



FORNEY ECONOMIC DEVELOPMENT CORPORATION

**MINUTES
REGULAR MEETING
101 EAST MAIN STREET
FORNEY, TEXAS 75126
JULY 12, 2018
6:30 P.M.**

The Forney Economic Development Corporation (FEDC) of the City of Forney met on July 12, 2018 at 6:30 p.m. in the City Council Chambers. Board President McBeth, Vice President & Treasurer Burrus, Secretary Tayamen and Directors Coleman and Lewis were present. EDC Director Ketteman, Specialist McGregor, Councilman Myers and Councilman Johnson were also present. Directors Alexander and Browning were absent, as well as EDC Assistant Wilson.

1. **Call to Order** at 6:35 p.m.
2. **Invocation** by Mr. McGregor
3. **Public Communication**

There was no public communication.

4. **Minutes & Reports**

- a. Approval of the FEDC Minutes – June 14, 2018 Regular Meeting

Mr. Burrus made a motion to approve the minutes as presented. Mr. Tayamen seconded. All present except for Mr. McBeth voted in favor. Mr. McBeth abstained.

- b. Financial Report

Mr. Burrus gave the financial report. We are at 75% of the fiscal year, with revenues at 87.3%, expenditures at 61.85% and debt payments at 24.81%.

- c. Executive Director's Report

Mr. Ketteman gave the Executive Director's Report. A few noteworthy items:

- Mr. Ketteman mentioned initiatives in "free consulting" the FEDC is doing with other EDC organizations.
- Mr. Ketteman provided an update regarding the West Broad Sewer project. A schematic of the line has been provided by City Engineer Richard Dormier. Feedback is currently underway from property owners regarding easements on their property.
- Mr. Ketteman gave an update regarding the status of downtown monument signage. A design is underway, and staff are working with property owners.
- Mr. Ketteman mentioned the downtown clock tower is now working.

Mr. McBeth inquired regarding the status of Victorian Village, Raising Cane's and RaceTrac. Mr. Ketteman said Victorian Village has submitted plans for review and should begin construction in the next month or two. Raising Cane's should begin construction in the next couple months or so, as well as RaceTrac.

5. **Discussion/Action Items**

- a. Discussion and possible action regarding the appointment of FEDC Board Officers

After some discussion, Mr. Tayamen, Mr. Burrus and Mr. McBeth all agreed to continue serving in their present roles. Mr. Tayamen – Secretary, Mr. Burrus – Vice President & Treasurer and Mr. McBeth – President.

Mr. Tayamen made a motion to approve the appointment of FEDC Board Officers and Mr. Coleman seconded. The vote carried unanimously.

- b. Discussion and possible action regarding FY 2019 HOT Funds Applications

Mr. Kettelman and Mr. McGregor gave an overview of HOT Funds and Chapter 351 of the Texas Tax Code. Mr. Kettelman said \$60,000 is available for distribution. They reviewed the percentage restrictions on allocation with a maximum of 50% (\$30,000) to go toward historic preservation, 15% maximum for the arts (\$9,000) and at least 1/7th of funds going toward advertising. EDC Staff recommended the following to the board:

Forney Arts Council

Amount Requested:

Public Art Installation - \$14,000 / EDC Staff Recommendation: \$0
Artisan & Farmer's Market - \$6,000 / EDC Staff Recommendation: \$6,000
Arts Programs Budget - \$4,000 / EDC Staff Recommendation: \$4,000
Art & Wine Walk - \$8,000 / EDC Staff Recommendation: \$8,000

Forney Downtown Business Association

Amount Requested:

Downtown Banners - \$2,000 / EDC Staff Recommendation: \$2,000
Downtown Forney Promotion - \$3,500 / EDC Staff Recommendation: \$3,500
Downtown Bike Racks - \$1,500 / EDC Staff Recommendation: \$0
Downtown Tour App - \$3,000 / EDC Staff Recommendation: \$3,000

Forney Lion's Club

Amount Requested:

Lion's Stampede 5K - \$7,400 / EDC Staff Recommendation: \$7,400

Forney Historic Preservation League

Amount Requested:

Special Programming - \$4,500 / EDC Staff Recommendation: \$4,500
Museum Promotion - \$4,500 / EDC Staff Recommendation: \$4,500

