A. Open Government, Chapter 551. Open Meeting, Subchapter D. Exceptions to Requirement that Meetings be Open under the following sections:

- a. Section 551.087 to deliberate regarding commercial or financial information that the Board is receiving from business prospects with whom economic development negotiations are being conducted, and discuss financial or other incentives relating to the following projects:

Project 2019-S28

Project 2019-DB68

Project 2018-S224

Project CHEM 1

SMC Global

Rail Port Marketing Program Development

No action was taken

- b. Section 551.072 to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person

A vacant tract of land being 180+/- acres out of Matthews Abstract 8071, Survey 0178, and being a portion of Property identified as Tax ID #61-08071-0711-000-00, located adjacent to the south right of way of FM 2105 approximately 1.5 miles west of Hwy 277

No action was taken

- c. Section 551.071(2) consult with attorney when the governmental body seeks the advice of its attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter, regarding:

Protection 1, Contract

No action was taken

At 10:09 a.m., the Board reconvened

No action taken to report from Executive Session

7. Follow Up and Administrative Issues

- a. Announcements and consideration of Future Agenda Items

No announcements or future agenda items were discussed

8. Adjournment

At 10:09 a.m. Director Puello made a motion, seconded by Second Vice President Dr. Cummings to adjourn the meeting. The motion carried unanimously seven (7) ayes to zero (0) nays.

THE CITY OF SAN ANGELO

Corporation President

ATTEST:

Corporation Secretary

In accordance with Chapter 2, Article 2.300, of the Official Code of the City of San Angelo, the minutes of this meeting consist of the preceding Minute Record and the Supplement Minute Record. Details on Board meetings may be obtained from the City Clerk's Office. (Portions of the video recording may be distorted due to equipment malfunction or other uncontrollable factors.)

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: July 24, 2019

Item type: Consent Item

Caption:

Consider approving necessary corporation disbursement

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | | |
|----|-------------------------|-----------------------------|
| 1. | Disbursement 07-24-2019 | Disbursement 07-24-2019.pdf |
|----|-------------------------|-----------------------------|

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

City of San Angelo Development Corporation
Check Disbursements
For Board Approval July 24, 2019

Economic Development

Community Development Strategies	\$	28,250.00	Housing Study Analysis RFP DC01-19 (Inv. 13272)	
Centurion Planning & Design		7,120.00	Prof Services through May 31, 2019 (Inv. 214)	Ck. 4614
			Reimburse for P-card (Admin food = \$67.92; Admin travel & lodging = \$3,048.86; Admin training = \$893.00; Business Factory= \$102.81; & Admin office supplies = \$1,138.02)	Ck. 4616
COSA		5,250.60	Earnest money - purchase 180 +/- acres	
First Title Company		5,000.00	Schwertner Prop.	Ck. 4621
Office Furniture Discounts		1,092.00	Desks for Business Factory (Inv. 15538)	Ck. 4620
Total for Board Consideration	\$	46,712.60		
J & R Silva Tree Service & Landscaping	\$	921.00	Tree & landscaping at BRC & Industrial Park (Inv. 2759 & 2758)	Ck. 4617
Parkhill Smith & Cooper		875.86	Prof. serv from May 1-31, 2019 (Inv. 194061700-17)	Ck. 4618
Dirt Doctor, LLC		725.00	Monthly cleaning serv at BRC (Inv. 3849)	Ck. 4625
Parkhill Smith & Cooper		648.73	Prof serv from June 1-30, 2019 (Inv 01940617.00-18)	
West Office Technology		350.00	IT serv for Business Factory (Inv. F10766)	Ck. 4627
Live Design		298.72	TIRZ brochures (Inv. 1793)	Ck. 4613
Statewide Elevator Insp. LLC		290.23	Annual Elevator Test (Inv. 22933)	Ck. 4615
COSA Utility Billing/Collections		236.71	Water & sewer for BRC and Industrial Park (Serv dates 05/30/19 to 06/27/19; 06/03/19 to 06/28/19)	Ck. 4624
Protection1		124.94	Security alarm serv for BRC (Inv. 129355692)	Ck. 4622
House of Chemicals		83.22	Cleaning supplies for BRC (Inv. 560071)	
CTWP		70.99	Overage charges for copier (Inv. 1071815)	Ck. 4619
MDK Services		59.00	Qtrly pest control at BRC (Inv. 1435)	
Atmos Energy		51.45	Gas utilities at BRC (Serv date 06/07/19 to 07/03/19)	Ck. 4623
Angelo Water Services		51.25	Water delivery and water cooler rental (Serv period 07/01-31/2019)	Ck. 4609
Nora Nevarez		11.37	Reimburse - office key copies	
FedEx		10.48	Express delivery serv (Inv. 658896034)	Ck. 4612
	\$	4,808.95		
Total Economic Development Disbursements	\$	51,521.55		
<u>Ballot</u>				
COSA	\$	3,778.66	Reimburse WT Water Partnership - May & June 2019	Ck. 1515
Total for Board Consideration	\$	3,778.66		
Total Routine Disbursements	\$	-		
Total Ballot Disbursements	\$	3,778.66		
Grand Total Disbursements this Period	\$	55,300.21		

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: July 24, 2019

Item type: Executive Session Item

Caption:

a. Section 551.087 to deliberate regarding commercial or financial information that the Board is receiving from business prospects with whom economic development negotiations are being conducted, and discuss financial or other incentives relating to the following projects:

Project 2019-DB68
Project 2019-LSB181
Project Chem 1
Project Craft 716
Project S227
Project MAC2019-Prospect Meeting
Rail Port Meeting
Rail User Survey

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Shannon Scott	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: July 24, 2019

Item type: Consent Item

Caption:

Consider a request of the San Angelo Chamber of Commerce to increase their contract amount for fiscal year 2020

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Guy Andrews	Final Approval

Report to Board



Requestor: Robert Schneeman, Economic Development Coordinator, COSADC, 325.653.7197

Meeting Date: July 24, 2019

Item type: Executive Session Item

Caption:

Section 551.071(2) consult with attorney when the governmental body seeks the advice of its attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter, regarding:

Matters relating to Mario and Jenifer Torres promissory note

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Robert Schneeman
Dan Saluri
Nolan Sosa
Tina Dierschke
Dan Saluri
Guy Andrews

Created/Initiated
Approved
Approved
Approved
Approved
Final Approval

Requestor: Bob Salas, Neighborhood Services Director, Neighborhood and Family Services, 325-655-0824

Meeting Date: July 24, 2019

Item type: Regular Item

Caption:

Consider approval of one-time, temporary expansion in the amount of \$1M for the Affordable Housing Assistance Program (AHAP) to address storm damage to residential structures city-wide and to temporarily allow rehabilitation and reconstruction as an eligible activity under the program (Presentation made by Bob Salas, Director of Neighborhood & Family Services)

Summary/History:

During the recent storm, several areas were severely damaged, especially in the Bradford neighborhood which falls into one of our six neighborhoods targeted for revitalization. Many of these families are low income with no, or expired insurance to help rebuild their homes. It is important for the City to ensure that these properties are made livable in order to avoid causing slum and blight in the neighborhood.

