



KENNEDALE
Kennedale Economic
Development Corporation
www.cityofkennedale.com

**ECONOMIC DEVELOPMENT CORPORATION AGENDA
BOARD OF DIRECTORS REGULAR MEETING
NOVEMBER 18, 2019 AT 7:00 PM
CITY COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE**

I. CALL TO ORDER

NOTE: Pursuant to Texas Government Code §551.071, the Board reserves the right to adjourn into Executive Session(s) at any time during this meeting to discuss posted Executive Session items or to seek legal advice from the City Attorney on any item posted on the agenda.

II. ROLL CALL

III. REGULAR ITEMS

- A. Consider approval of the minutes from the September 24, 2019 regular meeting
- B. Review and accept the KEDC Financial Report for September 2019
- C. Review and accept the KEDC Financial Report for October 2019
- D. Discuss and consider approval of Lease extension for Red's Roadhouse 1170 E. Kennedale Parkway

IV. REPORTS AND ANNOUNCEMENTS

- A. Chamber of Commerce report
- B. Board member reports and announcements
 - Discuss an alternative date for the December EDC meeting (currently scheduled December 24th)
- C. Staff reports and announcements
 - Update on the hotel project.
 - Update on 7215 and 7224 Bloxom

V. EXECUTIVE SESSION

- A. The Economic Development Corporation (EDC) will meet in closed session pursuant to §551.072 of the Texas Government Code to deliberate the purchase, lease, or value of real property:
 - 1. Discuss Lease extension for Reds Roadhouse 1170 E. Kennedale Parkway

VI. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

VII. ADJOURNMENT

CERTIFICATION

I DO HEREBY CERTIFY THAT THE NOVEMBER 18, 2019 KENNEDALE ECONOMIC DEVELOPMENT CORPORATION AGENDA WAS POSTED INSIDE THE MAIN ENTRANCE OF CITY HALL (405 MUNICIPAL DRIVE), IN A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AT ALL TIMES; AND THAT SAID AGENDA WAS POSTED AT LEAST SEVENTY-TWO (72) HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING, IN ACCORDANCE WITH CHAPTER 551 OF THE TEXAS GOVERNMENT CODE.


LESLIE E. GALLOWAY, CITY SECRETARY



In compliance with the Americans with Disabilities Act (ADA), the City of Kennedale will provide for reasonable accommodations for persons attending meetings. This facility is wheelchair accessible and accessible parking spaces are available. Requests for sign interpreter services must be made forty-eight (48) hours prior to the meeting by calling 817-985-2104 or (TTY) 1-800-735-2989.



STAFF REPORT TO THE BOARD OF DIRECTORS

Date: November 18, 2019

Agenda Item No: REGULAR ITEMS - A.

I. Subject:

Consider approval of the minutes from the September 24, 2019 regular meeting

II. Summary:

Please see attached minutes for your approval.

III. Recommendation:

IV. Alternative Actions:

V. Attachments:

1.	2019_09.24 EDC Minutes_LG_WM	2019_09.24 EDC Minutes_LG_WM.pdf
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ECONOMIC DEVELOPMENT CORPORATION MINUTES
BOARD OF DIRECTORS REGULAR MEETING
SEPTEMBER 24, 2019 AT 7:00 PM
CITY COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE

I. CALL TO ORDER

President Mark Yeary called the meeting to order at 7:00 p.m.

II. ROLL CALL

Present: President Mark Yeary, Place 6; Johnny Trevino, Place 1; Cesar Guerra, Place 2; Andrew Schaeffer, Place 3; Darold Tippey, Place 4; Mayor Pro Tem Lee, Place 5; **Absent:** April Coltharp, Place 7; **Staff:** City Manager and EDC Executive Director George Campbell, Director of Planning and Economic Development Melissa Dailey, Director of Finance and Information Technology Lakeita Sutton, and City Secretary and Communications Coordinator Leslie E. Galloway

III. WORK SESSION

A. Discussion of properties owned by the EDC

Director of Planning and Economic Development Melissa Dailey gave a brief overview of each property owned by the EDC, including lot size, zoning, existing improvements, and recommendations for development or sale. Properties discussed included: 1109 W Kennedale Parkway; 6701/6713 Oak Crest Drive W and 6704/6708 Lindale; 6820 Oak Crest Drive W; 5411 W Kennedale Parkway; 201 E Kennedale Parkway; and 7215, 7224, and 7227 Bloxom Park Road. Dailey noted that the recommendations were based on generating tax revenue and encouraging additional high-quality development.

Following brief discussion of each property, the consensus of the board was to direct staff to issue a Request for Qualifications (RFQ) for the potential development of 1109 W Kennedale Parkway, 6701/6713 Oak Crest Drive W, and 6704/6708 Lindale; to offer 6820 Oak Crest Drive W for sale for use as a single-family home; to obtain an appraisal for 7215, 7224, and 7227 Bloxom Park Road in preparation to offer it for sale; and to create a conceptual plan for TownCenter and surrounding areas for redevelopment focused on enhancing connectivity, walkability, and sense of place.

