



ECONOMIC IMPROVEMENT CORPORATION AGENDA

JULY 18, 2022, 4:00 PM

Kerrville City Hall Council Chambers

701 Main Street, Kerrville, Texas

The purpose of the Economic Improvement Corporation is to improve economic prosperity in the City of Kerrville.

1 CALL TO ORDER:

2 INVOCATION:

3 VISITORS / CITIZENS FORUM:

Any citizen with business not scheduled on the agenda may speak to the Economic Improvement Corporation. No deliberation or action can be taken on these items because the Open Meetings Act requires an item be posted on an agenda 72 hours before the meeting. Visitors are asked to limit their presentation to three minutes.

4 APPROVAL OF MINUTES:

4.A. Minutes from the annual Economic Improvement Corporation (EIC) meeting held on June 20, 2022.

Attachments:

[EIC Minutes 6-20-2022.pdf](#)

5 MONTHLY REPORTS:

5.A. Kerrville Economic Improvement Corporation (EIC) project status update.

Attachments:

[EIC Project Update 2022-07-13.pdf](#)

5.B. Monthly Financial Report.

Attachments:

[June 2022 financial presentation.pdf](#)

6 CONSIDERATION AND POSSIBLE ACTION:

6.A. Kerrville Economic Development Corporation (KEDC) Budget for the Fiscal Year 2023.

Attachments:

[KerrEDC Budget 22-23 \(1\).pdf](#)

[KEDC FY22 Funding Request Letter to EIC, Aug 16, 2021.pdf](#)

[KEDC-TIP Draft Plan of Action, 2022.pdf](#)

6.B. Economic Improvement Corporation (EIC) Proposed Budget for the Fiscal Year 2023.

Attachments:

[FY23 Proposed Budget.pdf](#)

7 EXECUTIVE SESSION:

The Economic Improvement Corporation may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above including if they meet the qualifications in Section 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.076 (deliberation regarding security devices), and 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Texas Government Code, including the following matters:

7.A. Workforce Housing development projects (551.071, 551.072, 551.087).

8 POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION:

9 ITEMS FOR FUTURE AGENDAS:

10 ADJOURN.

The facility is wheelchair accessible, and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-257-8000 for further information.

I hereby certify that this agenda was posted as notice of the meeting on the bulletin board at the City Hall of the City of Kerrville, Texas, and on the City's website on the following date and time: 7/15/2022 at 3:00 p.m. and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Kesha Franchina

Kesha Franchina, Deputy City Secretary, City of Kerrville, Texas



**TO BE CONSIDERED BY
ECONOMIC IMPROVEMENT CORPORATION
CITY OF KERRVILLE, TEXAS**



SUBJECT: Minutes from the annual Economic Improvement Corporation (EIC) meeting held on June 20, 2022.

AGENDA DATE OF: July 18, 2022

DATE SUBMITTED: Jun 23, 2022

SUBMITTED BY: Kesha Franchina

EXHIBITS: [EIC Minutes 6-20-2022.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

Minutes from the annual Economic Improvement Corporation (EIC) meeting held on June 20, 2022.

RECOMMENDED ACTION:

Approve minutes from the annual Economic Improvement Corporation (EIC) meeting held on June 20, 2022.

**CITY OF KERRVILLE, TEXAS ECONOMIC IMPROVEMENT CORPORATION (EIC)
ANNUAL MEETING – June 20, 2022**

On Monday, June 20, 2022, at 4:00 p.m., the annual meeting of the City of Kerrville, Texas Economic Improvement Corporation, was called to order by President Gregory Richards, in the Council Chambers at City Hall, 701 Main Street, Kerrville, Texas.

