



LIBERTY HILL EDC BOARD OF DIRECTORS
MEETING MINUTES
SPECIAL CALLED MEETING
Wednesday, September 20, 2023, 5:00 PM
City Hall, Downstairs Conference Room
926 Main ST, Liberty Hill, TX 78642

Board Directors:

Amy Gandy
Robert Baughn
Greg Parma
Ashley Vaughan
Tiffany Stillwell, President -

Absent:

Demetrice Gonzalez, Vice President

City Staff:

Paul Brandenburg, City Manager.
Mary Poche, Executive Director LHEDC
Sidney Smith, Finance Director
Marianella 'Nella' Joseph, City of Liberty Hill City Attorney
Elaine Simpson, City Secretary
James Herrera, Public Works Department Project Manager
Trey Evans, Water System Superintendent

1.) CALL TO ORDER

President Stillwell called the meeting to order at 5:01 PM.

President Stillwell gave the invocation and led the pledges.

2) PUBLIC COMMENTS

Public comments related to posted agenda items are welcomed by the LHEDC Board. Individuals who wish to speak must complete a Public Comment Form and present the form to the City Secretary before the meeting is called to order. Individuals will be allowed to speak for up to three (3) minutes on a posted agenda item. Alternatively, Public Comments related to posted agenda items may be submitted by email to esimpson@libertyhilltx.gov before 3:00 PM the day of the meeting for comments to be read at the 5:00 PM meeting by the City Secretary.

There were no citizen comments.

3) EXECUTIVE DIRECTOR'S UPDATE

Executive Director Poche noted also that she will be presenting the Quarterly LHEDC Report to the City Council at their regular meeting of October 11, 2023.

No formal action was taken.

4) CHAMBER OF COMMERCE REPRESENTATIVE REPORT/UPDATE

Director Robert Baughn read a brief message from Jeff Mayes, President of the Liberty Hill Chamber of Commerce. The note/text reminded the Board Members to attend the monthly luncheons. Also, he advised that the Chamber of Commerce is currently updating their website and developing new marketing tools. The Chamber continues to add new members. Mr. Mayes also noted that LHEDC members can get regular update emails from the Chamber if they wish to sign up on the Chambers' email list.

No formal action was taken.

5) TREASURER'S REPORT

The treasurer will provide a financial update for the corporation.

- a) Discussion, consideration, and possible action to accept the Treasurers Reports for LHEDC. (S. Smith)

Liberty Hill Director of Finance Sidney Smith presented the report. She noted that it is a good report. She discussed some issues regarding the Sales Taxes in further detail including the upcoming reports after October 1, 2023, which should give the city and EDC members some clarity on future Sales Tax payments that can be expected.

City Manager Brandenburg explained that there is a map being created to distinguish where the Comptroller lists the City Limits and the Williamson Count Emergency Services District #4 limits are, respectively. Also, there is work happening to establish with certainty where the limits of the Library Tax District lie.

The city is working with the ESD#4 to work out a solution on sharing of Sales Tax proceeds.

City staff members continue to work to ensure that the city/EDC/Road Maintenance Sales Tax proceeds are provided to the city correctly.

Director Smith informed the Board that their current balance is approximately \$2.6 million.

There was no formal action taken on this item.

6) REGULAR AGENDA

- a) Discussion, consideration, and possible action regarding LHEDC Regular Called Meeting August 16, 2023, draft minutes. (E. Simpson)

Director Greg Parma moved, and Director Amy Gandy seconded, to approve, as presented, the LHEDC Regular Called Meeting of August 16, 2023, meeting minutes. The motion was carried unanimously by a 4-0 vote.

- b) Discussion, consideration, and possible action to accept the Budget Amendment for LHEDC for Fiscal Year Ending 9.30.2023. (S. Smith)

Treasurer Sidney Smith explained that the EDC is in good shape.

Director Ashley Vaughn moved, and Director Amy Gandy seconded, to approve the Budget Amendment, as presented. The motion was carried unanimously by a 4-0 vote.

- c) Presentation and Discussion on Downtown Infrastructure Plan. (D. Thomison/J. Herrera)

Liberty Hill Public Works Department Project Manager James Herrera presented the Downtown Infrastructure Plan to the Board.

This presentation was created to minimize confusion since there is more than one project going on at this time in the downtown area. These projects are important for attracting new businesses. The new South San Gabriel Lift Station & Project will be the improvements that have been needed to allow downtown residents to get off grinder pumps. There are infrastructure deficiencies downtown that could hamper development.

The city is revising the procedures for providing Living Unit Equivalents (LUE's), to assure adequate supply of water/wastewater. When the North Plant goes online, the Santa Rita waste can go there.

The city is also revising how Development Agreements are being drafted. The city desires to dissuade property owners from 'sitting on' the LUE's for years.

