



**MINUTES**  
**FORNEY CITY COUNCIL AND**  
**FORNEY EDC JOINT MEETING**  
**WEDNESDAY, APRIL 12, 2017 at 6:30 p.m.**  
**101 E. Main Street, City Hall, Forney, Texas 75126**

Notice is hereby given that the Forney City Council and the Forney Economic Development Corporation (FEDC) will hold a joint meeting on April 12, 2017 at 6:30 p.m. in the City Council Chambers at the Forney City Hall, 101 E. Main Street, Forney, Texas, for the following purposes:

**1. City Council Call to Order**

- a. City Council call to order and confirm a quorum.

Mayor Rick Wilson called the Forney City Council to order at 6:30 p.m. Mayor Wilson, Councilman McGee, Councilman Johnson and Councilwoman Powers were all in attendance. Mayor Pro-Tem Stephens, Councilman Regan and Councilwoman Penn were absent.

- b. Invocation by Councilman Johnson
- c. Pledge of Allegiance

**2. FEDC Call to Order**

- a. FEDC call to order and confirm a quorum.

FEDC Board President Joe Dan McBeth called the Forney EDC Board to order at 6:31 p.m. President McBeth, Vice President & Treasurer Burrus, Secretary Tayamen and Directors Alexander, Browning and Lewis were all present. Director Coleman was absent.

**3. Executive Session with the Forney City Council and the FEDC: In accordance with Texas Government Code, Section 551.001, et seq., the City Council and the FEDC will recess into Executive Session (closed meeting) to discuss the following:**

- a. In accordance with Texas Government Code, Section 551.071, consultation with attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act.

Councilman McGee made a motion for the Forney City Council to adjourn into executive session at 6:32 p.m. Councilman Johnson seconded and the vote carried unanimously.

Mr. Burrus made a motion for the Forney EDC Board to adjourn into executive session at 6:32 p.m. Mr. Alexander seconded and the vote carried unanimously.

- b. In accordance with Texas Government Code, Section 551.087, to discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the territory of the City of Forney and with which the City is conducting economic development negotiations; and to deliberate the offer of a financial or other incentive to the business prospect:
  - Projects "Rocky Mountain," "Robin Hood," "Big Deal," "Basketball," "Victorian," "Business Park"
  - HP Forney 548 Partners, LP
  - Racetrac Development Project
  - LCG Highway 80, LLC
- c. In accordance with Texas Government Code, Section 551.072, to discuss or deliberate the purchase, exchange, lease, or value of real property related to the economic development matter referenced in Section 3(b) of this agenda.

**4. Reconvene into Regular Session: In accordance with Texas Government Code, Chapter 551, the City Council and the FEDC will reconvene into Regular Session to consider action, if any, on matters discussed in Executive Session.**

Councilman McGee made a motion for the Forney City Council to enter back into open session at 8:34 p.m. Councilwoman Powers seconded and the vote carried unanimously.

Mr. Alexander made a motion for the Forney EDC Board to enter back into open session at 8:36 p.m. Mrs. Browning seconded and the vote carried unanimously.

**5. City Council Adjournment at 8:36 p.m.**

Following the joint Executive Session and council's adjournment, the EDC Board continued with its regularly scheduled meeting. Mr. Ketteman explained RaceTrac had approached the EDC Board regarding a financial incentive to help offset infrastructure improvements for a property they are planning to develop at the intersection of FM 548 and FM 1641. Mr. Ketteman said due to RaceTrac being the first to develop on a retail property of approximately 22 acres, they are running infrastructure lines to the site that would not only serve RaceTrac, but the other businesses that will locate there in the future.

Mr. Ketteman also said there is a potential impact fee rebate the City was considering. This was confirmed by City Attorney Jon Thatcher, who was in attendance. Mr. Ketteman said the board is interested in helping offset costs for off-site sanitary sewer improvements, as well as drainage culverts. The total cost of this portion of the improvements is valued at \$87,970. The complete total of RaceTrac infrastructure improvements to their site, including impact fees, is about \$618,000.

Mr. Alexander made a motion to approve an infrastructure improvement incentive for RaceTrac in the amount of \$87,970. Mrs. Browning seconded and the vote carried unanimously.

At the conclusion of this motion, Mr. McBeth continued to item 6.a.

**6. FEDC Consent Agenda**

- a. Approval of the FEDC Minutes – March 9, 2017 Regular Board Meeting and March 23, 2017 Special Board Meeting

Mr. Burrus made a motion to approve the minutes from the March 9, 2017 and March 23, 2017 board meetings. Mrs. Browning seconded and the vote carried unanimously.

- b. Financial Report

Mr. Burrus gave the financial report. We are at 50% of the fiscal year with expenditures at 41.92% and revenues at 50.58%.

- c. Executive Director's Report

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

-The Downtown Parking/Street improvements construction has begun. EDC Staff are holding a weekly "donut summit" meeting every Friday at the Donut Shop on Main Street at 7:30 a.m. to speak with business owners on the construction. Axis Contracting, the company performing the construction, also attends the weekly meetings to provide plan updates, as well.

-Mr. McBeth said an embroidery company, "Grace for Life" is opening in Downtown Forney soon. Mr. McGregor also mentioned the Latham Bakery is opening Friday and Waffle House opened today.

**7. FEDC Discussion/Action Items**

- a. Discussion and possible action concerning a redevelopment grant incentive application for Phillip's Electrical (501 E. Main St., Forney, TX 75126)

At this time, Mr. McBeth recognized Ken and Faye Phillips to speak on behalf of their redevelopment application. Mr. Phillips explained his property at 501 E. Main Street would be a \$175,000 redevelopment initiative. This property would house his son's electrical contracting business, Phillips Electrical, which is relocating from Mesquite. He said the company will open at the facility at the end of August. Mr. Phillips said there would be 14,000 square feet under roof, with a portion of the building that would be rented out to another business. They are currently performing rewiring work, new fencing and Texas native landscaping, among other things.