MEMBERS PRESENT:

Gregory Richards, President
Danny Almond, Vice President
John Anderson
Gregg Appel
Kyle Bond
Kim Clarkson, Councilmember Place 2
Gary Cochrane

MEMBERS ABSENT: None

CHIEF EXECUTIVE STAFF PRESENT:

Mike Hayes, City Attorney
Michael Hornes, Assistant City Manager
Kim Meismer, Assistant City Manager
Kesha Franchina, Deputy City Secretary
Julie Behrens, Director of Finance
Jacob Bogusch, Accounting Assistant
Nathan Ribar, City Secretary Intern
Trina Rodriguez, Assistant Director of Finance

VISITORS PRESENT: No citizen speakers registered to speak during the Visitors/Citizens forum item 3.

- 1 **CALL TO ORDER:** President Richards called the meeting to order at 4:00 p.m.
- 2 **INVOCATION:** Gregg Appel led the invocation.
- 3 **VISITORS / CITIZENS FORUM:** None.
- 4 **APPROVAL OF MINUTES:**
 - 4.A. Minutes from the regular Economic Improvement Corporation (EIC) meeting held on May 16, 2022.

Vice President Danny Almond motioned to approve the minutes, and Gregg Appel seconded. The motion passed 7-0.
 - 4.B. Minutes from the Economic Improvement Corporation (EIC) meeting held on June 7, 2022.

Vice President Almond motioned to approve the minutes, and Gary Cochrane seconded. The motion passed 7-0.

5 MONTHLY REPORTS:

5.A. Kerr Economic Development Corporation (KEDC) update.

Gil Salinas presented the KEDC update, and responded to questions.

5.B. Kerrville Economic Improvement Corporation (EIC) project status update.

Michael Hornes presented the EIC Project Status, and responded to questions.

5.C. Monthly Financial Report.

Trina Rodriguez presented the Monthly Financial Report, and responded to questions.

6 NOMINATE AND ELECT OFFICERS:

6.A. Nominate and elect President, Vice-President, Secretary, and Treasurer.

Vice President Almond motioned to elect Greg Richards as President, and Gary Cochrane seconded. The motion passed 7-0.

President Richards motioned to elect Danny Almond as Vice President, and Kim Clarkson seconded. The motion passed 7-0.

Kim Clarkson motioned to elect Kesha Franchina, Deputy City Secretary, as the Secretary, and Danny Almond seconded. The motion passed 7-0.

Gregg Appel motioned to elect Trina Rodriguez, Assistant Director of Finance, as Treasurer, and Vice President Almond seconded. The motion passed 7-0.

6.B. Nominate and approve the Economic Improvement Corporation (EIC) representative to the Kerrville Economic Development Corporation (KEDC).

Gil Salinas responded to questions regarding the KEDC position. President Richards motioned to elect John Anderson as the EIC representative to the KEDC, and Gary Cochrane seconded. The motion passed 7-0.

6.C. Nominate and approve the Economic Improvement Corporation (EIC) representative to the "GO Team".

Gil Salinas responded to questions regarding the "GO Team". President Richards motioned to elect Kyle Bond as the EIC representative to the "GO Team", and Gary Cochrane seconded. The motion passed 7-0.

President Richards motioned to go into executive session under (551.071, 551.072, 551.087). Danny Almond seconded and the motioned passed 7-0. President Richards adjourned into closed executive session at 4:33 p.m.

7 EXECUTIVE SESSION:

7.A. Workforce Housing development projects (551.071, 551.072, 551.087).

- 7.B. Lienholders Agreement (Pari Passu Intercreditor Agreement) between EIC and Dacotah Bank concerning monetary grants and loans issued by the parties to Killdeer Mountain Manufacturing, Inc. (Prairie Gold Real Estate, LLC); and amendment to Economic Development Grant and Real Estate Purchase Agreement. (551.071, 551.072, 551.087).
- 7.C. First Amendment to Economic Development Grant and Real Estate Purchase Agreement between Killdeer Mountain Manufacturing, Inc., and the City of Kerrville, Texas, Economic Improvement Corporation.
- 7.D. First Amendment to Economic Development Incentive Agreement between Killdeer Mountain Manufacturing, Inc., and The City of Kerrville, Texas, Economic Improvement Corporation.

