



FORNEY ECONOMIC DEVELOPMENT CORPORATION

MINUTES REGULAR MEETING 101 EAST MAIN STREET FORNEY, TEXAS 75126 AUGUST 9, 2018 6:30 P.M.

The Forney Economic Development Corporation (FEDC) of the City of Forney met on August 9, 2018 at 6:30 p.m. in the City Council Chambers. Board President McBeth, Vice President & Treasurer Burrus, Secretary Tayamen and Directors Coleman, Alexander, and Browning were present. EDC Director Ketteman, Specialist McGregor, City Attorney Thatcher, and Administrative Assistant Wilson were also present. Director Lewis was absent.

1. **Call to Order** at 6:33 p.m.
2. **Invocation** by Mr. McBeth.
3. **Public Communication**

There was no public communication.

4. **Minutes & Reports**

- a. Approval of the FEDC Minutes – July 12, 2018 Regular Meeting

Mr. McBeth made a motion to approve the minutes as presented. Mr. Burrus seconded. All present voted in favor. Mr. Alexander and Ms. Browning abstained.

- b. Financial Report

Mr. Burrus gave the financial report. We are at 83.33% of the fiscal year, with revenues at 96.22%, expenditures at 66.15% and debt payments at 24.81%. Mr. Ketteman noted that Mr. Burrus caught an issue with the previous draft financial report due to a miscalculation. That calculation was corrected and the current financial in the Board Package is the correct financial report.

- c. Executive Director's Report

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

- Mr. Ketteman mentioned that the EDC had visited the cities of Denison, Richmond, and Jacksonville to provide consulting services and that those three municipalities had visited Forney to provide the same.
- Mr. McGregor explained that the EDC was working with the City's I.T. Department to digitize the HOT Funds Applications.
- Mr. Ketteman said that the proposed LI zoning on building materials was creating new prospects.

5. **Discussion/Action Items**

- a. Discussion and possible action regarding a Mowing Contract for the Detention Pond Area

This item was discussed in Executive Session.

- b. Discussion and possible action regarding Budget Adjustment for Business Park Maintenance

Mr. Ketteman explained that the detention pond behind Lowes was built in 2003 and that the EDC signed an agreement to maintain the pond. He said that there has been no maintenance in the three years he has been here. He explained beavers had moved in, made an eddy, chewed out the bank and backed up the drainage. The dumpster pad in the strip center in front of the pond was falling, and there was also

an exposed gas line. The gas line had to be rerouted, the beavers relocated, the pond drained, beaver dam removed, trees and weeds cut, and the trash removed.

Mr. Kettelman requested that the cost for the emergency repairs be moved from Line Item 5388 EDC Project Expenses to Line Item 5386 Business Park Maintenance. He explained that the City Engineer is going to prepare the needed Request For Proposals to finish the repair. That clean-up was the first phase and now we move to phase 2.

Ms. Browning asked if the money had already been spent without authorization and did we not get bids? Mr. Kettelman explained it was an emergency situation and had to move on it now. Mr. McBeth said Mr. Kettelman called him and he went out and looked at the pond. Ms. Browning said that was a lot of money to spend without authorization. Mr. Alexander asked if this was something that the EDC had to do and Mr. Kettelman explained it was. The City owns it but the EDC has the maintenance responsibility incurred by a contract in 2003 and it does not appear any maintenance has been done since that time. He said the City Engineer estimated pond maintenance at \$10,000 per year and no maintenance in 13 years. Mr. Browning asked if the repairs could have waited two weeks and Mr. Kettelman said no.

Mr. Coleman inquired how much to finish the repairs. Mr. Kettelman said we won't know until we receive the RFPs. He estimated as much as the first phase. Mr. McBeth ask if there were any questions and Ms. Browning asked if we got estimates and Mr. Kettelman said no as was an emergency situation with an exposed gas line. Ms. Browning asked Mr. McBeth if he signed off on it and he said he did.

