



## FORNEY ECONOMIC DEVELOPMENT CORPORATION

### MINUTES REGULAR MEETING 101 EAST MAIN STREET FORNEY, TEXAS 75126 OCTOBER 11, 2018 6:30 P.M.

Notice is hereby given that the Forney Economic Development Corporation (FEDC) of the City of Forney met on October 11, 2018 in Council Chambers. President Joe Dan McBeth, Vice President & Treasurer Scott Burrus, Secretary Kym Tayamen, and Directors Jessica Browning, DeCarlo Coleman, Fred Alexander, and Amanda Lewis were present. Executive Director Warren Kettelman, Specialist Stewart McGregor, City Attorney Jon Thatcher, and Administrative Assistant Mary Wilson were also present.

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

There was no public communication.

#### 4. **Minutes & Reports**

- a. Approval of the FEDC Minutes – September 13, 2018 Regular Meeting

Mr. Alexander made a motion to approve the minutes as presented. Mr. Burrus seconded and the vote carried unanimously.

- b. Financial Report

Mr. Burrus gave the financial report. We are at 100% of the fiscal year, with revenues at 100.95%, and expenditures at 85.49%. Director Kettelman noted that there was an approximate fund balance of \$2 million.

- c. Executive Director's Report

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

- The EDC attended the Kaufman City Hall ribbon cutting with Anna Dodd from Senator Hall's office.
- The Real Estate Roundtable at Mama's Daughters Diner was a great success.

#### 5. **Discussion/Action Items**

- a. Discussion and possible action regarding a Redevelopment Grant request from Mr. and Mrs. Zmolik.

This item concerns the Redevelopment Grant Application for the house/property located at 104 McGraw and purchase by Zmolik Construction to redevelop into offices.

Mr. Zmolik explained that he thought it was a reimbursement program. He gave a background of the construction and remodeling and the costs he has already incurred. He further explained the upcoming expenses he would have, including interior, parking/drive, plumbing, electrical and HVAC. He said the building will be a family counseling site. Mr. McBeth asked him the number of employees they would have and Mr. Zmolik stated he believed three to four. Mr. Alexander asked Mr. Zmolik if his final estimate was \$100,000 and Mr. Zmolik stated it was. Mr. McBeth asked if the requested amount was \$25,000 and Director Kettelman said yes, it was matching; spend \$50,000 and receive \$25,000. Mr. McGregor reminded him that the property would need a Certificate of Occupancy prior to receiving the reimbursement.

Ms. Browning made a motion to approve the grant. Ms. Lewis seconded and the vote carried unanimously.

**b. Discussion and possible action regarding FDBA HOT Funds.**

This item concerns the Forney Downtown Business Association's request for an extension of approximately two months to pay the artists upon completion of the new downtown mural.

Mr. McGregor presented the letter requesting the extension from the FDBA, as no representatives were able to attend the meeting. The letter explained the FDBA commissioned a second downtown mural using HOT funds. Wall repair and preparation has been paid, a contract has been signed with the artists, and a deposit from the HOT funds was made. Artists will begin October 29 with an anticipated completion date of the end of November. This is later than originally expected. Time constraints arose with changes to their schedule and a fire at the mural location. The mural has been approved by the Architectural Review Board. The \$5,410 remaining in HOT funds is to be paid to the artists upon completion, which is anticipated to be the end of November, weather permitting.

Mr. McBeth asked for any questions. Mr. Burrus asked when the artist will start and Mr. McBeth said end of October.

Mr. Coleman made a motion to extend the time period to pay the artists by two months. Mr. Burrus seconded and the vote carried unanimously.

**c. Discussion and possible action regarding a Façade Grant extension for 210 S. Bois D'Arc.**

This item concerns a request from Cheryl Ballard for a Façade Grant extension for 210 S. Bois D'Arc. Currently EDC Façade Grant rules/regulations call for the completion of the work within eight months.

Ms. Ballard received approval for a Façade Grant in April 2018. She has been working on her building and business plans and just recently received approval from Planning & Zoning. With current rules, she would need to complete the façade work by the end of the year. The work could possibly be completed within that time frame, but the applicant wishes to err on the side of caution and has asked for the extension.

Ms. Ballard stated that she did not anticipate the length of time it has taken to determine the footprint to maximize the downtown space. Mr. McBeth asked if there were any tenants lined up. Ms. Ballard said she wants to put in a general store and an old-fashioned soda shop at 210 S. Bois D'Arc, and a craft coffee and work/conference space at 208 S. Bois D'Arc. She wants them to have a light evening venue. Mr. McBeth inquired if she would rent out single events as well. She explained that she wanted to install an ornamental gate so it can be opened as one space for larger events, or two spaces for smaller. Mr. McBeth asked if the soda shop would be open evenings and she replied it would. Mr. McBeth asked when she thought the project would be completed and she said the façade would need a three-month extension.

Mr. Tayamen made a motion to approve the Façade Grant extension. Mr. Coleman seconded and the vote carried unanimously.

