

Bastrop Economic Development Corporation
Board of Directors - Meeting Agenda
Bastrop City Hall City Council Chambers
1311 Chestnut Street
Bastrop, TX 78602
(512) 332-8870



Monday, July 15, 2024
5:00 PM

Bastrop Economic Development Corporation (BEDC) meetings are available to all persons regardless of disability. If you require special assistance, please contact the City Secretary at (512) 332-8800 or write 1311 Chestnut Street, 78602, or by calling through a T.D.D. (Telecommunication Device for the Deaf) to Relay Texas at 1-800-735-2989 at least 48 hours in advance of the meeting.

The BEDC Board reserves the right to reconvene, recess, or realign the Regular Session or call Executive Session or order of business at any time prior to adjournment.

- 1. CALL TO ORDER**
- 2. PUBLIC COMMENT(S)**

At this time, three (3) minute comments will be taken from the audience on any topic. Anyone in attendance wishing to address the BEDC Board must complete a citizen comment form prior to the start of the meeting. In accordance with the Texas Open Meetings Act, if a citizen discusses any item not on the agenda, the BEDC Board cannot discuss issues raised or make any decision at this time. Instead, the Board is limited to making a statement of specific factual information or a recitation of existing policy in response to the inquiry.

- 3. BUDGET WORKSHOP**

- 3.A** The BEDC Board of Directors will hold a budget workshop to discuss the budget for Fiscal Year 2025.

Submitted by: Sylvia Carrillo-Trevino, ICMA-CM, CPM, Interim Executive Director and City Manager

- 4. REGULAR BUSINESS & PRESENTATIONS**

- 4.A** Approval of meeting minutes from Regular BEDC Board Meeting of June 17, 2024.

Submitted by: Angela Ryan, BEDC Operations Manager

- 4.B** Receive financial report for the period ending June 2024.

Submitted by: Edi McIlwain, City of Bastrop Chief Financial Officer

- [4.C](#) Consideration and possible action on Resolution R-2024-0007 approving an amendment to the Economic Development Performance Agreement with Coltzin, LLC (aka Project Fiesta).

Sylvia Carrillo-Trevino, Interim Executive Director of the BEDC and City Manager

- [4.D](#) Approval of Resolution R-2024-0008 ratifying the Purchase and Sale agreement of 2.836 acres in the Bastrop Business and Industrial Park, legally described as Bastrop Business and Industrial Park, Phase 1 Lot 2B, 2.836 Acres, (Amended Plat of Lot 2), at 408 Technology Drive, to Patrick Redfern or assigns.

Sylvia Carrillo-Trevino, Interim Executive Director of the BEDC and City Manager

- [4.E](#) Consideration and possible action on contracting with NAVIS Consulting to provide professional advisory services for a proposed Sports Complex to be located within the Bastrop Business and Industrial Park.

Submitted by: Sylvia Carrillo-Trevino, Interim Executive Director of the BEDC and City Manager

5. ADJOURNMENT

CERTIFICATE

I, the undersigned authority, do hereby certify that this Notice of Meeting as posted in accordance with the regulations of the Texas Open Meetings Act on the bulletin board located at the entrance to the City of Bastrop City Hall, a place convenient and readily accessible to the general public, as well as to the BEDC's website, www.bastropedc.org/about/board-materials and said Notice was posted on the following date and time: July 11, 2024 at 5:00 p.m. and remained posted for at least two hours after said meeting was convened.

/s/ Angela Ryan
Angela Ryan, Operations Manager



WORKSHOP

MEETING DATE: July 15, 2024

TITLE:

The BEDC Board of Directors will hold a budget workshop to discuss the budget for Fiscal Year 2025.

AGENDA ITEM SUBMITTED BY:

Sylvia Carrillo-Trevino, ICMA-CM, CPM

BACKGROUND/HISTORY:

The BEDC board of directors will meet to discuss the proposed FY 25 budget. Previous discussion and reductions in the FY 24 budget after the November election have already been incorporated into this budget.

Reductions in staffing, contract services, and capital projects have occurred.

Bastrop Economic Development Corporation Proposed FY 25 Budget at a Glance		
Revenue	\$	1,402,572
Reserve Balance		
Drawdown for Blakey Lane Extension	\$	800,000
Total Revenue	\$	2,202,572
		Includes \$800,000 for Blakey Lane Extension (\$200,000 of the \$1M budgeted has been expended)
Expenses	\$	2,137,130
Net	\$	65,442
EDC Estimated Reserve FY 24	\$	7,640,834
Plus, Net Budget Proceeds	\$	65,442
EDC Estimated Reserve Ending FY 25	\$	7,706,276

FISCAL IMPACT:

A surplus of \$65,542 is planned to increase the end of year FY 25 reserves.

RECOMMENDATION:

Direct staff to bring the budget forward for adoption in the August meeting.