In response to a request from President Yeary, Dailey stated that Code Compliance staff would aim to prohibit vehicles from parking on the unimproved lot at 1109 W Kennedale Parkway.

IV. REGULAR ITEMS

A. Consider approval of the minutes from the July 23, 2019 regular meeting

Motion To Approve. Action Approve the minutes from the July 23, 2019 regular meeting.

Moved By Tippey. **Seconded By** Trevino. **Motion passes unanimously.**

B. Consider approval of the minutes from the August 19, 2019 regular meeting

Motion To Approve. Action Approve the minutes from the August 19, 2019 regular meeting.

Moved By Trevino. **Seconded By** Tippey. **Motion passes unanimously.**

C. Review and accept the KEDC Financial Report for July 2019

In response to a question from Mayor Pro Tem Lee, Finance Director Lakeita Sutton stated that the EDC has three funds –Operating, Capital Bond, and Reserve – and that, earlier this year, the monies (~\$28,000 to \$30,000) from the Capital Bond Fund had been used to establish a separate bank account for the EDC, but that the monies from the other two funds had never been transferred. Sutton added that all EDC transactions were still being paid and received by the City's pooled cash, rather than through this separate EDC account; but that fees were being charged by the bank, due to the balance being below the minimum requirement. There was some discussion regarding the EDC's combined cash position.

In response to a question from President Yeary, Sutton stated that for staff to begin conducting transactions through this separate bank account significant coordination with the audit firm would be necessary; and that it was her understanding that the auditors would prefer the use of the pooled cash method. President Yeary noted that the establishment of a separate bank account was done at the direction of the City Council. Sutton recommended closing the newly-established EDC account and reversing that transaction in the accounting books. President Yeary stated that the Board could request that the Council reverse the decision to maintain a separate bank account for the EDC; and Mayor Pro Tem Lee stated that she would discuss with the Mayor placement of such an item on an upcoming agenda for Council's consideration.

In response to a question from Johnny Trevino regarding the large increase in investment income, Sutton stated that it was simply an under-budgeted projection.

Motion To Approve. Action Approve the KEDC Financial Report for July 2019. **Moved By** Tippey. **Seconded By** Trevino. **Motion passes unanimously.**

D. Review and accept the KEDC Financial Report for August 2019

Sutton stated that debt service payments typically take place in February and August and that, during those months, the Board could expect to see expenses that exceeded revenues. She also noted that the sales tax revenue for August exceeded the five-year average.

Motion To Approve. Action Approve the KEDC Financial Report for August 2019. **Moved By** Guerra. **Seconded By** Trevino. **Motion passes unanimously.**

E. Consider the nomination and election of a Vice President

Motion To Approve. Action Approve the nomination of Johnny Trevino as Vice President.

Moved By Tippey. **Seconded By** Mayor Pro Tem Lee. **Motion passes unanimously.**

F. Discuss and consider approval of Lease Modification Agreement #5 between the Kennedale Economic Development Corporation and Dolgencorp of Texas, Inc. for the lease of space in Building 1 of Kennedale TownCenter

EDC Executive Director George Campbell stated that this amendment resulted from Dolgencorp proactively seeking to extend the contract. He then pointed out all changes that had been made to the agreement since it was distributed to the Board, noting that the most significant proposed change (that staff was unsure would be accepted) would strip the EDC of any financial responsibility related to maintaining the HVAC units, which – assuming approval of item G on this agenda – would all be relatively new. There was a brief discussion of the “Exclusive Use Covenant”.

Motion To Approve. Action Approve EDC Executive Director George Campbell to accept Lease Modification Agreement #5 between the Kennedale Economic Development Corporation and Dolgencorp of Texas, Inc. for the lease of space in Building 1 of Kennedale TownCenter either as written or once negotiated to the best position possible (not to be less favorable to the EDC than the current agreement, in regards to HVAC maintenance). **Moved By** Schaeffer. **Seconded By** Tippey. **Motion passes unanimously.**

G. Consider approval of the replacement of two of the air conditioning units at Dollar General in TownCenter

President Mark Yeary pointed out that, on the 24 HOUR, LTD. bid, the amount to consider would be the subtotal (as the EDC is exempt from sales tax). There was some discussion of the capacity and type of the units, the appropriateness of the bid pricing, the reputation of the company, and the need to complete this emergency repair as quickly as possible.