President Richards adjourned the closed executive session, and the meeting returned to open session at 5:31p.m.

8 POSSIBLE ACTION FOR ITEMS DISCUSSED IN EXECUTIVE SESSION:

President Richards motioned to set a Public Hearing for the July meeting to consider an Economic Incentive Agreement with Lennar Homes, and instruct staff to continue working on developing the agreement and negotiating the terms. Gary Cochrane seconded. The motion passed 7-0.

9 ITEMS FOR FUTURE AGENDAS: None.

President Richards noted that Gregg Appel left the meeting, but still had a quorum.

10 ADJOURN. President Richards adjourned the meeting at 5:31 p.m.

Minutes Approved: _____

President Gregory Richards: _____

Attest: Kesha Franchina, Deputy City Secretary: _____



TO BE CONSIDERED BY
ECONOMIC IMPROVEMENT CORPORATION
CITY OF KERRVILLE, TEXAS



SUBJECT: Kerrville Economic Improvement Corporation (EIC) project status update.

AGENDA DATE OF: July 18, 2022

DATE SUBMITTED: Jun 23, 2022

SUBMITTED BY: Kyle Burow

EXHIBITS: [EIC Project Update 2022-07-13.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	Yes
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

Kerrville Economic Improvement Corporation (EIC) project status update.

RECOMMENDED ACTION:

Information only; no action.

Monthly EIC Project Status Report

	Project Name	Description	Estimated Design Completion	Estimated Construction Completion	Comments
1	Tranquility Island Electrical Infrastructure	Partnership with City and Kerrville Christmas Lighting Corporation to help further enhance seasonal and Christmas lighting on Tranquility Island	Complete	Jul-2022	Phase 1 nearly complete. Final walk through scheduled to compile punchlist items. Phase 2 pending easement approval from General Land Office for Guadalupe River crossing. Private funding to continue based on engineer's projected cost.
2	KERV Airport Improvements	Partnership with KERV, TxDOT, City and County to build T-Hangars, Box Hangars, and other building improvements	TBD	TBD	Partnership Agreement approved Fall 2019. KERV working with TxDOT for Row hangar design effort. KERV has completed demolition of the "Horseshoe Building." Box Hangar site work pending TxDOT Row hangar project.
3	Killdeer Mountain Manufacturing	Renovation of 40,000 sq ft building on 8.2 acres in Airport Commerce Park for 400+ employee Tier-1 aerospace manufacturer	Private	2022	Land and existing building shell have been conveyed to KMM. Annexation and Zoning have been completed. Building permit issued 11/26/2021. Construction in progress.
4	Peterson Medical Center Campus Infrastructure Improvements	Campus improvements including extension of public utilities and roadway	Private	2022	Partnership Agreement approved January 2022. Design in progress with construction anticipated to be completed by end of 2022.



TO BE CONSIDERED BY
ECONOMIC IMPROVEMENT CORPORATION
CITY OF KERRVILLE, TEXAS



SUBJECT: Monthly Financial Report

AGENDA DATE OF: July 18, 2022

DATE SUBMITTED: Jul 15, 2022

SUBMITTED BY: Trina Rodriguez

EXHIBITS: [June 2022 financial presentation.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

RECOMMENDED ACTION:

Information only; no action



Financial update for the month ended June 30, 2022

**Economic Improvement Corporation Meeting
July 18, 2022**



Economic Improvement Corporation
Statement of Activities
Month Ended June 30, 2022