ATTACHMENTS:

1. Line-item budget

Proposed FY 25 BEDC Budget

ACCOUNT ID	Description	Itemized Original from FY 24 Base	FY25 Requested Original from FY 24 Base2	FY25 (In Progress) Itemized	FY25 (In Progress)	Notes
601-00-00-4005	SALES TAX		\$1,730,296.00		\$1,114,522.00	
601-00-00-4006	SALES TAX		\$0.00		\$0.00	
601-00-00-4047	LEASE AGREEMENT		\$18,050.00		\$18,050.00	
601-00-00-4381	GTG SETTLEMENT TRUST FUNDS		\$0.00		\$0.00	
601-00-00-4385	LOAN PROCEEDS		\$0.00		\$0.00	
601-00-00-4400	INTEREST INCOME		\$250,000.00		\$250,000.00	
601-00-00-4558	BEDC GRANT RECEIPTS		\$20,000.00		\$20,000.00	
				Total	\$1,402,572.00	
601-70-00-5101	BEDC OPERATIONAL SALARIES		\$589,403.99		\$236,110.00	1) Operations Manager (2) BARE (New) (3) Exec Director Stipend (4) PT position for 1 quarter
601-70-00-5116	LONGEVITY		\$1,380.00		\$1,380.00	
601-70-00-5117	OVERTIME		\$0.00		\$0.00	
601-70-00-5150	SOCIAL SECURITY		\$41,835.80		\$17,699.08	
601-70-00-5151	RETIREMENT		\$79,570.00		\$30,169.84	
601-70-00-5155	GROUP INSURANCE		\$61,327.89		\$20,443.89	
601-70-00-5156	WORKERS COMPENSATION		\$865.00		\$865.00	
601-70-00-5201	OPERATIONAL SUPPLIES (OFFICE)		\$2,500.00		\$1,800.00	
601-70-00-5203	POSTAGE		\$200.00		\$200.00	
601-70-00-5206	OFFICE EQUIPMENT		\$3,000.00		\$3,000.00	
601-70-00-5301	MAINT OF EQUIPMENT		\$1,000.00		\$1,000.00	
601-70-00-5331	INDUSTRIAL PARK MAINT EXP		\$6,000.00		\$6,000.00	
601-70-00-5345	BUILDING REPAIRS AND MAINT.		\$5,000.00		\$5,000.00	
601-70-00-5401	COMMUNICATIONS		\$7,500.00		\$1,875.00	
601-70-00-5402	OFFICE RENTAL		\$43,200.00		\$10,800.00	
601-70-00-5403	UTILITIES		\$4,000.00		\$1,000.00	
601-70-00-5505	PROFESSIONAL SERVICES		\$65,000.00		\$25,000.00	Navis Consulting
601-70-00-5505	Corix Study	\$0.00		\$0.00		
601-70-00-5505	TRAINING TRAVEL	\$65,000.00		\$25,000.00		For 2024 potential board training consultant
601-70-00-5518	AUDIT		\$4,500.00		\$4,500.00	
601-70-00-5525	LEGALS		\$75,000.00		\$75,000.00	
601-70-00-5540	PROPERTY INSURANCE		\$2,500.00		\$0.00	
601-70-00-5574	CITY PROJECTS AND PROGRAMS		\$1,497,000.00		\$825,000.00	
601-70-00-5574	Sports Complex Study	\$25,000.00		\$25,000.00		
601-70-00-5574	Blakey Ln St. Extension	\$1,000,000.00		\$800,000.00		Will be paid out of reserves
601-70-00-5575	CITY SHARED SERVICES		\$10,000.00		\$20,000.00	

Proposed FY 25 BEDC Budget

ACCOUNT ID	Description	Itemized Original from FY 24 Base	FY25 Requested Original from FY 24 Base2	FY25 (In Progress) Itemized	FY25 (In Progress)	Notes
601-70-00-5580	EMPLOYEE BOND		\$84,560.00		\$84,560.00	
601-70-00-5580	BIP Fiber	\$84,560.00		\$84,560.00		
601-70-00-5596	MAIN STREET PROG SUPPORT		\$25,000.00		\$25,000.00	
601-70-00-5598	CITY ADMINISTRATIVE SUPPORT		\$25,000.00		\$25,000.00	
601-70-00-5603	MARKETING TRAVEL		\$1,500.00		\$1,500.00	
601-70-00-5604	BUSINESS DEVELOPMENT		\$1,000.00		\$2,500.00	
601-70-00-5605	TRAINING TRAVEL		\$1,500.00		\$3,500.00	
601-70-00-5615	DUES, SUBSCRIPTIONS AND PUBLICAT		\$20,000.00		\$20,000.00	
601-70-00-5631	BONDS FOR BEDC OFFICERS		\$1,000.00		\$1,000.00	
601-70-00-5633	LOCAL/MISC ADV AND SPONSORSHIP		\$10,000.00		\$10,000.00	
601-70-00-5634	NATIONAL/REG ADV AND MARKETING		\$5,000.00		\$5,000.00	
601-70-00-5636	DIGITAL ADV AND MARKETING		\$30,000.00		\$30,000.00	
601-70-00-5637	SPECIAL ADV AND MARKETING		\$2,000.00		\$2,000.00	
601-70-00-5641	SPL EDUC AND WORKFORCE DEVELOP		\$20,000.00		\$25,000.00	
601-70-00-5643	SPL RETAIL RECRUITING		\$15,000.00		\$15,000.00	
601-70-00-5650	SPL PRJT BUS RETEN AND EXPAN		\$50,000.00		\$75,000.00	
601-70-00-5691	CLOSING COSTS		\$25,000.00		\$25,000.00	
601-70-00-5900	CONTINGENCY		\$50,000.00		\$25,000.00	
601-70-00-6711	BUS INDUSTRIAL PARK IMPROV		\$1,230,088.00		\$200,000.00	
601-70-00-7155	GO REFUNDING 2017-PRINC		\$70,000.00		\$65,000.00	
601-70-00-7156	GO REFUNDING 2017-INT		\$15,000.00		\$17,600.00	
601-70-00-7176	GO REF, SERIES 2021A - PRINC		\$170,000.00		\$160,000.00	
601-70-00-7177	GO REF, SERIES 2021A - INT		\$31,747.00		\$32,627.00	
				Total	\$2,137,129.81	