Motion To Approve. Action Approve EDC Executive Director George Campbell to contract with 24 HOUR, LTD. for the replacement of two of the air conditioning units at Dollar General in TownCenter for a cost of \$20,939.00. **Moved By** Tippey. **Seconded By** Mayor Pro Tem Lee. **Motion passes unanimously.**

V. REPORTS AND ANNOUNCEMENTS

A. Chamber of Commerce report

EDC Executive Director George Campbell stated that Director of Planning and Economic Development Melissa Dailey had given a presentation at the most recent Chamber luncheon about development projects currently underway. He announced the date of the next Chamber Board meeting and luncheon.

B. Board member reports and announcements

There were no announcements at this time.

C. Staff reports and announcements

There were no announcements at this time.

VI. EXECUTIVE SESSION

THE BOARD DID NOT RECESS TO EXECUTIVE SESSION DURING THIS MEETING.

A. Discussion with City Attorney regarding legal issues associated with Economic Development and Performance Agreement, Tax Abatement, and Chapter 380 Agreement with Compressed Air Systems for project located at Harris Corporation Addition, Block 1 Lot 1A2 (Linda Road)

B. Economic Development and Performance Agreement, Tax Abatement, and Chapter 380 Agreement with Compressed Air Systems for project located at Harris Corporation Addition, Block 1 Lot 1A2 (Linda Road)

VII. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

THE BOARD DID NOT RECESS TO EXECUTIVE SESSION DURING THIS MEETING.

VIII. ADJOURNMENT

Motion To Adjourn. Action Adjourn. Moved By Mayor Pro Tem Lee. Seconded By Trevino. Motion passes unanimously.

President Yeary recessed the meeting at 8:24 p.m.

APPROVED:

ATTEST:

EDC PRESIDENT MARK YEARY

ROSIE ERICSON, BOARD SECRETARY



KENNEDALE
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STAFF REPORT TO THE BOARD OF DIRECTORS

Date: November 18, 2019

Agenda Item No: REGULAR ITEMS - B.

I. Subject:

Review and accept the KEDC Financial Report for September 2019

II. Summary:

The EDC Financial Reports for the previous month are attached for your review. Finance Director Lakeita Sutton will be available to answer questions from the Board.

III. Recommendation:

IV. Alternative Actions:

V. Attachments:

1.	2019_09 EDC Monthly Financials	2019_09 EDC Monthly Financials.pdf
2.	09_2019 Sales Tax Update-EDC	09_2019 Sales Tax Update-EDC.pdf

**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
SEPTEMBER 2019**

Monthly Information

1. \$47,327 in Sales Tax Revenue

2. EDC Director engaged in long-term planning, including relationship with Chamber, hotel status, Red's Roadhouse, and other development deals

Rental Fees, MMD Tax and Rental Insurance are reported on the Accrual Basis of Accounting, while all other revenues and expenditures are reported on the Cash Basis. This procedure has been in effect for several years, but can be changed should the Board wish.

Lakeita Sutton

ADDITIONAL INFORMATION

FUND 15 - OPERATING FUND (EDC INVOICES AND REVENUE ARE RECEIVED IN THIS FUND)

FUND 19 - CAPITAL BOND FUND (CLOSED IN FY 18)

FUND 95 - RESERVE FUND FOR DEBT REQUIREMENTS

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**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
SEPTEMBER 2019**

CATEGORY	DESCRIPTION	FY18-19 YTD
BEGINNING CASH BALANCE - FUND 15	(Operating Cash)	\$ 313,694
BEGINNING CASH BALANCE - FUND 95	(Required reserves)	\$ 124,407
BEGINNING CASH BALANCE - TOTAL		\$ 438,101
BEGINNING AVAILABLE CASH - TOTAL		313,694
TOTAL REVENUES MINUS EXPENDITURES FOR MONTH		\$ 45,699 *
ENDING CASH BALANCE - FUND 15	(Operating Cash)	\$ 344,891
ENDING CASH BALANCE - FUND 95	(Required reserves)	\$ 124,607
ENDING CASH BALANCE - TOTAL		\$ 469,498
UNAVAILABLE CASH - EARMARKED		
RESERVES FOR LEVERAGE NOTE	(Required reserves)	\$ 124,607
TOTAL UNAVAILABLE CASH		\$ 124,607
AVAILABLE CASH		\$ 344,891

*Due to prior period adjustments, beginning cash balance plus monthly income will not always be an exact match for ending cash balance

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REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2018-19 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED SEPTEMBER 30, 2019