According to damage assessments, there was millions of dollars in damage city-wide with over 100 housing units affected. The additional \$1M in funding will allow for the reconstruction of up to five homes and the rehabilitation of approximately 30 homes at \$15- \$20K per unit. Staff recommends following the established AHAP process and guidelines to streamline reconstruction project execution and recommends following the City's Housing Rehabilitation program and guidelines for rehab projects.

The project will have great benefit to not only a large number of families, but to the City's Neighborhood Revitalization Plan by eliminating conditions that spur slum and blight in areas targeted for revitalization.

Financial Impact:

If approved, COSADC will transfer \$1M from fund balance to the Neighborhood and Family Services Dept to carry out project.

Other Information/Recommendation:

Attachments:

Presentation:

Bob Salas

Approvals/Reviews:

Bob Salas	Created/Initiated
Theresa James	Approved
Brian Groves	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Theresa James	Approved
Becky Dunn	Approved
Julia Antilley	Final Approval

Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: July 24, 2019

Item type: Regular Item

Caption:

Consider approving the June 2019 financial statements (Presentation by Tina Dierschke, Director of Finance)

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | |
|-------------------------------------|---------------------------------------|
| 1. COSADC Stmtts 1906 | COSADC Stmtts 1906.pdf |
| 2. Financials COSADC PP - July 2019 | Financials COSADC PP - July 2019.pptx |

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

City of San Angelo Development Corporation

Financial Information and Schedules As of June 30, 2019

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Hickory Water Supply

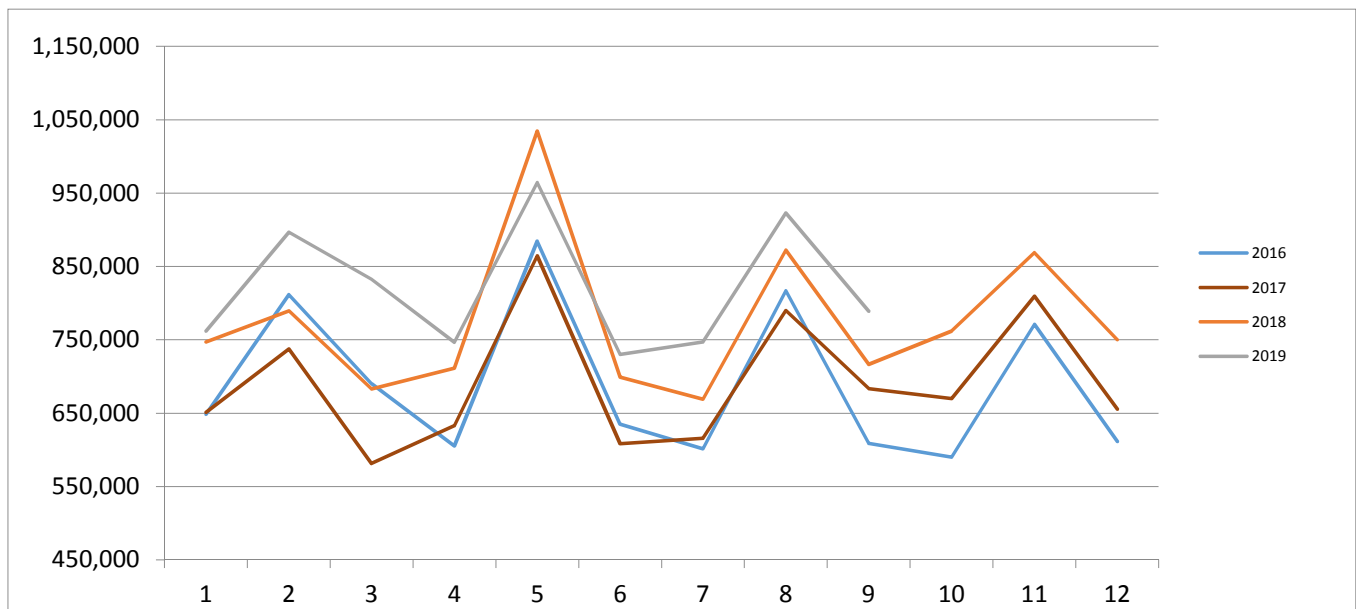
**City of San Angelo Development Corporation
Executive Summary
June 2019**

Available Fund Balances

Unassigned Fund Balance-Economic Development	9,904,466
Unassigned Fund Balance-Ballot	1,406,096

Sales Tax Analysis

Month	2016	2017	2018	2019	% Over/(Under)
Oct	648,367	650,926	747,063	761,865	1.98%
Nov	811,466	737,436	789,302	896,890	13.63%
Dec	690,231	581,382	683,012	832,486	21.88%
Jan	605,393	632,603	711,415	746,604	4.95%
Feb	884,468	864,339	1,034,662	964,281	-6.80%
Mar	635,021	608,253	699,086	730,020	4.42%
Apr	601,420	615,673	669,034	747,020	11.66%
May	816,925	789,680	872,259	923,026	5.82%
Jun	608,947	683,530	716,509	789,102	10.13%
Jul	590,012	669,686	761,927		
Aug	771,109	809,685	868,604		
Sep	611,361	655,327	750,212		



City of San Angelo Development Corporation
Balance Sheet - Economic Development
As of June 30, 2019

ASSETS

Current Assets

Checking/Savings

101101 · Cash 214,506

103200 · Money Market 4,149,384

Total Checking/Savings 4,363,890

Accounts Receivable

115000 · Sales Tax Receivables 459,303

Total Accounts Receivable 459,303

Other Current Assets

117000 · Investments 10,001,998

Total Other Current Assets 10,001,998

Total Current Assets 14,825,191

Fixed Assets

140500 · Land -Industrial Park 85,728

141000 · Industrial Park-Phase I 734,002

143000 · Industrial Park-Phase II 38,624

144000 · Industrial Park-Phase III 20,377

152000 · Building-Business Resource Ctr 2,004,967

159999 · Accum Depr-Building (770,217)

Total Fixed Assets 2,113,481

TOTAL ASSETS

16,938,672

LIABILITIES & FUND EQUITY

Liabilities

Current Liabilities

201000 · Accounts Payable 2,807

Total Current Liabilities 2,807

Total Liabilities

2,807

Fund Equity

Committed for Eco. Dev. Projects 4,917,918

Restricted for Fixed Assets 2,113,481

Unassigned Fund Balance 9,904,466

Total Fund Equity 16,935,865

TOTAL LIABILITIES & FUND EQUITY

16,938,672

City of San Angelo Development Corporation
Revenue & Expenditure Report - Economic Development
June 2019

