



FORNEY ECONOMIC DEVELOPMENT CORPORATION

**MINUTES
SPECIAL MEETING
101 EAST MAIN STREET
FORNEY, TEXAS 75126
MARCH 23, 2017
6:30 P.M.**

Notice is hereby given that the Forney Economic Development Corporation (FEDC) of the City of Forney met on March 23, 2017 at 6:30 p.m. in the City Council Chambers. President Joe Dan McBeth, Vice President & Treasurer Scott Burrus and Directors Jessica Browning, Fred Alexander and Amanda Lewis were present. FEDC Director Warren Kettelman and FEDC Coordinator Stewart McGregor were also present. Secretary Kym Tayamen and Director DeCarlo Coleman were absent.

1. **Call to Order** at 6:33 p.m.
2. **Invocation** by Mr. McBeth
3. **Discussion/Action Items**
 - a. Discussion and possible action concerning the EDC draft budget for Fiscal Year 2017-18.

Mr. Kettelman stated the budget season got off to an earlier start than in years past and that he wanted to run a draft budget for the Fiscal Year 2017-18 by the EDC Board before submitting the draft budget to City Staff. He specified this item would come back to the board closer to the summer before heading to the City Council for final approval.

Mr. Kettelman stated one of the largest changes in next year's budget would be the proposed addition of new administrative assistant. This cost would be approximately \$51,000 including benefits, with an hourly wage of about \$17 per hour. Mr. McGregor explained that due to several large projects he is assisting Mr. Kettelman on, the administrative duties are taking time away from other duties of his aimed at business development and project management. Mr. Kettelman mentioned that EDC Staff regularly attend events, speaking engagements and similar programs, leaving the EDC office without any staff to greet walk-in guests or answer phones. He further said that office business retention efforts had lagged due to the other responsibilities currently being carried out by EDC Staff. With the addition of a new staff member, the EDC could better focus their efforts holistically on business retention and attraction. Mrs. Browning said she thought hiring an administrative assistant was a good idea, as several times she stopped by the EDC Office while staff were out at other work engagements.

Mr. McBeth asked about office arrangements for the new staff member. Mr. Kettelman said there is already a desk available this potential new staff member would use and any IT needs would be appropriately budgeted by the IT Department.

At this time, Mr. Kettelman continued his draft budget presentation, starting with lease income. Due to the EDC-owned buildings all being leased, there would be an increase in this income, with the necessary rate adjustments taking place according to the lease agreements with the tenants.

Advertising: This line item increased by \$1,000 over last fiscal year. Most notably, staff dropped "Trade & Industry Development" Magazine due to little return on investment. Staff increased funding for the "rotating" billboard agreement with Lamar Advertising, which provides exposure for Forney in the Dallas area. Mr. Kettelman said staff increased this item to a full year of funding at \$14,000. Mr. McGregor also mentioned staff would be working this next year to better diversify advertising with some electronic content through the Dallas Business Journal.

Dues & Subscriptions: Mr. Kettelman stated this item dropped to \$7,750 for next year over \$9,050 for the current year. Most notably, he specified staff would drop their subscriptions to TexasOne and the North Texas Commission, mainly because staff was not receiving a good return on their membership investment. Instead, staff budgeted for joining Team Texas, which is part of the Texas Economic

Development Council (TEDC). Many EDCs are part of this organization and FEDC Staff see more benefit from this membership program than TexasOne and North Texas Commission.

Education & Training: Mr. Kettelman specified this line item increased by \$1,000, mainly due to the biennial Sales Tax Training Seminar, which is required training for EDC Staff. He also said this increased due to Mr. McGregor taking classes to work toward his certification in economic development.

Professional Services: Mr. Kettelman explained this line item increased from \$47,700 to \$92,200, mainly due to a video and marketing services costing \$40,000. Further, he said a video idea was originally recommended by a council member, which would most likely integrate information on economic development, the school district and City. Mrs. Browning inquired in regards to the marketing services. Mr. McGregor explained the company, FreshInk, produces the video and has a YouTube certified staff member that markets the video to your target audience for several months, which in Forney's case would be commercial realtors and site selectors. Mrs. Browning responded that EDC Staff marketing a less expensive video for themselves might be just as effective. Mr. McBeth asked due to the price if the amount of people seeing the video would balance out the cost. Mr. Kettelman also stated that if a video were to be done, it may need to be updated in just a few years due to community changes.

Through consensus by the EDC Board, it was requested the video line item be trimmed down.

Mr. Kettelman also explained the professional services budget included a redesign of the development maps, which are a biennial publication, as well as funding for a summer intern to assist EDC Staff with special projects. Further, Mr. McGregor stated the funding for the EMSI Developer Software was continued at \$10,000 per year. He explained this software helps EDC Staff better obtain labor and area data for prospects.

Tax Abatement: Mr. Kettelman explained this line item took into account a slight inflationary increase.

Print Services: Mr. Kettelman said this line item was budgeted for the same amount as the current fiscal year.

Insurance: Mr. Kettelman explained this line item was for EDC-owned property and is budgeted the same amount as the current fiscal year.

Legal Services: Mr. Kettelman said this line item significantly decreased over last year's appropriation. This is due to an In-House Attorney coming on staff with the City. Further, he mentioned with the EDC using a portion of the attorney's time for his legal expertise, it might be in our interest to assist in helping fund a small portion of his time. Mr. Kettelman said he would work with the City Manager to get a better idea of how something like this could work. Mr. McBeth said he believed this would be a good idea to continue working out.

