

MINUTES

LANCASTER ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING OF
MARCH 22, 2018

The Lancaster Economic Development Corporation board members of the City of Lancaster, Texas, met in a called Regular session in the Conference Room of City Hall on March 22, 2018 at 6:00 p.m. with a quorum present to-wit:

Board Members Present:

Sandi Collier, Vice President (arrived at 6:13 p.m.)
 Ric Peterson, Secretary/Treasurer
 Octavia Giadolor, Board member
 Ted Burk, Board member
 Ellen Clark, Board member

City Staff Present:

Shane Shepard, Director of Economic Development
 Imelda Speck, ICMA Fellow for Economic Development
 Mayra A. Ortiz, Board Secretary

Call to Order

Secretary/Treasurer Peterson called the meeting to order at 6:10 p.m. on March 22, 2018.

1. **Discuss and consider a resolution to approve the terms and conditions of an economic development agreement by and between Global Fulfillment Solutions, Ltd. and the Lancaster Economic Development Corporation (LEDC)**

Director of Economic Development Shepard shared that Global Longhorn Center, LP has purchased property in Lancaster, Texas with the intent of constructing a 400,000 square foot eCommerce fulfillment and distribution facility. Global Longhorn Center, LP received a Letter of Intent from Global Fulfillment Solutions, LTD. Global Longhorn Center, LP estimates the value of the building will be \$20,000,000 and Global Fulfillment Solutions estimates it will create 60 new full-time jobs. The company applied for an incentive grant from the Lancaster Economic Development Corporation (LEDC) in an amount not to exceed \$69,000. He shared that the grant includes the following incentives: (1) Up to \$24,000 reimbursement grant for hiring Lancaster residents (\$400 per job up to 60 jobs), if the aggregate average salary is more than thirty-thousand (\$30,000) per annum; OR up to \$18,000 reimbursement grant for hiring Lancaster residents (\$300 per job up to 60 jobs), if the aggregate average salary is less than thirty-thousand (\$30,000) per annum; (2) \$10,000 grant to assist in job training at Cedar Valley College; (3) \$25,000 for development costs and fees if aggregate average wage is below thirty-thousand (\$30,000) per annum OR \$35,000 for development costs and feed if aggregate average wage is more than thirty-thousand (\$30,000).

Secretary/Treasurer Peterson inquired about the reimbursement amount for hiring Lancaster residents. Director of Economic Development Shepard shared that the grant is up to \$24,000 and up to 60 jobs maximum.

Director of Economic Development Shepard reiterated staff comments to Vice President Collier.

Boardmember Burk inquired if the facility is replacing the facility located in Carrollton. Director of Economic Development Shepard communicated that he was not aware.

Boardmember Clark inquired the length of employment to receive grants. Director of Economic Development Shepard shared that employment for at least one year.

Boardmember Burk spoke in opposition regarding subsection titled, "Development Costs and Fees Incentive Payment" stating "The payment shall be made after a Certificate of Occupancy (C.O.) is obtained for the facility, and Recipient shall certify in writing whether its average wage will exceed or be less than thirty thousand dollars per annum. Recipient shall provide LEDC with an annual report demonstrating the average wage of the Incentivized Jobs on each of the first three (3) anniversaries of the C.O. Date. If Recipient has been paid the \$35,000 amount, but can demonstrate an average wage of the Incentivized Jobs that is less than thirty-thousand, the additional ten thousand dollars shall be immediately reimbursable to LEDC." He requested an amendment to pay the \$25,000 amount and if they can demonstrate an average wage of the Incentivized Jobs that is more than thirty-thousand; the additional ten-thousand dollars shall be disbursed after the third anniversary of the Certificate of Occupancy date.

MOTION: Boardmember Clark made a motion, seconded by Secretary/Treasurer Peterson, to approve item 1 with the suggested amendments. The vote was cast 5 for, 0 against.

MOTION: Boardmember Burk made a motion, seconded by Secretary/Treasurer Peterson to adjourn. The vote was cast 5 for, 0 against.

Meeting was adjourned at 6:23 p.m.

ATTEST:

Mayra A. Ortiz
Mayra A. Ortiz, Board Secretary

APPROVED:

Ted Burk
Ted Burk, President