

**MINUTES
CUERO DEVELOPMENT CORPORATION
REGULAR MEETING
MONDAY, OCTOBER 18, 2021 5:00 P.M.**

The Cuero Development Corporation Board of Directors met Monday, October 18, 2021, at 212 E. Main Street, Cuero, Texas.

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

ABSENT: David Scott

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

GUESTS: Rebecca Crosby & Theodore Gault, Keke Café; Brooke Smith-Jackson, Classy B's'; and Jennifer Papacek-Klimowicz

I. CALL TO ORDER

President Richard Weber called the meeting to order at 5:00 P.M.

II. CITIZENS INPUT

None

III. MONTHLY FINANCIALS

Mr. Seiferman gave the financial report for the period ending September 30, 2021. Mr. Seiferman noted that Mr. Scott reviewed the financials and that they were in good order. It was mentioned that the interest from Cuero National Bank and Prosperity Bank were swapped on the financials, but the Fiscal Department was reversing the mistake for the final end of year statements.

MOTION MADE BY GREG FREEMAN, SECONDED BY RANDY JOCHIM, TO ACCEPT THE SEPTEMBER FINANCIAL REPORTS AS PRESENTED. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

IV. BUSINESS

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS RETENTION AND EXPANSION PROGRAM FOR KEKE CAFE

Mr. Gault mentioned that he would be opening Keke Cafe, a specialty dining café, which will offer unique cuisines, pasta dishes, and fresh coffee. Mr. Gault's project will consist of purchasing equipment and supplies items in which are necessary to conduct business at his café. Mr. Gault indicated that he has been working closely with the physical therapy center located next door to suit the needs of patients that may have food restrictions due to health conditions.

Mr. Weber questioned if Keke Café was planning to be a dine-in or carry-out restaurant. Mr. Gault noted that both options would be available.

Mr. McClellan questioned if Mr. Gault and Ms. Crosby have run a restaurant in the past or if this was a new business venture. Mr. Gault stated that they have both worked in the restaurant industry, both large and small, but this would be their first time owning and operating their own restaurant.

Mr. Weber questioned if Keke Café has been working with the City of Cuero's Building Department. Mr. Gault noted that they have been working diligently with the Building Department, Fire Department for ventilation, and with the DeWitt County Health Department.

Mayor Meyer questioned what the occupancy limit was for the building. Mr. Gault stated that he has not yet met with the Cuero Fire Department on the outline of the building, which would include the occupancy limits.

Mr. Freeman questioned when Keke Café would be open. Mr. Gault noted that they plan to open between November 1st and November 15th.

MOTION MADE BY GREG FREEMAN, SECONDED BY TYLER MCCLELLAN, TO APPROVE THE BUSINESS RETENTION AND EXPANSION PROGRAM GRANT FOR KEKE CAFÉ IN THE AMOUNT OF UP TO \$8,812.73 TO PURCHASE NECESSARY SUPPLIES AND EQUIPMENT FOR HIS CAFÉ AS DEFINED IN THE APPLICATION. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS START-UP PROGRAM FOR KEKE CAFÉ

Mr. Seiferman explained that the Business Start-Up Program was designed to encourage new business within the City of Cuero. This program provides rental assistance grants up to \$500.00 for a six month period. The applicants are expected to apply within thirty (30) days of their business opening date.

Mr. McClellan suggested that if the Cuero Development Corporation (CDC) staff was requiring a thirty (30) day application deadline for the Business Start-Up Program verbiage indicating this stipulation would need to be added to the application.

Keke Café submitted a Business Start-Up Program application in the amount of \$420.00 and is seeking reimbursement in the amount of \$210.00 from the CDC.

MOTION MADE BY GREG FREEMAN, SECONDED BY TYLER MCCLELLAN, TO APPROVE THE BUSINESS START-UP PROGRAM FOR KEKE CAFÉ IN THE AMOUNT OF UP TO \$210.00 PER MONTH FOR THE NEXT SIX MONTHS. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

CONSIDER AND ACT UPON AN APPLICATION FOR BUSINESS START-UP PROGRAM FOR CLASSY B'S

Mr. Seiferman mentioned that Brooke Smith-Jackson has been in an active lease since April, 2021 and has since been renovating her building. The grand opening for Classy B's Boutique was not until early September, 2021.

Mrs. Smith-Jackson thanked the Board for their time and consideration of her grant application. Mrs. Smith-Jackson noted that this rental assistance would be beneficial to her, as she's incurred numerous expenses with the start-up of her new boutique and lounge.

Classy B's submitted a Business Start-Up Program application in the amount of \$1,500.00 and is seeking reimbursement in the amount of \$500.00 from the CDC.

MOTION MADE BY BRIAN GOMEZ, SECONDED BY RANDY JOCHIM, TO APPROVE THE BUSINESS START-UP PROGRAM FOR CLASSY B'S IN THE AMOUNT OF UP TO \$500.00 PER MONTH FOR THE NEXT SIX MONTHS. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

DISCUSS AND TAKE POSSIBLE ACTION ON ADDITIONAL LANGUAGE TO THE BUSINESS RETENTION AND EXPANSION PROGRAM GRANT

Mr. Seiferman mentioned that this item was placed on the agenda based on discussions that took place at the September Board meeting. Mr. Seiferman noted that the CDC could add language with respect to a clawback, but it would be lacking in means of enforcement. Mr. Seiferman suggested that the application include language that if the applicant is a renter they must have at least a twelve (12) month lease.

Mr. Seiferman reiterated that the CDC will not reimburse any applicant until their project is complete. Each business must follow the City of Cuero's permitting process and the city's best practices to open their doors.

Mayor Meyer questioned if there are other communities that offer business incentive grants such as those provided by the CDC. Mr. Seiferman noted that other surrounding Economic Development Corporations do offer business incentive grants and he would research their protocol.