		Revenue	\$1,402,572.00
		Reserve Draw Down for Blak	\$800,000.00
			\$2,202,572.00
		Expenses	\$2,137,129.81
		Net	\$65,442.19



STAFF REPORT

MEETING DATE: July 15, 2024

TITLE:

Approval of meeting minutes from Regular BEDC Board Meeting of June 17, 2024.

AGENDA ITEM SUBMITTED BY:

Angela Ryan, BEDC Operations Manager

BACKGROUND/HISTORY:

The minutes from the June 17, 2024, Regular BEDC Board Meeting are attached for the Board's review and approval.

FISCAL IMPACT:

N/A

RECOMMENDATION:

Approve the meeting minutes as submitted.

ATTACHMENT:

1. Draft Board Meeting Minutes from June 17, 2024

Bastrop Economic Development Corporation
Board of Directors – Meeting Minutes
 June 17, 2024



The Bastrop Economic Development Corporation (BEDC) met on Monday, June 17, 2024, at 4:30 p.m. for a Regular Board Meeting at Bastrop City Hall, 1311 Chestnut Street. Board members present: Ron Spencer, Frank Urbanek, Cheryl Lee, and John Kirkland. Board member Amberley Palmer arrived at 4:40 p.m. Board member Connie Schroeder was absent. Staff members present: Interim Executive Director Sylvia Carrillo-Trevino and Angela Ryan. BEDC attorney Charles Zech was also in attendance.

- 1. CALL TO ORDER** – Board Chair Spencer called the meeting to order at 4:34 p.m.
- 2. PUBLIC COMMENT(S)** – There were no public comments.
- 3. WORKSHOP SESSION**
 - 3.A. Workshop – The development cycle and importance of collaboration. Interim Director Carrillo-Trevino made a presentation about the process of developing a project.
- 4. REGULAR BUSINESS & PRESENTATIONS**
 - 4.A. Receive update from the Smithville Workforce Training Center. Alan Butler and Janice Bruno gave a presentation. Mr. Butler and Ms. Bruno gave a presentation about the Smithville Workforce Training Center, including what they have accomplished and what they are working on now and in the future.
 - 4.B. Approval of meeting minutes from the Special Board Meeting of May 8, 2024, and Regular BEDC Board Meeting of May 20, 2024. Mr. Kirkland made a motion to approve the minutes as submitted, Ms. Palmer seconded, and the motion passed.
 - 4.C. Receive financial report for the period ending May 2024. CFO Edi McIlwain reviewed the financial report with the Board.
 - 4.D. Update on BEDC funding commitments. Ms. Carrillo updated the Board on the BEDC's list of funding commitments.
- 5. EXECUTIVE SESSION**
 - 5.A. At 5:25 p.m., the BEDC Board of Directors met in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following:
 - (1) Section 551.087 Economic Development Negotiations regarding Project Electric Lion
 - (2) Section 551.071 Consultation with Attorney regarding the Performance Agreement with Project Fiesta

(3) Section 551.071 Consultation with Attorney regarding the Performance Agreement with Moca Ventures Nebraska, LLC

5.B. At 6:11 p.m., the BEDC Board of Directors reconvened into open session to discuss, consider, and take any action necessary related to the executive sessions noted herein.

Ms. Lee made the motion for the BEDC staff to negotiate and execute the sale agreement with Project Electric Lion, Mr. Kirkland seconded, and the motion passed.

6. ADJOURNMENT – Ms. Lee made the motion to adjourn the meeting and Mr Kirkland seconded. The meeting was adjourned at 6:12 p.m.

APPROVED: _____
Ron Spencer, Board Chair

ATTEST: _____
Angela Ryan, Operations Manager



STAFF REPORT

MEETING DATE: July 15, 2024

TITLE:

Receive financial report for the period ending June 2024.

