



**NOTICE OF MEETING & AGENDA  
KAUFMAN ECONOMIC DEVELOPMENT  
CORPORATION MEETING  
TUESDAY, MAY 9, 2023  
KAUFMAN CITY HALL  
209 S WASHINGTON ST  
KAUFMAN, TEXAS 75142**

**ALL ITEMS ARE SUBJECT  
TO ACTION BY THE BOARD**

**PLEDGE OF ALLEGIANCE**

**CALL MEETING TO ORDER** Chairman calls the Meeting to order, states the date and time, states members present, and declares a quorum present.\*\*

**CITIZENS COMMENTS / REQUEST TO SPEAK ON AGENDA ITEMS (5 MINUTES)** Comments about any of the agenda items may be taken into consideration at this time or during the agenda item. Comments are limited to five (5) minutes per individual unless additional time is otherwise required by law for translation. Speaking time is not transferable. Citizens may address the KEDC on any subject but must first complete a Request to Speak Form so that the Chairman may call your name to speak at the appropriate time on the Agenda. Comments must be directed to the KEDC as a whole. **When addressing the KEDC, please step forward to the speaker's podium, state your name and address, and direct your comments to the Chairman and KEDC.**

**EXECUTIVE DIRECTOR'S REPORT** Receive an update and discussion regarding the following: a.) Meetings/Events of Interest; b.) Prospect Activity; c.) Staff Announcements

1. KEDC Executive Director's Report

**DISCUSSION/ACTION ITEMS**

2. Proclamation in recognition of Economic Development Week, May 8-12, 2023.
3. Consider and take appropriate action on the monthly Financial Report from the Treasurer of the Corporation.
4. Consider and take appropriate action on the minutes from the April 18, 2023 Kaufman Economic Development Corporation meeting.
5. Consider and take appropriate action on a budget amendment to the FY 2022-23 Kaufman Economic Development Corporation budget.
6. Consider and take appropriate action on a contractual time limit for Eleanor's Coffee Shop site enhancement matching grant, located at 303 W. Mulberry St., Kaufman, TX.
7. Consider and take appropriate action on a Downtown Destination matching grant contractual extension time limit for Jesse's Fajitas & Rita's, located at 101 W. Mulberry St., Kaufman, TX.

**EXECUTIVE SESSION** In accordance with Texas Government Code, Section 551.001, et seq., the KEDC will recess into Executive Session (closed meeting) to discuss the following:

8. A. Sec. 551.087. DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS; CLOSED MEETING. (1) To discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1): Projects Lock Box, Bluebonnet, Bright, Lego, Elsie, Razorback, Cowbell, Sunshine, Snooze, Blue, Orange, Home Run, Big Event; Downtown Square Properties; KEDC-Owned Properties; Parcel IDs #426, 188001, 3871, 16826, 190536, 16821, 79084, 16829, 16832, 3876, 5404, 202751, 202752, 202753, 219551
- B. Sec. 551.072. DELIBERATION REGARDING REAL PROPERTY; CLOSED MEETING. To deliberate the purchase, exchange, lease, or value of real property regarding: KEDC-Owned Properties; SH 34 Connector Road; Projects Range, Prairie; Parcel IDs #49240, 5313, 5388, 5487, 50066, 50080, 50072

### **RECONVENE INTO OPEN SESSION**

9. Consider and take appropriate action, if any, on matters discussed in Executive Session.

**BOARD INQUIRY** If a member of the Corporation makes a spontaneous inquiry about a subject not on this agenda, then the KEDC or an appropriate staff member may make a statement of factual information or policy in response to such an inquiry. However, in accordance with Open Meetings Act Section 551.042, the KEDC cannot discuss issues raised or make any decisions on that subject at that time. Issues raised may be referred to Staff for research and possible future action.

### **ADJOURNMENT**

I, STEWART MCGREGOR, EXECUTIVE DIRECTOR, DO HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE WINDOW AT KAUFMAN MUNICIPAL COMPLEX, 209 S. WASHINGTON, KAUFMAN, TEXAS, A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AT ALL TIMES AND SAID NOTICE WAS POSTED AT THE KAUFMAN MUNICIPAL COMPLEX, 209 S. WASHINGTON, KAUFMAN, TEXAS AT 4:30 P.M. ON FRIDAY, MAY 5, 2023, AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST 72 HOURS PRECEDING THE SCHEDULE TIME OF SAID MEETING.

