Gainesville Economic Development Corporation (GEDC)

Board of Directors Meeting Minutes
Date: July 15, 2026

Gainesville Civic Center, 311 South Weaver, Gainesville, Texas 76240

Board Members Present: Martin Phillips, Joey Anderson, Matthew Dickson, Chris Hamilton, Andrew Mozeleski and Jacob Whiteman

Board Members Absent: Randy Jones

City Representatives Present: Mayor Tommy Moore, City Manager Barry Sullivan

Staff Present: Matt Carlson-Executive Director and Diane Johns- Administrative Officer

Quorum: A quorum of the Board of Directors was present and duly constituted to conduct business.

1. CALL MEETING TO ORDER: The meeting was called to order at 4:00 p.m.

2. INVOCATION: The invocation was offered by Barry Sullivan

3. PUBLIC COMMENTS: No public comments were received

4. CONSENT AGENDA

Items considered:

- Approve Minutes from July 1, 2026, Regular Called Meeting
  - Motion by Joey Anderson
  - Second by Andrew Mozeleski
  - __6__Ayes, __0__Nays, __1__Absent, __0__Abstentions

Vote: Motion carried.

- Staff reported that the June 2026 financial statements were not finalized in time for distribution. The Board agreed to remove approval of the financials from the Consent Agenda as a matter of record, since they were not ready.

5. EXECUTIVE DIRECTOR'S REPORT

See attached Executive Director's Report

6. NEW BUSINESS

- **Presentation and discussion of the 2026–2027 GEDC draft budget:**
  - Staff reported that a review of the prior year's budget revealed a significant net operating loss (approximately $740,000), driven largely by long-standing, unspent "sinking fund" and "incentives to be determined" placeholder line items carried forward for multiple years without being spent or reconciled.

- Staff removed the majority of these stale placeholder commitments, including an outdated $425,000 incentive tied to a company that no longer exists, unfunded technology-grant and nursing-recruitment program placeholders, an NCTC industry scholarship unfunded for two years, a $40,000 trail-lighting item determined unnecessary for an associated grant, and a $25,000 allocation to Workforce Solutions Texoma tied to a defunct program.
- Staff retained active incentive commitments, including the Downtown Destination Creation Grant, Downtown Facade Program, and Corridor Facade Program, since these programs remain active.
- Proposed FY2026–2027 revenue is budgeted at approximately $2.5 million, compared to $1.8 million proposed for FY2025–2026, driven primarily by continued sales tax growth and JC Millwork rental income. The sales tax projection mirrors the City's projection.
- Personnel costs are budgeted slightly lower; retirement (TMRS) and health insurance costs continue to rise, with an additional retirement contribution increase anticipated next year.
- Marketing, communications, dues/subscriptions, professional fees, and contractual services reflect increased investment and reclassification of several previously miscategorized expenses. Staff offered to provide additional line-item detail on request.
- Advertising and promotion spending is budgeted at approximately $158,000, within the statutory cap of 10% of sales tax revenue; unspent amounts roll forward into the fund balance for future use.
- Travel and training is budgeted approximately 25% higher to support additional direct business recruitment travel (approximately 14 industry recruitment trade shows and 6 professional development conferences).
- The Board discussed the value of routine legal review of incentive agreements and continuing to use a dedicated economic-development attorney separate from the City's counsel.
- Business retention and expansion spending was increased to approximately $15,000 for community collaboration and events, while certain legacy community-sponsorship expenditures were removed pending clarification of their tie to the organization's mission.
- The Board discussed the philosophy and future use of sales tax rebate agreements (Select Energy, through 2028, and Access Energy); approximately $40,000 in sales tax rebates is budgeted for the coming year, with continued evaluation of this incentive tool versus one-time or multi-year grants.
- The proposed budget projects net operating income of approximately $200,000 for FY2026–2027, to be added to the fund balance, compared to $52,000 net income in the prior year.

  - Staff reported the current fund balance is approximately $9 million. The Board discussed whether GEDC should begin deploying a larger portion of the fund balance into direct property development rather than continuing to accumulate reserves, and discussed scheduling a facilitated strategic planning session to define investment priorities and metrics.
  - No formal action was taken. Staff will bring back a finalized draft budget for Board adoption, after which it will be submitted to the Gainesville City Council for approval ahead of the September, 2026 budget approval date.
- **Presentation and discussion of potential infrastructure incentive agreement for flex commercial buildings.**
  - Staff presented a privately proposed flex-commercial/light-industrial project (approximately $475,000 total cost, approximately 3,200-square-foot footprint, combining contractor/warehouse bays with two leasable upstairs office suites) as an illustrative example of an underserved local building type.
  - Staff noted the statute allows GEDC to participate in infrastructure and site-work costs; the illustrative project's site work was estimated at approximately $125,000, and the project would meet GEDC's minimum incentive thresholds (minimum $250,000 investment and minimum 10 jobs), with an estimated 17 jobs created/retained.
  - Board members expressed general support for encouraging this flex-industrial/small-business product type, but raised concerns about the use of metal building materials for any incentivized project located near Grand Avenue and the historic downtown corridor.
  - The Board discussed potential facade and design standards that could be required as a condition of GEDC participation in incentives along sensitive corridors, and discussed the possibility of GEDC acquiring and master-planning a larger parcel for a phased flex-industrial park with consistent design standards, rather than incentivizing individual, scattered buildings.
  - The Board also briefly discussed Industrial Outdoor Storage (IOS) as a growing asset class, noting it generates comparatively low property tax revenue relative to infrastructure obligations in the City's tax increment reinvestment zones, and is not viewed as a priority use for those areas.
  - The Board directed staff to develop draft parameters and design guidelines for a potential flex-industrial incentive program for future Board consideration.

7. EXECUTIVE SESSION

No items were scheduled for discussion. No Executive Session was held.

8. BOARD MEMBER UPDATES

No Board member updates were reported.

9. ADJOURN MEETING

The meeting was adjourned at 5:45 p.m.

Joey Anderson, Presiding Officer
Print Name

____, Presiding Officer
Signature