

PAMPA ECONOMIC DEVELOPMENT CORPORATION
Board of Directors Meeting
Minutes from
October 26, 2017

PRESENT: Gary Sutherland, Bob Williams, Bill Roy, and Ken May, Bill Bridges, Cay Warner, and Glennette Goode

ABSENT: None

ALSO PRESENT: Clay Rice, Debbie Winegeart, Vanessa Buzzard, Spencer McElhannon, Jeremy Foraker, City Manager Shane Stokes, Donnie Hooper and Jason Bagwell

CALL TO ORDER: President Sutherland called the meeting to order at 4:05 p.m.

Bill Roy opened the meeting with prayer.

Minutes

A motion was made by Board Member Ken May to approve the minutes of the September 21, 2017 meeting, Board Member Glennette Goode seconded, with each Board Member voting AYE, the motion carried.

Citizens Forum

There were no public comments during the meeting.

Presentation by Jeremy Foraker

Mr. Foraker presented a project for a grant of \$550,000.00 to Foraker Company, LLC and/or The Shops at Cornerstone, LLC to induce the company to purchase the real property located at 2545 Perryton Parkway, Pampa, Texas, to renovate said property to attract new businesses, to create additional permanent jobs in Pampa, Texas, to induce Hobby Lobby Stores, Inc. to lease 55,000 sq. ft. of retail space, and, to pay the tenant improvement allowance to Hobby Lobby Stores, Inc. for tenant improvements to retail lease space.

Discussion was held pertaining to the employment and tax revenue benefits for the citizens of Pampa.

Report from Clay Rice, Executive Director

Rice reported on these items:

Calendar

- The Board discussed the benefits of Rice going to the ICSC Show in Dallas this year and decided it could be beneficial to recruiting new retail to Pampa.
- Rice attended The High Ground Annual Board Meeting in Amarillo, TX.

Recruiting Trip

- Rice flew to Detroit for appointments with automotive parts manufacturer industry companies. He had seven appointments that were very informative. He has since sent follow up emails to each company.

Website Videos

- C.J. Frazier flew his drone over Pampa Energy Center and has a lot of footage of the Center. The Board suggests he get more footage of a train showing active rail.
- Once the Pampa Energy Center is certified by Xcel the certification will also go on the web site.

Goode presented the Treasurer's Report

PEC

Rice reported on the status of PEC.

LPS

Rice reported on the status of LPS.

Executive Session

The Board of Directors met in closed session at 4:53 p.m., in accordance with Texas Government Code, Subchapter D, Section 551.074 and Section 551.087.

Open Session

President Gary Sutherland reconvened the Board in open session at 6:05 p.m.

Motion:

A motion was made by Board Member Ken May to grant the Foraker Company, LLC and/or The Shops at Cornerstone, LLC, the sum of \$550,000.00, subject to the Company meeting the following contingent terms:

- (1) Foraker Company, LLC and/or The Shops at Cornerstone, LLC acquiring fee simple ownership of the real property located at 2545 Perryton Parkway, Pampa, Texas.
- (2) The Foraker Company, LLC and/or The Shops at Cornerstone, LLC entering into a lease agreement with Hobby Lobby Stores, Inc. to lease 55,000 sq. ft. of retail space for a term of not less than ten (10) years, with three (3) five (5) year options to renew said lease.
- (3) Presentation of invoices to Pampa EDC upon completion of tenant improvements of the Hobby Lobby Stores, Inc. retail space.
- (4) Providing Pampa EDC with proof that Company is duly authorized by the Texas Secretary of State to do business in the State of Texas as a registered foreign entity or a Texas entity.
- (5) If all of the contingent conditions of this Agreement have been met, the Pampa EDC shall pay to Company a partial grant payment in the amount of \$440,000.00 when presented with proof of substantial completion of Hobby Lobby Stores, Inc.'s work on the retail space. "Substantial completion" shall mean that approximately eighty percent (80%) of the work has been completed. The remaining grant payment in the

amount \$110,000.00 shall be paid to Foraker Company, Inc. and/or The Shops at Cornerstone, LLC after Hobby Lobby Stores, Inc. provides a general contractor's lien release/waiver and a certificate of occupancy for the leased premises. Pampa EDC agrees to pay the grant payments to Company within 10 days from the presentation of written request accompanied by the appropriate verification that the work has been completed.

- (6) Clawback Provision: In the event that Hobby Lobby Stores, Inc. vacates the leased premises within five (5) years of the commencement of their retail lease, Foraker Company, LLC and/or The Shops at Cornerstone, LLC and Jeremy Foraker shall reimburse Pampa EDC the sum of \$110,000 for each year, or a proportion thereof, that Hobby Lobby Stores, Inc. has remaining on the original five years of the retail lease.

Board Member Glennette Goode seconded, with each Board Member unanimously voting AYE the motion carried.

Date and time of next meeting

The next scheduled meeting for the Pampa EDC will be November 8, 2017, at 4:00 p.m. at 107 E. Foster, Pampa, Texas.

Adjournment

With no further business on the agenda Board Member Ken May made a motion to adjourn at 6:07 p.m. Board Glennette Goode seconded, with each Board Member voting AYE the motion carried.

Gary Sutherland, President

Debbie Winegeart, Admin. Assistant