Mr. McBeth made a motion to move the funds from Line Item 5388 to Line Item 5366. Mr. Coleman seconded and the vote carried unanimously.

c. Discussion and possible action regarding Performance Agreement – Downtown Parking

Mr. Kettelman explained that the downtown parking and FISC project is almost completed. He explained that additional parking spaces were added. The EDC will pay one-half and the City will pay one-half. Mr. Thatcher said the total is \$60,000. Ms. Browning inquired if the City is responsible for maintenance and Mr. Thatcher replied it was. Mr. McBeth asked about renewal and Mr. Kettelman said EDC has right of 1st refusal to buy. Mr. McBeth made a motion to approve the agreement. Mr. Alexander seconded and the vote carried unanimously.

d. Discussion and possible action regarding Economic Incentive and Performance Agreement – Forever Faded Hair Lounge

Mr. Kettelman said the Board took action on this matter in their June meeting and agreed to help Mr. Simon expand his business. The obligations in paragraph 5 were reviewed. Mr. McBeth asked if there were any questions.

Mr. Burrus made a motion to approve the agreement. Mr. Alexander seconded and the vote carried unanimously.

e. Discussion and possible action regarding Economic Incentive and Performance Agreement – LCG Highway 80, LLC

Mr. Kettelman explained the Incentive and Performance Agreement for the construction of Raising Cain's that the Board had agreed to. Mr. McBeth asked for questions or comments. Ms. Browning asked what the profit was when the property was sold. Mr. Kettelman replied \$100,000.00. He said this was discussed in Executive Session and formalizes the agreement. Mr. McBeth asked for comments or questions.

Ms. Browning made a motion to approve the agreement. Mr. Tayamen seconded and the vote carried unanimously.

f. Discussion and possible action regarding Victorian Village Letter of Intent to Lease

Mr. Kettelman explained that this was previously included in the budget for the EDC to obtain office space to free up space for City Hall. The EDC will also be an anchor tenant for the development. He explained that it is a Letter of Intent, not an agreement. Mr. McBeth asked if \$20.00 s.f. finish out is realistic. Mr. Kettelman said the EDC has our own equipment and furniture so not a lot to be done once it is built.

Mr. Burrus made a motion to approve the Letter of Intent. Mr. Coleman seconded and the vote carried unanimously.

g. Discussion and possible action regarding 548/741 Project Declaration

Mr. Kettelman explained the area and that there was good opportunity for growth. Declaring the specific areas as a project will promote economic and community development to benefit the citizens of the City and for the purposes of expending sales tax proceeds of the EDC. He explained there are no legal ramifications to the owner.

Mr. Tayamen made a motion to approve the resolution. Mr. Alexander seconded and the vote carried unanimously.

h. Discussion and possible action regarding Incentives Policy

Mr. McGregor explained that approximately one year ago an Incentive Application was posted on the EDC website. There was no policy or anything explaining to the applicant the parameters and as a result the EDC created an Incentives Policy to go with the Application to explain what the Application does and does not provide, along with key considerations for economic incentives and the application process. Mr. McGregor asked the Board if they wanted to add or delete anything or move forward. Mr. McBeth asked if this would have any impact on the downtown grants and Mr. McGregor said it would not. Mr. McBeth asked if the Board had any questions. Mr. Burrus made a motion to approve the Policy. Mr. Coleman seconded and the vote carried unanimously.

i. 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.i.) Also Section -§ 551.071, consultation with attorney.

Mr. Alexander made a motion to enter into Executive Session. Mr. Tayamen seconded and the vote carried unanimously. The time was 7:27 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. Burrus made a motion to enter back into Regular Session. Mr. Tayamen seconded and the vote carried unanimously. The time was 8:30 p.m.

At this time the EDC Board turned to item 5.a. Ms. Browning made a motion to approve the Mowing Contract for the Detention Pond Area. Mr. Burrus seconded and the vote carried unanimously.


7. Future Agenda Items


There were no future agenda items.

8. Adjournment

Adjournment by unanimous consent at 8:32 p.m. on motion by Mr. Alexander and seconded by Mr. Tayamen.

APPROVED: JOE DAN MCBETH





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