

## FORNEY ECONOMIC DEVELOPMENT CORPORATION



### MINUTES REGULAR MEETING 101 EAST MAIN STREET FORNEY, TEXAS 75126 APRIL 19, 2018 6:30 P.M.

Notice is hereby given that the Forney Economic Development Corporation (FEDC) of the City of Forney met on April 19, 2018 in Council Chambers. President Joe Dan McBeth, Vice President & Treasurer Scott Burrus, Secretary Kym Tayamen and Directors Jessica Browning, DeCarlo Coleman and Amanda Lewis were present. Executive Director Warren Ketteman, Specialist Stewart McGregor and City Attorney Jon Thatcher were also present. Board Director Fred Alexander was absent.

1. **Call to Order** at 6:30 p.m.
2. **Invocation** by Mr. Burrus
3. **Public Communication**

There was no public communication.

4. **Minutes & Reports**

- a. Approval of the FEDC Minutes – March 8, 2018 Regular Meeting

Mr. Burrus pointed out a misspelling of his last name. Mr. Burrus made a motion to approve the March 8, 2018 minutes contingent upon the correction of the spelling error. Mr. Tayamen seconded and the vote carried unanimously.

- b. Financial Report

Mr. Burrus gave the financial report. We are at 50% of the fiscal year, with revenues at 52.41% and expenditures at 27.76%.

- c. Executive Director's Report

Mr. Ketteman gave the Executive Director's report. A complete copy of this report is available in the EDC Office. A few noteworthy items he announced:

-The EDC wrapped up a new search for an Administrative Assistant and tendered an offer to Ms. Mary Jane Wilson. Mr. Ketteman said she would start on April 30. Jessica Sherman, the previous Administrative Assistant internally moved to assist City Secretary Dorothy Brooks, as Mrs. Brooks has had recent health concerns.

-Mr. Ketteman announced he attended the Site Selector's Guild meeting in Cincinnati, OH.

-EDC Staff participated in Kaufman County Day at the Texas Capitol, meeting with state agencies and the Governor's Office of Economic Development.

-Mr. Ketteman attended the Society of Industrial and Office Realtors (SIOR) Conference in Austin as part of the Team Texas organization. He said he followed up with several realtors he met for tours around Forney.

5. **Discussion/Action Items**

- a. Discussion and possible action regarding a redevelopment grant application for 208 S. Bois D'Arc St., Forney, TX and a façade grant application for 210 S. Bois D'Arc St., Forney, TX

Mr. McGregor stated Mrs. Ballard (the property owner) was unable to attend the meeting to present her project due to a last minute health emergency. He said Mrs. Ballard purchased the Marketplace Antiques building next to Crumbzz. While currently one building, he said Mrs. Ballard plans to renovate the property back into two buildings with separate entries.

She applied for a redevelopment grant application for 208 S. Bois D'Arc and a façade grant for 210 S. Bois D'Arc. Her building plans include maintaining the 210 property as general retail, with new doors and unveiling the brick underneath the stucco façade, along with a metal awning similar to the Spellman Museum. For the 208 side, she plans to use as a gathering space for a variety of purposes: rentable conference/co-working space, smoothie and snack bar, along with outdoor patio space behind the building. She has engaged a designer from the Bishop Arts District in Dallas to assist her in plans for the property's redevelopment.

Mr. Tayamen made a motion to approve the façade grant application up to \$10,000 matching reimbursement for 210 S. Bois D'Arc and the redevelopment grant application up to \$25,000 matching reimbursement for 208 S. Bois D'Arc. Mr. Coleman seconded and the vote carried unanimously.

**b. Discussion and possible action regarding a Performance Agreement between the Forney EDC and Garrett A. Moore Company**

Mr. Ketteman explained this item. He said EDC Staff met Mr. Moore a couple years ago at a local trade show and had him visit Forney. He has proposed developing a set of small offices and retail at the EDC/City-owned land at the corner of Chestnut & Main Street in the style of Victorian homes.

City Attorney Jon Thatcher explained the Performance Agreement for the board's consideration in the granting of EDC-owned property to the developer. He said the Purchase & Sale Agreement was previously executed and per law, there was a 60 day waiting period. The Performance Agreement includes language requiring the developer to construct at least 8,200 square feet of small office and retail space with specific timeline measures and clawbacks. Mr. Thatcher also stated the Council would consider a Chapter 380 Agreement granting the City's portion of land to the developer at their upcoming meeting on May 1, 2018. He also iterated that while there are values of land, no money would change hands at the time of closing. Mr. Ketteman stated the property was appraised by a third party, with the value of the EDC portion of land at \$220,000.

Mr. Terry Moore, developer of the property and owner of the Garrett A. Moore Company presented to the board his plans for the property. He said he has two LOIs and would begin with construction of four buildings styled after Victorian homes located on Swiss Avenue in Dallas. He said rental rates would be \$18 NNN, with a property owners/tenant association to maintain upkeep. If a building is sold to an end-user, there would be a deed restriction and/or agreement to continue upkeep and related requirements as part of the development. He also stated his financing is secured from an investment group in Oregon. Mr. Moore elaborated on his past development projects spanning 40 years, including Billy Bob's in Fort Worth and Swiss Tower in Dallas, a 75-story mixed-use building.

