

May 18, 2020
Yoakum Community Center
Banquet Hall – 11:30 AM

REGULAR MEETING OF THE YOAKUM ECONOMIC DEVELOPMENT
CORPORATION BOARD OF DIRECTORS

PRESENT: Gery Maneth.....President
Whitney Boone.....Vice-President
Arthur Hermann.....Secretary
Tommy Barre.....Director
Anita R. Rodriguez.....Director
Elorine Sitka.....Director
Zenith Stevens.....Director
Terry Stokes.....Executive Director
Kevin M. Coleman.....City Manager
Theresa A. Bowe.....City Clerk

ABSENT: None

President Maneth called the meeting to order at 11:35 AM.

Motion by Director Sitka to adopt the minutes of the meeting of April 20, 2020 as amended. Second was made by Director Boone and motion carried unanimously.

Under the President's Report, information was provided regarding the Executive Committee's meetings. Businesses awarded grants include I Do Nails, The Black Gold Inn, Wendel Motor Company, Haven Pizza, City Drug Store, and Complete Hometown Physical Therapy bringing the total approved grant funding to \$53,000. Currently, there are \$447,000 remaining in the Grant Fund Budget for this Fiscal Year. Discussion was held regarding eligibility for local franchise applicants; the funding process for grant applications; and the need for required documentation indicating that grant funds were used appropriately and requiring a performance agreement for funded applications. In the current situation, 50% of awarded grant funds will be provided to the awarded applicants upon approval; remaining funds will be provided after documentation is received by the YEDC.

The Joint City Council/YEDC meeting scheduled for April 2020 was cancelled and the next meeting will be held in October 2020.

Under the Executive Director report, information was provided regarding a Retail Enhancement Grant application received from Lovie's Flowers and Gifts Shop at 219 Irvine Street. The business was opened in the first week of April. The score sheet was reviewed: points were reduced based on local contractors not being utilized, however, the application is within the qualifying range for funding. Due to the COVID-19 issues, the required letter from the Small Business Development Center is not available; the Board waived the requirement for the letter from the SBDC. After review and discussion, Vice-President Boone made a motion to approve the grant request as presented in an amount not to exceed \$2,900. Motion was seconded by Director Stevens and carried unanimously.

An update was provided on YEDC's Small Business Sustainability and Economic Recovery Program. A list of the local businesses that have made contact with the Executive Director for information on making application for assistance was provided. Executive Director Stokes made direct contact with many of businesses, provided an article in the newspaper, and encouraged information to be advertised within the community to ensure availability of the programs to local businesses. Eligibility requirements were reviewed, applications have been modified to provide flexibility and accommodate issues surrounding the current environment. Details regarding the Loan Program were reviewed. Executive Director Stokes informed the Directors that, after receiving feedback from the leaders of Yoakum's financial institutions, the Revolving Loan has been removed

from the program as an option. Those leaders' were of the opinion that it may become difficult to extricate the YEDC from the loan should an approved applicant default. The previously approved Bridge Loan option will remain a part of the overall emergency relief program was recommended for continuation. Observations by the Executive Director were reviewed including the need to strengthen local businesses to be able to withstand emergency situations and be sustainable during disasters. Documentation is essential for the businesses and education on these issues would be helpful for them. Performance agreements were provided for review. Previous performance agreement documents were not applicable to the current funding opportunities. The revised performance agreement contains a greater amount of detail; requirements outlined in the performance agreement include mandating the businesses continue for at least six months following the funding award. Performance agreements will be submitted to the City Attorney for review. Applications have been provided to applicants in electronic form and may be submitted in that form or may be submitted in hard copy, as well. An update was provided regarding the Texas Economic Development Council's planned Annual Meeting. The annual meeting usually held in October most likely will not be held. The International Economic Development Council meeting is scheduled to be held in Dallas in October, and currently is still on schedule. A collection of the month's economic development articles were provided for review.

Under the City Manager's Report, information was provided regarding a request from the Mahesh Patel, owner of the Black Gold Inn for property tax, utility bill, and hotel occupancy tax relief. The Council received the request at their May 2020 meeting. Council approved relief in the form of a deferral of the hotel occupancy tax until October 2020. Funds received from that revenue source are under strict guidelines that have not been lifted by the State as of this date. Other cities have made requests for the loosening of those restrictions to provide some additional relief or rebate to the local hotels. Staff is waiting for additional direction from the State of Texas on relief measures. Information was provided regarding a possible grant request from Eddy Packing Co., Inc. for assistance with a cost share for improvements to the FM 318 sanitary sewer lift station that services the facility. Direction was received from the Board to meet with Eddy Packing representatives for details to be brought before the YEDC before next Fiscal Year for planning purposes. Review was held of the amount of flow and discharge that comes from Eddy Packing through the lift Station.

Additional information was provided from Executive Director Stokes regarding strengthening local businesses by encouraging business continuation insurance coverage, encouraging e-commerce, and incentivizing good bookkeeping practices.

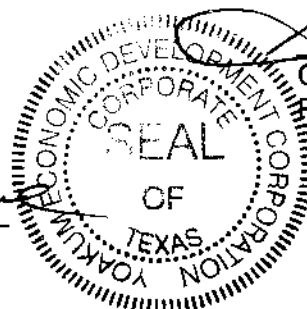
Vice-President Boone informed the Board that the Executive Committee reviewed and approved an application from one business that did not meet the criteria of incurring at least a 25% loss of revenue since March 1, but the business otherwise met all other criteria. Vice-President Boone further noted that the application was approved. On behalf of her fellow committee members, Vice-President Boone requested direction from the Board on moving forward with applications not meeting the threshold. Direction was given to factor in intangibles to ensure that all circumstances and criteria are accounted for and review each application on a case-by-case basis; however, moving forward the Board agreed that the 25% revenue loss ratio should be adhered to by comparing the business's revenue for the first quarter of 2020 to its current revenues.

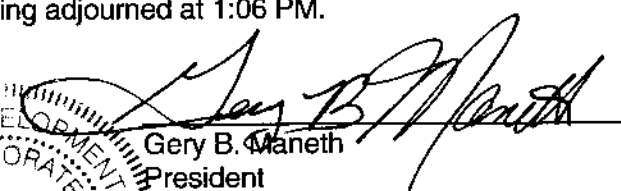
Sales Tax revenue information was provided and has declined for the March report.

There being no further business, the meeting adjourned at 1:06 PM.

ATTEST:


Theresa A. Bowe, City Clerk




Gery B. Maneth
President