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget	Sep-19	Sep-19	% Budget
Revenues:				
MMD TAX CURRENT YEAR	\$ 35,000	\$ -	\$ -	
SALES TAX	384,598	47,327	\$ 460,767	119.8%
INVESTMENT INCOME FUND 15	65	528	\$ 6,536	10055.4%
INVESTMENT INCOME FUND 95		200	\$ 2,608	
MISCELLANEOUS INCOME	24,120	3,000	\$ 35,526	147.3%
INSURANCE REIMBURSEMENT	-	-	\$ -	
RENTAL FEES - SHOPPING CTR	185,223	19,458	\$ 228,241	123.2%
RENTAL INSURANCE	746	-	\$ -	
SALES OF ASSETS	-	-	\$ -	
PROCEEDS-DEBT/LOAN/LEASE	-	-	\$ -	
	-	-	\$ -	
Total Revenues	\$ 629,752	\$ 70,513	\$ 733,678	116.5%
Expenditures:				
ADMINISTRATION	168,360	14,559	164,800	97.89%
DEBT SERVICE	320,432	5,009	320,471	100.01%
TOWN SHOPPING CENTER	51,120	5,246	73,224	143.24%
TOWN CENTER REDEVELOPMENT	\$ -	-	5,738	
Total Expenditures	\$ 539,912	\$ 24,814	\$ 564,233	104.50%
Total Revenues Over (Under) Exp	\$ 89,840	\$ 45,699	\$ 169,445	
Other Financing Sources (Uses):				
	-	-	-	
Operating Transfer to / from Gen	-	-	-	
Total Other Financing Sources (Uses):	-	-	-	
	-	-	-	
Net Change in Fund Balance	\$ 89,840			
Fund Balance Oct 1	290,178			
Ending Fund Balance	\$ 380,018			
	-			
AVERAGE DAILY EXPENDITURES	\$ 1,479			
Number of Days In Reserve	257			
Fund Balance as a % of Expenditures	70%			

	PRIOR FISCAL YEAR		
	BUDGET	FY ACTUAL	
	FY 2017-18	FY 2017-18	
	Original Budget	MONTH Sep-18	Y-T-D Sep-18
			% Budget
	\$ 35,000	\$ -	\$ -
	373,835	\$ 99,424	\$ 447,132
	65	460	\$ 3,574
		160	\$ 1,365
	45,120	728	\$ 36,623
			\$ 14,898
	121,112	13,937	\$ 105,856
	746	2,350	\$ 2,350
		349,179	349,179
		30,194	30,194
	-		
	\$ 575,878	\$ 496,432	\$ 991,171
			172.1%
	195,517	21,975	142,581
	322,365	89,917	325,005
	45,362	(54,031)	278,194
	-	60,154	237,866
	\$ 563,244	\$ 118,015	\$ 983,646
			175%
	\$ 12,634	\$ 378,417	\$ 7,525
	-	-	-
	-	-	-
	-	-	-
	\$ 12,634		
	\$ 282,651		
	\$ 295,285		
	-		
	\$ 1,543		
	191		
	52%		

REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2018-19 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED SEPTEMBER 30, 2019

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget	Sep-19	Sep-19	% Budget
Revenues:				
MMD TAX CURRENT YEAR	\$ 35,000	\$ -	\$ -	
SALES TAX	384,598	47,327	\$ 460,767	119.8%
INVESTMENT INCOME	65	528	\$ 6,536	10055.4%
MISCELLANEOUS INCOME	24,120	3,000	\$ 35,526	147.3%
INSURANCE REIMBURSEMENT	-	-	\$ -	
RENTAL FEES - SHOPPING CTR	185,223	19,458	\$ 228,241	123.2%
RENTAL INSURANCE	746	-	\$ -	
SALES OF ASSETS	-	-	\$ -	
PROCEEDS-DEBT/LOAN/LEASE	-	-	\$ -	
	-	-	\$ -	
Total Revenues	\$ 629,752	\$ 70,313	\$ 731,070	116.1%
Expenditures:				
ADMINISTRATION	168,360	14,559	164,800	97.89%
DEBT SERVICE	320,432	5,009	320,471	100.01%
TOWN SHOPPING CENTER	51,120	5,246	73,224	143.24%
TOWN CENTER REDEVELOPMENT	\$ -	-	5,738	
Total Expenditures	\$ 539,912	\$ 24,814	\$ 564,233	104.50%
Total Revenues Over (Under) Exp	\$ 89,840	\$ 45,499	\$ 166,837	
Other Financing Sources (Uses):				
	-	-	-	
Operating Transfer to / from Gen	-	-	-	
Total Other Financing Sources (Uses):	-	-	-	
	-	-	-	
Net Change in Fund Balance	\$ 89,840			
Fund Balance Oct 1	168,179			
Ending Fund Balance	\$ 258,019			
	-			
AVERAGE DAILY EXPENDITURES	\$ 1,479			
Number of Days In Reserve	174			
Fund Balance as a % of Expenditures	48%			