AGENDA ITEM SUBMITTED BY:

Edi McIlwain, Chief Financial Officer, City of Bastrop

BACKGROUND/HISTORY:

Attached for the Board's review and consideration is the BEDC financial summary report for the period ending June 30, 2024.

FISCAL IMPACT:

N/A

RECOMMENDATION:

None; item presented for informational purposes.

ATTACHMENT:

1. Financial report for period ending June 2024

Bastrop Economic Development Corporation

Financial Summary
For Period Ending
June 2024



Bastrop Economic Development Corporation

Financial Summary Report

Year to Date Ending June 30, 2024

Item 4.B

	Original Budget	Amended Budget	YTD Actual	Budget Remaining	Remaining %
Revenue:					
Sales Tax	\$ 4,458,090.00	\$ 3,064,937.00	\$ 2,432,726.00	\$ (632,211.00)	-20.63%
Cell Tower Lease	18,050.00	18,050.00	17,959.00	(91.00)	-0.50%
Interest Income	250,000.00	250,000.00	464,867.00	214,867.00	85.95%
Grant Receipts	20,000.00	20,000.00	20,000.00	-	0.00%
Total Revenues	4,746,140.00	3,352,987.00	2,935,552.00	(417,435.00)	-12.45%
Expenses:					
Personnel	\$ 799,382.68	\$ 289,010.00	\$ 186,162.00	\$ (102,848.00)	-35.59%
Supplies & Material	14,200.00	5,700.00	944.52	(4,755.48)	-83.43%
Maintenance & Repairs	16,000.00	12,000.00	2,140.00	(9,860.00)	-82.17%
Occupancy	56,200.00	54,700.00	40,379.00	(14,321.00)	-26.18%
Contractual Services	5,101,560.00	1,763,560.00	142,000.00	(1,621,560.00)	-91.95%
Marketing & Advertising	638,400.00	266,400.00	57,862.00	(208,538.00)	-78.28%
Contingency	50,000.00	50,000.00	-	(50,000.00)	-100.00%
Capital Improvements	3,400,000.00	2,655,088.00	1,327,529.00	(1,327,559.00)	-50.00%
Debt Service	275,227.00	275,227.00	25,113.25	(250,113.75)	-90.88%
Total Expenses	\$ 10,350,969.68	\$ 5,371,685.00	\$ 1,782,129.77	\$ (3,589,555.23)	-66.82%
Net Income (Loss)	\$ (5,604,829.68)	\$ (2,018,698.00)	\$ 1,153,422.23	\$ 3,172,120.23	-157.14%

Bastrop Economic Development Corporation

Financial Summary Report

Month Ending June 30, 2024

Item 4.B

	June Projected	June Actual	Variance
Revenue:			
Sales Tax	\$ 136,770.00	\$ 121,496.00	\$ (15,274.00)
Cell Tower Lease	1,504.17	3,653.00	2,148.83
Interest Income	20,833.33	43,432.00	22,598.67
Grant Receipts	-	-	-
Total Revenues	\$ 159,107.50	\$ 168,581.00	\$ 9,473.50
Expenses:			
Personnel	\$ 45,954.00	\$ 10,986.85	\$ (34,967.15)
Supplies & Material	910.00	-	(910.00)
Maintenance & Repairs	1,028.00	500.00	(528.00)
Occupancy	4,558.00	3,600.00	(958.00)
Contractual Services	25,130.00	14,468.00	(10,662.00)
Marketing & Advertising	16,833.00	5,000.00	(11,833.00)
Contingency	-	-	-
Capital Improvements	283,333.00	17,202.00	(266,131.00)
Debt Service	-	-	-
Total Expenses	\$ 377,746.00	\$ 51,756.85	\$ (325,989.15)
Net Income (Loss)	\$ (218,638.50)	\$ 116,824.15	\$ 335,462.65

Bastrop Economic Development Corporation Sales Tax Revenue Summary As of June 30, 2024

	FY24	FY23	Variance	%
October	\$ 356,212.70	\$ 290,089.33	\$ 66,123.37	22.79%
November	343,063.01	337,710.10	5,352.91	1.59%
December	321,171.38	316,020.57	5,150.81	1.63%
January	346,402.63	327,923.12	18,479.51	5.64%
February	401,569.47	393,692.73	7,876.74	2.00%
March	305,371.39	302,267.73	3,103.66	1.03%
April	113,174.51	310,213.00	(197,038.49)	-63.52%
May	115,723.26	363,513.04	(247,789.78)	-68.17%
June	136,770.00	301,649.00	(164,879.00)	-54.66%
July				
August				
September				
Total	\$ 2,439,458.35	\$ 2,943,078.62	\$ (503,620.27)	-17.11%

NOTE: The sales tax allocation was decreased by 3/8 of 1 cent beginning April 2024. We anticipate sales tax receipts to be approximately 60-65% less than prior year based on this new allocation.

