



City Commission Agenda Memo

From: Tim James, P.E. – City Manager

Date: June 5, 2012

Item: Discuss and take any action necessary on Resolution 529

Background

On May 8 2012 the Burkburnett Development Corporation (BDC) recommended entering into an economic incentive agreement with Beltech Global/Gary Belvin. The proposed agreement would provide Beltech Global a loan in the amount of \$5,000 for the creation of jobs in Burkburnett. If during the first year, Beltech Global maintains two or more jobs, then the Beltech Global shall be entitled to a credit of \$2,500. If during the second year, Beltech Global maintains two or more jobs, then Beltech Global shall be entitled to another \$2,500 credit. If Beltech Global does not meet the terms of the agreement, the principal amount shall be due and payable at the expiration of twenty-four months: at which time the entire balance of principal shall become immediately due and payable. Resolution 529 will require two readings. This would constitute the first reading.

Fiscal Impact

The incentive agreement will be funded by the BDC

Options

- Approve Resolution
- Deny Resolution
- Make recommendations on modifications to proposed economic incentive agreement
- Take no Action

Staff Recommendation

Resolution 529 has been reviewed by the City Attorney and Staff recommends approval

Attachments

N/A

RESOLUTION NUMBER 529

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE CITY OF BURKBURNETT, TEXAS AUTHORIZING AN ECONOMIC INCENTIVE AGREEMENT BETWEEN THE BURKBURNETT DEVELOPMENT CORPORATION AND BELTECH GLOBAL/GARY BELVIN OF BURKBURNETT PROVIDING FOR ECONOMIC INCENTIVES IN RETURN FOR THE EXPANSION AND RETENTION OF BUSINESS ENTERPRISES WITHIN BURKBURNETT, TEXAS.

WHEREAS, the Burkburnett Development Corporation (the "BDC") is a Type B economic development corporation created by the City of Burkburnett, Texas (the "City"), which has a population of less than 20,000; and

WHEREAS, the BDC has proposed entering into an agreement with Beltech Global/Gary Belvin of Burkburnett wherein the BDC will provide Beltech Global of Burkburnett with an economic incentives package totaling \$5,000.00 in return for the expansion of business within Burkburnett, Texas; and

WHEREAS, the expansion of Beltech Global will create two or more primary jobs under NAICS 5415 Computer systems design and related services within Burkburnett, Texas; and

WHEREAS, this resolution has been given two readings before the Board of Commissioners: one on June 5, 2012 and another on the date this resolution was approved; and

WHEREAS, this resolution was approved in a meeting which was open to the public and preceded by proper notice as required by Chapter 551 of the Texas Government Code;

NOW, THEREFORE, be it

RESOLVED that the BDC is hereby authorized to enter into *an agreement* with Beltech Global and Gary Belvin (Maker) of Burkburnett to provide \$5,000.00 in economic incentives for the expansion of business enterprise within the City of Burkburnett. The agreement would provide a loan in the amount of \$5,000.00 in incentives for the creation of primary jobs within our community. During the initial annual period if, Beltech Global shall maintain two or more primary jobs (inclusive of the Maker), then the Beltech Global shall be entitled to a credit of \$2,500.00. During the second annual period, if Beltech Global shall maintain two or more primary jobs (inclusive of Maker), then Beltech Global shall be entitled to another \$2,500.00 credit. If the Maker defaults on the performance agreement, the principal amount shall be due and payable at the expiration of twenty-four months: at which time the entire balance of principal shall become immediately due and payable.

FURTHER RESOLVED that the officers of the City are hereby authorized and directed to take such action as may be reasonably necessary to carry this resolution into effect.

First reading on June 5, 2012

APPROVED on this 18th day June, 2012, Second and Final Reading.

Carl Law, Mayor

Janelle Dolan, City Clerk



City Commission Agenda Memo

From: Tim James, P.E. – City Manager

Date: June 5, 2012

Item: Discuss and take any action necessary on Resolution 530

Background

On May 30, 2012 the Burkburnett Development Corporation (BDC) recommended entering into an economic incentive agreement with Burk Market. The proposed agreement would reimburse Burk Market up to \$30,000 for building improvements. The BDC would also agree to provide Burk Market an amount equal to with one-fifth of the 2% sales tax generated by Burk Market each year for three consecutive years, not to exceed \$17,600 per year for site improvements beginning one year from the effective date of the agreement. Burk Market will be required to provide sales tax reports to the BDC for review and approval. Resolution 530 will require two readings. This would constitute the first reading.

