

**NOTICE AND AGENDA
REGULAR MEETING
CUERO DEVELOPMENT CORPORATION
MONDAY, DECEMBER 13, 2021 12:00 PM.**

The Cuero Development Corporation (CDC) will hold their regular monthly meeting at 12:00 P.M. on Monday, December 13, 2021, at 212 E. Main Street, Cuero, Texas. This notice is posted pursuant to the Texas Open Meetings Act.

I. CALL TO ORDER

II. CITIZENS INPUT

- Citizens who have not filed an agenda application

III. MONTHLY FINANCIAL REPORTS

- Approval of November Financial Report

IV. BUSINESS

- Consider and act upon an application for Business Retention and Expansion Program for Monster Burger
- Consider and act upon an application for Business Retention and Expansion Program for Ann Parks Hedrick (105 S. Esplanade)
- Consider and act upon transferring funds from TDECU to the CDC's TexPool account
- Consider and act upon new guidelines for the CDC's Business Retention and Expansion Program
- Receive recommendation and take necessary action from the Nominating Committee
- Set January and February Meeting date

V. CONSENT AGENDA

- Regular Meeting Minutes, Monday, November 15, 2021
- December Events Committee November Financial Report

VI. EXECUTIVE DIRECTOR'S REPORT

- Sales Tax Comparisons
- Community Leaders' Meeting
- Discuss upcoming conferences/meetings
- December Events Committee
- Project Status

VII. ADJOURN



This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the Cuero Development Corporation office at (361) 275-8178 or FAX (361) 275-6274 for further information.

The Cuero Development Corporation reserves the right to retire into executive session concerning any of the items listed on this agenda, whenever it is considered necessary and legally justified under the Open Meetings Act.

CERTIFIED AS POSTED AT:

City Hall, 212 E. Main Street; Cuero Development Corporation, 214 E. Main Street; and on the CDC website, Friday, December 10, 2021

MINUTES
CUERO DEVELOPMENT CORPORATION
REGULAR MEETING
MONDAY, DECEMBER 13, 2021 12:00 P.M.

The Cuero Development Corporation Board of Directors met Monday, December 13, 2021, at 212 E. Main Street, Cuero, Texas.

PRESENT: Board Members: Richard Weber, Mayor Sara Post Meyer, Brian Gomez, David Scott, Tyler McClellan, and Greg Freeman

ABSENT: Randy Jochim

CDC STAFF: CDC Executive Director Bobby Seiferman and CDC Administrative Assistant Samantha Bayfus

GUESTS: Jennifer Papacek-Klimowicz and Randy Saenz, owner of Monster Burger

I. CALL TO ORDER

President Richard Weber called the meeting to order at 12:00 P.M.

II. CITIZENS INPUT

None

III. MONTHLY FINANCIALS

Mr. Scott gave the financial report for the period ending November 30, 2021. Mr. Scott stated that the financials were in good standing and he would recommend approval.

MOTION MADE BY GREG FREEMAN, SECONDED BY TYLER MCCLELLAN, TO ACCEPT THE NOVEMBER FINANCIAL REPORTS AS PRESENTED. AYES: 5 NAYES: 0 MOTION CARRIED UNANIMOUSLY

IV. BUSINESS

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS RETENTION AND EXPANSION PROGRAM FOR MONSTER BURGER

Mr. Seiferman noted that Mr. Saenz, owner of Monster Burger, submitted an application for interior renovations to his restaurant located at 901 N. Esplanade. Repairs will include purchasing of kitchen appliances, new flooring, electrical improvements, and remodeling of the bar.

Mr. Saenz stated that there is an urgency to revamp his restaurant to be a more family-oriented dining experience. These improvements will allow for more clientele, but the back area of the restaurant will still include the "monster" entertainment. Mr. Saenz intends to recreate his marketing brand with a more subtle, yet attractive look.

The interior renovations will include a nice flooring installation, new sheetrock on the walls with fresh paint, and new restaurant furniture.

Mr. McClellan questioned if the restaurant will keep their menu the same. Mr. Saenz stated that he has considered closing the restaurant on Monday, Tuesday, and Wednesday, but offering specials, such as a nacho menu from Wednesday through Sunday until 3:00 A.M. The rest of the menu will remain the same with the appetizers and hamburgers.

Mr. Freeman expressed his concerns over the CDC Board approving a previous application for Monster Burger and shortly after the building displayed a "for sale" sign in the window. Mr. Saenz stated that he has always been in the market for

buying and selling businesses. He noted that he has the “for sale” sign displayed to entice people to stop at his restaurant. Mr. Saenz noted that Monster Burger is his only source of income and selling it would not be logical.