	PRIOR FISCAL YEAR			
	BUDGET	FY ACTUAL		
	FY 2017-18	MONTH Sep-18	Y-T-D Sep-18	Y-T-D
	Original Budget			% Budget
	\$ 35,000	\$ -	\$ -	
	373,835	\$ 99,424	\$ 447,132	119.6%
	65	460	\$ 3,574	5498.5%
	45,120	728	\$ 36,623	81.2%
		-	\$ 14,898	
	121,112	13,937	\$ 105,856	87.4%
	746	2,350	\$ 2,350	315.0%
		349,179	\$ 349,179	
		30,194	\$ 30,194	
	-			
	\$ 575,878	\$ 496,272	\$ 989,806	171.9%
	195,517	21,975	142,581	73%
	322,365	89,917	325,005	101%
	45,362	(54,031)	278,194	613%
	-	60,154	237,866	
	\$ 563,244	\$ 118,015	\$ 983,646	175%
	\$ 12,634	\$ 378,257	\$ 6,160	
	-	-	-	
	-	-	-	
	-	-	-	
	\$ 12,634			
	\$ 162,017			
	\$ 174,651			
	-			
	\$ 1,543			
	113			
	31%			

**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
AUGUST 2019**

EDC ADMIN

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget	Sep-19	Sep-19	% Budget
Expenditures:				
PRINTED SUPPLIES	\$ 2,000	\$ -	\$ -	0.0%
GENERAL OFFICE SUPPLIES	50	-	-	0.0%
POSTAGE	50	-	-	0.0%
SUPPLIES TOTAL	2,100	-	-	-
ADVERTISING	1,200	-	\$ -	0.0%
ASSOCIATION DUES/PUBLICATIONS	5,320	-	\$ 4,932	92.7%
TRAINING/SEMINARS	250	-	\$ -	0.0%
LEGAL SERVICES	13,000	-	\$ 5,780	44.5%
AUDIT SERVICES	4,250	-	\$ 4,250	100.0%
SPECIAL SERVICES	250	792	\$ 2,204	881.6%
FILING FEES				
ENGINEERING SERVICES				
TRAVEL	-	-	\$ -	
ENGINEERING SERVICES	100	-	\$ -	0.0%
ADMIN CHARGE-GENERAL FUND	117,890	9,824	\$ 117,890	100.0%
FUNCTIONAL GRANT	24,000	3,943	\$ 29,744	123.9%
LAND	-			
SUNDRY TOTAL	166,260	14,559	164,800	99.12%
CAPITAL TOTAL	-	-	-	-
	-	-	\$ -	
Total EDC Admin Expenditures	\$ 168,360	\$ 14,559	\$ 164,800	97.9%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2017-18	FY 2017-18		
Original Budget	MONTH Sep-18	Y-T-D Sep-18	Y-T-D % Budget
\$ 2,000	\$ -	\$ -	0.0%
50	-	\$ -	0.0%
50	-	\$ -	0.0%
2,100	-		0.0%
1,200	-	\$ 35	2.9%
5,320	-	\$ 4,890	91.9%
250	-	\$ -	0.0%
10,000	8,375	\$ 20,855	208.6%
2,250	-	\$ 2,000	88.9%
68,650	1,475	\$ 13,774	20.1%
100			0.0%
-			
81,647	6,804	\$ 81,647	100.0%
24,000	5,321	\$ 19,380	80.8%
193,417	21,975	142,581	73.7%
-	-	-	
-			
\$ 195,517	\$ 21,975	\$ 142,581	72.9%

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**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
AUGUST 2019**

EDC DEBT SERVICE

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget	Sep-19	Sep-19	% Budget
Expenditures:				
2007 \$1.2M TAX BOND INTEREST	\$ 50,735		\$ 50,688	99.9%
2007 \$1.2M TAX BOND PRINCIPAL	60,000		\$ 60,000	100.0%
2011 \$1.7M TX LEVERAGE INT	12,834	1,613	\$ 18,389	143.3%
2011 \$17.M TX LEVERAGE PRIN	42,038	3,396	\$ 36,569	87.0%
TRANSFER OUT-DEBT SERV FUND	154,825	-	\$ 154,825	100.0%
	-			
Total EDC Debt Expenditures	\$ 320,432	\$ 5,009	\$ 320,471	100.0%

	PRIOR FISCAL YEAR			
	BUDGET	FY ACTUAL		
	FY 2017-18	FY 2017-18		
	Original Budget	MONTH Sep-18	Y-T-D Sep-18	Y-T-D % Budget
	\$ 54,905	\$ -	\$ 54,830	99.9%
	60,000	-	\$ 60,000	100.0%
	14,278	1,618	\$ 17,926	125.5%
	40,594	3,299	\$ 39,661	97.7%
	152,588	85,000	\$ 152,588	100.0%
	-			
	\$ 322,365	\$ 89,917	\$ 325,005	100.8%

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**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
AUGUST 2019**

