

NEDERLAND ECONOMIC DEVELOPMENT CORPORATION

Minutes April 20, 2011

MEETING

A meeting of the Nederland Economic Development Corporation was called to order at 4:32 p.m. at the Nederland Economic Development Corporation Office, 1903 Atlanta Avenue, by President Stuart Kieschnick.

QUORUM

Board members present: Don Albanese, Larry Ducharme, Stuart Kieschnick, Jim McNeill, Bert Rogers, Randy Sonnier and Erik Shaw. Absent: None. Others present: Jim Wimberley, NEDC Attorney, Tracie Killian, Executive Director and Marlinda Eastberg, Secretary, NEDC. Guest present: Chris Duque, Nederland City Manager, Dr. Jason and Jillian Hunt, Healthsource of Nederland and Tressy Morgan, Hamburger Depot-Beaumont.

MINUTES

A motion was made by Erik Shaw and seconded by Bert Rogers to approve the minutes of March 2, 2011.

Motion carried.

Ayes: Albanese, Ducharme, Kieschnick, McNeill, Rogers, Sonnier and Shaw.

Noes: None **Absent:** None

PUBLIC HEARING

The regular meeting was recessed at 4:34 p.m. by President Kieschnick for the purpose of conducting a public hearing regarding the potential expenditure of funds for economic development for the expansion of a chiropractic clinic, Jason Hunt, D.C., P.A. dba HealthSource of Nederland, to be located at 2916 Nederland Avenue, Nederland, Texas.

Mrs. Tracie Killian introduced Dr. Jason and Jillian Hunt, owners of HealthSource of Nederland. Dr. Hunt purchased this clinic from Dr. Don Brewer in 2003 and joined HealthSource which is a national chiropractic and progressive rehab franchise in August 2009. Since joining the franchise there has been substantial growth and has produced the need for a larger physical therapy area as well as additional equipment. This expansion will make it necessary to hire one (1)

additional physical therapist the first year and an additional office person within two (2) years and possibly a second doctor within five (5) years.

With no more questions and /or comments President Kieschnick adjourned the Public Hearing at 4:37 p.m.

JASON HUNT, D.C., P.A. DBA HEALTHSOURCE OF NEDERLAND

Mrs. Killian reported that the Impact Analysis Committee (IAC) has met and recommended that the NEDC approved an expenditure of funds not to exceed two thousand dollars and no/100 dollars (\$2,000.00) with a 1.3 year payback.

A motion was made by Larry Ducharme and seconded by Randy Sonnier to approve the expenditure of funds, not to exceed two thousand dollars and no/100 (\$2,000.00) with 1.3 year payback for the expansion of a chiropractic clinic, Jason Hunt, D.C., P.A. dba HealthSource of Nederland, to be located at 2916 Nederland Avenue, Nederland, Texas, contingent upon the proper financial statements released and projected numbers met through the recovery period.

Motion carried.

Ayes: Albanese, Ducharme, Kieschnick, McNeill, Rogers, Sonnier and Shaw.

Noes: None **Absent:** None

PUBLIC HEARING

The regular meeting was recessed at 4:39 p.m. by President Kieschnick for the purpose of conducting a public hearing regarding the potential expenditure of funds for economic development for a new restaurant, Hamburger Depot-Beaumont, Inc. to be located at 1920 Nederland Avenue, Nederland, Texas.

Mrs. Tracie Killian introduced Tressy Morgan, owner of Hamburger Depot-Beaumont, Inc. Ms. Morgan stated she purchased Hamburger Depot in October 2006 located in Jasper, Texas and added two (2) additional locations opening in Beaumont in March of 2008, and December of 2009. A fourth location was opened in Kirbyville in March 2010. Their main office is located at the Jasper location. Ms. Morgan stated she has signed a five (5) year lease located at 1920 Nederland Avenue and plans are to open May 12, 2011.

With no more questions and /or comments President Kieschnick adjourned the Public Hearing at 4:47 p.m.

HAMBURGER DEPOT-BEAUMONT, INC.

Mrs. Killian reported that the Impact Analysis Committee (IAC) has met and recommended that the NEDC approved an expenditure of funds not to exceed twenty thousand dollars and no/100 dollars (\$20,000.00) with a 1.2 year payback.