	Budget	Month Actual	YTD Actual	Over/(Under) Budget	% of Budget
Revenues					
313000 · Income-Sales & Use Tax	2,581,684	261,486	2,069,420	(512,264)	80%
360000 · Interest on Investments	100,000	10,226	207,954	107,954	208%
363101 · Lease Income	55,894	25,776	51,456	(4,438)	92%
366000 · Reimbursements	0	0	10,874	10,874	100%
Total Revenues	2,737,578	297,488	2,339,704	(397,874)	85%
Expenditures					
410000 · Administrative	130,660	813	57,224	(73,436)	44%
412000 · Partner Affiliations	103,892	0	101,297	(2,595)	98%
415000 · City Services	548,373	0	274,187	(274,186)	50%
415331 · Annual Report	500	0	0	(500)	0%
420000 · Industrial Park Ops & Maint	16,310	99	7,752	(8,558)	48%
440000 · Marketing-Chamber of Commerce	225,000	56,250	225,000	0	100%
440200 · Business Ret & Exp Prog	65,853	0	7,482	(58,371)	11%
445000 · Promotion (SADC Marketing)	5,000	299	899	(4,101)	18%
450000 · Business Resource Ctr	40,217	1,928	26,875	(13,342)	67%
452101 · Business Factory	87,000	679	13,683	(73,317)	16%
Total Operating Expenditures	1,222,805	60,068	714,399	(508,406)	58%
452115 · Project-Blue Cross Blue Shield	37,119	0	0	(37,119)	0%
452119 · Project-Air Service Marketing	5,955	0	5,000	(955)	84%
452124 · Project-DeCoty Coffee	81,734	0	168	(81,566)	0%
452132 · Project-TGC/GAFB	8,399	0	0	(8,399)	0%
452134 · Project-Principal LED	109,005	0	63,324	(45,681)	58%
452136 · Project-Phase II Sewer Line	96,000	0	0	(96,000)	0%
452137 · Project-TXDOT Aside Prog. Grant	60,500	0	0	(60,500)	0%
452138 · Project-CalTech	582,899	0	20,000	(562,899)	3%
452139 · Project-Parkhill	84,548	0	30,915	(53,633)	37%
452140 · Project-Grant Works	50,000	0	0	(50,000)	0%
452142 · Project-Netco	10,000	0	4,500	(5,500)	45%
452145 · Project-Elite Solutions	40,260	0	0	(40,260)	0%
452146 · Project-GAFB	1,500,000	0	311,295	(1,188,705)	21%
452147 · Project-Ind Park Phase II	2,000,000	0	200	(1,999,800)	0%
452149 · Project-Howard College Const Tr	128,030	0	54,925	(73,105)	43%
452151 · Project-US Customs Retention	25,000	0	0	(25,000)	0%
452152 · Project-US Customs Retention Ph. II	49,225	0	49,225	0	100%
452153 · Project-Airport Master Plan	120,991	0	120,991	0	100%
452154 · Project-Principal LED BREP	300,147	0	100,000	(200,147)	33%
452155 · Project-Carter Fentress	20,000	0	16,000	(4,000)	80%
452156 · Project-Shea Transportation	49,000	0	6,790	(42,210)	14%
452157 · Project-Chadbourne	1,500,000	0	1,500,000	0	100%
452158 · Project-Comm. Dev. Strategies	65,000	2,207	32,941	(32,059)	51%
452159 · Project-Centurion Planning	7,500	7,120	7,120	(380)	95%
452160 · Project-Ener-Tel	50,000	0	0	(50,000)	0%
452163 · Project-SMC	200,000	0	0	(200,000)	0%
452164 · Project-J's Deer & Wild Game	60,000	0	0	(60,000)	0%
452900 · Project-Future Projects	1,439,138	0	0	(1,439,138)	0%
453000 · Capital Purchases	30,000	0	0	(30,000)	0%
Total Project Expenditures	8,710,450	9,327	2,323,394	(6,387,056)	27%
Total Expenditures	9,933,255	69,395	3,037,793	(6,895,462)	31%
Revenue Over/(Under) Expenditures	(7,195,677)	228,093	(698,089)	6,497,588	

City of San Angelo Development Corporation
Economic Development Projects
As of June 30, 2019

Project	Original Allocation	Current Allocation	Current Year Activity	Inception to Date	Remaining Allocation
Blue Cross Blue Shield	371,190	371,190	0	334,071	37,119
Air Service Marketing	60,000	60,000	5,000	59,045	955
DeCoty Coffee	101,835	101,835	168	20,269	81,566
TGC/GAFB	633,000	633,000	0	624,601	8,399
Principal LED	550,001	550,001	63,324	504,320	45,681
Phase II Sewer Line TGC	100,000	100,000	0	4,000	96,000
TXDOT Aside Prog. Grant	100,000	100,000	0	39,500	60,500
CalTech	603,999	603,999	20,000	41,100	562,899
Parkhill	308,000	323,000	30,915	269,367	53,633
Grant Works	54,000	54,000	0	4,000	50,000
Netco	60,000	60,000	4,500	54,500	5,500
Elite Solutions	40,260	40,260	0	0	40,260
GAFB	1,500,000	1,500,000	311,295	311,295	1,188,705
Ind Park Phase II	2,000,000	2,000,000	200	200	1,999,800
Howard College Construction Trades	168,000	168,000	54,925	94,895	73,105
US Customs Retention	25,000	25,000	0	0	25,000
US Customs Retention Ph. II	46,435	49,225	49,225	49,225	0
Airport Master Plan	120,991	120,991	120,991	120,991	0
Principal LED BREP	300,147	300,147	100,000	100,000	200,147
Carter Fentress	20,000	20,000	16,000	16,000	4,000
Shea Transportation	49,000	49,000	6,790	6,790	42,210
Chadbourn	1,500,000	1,500,000	1,500,000	1,500,000	0
Comm. Dev. Strategies	65,000	65,000	32,941	32,941	32,059
Centurion	7,500	7,500	7,120	7,120	380
Ener-Tel	50,000	50,000	0	0	50,000
SMC	200,000	200,000	0	0	200,000
J's Deer & Wild Game	60,000	60,000	0	0	60,000
	9,094,358	9,112,148	2,323,394	4,194,230	4,917,918
Total Committed, Not Expended					<u>4,917,918</u>

City of San Angelo Development Corporation
Balance Sheet - Ballot
As of June 30, 2019

ASSETS

Current Assets

Checking/Savings

101101 · Cash

8,375

103200 · Money Market

931,852

Total Checking/Savings

940,227

Accounts Receivable

115000 · Sales Tax Receivables

1,112,709

115201 · Note Receivable

8,458

Total Accounts Receivable

1,121,167

Total Current Assets

2,061,394

TOTAL ASSETS

2,061,394

LIABILITIES & FUND EQUITY

Fund Equity

Committed for Ballot Projects

299,849

Assigned for Debt Service

355,449

Unassigned Fund Balance

1,406,096

Total Fund Equity

2,061,394

TOTAL LIABILITIES & FUND EQUITY

2,061,394

City of San Angelo Development Corporation
Revenue & Expenditure Report - Ballot
June 2019