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STEWART MCGREGOR  
EXECUTIVE DIRECTOR

**THE KAUFMAN ECONOMIC DEVELOPMENT CORPORATION RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION AT ANY TIME DURING THE COURSE OF THIS MEETING TO DISCUSS ANY OF THE MATTERS LISTED ABOVE, AS AUTHORIZED BY THE TEXAS GOVERNMENT CODE. SECTION 551.071 (CONSULTATION WITH ATTORNEY).**

**THE BUILDING IN WHICH THE ABOVE MEETING WILL BE CONDUCTED IS WHEELCHAIR ACCESSIBLE AND PARKING SPACES FOR THE MOBILITY IMPAIRED ARE AVAILABLE. PERSONS WITH DISABILITIES WHO PLAN TO ATTEND THIS MEETING AND WHO MAY NEED AUXILIARY AIDS OR SERVICES SUCH AS INTERPRETERS FOR PERSONS WHO ARE DEAF OR HEARING IMPAIRED, READERS, OR LARGE PRINT ARE REQUESTED TO CONTACT THE CITY SECRETARY'S OFFICE AT 972-932-2216 AT LEAST TWO (2) WORKING DAYS PRIOR TO THE TIME OF THE MEETING SO THAT APPROPRIATE ARRANGEMENTS CAN BE MADE.**

## Executive Director's Report May 9, 2023

### Calendar

**4/19:** Chamber/EDC Monthly Meeting

**4/20:** Monthly Chamber Board Meeting

**4/21:** Call w/ Project Elsie

**4/24:** Meeting w/ Riverside Homebuilders; Monthly City Council Meeting

**4/25:** DRC Meeting w/ Lott's Cleaners

**4/26:** Meeting w/ Josh Bryan (Josh Bryan Real Estate)

**4/27:** TEDC Webinar

**4/28:** Civil Engineering Meeting on Project Snooze

**5/3:** Meeting w/ Linda Burns (Site Selector)

**5/4:** House Bill 5 Passage in Texas House

**5/5:** Dr. Jerry King Retirement at TVCC

**5/9:** Call w/ Project Bright

Prospect Lead Responses: N/A

Upcoming Events: Dr. Lori Blaylock Retirement Reception (May 22<sup>nd</sup>); KISD Manufacturing Day (May 24<sup>th</sup>)

Next Regular KEDC Board Meeting: Tuesday, June 13<sup>th</sup>

Economic Development Prospects: Board to receive update on active prospects in Executive Session



# City of Kaufman

## Proclamation

**WHEREAS**, the International Economic Development Council is the largest professional economic development organization dedicated to serving economic developers, and

**WHEREAS**, the International Economic Development Council provides leadership and excellence in economic development for communities, members, and partners through conferences, training courses, advisory services, and research, in-depth publications, public policy advocacy, and initiatives such as the Certified Economic Developer designation, and

**WHEREAS**, economic developers promote economic well-being and quality of life for their communities by creating, retaining, and expanding jobs that facilitate growth, enhance wealth, and provide a stable tax base, and

**WHEREAS**, economic developers stimulate and incubate entrepreneurship in order to help establish the next generation of new businesses, which is the hallmark of the American economy, and

**WHEREAS**, economic developers are engaged in a wide variety of settings including rural and urban, local, state, provincial, and federal governments, public-private partnerships, chambers of commerce, universities, and a variety of other institutions, and

**WHEREAS**, economic developers attract and retain high-quality jobs, develop vibrant communities, and improve the quality of life in their regions, and

**WHEREAS**, the City of Kaufman, Texas, and Kaufman Economic Development Corporation promote business, job creation, and commercial development opportunities in the community,

**NOW, THEREFORE**, I, Jeff Jordan, Mayor of the City of Kaufman, and on behalf of the Kaufman City Council, do hereby proclaim the week of May 8, 2023, through May 12, 2023, as:

## Economic Development Week

IN WITNESS WHEREOF, I have set my hand and caused the Seal of the City to be affixed this 24<sup>th</sup> day of April 2023.

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Jeff Jordan, Mayor, City of Kaufman

Revenue & Expense Report

Fund: 32 ECONOMIC DEVELOPMENT CORP.

Department: Non departmental

Program:

Period Ending: 5/2023

Account Prior Year	Description 2 Years Prior	Current Year	Current Month	Encumbrances	Current YTD Actual & Encumbr	Budget Balance	Budget Balance Percent
32-4105-000-0 551,377.00-	General Sales & Use 486,373.99-	565,830.00-			333,865.45-	231,964.55-	40.995
Subtotal: 551,377.00-	486,373.99-	565,830.00-			333,865.45-	231,964.55-	40.995
32-4400-000-0 91,738.63-	Land Proceeds/Mil Pa						
Subtotal: 91,738.63-							
32-4604-000-0 104.44-	Interest Income 439.75-	250.00-			51.53-	198.47-	79.388
32-4606-000-0 32-4608-000-0 10,000.00-	Miscellaneous Revenu Loan Revenue				200.00-	200.00 10,000.00-	100.000
32-4612-000-0 75,000.00-	Intergovernmental Re 56,704.00-						
Subtotal: 85,104.44-	57,143.75-	10,250.00-			251.53-	9,998.47-	97.546
Program number: 636,481.44-	635,256.37-	576,080.00-			334,116.98-	241,963.02-	42.002
Department number: 636,481.44-	Non departmental 635,256.37-	576,080.00-			334,116.98-	241,963.02-	42.002
Revenue 636,481.44-	635,256.37-	Subtotal ----- 576,080.00-			334,116.98-	241,963.02-	42.002

