

## MINUTES

### SPECIAL WORK SESSION AND REGULAR BOARD MEETING OF THE LANCASTER ECONOMIC DEVELOPMENT CORPORATION

OCTOBER 20, 2022

The Lancaster Economic Development Corporation Board of the City of Lancaster, Texas, met in a called Special Work Session and Regular Board Meeting in the Council Chambers of City Hall on October 20, 2022 at 7:10 p.m. with a quorum present to-wit:

**Board Members Present:**

Ted Burk, President  
Sandi Collier, Vice President  
Ellen Clark, Board Member  
Adrienne Davis, Board member  
Octavia Giadolor, Board member

**City Staff Present:**

Shane Shepard, Economic Development Director/Assistant Board Secretary  
Karl Stundins, Research and Business Development Manager  
Mike Delmore, Director of Finance

**Call to Order:**

President Burk called the regular board meeting to order at 7:13 p.m. on October 20, 2022.

**Public Testimony:**

At this time, citizens who have pre-registered before the call to order will be allowed to speak on consent or action items on the agenda, with the exception of public hearings, for a length of time not to exceed three minutes. Anyone desiring to speak on an item scheduled for a public hearing is requested to hold their comments until the public hearing on that item.

The Chair deferred hearing the speakers until after the action items.

**Consent Agenda:**

1. **Consider approval of minutes from the Lancaster Economic Development Corporation (LEDC) Special Meeting held on September 29, 2022.**

**MOTION:** Board Member Clark made a motion to approve the Minutes from the Special Meeting held on September 29, 2022, seconded by Board Member Davis. The vote was cast 3 for, 0 against (Vice President Collier and Board Member Giadolor out of the room when the vote was taken).

**Action:**

2. **Discuss and consider a resolution authorizing a grant agreement with Kyoto Brew LLC, in an amount not to exceed seventy-five thousand dollars (\$75,000) from funds collected from the ¼ of 1 percent sales and use tax for the promotion and development of new and expanded business enterprises, as authorized by state law.**

Economic Development Director Shepard read the item and provided a brief overview of the project.

Estelle Hernandez, the developer, answered several questions from Board Members (a summary of the responses are below):

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- The financial pro forma for the project is currently being revised to show a 'soft opening' of the coffee shop portion of the project and was not available for board member review at the meeting;
- The developer has experience opening multiple coffee shops for other businesses and experience in all aspects of this portion of the proposed business but plans to bring in a specialist to assist with the cocktail lounge. This is the first coffee shop that the developer will own;
- The developer lives in Lancaster and wants to develop a small business in the community;
- The developer plans to use web materials (web site for business); social media and contacts with craft coffee groups to market the new business;
- The coffee shop will be unique with its ties to historic coffee-making practices in Japan;
- The developer is considering options related to grab-and-go operations for vehicles stopping to pick up orders;
- The cocktail lounge will feature a relaxed atmosphere and craft drinks;
- The developer did speak with the Small Business Development Center but plans to use regular bank financing for the project;
- The developer worked with organizing promotional events in the past and is investigating how to incorporate them into this project; and
- The developer purchased the building and land.

The Board discussed the item. In general, the Board was supportive of the project but felt that additional information was needed for them to better evaluate the funding request. Specifically, board members wish to see the following information:

- Detailed financial projections for the project, including revenue and expense estimates for the construction phase of the project, soft opening and ongoing operations;
- More detailed information on the cocktail lounge including timing and expenses related to the liquor license;
- More detailed information on the marketing plan for the business including expense estimates for various elements including promotional events and live music, if planned,
- Information on classes offered; and
- Information on the menu for the restaurant.

**MOTION:** Board Member Clark made a motion to table the item until the November meeting and requested that the applicant provide the additional information requested by the Board. This motion was seconded by Board Member Giadolor. The vote was cast 5 for, 0 against.

3. **Discuss and consider a resolution of the Lancaster Economic Development Corporation (LEDC) authorizing a grant agreement with Saviana Winery, LLC, in an amount not to exceed seventy-five thousand dollars (\$75,000) from funds collected from the ¼ of 1 percent sales and use tax for the promotion and development of new and expanded business enterprises, as authorized by state law.**

Board Member Clark recused herself from the discussion of this item and left the room.

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Economic Development Director Shepard read the item and provided a brief overview of the project.

Jeff Brown, Saviana Winery, LLC representative, answered several questions from Board Members (a summary of the responses is below):

- This wine tasting room will be the second for Saviana – the original location is in Cedar Hill;
- The owners of the winery will continue the same type of marketing efforts as their other location – live music, trivia nights, cigar and wine nights, wine tasting events, classes and maintain their presence on social media, highlighting this new location;
- The facility in Cedar Hill opened in 2020, and
- The company needs the incentives to expand and help fund ongoing marketing efforts (that will benefit the downtown)

**MOTION:** Board Member Giadolor made a motion to approve the item as presented, seconded by Vice President Collier. The vote was cast 4 for, 0 against (Board Member Clark recused and out of the room when the vote was taken).

### Speakers

Cheryl Wright stated that she lives near the downtown and is excited to see city support for the town square. She appreciates this walkable, sustainable community. The new development will have a positive impact on the nearby residential market.

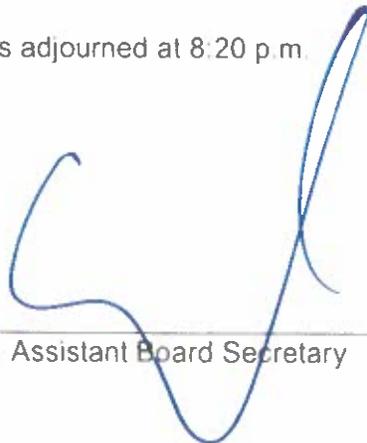
Steve Wade stated that he lives near the downtown and is happy to see the Board investing in small businesses and being so thorough in their review process.

Michaela Ramler stated that she is not a Lancaster resident but grew up in Lancaster. She thanked the board for supporting these projects.

Vice President Collier made a motion to adjourn, seconded by Board Member Giadolor. The vote was cast 4 for, 0 against (Board Member Clark was out of the room when the vote was taken).

The meeting was adjourned at 8:20 p.m.

ATTEST:



Shane Shepard, Assistant Board Secretary

APPROVED



Ted Burk, President