Mrs. Browning asked Mr. Phillips how many jobs would be relocated to Forney with Phillips Electrical. He responded with seven employees with plans for continued employee expansion. About two would work in the office. Mr. Phillips also specified that Phillips Electrical has been in business for about 20 years.

Mr. Kettelman said the application met the redevelopment grant specifications as reviewed by staff. Mr. McGregor said it would be a reimbursement upon proof of receipts totaling at least \$50,000.

Mr. Burrus made a motion to approve a redevelopment grant for Mr. Phillips' property. Mrs. Browning seconded and the vote carried unanimously.

At this time, Mr. McBeth turned to Item 7.c.

- b. Discussion and possible action concerning the sale of EDC-owned property at 212 S. Bois D'Arc St.

At this time, Mr. McBeth vacated the Chamber and Mr. Burrus assumed the chair.

Mr. Kettelman explained both Mr. McBeth and the tenant at 212 S. Bois D'Arc St. had expressed an interest in purchasing the property. The lease agreement for the property currently has a right of first refusal for the tenant to exercise, if he wishes.

Mr. Alexander made a motion to proceed with the tenant at 212 S. Bois D'Arc St. to exercise his right of first refusal in purchasing the property and to allow the Executive Director to begin work on the process of selling the building to the tenant at appraised value. Mr. Tayamen seconded and the vote carried unanimously.

- c. Discussion and possible action concerning the lease agreement between the Forney EDC and Eno's Pizza Tavern (215 S. Bois D'Arc St.)

Mr. Kettelman said this item was still under review by Eno's. Once Eno's confirms their lease, Mr. Kettelman said he would bring it to the board to confirm on their end, as well.

No action was taken on this item.

- d. Discussion and possible action concerning a façade grant extension for 105 E. Main St. and 117 E. Main St.

Mr. McGregor explained this issue arose from two façade grants that were presented to the board in April 2014. Due to an administrative error, these two grants were not formally approved. In August 2015, the issue was brought to the EDC board's attention and they approved two grants for \$5,000 each (one for the rear façade of 105 E. Main St. and the other for 117 E. Main St.). Mr. Kettelman added that due to the plans for downtown and changes, including parking construction and other issues, the façade updates were delayed. Further, Mr. McGregor said the property owner and contractor were ready to start the project. In addition, the contractor has already purchased the materials. Mr. McGregor said due to the grant being approved under old façade grant rules, this would be grandfathered in.

Mr. Kettelman said the old rules for façade grants did not specify a 50/50 match. The total cost for these two facades were quoted at about \$15,000. With the old rules in place the EDC would cover two, \$5,000 grants for a total of \$10,000. Mr. Burrus asked if funds were available within the EDC Budget for the project. Mr. Kettelman confirmed.

Mr. Burrus made a motion to approve an extension on the two façade grants, for a total of \$10,000. As part of the extension, the property owner would have 3 months to complete the project upon receiving permits. If not completed within said timeframe, the property owner would have to reapply for the grant(s) under the new façade grant rules. Mr. Tayamen seconded and the vote carried unanimously.

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

No action taken.

## 8. Public Communication

Mr. Burrus proudly announced his daughter would be the valedictorian for the Class of 2017 at Forney High School.

## 9. Executive Session with the FEDC: In accordance with Texas Government Code, Section 551.001, et seq., the FEDC will recess into Executive Session (closed meeting) to discuss the following:

- a. In accordance with Texas Government Code, Section 551.087, to discuss or deliberate regarding commercial or financial information that the City has received from a business prospect that the City seeks to have locate, stay, or expand in or near the territory of the City of Forney and with which the City is conducting economic development negotiations; and to deliberate the offer of a financial or other incentive to the business prospect. (Related to Sections 7.b. and 7.e.)

Mr. Tayamen made a motion for the EDC Board to enter into executive session at 9:15 p.m. Mr. Alexander seconded and the vote carried unanimously.

- b. In accordance with Texas Government Code, Section 551.072, to discuss or deliberate the purchase, exchange, lease, or value of real property related to the economic development matter referenced in Section 9(a) of this agenda. (Related to Sections 7.b. and 7.e.)

Mr. Alexander made a motion for the EDC Board to enter back into open session at 10:16 p.m. Mr. Burrus seconded and the vote carried unanimously.

At this time, Mr. McBeth returned to item 7.b.

## 10. Future Agenda Items

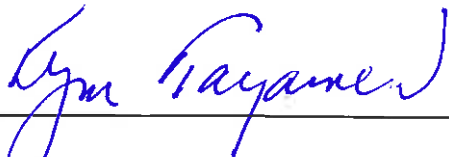
Mr. McGregor let the board know that the HOT Funds workshop would take place at next month's regular board meeting. Also, staff is continuing work on coordinating plans for the ICSC RECON trade show.

Mr. Ketterman let the board know about upcoming term expirations. Mr. Burrus, Mr. Tayamen, Mr. Alexander and Mrs. Lewis all have expiring terms coming up on 6/30/18. He said City Secretary Dorothy Brooks would be sending out information to the four board members regarding the reappointment process.

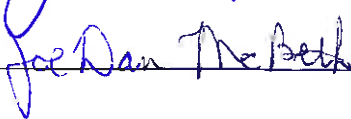
## 11. FEDC Adjournment

by unanimous consent at 10:21 p.m., on motion by Mrs. Browning, seconded by Mr. Burrus.

APPROVED: KYM TAYAMEN, SECRETARY



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APPROVED: JOE DAN McBETH, PRESIDENT  
DATE: MAY 11, 2017