

**Athens Economic Development Corporation  
Board of Directors Special Meeting  
Minutes for June 28, 2018**

The Board of Directors of Athens Economic Development Corporation (hereafter referred to as AEDC) held a Special Meeting at 12:00 p.m. on Thursday, June 28, 2018 in the Derek Daniels Board Room of the Athens Partnership Center, 201 W Corsicana, Athens, Texas.

Directors present:                 John Trent, Vice-President, Carmen Hunt, Cliff Barrett, Cliff Bomer and Randy Jones

Directors absent:                 Jeaneane Lilly and Will Traxson

Staff present:                     Lisa Denton, Sherri Skeeters and Dede Sims

Ex-Officio present:               None

Guests:                             Steve Stark, AEDC Counsel

**Call to Order**

The meeting was called to order at 12:05 p.m., by Vice-President John Trent for all agenda items. A quorum was present.

**Citizen Comments**

None

**Declaration of Conflict of Interest**

None declared.

**Consider formation of marketing committee**

Ms. Denton reported that the board president would prefer all marketing presentations be made before the full board. No action was taken on this item.

**Consider entering into Executive Session according to TEXAS GOVERNMENT CODE Chapter 551 to discuss the following:**

At 12:07 p.m., Vice-President John Trent announced that the board would enter into Executive Session pursuant to the provisions of the TEXAS GOVERNMENT CODE Chapter 551, in accordance with the authority contained in the following:

- A. Section 551.072 – Deliberation Regarding Real Property  
Possible lease of real property located at 1702/1704 Enterprise
- B. Section 551.087 – Deliberation Regarding Economic Development Negotiations:  
Deliberations regarding negotiations with the following prospects:  
Prospect #1593

The board reconvened into Open Session at 1:06 p.m.

**Consider discussion and possible action on items discussed under Executive Session**

At the meeting on June 4, 2018 a motion was made to give authorization to the Executive Director to negotiate Economic Development Performance Agreements and an Industrial Lease Agreement, within the parameters discussed at the meeting, for Prospect #1593, Biomerics, FMI, LLC. Ms. Denton presented the following results from those negotiations:

- A. Industrial lease, with a term of 84 months, with option to purchase at the end of the term. AEDC will make tenant improvements in its facility located at 1702/1704 Enterprise, in an amount not to exceed \$1,000,000. Initial rents will be abated, as shown in the lease. Abated rents will be repaid by Tenant, along with tenant improvements, at an interest rate of 3%. Hansen Guarantees, LLC will guaranty the TI repayment, as a 3<sup>rd</sup> part guaranty, with fee split between AEDC and Biomerics, FMI, LLC.
- B. EDPA1, which covers the terms of the rent abatement and TI's.
- C. EDPA2, which covers Company's commitment to make \$5,400,000 in capital improvements, over and above the \$1,000,000 in AEDC facilities, and add up to 180 full time positions over a five year term. In return, AEDC will pay Company \$200,000 for the retention of 430 full-time employees, \$135,000 for capital improvements and up to \$25,000 for the construction of a rear drive entrance off Wood Street to the back employee parking area, to help alleviate traffic in the industrial park.
- D. Company and AEDC will work with City of Athens to re-apply for a Texas Capital Fund Grant for the construction of a road in the industrial park, to help with additional traffic that will be experienced with added employees. AEDC will cover the cost of reapplication fee with Traylor & Associates, in an amount of \$7,500.
- E. AEDC will work with Company to apply for ad valorem tax rebate/abatement from the City of Athens and Henderson County.
- F. AEDC will work with Company in requesting the City of Athens nominate the project for Enterprise Zone designation with the State of Texas, which could qualify for up to \$300,000 in state incentives. Company may contract with Traylor & Associates for the application process. If Company desires AEDC to cover this cost, it will be deducted from above cash incentives and paid directly to consultant.

Cliff Bomer made a motion to approve, as presented, with Cliff Barrett seconding the motion. Motion passed 5-0.

With no further action, a motion was made to adjourn by Randy Jones at 1:09 p.m. Carmen Hunt seconded and motion carried 5-0.

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Carmen Hunt, Secretary

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John Trent, Vice-President