Bastrop Economic Development Corporation
Equity Statement
Year Ended September 30, 2024 (based on amended budgeted numbers)

Undesignated Fund Balance	\$8,111,421.88
Designated operating	150,000.00
Contributed capital	521,695.50
Restricted - Fiesta	233,934.62
Restricted - AEI Tech	9,333.00
Restricted - Moca Ventures	333,147.00
Restricted - TA Bastrop	300,000.00
Fund Balance, beginning of year	\$ 9,659,532.00
Budgeted Net Income (Loss)	<u>\$ (2,018,698.00)</u>
Fund Balance, end of year	\$ 7,640,834.00

**Bastrop Economic Development Corporation
Capital Outlay
As of June 30, 2024**

Capital Outlay

Projects	Project Budget	Expended	Balance
Business Park Improvements/Financial Way	1,400,000	(1,340,029)	59,971
Acutronic Site Ready	1,230,088	-	1,230,088
Sports Complex Project	25,000	-	25,000
TOTAL	2,655,088	(1,340,029)	1,315,059



STAFF REPORT

MEETING DATE: July 15, 2024

TITLE:

Consideration and possible action on Resolution R-2024-0007 approving an amendment to the Economic Development Performance Agreement with Coltzin, LLC (aka Project Fiesta).

AGENDA ITEM SUBMITTED BY:

Sylvia Carrillo-Trevino, Interim Executive Director of the BEDC and City Manager

BACKGROUND/HISTORY:

The BEDC Board of Directors approved entering into a Performance Agreement with Coltzin, LLC (aka Project Fiesta) via Resolution R-2021-0012, on November 21, 2021. The original agreement stipulated that the Project must be completed within two years of the effective date of the agreement, which would be January 24, 2024.

Due to unforeseen circumstances, the Project has been delayed, and the Project owner has requested an extension. The Board had previously denied an extension. However, at the board meeting on June 17, 2024, the Board directed Staff to amend the agreement as follows: 1) The Project would be required to commence by September 1, 2024, and complete by March 2026; and 2) The Project owner would be rebated only half of the purchase amount upon certificate of occupancy, without the possibility of receiving the second half.

The purchase amount was \$233,9345.62, and half of that would be \$116,967.31.

FISCAL IMPACT:

The BEDC would rebate only half of the original purchase price and retain the remainder for a positive impact to the reserve account of \$116,967.31.

RECOMMENDATION:

Approve the amendment to the Performance Agreement as submitted.

ATTACHMENTS:

1. Resolution R-2024-0007
2. First Amendment to Contract

RESOLUTION NO. R-2024-0007**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION APPROVING AN AMENDMENT TO THE REAL ESTATE PERFORMANCE AGREEMENT WITH COLTZIN, LLC; AUTHORIZING ALL NECESSARY ACTIONS, INCLUDING EXECUTION OF NECESSARY DOCUMENTATION; REPEALING ALL RESOLUTIONS IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the Development Corporation Act of 1979, as amended (Section 501.001 et seq., Texas Local Government Code, formerly the Development Corporation Act of 1979) (the “Act”) authorizes a development corporation to fund certain projects as defined by the Act and requires development corporations to enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, the BEDC Board of Directors (“Board”) approved entering into a Performance Agreement with Coltzin, LLC (“Project”) to sell to them approximately 5.477 acres of land (the “Property”) for Two Hundred Thirty-Three Thousand, Nine Hundred Thirty-Four Dollars and Sixty-Two Center (\$233,934.62) for the Project to develop a minimum 20,000-square-foot manufacturing facility, on November 21, 2021, via Resolution R-2021-0012; and

WHEREAS, the original Project Deadline in the Performance Agreement was two years from the date of execution of the documents, or January 24, 2024; and

WHEREAS, the Project has been met with delays and the owner of the Project is requesting an extension of the Project Deadline, and the Board have agreed to extend the date of the commencement of the Project to September 1, 2024, provided that the Project agrees to a new rebate amount of half of the amount paid for the Property; and

WHEREAS, the Board has reviewed the terms and conditions of the proposed extension to the Performance Agreement by and between the BEDC and Project, and determined that it fully complies with the statutory requirements that govern the BEDC and is in the best interest of the BEDC to enter into such agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION 1. The findings set out above are hereby found to be true and correct and are incorporated herein for all purposes.

SECTION 2. All resolutions in conflict are hereby repealed.

SECTION 3. The BEDC hereby approves the terms of the amendment to the Performance Agreement, attached hereto as Exhibit “A”, between BEDC and the Project.

SECTION 4. The Board authorizes the BEDC Interim Executive Director to take all necessary actions, including the execution of all necessary and related documentation to finalize the extension to the Performance Agreement.

RESOLUTION NO. R-2024-0007

SECTION 5. This Resolution is effective upon passage.

DULY RESOLVED AND ADOPTED by the Board of Directors of the Bastrop Economic Development Corporation, this ____ day of _____ 2024.

BASTROP ECONOMIC
DEVELOPMENT CORPORATION

Ron Spencer, Board Chair

ATTEST:

Frank Urbanek, Board Secretary

APPROVED AS TO FORM:

Denton Navarro Rodriguez Bernal Santee & Zech, P.C.