City staff is trying to schedule the work at the intersection of Ranch Road 1869 and Main to get completed over Christmas Holidays/possibly 'night work'.

Mr. Herrera and Trey Evans from the Water Department discussed information about water lines.

The gentlemen discussed the water lines that surround downtown, being almost 60 years old. When the projects have insufficient money available from Community Development Block Grants (CDBG) funds (Non-ARPA) will be funded through Impact Fees and city balance.

Mr. Herrera discussed that he had updated the cost estimates for these projects to account for inflation, which is why some of them are considered no longer fully funded.

Mr. Herrera offered to send schematic designs for these projects to all the members of the EDC, via email through Mary Poche'.

There was no formal action on this item.

- d) Discussion, consideration, and possible action on Cross Committee Communications Meeting Updates. (T. Stillwell)

The report was provided. There was no formal action on this item.

- e) Discussion, consideration, and possible action on allowing the use of the 102 W. Myrtle (VFW property and metal building) for use during the December 9th, 2023, Christmas Festival. (M. Poche')

Executive Director Poche discussed that in anticipation of the LHEDC owning the VFW building, the city is eager to utilize the building for various activities. The electricity and the water will soon be turned on. Ms. Poche will review insurance coverage to assure that the LHEDC is covered if any damage is done to the building during these community activities.

There was a discussion regarding the desire of the Board that no alcohol be allowed in the building.

This item will return on a future agenda to discuss insurance.

Motion: Motion by Director Amy Gandy, seconded by Director Parma, to approve use of VFW building for use during the Christmas Festival. Vote on the motion. Motion carried unanimously by a vote of 4-0.

- f) Discussion, consideration, and possible action to allow the use of 102 W. Myrtle (VFW building) by Halff & Associates for the Downtown Masterplan Community Engagement Stakeholder Meeting and Tour on October 26th, 2023. (M. Poche')

Exec. Director Poche again noted that insurance will have to be provided for the protection of the building. She explained that she is currently lining up cleaning service to clean the building. She will then have the specialists come and assess the electrical system and the HVAC systems.

This October 26, 2023, event is part of Downtown Day.

Motion: Motion by Director Parma, seconded by Director Ashley Vaughn, to approve use of VFW building for use during Downtown Day and the community meeting for Half and Associates. Vote on the motion. Motion carried unanimously by a vote of 4-0.

- g) Discussion, consideration, and possible action on extending the Administrative Services Agreement with the City of Liberty Hill. (T. Stillwell)

President Stillwell explained that this Administrative Services Agreement was approved for only 6 months 'evaluation period' and ends on October 1, 2023. The Board is asked to consider renewing this contract for a full year for the city's Fiscal Year 2023-2024 (October 1, 2023, to September 30, 2024).

Motion: Motion by Director Vaughn, seconded by Director Gandy, to approve the renewal of the Administrative Services agreement with the City of Liberty Hill for a year from October 1, 2023, to September 30, 2024. Vote on the motion. Motion carried unanimously by a vote of 5-0.

This contract will now be taken to the City Council for approval at their next meeting.

- h) Discussion, consideration, and possible action for approval of Super Freeport and/or Triple Freeport Exemption as an available incentive for the Liberty Hill Economic Development Corporation. (M. Josephs/M. Poche')

This item was moved to the beginning of the meeting for City Attorney Marianella 'Nella' Joseph to be able to leave the meeting at the end of the item.

City Attorney Joseph and Executive Director Poche' discussed the distinctions between Freeport and Super Freeport exemptions.

Ms. Joseph gave the Board members some background regarding this tax and the previous attempts to exempt the tax. The main point is that no businesses in town qualify to pay this tax. The exemption of the tax will not have an impact soon. This exemption will be one of the recruitment tools the City of Liberty Hill has as we try to attract businesses to site here. There are business prospects that might benefit from this exemption.

There was a discussion of the differences between 'Goods in Transit' and 'Super Freeport' Exemption terms. Super Freeport Exemption will apply to goods going into or out of Texas.

City Attorney Joseph explained that the LHEDC will recommend this to the City Council, and they will have to hold a Public Hearing before they can adopt this by means of an Ordinance.

Motion: Motion by Director Baughn, seconded by Director Gandy, to forward a favorable recommendation to the City Council regarding a proposed Ordinance for Super Freeport Exemption, with updated references to the City Code of Ordinances. Vote on the motion. Motion carried unanimously by a vote of 5-0.

- i) Discussion, consideration, and possible action on recommendations to City Council for EDC Board of Directors open position. (T. Stillwell)

Director Robert Baughn began to Chair the meeting when President Stillwell had to leave for another commitment at 6 PM.

Director Baughn explained that the subcommittee on recruitment has done interviews and has prepared a specific recommendation for the City Council to appoint Branden Maiorano to serve in Place #2, to fill the vacancy left by Landon Smith.