	<u>Budget</u>	<u>Month Actual</u>	<u>YTD Actual</u>	<u>Over/(Under) Budget</u>	<u>% of Budget</u>
Revenues					
313000 · Income-Sales & Use Tax	6,638,617	672,393	5,321,367	(1,317,250)	80%
360000 · Interest on Investments	30,000	4,769	48,637	18,637	162%
Total Revenues	<u>6,668,617</u>	<u>677,162</u>	<u>5,370,004</u>	<u>(1,298,613)</u>	<u>81%</u>
Expenditures					
410000 · Administrative	4,512	0	4,512	0	100%
415000 · City Services	60,930	0	30,465	(30,465)	50%
430000 · Loan/Debt Service	5,279,175	0	4,827,088	(452,087)	91%
Total Operating Expenditures	<u>5,344,617</u>	<u>0</u>	<u>4,862,065</u>	<u>(482,552)</u>	<u>91%</u>
451200 · Project-Affordable Housing	361,139	0	233,576	(127,563)	65%
452123 · Project-W. Tx Water Partnership	200,000	1,532	27,714	(172,286)	14%
452900 · Project-Future Projects	819,135	0	0	(819,135)	0%
Total Project Expenditures	<u>1,380,274</u>	<u>1,532</u>	<u>261,290</u>	<u>(1,118,984)</u>	<u>19%</u>
Total Expenditures	<u>6,724,891</u>	<u>1,532</u>	<u>5,123,355</u>	<u>(1,601,536)</u>	<u>76%</u>
Revenue Over/(Under) Expenditures	<u>(56,274)</u>	<u>675,630</u>	<u>246,649</u>	<u>302,923</u>	

City of San Angelo Development Corporation
Ballot Projects
As of June 30, 2019

Project	Project Allocation	Current Year Activity	Inception to Date	Remaining Allocation
Ballot Projects:				
Water Supply Projects				
West Texas Water Partnership	655,708	27,714	483,422	172,286
* Reclaimed Water Alternatives	1,389,965	0	1,389,965	-
* Red Arroyo Storm Water Basin	151,040	0	151,040	-
Total Expenditures	2,196,713	27,714	2,024,427	172,286
Total Water Supply Projects				172,286
Affordable Housing				
Revenues				
* Sale of Fixed Assets - Blackshear Properties	394,351	0	394,351	-
Total Revenues				
Expenditures				
Affordable Housing	3,159,195	233,576	3,031,632	127,563
* Administrative Contract	120,405	0	120,405	-
* Blackshear Neighborhood Boundary	28,300	0	28,300	-
* Blackshear Properties	404,125	0	404,125	-
* Neighborhood Blitz	550,000	0	550,000	-
* Neighbors Helping Neighbors	53,000	0	53,000	-
* Rebuilding Together - Housing One Stop	23,759	0	23,759	-
* Rebuilding Together - Housing Repair	74,920	0	74,920	-
* Rehabs	114,487	0	114,487	-
* Roofing Grant	200,000	0	200,000	-
Total Expenditures	4,728,191	233,576	4,600,629	127,563
Total Affordable Housing				127,563
Other Projects				
* Sports Facilities Maintenance	285,353	0	285,353	-
Total Expenditures	285,353	0	285,353	-
Total Ballot Projects Committed, Not Expended				299,849

Voter Approved Projects:

* Fort Concho Improvements	900,000	0	900,000	-
* Sports & Athletics Facilities	708,744	0	708,744	-
* 29th Street Sports Complex	1,750,000	0	1,750,000	-
Total Expenditures	3,358,744	-	3,358,744	-
Total Voter Approved Projects Committed, Not Expended				-
* Completed				-

City of San Angelo Development Corp
Transaction Detail by Account
June 2019

	Num	Name	Memo	Amount
Economic Development				
313000 · Income-Sales & Use Tax (700-0000-313.00-00)				
	923	City of San Angelo	Adjustment to April Sales Tax Receivable	24,587.09
	924	City of San Angelo	Record June Sales Tax Receivable	236,899.08
Total 313000 · Income-Sales & Use Tax (700-0000-313.00-00)				261,486.17
360000 · Interest on Investments (700-0000-361.10-00)				
	929		Record Interest for June	3,277.20
	929		Record MM Interest for June	6,949.29
Total 360000 · Interest on Investments (700-0000-361.10-00)				10,226.49
363101 · Lease Income				
363102 · Airport Hanger Agreement				
	8	City of San Angelo	L-3 Hanger Lease Agreement FY19 2nd quarter	11,682.30
	8	City of San Angelo	L-3 Hanger Lease Agreement FY19 3rd quarter	11,682.30
Total 363102 · Airport Hanger Agreement				23,364.60
363103 · BRC - Rental of Conf Rm				
	928	Jason Hill	Rent for the Month of July	264.05
	1227	Jason Hill	Office Space	264.05
Total 363103 · BRC - Rental of Conf Rm				528.10
363104 · Business Factory				
	925	Centurion Planning & Design, LLC	Rent for the Month of July	1,302.21
	926	Hawkins Group.	Rent for the Month of July	299.15
	927	Shea Transportation	Rent for the Month of July	281.57
Total 363104 · Business Factory				1,882.93
Total 363101 · Lease Income				25,775.63
410000 · Administrative				
410590 · Admin-Training				
	4601	TEDC	Inv. 10359	-175.00
	4601	TEDC	Inv. 10358	-175.00
Total 410590 · Admin-Training				-350.00
410605 · Admin-Public Notices				
	4606	San Angelo Standard Times	Inv. 0002516281	-399.42
Total 410605 · Admin-Public Notices				-399.42
410610 · Admin-Office Supplies (700-0000-411.06-10)				
	4603	FastSigns	Inv. 613-9811	-40.26
Total 410610 · Admin-Office Supplies (700-0000-411.06-10)				-40.26
410614 · Admin-Postage				
	4595	FedEx	Inv. 6-561-83425	-6.45
	4607	FedEx	Inv. 6-581-49601	-5.98
	4612	FedEx	Inv. 6-588-96034	-10.48
Total 410614 · Admin-Postage				-22.91
Total 410000 · Administrative				-812.59
420000 · Industrial Park Ops & Maint				
420411 · Ind Park-Water/Sewer Utilities				
	4604	City of San Angelo Utility Billing	Acc 118947-187772 Service Period 04/30/19 - 06/03/19	-28.62
	4604	City of San Angelo Utility Billing	Acc 118947-187774 Service Period 05/01/19 - 06/03/19	-35.13
	4604	City of San Angelo Utility Billing	Acc 118947-187770 Service Period 05/01/19 - 06/03/19	-35.13
Total 420411 · Ind Park-Water/Sewer Utilities				-98.88
Total 420000 · Industrial Park Ops & Maint				-98.88
440000 · Marketing-Chamber of Commerce (700-0000-411.05-40)				
	4611	San Angelo Chamber of Commerce	Inv. 2019/07	-56,250.00
Total 440000 · Marketing-Chamber of Commerce (700-0000-411.05-40)				-56,250.00

