



Board of Commissioners Agenda Memo

From: Tim James, P.E. – City Manager

Date: June 18, 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. The first reading was conducted on June 5th. This would constitute the final 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



Board of Commissioners Agenda Memo

From: Tim James, P.E. – City Manager

Date: June 18, 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 provide a loan to Burk Market for up to \$30,000 for the purchase of infrastructure and improvements with proof of receipts. The BDC Board would provide a principal credit towards the loan not to exceed the sum of \$10,000 per year for three consecutive years upon proof of operations of the Burk Market. 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 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. Due to an error in Resolution 530 that was presented at the June 5th meeting, this will be 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 loan of up to \$30,000.00 for the purchase of infrastructure and improvements to the Burk Market facility with proof of receipt. The BDC Board will provide a principal credit towards the loan not to exceed the sum of \$10,000 per year for three consecutive years upon proof of operations of the Burk Market. 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. The agreement will require that Burk Market provide the sales tax reports to the BDC Board for review and approval; and

WHEREAS, this resolution has been given two readings before the Board of Commissioners: one on June 18, 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* to provide Burk Market of Burkburnett a loan of up to \$30,000.00 for the purchase of infrastructure and improvements to the Burk Market facility with proof of receipt. The BDC Board will provide a principal credit towards the loan not to exceed the sum of \$10,000 per year for three consecutive years upon proof of operations of the Burk Market. 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 18, 2012.

APPROVED on this ____th day _____, 2012, Second and Final Reading.

Carl Law, Mayor

Janelle Dolan, City Clerk



Board of Commissioners Agenda Memo

From: Tim James, P.E. – City Manager

Date: June 18, 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. The Board of Commissioners met on June 5th to consider Resolution 531 and deferred action until this meeting to allow for the Burkburnett Development Corporation to meet and discuss this proposed Resolution.

Fiscal Impact

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

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 ____th day _____, 2012,

Carl Law, Mayor

Janelle Dolan, City Clerk



Board of Commissioners Agenda Memo

From: Tim James, P.E. – City Manager

Date: June 18, 2012

Item: Discuss and take any action necessary on infill development

Background

Commissioner Hardy has requested that the Board of Commissioners discuss the issue of infill development within the City. Infill development can be considered as the development of new homes or businesses on existing vacant lots located in previously developed areas. Infill development is a challenge that is common to most municipalities.

Fiscal Impact

The development of new homes or businesses on existing vacant lots would increase the tax base for the community .

Options

- Direct Staff to research available options to address infill development
- Take no Action

Staff Recommendation

Staff has no specific recommendation

Attachments

N/A



Board of Commissioners Agenda Memo

From: Tim James, P.E. – City Manager

Date: June 18, 2012

Item: Discuss and take any action necessary on forming an Ad Hoc Charter Review Committee

Background

Commissioner Andrajack has requested to discuss with the Board of Commissioners the possibility of forming an Ad Hoc Charter Review Committee

Fiscal Impact

The fiscal impact of an Ad Hoc Charter Review Committee is unknown at this time

Options

- Direct Staff to research process and cost associated with the formation of an Ad Hoc Charter Review Committee
- Take no Action

Staff Recommendation

Staff has no specific recommendation

Attachments

N/A



City Commission Agenda Memo

From: Tim James, P.E. – City Manager

Date: June 18, 2012

Item: Discuss and take any action necessary on Kramer and Heritage intersection, pedestrian crossing, and speed limits.

Background

Commissioner Brewster has requested to discuss with the City Commission some concerns about the Kramer and Heritage intersection. Two concerns he has brought forward include the safety of pedestrians and bicycles crossing Kramer at this intersection and the speed limit on Kramer in this vicinity. Currently there is no marked pedestrian crossing at Kramer and Heritage and the speed limit on Kramer is 35 mph. The Commission discussed this item on May 21st and directed staff to study the area and bring back recommendations to the Board of Commissioners. Staff has briefly studied the traffic in the area and recommends installing a cross walk and pedestrian signs at the Heritage and Kramer intersection. Since school is out at this time, it is difficult to study the traffic patterns for peak conditions. There is considerable pedestrian and bicycle traffic in the area and staff intends to bring back additional alternatives to be considered during the budget process.

Fiscal Impact

The cost of installing new signs and a cross walk can be covered in the existing FY 2012 budget

Options

- Direct staff to provide alternate solutions for the Kramer and Heritage intersection
- Take no Action

Staff Recommendation

Staff recommends installing pedestrian crossing signs and a cross walk at the Kramer and Heritage intersection. Since the installation of a cross walk and signs does not require Commission actions, staff recommends that the Commission take no action at this time.

Attachments

N/A



Board of Commissioners Agenda Memo

From: Tim James, P.E. – City Manager

Date: June 18, 2012

Item: Discuss and take any action necessary on Chase Bank Resolution

Background

On April 16, 2012, Board of Commissioners approved financing options with Chase Bank for the TYMCO Street Sweeper. The amount of the sweeper is \$181,305.00 with a down payment of \$40,000.00. The amount to be financed is \$141,305.00. This resolution is the standard document required by Chase Bank.