Mr. Burrus made a motion to approve the Performance Agreement between the Forney EDC and Garrett A. Moore Company. Mrs. Browning seconded and the vote carried unanimously.

**c. Discussion and possible action regarding extending the termination date of a contractual agreement with LCG Highway 80, LLC (Leon Capital Group)**

Mr. Ketteman explained Leon Capital Group purchased TXDOT surplus property from the EDC a couple years ago in order to develop into two pad sites for fast food restaurants. Due to concerns on safety and access, there was a delay in the development of the property. Recently, TXDOT approved a left-hand turn lane into the property from FM 548. The EDC Board previously extended the contract on development of the property to June 30, 2018. With that date quickly approaching, he said Leon Capital requested the board consider extending the contract to a deadline of June 30, 2019.

Mr. McBeth inquired if June 30, 2019 is enough time for the extension. Mr. Ketteman confirmed it is and that Raising Cane's (one of the end users) are ready to develop soon. Mr. McBeth asked if the date would be the deadline for issuance of a Certificate of Occupancy. Mr. Ketteman said it would only be for construction/building permits and signed lease agreements.

Mrs. Browning made a motion to extend the contract between the EDC and LCG Highway 80, LLC to June 30, 2019. Mrs. Lewis seconded and the vote carried unanimously.

- d. Discussion and possible action regarding the sale of EDC-owned property at 211 S. Bois D'Arc St. to the tenant

Mr. Kettelman said this item was for Groovy's boutique on Bois D'Arc. He reminded the board the tenant has a right of first refusal in their lease to purchase the building. Groovy's wants to exercise this right. As part of their original performance agreement with the EDC, they were to have 2 FTEs through 2019. Due to their purchase of the property, this performance agreement would be in conflict with them owning the property. Further, he said Groovy's has honored the performance agreement and have been good operators of their business. He advised the board to resolve the issue by including a letter upon the sale of the building releasing them from this requirement. Mr. Kettelman said President McBeth would sign this release and closing would most likely take place in the next week or two.

Mr. Burrus made a motion to release Groovy's of their performance agreement requirements contingent upon final sale and closing of the building. Mr. Tayamen seconded and the vote carried unanimously.

- e. Discussion and possible action regarding a MOU Interlocal Agreement for downtown parking between the Forney EDC and Forney ISD

No action was taken on this item.

- f. Discussion and possible action regarding a financial incentive agreement between the Forney EDC and Forney ISD

Following executive session, Mrs. Browing made a motion to declare an economic development incentive project under the name "Project Freeport and to instruct staff to carry out implementation of the project under Chapter 505 of the Texas Local Government Code, with the understanding the incentive disbursement would begin in January 2019. Mrs. Lewis seconded and the vote carried unanimously.

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

Following executive session, Mr. Burrus made a motion to instruct the Board President to sign a non-disclosure agreement for Project Eagle on behalf of the EDC Board and Staff. Mr. Coleman seconded and the vote carried unanimously.

## 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 Sections 6.e., 6.f. and 6.g.).

Mr. Coleman made a motion to move out of open and into executive session. Mrs. Lewis seconded and the vote carried unanimously. The time was 7:33 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.

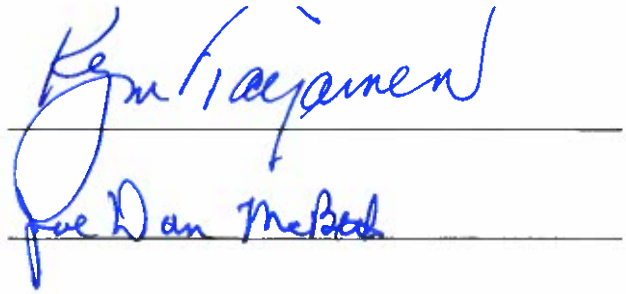
Mr. Tayamen made a motion to move out of executive and into open session. Mr. Coleman seconded and the vote carried unanimously. The time was 9:37 p.m. At this time, Mr. McBeth turned to item 5.f.

## 7. Future Agenda Items

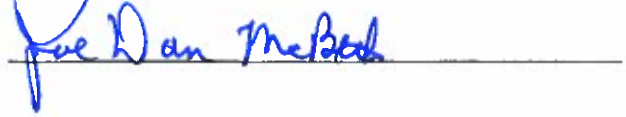
Mr. McGregor mentioned HOT Funds training would take place at next month's meeting. Mr. Kettelman announced two upcoming events for the following week – the Forney Industry Trade Show (FITS) and the Entrepreneur Forum.

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

APPROVED: KYM TAYAMEN, SECRETARY

  
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APPROVED: JOE DAN McBETH, PRESIDENT  
DATE: MAY 10, 2018

  
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