City of San Angelo Development Corp
Transaction Detail by Account
June 2019

	Num	Name	Memo	Amount
445000 · Promotion (SADC Marketing)				
	4613	Live Design	Inv. 1793	-298.72
Total 445000 · Promotion (SADC Marketing)				-298.72
450000 · Business Resource Ctr				
450010 · BRC-Water/Sewer Utilities				
	4600	City of San Angelo Utility Billing	Acc 171939-179340 Service Period 04/30/19-06/03/19	-129.34
	4600	City of San Angelo Utility Billing	Acc 171939-179340 Service Period 04/01/19-04/30/19	-129.34
	4600	City of San Angelo Utility Billing	Acc 186765-50710 Service Period 03/28/19 - 04/29/19	-17.25
	4604	City of San Angelo Utility Billing	Acc 186765-50710 Service Period 04/29/19 - 05/30/19	-32.59
Total 450010 · BRC-Water/Sewer Utilities				-308.52
450012 · BRC-Gas Utilities				
	4599	Atmos Energy	Acc 3036648466 Service Period 05/04/19 - 06/06/19	-50.29
Total 450012 · BRC-Gas Utilities				-50.29
450000 · Business Resource Ctr - Other				
	4593	Protection 1	Inv. 128873009	-117.00
	4594	Angelo Water Service	Acc 7005 Service Period 06/01/19 - 06/30/19	-85.05
	4594	Angelo Water Service	Acc 7005 Service Period 04/01/19 - 04/30/19	-40.05
	4594	Angelo Water Service	Acc 7005 Service Period 05/01/19 - 05/31/19	-60.98
	4597	MC Electric	Inv. 567	-306.30
	4598	Protection 1	Inv. 128879620	-112.45
	4605	Dirt Doctor of San Angelo	Inv. 3804	-652.50
	4608	House of Chemicals Inc	Inv. 559634	-148.37
	4609	Angelo Water Service	Acc 7005 Service Period 07/01/19 - 07/31/19	-46.13
Total 450000 · Business Resource Ctr - Other				-1,568.83
Total 450000 · Business Resource Ctr				-1,927.64
452101 · Business Factory				
	4593	Protection 1	Inv. 128873009	-13.00
	4594	Angelo Water Service	Acc 7005 Service Period 06/01/19 - 06/30/19	-9.45
	4594	Angelo Water Service	Acc 7005 Service Period 04/01/19 - 04/30/19	-4.45
	4594	Angelo Water Service	Acc 7005 Service Period 05/01/19 - 05/31/19	-6.77
	4597	MC Electric	Inv. 567	-34.03
	4598	Protection 1	Inv. 128879620	-12.49
	4602	West Office Technology	Inv. F10733	-350.00
	4605	Dirt Doctor of San Angelo	Inv. 3804	-72.50
	4609	Angelo Water Service	Acc 7005 Service Period 07/01/19 - 07/31/19	-5.12
	4610	Canon Financial Services, Inc.	Inv. 20179171	-171.32
Total 452101 · Business Factory				-679.13
452158 · Project-Comm. Dev. Strategies				
	4596	Community Development Strategies	Inv. 13193	-2,206.89
Total 452158 · Project-Comm. Dev. Strategies				-2,206.89
452159 · Project-Centurion Planning				
	4614	Centurion Planning & Design	Inv. 0001	-3,120.00
	4614	Centurion Planning & Design	Inv. 214	-4,000.00
Total 452159 · Project-Centurion Planning				-7,120.00
TOTAL				228,094.44

City of San Angelo Development Corp
Transaction Detail by Account
June 2019

Ballot

	<u>Num</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>
313000 · Income-Sales & Use Tax				
	328	City of San Angelo	Adjustment to April Sales Tax Receivable	63,223.94
	329	City of San Angelo	Record June Sales Tax Receivable	609,169.05
Total 313000 · Income-Sales & Use Tax				<u>672,392.99</u>
360000 · Interest on Investments				
	2679	ZP Kirby Park Villas, LP	Interest on Note Payable	23.23
	330		Record MM Interest for June	1,560.64
	330		Record Interest for June	3,184.90
Total 360000 · Interest on Investments				<u>4,768.77</u>
452123 · Project-W. Tx Water Partnership				
	1514	City of San Angelo (COSA)	April WTWP Reimbursement	-1,532.00
Total 452123 · Project-W. Tx Water Partnership				<u>-1,532.00</u>
TOTAL				<u><u>675,629.76</u></u>

THE CITY OF SAN ANGELO, TEXAS

Schedule of Revenues and Expenditures

Fiscal Year through June 30, 2019

2011A Tax/Revenue C.O. - Fund 514

For Airport, Ft. Concho, and Parks Improvements

Debt Payments Through 2024

	Dept	Current Budget	Month Actual	YTD W/Enc	Over/(Under) Budget	Previous Years Activity	Inception to Date
Beginning Fund Balance		885,533		885,533			
REVENUES:							
C.O. Proceeds		-	-	-	-	13,780,000	13,780,000
Municipal Pool Donation		-	-	-	-	21,225	21,225
SASSRA Stock Barn		-	-	-	-	157,722	157,722
Transfer from Dev. Corp.		-	-	-	-	4,220,000	4,220,000
Interest Income		-	114	1,061	1,061	167,421	168,482
Total Revenues		-	114	1,061	1,061	18,346,368	18,347,429
EXPENDITURES:							
Airport Terminal Rehab	3925	-	-	-	-	500,000	500,000
Concho River	4119	286,873	4,125	29,192	(257,681)	8,313,129	8,342,321
Parks	6000	468,271	1,125	22,280	(445,991)	456,801	479,081
Red Arroyo Trail	6040	-	-	-	-	325,000	325,000
Recreation	6100	75,000	-	-	(75,000)	2,597,817	2,597,817
Fort Concho Improvements	6301	-	-	-	-	100,001	100,001
Auditorium	6602	-	-	-	-	3,750,001	3,750,001
Fairgrounds	6636	-	-	-	-	1,157,722	1,157,722
Issue Costs	9900	-	-	-	-	260,363	260,363
Total Expenditures		830,144	5,250	51,472	(778,672)	17,460,834	17,512,306
Revenue Over/(Under) Expenditures		(830,144)	(5,136)	(50,411)			
Ending Fund Balance		55,389		835,122			

THE CITY OF SAN ANGELO, TEXAS

Schedule of Revenues and Expenditures

Fiscal Year through June 30, 2019

Hickory Water Supply - Fund 516

	Dept	Current Budget	Month Actual	YTD W/Enc	Over/(Under) Budget	Previous Years Activity	Inception to Date
Beginning Fund Balance		2,541,619		2,541,619			
REVENUES:							
Interest		-	1,551	14,473	14,473	580,869	595,342
C.O. Proceeds		-	-	-	-	119,998,750	119,998,750
Total Revenues		-	1,551	14,473	14,473	120,579,619	120,594,092
EXPENDITURES:							
Easements/Property Damage	4150	-	-	-	-	106,865	106,865
Engineering	4157	2,547,269	84,196	2,547,268	(1)	17,161,433	19,708,701
Well Field Pipelines	4152	-	-	-	-	3,026,918	3,026,918
30 " Transmission Main	4153	-	-	-	-	38,681,022	38,681,022
Well Field Pumps	4154	-	-	-	-	12,831,038	12,831,038
Well Field Pump Station	4155	-	-	-	-	1,617,139	1,617,139
Well Field Expansion	4158	-	-	-	-	7,668,888	7,668,888
Treatment Plant	4156	-	-	-	-	27,132,194	27,132,194
Well Field Expansion #2	4159	-	-	-	-	9,640,252	9,640,252
Issue Costs	9900	-	-	-	-	172,251	172,251
Total Expenditures		2,547,269	84,196	2,547,268	(1)	118,038,000	120,585,268
Revenue Over/(Under) Expenditures		(2,547,269)	(82,645)	(2,532,795)			
Ending Fund Balance		(5,650)		8,824			