Forney Garden Club

Amount Requested:

Subcourthouse Xeric Garden: \$3,000 / EDC Staff Recommendation: \$3,000

Sharing the Love Foundation

Amount Requested:

Turkey Trax Auto Show - \$12,600 / EDC Staff Recommendation: \$12,600

Mr. McBeth recognized Kendall Milton of the Forney Arts Council (FAC) to give an overview of their HOT Funds applications. After giving an overview, Mr. McGregor mentioned the \$9,000 allowed for arts promotion was not fully spent due to a couple events not necessarily being fully devoted and classified as promotion of the arts. Ms. Lewis requested to move the remaining \$1,500 available into the Arts Programs budget item, which brought the total funding for that item up to \$5,500.

Mr. McBeth recognized Kendall Milton of the Forney Downtown Business Association (FDBA) to give an overview of their HOT Funds applications. Councilman Myers inquired as to the style of the bike racks. Ms. Milton responded that they wanted them to look artsy and provided quotes as part of their

application to showcase potential bike rack styles for downtown. Mr. Madrid of the Forney Lion's Club stated his organization would be willing to take on the project and provide them for downtown.

Mr. McBeth recognized Kendall Milton of the Forney Historic Preservation League (FHPL) to give an overview of their HOT Funds applications.

Mr. McBeth recognized Mark Madrid of the Forney Lion's Club (FLC) to give an overview of their HOT Funds application. Mr. Madrid stated this is the 25th annual Lion's Club Stampede on September 8. They plan to offer hotel discounts to runners.

Mr. McBeth recognized Skippy Walker and Florence Benedict of the Forney Garden Club to give an overview of their HOT Funds application. Ms. Walker stated funds help maintain the subcourthouse xeric garden. They're also working to promote it for weddings and wedding planners. They continue to work with the Justice of the Peace at the subcourthouse to assist in reports on weddings performed.

Mr. McBeth recognized Amanda Lewis of the Sharing the Love Foundation to give an overview of their HOT Funds application. Ms. Lewis stated the event is their annual fundraiser. The amount they applied for is the same as last year and the event brings hotel stays to the area. They plan on advertising as far as Louisiana and Oklahoma.

Following questions and discussion, Mr. Burrus made a motion to approve the HOT Funds applications as presented, with one revision, adding \$1,500 to the FAC Arts Programs application (\$4,000 to \$5,500), making all \$60,000 available allocated. Mr. Coleman seconded and the vote carried unanimously.

Mr. Kettelman said EDC Staff would follow up with applicants regarding the next Council meeting when these applications will be considered.

c. Discussion and possible action regarding a Façade Grant extension for 203 and 205 N. Bois D' Arc

Mr. McGregor explained this item. Mr. Crenshaw and Mr. Boles are working together on their building façade. Currently Craig Randall is performing the work and they have the awning up. Due to Mr. Crenshaw's façade grant expiring in August, Mr. Randall requested an extension. EDC Staff recommended a 3-month extension.

Ms. Lewis made a motion to extend the façade grant for 203 and 205 N. Bois D'Arc for 3 months, expiring October 12, 2018. Mr. Tayamen seconded and the vote carried unanimously.

d. Discussion and possible action regarding the FY 2018-19 FEDC Budget and revenue projections

Mr. Kettelman gave the board an overview of additional revenue in the fund balance. Currently, the unencumbered balance is around \$2 million. Taking into account the fund balance expenses for the upcoming fiscal year, total unencumbered fund balance will be around \$2 million.

Mr. Kettelman said in addition to the comments made at last month's meeting regarding the budget, he wanted to update the board on new items. A few items he highlighted:

Rental expense increased by \$40,000 to take into account EDC Office lease at the Victorian Village development (\$3,333.33 x 12 months). Mr. Kettelman said moving costs would be minimal due to Public Works assisting with large furniture.

Utilities increased by \$4,200 for utility expenses for the potential new EDC Office space.

Professional services increased by \$15,000 due to a fiber optics study of available fiber at the Gateway development. The end goal of this study is to have this on file to help recruit a data center.

For Project Expenses, Mr. Kettelman said the Triple Freeport grant to the school district is new at \$83,000.

Mr. McGregor also explained the item on LED Bridge Lighting.