Telephone: Mr. Kettelman explained this line item would remain the same as the current fiscal year.

Travel: Mr. Kettelman said this item would remain the same as the current fiscal year.

Uniforms: Mr. Kettelman explained this line item would remain the same as the current fiscal year.

Utilities: Mr. Kettelman said this item moved to \$0 due to all EDC-owned property being leased by tenants, who are responsible for their utility bills.

Copier: Mr. Kettelman explained this item would remain the same as the current fiscal year.

Employment/Public Relations: Mr. Kettelman said this item slightly increased over last year by \$200.

Local Meetings: Mr. Kettelman explained this item slightly decreased by \$500. Mr. McGregor said EDC Staff budgeted some money for an EDC Board Retreat. He then asked if that is something the board would like to do next fiscal year. Mr. Kettelman said the last retreat took place in 2013 when the previous director was employed. Further, he mentioned that due to the law governing economic development corporations, this retreat would have to take place within the City limits of Forney.

The board came to a consensus that a retreat would be a good activity to take place.

Print Advertising: Mr. Ketteleman said this line item increased mainly due to the purchasing of new wall maps for the EDC Office, Conference Room and Community Development offices. He said the City Manager had an idea for developing maps which could have an overlay for planning water/sewer routes and other needed City infrastructure. He said he would work with City staff to see what feasibility there could be in developing a map like this.

Mr. McBeth asked about the potential for electronic maps, which could be easily updated. Mr. Ketteleman responded that he could look into that. Mr. McGregor said staff sometimes transports the wall maps to make presentations to local groups and, depending on the product, an electronic map might be difficult to transport.

Promotional Items: Mr. Ketteleman explained this line item would remain the same as the current fiscal year.

Trade Shows: Mr. Ketteleman said this item was reduced by \$2,600 to \$13,000 for the next fiscal year. It includes attendance at shows such as ICSC, Fabtech, High Point Furniture Show, among others. Mr. McGregor mentioned the EDC recruited a company from the ICSC RECON show in Las Vegas. EDC Staff last year met with Christian Brothers Automotive, who are currently working through the City planning department to construct a new mechanic shop in Forney.

Supplies: Mr. Ketteleman explained this item would remain the same as currently budgeted.

Postage: Mr. Ketteleman said this item would remain the same as currently budgeted.

Non-Capital Purchases: Mr. Ketteleman explained this item is for office furniture and would decrease by \$1,000.

Building Repairs & Maintenance: Mr. Ketteleman said this item would be budgeted at \$15,000, due to the majority of EDC-owned property being repaired this fiscal year. However, in case any incidentals occurred, there would be some money available next fiscal year.

Business Park Expense: Mr. Ketteleman said this item went down, due to a new contract with Richard Cunningham, who provides maintenance to the detention pond area behind Walmart. This item would be budgeted at \$7,200.

EDC Project Expense: Mr. Ketteleman explained this item increased from \$210,000 to \$240,000. This is mainly due to the EDC placing proposed monument signage for the downtown area, which is part of the Forney EDC Strategic Plan. While EDC Staff had performed some due diligence in researching the cost of this signage, this number was a rough estimate. He also said the redevelopment grant had been reappropriated for next year, due to increased interest in downtown redevelopment projects. Further, \$50,000 was budgeted for a medical incentive to help increase the medical industry presence in Forney, due to the large medical workforce currently living in Forney. Mr. McBeth asked if this would be to help grow the Forney Medical Plaza. Mr. Ketteleman responded that it could go to help with finish out costs or for other medical office developments in Forney. The façade grant program would also continue with \$50,000 being appropriated.

Finally, Mr. Ketteleman said all other expenses would be plugged in by the Finance Department.

There was no further action taken on this item.

- b. Discussion and possible action concerning economic development negotiations with current prospects.

No action was taken on this item.

4. Public Communication

There was no public communication.

5. 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 deliberations regarding the offer of a financial or other incentive to a business prospect. (Related to Section 3.b.)

Mr. Alexander made a motion to enter into executive session and Mr. Burrus seconded. The vote carried unanimously. The time was 7:53 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 reenter into open session and Mrs. Browning seconded. The vote carried unanimously. The time was 9:13 p.m. At this time, Mr. McBeth returned to item 3.b.

6. Future Agenda Items

Mr. Kettelman mentioned there would be a joint executive session meeting between the Forney EDC Board and Forney City Council at next month's regular EDC Board meeting on April 13.

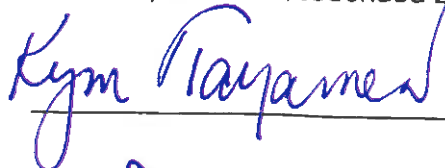
He also mentioned EDC Staff and Mr. Burrus would be attending Kaufman County Day at the Capitol March 26-28. On the evening of March 28, Mr. Kettelman said he would attend the public hearing on US Highway 80 improvements with TXDOT at North Mesquite High School.

Mr. Kettelman said he would email the board on an event taking place on April 1, for the ribbon cutting at Gateway Boulevard and the new fire station.

Mr. McBeth inquired about the impact of highway construction on the US 80/Pinson Road intersection. Mr. Kettelman said that Mr. McGregor penned a letter signed by the Mayor to TXDOT requesting they reconsider the exit's closure until work begins at the exit.

- 7. **Adjournment** by unanimous consent at 9:18 p.m., on motion by Mr. Burrus, seconded by Mr. Alexander.

APPROVED: KYM TAYAMEN, SECRETARY



APPROVED: JOE DAN McBETH, PRESIDENT
DATE: APRIL 12, 2017