City of Kaufman

Revenue & Expense Report

Department: Non departmental Program:

Period Ending: 5/2023

Account	Description	Current	Current	Encumbrances	Current	Budget	Budget
Prior Year	2 Years Prior	Year	Month		YTD Actual	Balance	Balance
Actual	Actual	Budget	Actual		& Encumbr		Percent
Total							
32-5101-000-0	Salaries & Wages	137,574.00			69,686.81	67,887.19	49.346
120,388.10							
32-5177-000-0	Retention Pay	5,000.00				5,000.00	100.000
Subtotal:		142,574.00			69,686.81	72,887.19	51.122
120,388.10							
32-5203-000-0	Operating Supplies	4,500.00			3,190.08	1,309.92	29.109
6,059.85							
32-5213-000-0	Meetings	9,000.00			4,135.95	4,864.05	54.045
7,585.79	390.43						
32-5214-000-0	Promotional Material	5,400.00			2,926.20	2,473.80	45.811
3,456.21	3,465.00						
32-5220-000-0	Minor Tools & Equipm	7,675.00			6,800.00	875.00	11.401
4,978.44	1,000.00						
Subtotal:		26,575.00			17,052.23	9,522.77	35.834
22,080.29	4,855.43						

32-5302-000-0	Postage & Delivery	500.00	203.81	296.19	59.238
34.87	18.13				
32-5303-000-0	Advertising	15,425.00	3,300.00	12,125.00	78.606
10,208.08	5,164.33				
32-5305-000-0	Licenses, Dues & Sub	3,380.00	2,184.45	1,195.55	35.371
2,290.05	1,175.00				
32-5306-000-W	Utilities-Electric/W	550.00	280.10	269.90	49.073
423.17	461.90				
32-5309-000-0	Insurance & Bonds	1,100.00	1,100.00		
1,100.00					
32-5322-000-0	Tuition & Education	6,275.00	1,600.00	4,675.00	74.502
3,433.68	300.00				
32-5330-000-0	Travel	9,600.00	5,444.92	4,155.08	43.282
3,658.87					
32-5352-000-0	Maintenance-Grounds	62,000.00	2,000.00	60,000.00	96.774
8,000.00	8,000.00				
32-5362-000-0	Professional Svcs-Ad	95,101.00	12,472.56	82,628.44	86.885
99,272.24	57,495.00				
32-5362-000-I	Professional Svcs-Ad				
67,665.50					
32-5363-000-0	Professional Svcs-Te	8,000.00	4,850.00	3,150.00	39.375
10,750.00	23,255.45				
Subtotal:		201,931.00	33,435.84	168,495.16	83.442
139,170.96	163,535.31				
32-5500-000-0	Matching Grants	105,000.00	16,489.48	88,510.52	84.296
17,365.39	38,272.99				
32-5501-000-0	Incentives / Intergo				
454,204.00					
32-5506-000-0	Chapter 380 Funding				
80,000.00					
32-5507-000-0	HWY 34 Bypass Fundin	100,000.00	100,000.00		
100,000.00	100,000.00				
Subtotal:		205,000.00	116,489.48	88,510.52	43.176
117,365.39	672,476.99				
Program number:		576,080.00	236,664.36	339,415.64	58.918
399,004.74	840,867.73				
Department number: Non departmental		576,080.00	236,664.36	339,415.64	58.918
399,004.74	840,867.73				
Expenditure	Subtotal -----	576,080.00	236,664.36	339,415.64	58.918
399,004.74	840,867.73				
Fund number: 32 ECONOMIC DEVELOPMENT CORP.			97,452.62-	97,452.62	
237,476.70-	205,611.36				





<b>Meeting Date: 5-9-2023</b>	<b>Date: 5-5-2023</b>	<b>Item #: 4</b>	<b>Dept.: KEDC</b>
(Check one) <input type="checkbox"/> <b>Consent</b> <input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Discussion</b>			
<b>SUBJECT:</b> Consider and take appropriate action on the minutes from the April 18, 2023 Kaufman Economic Development Corporation meeting.			
<b>BACKGROUND:</b> Minutes from the April regular meeting of the Kaufman EDC Board.			
<b>Author:</b> Stewart McGregor, KEDC Executive Director		<b>Reviewed:</b> Stewart McGregor, KEDC Executive Director	
<b>Cost:</b> N/A	<b>Funds Available:</b> N/A	<b>Source:</b> N/A	
<b>Recommendation:</b> N/A			

<b>Safe &amp; Secure</b>	<b>Business Friendly/Economic Development</b>	<b>Partnership &amp; Community Involvement</b>	<b>Healthy &amp; Environmentally Cons. Comm.</b>	<b>Financial &amp; OPS Stewardship</b>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>