**d. Discussion and possible action regarding an Application for Incentives for Deen Kubota.**

This matter concerns an Application for Incentives from Deen Kubota for new building construction.

Mr. Kettelman introduced Mr. Jeff Deen, owner and Mr. Zado, the engineer, who is building a new structure on Mr. Deen's property on West Broad Street. Mr. Deen explained their company has been there for 17 years selling farming equipment. They have added utility, off-road vehicles, and construction equipment and that's the catalyst for the new building. They will build 10 service bays and add 6 new employees immediately and that will continue to grow. He believes they will bring more tax dollars to the City. He will also be moving their home office from Wills Point to this location. With impact fees, inspection fees and permit fees, they are estimating close to \$100,000. There was a discussion regarding the type of equipment that would be sold.

Mr. McBeth asked if there were any additional questions. Mr. Kettelman asked if the old building was being removed and Mr. Deen replied it was. He said they are also adding a 2-story warehouse so only the new equipment would be outside.

Mr. McGregor asked about the 2% sales tax and Mr. Deen said last year's revenue was \$25 million so the 2% sales tax would be over \$400,000.

Mr. McBeth asked if there were any additional questions. He said the Board would discuss it further in Executive Session.

e. Discussion and possible action regarding downtown crosswalk enhancements.

This item concerns the addition of decorative pavers in the downtown crosswalks similar to the pavers at the intersection of Bois D'Arc and Trinity near Crumbzz. City Manager Mr. Tony Cason brought this request to our attention. He has experience with similar crosswalk enhancements in other cities where he has served.

Mr. Kettelman explained the installation procedure, and presented photos, samples, and pricing for 8 crosswalks. Ms. Lewis asked if the City was asking for incentives. She asked why we were involved in this. Mr. Kettelman said the City was asking if the EDC would consider picking up the cost for the crosswalks. He said the cost would not exceed \$50,000. There was a discussion regarding why the EDC got involved in downtown development. Further discussion was held regarding maintenance and whose responsibility it would be. There was discussion regarding restriping the crosswalks with paint and identifying the 8 crosswalks. Ms. Browning pointed out that the City has crosswalks less than a year old that the EDC paid for. Mr. McBeth said if there is a safety need for striping he would like to get a cost for that. He said the EDC should bring other options and look at this again.

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

No action was taken on this item.

## 6. Discussion/Action Items

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

Mr. Tayamen made a motion to enter into Executive Session. Mr. Burrus seconded and the vote carried unanimously. The time was 7:22 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. My Tayamen seconded and the vote carried unanimously. The time was 8:58 p.m.

At this time the EDC Board turned to Item 5.d.

Mr. McBeth entertained a motion to declare Deen Implement a project for the incentives. Mr. Tayamen made the motion and Mr. Alexander seconded and the vote carried unanimously.

Mr. McBeth also entertained a motion to fund up to \$50,649 for the sewer impact fees in the amount of \$38,649 and also \$1,500 per full-time employee up to eight employees. Ms. Browning made the motion and Mr. Alexander seconded and the vote carried unanimously.

At this time the EDC Board discussed the Incentive Application for Bamboo Corner, which was presented to the Board by staff during Executive Session. Michelle Wang, the applicant, said the restaurant will be called Thai Pho, authentic Thai food. She said she moved to Forney 5 years ago from Ft. Worth and is currently part owner of Tokyo Harbor in Forney. With Forney's growth she sees an opportunity for more choices of restaurants so people aren't driving to Garland, Terrell, and Dallas to get authentic Thai or Vietnamese food. It is currently under construction with completion due in 4 months. She expects to have 6 full-time employees and 10 part-time employees. Mr. McBeth asked if she would be involved in the day-to-day operations and she replied yes, she and her partner would. Ms. Wang explained her restaurant experience. They are on target for a February 1, 2019 opening.

Mr. McBeth entertained a motion to do a \$7,500 no interest loan, forgivable after the hire of 5 employees by March 1, 2019. Mr. Burrus made the motion and Ms. Lewis seconded and the vote carried unanimously.

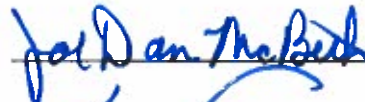
**7. Future Agenda Items**

There were no future agenda items.

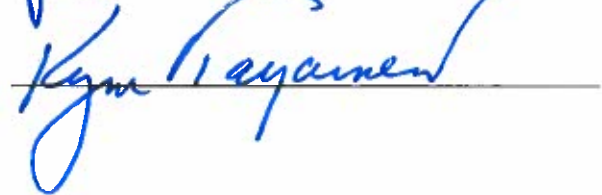
**8. Adjournment**

**Adjournment** by unanimous consent at 9:06 p.m. on motion by Ms. Browning and seconded by Mr. Alexander.

APPROVED: JOE DAN MCBETH, PRESIDENT



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APPROVED: KYM TAYAMEN, SECRETARY  
DATE: NOVEMBER 1, 2018