RESOLUTION NO. R-2024-0007

EXHIBIT "A"

Amendment to the Performance Agreement between Coltzin, LLC,
and the Bastrop Economic Development Corporation

DRAFT

FIRST AMENDMENT TO ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT

This First Amendment to Economic Development Performance Agreement (this "Amendment") is entered into to be effective as of July ___, 2024 (the "Effective Date"), by and between the Bastrop Economic Development Corporation (hereinafter called "BEDC"), a Texas non-profit corporation, and Coltzin, LLC, a Texas domestic limited liability company (hereinafter called "Company"), and is effective as of the date of the last required signature hereto ("Effective Date").

RECITALS

WHEREAS, the Development Corporation Act of 1979, as amended (Section 501.001, *et seq.*, Texas Local Government Code, formerly the Development Corporation Act of 1979) (the "Act") authorizes a development corporation to fund certain projects as defined by the Act and requires development corporations to enter into performance agreements to establish and provide for the direct incentive or make expenditures on behalf of a business enterprise under a project; and

WHEREAS, Section 501.158 of the Act requires an incentive agreement to provide at a minimum for a schedule of additional payroll or jobs to be created or retained and capital investment to be made as consideration for any direct incentives provided or expenditures made by the corporation under the agreement and to specify the terms under which repayment must be made if the business enterprise does not meet the performance requirements specified in the agreement; and

WHEREAS, the BEDC and Company entered into a certain Economic Development Performance Agreement (the "Agreement") dated January 24, 2022, wherein Company committed to a minimum capital investment of at least one million six hundred thousand dollars (\$1,600,000.00) in the development of certain real property purchased from the BEDC on even date (the "Property"), and to originally include the construction of a minimum 20,000 square foot corporate headquarters and food manufacturing facility, with an option to build an additional 10,000 square foot facility with a minimum capital investment of \$800,000.00, and in exchange for which the BEDC agreed to provide certain incentives as outlined in the Agreement; and;

WHEREAS, Company has advised the BEDC of its inability to meet the original Project Deadline as defined in the Agreement; and

WHEREAS, Company has requested an amendment to the Agreement to extend the original Project Deadline by nine months; and

WHEREAS, the BEDC finds that approving the deadline extension requested by Company, in tandem with a reduction in the original Grant amount to be paid by the BEDC to Company, is in the best interests of the BEDC;

NOW, THEREFORE, in consideration of the mutual covenants, benefits and agreements described and contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and further described herein, the Parties agree as follows:

- I. **The BEDC finds that the Recitals provided herein are true and correct, and are incorporated into this amendment (“Amendment”) for all purposes.**
- II. **The Agreement is hereby amended as follows (new terms are underlined):**
 1. **The following subsections of Section 1, “Company’s Performance Obligations,” are amended to read as follows:**

Section 1(c):

(c) Project Deadline: Company further covenants that the Capital Investments in the Property and the construction of the Facility will be commenced no later than September 1, 2024; and completed, as evidenced by the receipt of a final Certificate of Occupancy from the City of Bastrop, no later than March 1, 2026.

2. **The following subsections of Section 2, “BEDC Performance Obligations,” are amended to read as follows:**

Section 2(a):

- a) **BEDC Contribution, Phase I.** Upon the completion of construction of Phase I, BEDC shall provide a cash grant (the “Grant”) incentive of one hundred sixteen thousand nine hundred and sixty-seven dollars and 31/100 cents (\$116,967.31) which shall be paid to Company within thirty (30) days following the BEDC’s receipt, from the Company, of a copy of a certificate of occupancy issued for the Facility by the City of Bastrop, and Company’s written, notarized verification, and evidence of, the Capital Investment by March 1, 2026. Payment is subject to BEDC’s right to access and inspect the books and records of Company for the purposes of ensuring compliance as to the Capital Investment.

Section 2(b):

- b) **Reserved.**

The Parties agree that Section 2(b) is hereby eliminated in its entirety and that the BEDC is under no obligation to, and shall provide no Grant incentive payment to Company, for any completion of construction beyond of Phase I as described above and in the Agreement, including but not limited to any Phase II construction or improvements.

The original Agreement between the parties shall remain in full force and effect, except as amended herein.

Coltzin, LLC

**Bastrop Economic
Development Corporation**

By: _____

By: _____

Name: _____

Name: Sylvia Castillo
Title: Interim Executive Director

Title: _____

Date: _____

Date: _____

DRAFT



STAFF REPORT

MEETING DATE: July 15, 2024

TITLE:

Approval of Resolution R-2024-0008 ratifying the Purchase and Sale agreement of 2.836 acres in the Bastrop Business and Industrial Park, legally described as Bastrop Business and Industrial Park, Phase 1 Lot 2B, 2.836 Acres, (Amended Plat of Lot 2), at 408 Technology Drive, to Patrick Redfern or assigns.

