

MINUTES
BENBROOK ECONOMIC DEVELOPMENT CORPORATION
Board of Directors
Regular Meeting
Benbrook City Hall
Monday, March 20, 2006

I. CALL TO ORDER

The Regular meeting of the Board of Directors of the Benbrook Economic Development Corporation was called to order at 7:02 p.m., Monday, March 20, 2006, in the Main Conference Room, City Hall at 911 Winscott Road. The presiding officer was President Charlie Anderson. A quorum was present, including the following:

Charlie Anderson, President
Dan Tully, Vice President
Steven White, Treasurer
Rickie Allison
John Vander Pan
James Schull

Also Present:

Ron Rainey, Director
Patty C. Bissey, Director of Marketing & Research

Absent: James Amick, Secretary

II. CONSENT AGENDA (Items listed under the Consent Agenda are considered routine and are enacted in one motion. The exception to this rule is that a Board Member, Citizen, or Executive Director may request one or more items to be removed from the Consent Agenda for separate discussion and action.)

- a. Minutes of BEDC Special Meeting of February 8, 2006
- b. Minutes of BEDC Special Meeting of March 2, 2006
- c. Financial Report For Period Ending February 28, 2006

Mr. John Vander Pan made a motion to accept the Consent Agenda with the changes to the financial report. Mr. Rickie Allison seconded the motion. President Charlie Anderson called the vote. All voted aye and the motion carried.

III. DIRECTORS REPORT

- a. **BEDC Rezoning Request, Comprehensive Land Use Plan Amendment** – Ron Rainey, BEDC Director, reported that Engineer F.P. (Buddy) Greenhaw has prepared exhibits for presentation to the City of Benbrook Planning & Zoning Commission. The P&Z will hear the presentation at its April 13, 2006, meeting and will include a

Public Hearing. The Benbrook Economic Development Corporation proposes to change the zoning for 25.343 acres on the north side of IH-20 and west of Ridglea Country Club Estates from Low Density Single-Family to G-Commerce. The application also requires an amendment to the City of Benbrook's Comprehensive Land Use Plan. The proposal will be heard by City Council at the Regular Council meeting on May 18, 2006.

- b. Adexco Oil & Gas Lease Bonus Payment & Drilling Permit Request** – Mr. Rainey stated that the lease bonus payment of \$38,779.86 was received Tuesday, March 14, 2006, from Adexco Production Company for Benbrook Economic Development Corporation's portion of 77.651 gross acres of minerals leased in the area known as Benbrook Towne Crossing. Some discussion followed.
- c. Former Texaco Demolition, Gasoline Storage Tank Removal** - Director Rainey reported that Tom Eudaly, spokesman for BBT Crossing Ltd., has reported to BEDC Staff that bids have been received and the contract has been let for the demolition of the former Texaco service station on Benbrook Parkway. A second contract has also been let for the removal of the underground gasoline storage tanks. It is expected that both contracts will be completed during March or early April. Following the demolition and tank removal the property will be transferred to the Benbrook Economic Development Corporation as per the Bank of Texas financing agreement with Richpenn and associated firms. Some discussion followed.
- d. State Sales Tax Refund Payment Plan** - Rainey informed the EDC Board of Directors that City of Benbrook Comptroller David Ragsdale has been in negotiations with the State Comptroller's office in regards to an apparent overpayment of sales tax collections to the City of Benbrook, Benbrook Economic Development Corporation and the Benbrook Library District. An audit performed for either Fort Worth or White Settlement has revealed that a company apparently moved from Benbrook a number of years ago but continued to report sales tax collections as though still operating in Benbrook. Mr. Rainey added that Mr. Ragsdale reports the BEDC owes \$28,328.57 and the Comptroller's office is willing to work with all entities (City of Benbrook, Benbrook Economic Development Corp. and Benbrook Library) for the refund. BEDC Staff has approved Ragsdale's refund plan and suggested he let the Comptroller's office know of our repayment plan.

IV. UNFINISHED BUSINESS

- a. Consider Chevron Property Transfer** - Director Rainey informed the EDC Board of Directors that all documents have been prepared for the transfer of the former Chevron service station on Benbrook Boulevard from BBT Crossing Ltd. to the Benbrook Economic Development Corporation. Documents have been sent to Brad Bowen, President of Richpenn Resources International, Inc., and principal in BBT Crossing Ltd., for execution. Mr. Rainey added that it is anticipated that executed documents will be available for BEDC approval and authorization for President Charlie Anderson's signature. The funds for the acquisition of the property were

loaned by BEDC to BBT Crossing Ltd. from the \$3,340,000 loan from Bank of Texas. The property, with the demolition of the service station and removal of underground gasoline storage tanks, is to be transferred to the BEDC in lieu of repayment of the acquisition loan.

Mr. Dan Tully made a motion to authorize EDC President Charlie Anderson to execute all necessary documents to transfer Chevron property to Benbrook Economic Development Corp. from BBT Crossing. Mr. Steve White seconded the motion. President Charlie Anderson called the vote. All voted aye and the motion carried.