MINUTES OF THE  
KAUFMAN ECONOMIC DEVELOPMENT  
CORPORATION MEETING  
TUESDAY, APRIL 18, 2023  
CITY HALL COUNCIL CHAMBERS  
209 S. WASHINGTON STREET  
KAUFMAN, TEXAS 75142

**PLEDGE OF ALLEGIANCE**

**CALL MEETING TO ORDER** Chairman calls the Meeting to order, states the date and time, states members present, and declares a quorum present.\*\*

President Gillenwater called the KEDC meeting to order at 6:00 PM. Directors present were Charles Gillenwater, Barry Ratcliffe, and Jane Lucas. Director Ben Brashear was absent. President Gillenwater declared a quorum present. Also present were City Manager Mike Holder, City Secretary Jessie Hanks, and Economic Development Director Stewart McGregor.

**CITIZENS COMMENTS / REQUEST TO SPEAK ON AGENDA ITEMS (5 MINUTES)** Comments about any of the agenda items may be taken into consideration at this time or during the agenda item. Comments are limited to five (5) minutes per individual unless additional time is otherwise required by law for translation. Speaking time is not transferable. Citizens may address the KEDC on any subject but must first complete a Request to Speak Form so that the Chairman may call your name to speak at the appropriate time on the Agenda. Comments must be directed to the KEDC as a whole. **When addressing the KEDC, please step forward to the speaker's podium, state your name and address, and direct your comments to the Chairman and KEDC.**

No comments were given.

**EXECUTIVE DIRECTOR'S REPORT** Receive an update and discussion regarding the following: a.) Meetings/Events of Interest; b.) Prospect Activity; c.) Staff Announcements

2. KEDC Executive Director's Report

Mr. McGregor presented the KEDC Executive Directors report about his activities for this month.

**DISCUSSION/ACTION ITEMS**

3. Consider and take appropriate action on the minutes from the March 14, 2023 Kaufman Economic Development Corporation meeting.

Director Lucas made a motion to approve the minutes from the March 14, 2023 Kaufman Economic Development Corporation meeting as presented. The motion was seconded by Director Ratcliffe and passed 3/0.

4. Consider and take appropriate action on a site enhancement matching grant for Eleanor's Coffee Shop, to be located at 303 W. Mulberry St., Kaufman, TX.

Mr. McGregor outlined the proposed site enhancement grant request for Eleanor's Coffee Shop. He reviewed the process the applicant had gone through to get to this point in the business process. He informed the corporation about the proposed improvements to the property.

Director Ratcliffe made a motion to approve a site enhancement matching grant for Eleanor's Coffee

Shop, LLC, to be located at 303 W. Mulberry St., Kaufman, TX, for an amount not to exceed \$24,000. The motion was seconded by Director Lucas and passed 3/0.

5. Consider and take appropriate action on an economic development performance agreement between the Kaufman Economic Development Corporation and Galleher Acquisition Corporation (dba Galleher Industries) for an expansion project in a total amount not to exceed \$50,000.00, setting performance benchmarks and authorizing the board president to execute a contract, in a form approved by counsel, regarding same.

Mr. McGregor reviewed the proposed economic development performance agreement with Gallaher Industries. He outlined the purpose of the expansion and the economic impact of this project on the community.

Director Lucas made a motion to approve an economic development performance agreement between the Kaufman Economic Development Corporation and Galleher Acquisition Corporation (dba Galleher Industries) for an expansion project for an amount not to exceed \$50,000.00, setting performance benchmarks and authorizing the board president to execute a contract, in a form approved by counsel, regarding same. The motion was seconded by Director Ratcliffe and passed 3/0.

6. Consider and take appropriate action on a confidentiality and non-disclosure agreement for the Board of Directors of the Kaufman Economic Development Corporation.

Mr. McGregor informed the corporation about the KEDC attorney's request for the board to enter into a non-disclosure agreement for the purpose of protecting the board due to the nature of discussions held by the board on various projects.

Director Lucas made a motion to approve a confidentiality and non-disclosure agreement for the Board of Directors of the Kaufman Economic Development Corporation. The motion was seconded by Director Ratcliffe and passed 3/0.

**EXECUTIVE SESSION** In accordance with Texas Government Code, Section 551.001, et seq., the KEDC will recess into Executive Session (closed meeting) to discuss the following:

President Gillenwater recessed into Executive Session at 6:28 PM.

7. A. Sec. 551.087. DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS; CLOSED MEETING. (1) To discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1): Projects Lock Box, Bluebonnet, Lego, Elsie, Forest, Razorback, Cowbell, Sunshine, Snooze, Blue, Orange, Home Run, Big Event; Downtown Square Properties; KEDC-Owned Properties; Parcel IDs #426, 188001, 3871, 16826, 190536, 16821, 79084, 16829, 16832, 3876, 5404, 202751, 202752, 202753, 219551
- B. Sec. 551.072. DELIBERATION REGARDING REAL PROPERTY; CLOSED MEETING. To deliberate the purchase, exchange, lease, or value of real property regarding: KEDC-Owned

Properties; Projects Range, Prairie; Parcel IDs #49240, 5313, 5388, 5487, 50066, 50080, 50072

**RECONVENE INTO OPEN SESSION**

President Gillenwater reconvened into open session at 7:03 PM.