AGENDA ITEM SUBMITTED BY:

Sylvia Carrillo-Trevino, Interim Executive Director of the BEDC and City Manager

BACKGROUND/HISTORY:

At the board meeting on June 17, 2024, the Board instructed staff to negotiate and execute the sale agreement with Project Electric Lion, aka Patrick Redfern or assigns. Staff were then informed by BEDC legal counsel that the sale of the property would need to be officially ratified by the Board. This item allows for the ratification of the sale via Resolution R-2024-0008. (A resolution is typically required by the title company at closing.)

There is no performance agreement involved in this sale of property except as set forth in the park's restrictive covenants. The purchase amount is \$400,000 as per a 2024 appraisal.

FISCAL IMPACT:

The BEDC will receive \$400,000 with no rebate required; a \$400,000 increase in reserves.

RECOMMENDATION:

Approve Resolution R-2024-0008 as submitted.

ATTACHMENTS:

1. Resolution R-2024-0008
2. Purchase and Sale Agreement

RESOLUTION NO. R-2024-0008**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION APPROVING A REAL ESTATE CONTRACT FOR THE SALE OF CERTAIN BEDC-OWNED REAL PROPERTY TO PATRICK REDFERN OR ASSIGNS; AUTHORIZING ALL NECESSARY ACTIONS, INCLUDING EXECUTION OF NECESSARY DOCUMENTATION; REPEALING ALL RESOLUTIONS IN CONFLICT; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the Bastrop Economic Development Corporation ("BEDC") is a public instrumentality and non-profit industrial development corporation duly established and operating under Local Government Code, Chapters 501 and 505 *et seq.*, as amended, known as the Development Corporation Act of 1979 (the "Act"), and is acting with the approval of the governing body of the City of Bastrop, Texas; and

WHEREAS, the BEDC is the owner of approximately 2.836 acres of land located in the Bastrop Business Park, Lot B-4, Technology Drive in Bastrop, Texas (the "Property"); and

WHEREAS, Patrick Redfern or assigns ("Buyer") desires to purchase the Property to develop a distribution facility and undertake other business development, location, or expansion, while making substantial capital improvements on the Property within the Bastrop Business and Industrial Park; and

WHEREAS, the BEDC finds that the proposed development of the Property by Buyer is consistent with BEDC purposes of promoting and developing commercial, industrial, and manufacturing enterprises to promote and encourage economic development and employment, therefore benefitting the residents of the City of Bastrop; and

WHEREAS, the BEDC has reviewed the terms and conditions of the Contract by and between the BEDC and Buyer, determines that it fully complies with the statutory requirements that govern the BEDC, and finds that it is in the best interest of the BEDC to enter into such agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BASTROP ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION 1. The findings set out above are hereby found to be true and correct and are incorporated herein for all purposes.

SECTION 2. All resolutions in conflict are hereby repealed.

SECTION 3. The BEDC hereby agrees to sell the Property to Patrick Redfern or assigns for the sale price of \$400,000.00, excluding closing costs.

SECTION 4. The BEDC hereby approves the terms of the Purchase and Sale Contract, attached hereto in substantial form as Exhibit "A", between BEDC and the Buyer.

SECTION 5. The BEDC authorizes the BEDC Interim Executive Director or Board Chair

RESOLUTION NO. R-2024-0008

to take all necessary actions, including the execution of all necessary and related documentation to finalize the conveyance of the Property pursuant to the Purchase and Sale Contract.

SECTION 6. This Resolution is effective upon passage.

DULY RESOLVED AND ADOPTED by the Board of Directors of the Bastrop Economic Development Corporation, this ____ day of _____ 2024.

BASTROP ECONOMIC
DEVELOPMENT CORPORATION

Ron Spencer, Board Chair

ATTEST:

Frank Urbanek, Board Secretary

APPROVED AS TO FORM:

Denton Navarro Rodriguez Bernal Santee & Zech, P.C.

RESOLUTION NO. R-2024-0008

EXHIBIT "A"

Purchase and Sale Contract Between Patrick Redfern or Assigns and the
Bastrop Economic Development Corporation

DRAFT



STAFF REPORT

MEETING DATE: July 15, 2024

TITLE:

Consideration and possible action on contracting with NAVIS Consulting to provide professional advisory services for a proposed Sports Complex to be located within the Industrial Park.

AGENDA ITEM SUBMITTED BY:

Sylvia Carrillo-Trevino, Interim Executive Director of the BEDC and City Manager

BACKGROUND/HISTORY:

The Bastrop Economic Development Corporation, in partnership with the City of Bastrop, is contemplating a potential sports complex to be located on +/- 80 acres within the industrial park. Katherine Caffrey, with Navis Consulting, has extensive experience in the P3 arena. The BEDC Executive Board and the City Council subcommittee have met with Mrs. Caffrey to discuss the potential of engaging her to assist with senior level project management experience to assist in the oversight of a feasibility study of a sports complex.

The proposed amount of the contract is \$9,950. While it is under the amount the Executive Director can approve, it is important to bring this to the attention of the entire board and bring the board up to speed on the Sports Complex project.