	Annual Budget	Current Period	YTD Actual	YTD Budget Estimate	Better/Worse YTD Estimate
Revenues					
Sales and Use Tax	\$ 4,223,000	\$ 406,782	\$ 3,547,158	\$ 3,033,233	\$ 513,925
Interest Income	9,665	4,904	12,412	8,237	4,175
Total Revenues	4,232,665	411,686	3,559,570	3,041,469	518,100
Expenditures					
Administrative					
Office Supplies	500	-	-	-	-
Professional Services	10,000	-	-	-	-
Administrative Services Fee	195,000	16,250	146,250	146,250	-
Kerr Economic Development Corp.	312,500	-	234,375	234,375	-
Total Administrative	518,000	16,250	380,625	380,625	-
Debt Service					
Debt Service - Series 2019 Ref (River Trail)	251,019	20,918	188,264	188,264	-
Debt Service - Series 2020 Ref (River Trail)	233,000	19,417	174,750	174,750	-
Debt Service - Series 2015 (KSC)	605,350	50,446	454,012	454,012	-
Total Debt Service	1,089,369	90,781	817,027	817,027	-
Investment Purchases			990,748	990,748	-
Projects					
Airport Projects	342,233	-	-	-	-
Arcadia Live	400,000	*	-	400,000	400,000
Sid Peterson Memorial Hospital	800,000	*	-	-	-
Total Projects	1,542,233	-	400,000	400,000	-
Total Expenditures	3,149,602	107,031	2,588,400	2,588,400	-
Change in Net Position	\$ 1,083,063	\$ 304,655	\$ 971,170		

Economic Improvement Corporation

Cash Flow Forecast

As of June 30, 2022

	FY2022 Actual	FY2022 Estimate	FY2023 Projection				
			Oct 2021 to June 2022	Jul 2022 to Sep 2022	Oct 2022 to Dec 2022	Jan 2023 to Mar 2023	Apr 2023 to Jun 2023
Beginning Cash Balance	\$ 2,738,631	\$ 3,707,667	\$ 4,734,698	\$ 5,389,849	\$ 6,298,718	\$ 7,143,516	\$ 8,273,445
Revenue							
Sales Tax	3,547,158	1,417,248	1,192,707	1,304,191	1,240,120	1,525,252	
Interest Income	12,412	13,677	8,123	6,750	6,750	6,750	
Investment Maturity			1,000,000	-	-	-	
Total Revenue	3,559,570	1,430,925	2,200,829	1,310,941	1,246,870	1,532,002	
Expenditures							
Administrative							
Supplies & Miscellaneous	-	-	163	163	163	163	
Administrative Services	146,250	48,750	50,000	50,000	50,000	50,000	
Professional Services	-	-	2,500	2,500	2,500	2,500	
KEDC	234,375	78,125	78,125	78,125	78,125	78,125	
Total Administrative	380,625	126,875	130,788	130,788	130,788	130,788	
Debt Service	817,027	272,342	271,285	271,285	271,285	271,285	
Projects							
Airport Projects	-	-	342,233	-	-	-	
Sid Peterson Memorial Hospital	-	-	800,000	-	-	-	
Arcadia Live	400,000	-	-	-	-	-	
Total Projects	400,000	-	1,142,233	-	-	-	
Investment Purchase	990,748	-	-	-	-	-	
Total Expenditures	2,588,400	399,217	1,544,306	402,073	402,073	402,073	
Interest Receivable	3,203	4,677	1,373				
Ending Cash Balance	\$ 3,707,667	\$ 4,734,698	\$ 5,389,849	\$ 6,298,718	\$ 7,143,516	\$ 8,273,445	

Financial Analysis

Project Analysis as of June 30, 2022			
Project Description	EIC Commitment	Disbursed Funding	Remaining Funding
Committed Projects:			
Airport Projects	375,000	32,767	342,233
Sid Peterson Memorial Hospital	1,600,000	-	1,600,000
Committed Project Total	\$ 1,975,000	\$ 32,767	\$ 1,942,233