Motion: Motion by Director Vaughn, seconded by Director Parma to forward a favorable recommendation to City Council to appoint Branden Maiorano to the LHEDC to fill the vacancy in Place #2 left by the resignation of Landon Smith. Vote on the motion. Motion carried unanimously by a vote of 4-0.

- j) Discussion, consideration, and possible action on Steering Committee for EDC Future Planning Strategy. (T. Stillwell)

Director Baughn discussed this 'Sub' committee (not Steering Committee). This sub-committee will be the Board's third special sub-committee. They will concentrate on future administrative planning, staffing, sub-committee management/coordination, organizational structure, business retention and workforce development, among other tasks. They will begin by using the current LHEDC master plan and begin implementation.

Motion: Motion by Director Parma, seconded by Director Vaughn, to approve the establishment of subcommittee, with a full description to come. Vote on the motion. Motion carried unanimously by a vote of 4-0.

- k) Discussion, consideration, and possible action on Incentive Matrix and Plan. (T. Stillwell)
- Director R. Baughn submitted this draft of the incentive matrix for review -

***CITY OF LIBERTY HILL EDC
BUSINESS INCENTIVE SUMMARY
July 2023***

Who is eligible?

- *Primary employer – a business*
 - o *is in NAICS codes 31-33, 42, 44-45, 48-49, 52, 54, 55, 62, or 71-72*

What are the incentives?

Incentives may include land, facilities, equipment, infrastructure grants, sales tax abatements or refunds, or ad valorem tax abatement (negotiated through the EDC, but ultimately under the city

or ISD's purview)

What is eligible?

- *Investment that creates or retains jobs (job number and salary negotiable)*
- *Land or capital investment related to new or improved facilities for modernization, expansion, or retention of existing employer.*
- *Businesses generating over \$2M in revenue subject to sales tax.*
- *Businesses investing over \$15M in capital.*
- *New businesses/developments willing to annex into Liberty Hill (which must also meet some of the above criteria)*
- *Grants per full time employee (based on qualifying salaries)*

What are the job qualifications?

Create or retain and maintain at least 20 full-time equivalent jobs for the duration of the incentivization agreement (rate of hiring is negotiable)

Where is the project?

Located in the City or its ETJ (annexation required for incentivization)

Are there other requirements?

- *Completed written application.*
- *Project must start within 2 years.*
- *Firms with a minimum credit rating of "A"*
- *Use best efforts to "buy local."*
- *Workers' compensation insurance or other appropriate liability insurance*
- *No incentives if application filed after project begins.*
- *May be asked to provide financial statements.*
- *Annual documentation of jobs, investment/auditing per incentivization agreement*
- *Formal announcement of company closure may be cause for termination.*

Added was.

- *Full disclosure of active litigation.*

These are guidelines, and all applications are subject to individual consideration on a case-by-case discretionary basis by the City of Liberty Hill.

Matrix Scoring Sheet

This scoring strategy will be at the discretion of the Board of Directors. Each shall fill this out, per project, and all scores will be averaged together.

Economic and Fiscal Impact		
<i>Small</i>	<i>Medium</i>	<i>Large</i>
<i>10</i>	<i>25</i>	<i>40</i>

Community Improvement (Infrastructure, Parkland, Architecture)		
<i>Poor</i>	<i>Acceptable</i>	<i>Excellent</i>
0	10	20
Jobs Numbers and Compensation		
<i>Poor</i>	<i>Acceptable</i>	<i>Excellent</i>
0	10	20
Development Type in Line with Community Feedback and Requirements (Retail, Office, Industrial, etc.)		
<i>Poor</i>	<i>Acceptable</i>	<i>Excellent</i>
0	10	20
Total Possible Base Points		100
Final Score		

Bonus Considerations

Extraordinary Economic Impact	
<i>Total Possible Extra Points</i>	10
Extraordinary Contribution to Community Values	
<i>Total Possible Extra Points</i>	10

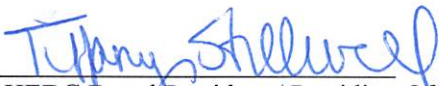
Motion: Motion by Director Gandy, seconded by Director Vaughn, to approve, with the modifications as discussed tonight, the Incentive Matrix and Plan. The front page of this plan is to be posted on the LHEDC website (but not scoring matrix). Vote on the motion. Motion carried unanimously by a vote of 4-0.

The following Future Agenda Items were suggested for the next meeting: Evaluation of the VFW building. Discussion of the costs of renting the VFW building out.

7) ADJOURNMENT

With no further business on the agenda, and no objections from the Board, Director Baughn adjourned the meeting at 7:22 PM.

PASSED AND APPROVED on October 18, 2023, by the Liberty Hill Economic Development Corporation Board of Director on vote of 4 AYES, 0 NAYS, and 0 ABSTENTIONS.



LHEDC Board President / Presiding Officer



Board or City Secretary