EDCTOWN SHOPPING CENTER

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget			
Expenditures:		Sep-19	Sep-19	% Budget
BUILDING MAINTENANCE	\$ 29,920	\$ 3,721	\$ 50,713	169.5%
ELECTRIC SERVICES	6,700	1,025	\$ 5,372	80.2%
INSURANCE - PROPERTY	8,500		\$ 11,139	131.0%
SPECIAL SERVICES	6,000	500	\$ 6,000	100.0%
	-			
Total EDC Town Center Expenditures	\$ 51,120	\$ 5,246	\$ 73,224	143.2%

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2017-18	FY 2017-18		
Original Budget	MONTH Sep-18	Y-T-D Sep-18	Y-T-D % Budget
\$ 25,112	\$ (55,196)	\$ 237,161	944.4%
6,700	665	\$ 8,002	119.4%
6,500	-	\$ 8,340	128.3%
7,050	500	\$ 24,691	350.2%
-			
\$ 45,362	\$ (54,031)	\$ 278,194	613.3%

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**KENNEDALE ECONOMIC DEVELOPMENT CORPORATION
ANNUAL PROGRAM OF SERVICES
AUGUST 2019**

EDC TOWN CENTER REDEVELOPMENT

	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
Expenditures:	Original Budget	Sep-19	Sep-19	% Budget
ENGINEERING SERVICES	\$ -			
CONSTRUCTION	-		\$ 5,738	
	-			
Total EDC Town Center Expenditures	\$ -	\$ -	\$ 5,738	

PRIOR FISCAL YEAR			
BUDGET	FY ACTUAL		
FY 2017-18	FY 2017-18		
Original Budget	MONTH Sep-18	Y-T-D Sep-18	Y-T-D % Budget
		\$ -	
	60,154	\$ 237,866	
-			
\$ -	\$ 60,154	\$ 237,866	

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REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2018-19 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED SEPTEMBER 30, 2019

EDC BOND RESERVE FUND

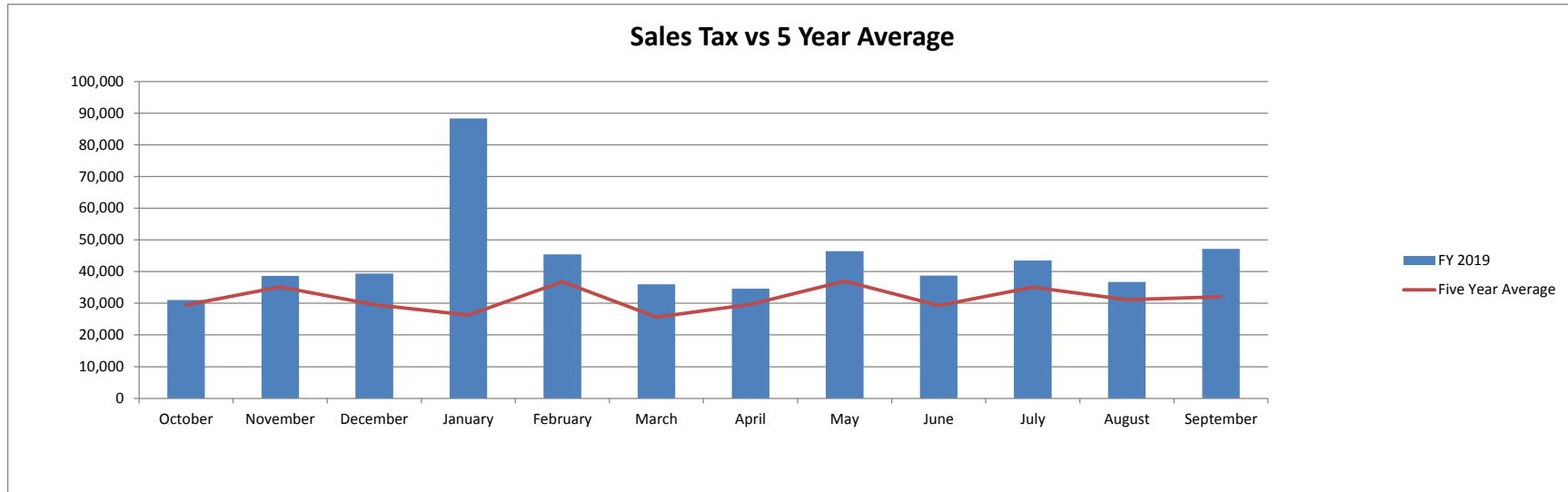
	CURRENT FISCAL YEAR			
	BUDGET	ACTUAL		
	FY 2018-19	MONTH	Y-T-D	Y-T-D
	Original Budget	Sep-19	Sep-19	% Budget
Revenues:				
INVESTMENT INCOME	-	200	\$ 2,608	
Total Revenues	\$ -	\$ 200	\$ 2,608	
Expenditures:				
ADMINISTRATION	\$ -	-	-	
Total Expenditures	\$ -	\$ -	\$ -	
Total Revenues Over (Under) Exp	\$ -	\$ 200	\$ 2,608	
	-	-	-	
Net Change in Fund Balance				
Fund Balance Oct 1	121,999			
Ending Fund Balance	\$ 121,999			