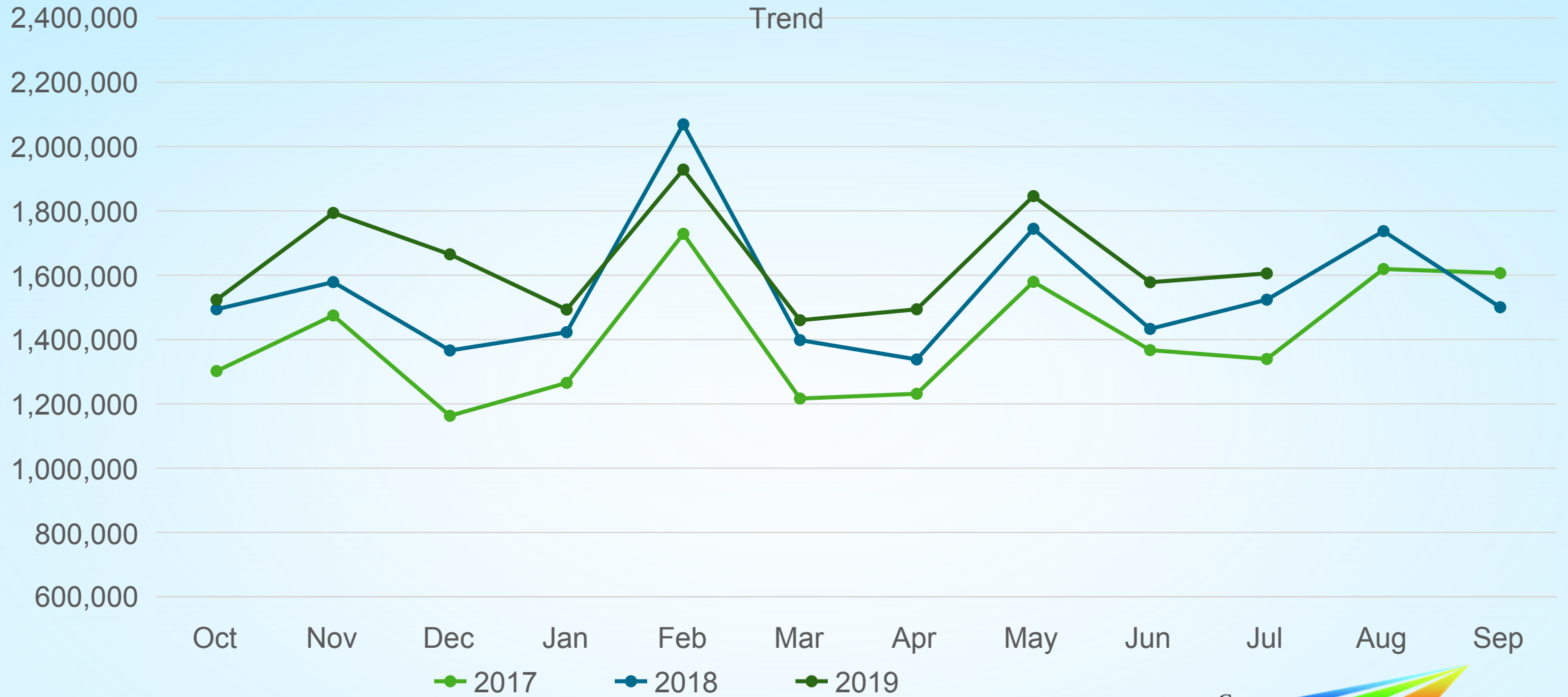
	Revenues
Previous Years Activity	120,579,619
Current Year Budget	-
Less Interest Earned	(580,869)
TOTAL	119,998,750

Fiscal year 2019 3rd Quarter Financial Statements

Presentation by
Director of Finance, Tina Dierschke



Sales Tax
Trend



Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: July 24, 2019

Item type: Regular Item

Caption:

Discussion and direction related to the proposed fiscal year 2020 budget (Presentation by Tina Dierschke)

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

- | | | |
|----|--------------------------|-------------------------------|
| 1. | FY20 Budget Prep 7.24.19 | FY20 Budget Prep 7.24.19.pptx |
|----|--------------------------|-------------------------------|

Presentation:

Approvals/Reviews:

Nora Nevarez	Created/Initiated
Dan Saluri	Approved
Nolan Sosa	Approved
Tina Dierschke	Approved
Dan Saluri	Approved
Guy Andrews	Final Approval

Fiscal Year 2020 Budget Prep

Presentation by
Director of Finance, Tina Dierschke



Proposed Budget – Ballot

Revenue	Fiscal Year 2019 Amended	Fiscal Year 2020 Proposed	Increase/ (Decrease)
Sales Tax Revenue	6,638,617	6,638,617	0
Interest on Investments	30,000	75,000	45,000
Total Revenue	6,668,617	6,713,617	45,000

Proposed Budget – Ballot

Expense	Fiscal Year 2019 Amended	Fiscal Year 2020 Proposed	Increase/ (Decrease)
Administrative	4,512	0	(4,512)
Staff Services	152,326	30,135	(122,191)
Debt Service	5,279,175	5,452,250	173,075
Affordable Housing	304,865	304,865	0
WTWP	200,000	200,000	0
Future Projects	727,739	756,502	28,763
Total Expense	6,668,617	6,713,617	45,000

Proposed Budget – Economic Development

Revenue	Fiscal Year 2019 Amended	Fiscal Year 2020 Proposed	Increase/ (Decrease)
Sales Tax Revenue	2,581,684	2,581,684	0
Lease Income	55,894	65,253	9,359
Interest on Investments	100,000	225,000	125,000
Total Revenue	2,737,578	2,871,937	134,359

Proposed Budget – Economic Development

Expense	Fiscal Year 2019 Amended	Fiscal Year 2020 Proposed	Increase/ (Decrease)
Administrative	120,191	173,681	53,490
Partner Affiliations	75,297	105,547	30,250
Staff Services	456,977	632,235	175,258
Industrial Park	14,760	17,222	2,462
Chamber Contract	225,000	225,000	0
BREP	696,000	36,000	(660,000)

Proposed Budget – Economic Development

Expense	Fiscal Year 2019 Amended	Fiscal Year 2020 Proposed	Increase/ (Decrease)
Marketing	5,000	5,000	0
BRC	66,817	74,500	7,683
Business Factory	87,000	91,604	4,604
Future Projects	990,536	1,511,148	520,612
Total Expense	2,737,578	2,871,937	134,359

Fiscal Year 2020 Budget Prep

Presentation by
Director of Finance, Tina Dierschke



Requestor: Robert Schneeman, Economic Development Coordinator, COSADC, 325.653.7197

Meeting Date: July 24, 2019

Item type: Regular Item

Caption:

Consider a resolution authorizing the use of Sales and Use Tax funds in an amount not to exceed \$600,000, for purchase of a vacant tract of land being 180 acres more or less, out of J C Matthews Abstract 8071, Survey 0178, and W.C.R.R. Co Survey 177, Abstract 4031, being a portion of Tax Lot ID #61-08071-0711-000-00, generally located adjacent to the south right-of-way of FM 2105, 1.5 miles west of Hwy 277, a project authorized under Chapter 505 of the Texas Development Corporation Act for Industrial and Commercial Development necessary to promote economic development and expanded business enterprises that create or retain primary jobs (Presentation by Robert Schneeman, Economic Development Project Manager)

Summary/History:

COSADC at its meeting on April 24, 2019 unanimously approved the purchase of 180 +/- Acres dependent upon final survey, located approximately 1.5 miles west of U. S. Highway 277 and fronting on the south side of FM 2105. The final approved price will be \$3,000 per acre plus appropriate costs.

