

**NOTICE AND AGENDA
SPECIAL MEETING
CUERO DEVELOPMENT CORPORATION
FRIDAY, AUGUST 31, 2018**

The Cuero Development Corporation (CDC) will hold a special meeting at 12:00 P.M., on Friday, August 31, 2018 at 212 E. Main, Cuero, TX. This notice is posted pursuant to the Texas Open Meetings Act.

I. CALL TO ORDER

II. BUSINESS

- Receive and review an Enterprise Program Grant Application and Business Plan from Gaetan Pelletier DBA The TexInn, 2127 N. Esplanade

III. 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:

Cuero Development Corporation, 214 E. Main Street; City Hall, 212 E. Main Street; and on the CDC Website, Tuesday, August 28, 2018

MINUTES
CUERO DEVELOPMENT CORPORATION
SPECIAL MEETING
FRIDAY, AUGUST 31, 2018, 12:00 P.M.

The Cuero Development Corporation Board of Directors met Friday, August 31, 2018, at 212 E. Main Street, Cuero, Texas.

PRESENT: Board Members: Charles Papacek, Randy Jochim, Chris Crain, Mayor Sara Post Meyer, Dennis Jemelka, Richard Weber, Executive Director, Patrick J. Kennedy and Administrative Assistant, Samantha Bayfus

ABSENT: David Scott

GUESTS: Donald Jirkovsky, University of Houston-Victoria – Small Business Development Center & Gaetan Pelletier, The TexInn Hotel

I. CALL TO ORDER

President Charles Papacek called the meeting to order at 12:00 p.m.

II. BUSINESS

RECEIVE AND REVIEW AN ENTERPRISE PROGRAM GRANT APPLICATION AND BUSINESS PLAN FROM GAETAN PELLETIER DBA THE TEXINN, 2127 N. ESPLANADE

Mr. Patrick J. Kennedy stated that pursuant to the Board of Director's Meeting on Monday, August 20, 2018, it was requested that the application and Business Plan of the TexInn Hotel be submitted to the Cuero Development Corporation Board for review. Mr. Pelletier met with Donald Jirkovsky, Business Advisor for University of Houston-Victoria, Small Business Development Center on Friday, August 24th and was able to complete the required work to complete his Business Plan.

Mr. Gaetan Pelletier mentioned that the TexInn property was purchased back in early 2013 for roughly \$500,000. The initial stage of the project (West Wing) was derailed due to the unexpected growth that took place in Cuero and the lack of help with the required Engineering process. The building blueprints went through multiple changes, including plumbing setbacks and the entire hotel having to be moved over by three feet because the hotel did not meet City standards. Another setback was acquired during August, 2017 when Hurricane Harvey struck Cuero, as a result this pushed the hotel back by another year and caused damages in excess of \$940,000. The damages that were incurred included water entering the hotel through the cavities of the air conditioning units and other miscellaneous issues.

Mr. Patrick J. Kennedy said that the TexInn Hotel initially started the process of the Enterprise Program back in November, 2015. An application was submitted in early 2016, a Public Hearing took place, and the financials were reviewed. A Performance Agreement was in the process of being developed, but the project did not move forward.

Mr. Chris Crain questioned how long after the purchasing in 2013 did Mr. Pelletier break ground on the hotel. Mr. Pelletier stated that the hotel broke ground within six months of the purchase of the land. Mr. Crain also questioned if the problems as previously addressed, occurred after the TexInn broke ground. Mr. Pelletier said that the problems happened after the TexInn broke ground and continued to arise along the way. The building was able to be erected during mid to late 2014 and since then there has never been an idle time at the hotel.

Mr. Charles Papacek questioned if the seller of the property included any provisions that stated a timeframe on building or breaking ground on anything in particular. Mr. Pelletier stated that there weren't any provisions on the purchasing of the property, the hotel was his idea to accommodate the land.

Mr. Charles Papacek questioned what other steps would need to be taken to complete the proposed project. Mr. Pelletier mentioned that in working with the City of Cuero's City Manager, Raymie Zella, he was given the okay to open the West Wing of the property, followed by the East and South Wings. The hotel's rooms in the West Wing have already received painting, but are lacking carpet, the installation of the kitchens, and furniture. Mr. Pelletier reiterated that he plans to have the hotel opened by early 2019. As part of the West Wing opening there will be an all-inclusive restaurant that can be utilized with a one night's stay.

Mr. Randy Jochim questioned how many rooms would available with the opening of the West Wing. Mr. Pelletier stated that the West Wing will include 72 rooms and some additional ADA compliance rooms.

Mr. Patrick J. Kennedy stated that he, Samantha Bayfus, and Donald Jirkovsky toured the property on Friday, August 24th and during his observations, the hotel did not appear to be 85% complete, as stated in the grant application.

Mr. Richard Weber questioned why the hotel was up for sale around a year ago. Mr. Pelletier said that he was approached with the concept of turning the hotel facility into a nursing home by two companies. In weighing his options, Mr. Pelletier spoke to Cuero Regional Hospital about the needs of an additional nursing home, it was suggested that the addition could be beneficial to the community. The hotel was placed for sale, but Mr. Pelletier later decided that he would stick with his original plans of the site becoming a hotel.


Mayor Sara Post Meyer questioned if Mr. Pelletier has been in contact with City Officials for the approval of opening only the West Wing. Mr. Kennedy stated that contact with the Code Inspector and the Fire Marshall have both been to the TexInn property within the past month.

Mayor Sara Post Meyer questioned what the proposed hours of the restaurant would be. Mr. Pelletier said that he is working on the specs of the hotel's restaurant and he was not sure what the hours would be, nor if the restaurant would be open to the public.

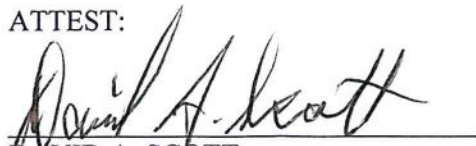
The application and Business Plan from Gaetan Pelletier DBA The TexInn was reviewed and received by the Cuero Development Corporation Board. Mr. Patrick J. Kennedy recommended that the CDC Board would continue working through the process with The TexInn, as the hotel was not near completion and ready to move forward. A Public Hearing will not be held until the hotel is closer to hiring staff and no financial obligations were made. It was suggested by the CDC Board that Mr. Pelletier give Mr. Kennedy a monthly overview of what has taken place at the hotel.

III. ADJOURN

MOTION MADE BY MAYOR SARA POST MEYER, SECONDED BY RICHARD WEBER, TO ADJOURN THE MEETING AT 12:46 P.M. AYES: 6 NAYES: 0 MOTION CARRIED


CHARLES PAPACEK
PRESIDENT

ATTEST:


DAVID A. SCOTT
SECRETARY/TREASURER