	PRIOR FISCAL YEAR			
	BUDGET	FY ACTUAL		
	FY 2017-18	FY 2017-18		
	Original Budget	MONTH Sep-18	Y-T-D Sep-18	Y-T-D % Budget
-	160	\$ 1,365		
\$ -	\$ 160	\$ 1,365		
	-	-		
\$ -	\$ -	\$ -		
\$ -	\$ 160	\$ 1,365		
\$ 120,634				
120,634				

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EDC Sales Tax By Month

Year	October	November	December	January	February	March	April	May	June	July	August	September	Total
FY2019	\$ 31,048	\$ 38,680	\$ 39,362	\$ 88,360	\$ 45,433	\$ 36,033	\$ 34,603	\$ 46,432	\$ 38,783	\$ 43,510	\$ 36,757	\$ 47,327	\$ 526,328
FY2018	\$ 34,607	\$ 38,169	\$ 28,985	\$ 31,808	\$ 54,501	\$ 31,672	\$ 41,253	\$ 43,121	\$ 36,295	\$ 41,089	\$ 39,590	\$ 29,697	\$ 450,787
FY2017	\$ 29,583	\$ 38,719	\$ 27,285	\$ 29,652	\$ 35,265	\$ 26,215	\$ 29,043	\$ 33,374	\$ 26,747	\$ 33,648	\$ 16,530	\$ 28,850	\$ 354,908
FY2016	\$ 31,046	\$ 39,712	\$ 32,662	\$ 25,293	\$ 38,669	\$ 29,196	\$ 26,505	\$ 38,181	\$ 27,906	\$ 28,195	\$ 29,231	\$ 30,459	\$ 377,055
FY2015	\$ 23,985	\$ 31,479	\$ 27,515	\$ 24,594	\$ 35,857	\$ 24,104	\$ 27,064	\$ 39,783	\$ 42,821	\$ 55,252	\$ 48,766	\$ 59,232	\$ 440,453
FY2014	\$ 21,990	\$ 29,867	\$ 31,661	\$ 22,458	\$ 32,594	\$ 23,228	\$ 26,412	\$ 31,319	\$ 25,832	\$ 23,976	\$ 28,866	\$ 22,659	\$ 320,861
FY2013	\$ 33,617	\$ 31,297	\$ 23,446	\$ 20,135	\$ 30,003	\$ 20,791	\$ 20,318	\$ 32,020	\$ 21,136	\$ 22,435	\$ 27,973	\$ 26,025	\$ 309,197
*Net payment after correcting an audit error.													\$ -





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STAFF REPORT TO THE BOARD OF DIRECTORS

Date: November 18, 2019

Agenda Item No: REGULAR ITEMS - C.

I. Subject:

Review and accept the KEDC Financial Report for October 2019

II. Summary:

This report will be distributed to the Board before the meeting. Finance Director Lakeita Sutton will be available to answer questions from the Board.

III. Recommendation:

IV. Alternative Actions:

V. Attachments:

STAFF REPORT TO THE BOARD OF DIRECTORS

Date: November 18, 2019

Agenda Item No: REGULAR ITEMS - D.

I. Subject:

Discuss and consider approval of Lease extension for Red's Roadhouse 1170 E. Kennedale Parkway

II. Summary:

The current lease of Red's Roadhouse located at 1170 E. Kennedale Parkway will expire on November 30, 2019 pursuant to the Third Amendment to the lease agreement approved by the Board on September 25, 2018. The current tenant, the Pennington Family Limited Partnership (Red's Roadhouse) has requested that the Board extend the lease by 12 months. The request is, therefore, to extend the lease to November 30, 2020. The amendment extending the lease for Board consideration has been prepared and is attached hereto.

The Executive Director is satisfied that the extension of the lease arrangements continues to meet the intent of the use of the property for economic development purposes as identified in the deed from the Bloxom Foundation and the Purchase and Sale and Lease agreements with the Pennington Family Limited Partnership. The amount of the lease was increased last year to \$2500 per month and no increase in rent is proposed as a condition of this extension.

Neither the original Purchase and Sale Agreement nor the Lease Purchase Agreement have been attached to this report but are available in the City Manager's office should any Board member wish to review or discuss those documents.

An Executive Session item for the discussion of this lease of 1170 E. Kennedale Parkway has also been posted on the agenda should there be a desire to discuss the terms of the lease in closed session.

Board discussion and consideration is respectfully requested.