The EDC Board made three amendments to the proposed budget:

- Ms. Lewis requested the office rental expense be reduced by \$10,000 due to the space not being available for occupancy until January 2019 at the earliest. This made the budget item \$30,000.
- Mr. Kettelman noted that with the office rent being lowered to \$30,000, utilities would need to be bumped down from \$4,200 to \$3,150.
- Ms. Lewis requested the item for LED bridge lighting at \$100,000 be deleted to \$0.

Following the amendments, Mr. Kettelman stated that overall, the total expenditures in next year's budget equal approximately \$1.2 million, with about \$1.9 million in total revenue. Approximately \$700,000 would go into the fund balance.

Mr. Burrus made a motion to approve the FY 2018-19 FEDC Budget as presented with the three amendments and to move forward to Council. Ms. Lewis seconded and the vote carried unanimously.

- e. Discussion and possible action regarding amending language in the Downtown Redevelopment Grant Application

Mr. McGregor explained that EDC Staff have noticed some language in the application that needed to tighten up. In an effort to ensure projects committed came to fruition, EDC Staff recommended codifying language to be more accountable to the intent of the program.

Ms. Lewis asked if there have been any issues with the program that would necessitate the addition of language. Mr. Kettelman said there has sort of been some issues surrounding projects that had an intent to redevelop and for unforeseen reasons, they've had some issues in complying with the program. He emphasized the "may" clause in the proposed language gives board discretion on certain projects where there may be a "gray area."

Mr. Tayamen made a motion to approve the amended language as present. Mr. Burrus seconded and the vote carried unanimously.

- f. Discussion and possible action regarding economic development negotiations with current prospects

No action was taken on this item.

6. Executive Session

- a. The Forney EDC will hold a closed Executive Session meeting pursuant to the provisions of Chapter 551 of the Texas Government Code, in accordance with the authority contained in: -§ 551.072 deliberations for the purchase, exchange, lease, or value of real property and/or -§ 551.087 deliberations regarding commercial or financial information that the EDC has received from a business prospect and/or deliberation regarding the offer of a financial or other incentive to a business prospect. (Related to Section 5.f.)

Mr. Burrus made a motion to enter into Executive Session. Mr. Coleman seconded and the vote carried unanimously. The time was 8:18 p.m.

- b. The Forney EDC will reconvene into Regular Session, pursuant to the provisions of Chapter 551 of the Texas Government Code, to take any action regarding the above items.

Mr. Tayamen made a motion to enter back into Regular Session. Mr. Burrus seconded and the vote carried unanimously. The time was 9:38 p.m.

At this time, Mr. McBeth turned to item 5.f.

7. Future Agenda Items

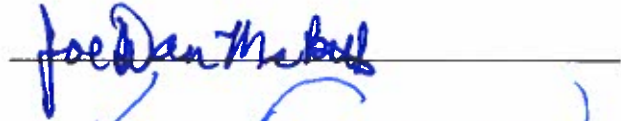
Mr. McGregor congratulated the board on receiving the 2017 Economic Excellence Award from the Texas Economic Development Council.

Mr. McGregor mentioned staff would work on an incentives policy to bring before the board at next month's meeting.

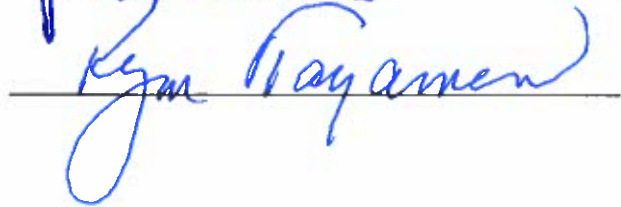
Mr. Kettelman checked with the board on potential dates for a board retreat. Most agreed to having it on October 13, 2018.

8. Adjournment by unanimous consent at 9:41 p.m. on motion by Mr. Burrus, seconded by Mr. Tayamen.

APPROVED: JOE DAN MCBETH, PRESIDENT

A handwritten signature in blue ink, "Joe Dan McBeth", written over a horizontal line.

APPROVED: KYM TAYAMEN, SECRETARY
DATE: OCTOBER 11, 2018

A handwritten signature in blue ink, "Kym Tayamen", written over a horizontal line.