Fiscal Impact

\$40,000.00 for 5 years

Options

N/A

Staff Recommendation

Staff recommends Commissioners approve the required Banking Resolution and Declaration of Official Intent.

Attachments

Banking Resolution and Declaration of Official Intent

RESOLUTION AND DECLARATION OF OFFICIAL INTENT

Lessee: **City of Burkburnett**

Principle Amount to be financed: \$141,305.00

WHEREAS, the above Lessee is a political subdivision of the State in which Lessee is located (the "State") and is duly organized and existing pursuant to the constitution and laws of the State.

WHEREAS, pursuant to applicable law, the governing body of the Lessee ("Governing Body") is authorized to acquire, dispose of and encumber real and personal property, including, without limitation, rights and interests in property, leases and easements necessary to the functions or operations of the Lessee.

WHEREAS, the Governing Body hereby finds and determines that the execution of one or more lease-purchase agreements ("Equipment Leases") in the principle amount not exceeding the amount stated above ("Principle Amount") for the purpose of acquiring the property generally described below ("Property") and to be described more specifically in the Equipment Leases is appropriate and necessary to the functions and operation of the Lessee.

Brief description of property: TYMCO Model 600 Regenerative Air Sweeper

WHEREAS, JP Morgan Chase Bank, N.A. ("Lessor") is expected to act as the lessor under the Equipment Leases.

WHEREAS, the Lessee may pay certain capital expenditures in connection with the Property prior to its receipt of proceeds of the Equipment Leases, ("Lease Purchase Proceeds) for such expenditures and such expenditures are not expected to exceed the Principal Amount.

WHEREAS, the U.S. Treasury Department regulations do not allow the proceeds of a tax-exempt borrowing to be spent on working capital and the Lessee shall hereby declare its official intent to be reimbursed for any capital expenditures for Property from the Lease Purchase Proceeds.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Lessee:

SECTION 1. Either the Mayor or the City Manager (each an "Authorized Representative") acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute, and deliver one or more Equipment Leases in substantially the form set forth in the document presently before the Governing Board, which document is available for public inspection at the office of the Lessee. Each authorized Representative acting on behalf of the Lessee is hereby authorized to negotiate, enter into, execute and deliver such other documents relating to the Equipment Lease (including, but not limited to, escrow agreements) as the Authorized Representative deems necessary and appropriate. All other related contracts and agreements necessary and incidental to the Equipment Leases are hereby authorized.

SECTION 2. By a written instrument signed by any Authorized Representative, said Authorized Representative my designate specifically identified officers or employees of the Lessee to execute and deliver agreements and documents relating to the Equipment Leases on behalf of the Lessee.

SECTION 3. The aggregate original principal amount of the Equipment Leases shall not exceed the Principle Amount and shall bear interest as set forth in the Equipment Lease and the Equipment Leases shall contain such options to purchase by the Lessee as set forth therein.

SECTION 4. The Lessee's obligation under the Equipment Leases shall be subject to annual appropriation or renewal by the Governing Body as set forth in each Equipment Leases and the Lessee's obligations under the Equipment Leases shall not constitute a general obligation of the Lessee's or indebtedness under the Constitution or laws of the State.

SECTION 5. The Governing Body of Lessee anticipates that the Lessee may pay certain capital expenditures in connection with the Property prior to the receipt of the Lease Purchase Proceeds for the Property. The Governing Body of Lessee hereby declares the Lessee's official intent to use the Lease Purchase Proceeds to reimburse itself for Property Expenditures. This section of the Resolution is adopted by the Governing Body of Lessee for the purpose of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This section of the Resolution does not bind the Lessee to make any expenditure, incur any indebtedness, or proceed with the purchase of the Property.

SECTION 6. As to each Equipment Lease, Lessee hereby designates each Equipment Lease as a "qualified tax-exempt obligation" for the purposes of and within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended ("Code") and Lessee reasonably anticipates that the total amount of Section 265 Tax-Exempt Obligations to be issued during the current calendar year by Lessee, or by an entity controlled by Lessee or by another entity the proceeds of which are loaned to or allocated to Lessee for purposes of Section 265(b) of the Code will not exceed \$10,000,000. "Section 265 Tax-Exempt Obligations" are obligations the interest on which is excludable from gross income of the owners thereof under Section 103 of the Code, except for private activity bonds other than qualified 501(c)(3) bonds, both as defined in Section 141 of the Code.

SECTION 7. This Resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED on this 18th day of June, 2012.

The undersigned Secretary/Clerk of the above-named Lessee hereby certifies and attests that the undersigned has access to the official records of the Governing Body of the Lessee, that the foregoing resolution was duly adopted by said Governing Body of the Lessee at a meeting of said Governing Body and that such resolution has not been amended or altered and are in full force and effect on the date stated below.

Janelle Dolan, City Clerk, City of Burkburnett

Printed Name: _____

Official Title: _____

Date: _____