



FORNEY ECONOMIC DEVELOPMENT CORPORATION

**MINUTES
REGULAR MEETING
101 EAST MAIN STREET
FORNEY, TEXAS 75126
DECEMBER 12, 2018
6:30 P.M.**

The Forney Economic Development Corporation (FEDC) of the City of Forney met on December 12, 2018 in Council Chambers. President Joe Dan McBeth, Vice President & Treasurer Scott Burrus, Secretary Kym Tayamen, and Directors Jessica Browning, Fred Alexander, DeCarlo Coleman, and Amanda Lewis were present. Executive Director Warren Kettelman, Specialist Stewart McGregor, and Administrative Assistant Mary Wilson were also present.

1. **Call to Order** at 6:31 p.m. by Vice-President Burrus.
2. **Invocation** By Mr. Burrus.
3. **Public Communication**

There was no public communication.

4. **Minutes & Reports**

- a. Approval of the FEDC Minutes – November 1, 2018 Regular Meeting

Mr. Burrus pointed out a misspelling of his last name. Mr. Alexander made a motion to approve the November 1, 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 16% of the fiscal year, with revenues at 19.48%, and expenditures at 5.02%. Mr. Burrus stated that sales tax was up 21% over last year.

- c. Executive Director's Report

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

- The January 2019 Board meeting will be moved from the second Thursday to the third Thursday of the month due to a conflict with the ICSC trade show in Fort Worth.
- There has been a marked increase of lunch and flyby tours with developers and realtors.

5. **Discussion/Action Items**

- a. Discussion and possible action regarding a Façade Grant for 110 W. Broad Street.

This item concerns the building located at 110 W. Broad Street that is owned by Mr. Terry Harper. The applicant is Mr. Ryan Kile of Kile Properties. Mr. Kile is the tenant and has submitted a Façade Grant application to update the exterior lighting, resurface the parking lot, and seal the doors and windows.

Director Kettelman explained that the Downtown Renovation Incentive program included interior and exterior improvements. There was a discussion and confirmation of the building's location, that Mr. Kile was a tenant and not the owner, and that the owner is aware of this submission of this application.

Ms. Browning inquired why Mr. Kile had not requested more funding as the grant is up to \$10,000 and Mr. Kile explained the requested amount was for the improvements approved by the building owner.

Mr. McBeth arrived at the meeting at 6:44 p.m.

Ms. Lewis made a motion to approve the Façade Grant. Mr. Alexander seconded, and the vote carried unanimously.

- b. Discussion and possible action regarding Economic Development contractual documents with Investments by Dee LLC.

This item concerns a loan agreement that Investments by Dee, LLC wants to enter into with the FEDC in the amount of \$50,000 to fund costs to improve the property located at 709 at 713 W. Broad Street, including the removal of any on-site wastewater facilities and the installation of any necessary on-site sewer line to connect to the City's sewer system. Monthly payments to be in the amount of \$833.33 for a term of 60 months.

Director Kettelman said this item had been brought to the FEDC Board before. Dee carter owns Sage Park Plaza and wants to include it as part of the West Broad Street sewer. Bids have come in higher and they're asking for a change.

It was decided that the Board would discuss it further in Executive Session.

- c. Discussion and possible action regarding a Resolution supporting the continuation of Chapter 312 Tax Abatements for Economic Development

This item concerns Chapter 312 of the Texas Tax Code, which allows cities and counties in Texas to provide property tax abatement in support of economic development. Tax abatements under this statute are limited to a total of ten years in length and 100% abatement for that ten-year period. Cities and counties can choose to participate with tax abatements or may select not to participate. Cities and counties can craft their own tax abatement policies as long as those abatements don't conflict with the statute or exceed the ten-year limit or the 100% maximum abatement amount.

Chapter 312 is one of the most effective Economic Development tools and will expire on September 1, 2019 unless the State Legislature takes action this session.

Specialist McGregor explained that the 86th Session of the Texas Legislature starts January 8, 2019. Chapter 312 of the Texas Tax Code will sunset. He explained that this is a major tool the EDC can use. Although it should not be an issue, we need to make a good faith effort to support it.

Mr. Burrus moved that the FEDC put its full weight behind this. Mr. McBeth made a motion to approve. Mr. Tayamen seconded, and the vote carried unanimously.

- d. 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. Alexander made a motion to enter into Executive Session. Mr. Tayamen seconded, and the vote carried unanimously. The time was 6:55 p.m.

Ms. Browning left the Executive Session at 7:36 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 8:04 p.m.

At this time, Mr. McBeth turned to item 5.b.

Ms. Lewis made a motion to approve \$50,000 no interest loan to Investments by Dee LLC with the contract written to reflect that if the property is sold within the five-year timeframe of the loan agreement, payment is due to the FEDC in full from the proceeds of the sale. Mr. Alexander seconded, and the vote carried unanimously.

7. Future Agenda Items

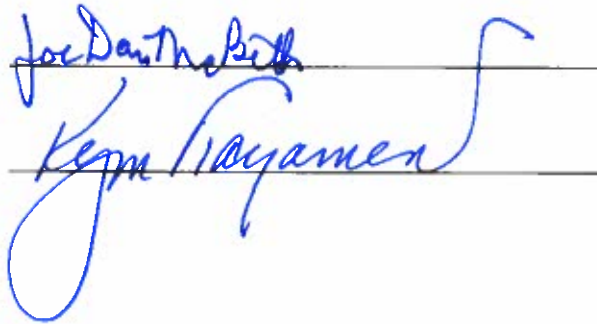
There were no future agenda items.

8. Adjournment

Adjournment by unanimous consent at 8:07 p.m. on motion by Mr. Alexander seconded by Mr. Tayamen.

APPROVED: JOE DAN MCBETH, PRESIDENT

APPROVED: KYM TAYAMEN, SECRETARY
DATE: JANUARY 17, 2019



Handwritten signatures in blue ink over horizontal lines. The top signature is "Joe Dan McBeth" and the bottom signature is "Kym Tayamen".