Special conditions of the sale include mineral rights to be split 50/50 with seller but no surface disturbance on property and a 90 day Inspection Period to accommodate the performance of the survey, Phase 1 Environmental report and other potential considerations which may arise. According to the sales agreement, the property may not be used as a landfill. The proposed use will be for future development of a commercial / industrial project. A location map of the property is attached. City Council ratified COSADC approval at its meeting on May 7th, 2019. This project entails acquisition of a tract of land of approximately 180 acres, and for completion of environmental studies, geotechnical investigations, survey and related services necessary for commercial or industrial development that creates or retains primary jobs.

Financial Impact:

\$600,000 from Acct. 452-900 Future Projects to a new Project Number. Budget amendment required.

Other Information/Recommendation:

Attachments:

- | | | |
|----|-----------------------|---------------------------|
| 1. | location map- | location map-.pdf |
| 2. | Schwertner Resolution | Schwertner Resolution.pdf |

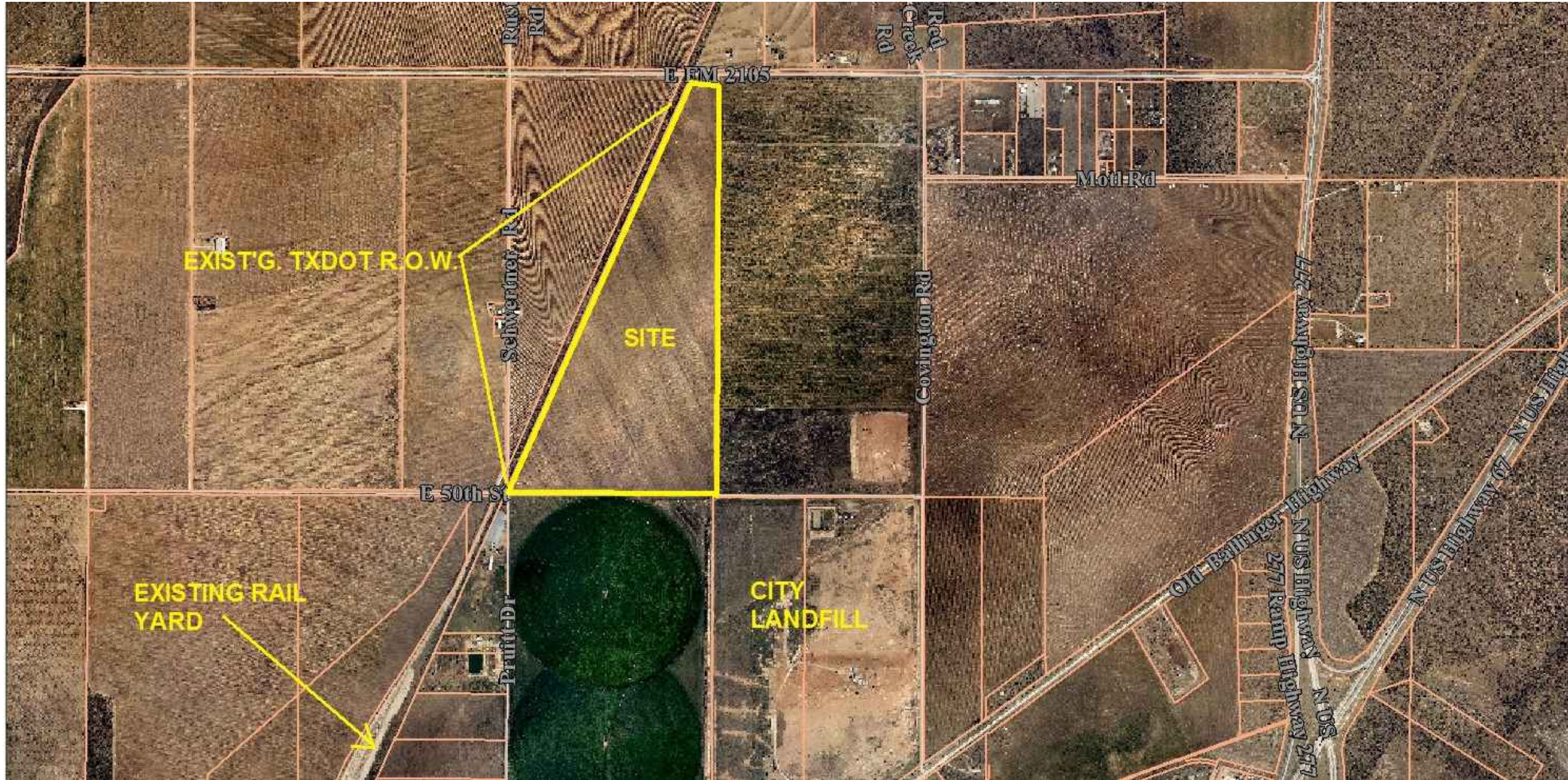
Presentation:

Robert Schneeman

Approvals/Reviews:

Robert Schneeman
Dan Saluri
Nolan Sosa
Tina Dierschke
Dan Saluri
Guy Andrews

Created/Initiated
Approved
Approved
Approved
Approved
Final Approval



A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION BOARD OF DIRECTORS (COSADC) AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN AN AMOUNT NOT TO EXCEED \$600,000, FOR PURCHASE OF A VACANT TRACT OF LAND BEING 180 ACRES MORE OR LESS, OUT OF J C MATTHEWS ABSTRACT 8071, SURVEY 0178, AND W.C.R.R. CO SURVEY 177, ABSTRACT 4031, BEING A PORTION OF TAX LOT ID #61-08071-0711-000-00, GENERALLY LOCATED ADJACENT TO THE SOUTH RIGHT-OF-WAY OF FM 2105, 1.5 MILES WEST OF HWY 277, A PROJECT AUTHORIZED UNDER CHAPTER 505 OF THE TEXAS DEVELOPMENT CORPORATION ACT FOR INDUSTRIAL AND COMMERCIAL DEVELOPMENT NECESSARY TO PROMOTE ECONOMIC DEVELOPMENT AND EXPANDED BUSINESS ENTERPRISES THAT CREATE OR RETAIN PRIMARY JOBS

WHEREAS, on November 2, 2010, voters of the City of San Angelo adopted a ballot proposition approving the use of sales and use tax proceed for the continued economic development projects authorized under Section 4B of the Texas Development Corporation Act (hereinafter the “Act”); and,

WHEREAS, COSADC is a section 4B development corporation authorized to utilize sales and use tax funds to support projects that the Board determines will promote or develop new or expanded business enterprises that create or retain primary jobs; and,

WHEREAS, on January 23, 2019, the Board authorized the use of sales and use tax funds for professional marketing and consulting services relating to a project for the assessment of industry needs and identification of markets essential to the promotion of new industrial development opportunities, approved by City Council on February 5, 2019; and,