Mr. Weber stated that part of the discussion of selling the business is due to past applicants being approved for a grant and upon completion of their project funding, they list their building for sale.

Mr. Scott suggested that the Board consider adding a clawback to the application that would be prorated over four to five years.

Mayor Meyer joined the meeting at 12:12 P.M.

MOTION MADE BY DAVID SCOTT, SECONDED BY BRIAN GOMEZ, TO APPROVE THE BUSINESS RETENTION AND EXPANSION PROGRAM GRANT FOR MONSTER BURGER IN THE AMOUNT OF UP TO \$10,000.00 TO BE UTILIZED TOWARDS THE IMPROVEMENTS AS SPECIFIED IN THE APPLICATION WITH A CLAWBACK REVISION THAT STATES IF THE BUSINESS IS CLOSED OR SOLD IN THE NEXT FOUR (4) CONSECUTIVE YEARS, THAT THE GRANT MUST BE REPAID AT A PRORATED RATE. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS RETENTION AND EXPANSION PROGRAM FOR ANN PARKS HEDRICK (105 S. ESPLANADE)

Mr. Seiferman mentioned that Mr. Brad Hedrick was unable to attend the meeting on his mother’s behalf. Mr. Hedrick and Ms. Ann Parks Hedrick have submitted an application to renovate the interior of 105 S. Esplanade. The retail store “Be” will temporarily move into this building while their store located at 101 E. Main Street is being renovated. Renovations will begin immediately and will be complete by the end of February, 2022.

Mr. Gomez questioned why this application was not submitted with the previous two applications. Mr. Seiferman stated that he is unaware of their timeline.

Mr. Gomez questioned if a new position was being created, as stated on the application or if “Be” is going to retain their current position. It was noted that this position would still be the current employee.

Mayor Meyer questioned what the status was of the two applications that have been previously submitted. It was mentioned that the contractor was out on medical leave and this caused a delay in the projects.

Mr. Scott expressed his concerns over adding a clawback to the Business Retention and Expansion Program grants to ensure that the CDC was utilizing their funds efficiently. Mr. Scott suggested that the CDC seek assistance from their attorney in reworking the grant program applications.

MOTION MADE BY DAVID SCOTT, SECONDED BY TYLER MCCLELLAN, TO APPROVE THE BUSINESS RETENTION AND EXPANSION PROGRAM GRANT FOR ANN PARKS HEDRICK (105 S. ESPLANADE) IN THE AMOUNT OF UP TO \$10,000.00 TO BE UTILIZED TOWARDS INTERIOR RENOVATIONS AS SPECIFIED IN HER APPLICATION, WITH A CLAWBACK REVISION THAT STATES IF THE BUSINESS IS CLOSED OR SOLD IN THE NEXT FOUR (4) CONSECUTIVE YEARS, THAT HE GRANT MUST BE REPAID AT A PRORATED RATE. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

CONSIDER AND ACT UPON TRANSFERRING FUNDS FROM TDECU CD TO THE CDC’S TEXPOOL ACCOUNT

Mr. Seiferman mentioned that the TDECU CD will mature on January 16, 2022. It was noted that the TDECU renewal rate for twelve (12) months is 0.75% and TexPool’s rate is 0.40%. Per earlier discussions, the funds would be easily accessible if they were to be moved to TexPool. The balance of the TDECU CD is \$246,811.84 and the balance at TexPool is \$1,562,248.37.

Mr. McClellan noted that based on the current interest rates the CD would gain \$1,850.00 if it was kept at TDECU versus transferring the funds to TexPool and earning a non-guaranteed amount of \$987.00.

Mayor Meyer stated that she thought it was in the best interest of the CDC to keep their monies local in the TDECU CD account with greater earnings.

The Board agreed that it was in their best interest to allow the CD to roll over at TDECU at an interest rate of 0.75% for twelve (12) months.

CONSIDER AND ACT UPON NEW GUIDELINES FOR THE CDC'S BUSINESS RETENTION AND EXPANSION PROGRAM

Mr. Seiferman stated that a copy of the revised Business Retention and Expansion Program was included in the agenda packet.

New wording was included to state "All applicants seeking assistance for equipment and furnishing must have a business that has been open for twelve (12) consecutive months before applying for this program."

Mr. Seiferman noted that per the previous motions of the two Business Retention and Expansion Grant applications that additional wording could be added to the application, if those were the Board's wishes.

Mr. Weber indicated that he was in favor of the prorated clawback and the line indicating that the business has been open for twelve (12) consecutive months.

Mr. Freeman questioned how the businesses would be evaluated as being open for the specified period. Mr. Seiferman stated that the CDC would do an annual evaluation of those businesses that were funded.

It was suggested by Mr. Scott that a line be added to the grant award spreadsheet that indicates the four-year term as specified on the clawback as a tracking from the date that the payment was made to the business.