A motion was made by Bert Rogers and seconded by Randy Sonnier to approve the expenditure of funds, not to exceed twenty thousand dollars and no/100 (\$20,000.00) with 1.2 year payback for a new restaurant, Hamburger Depot-Beaumont, Inc. to be located at 1920 Nederland Avenue, Nederland, Texas, contingent upon the proper financial statements released and projected numbers met through the recovery period.

Motion carried.

Ayes: Albanese, Ducharme, Kieschnick, McNeill, Rogers, Sonnier and Shaw.

Noes: None **Absent:** None

PRIDE PROGRAM

A discussion was held regarding applications for the PRIDE Program.

An application was received from 221 Properties for their project which will consist of landscaping. They are requesting one thousand three hundred ninety five dollars and 50/100 (\$ 1,395.50) for a project totaling two thousand seven hundred ninety one dollars and no/100 (\$2,791.00). Their office is located at 221 Highway 69 South.

An application was also received from HMH Group, Inc. for a project that will consist of a new façade on the strip center located at 3503 Nederland Avenue. They are requesting three thousand dollars and no/100 (\$3,000.00) for a project totaling seven thousand dollars and no/100 (\$7,000.00).

In addition an application was received from Glidewell Plaza. This is a strip center located at 3302 Nederland Avenue and this project will consist of a new façade on the building. Mrs. Glidewell is requesting ten thousand dollars and no/100 (\$10,000.00) for a project totaling thirty two thousand three hundred one dollars and 80/100 (\$32,301.80).

A discussion was held regarding the need for additional monies from the special programs incentives program in the amount of ten thousand nine hundred seventy nine dollars and 87/100 (\$10,979.87) be moved to the PRIDE Program so that all three (3) projects could be funded.

A motion was made by Don Albanese and seconded by Bert Rogers to approve funding for 221 Properties for landscaping for their office located at 221 Highway 69 South, in the amount of one thousand three hundred ninety five dollars and 50/100 (\$1395.50), HMH Group, Inc., for a new façade on the strip center located at 3503 Nederland Avenue in the amount of three thousand dollars and no/100 (\$3,000.00) and Lurlene Glidewell - Glidewell Plaza located at 3302 Nederland Avenue in the amount of ten thousand dollars and no/100 (\$10,000.00).

Motion carried.

Ayes: Albanese, Ducharme, McNeill, Rogers, Sonnier and Shaw

Noes: None. **Absent:** None. **Abstain:** Kieschnick only on 221 Properties.

EXECUTIVE SESSION

The regular meeting was recessed at 5:00 p.m. by President Stuart Kieschnick 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 advise; Texas Government Code, Chapter 551.072, to discuss acquisition, exchange, and/or release of property.

RECONVENE

The regular meeting was reconvened by President Stuart Kieschnick at 5:46 p.m. President Stuart Kieschnick announced no action is needed on 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 and Texas Government Code, Chapter 551.087, to discuss and/or deliberate concerning financial and/or commercial information received from potential business prospects regarding potential economic development incentive.

FINANCIAL REPORT

The board reviewed the income and expenses for the NEDC ending March 30, 2011.

The board was presented a list of financial institutions contacted requesting Certificate of Deposit rates.

A brief discussion was held regarding Public Funds Investment Act rules regarding investments.

A motion was made by Bert Rogers and seconded by Larry Ducharme authorizing Tracie Killian, Executive Director and NEDC Investment Officer to invest two hundred forty eight thousand dollars and no/100 (\$248,000.00) with 5 Point Credit Union for a term of six (6) months and two hundred forty eight thousand dollars and no/100 (\$248,000.00) with Neches Federal Credit Union for a term of six (6) months.

Motion carried.

Ayes: Albanese, Ducharme, Kieschnick, McNeill, Rogers and Sonnier

Noes: None **Absent:** None **Abstain:** Shaw.

COMMUNICATION

Mrs. Killian presented the Board with a written Executive Director's Report with each item detailing activities of the NEDC office since the last board meeting.

ADJOURN

There being no further business, a motion was made by Bert Rogers and seconded by Larry Ducharme that the meeting be adjourned at 6:03 p.m.

Motion carried.

Ayes: Albanese, Ducharme, Kieschnick, McNeill, Rogers, Sonnier and Shaw.

Noes: None. **Absent:** None.

Stuart Kieschnick, President

Randy Sonnier, Secretary/Treasurer