

**SPECIAL MEETING OF THE CITY OF RED OAK
INDUSTRIAL DEVELOPMENT CORPORATION
THURSDAY, NOVEMBER 7, 2019 – 6:30 PM
200 LAKEVIEW PARKWAY
RED OAK, TEXAS 75154**

MINUTES

I. CALL TO ORDER

President Goodwyn called the meeting to order at 6:35 p.m. He confirmed that a quorum was present.

Board Members Present:

Ben Goodwyn, President
Casey Hargrove, Secretary
Alan Hugley, Member

Staff Present:

Mark L. Stanfill, Mayor
Todd Fuller, City Manager
Lee McCleary, Director of Economic Development

Board Members Absent:

Weylan McAnally, Vice President
David Wells, Treasurer

II. NEW BUSINESS

- A. Consider approving the minutes of the September 17, 2019, Special Meeting of the Red Oak Industrial Development Corporation ("ROIDC").

President Goodwyn read Agenda Item A into the record.

Secretary Hargrove made the motion, seconded by Member Hugley, to approve the minutes as presented. The motion carried unanimously.

III. EXECUTIVE SESSION

Section 551.071: As authorized by Chapter 551 of the Texas Government Code, the City of Red Oak Industrial Development Corporation ("ROIDC") reserves the right to adjourn into Executive Session at any time during the course of this meeting to seek legal advice from the Corporate Attorney about any matters listed on the agenda.

- A. §551.087 – Deliberations Regarding Economic Development Negotiations

1. Discuss or deliberate regarding commercial or financial information from a business prospect that seeks to locate, stay or expand in the City of Red Oak.
2. Discuss or deliberate an offer, if any, with such business prospect.

- B. §551.072 – Deliberations Regarding the Purchase, Exchange, Lease, or Value of Real Property

1. Discuss or deliberate acquisition, sale and/or exchange of Real Properties generally located east of I-35E, west of SH 342, north of Red Oak Road, and south of the Ellis County line, Red Oak, Texas.

IV. CONVENE INTO EXECUTIVE SESSION – President Goodwyn opened the board into Executive Session at 6:35 p.m. He invited Todd Fuller and Lee McCleary into Executive Session.

V. **RECONVENE INTO REGULAR SESSION – President Goodwyn reconvened the Board into Open Session at 8:16 p.m. No action was taken.**

II. **NEW BUSINESS**

- B. Discussion and possible action in recommending approval of the application for rezoning and preliminary plat submitted by H&H Capital Acquisitions, LLC, to Red Oak City Council.

President Goodwyn read Agenda Item B into the record. City Manager Fuller

City Manager Fuller read the following motion into the record:

Motion to recommend approval of the application for preliminary plat and rezoning for H&H Capital Acquisitions, LLC, and authorize the President of the ROIDC to approve and execute such.

Secretary Hargrove moved the motion, seconded by Member Hugley. The motion carried unanimously.

- C. Discussion and possible action in recommending approval of the application for tax abatement submitted by H&H Capital Acquisitions, LLC, to Red Oak City Council.

President Goodwyn read Agenda Item C into the record.

The ROIDC Board Members, City Manager Fuller and Chris Curtis of Compass Data Centers (H&H Capital Acquisitions, LLC) discussed this agenda item at length.

City Manager read the following motion into the record:

Motion to recommend approval of a tax abatement application for H&H Capital Acquisition, LLC, to City Council with the provision that at least five (5) full time employees are maintained on-site, that the land value is not subject to the abatement, only for the improvements and tangible property, and subject to final approval by the City Attorney within state statutes.

Member Hugley moved the motion, seconded by Secretary Hargrove. The motion carried unanimously.

- D. Discussion and possible action adopting Resolution No. 19-002R approving an Economic Development Agreement by and between the Red Oak Industrial Development Corporation (ROIDC) and H&H Capital Acquisitions, LLC, and authorizing President to execute upon attorney final approval.

President Goodwyn read Agenda Item D into the record. City Manager Fuller spoke and briefly explained this agenda item.

The ROIDC Board Members, City Manager Fuller and Chris Curtis of Compass Datacenters (H&H Capital Acquisitions, LLC) also briefly discussed this agenda.

City Manager read the following motion into the record:

Per City Attorney Hager, no resolution is needed.

Motion to approve the economic development agreement between H&H Capital Acquisitions, LLC, assignable to Compass Datacenters with the ROIDC with the provisions that the ROIDC put in the street extension for Austin Boulevard as well as

the water line to get to it and also to incorporate the right of first refusal language which was presented subject to final approval by City Attorney.

Secretary Hargrove moved the motion, seconded by Member Hugley. The motion carried unanimously.

City Manager Fuller spoke and further briefly discussed this agenda item.

- E. Discussion and possible action in recommending approval of the application for abatement by B&B Theaters Operating Company, Inc. to Red Oak City Council.

President Goodwyn read Agenda Item E into the record.

Member Hugley made the motion, seconded by Secretary Hargrove, to recommend approval of the application for abatement submitted by B&B Theaters Operating Company, Inc. to the Red Oak City Council. The motion carried unanimously.

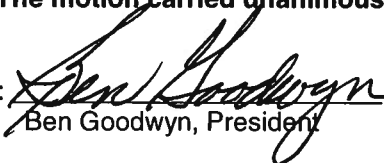
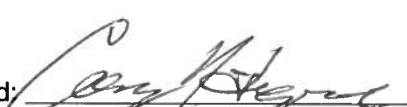
- F. Retain legal counsel to represent the ROIDC in the complaint brought by Rockett SUD against the City of Red Oak Industrial Development Corporation (ROIDC) and others in the U.S. District Court for the Western District of Texas, Austin Division, Civil Action No. 19-CV-1007.

President Goodwyn read Agenda Item F into the record.

Secretary Hargrove made the motion, seconded by Member Hugley, to retain legal counsel to represent the ROIDC concerning compliance with the U.S.D.A. regulations and as a consult to the corporate counsel concerning Civil Action No. 19-CV-1007. The motion carried unanimously.

IV. ADJOURNMENT

Member Hugley made the motion, seconded by Secretary Hargrove, to adjourn the meeting at 8:30 p.m. The motion carried unanimously.

Submitted by:  Attested: 
Ben Goodwyn, President Casey Hargrove, Secretary