Mr. Gomez noted that he thought it would be easier for tracking if the Board were to consider a two-year term and if the business were to close, they would be responsible for two half payments, if they were to close.

MOTION MADE BY DAVID SCOTT, SECONDED BY GREG FREEMAN, TO APPROVE THE BUSINESS RETENTION AND EXPANSION PROGRAM GRANT APPLICATION REVISIONS, BUT TO INCLUDE AN ADDITIONAL CLAWBACK REVISION TO ALL OF THE CDC GRANT APPLICATIONS THAT REQUIRES A REPAYMENT OF THE PRORATA UNUSED PORTION OF THE GRANT ON AN ANNUAL BASIS OVER A TWO (2) YEAR PERIOD. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

RECEIVE RECOMMENDATION AND TAKE NECESSARY ACTION FROM THE NOMINATING COMMITTEE

Mr. Weber stated that he met with Greg Freeman in regards to the upcoming nominations of Board Members. Mr. Weber reported that the committee spoke with Ben Zimmerman, a local attorney whom was raised in Cuero and moved back over a year ago and he is willing to serve on the CDC Board for a two-year term.

MOTION MADE BY DAVID SCOTT, SECONDED BY TYLER MCCLELLAN, TO RECOMMEND BEN ZIMMERMAN TO THE CUERO CITY COUNCIL TO SERVE ON THE CDC BOARD OF DIRECTORS FOR A TWO-YEAR TERM AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

SET JANUARY MEETING DATE

In observance of Martin Luther King, Jr. Day, the CDC and City offices will be closed. It was recommended that the CDC monthly meeting be moved to January 24, 2022 at 5:00 P.M.

Mr. Seiferman also noted that in observance of President's Day, that the February meeting date be moved to February 28, 2022 at 5:00 P.M.

V. CONSENT AGENDA

Included in the director's agenda packets for review were: Regular Meeting Minutes, Monday, November 15, 2021 and the December Events November Financial Report.

MOTION MADE BY GREG FREEMAN, SECONDED BY TYLER MCCLELLAN, TO ACCEPT THE CONSENT AGENDA AS PRESENTED. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

VI. EXECUTIVE DIRECTOR REPORT

- 1) Sales Tax Comparisons – A copy of the sales tax revenue report was included in the Board package. It was reported that the sales tax remittance has increased by 5.56% for the calendar year and has increased by 15% for the fiscal year.
- 2) Community Leaders' Meeting – Mr. Seiferman reported that there was a great turnout for Sandra Osman, Cuero Main Street Manager, as she gave an overview of Christmas in Downtown. Senator Lois Kolkhorst has confirmed to be the guest speaker for the January 14, 2022 Community Leaders' Meeting to be held at the City of Cuero Council Chambers.
- 3) Discuss upcoming conferences/meetings – Mr. Seiferman will attend the TEDC's Winter Conference from February 16th – 18th in Sugar Land. He will also attend a Public Private partnership conference that will cover the Infrastructure Bill in March that will be held in Dallas.
- 4) December Events Committee – It was reported that the DEC is in full swing with Cuero's Christmas in the Park. Hot Chocolate Nights in December have been successful and each host thurs far has served between 850-1,000 cups of hot chocolate. The committee will resume their meetings in mid-January, 2022.
- 5) Project Status – A copy of the current projects was included in the agenda packet. A separate attachment included the new Business Start-Up Program payments for Classy B's and Keke Café.

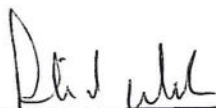
Mr. Seiferman reiterated that per the Sales Tax Training, it was recommended that the CDC does not fund any non-profit organizations. Russel Gallahan mentioned that the economic development corporations are not funding sources for non-profits and it was something to recommend in the future. It was suggested that the CDC contact Mr. Gallahan for his recommendations on further Community Service grant applicants.

Mr. Seiferman reported that he and President Weber will attend the Cuero City Council meeting where Mr. Weber will present the CDC's Annual Report.

It was reported that Ciana Seddon has complete the CDC's Strategic Plan, but it has not been reviewed by staff. Mr. Seiferman will present the plan at the January Board Meeting.

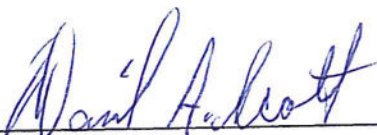
VII. ADJOURN

MOTION MADE BY BRIAN GOMEZ, SECONDED BY TYLER MCCLELLAN, TO ADJOURN THE MEETING AT 12:53 P.M. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY



RICHARD WEBER
PRESIDENT

ATTEST:



DAVID SCOTT
SECRETARY/TREASURER