MOTION MADE BY TYLER MCCLELLAN, SECONDED BY GREG FREEMAN, TO ADD ADDITIONAL LANGUAGE TO THE BUSINESS RETENTION AND EXPANSION PROGRAM GRANT REQUIRING A RENTER TO HAVE A MINIMUM OF A TWELVE (12) MONTH LEASE AGREEMENT. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

HEAR UPDATES ON OPPORTUNITY ZONES

Included in the packet were two handouts from the Opportunity Zone workshop that was hosted by the Victoria Economic Development Corporation.

An Opportunity Zone is an economic development tool that allows people to invest in distressed areas. Their purpose is to spur economic growth and job creation in low-income communities while providing tax benefits to investors.

The CDC Board was interested in marketing one of their vacant properties as an Opportunity Zone to potentially attract new business into the community.

CONSIDER AND ACT UPON PROJECT EXTENSIONS OF THE CDC'S FY 20-21 GRANT APPLICATIONS

Mr. Seiferman reported that all projects have been complete for the year, besides Cuero Chamber of Commerce, Agriculture, and Visitor's Bureau, Cuero Area Ministerial Alliance, Keep Cuero Beautiful, Spay and Neuter Your Pet DeWitt County, and Cindy Hamilton. Mr. Seiferman suggested that the Board give them an extension until December 31, 2021.

MOTION MADE BY TYLER MCCLELLAN, SECONDED BY MAYOR SARA POST MEYER, TO APPROVE A PROJECT EXTENSION UNTIL DECEMBER 31, 2021 FOR CUERO CHAMBER OF COMMERCE, AGRICULTURE, AND VISITOR'S BUREAU, CUERO AREA MINISTERIAL ALLIANCE, KEEP CUERO BEAUTIFUL, SPAY AND NEUTER YOUR PET DEWITT COUNTY, AND CINDY HAMILTON. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

CONSIDER AND ACT UPON TRANSFERRING FUNDS FROM PROSPERITY BANK TO THE CDC'S TEXPOOL ACCOUNT UPON MATURITY OF THE CURRENT CERTIFICATE OF DEPOSIT

Mr. Seiferman noted that the Certificate of Deposit (CD) will mature on October 22, 2021. The rates available for the CD renewal were .020 for twelve (12) and eighteen (18) months and .025 for twenty-four (24) months. Mr. Seiferman reported that based on the meeting with the Finance Committee, it was suggested that it would be more advantageous to close the Prosperity Bank account and withdraw the available funds to transfer to the CDC's TexPool account.

Mr. Freeman noted that he was in favor of transferring the funds because of the fluidity of having the money easily accessible.

Mayor Meyer questioned what major expenditures the CDC was anticipating, including NestFresh and if the funds were needed how fast they would be available from TexPool. Mr. Seiferman mentioned that the CDC was not anticipating any major expenditures beyond NestFresh and the money would be available from TexPool immediately upon request.

MOTION MADE BY TYLER MCCLELLAN, SECONDED BY BRIAN GOMEZ, TO TRANSFER FUNDS FROM PROSPERITY BANK TO THE CDC'S TEXPOOL ACCOUNT UPON MATURITY OF THE CURRENT CERTIFICATE OF DEPOSIT. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY.

CONSIDER AND ACT UPON TRANSFERRING FUNDS FROM WELLS FARGO BANK TO THE CDC'S TEXPOOL ACCOUNT

Mr. Seiferman mentioned that the CDC's Wells Fargo account is now a checking account with a \$175 annual banking fee. The balance on the account is currently \$243,920.71 with an interest rate of 0.010%, which is projected to bring \$24 worth of annual earnings.

As previously mentioned, it was in the best interest to transfer these funds to the CDC's TexPool account that has an interest rate of 0.027%.

MOTION MADE BY TYLER MCCLELLAN, SECONDED BY BRIAN GOMEZ, TO TRANSFER FUNDS FROM WELLS FARGO BANK TO THE CDC'S TEXPOOL ACCOUNT. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

V. CONSENT AGENDA

Included in the director's agenda packets for review were: Regular Meeting Minutes, Monday, September 20, 2021, December Events Committee Regular Meeting Minutes, Wednesday, September 22, 2021, and the December Events Committee September Financial Report.

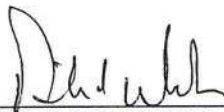
MOTION MADE BY MAYOR SARA POST MEYER, SECONDED BY GREG FREEMAN, TO ACCEPT THE CONSENT AGENDA AS PRESENTED. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY

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 decreased by 2.49% for the calendar year and has increased by 10.07% for the fiscal year.
- 2) Community Leaders' Meeting – Mr. Seiferman reported that he is working with Representative Morrison's office for the November 12th Community Leaders' Meeting to be held at the City of Cuero Council Chambers. The December speaker has not yet been confirmed and Senator Lois Kolkhorst has confirmed for January 14, 2022.
- 3) Discuss upcoming conferences/meetings – None.
- 4) December Events Committee – The DEC will hold their monthly meeting on Wednesday, October 20, 2021.
- 5) Project Status – A copy of the end of year project status was included in the agenda packet. A total of \$1,382,820.88 has been granted to local businesses by the CDC.


VII. ADJOURN

MOTION MADE BY TYLER MCCLELLAN, SECONDED BY GREG FREEMAN, TO ADJOURN THE MEETING AT 6:18 P.M. AYES: 6 NAYES: 0 MOTION CARRIED UNANIMOUSLY



RICHARD WEBER
PRESIDENT

ATTEST:



DAVID SCOTT
SECRETARY/TREASURER



GREG FREEMAN
PRESENT BOARD MEMBER