III. Recommendation:

Approve

IV. Alternative Actions:

V. Attachments:

1.	#1 - Pennington-Reds Road House 4th Amend Option 1	#1 - Pennington-Reds Road House 4th Amend Option 1.docx
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FOURTH AMENDMENT TO LEASE PURCHASE AGREEMENT

This Fourth Amendment to Lease Purchase Agreement ("**Amendment**") is made and entered into as of the ____ day of _____, 2019, by and between the **KENNEDALE ECONOMIC DEVELOPMENT CORPORATION**, a Texas corporation ("**Landlord**"), and **PENNINGTON FAMILY LIMITED PARTNERSHIP** and/or its assigns ("**Tenant**").

WHEREAS, Landlord and Tenant entered into that certain Lease Purchase Agreement effective November 1, 2011 (the "**Agreement**"), for the lease of certain real property in the City of Kennedale, Tarrant County, Texas (the "**Premises**", as defined in the Agreement); and

WHEREAS, Landlord and Tenant previously entered into an Amendment to Agreement of Lease Purchase Agreement ("**First Amendment**") which extended the Term of the Agreement to November 30, 2017, raised the rent and late fee charge, and provided that all other terms of the Agreement remained in full force and effect; and

WHEREAS, Landlord and Tenant previously entered into a Second Amendment to Lease Purchase Agreement ("**Second Amendment**") which extended the Term of the Agreement to November 30, 2018, raised the rent, made the Tenant liable for ad valorem taxes, and provided that all other terms of the Agreement remained in full force and effect; and

WHEREAS, Landlord and Tenant previously entered into a Third Amendment to Agreement of Lease Purchase Agreement ("**Third Amendment**") which extended the Term of the Agreement to November 30, 2019, raised the rent, and provided that all other terms of the Agreement remained in full force and effect; and

WHEREAS, the parties desire to further amend the Agreement as provided below.

NOW, THEREFORE, in consideration of the mutual rights and obligations set forth below and in the Agreement, Landlord and Tenant hereby agree as follows:

1. **Extension of the Term.** Section 2(a) of the Agreement is hereby amended by extending the Term to November 30, 2020.
2. **Effect of Amendment.** All other terms and conditions of the Agreement, First Amendment, Second Amendment, and Third Amendment, with the exception of the terms modified by this Amendment, shall remain in full force and effect.
3. **Effective Date.** This Amendment is effective as of December 1, 2019.

[Signature Page Follows]

LANDLORD:

**KENNEDALE ECONOMIC DEVELOPMENT
CORPORATION**

By: _____
Mark Yeary, President

TENANT:

**PENNINGTON FAMILY LIMITED
PARTNERSHIP**, a Texas limited partnership

By: **Pennington Family, LP, Inc.**,
a Texas corporation, its General Partner

By: _____
Adlai Pennington, President



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STAFF REPORT TO THE BOARD OF DIRECTORS

Date: November 18, 2019

Agenda Item No: REPORTS AND ANNOUNCEMENTS - A.

I. Subject:

Chamber of Commerce report

II. Summary:

At this time, Executive Director George Campbell, a member of the Kennedale Area Chamber of Commerce (KACC) Board of Directors, may provide updates and announcements from the Chamber.

III. Recommendation:

IV. Alternative Actions:

V. Attachments:



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STAFF REPORT TO THE BOARD OF DIRECTORS

Date: November 18, 2019

Agenda Item No: REPORTS AND ANNOUNCEMENTS - B.

I. Subject:

Board member reports and announcements

- Discuss an alternative date for the December EDC meeting (currently scheduled December 24th)

II. Summary:

At this time, any member of the EDC Board of Directors may offer updates to the Board.

III. Recommendation:

IV. Alternative Actions:

V. Attachments:



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STAFF REPORT TO THE BOARD OF DIRECTORS

Date: November 18, 2019

Agenda Item No: REPORTS AND ANNOUNCEMENTS - C.

I. Subject:

Staff reports and announcements

- Update on the hotel project.
- Update on 7215 and 7224 Bloxom

II. Summary:

At this time, Executive Director George Campbell, Director of Planning and Economic Development Melissa Dailey, and/or any other staff member may offer updates to the Board.

III. Recommendation:

IV. Alternative Actions:

V. Attachments:



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STAFF REPORT TO THE BOARD OF DIRECTORS

Date: November 18, 2019

Agenda Item No: EXECUTIVE SESSION - A.

I. Subject:

The Economic Development Corporation (EDC) will meet in closed session pursuant to §551.072 of the Texas Government Code to deliberate the purchase, lease, or value of real property:

II. Summary:

III. Recommendation:

IV. Alternative Actions:

V. Attachments:



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STAFF REPORT TO THE BOARD OF DIRECTORS

Date: November 18, 2019

Agenda Item No: The Economic Development Corporation (EDC) will meet - 1.

I. Subject:

Discuss Lease extension for Red's Roadhouse 1170 E. Kennedale Parkway

II. Summary:

III. Recommendation:

IV. Alternative Actions:

V. Attachments: