

The Bandera PROPHEET

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Bandera City Council discusses EDC bylaws

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As they continue to consider the city's Economic Development Corporation, Bandera City Council members discussed the entity's bylaws during a mid-meeting workshop last Thursday. The brainstorm session was a continuation of talks since December, when council placed a spending moratorium on the Bandera EDC.

Delineating between bylaws and policy and procedure, council members attempted to reign in suggested changes they'd like that include more council oversight.

"I would like to see hiring an executive director require council approval," Mayor Suzanne Schauman said.

Agreeing, Council Member Lynn Palmer said she would like more involvement from city officials on BEDC contracts.

"I just want the city to stay on top of what the EDC is doing a little more closely," Palmer said.

Arguing that BEDC meetings are open to the public and City Council members still have to approve any expenditure more than \$10,000, Council Member Glenn Clark questioned how much more involvement council members should have.

"What's been hidden," Clark asked on Thursday. "The EDC was set up originally as an independent entity. It was designed to function separately for a reason."

Council Member Brice Cavanaugh said both the BEDC and the city have had significant changes in the last couple of months, "but we've found some things and they've found some things that needed to be tightened up."

In BEDC's last fiscal year, two restaurant owners defaulted on their loans when they closed their businesses. Though BEDC Board President Toni Kunz reported success in negotiating payback arrangements for one, the situation instigated a deeper look into their activities.

"It's not fair to other established businesses to take away programs that could help them when they're in dire straits because someone lied to us or didn't uphold what they said they were going to do," Kunz said. "We are a small town. People are not making millions being here. We have got to invest in our little people. We don't want a Walmart or a Buc-ees here."

Speaking out against infrastructure incentives, Council Member Jerry Russe said BEDC should not have given them money.

"This is a capitalist system. It's survival of the fittest. You need to know what you're getting into and at least have enough money to survive for a year. If you need equipment, you should have been saving money to purchase it," Russe said during a Dec. 19 workshop. "Restaurants are the number one worst investment that you could possibly make."

Council Member Rebeca Gibson asked Russe, who owns Chilly Dogs and applied for BEDC incentives, about his seeming contradiction.

"You claim that businesses should not come to the EDC for a handout," Gibson said. "So I'd like to know what you think the EDC should be for. I'm looking at five incentives that you were awarded from the EDC."

"I had no idea where that money came from when I was awarded them," Russe said.

"When it comes time to vote on everything, when everyone sits down to decide what's going to go on, I've got a little problem with a business owner, who's now on City Council, who took money claiming not knowing where it was coming from," Jerad Wilcox, owner of FourEight Plaques and Customs, LLC, said. "You don't get something for nothing and then throw in your two cents now."

"Now that I'm on this side, things are different," Russe said. "It has nothing to do with 'I got my money.' It's because I'm more aware that it's raised a concern for me."

“You’ve been at every EDC meeting,” Kunz said, negating Russe’s claim that he did not know where the money he requested came from. On Thursday, Russe said he would like to see at least three bids from recipients of BEDC money for work they plan to have done.

“I can see a few problems with that,” Clark said. “You would be dictating what contractor could be used.”

BEDC Board Member Laura Devenport said many of their recipients do their own work.

“I believe you did, Jerry,” Devenport said. “We can’t dictate if someone wants to do their own work. Would you have been happy if when you came to us, we would have required you to provide three bids?”

Council members further deliberated board residency and continued education requirements, bringing more objectivity to when and whom to give money, whether the BEDC should allocate funds in partnership with the city for wastewater infrastructure and provide quarterly reports, and giving a 1099 to incentive recipients.

“Toni has been board president since October,” Schauman said. “Let’s give them a chance to put things the way they want and then bring to us. I think they need that opportunity. It’s seven very intelligent people on the Board and they are already on the road to doing some of the things we’re talking about.”