Sales Tax Revenue Analysis - FY2022					
Month	Actual FY2021	Budget FY2022	Actual FY2022	FY2021 vs. FY2022	Budget vs. Actual
October	\$ 311,718	\$ 296,424	\$ 365,850	17.37%	23.42%
November	376,028	357,572	420,172	11.74%	17.51%
December	320,874	305,130	333,189	3.84%	9.20%
January	334,661	318,237	421,736	26.02%	32.52%
February	433,414	412,135	474,948	9.58%	15.24%
March	321,565	305,785	366,033	13.83%	19.70%
April	262,388	249,521	314,340	19.80%	25.98%
May	440,837	419,197	444,108	0.74%	5.94%
June	369,003	350,895	406,782	10.24%	15.93%
July	370,485	352,304	404,917	9.29%	14.93%

Cash Analysis as of June 30, 2022		
Type	Placement	Amount
Pool	EIC TexPool	\$ 3,707,667
ST Investments	Credit Suisse NY CP-2254EBKT7	\$ 992,044
	Total Cash and Investments	\$ 4,699,710



TO BE CONSIDERED BY
ECONOMIC IMPROVEMENT CORPORATION
CITY OF KERRVILLE, TEXAS



SUBJECT: Kerrville Economic Development Corporation (KEDC) Budget for the Fiscal Year 2023.

AGENDA DATE OF: July 18, 2022

DATE SUBMITTED: Jun 29, 2022

SUBMITTED BY: Trina Rodriguez

EXHIBITS: [KerrEDC Budget 22-23 \(1\).pdf](#)

[KEDC FY22 Funding Request Letter to EIC, Aug 16, 2021.pdf](#)

[KEDC-TIP Draft Plan of Action, 2022.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
N/A	N/A	N/A	N/A

PAYMENT TO BE MADE TO: N/A

Kerrville 2050 Item?	No
Key Priority Area	N/A
Guiding Principle	N/A
Action Item	N/A

SUMMARY STATEMENT:

Gil Salinas and Theresa Metcalf will be on hand to present the proposed KEDC budget.

RECOMMENDED ACTION:

Approve the Kerrville Economic Development Corporation (KEDC) Budget for the Fiscal Year 2023.

KERRVILLE ECONOMIC DEVELOPMENT CORPORATION

Budget Request FY 21-22

	Actual FY 18-19	Actual FY 19-20	Actual FY 20-21	Projected FY 21-22	Proposed Budget FY 22-23
Income					
40000 Income - Stakeholder funding					
40100 City of Kerrville	24,500	50,000	39,500	62,500	62,500
40200 EIC	140,000	220,000	197,500	312,500	312,500
40300 Kerr County	24,500	45,920	39,500	62,500	62,500
40400 KPUB	24,500	50,000	39,500	62,500	62,500
Total 40000 Income - Stakeholder Funding	213,500	365,920	316,000	500,000	500,000
4100 Sponsored Events					
41100 KerrEDC TopForty			2,000	4,000	4,000
41200 KerrEDGE			1,308		1,500
41300 Business & Innovation Forum			5,930	12,000	12,000
Total 41000 Sponsored Event Income			9,239	16,000	17,500
Uncategorized Income					
71000 Carryover Income	88,083	28,002	85,878	-29,897	-15,364
Total Income	301,583	393,922	443,928	486,103	502,136
Expenses					
60000 Business Expenses					
60100 Business Recruitment	4,396	17,897	9,100	4,365	6,000
60300 Website	16,683	4,022	11,022	12,000	12,000
60400 Marketing	4,000	8,084	11,258	10,631	10,000
60600 Design (Brochures, Publications)	4,406	1,441	5,846		
Total 60000 Business Expenses	29,486	31,443	37,226	26,996	28,000
61000 Contract Services					
61200 Accounting Fees	1,315	1,125	1,000	1,000	1,000
61300 Outside Contract Services	31,032	3,700	5,338	15,000	15,000
61400 Legal Fees			9,703		
61500 KEDC Service Agreement	55,400	32,150	8,900	8,900	2,400
Total 61000 Contract Services	87,747	36,975	24,941	24,900	18,400
63000 Operations					
63200 Supplies	1,828	1,016	1,864	252	2,000