WHEREAS, as a corollary to said consulting services, COSADC has proposed a project for acquisition of a tract of 180 acres of vacant land suitable for industrial and commercial development determined by the Board to be necessary to promote economic development and expanded business enterprises that create or retain primary jobs; and,

WEHREAS, suitable, authorized project costs include costs of acquiring land, rights-of-way, easements and other property interests, as well as costs of research and development, engineering, and expenses necessary or incident to project development and placing a project into operation; and,

WHEREAS, on April 24th, 2019 the Board authorized the Board President to negotiate and execute a contract for purchase of the subject property, which was approval by City Council on May 7th, 2019 and,

WHEREAS, at least sixty (60) days prior to undertaking the Project, a public notice of the specific project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act, Sections 505.159 and 505.160 of the Local Government Code;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

The City of San Angelo Development Corporation offers this Resolution establishing a project and authorizing the use of sales and use tax funds for the purchase of 180 +/- acres of vacant land out of J C Matthews Abstract 8071, Survey 0178 and W. C. R.R. Co. Survey 177, Abstract 4031, and being a portion of property identified as Tax ID #61-08071-0711-000-00, located adjacent to the south right of way of FM 2105 approximately 1.5 miles west of Hwy 277, including environmental studies, geotechnical investigations, survey and necessary closing costs in a total sum not to exceed \$600,000; authorizing the Board President, to negotiate and execute a Real Estate Purchase and Sales Agreement and related

documents in a form approved by the City Attorney; directing that notice of the Project be published and a public hearing be held pursuant to statutory requirements; and recommending ratification to City Council.

PASSED, APPROVED, and ADOPTED on this the 24th day of July, 2019.

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

ATTEST:

Nora Nevarez, Corporate Secretary

Todd Kolls, Corporation President

APPROVED AS TO CONTENT:

Guy Andrews, Director of Economic
Development

APPROVED AS TO FORM:

Dan T. Saluri, Deputy City Attorney

Requestor: Shannon Scott, Economic Development Specialist, COSADC, 325.653.7197

Meeting Date: July 24, 2019

Item type: Regular Item

Caption:

Consider a resolution authorizing the use of sales and use tax funds in an amount not to exceed \$59,000 to provide an Economic Development Incentive to WEST TEXAS STEEL AND SUPPLY INC. (WTS) for a project authorized for a Type B Corporation under Local Government Code Chapter 505, and authorizing the Director of Economic Development to prepare an economic development performance agreement in a form approved by the City Attorney's Office; authorizing the Board President to execute said agreement and related documents; and recommending to City Council ratification of the incentive and approval of the economic development performance agreement (Presentation made by Shannon Scott, Business, Retention & Expansion Coordinator)

Summary/History:

WEST TEXAS STEEL AND SUPPLY INC. (WTS) plans to expand their current operations to include a 12,000 sq. ft. building adjacent to their current facility.

They currently have 20 employees which they will retain and anticipate hiring up to 3 additional employees to assist with their expansion.

They plan on investing at least \$750,000 for the construction of their new facility.

Financial Impact:

Proposed Incentives:

\$50,000 one time capital investment grant once the \$750,000 capital investment has been made

\$3,000 per FTE for up to 3 FTE's.

Total proposed incentives:

\$59,0000

Other Information/Recommendation:

Attachments:

1. 19-0XXX_COSADC_WEST TX STEEL_P_RESO 19-0XXX_COSADC_WEST TX STEEL_P_RESO.pdf

Presentation:

Approvals/Reviews:

Shannon Scott
Dan Saluri
Nolan Sosa
Tina Dierschke
Dan Saluri
Guy Andrews

Created/Initiated
Approved
Approved
Approved
Approved
Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION AUTHORIZING THE USE OF SALES AND USE TAX FUNDS IN AN AMOUNT NOT TO EXCEED \$59,000, TO PROVIDE AN ECONOMIC DEVELOPMENT INCENTIVE TO WEST TEXAS STEEL AND SUPPLY, INC., FOR A BUSINESS RETENTION AND EXPANSION PROGRAM (BREP) PROJECT RELATED TO BUSINESS ENTERPRISES THAT CREATE OR RETAIN PRIMARY JOBS, AS AUTHORIZED FOR A TYPE B CORPORATION UNDER LOCAL GOVERNMENT CODE CHAPTER 505 SUBCHAPTER D.

WHEREAS, The voters of the City of San Angelo on November 2, 2010 approved the use of sales and use tax proceeds for the continued economic development projects authorized under Section 4B of the Act, including but not limited to, the development, promotion, creation, retention, or expansion of business enterprises that create or retain primary jobs, including suitable infrastructure, and

WHEREAS, WEST TEXAS STEEL AND SUPPLY, INC. (WTS), is a Texas for profit corporation in the steel products and materials supply business having home office and warehouse outlet located at 6617 S. US Hwy. 277, in San Angelo; and,

WHEREAS WTS planning for the expansion of its business; and,

WHEREAS, WTS intends to retain at its facilities in San Angelo twenty (20) existing full time primary jobs and would like to create a minimum of three (3), Full Time Equivalent Primary Jobs (FTE's); and,

WHEREAS, WTS would like to invest a minimum of \$750,000 for the construction of a new building necessary to carry out its business expansion plans (Job retention and capital investment are collectively referred to as the "Project"); and,

WHEREAS, WTS has applied with COSADC under the Business Retention and Expansion Program (BREP) for an incentive to assist in carrying out the Project necessary to its business expansion plans, and the Board has determined that the Project will promote or develop expansion of a business enterprise that creates or retains primary jobs; and,

WHEREAS, at least sixty (60) days prior to undertaking a project, a public notice of the specific project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act, Sections 505.159 and 505.160 of the Local Government Code and

WHEREAS, on August 28, 2019 the City of San Angelo Development Corporation shall hold a Public Hearing on the Project prior to expending authorized grant funds;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

The City of San Angelo Development Corporation offers this Resolution authorizing the use of sales and use tax funds as an economic development incentive to **WEST TEXAS STEEL AND SUPPLY, INC. (WTS)** in an amount not to exceed \$59,000; authorizing the Director of Economic Development to prepare an economic development performance agreement with WTS , under the BREP program in compliance with the Development Corporation Act and as approved by the City Attorney; authorizing the COSADC Board President to execute said agreement and related documents; and recommending to City Council ratification of the incentive and approval of the economic development performance agreement.

ADOPTED THIS 24th DAY OF July, 2019

CITY OF SAN ANGELO DEVELOPMENT CORPORATION

By: _____
Todd Kolls, President

ATTEST:

Nora Nevarez, Corporate Secretary

APPROVED FOR CONTENT

APPROVED AS TO FORM

Shannon Scott, Business Retention &
Expansion Coordinator

Dan T. Saluri, Deputy City Attorney

Report to Board



Requestor: Nora Nevarez, Executive Office Coordinator, COSADC, 325-653-7197

Meeting Date: July 24, 2019

Item type: Regular Item

Caption:

Consider and possible action of items discussed in Closed Session, if needed

Summary/History:

Financial Impact:

Other Information/Recommendation:

Attachments:

Presentation:

Approvals/Reviews:

Nora Nevarez

Created/Initiated