Fiscal Impact

The incentive agreement will be funded by the BDC

Options

- Approve Resolution
- Deny Resolution
- Make recommendations on modifications to proposed economic incentive agreement
- Take no Action

Staff Recommendation

Resolution 530 has been reviewed by the City Attorney and Staff recommends approval

Attachments

N/A

RESOLUTION NUMBER 530

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE CITY OF BURKBURNETT, TEXAS AUTHORIZING AN ECONOMIC INCENTIVE AGREEMENT BETWEEN THE BURKBURNETT DEVELOPMENT CORPORATION AND BURK MARKET PROVIDING FOR THE PAYMENT OF ECONOMIC INCENTIVES IN RETURN FOR THE EXPANSION AND RETENTION OF BUSINESS AND ENTERPRISES WITHIN THE CITY BURKBURNETT, TEXAS.

WHEREAS, the Burkburnett Development Corporation (the "BDC") is a Type B economic development corporation created by the City of Burkburnett, Texas (the "City"), which has a population of less than 20,000; and

WHEREAS, the BDC has proposed entering into an agreement with Burk Market wherein the Burkburnett Development Corporation will provide Burk Market of Burkburnett a reimbursement of up to \$30,000.00 for building improvements. The BDC has agreed to provide these economic incentives in return for the retention and expansion of business development within Burkburnett, Texas; and

WHEREAS, the BDC would also agree to provide Burk Market of Burkburnett an amount equal to one-fifth of the 2% sales tax that is generated for the benefit of the City of Burkburnett by Burk Market on an annual basis for three consecutive years not to exceed \$17,600.00 per year for site improvements and expanded business development.

WHEREAS, this resolution has been given two readings before the Board of Commissioners: one on June 5, 2012 and another on the date this resolution was approved; and

WHEREAS, this resolution was approved in a meeting which was open to the public and preceded by proper notice as required by Chapter 551 of the Texas Government Code;

NOW, THEREFORE, be it

RESOLVED that the BDC is hereby authorized to enter into *an agreement* with Burk Market to reimburse Burk Market of Burkburnett up to \$30,000 for building improvements. The agreement will require that the new building improvements remain in operation for not less than 3 years. The agreement will also provide Burk Market of Burkburnett an amount equal to one-fifth of the 2% sales tax that is generated for the benefit of the City of Burkburnett by Burk Market on an annual basis for three consecutive years not to exceed \$17,600.00 per year, beginning one year from the effective date of the agreement. The agreement will require that Burk Market provide the sales tax reports to the BDC Board for review and approval.

FURTHER RESOLVED that the officers of the City are hereby authorized and directed to take such action as may be reasonably necessary to carry this resolution into effect.

First reading on June 5, 2012.

APPROVED on this 18th day June, 2012, Second and Final Reading.

Carl Law, Mayor

Janelle Dolan, City Clerk



City Commission Agenda Memo

From: Tim James, P.E. – City Manager

Date: June 5, 2012

Item: Discuss and take any action necessary on Resolution 531

Background

The Board of Commissioners is authorized to amend the Bylaws of the Burkburnett Development Corporation under Article 10 of the Bylaws. Due to recent concerns resulting from conflicting legal opinions, it has been proposed that the Bylaws be amended to include a provision which would require that the Burkburnett Development Corporation to use the City Attorney for legal consultation and representation.

Fiscal Impact

By using only the City Attorney, there should be a reduction in legal fees

Options

- Approve Resolution
- Deny Resolution
- Make recommendations on modifications to proposed amendment
- Take no Action

Staff Recommendation

Staff recommends approval

Attachments

N/A

RESOLUTION NUMBER 531

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE CITY OF BURKBURNETT, TEXAS AMENDING ARTICLE 5 SECTION 5.03 OF THE BYLAWS OF THE BURKBURNETT DEVELOPMENT CORPORATION.

WHEREAS, the Burkburnett Development Corporation (the "BDC") is a Type B economic development corporation created by the City of Burkburnett, Texas (the "City") on August 18, 1997; and

WHEREAS, in accordance with Article 10 of the Bylaws of the Burkburnett Development Corporation, the Bylaws may be amended by the Board of Commissioners; and

WHEREAS, the Board of Commissioners has determined that it is in the best interest of the City of Burkburnett and the Burkburnett Development Corporation to amend the Bylaws to include a provision that the Burkburnett Development Corporation shall use the City Attorney appointed by the Board of Commissioners for legal consultation and representation.

NOW, THEREFORE, be it

RESOLVED that Article 5 Section 5.03 of the Bylaws of the Burkburnett Development Corporation be amended to read:

5.03 The Corporation may enter into one or more agreements with the City of Burkburnett, Texas to obtain financial management services and legal representation. The City of Burkburnett, Texas may be compensated at a mutually agreeable rate for such services. The Corporations shall use the City Attorney appointed by the Board of Commissioners for legal consultation and representation.

APPROVED on this 5th day June, 2012,

Carl Law, Mayor

Janelle Dolan, City Clerk