63300 Telephone, Internet		304	474	500	500
63400 Training	3,640	2,390	1,550	169	1,500
63600 Postage	51	144	115	9	200
63700 Office Lease		4,800	9,660	9,600	9,600
63800 Software/Hardware	1,455	50	1,800	6,023	2,000
63900 IT Support Services		65			500
63910 Dues & Subscriptions	4,765	5,021	11,297	9,823	8,000
63920 Contingencies					
Total 63000 Operations	11,740	13,790	26,760	26,376	24,300
65000 Other Types of Expenses					
65100 Insurance - Liability, D and O	875	900	900	1,000	1,000
Total 65000 Other Types of Expenses	875	900	900	1,000	1,000
66000 Payroll Expenses					
66100 Board Discretionary	10,000		20,600	15,000	25,000
66200 Health Insurance		1,760	7,943	8,000	8,000
Retirement	11,847	5,287	11,141	12,000	12,000
Taxes	1,410	14,120	16,727	17,000	17,000
Wages	92,308	181,804	228,098	235,000	235,000
Total 66000 Payroll Expenses	115,565	202,971	284,509	287,000	297,000
68000 Travel and Meetings					
68100 Meals & Board Meetings	9,805	2,636	2,422	3,000	3,000
68200 Travel	6,411	7,210	4,309	5,000	5,000
68300 Mileage/Cell Phone	413	4,558	7,341	6,000	6,000
68400 Conference, Retreats, OOT	5,539	1,562	4,462	39,000	42,900 *stakeholder retreat
Total 68000 Travel and Meetings	22,168	15,965	18,535	53,000	56,900
69000 Sponsored Events Expenses					
69100 KerrEDC TopForty			11,201	17,000	12,000
69200KerrEDGE			34,587	11,890	15,000
69300 Business & Innovation Forum			28,667	47,305	20,000
Total 69000 Sponsored Events Expenses			74,455	76,195	47,000
Reimbursements	6,000	6,000	6,500	6,000	6,000
Total Expenses	273,580	308,045	473,825	501,467	478,600
Net Operating Income	28,003	85,878	-29,897	-15,364	23,536
EOY Fund Balance	\$36,991.78	\$101,456.59	91,738.68		

Sponsored Event Net Operating Income

Total 41000 Sponsored Event Income

Total 69000 Sponsored Events Expenses

Net Operating Income from Sponsored Events

	Actual FY 18-19	Actual FY 19-20	Actual FY 20-21	Projected FY 21-22	Proposed Budget FY 22-23
Total 41000 Sponsored Event Income			9,238.56	16,000.00	17,500.00
Total 69000 Sponsored Events Expenses			-74,455.17	-76,195.00	-47,000.00
Net Operating Income from Sponsored Events			-65,216.61	-60,195.00	-29,500.00



July 15, 2022

Chairman Greg Richards, and Board Members
Kerrville Economic Improvement Corporation
701 Main Street
Kerrville, TX 78028

RE: Funding Request for FY 2022/2023

Dear Mr. Richards:

The Kerr Economic Development Corporation continues on its mission of fostering the economic growth of the greater Kerrville area through the support of local industry, recruitment of companies, creation and retention of quality jobs, expansion of capital investment and infusion of new tax dollars into our community.

Please consider this letter as our request for annual funding of the KEDC.

Since our last budget request, the KEDC has worked on the following projects and programs for the Kerrville area:

- Hosted Texas Workforce Commissioner Brian Daniel and his announcement of \$188,000 in JET Grand Funds for the Ingram Independent School District. His visit has resulted in the development of several workforce programs for local companies.
- Recognized by the Texas Economic Development Council with the Economic Development and Workforce Excellence Award in the category of 15,000 to 40,000 population. The KEDC was No. 1 in the state in its respective division for its strategy and efforts in economic development during and post-pandemic.
- The continued development of the KerrEDGE Entrepreneur Center, which counts with more than 50 members and has launched a string of small start ups in the area.
- Supported Killdeer Mountain Manufacturing in the workforce and supply chain needs. The company has already hired 50-plus local employees, exceeding its goal of 50 employees by the end of 2022.
- Supported the Kerrville Airport in the recruitment of Rice Aircraft Services as part of our strategy to cultivate an aerospace and aviation cluster in the airport industrial area.
- Launched the inaugural KEDC Business & Innovation Forum 2021 at the Arcadia Theater, which attracted 260 attendees both in person and virtual. The 3-day event provided a series of entrepreneurial and leadership seminars as well as business networking opportunities.
- Convened a series of Quarterly Industry Roundtable discussions with Kerrville's top private employers.
- Coordinated three Industry Signing Showcase events where we recognized 30 Kerrville area graduating seniors who had been hired by local employers, specifically in the trades, medical and tourism sectors.



- Hosted the Stakeholder Retreat with our five stakeholder groups – EIC, City, County, KPUB and KEDC. The KEDC is currently compiling the data and information from the retreat with the consulting firm TIP Strategies for our Three Year Economic Development Strategic Plan.

We continue working, meeting and exceeding the goals and objectives set forth by the original 2-Year Roadmap & Economic Development Ecosystem, approved by all of our respective boards and stakeholders.

We appreciate your continued support in helping with the overall mission of growing and diversifying the economic base of the greater Kerrville area.

Sincerely,

A handwritten signature in black ink, appearing to read "Gilberto Salinas".

Gilberto Salinas
Executive Director
Kerr Economic Development Corp.
1700 Sidney Baker, Ste. 100
Kerrville, Texas 78028



STRATEGIC PLAN SUMMARY OUTLINE & FINDINGS

From the KEDC Stakeholder Retreat

July 15, 2022

EXECUTIVE SUMMARY: The five stakeholders of the KEDC convened on June 6, 2022 for a three-hour retreat to create alignment around recommendations for future economic development activities. This retreat was a follow up to the 2019 retreat which identified three major goal areas:

1. Increase collaboration and cooperation with a regional approach to economic development
2. Develop an economic development strategic plan / road map and ensure the KEDC remains as an independent entity specific for growth and industry
3. Realign assets for growth

KEDC successfully implemented several of the 2019's recommendations. Highlights include establishing an independent EDC and a rapid response to COVID-19's impacts with KerrEDGE and KerrvilleTogether.com.

Events such as the Business and Innovation Forum, Quarterly Industry Roundtables and KEDC's support of the Hill Country Economic Summit have helped local stakeholders better collaborate, resulting in continued local industry growth.

TOP 3 CHALLENGES to Kerrville's Economic Growth

1. Resistance to change, NIMBY attitudes
2. Availability of workforce
3. Homes, availability and affordability

-- *TIP Strategies, Austin, TX*

The region's successes have been featured in more than 100 media features and have received national and international 3rd party recognition for workforce, marketing and business retention & expansion efforts.

During the June 2022 retreat, participants reflected on recent trends, ongoing initiatives in Kerrville and Kerr County, and a competitive advantage to identify a recommended path forward for KEDC.

RECOMMENDATIONS FOR THE KEDC: Based on an analysis of trends, current community goals, and feedback from retreat participants, KEDC should prioritize the following over the next 3 years:

- i. Continue collaborating with other organizations at the local, county and state level to identify solutions to challenges and capitalize on opportunities.
- ii. While maintaining a focus on economic development, expand KEDC's role to act as a convener by bringing key organizations and leaders together to discuss issues affecting economic growth.
- iii. Build the local talent pipeline so that residents have pathways to available job opportunities and employers have a strong pool of talent.



STAKEHOLDER RETREAT OUTCOMES: The following are trends which will have the greatest influence on Kerrville's economy in this decade, as per the stakeholder retreat, one-on-one interviews and national economic development data and variables:

- Housing (affordability and availability)
- Workforce availability
- Remote work
- Aerospace and aviation
- Short term rentals
- Recreation and tourism
- Metro growth from Central Texas
- Perception of growth
- Walkability
- Wage growth and inflation

TOP FIVE KEDC PRIORITIES MOVING FORWARD:

- I. Workforce development and talent attraction
- II. Acting as a connector and convener
- III. Support small business and entrepreneurs
- IV. Corporate recruitment, retention and cluster development
- V. Marketing and Telling The Kerrville Story

NEXT STEPS, STRATEGIC PLAN APPROVAL & IMPLEMENTATION:

Strategic Plan Summary Outline & Findings	July
Draft Plan of Action, KEDC Board Review	August
TIP Presentation to KEDC Board	September
Final Edits, Additions to Plan	October
Approval of Strategic Plan, KEDC Board	November
Presentations to Stakeholder Entities	December
Plan Implementation by KEDC Staff	2023-2025



**TO BE CONSIDERED BY
ECONOMIC IMPROVEMENT CORPORATION
CITY OF KERRVILLE, TEXAS**



SUBJECT: Economic Improvement Corporation (EIC) Proposed Budget for the Fiscal Year 2023.

AGENDA DATE OF: July 18, 2022 **DATE SUBMITTED:** Jun 29, 2022

SUBMITTED BY: Trina Rodriguez

EXHIBITS: [FY23 Proposed Budget.pdf](#)

Expenditure Required:	Remaining Budget Balance in Account:	Amount Budgeted:	Account Number:
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PAYMENT TO BE MADE TO:

Kerrville 2050 Item? No

Key Priority Area

Guiding Principle

Action Item

SUMMARY STATEMENT:

Approve the Economic Improvement Corporation (EIC) Proposed Budget for the Fiscal Year 2023.

RECOMMENDED ACTION:

Approve the Economic Improvement Corporation (EIC) Proposed Budget for the Fiscal Year 2023.



ECONOMIC IMPROVEMENT CORPORATION

FY2023 PROPOSED BUDGET



Revenues

City of Kerrville
Economic Improvement Corporation
FY2023 Proposed Budget

Revenue	FY22	FY23	FY24
	Estimated	Proposed	Projected
Sales Tax	4,964,406	5,262,270	5,525,384
Interest and Miscellaneous	26,089	28,373	25,000
Investment Maturity	-	1,000,000	-
Total Revenue	4,990,495	6,290,643	5,550,384

- **Sales Tax Revenue:**
 - Budgeted at 6% over FY2022 year-end estimate
 - FY2022 sales tax remains strong averaging 12% over FY2021
 - Reminder – sales tax has a 2 month lag
- **Interest Revenue:**
 - Budgeting 1% of cash balance

Expenditures

	FY22 Estimated	FY23 Proposed	FY24 Projected
Expenditures			
Administrative			
Supplies and Miscellaneous	-	650	500
Professional Services	-	10,000	10,000
KEDC	312,500	312,500	312,500
Administrative Services Fee	195,000	200,000	205,000
Total Administrative	507,500	523,150	528,000
Debt Service			
Debt Service - Series 2015 (KSC)	605,350	602,850	605,700
Debt Service - Series 2019 Ref (River Trail)	251,019	251,291	251,606
Debt Service - Series 2020 Ref (River Trail)	233,000	231,000	233,500
Total Debt Service	1,089,369	1,085,141	1,090,806
Project Contributions			
Airport Projects	-	342,233	-
Sid Peterson Memorial Hospital	-	800,000	800,000
Arcadia Live	400,000	-	-
Total Project Contributions	400,000	1,142,233	800,000
Investment Purchase	990,748	-	-
Total Expenditures	2,987,617	2,750,524	2,418,806
Interest Receivable	7,879	1,373	-
Net Revenue (Expenditures)	1,994,999	3,538,747	3,131,578

- Expenditures include committed project expenses
- KEDC budgeted flat with FY2022
- Slight increase in City Admin services
- Debt service payments per debt schedule



Questions?