FISCAL IMPACT:

\$9,950 from Professional Services. The line amount has \$25,000 available for contract services such as this.

RECOMMENDATION:

Approve. Direct legal to develop a standard professional services agreement with Navis Consulting.

ATTACHMENTS:

1. Proposed Statement of Work



SCOPE & FEE PROPOSAL: BASTROP ECONOMIC DEVELOPMENT CORPORATION
SPORTS COMPLEX PROJECT

TO: Sylvia Carrillo, City Manager
City of Bastrop
Liaison to Bastrop Economic Development Corporation

FROM: Katherine Caffrey, Principal & Founder
NAVIS Consulting

DATE: July 8, 2024

NAVIS Consulting (Consultant) appreciates the opportunity to submit this Proposal to provide professional project management and advisory services to the Bastrop Economic Development Corporation (Client) for their proposed Sports Complex project (Project).

Project Understanding:

The Bastrop Economic Development Corporation (EDC) aims to utilize EDC-owned land for the construction of a sports complex with a regional appeal. The goal is to generate consistent revenue for the City and EDC and attract visitors to the community, thereby increasing Bastrop's regional visibility and stimulating additional economic development activities. Additionally, the project should provide community benefit beyond increased revenue generation. Moreover, the EDC is considering taking advantage of recent State legislation to build a full-service hotel and convention center to further enhance the complex. The EDC's 2019 Strategic Plan, titled "Elevating Bastrop: An Economic Development Action Plan," outlines these objectives and the immediate next steps. The initial step needed for this project is a comprehensive feasibility study testing the viability of the project at the proposed location. The EDC desires for this project to be delivered via a public-private partnership.

Project Approach & Scope: **Project Management and Advisory Services for a Feasibility Study**

1. Identification & Selection of Qualified Firm to Conduct Feasibility Study
Consultant would provide the following services during this stage:

- Review all existing documents, maps and data relevant to this project.
- Kickoff meeting with EDC subcommittee to understand goals and objectives of Board, identify project assets and constraints (*completed*)
- Identify and vet firms (including reference checks) with expertise and experience in comprehensive feasibility studies for similar projects, with a particular focus on sports economic activity
- Present EDC subcommittee with short list of qualified firms and facilitate virtual interviews with firms
- Develop scope of work with selected firm that meets project needs
- Coordinate and collaborate as needed with EDC's legal counsel and City staff for execution of Professional Services Agreement

2. Project Management of Feasibility Study:

- Oversee Feasibility Study to ensure study is progressing on scope and within set timeline. Oversight activities include:
 - regular coordination and check-in meetings with the Feasibility Study team
 - collect and coordinate necessary resources and documents about site, community demographics, etc. needed for Feasibility Study team
 - general correspondence related to oversight
 - review and finalize key deliverables from Feasibility Study
 - In collaboration with Feasibility Study team, present findings to EDC subcommittee
 - Make recommendations to EDC subcommittee regarding next steps for project

Fee & Timeline:

From the point a Professional Services Agreement is executed, Consultant can begin work immediately. Assuming an Agreement is executed by July 31, 2024, Consultant can provide recommendations of qualified and vetted firms no later than August 19, 2024, assuming Client availability and responsiveness. Consultant will work to expedite the Feasibility Study process with the goal of Study completion by the end of the calendar year, subject to availability and resources of selected Feasibility Study firm.

Fee: The fee for project management and advisory activities is not to exceed **\$9,950**. The consultant may request reimbursement for mileage to and from Bastrop at the IRS standard mileage rate for in-person meetings. Consultant will bill Client on a monthly basis at a percentage of the Project budget equivalent to the percentage of the scope accomplished to date.

About NAVIS and Katherine Caffrey:

NAVIS is a small consulting practice that manages high-stakes initiatives for municipalities, specifically focusing on transformational projects in the public-private partnership space. After almost twenty years in local government, most recently as Deputy City Manager for the City of Cedar Park, Texas, Katherine decided to focus her talents and utilize her unique experiences to guide communities on large-scale, project work. She has significant substantial experience with city councils, boards, and the private sector, and she understands how to realize ambitious projects that move communities and organizations toward their vision. During her time at the City of Cedar Park, Katherine spent a decade leading the City's first large-scale redevelopment effort and most complex public-private partnership in the city's history. She is highly experienced in working with Community Development (4B) Corporations in Texas. In her current capacity with NAVIS, Katherine is assisting the City of San Marcos, City of Pflugerville, Taylor Economic Development Corporation and others in their pursuit of successful P3 projects and strategic initiatives.

NAVIS is a certified Women Business Enterprise (WBE) through the City of Austin, and also a certified Historically Underutilized Business (HUB) in the state of Texas.

I appreciate the opportunity to present this proposal and look forward to collaborating with you on this important project, which will enhance the Bastrop community and provide a steady future revenue stream for the City. If you have any questions or suggestions about this proposal, please feel free to contact me at your earliest convenience.

Sincerely,

Katherine Caffrey

Katherine Caffrey
NAVIS Consulting