8. Consider and take appropriate action, if any, on matters discussed in Executive Session.

Director Lucas made a motion to approve a non-binding letter of intent with Project Range and direct staff to continue negotiations as discussed in executive session. The motion was seconded by Director Ratcliffe and passed 3/0.

**FINANCIAL REPORT**

1. Receive the monthly Financial Report from the Treasurer of the Corporation.

Director Ratcliffe gave the monthly Financial Report to the corporation.

**BOARD INQUIRY** If a member of the Corporation makes a spontaneous inquiry about a subject not on this agenda, then the KEDC or an appropriate staff member may make a statement of factual information or policy in response to such an inquiry. However, in accordance with Open Meetings Act Section 551.042, the KEDC cannot discuss issues raised or make any decisions on that subject at that time. Issues raised may be referred to Staff for research and possible future action.

No comments were given.

**ADJOURNMENT**

There being no further business, President Gillenwater adjourned the meeting at 7:05 PM.

**APPROVED:**

**ATTEST:**

\_\_\_\_\_  
Charles Gillenwater, President

\_\_\_\_\_  
Ben Brashear, Secretary/Treasurer



<b>Meeting Date: 5-9-2023</b>	<b>Date: 5-5-2023</b>	<b>Item #: 5</b>	<b>Dept.: KEDC</b>
(Check one)			
<input type="checkbox"/> <b>Consent</b>	<input checked="" type="checkbox"/> <b>Action</b>	<input type="checkbox"/> <b>Discussion</b>	
<b>SUBJECT:</b> Consider and take appropriate action on a budget amendment to the FY 2022-23 Kaufman Economic Development Corporation budget.			
<b>BACKGROUND:</b> At last month's KEDC meeting, a Performance Agreement for \$50,000 was approved between the KEDC and Galleher Acquisition Corporation for their expansion. It was noted that a budget amendment was not included in the passage of this performance agreement in order to earmark the funds as an item in the budget for when it's ready to expend. KEDC staff recommends an internal movement of \$50,000 from the Maintenance item (32-5352-000) to the Incentives/Intergovernmental item (32-5501-000). KEDC Staff found a \$50,000 savings with the business park fiber optics expense as fiber is already at the business park and serving existing businesses.			
<b>Author:</b> Stewart McGregor, KEDC Executive Director		<b>Reviewed:</b> Stewart McGregor, KEDC Executive Director	
<b>Cost:</b> N/A	<b>Funds Available:</b> N/A	<b>Source:</b> Internal Adjustment	
<b>Recommendation:</b> Approval			

<b>Safe &amp; Secure</b>  <input type="checkbox"/>	<b>Business Friendly/Economic Development</b>  <input type="checkbox"/>	<b>Partnership &amp; Community Involvement</b>  <input type="checkbox"/>	<b>Healthy &amp; Environmentally Cons. Comm.</b>  <input type="checkbox"/>	<b>Financial &amp; OPS Stewardship</b>  <input checked="" type="checkbox"/>
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<b>Meeting Date: 5-9-2023</b>	<b>Date: 5-5-2023</b>	<b>Item #: 6</b>	<b>Dept.: KEDC</b>
(Check one) <input type="checkbox"/> <b>Consent</b> <input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Discussion</b>			
<b>SUBJECT:</b> Consider and take appropriate action on a contractual time limit for Eleanor’s Coffee Shop site enhancement matching grant, located at 303 W. Mulberry St., Kaufman, TX.			
<b>BACKGROUND:</b> At last month’s KEDC meeting, a site enhancement matching grant was approved for Eleanor’s Coffee Shop located at 303 W. Mulberry St. The program policy unless otherwise stipulated is that the contract last for six months. Due to the amount of work needing to be done to the property, Ms. Averie Cantrell, owner, has requested an eight month time. An amended timeline was not addressed at last month’s approval.			
<b>Author:</b> Stewart McGregor, KEDC Executive Director		<b>Reviewed:</b> Stewart McGregor, KEDC Executive Director	
<b>Cost:</b> N/A	<b>Funds Available:</b> N/A	<b>Source:</b> N/A	
<b>Recommendation:</b> Approval			

<b>Safe &amp; Secure</b>	<b>Business Friendly/Economic Development</b>	<b>Partnership &amp; Community Involvement</b>	<b>Healthy &amp; Environmentally Cons. Comm.</b>	<b>Financial &amp; OPS Stewardship</b>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



<b>Meeting Date: 5-9-2023</b>	<b>Date: 5-5-2023</b>	<b>Item #: 7</b>	<b>Dept.: KEDC</b>
(Check one) <input type="checkbox"/> <b>Consent</b> <input checked="" type="checkbox"/> <b>Action</b> <input type="checkbox"/> <b>Discussion</b>			
<b>SUBJECT:</b> Consider and take appropriate action on a contractual time limit for Jesse’s Fajitas & Rita’s, located at 101 W. Mulberry St., Kaufman, TX.			
<b>BACKGROUND:</b> Last June, the KEDC Board took action to approve a downtown destination matching grant for Jesse’s Fajitas & Rita’s located at 101 W. Mulberry St. The restaurant has made significant improvements in the building but have encountered some minor setbacks with the construction process. The contract we signed was fully executed in September 2023. While the contract stipulates they have a year from signing the agreement, staff recommends memorializing this since there was a 3 month lag between board approval and contract execution. Therefore, it’s recommended the incentive period expire based on 1 year following contract execution (September 16, 2023).			
<b>Author:</b> Stewart McGregor, KEDC Executive Director		<b>Reviewed:</b> Stewart McGregor, KEDC Executive Director	
<b>Cost:</b> N/A	<b>Funds Available:</b> N/A	<b>Source:</b> N/A	
<b>Recommendation:</b> Approval			

<b>Safe &amp; Secure</b>	<b>Business Friendly/Economic Development</b>	<b>Partnership &amp; Community Involvement</b>	<b>Healthy &amp; Environmentally Cons. Comm.</b>	<b>Financial &amp; OPS Stewardship</b>
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**ECONOMIC INCENTIVE AND PERFORMANCE AGREEMENT**  
**Downtown Destination Matching Grant Program**

**Project: Jesse's Fajitas & Ritas**

THIS Economic Development Agreement ("Agreement") is made and entered into by and between the Kaufman Economic Development Corporation, a Texas non-profit corporation ("KEDC"), and Jesse's Fajitas & Ritas, LLC, a Texas limited liability corporation, ("Recipient"), effective as of the date the authorized representative for the KEDC countersigns this Agreement ("Effective Date").

**RECITALS**

**WHEREAS**, the KEDC is a Type A economic development corporation, and a Texas non-profit corporation operating pursuant to Chapters 501 and 504 of the Texas Local Government Code, as amended (also referred to as the "Act"), and the Texas Non-Profit Corporation Act, as codified in the Texas Business Organizations Code, as amended; and

**WHEREAS**, Section 501.103 of the Texas Local Government Code, in pertinent part, defines the term "project" to mean "expenditures that are found by the board of directors to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to: (1) streets and roads, rail spurs, water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements, and related improvements; (2) telecommunications and Internet improvements; or (3) beach remediation along the Gulf of Mexico"; and

**WHEREAS**, the Board of Directors of the KEDC hereby find that site improvements are required and suitable for infrastructure necessary to promote or develop new business enterprises in the downtown district that includes the downtown square and areas adjacent to the commercially zoned tracts within one to two blocks of the downtown square ("Qualifying Area"); and

**WHEREAS**, the Recipient has applied to the KEDC for financial assistance through the KEDC's Downtown Destination Matching Grant Program to assist in the improvement of Recipient's property in the Qualifying Area, specifically: 101 W. Mulberry St., Kaufman, TX 75142 (hereinafter referred to as the "Property"); and

**WHEREAS**, the Recipient is an eligible applicant as the company is a for-profit, sales tax remitting business that is not currently doing business within the City of Kaufman and the company fits into one of the following categories: new or unique dining concept, specialty retail, entertainment, brewery, distillery, winery, or commercial uses for second floor spaces (i.e. office space); and

**WHEREAS**, the KEDC approved the provision of financial assistance to Recipient consistent with this Agreement, which will provide, subject to Recipient's satisfaction of certain conditions set forth herein, the necessary financial assistance for the Recipient to improve the Property in accordance with the polices and regulations of the Downtown Destination Matching Grant Program to promote economic development and increase values of property; and



**WHEREAS**, the Recipient understands and agrees that: (a) in granting the financial assistance provided pursuant to this Agreement, KEDC is relying upon Recipient's representations, warranties, and agreements, as set forth and provided for in this Agreement, and in the application presented to the KEDC; and

**WHEREAS**, the KEDC's Board of Directors have determined the financial assistance provided to Recipient pursuant to this Agreement is consistent, and meets the definition of "project" as that term is defined in Section 501.103 of the Texas Local Government Code, as amended, and meets the definition of "cost" as that term is defined in Section 501.152 of the Texas Local Government Code, as amended; and

**NOW, THEREFORE**, for and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the KEDC and Recipient agree as follows:

1. **Findings Incorporated.** The foregoing recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, consideration and promises that bind the parties.

2. **Improvements.** Grant funds must be used for site improvements related to fixed property enhancements, such as:

- (a) Exterior façade (including murals/public art)
- (b) Utility upgrades
- (c) Asbestos/environmental remediation
- (d) ADA accessibility
- (e) Roof installation/repair
- (f) HVAC
- (g) Mechanical/Electric/Plumbing
- (h) Demolition
- (i) Fire suppression
- (j) Foundation repair
- (k) Grease trap installation
- (l) Other interior site improvements attached to the building as approved by the KEDC Board of Directors

Ineligible improvements include, but are not limited to: residential use improvements (i.e., loft apartments), real estate acquisition costs, business process equipment, furniture, consultant/professional service fees (i.e., engineering/architectural costs), and permit fees.

The Recipient shall undertake the improvements on the Property as set out in the attached approved grant application ("Improvements"), which is incorporated herein by reference as Exhibit A, as if fully set out herein. Recipient represents that it will spend at least \$50,000 on Improvements. Said Improvements are found by the KEDC Board of Directors to promote new business development.

3. **Title to Property Established.** Recipient represents and warrants that he is currently the owner of record of the Property in fee simple or under a current and valid lease agreement to utilize the Property for its current use. Any substantial (outside of normal surveyor error or boundary dispute) misrepresentation or breach of the above representation and warranty shall entitle KEDC to terminate the Agreement.

4. **Grant.** The Site Enhancement Matching Grant Program ("Grant Program") provides reimbursement to the Recipient ("Grant Funds") for up to 50% of the Improvements as set forth in Exhibit A. Recipient agrees that its hours of operation for at least two days of the week will be until 8:00 p.m. central time. Accordingly, the Grant Funds shall not to exceed \$25,000.00, subject to the terms and conditions of this Agreement. Grant Funds cannot be combined with any other KEDC site enhancement matching grant programs. Recipient must complete the Improvements within twelve (12) months of Grant Program approval.

5. **Use of Grant Funds.** Grant Funds shall be used only for Improvements approved by the KEDC. Any alterations, revisions or changes to the Improvements will be authorized and approved by the KEDC Board of Directors. Failure to have alterations, revisions or changes approved in advance by the KEDC Board of Directors will result in the termination of this Agreement and forfeiture of the Grant Funds.

6. **Reimbursement Procedures.** Grant Funds shall be disbursed to the Recipient only when Improvements are completed, inspected, approved by an agent for the City of Kaufman as being in accordance with the City's Building Codes and Standards, including any standards that apply to any special districts throughout the City, and a certificate of occupancy is issued. The development and use of the Property shall comply with the ordinances, policies, standards, and regulations of the City, including, but not limited to, the City's Comprehensive Zoning, Subdivision Ordinances, Ordinance No. O-21-22 and SUP-52.

Upon completion of the Improvements and receipt of a certificate of occupancy from the City of Kaufman, the Recipient shall submit an itemized invoice and evidence of payment thereof, with copies of all contractor's invoices, and such other records as the KEDC may reasonably request for verification purposes, to the KEDC for payment. Recipient must remain in business at the Property for eighteen (18) months following receipt of the Grant Funds. If Recipient moves from the Property, any remaining Grant Funds shall be forfeited.

7. **Time of Performance.** The Recipient shall have up to twelve (12) months from the date of execution of this Agreement to complete all Improvements. An extension may be requested in writing to KEDC Staff, which will be taken to the KEDC Board of Directors. Any request for extension will be considered on a case-by-case basis.

8. **Indemnification.** **THE RECIPIENT DOES HEREBY INDEMNIFY AND HOLD HARMLESS THE KEDC, THE CITY OF KAUFMAN, AND THEIR EMPLOYEES, AGENTS, AND OFFICIALS, FROM ALL CLAIMS MADE OR ACTIONS AGAINST, OR LOSSES, DAMAGES, COSTS, AND ATTORNEY'S FEES INCURRED AS A RESULT OF, ARISING OUT OF, OR RELATED TO ANY INTENTIONAL ACT OR OMISSION**

**BY THE RECIPIENT UNDER, PURSUANT TO, OR IN CONNECTION WITH, THIS AGREEMENT AND THE WORK UNDERTAKEN PURSUANT HERETO.**

9. **Termination.** This Agreement may be terminated by the KEDC or the Recipient upon written notification to the other party. Termination shall be effective upon delivery of such notification to the KEDC or the Recipient. In the event of termination by the Recipient, the KEDC shall be released of all obligations to the Recipient, but the Recipient's duty to indemnify shall survive the termination. No payment shall be made for any work if Recipient terminates this Agreement.

10. **Party Relationships.** The parties to this Agreement hereby acknowledge that nothing contained in this Agreement shall be deemed or construed by either of them, or by any third person or entity, to create any relationship of principal and agent, limited or general partnership, employer and employee, or joint venture, between the KEDC and Recipient, or to create any relationship of third-party beneficiary in favor of a person or entity not a party to this Agreement, including contractors and suppliers.

11. **Entire Agreement.** This Agreement constitutes the entire Agreement of the parties hereto. It shall supersede all prior offers, negotiations, and agreements. No revision of this Agreement shall be valid unless made in writing and signed by the parties hereto.

12. **Remedies.** In the event the Recipient does not perform under the terms of this Agreement, the KEDC shall be entitled to its remedies at law and in equity, in addition to liquidated damages equal in amount to the Grant Funds, if said Grant Funds have been disbursed.

13. **Miscellaneous Provisions.**

(a) **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. Excluding any extension granted for Time of Performance in Section 8, no alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

(b) **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Kaufman County, Texas. Exclusive venue for any action arising under this Agreement shall lie in the state district courts of Kaufman County, Texas.

(c) **Assignment.** The obligations of Recipient under this Agreement may not be assigned without the express written consent of KEDC, which consent shall not be unreasonably withheld, conditioned or delayed. Recipient shall have the right to retain or assign the right to receive all or a portion of the payments due to Recipient under this Agreement without the consent of KEDC.

(d) **Binding Obligation.** This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. Recipient warrants and represents that the

individual or individuals executing this Agreement on behalf of Recipient has full authority to execute this Agreement and bind Recipient to the same. KEDC warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind KEDC to the same.

(e) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.

(f) Notices. Any notice or other communication required or permitted by this Agreement (hereinafter referred to as the "Notice") is effective when in writing and (i) personally delivered either by facsimile (with electronic information and a mailed copy to follow) or by hand or (ii) three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified with return receipt requested, and addressed to the addresses for the parties as provided for in this Agreement.

(g) Severability. If a court of competent jurisdiction finds any provision of this Agreement to be invalid or unenforceable as to any person or circumstance, such finding shall not render that provision invalid or unenforceable as to any other persons or circumstances. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of this Agreement in all other respects shall remain valid and enforceable.

(h) Survival. All warranties, representations, and covenants made by Recipient and the KEDC in this Agreement or in any certificate or other instrument delivered by one party to the other party under this Agreement shall be considered to have been relied upon by the parties hereto and will survive the making of this Agreement, regardless of any investigation made by either party or on either party's behalf.

(i) Undocumented Workers. The Recipient certifies that the Recipient does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the Term of this Agreement, Recipient is convicted of a violation under 8 U.S.C. § 1324a(f), Recipient shall repay the amount of the public subsidy provided under this Agreement plus interest, at the rate of eight percent (8%), not later than the 120<sup>th</sup> day after the date Recipient is convicted of such violation.

*[Signature pages to follow]*

EXECUTED to be effective as of the 16<sup>th</sup> day of September, 2022.

**RECIPIENT**

By: Jesus Jimenez

Print: Jesus Jimenez

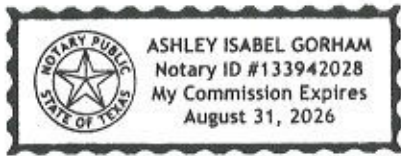
Title: Owner 12/02/22

STATE OF TEXAS

COUNTY OF KAUFMAN

BEFORE ME, the undersigned authority, in and for said County, on this day personally appeared JESUS JIMENEZ, known to me to be the person whose name is subscribed to the foregoing instrument, and averred that he executed the same on behalf of and as the act of said company.

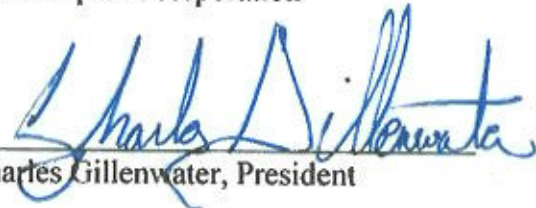
GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 2<sup>nd</sup> DAY OF December, 2022.



Ashley G.  
Notary Public, State of Texas  
My commission expires August 31, 2026

**KEDC:**

**Kaufman Economic Development Corporation,  
A Texas non-profit corporation**

By:   
Charles Gillenwater, President

**APPROVED AS TO FORM:**



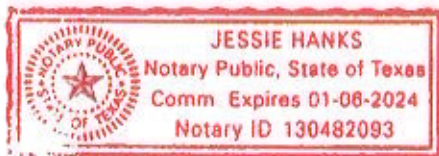
Emily Bowlin, KEDC General Counsel

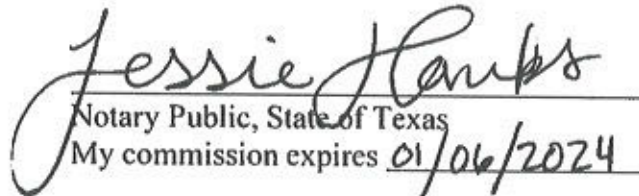
STATE OF TEXAS

COUNTY OF KAUFMAN

This instrument was acknowledged before me on the 16 day of September, 2022, by Charles Gillenwater, Board President for the Kaufman Economic Development Corporation, a Texas non-profit corporation, on behalf of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 16 DAY OF September, 2022.



  
Notary Public, State of Texas  
My commission expires 01/06/2024

**Exhibit A – Grant Application**