- b. Consider Fort Worth Horseshoe Club/Larry Mills Tax Payment** - Director Rainey recommended to postpone this item in order to receive a clearer understanding of the Fort Worth Horseshoe Club/Larry Mills Tax Payment.

Mr. James Schull made a motion to postpone this agenda item to the next EDC regular meeting. Dan Tully seconded the motion. President Anderson called the vote. All voted aye and the motion carried.

V. NEW BUSINESS

- a. Consider BEDC Bylaws Revisions** – Mr. Rainey informed the EDC Board marked changes have been made to the Benbrook Economic Development Corporation's Bylaws as amended in January, 2001. The major change is in Article II, Pgh. 2.01, in which language has been inserted that mirrors attendance requirements of City Council. Meeting date changes have been added to include "electronic communication" as a form of notice to directors. 2.04 A change was made in the location of records of the corporation from the office of the city secretary to office of the Benbrook Economic Development Corporation (Pgh. 3.05). An older version of the Bylaws was used for the revisions and it appears many changes were made. Most of these were in the formatting and to changes to the older version to reflect changes adopted in January, 2001. Following Board consideration, and any additional changes, Staff will prepare the final document for City Council approval and back to the BEDC board for adoption. Mr. Rainey submitted a copy of the proposed Bylaws with changes for BEDC Board consideration and possible acceptance for submission to Benbrook City Council for approval. Mr. Rainey noted various revisions made to the BEDC Bylaws to include to insert the words: "electronic communication" instead of "e-mail" in all instances and strike the word "written" and add: "to either the president or the secretary" at the end of the statement in Pgh. 2.04.

Mr. Dan Tully made a motion to amend the bylaws revisions as discussed and submit to City Council for ratification. Mr. James Schull seconded the motion. President Anderson called the vote. All voted aye and the motion carried.

- b. Consider Adoption of BEDC Strategic Plan** – Director Rainey reviewed and discussed the draft of the Strategic Plan developed at the EDC work session. Mr.

Rainey's recommendation to the EDC Board was to consider and adopt the Strategic Plan for ratification by City Council.

Mr. James Schull made a motion to adopt the Benbrook Economic Development Corp. Strategic Plan subject to additions and corrections regarding fee amounts due to consultants and subject to ratification by City Council. Mr. Dan Tully seconded the motion. President Anderson called the vote. All voted aye and the motion carried.

- c. Consider Designating Executive Director as BEDC Public Information Coordinator** – Staff reported that compliance with the legislatively mandated training as it pertains to the Public Information Act requires each member of the Benbrook Economic Development Corporation's Board of Directors, as a City Council appointed board or commission, to obtain training in the area of Public Information Act. Staff members are also required to receive the training. The legislation allows the Board to appoint a "public information coordinator" to care for and manage the documents of the Corporation and the appointment would cause only the designated person to be required to receive training. Mr. Rainey informed the BEDC Board of Directors that City of Benbrook officials have appointed City Secretary Joanna King as the Public Information Coordinator for the city and Mrs. King is the only person required to receive the Public Information Act training. Staff recommended to the Board of Directors that they appoint the Executive Director of the BEDC to the position of public information coordinator.

Mr. Rickie Allison made a motion to designate the Executive Director as BEDC Public Information Coordinator. Mr. Steve White seconded the motion. President Anderson called the vote. All voted aye and the motion carried.

- d. Consider Ryan Property Real Estate Closing** – Mr. Rainey reported that the Benbrook Economic Development Corporation executed a Purchase Option Agreement with Gary Ryan, Lureta Ryan and Ryan Branding Iron, Inc., on December 1, 2005. The 12-month option allows the BEDC to exercise the option to purchase and acquire the property at any time during the term, by written notice to Gary R. Ryan. In the event BEDC exercises its option to purchase and acquire the property, the closing of the sale of the property by Ryan to BEDC shall occur within ten days of BEDC having exercised its option, and shall be at a location of the Title Company. The location of the Title Company and the exact date of the closing shall be communicated to Ryan not less than seven (7) days prior to the closing. BEDC has refinanced a \$3,340,000 note with Bank of Texas by transferring the loan, and increasing the amount to \$3,840,000, to First Bank in Azle. Mr. Rainey stated that Wal-Mart engineers, Dunaway and Associates, has obtained an Early Access Agreement from the Benbrook Economic Development Corporation to begin its due diligence including activities such as surveying, soil borings and analysis, environmental assessments, etc. Both Dunaway and Wal-Mart have expressed concerns about testing on the Ryan tract until it is owned by the BEDC. The most recent Access Agreement specifically excluded the Ryan property from the site

analysis. BEDC Staff recommended that the Board of Directors approve exercising of the Option Agreement, authorize Staff to schedule a closing date, and to issue notification to Gary R. Ryan of the closing time and location.

Mr. Dan Tully made a motion to authorize EDC President Charlie Anderson to execute all documents required for the real estate closing for the Ryan property as soon as possible. Steve White seconded the motion. President Anderson called the vote. All voted aye and the motion carried.

- e. **Consider Buxton Community/ID Proposal** – Director Rainey informed the EDC Board of Directors that the Benbrook Economic Development Corporation engaged The Buxton Company to prepare a CommunityID – Phase I, Retail Trade Assessment, with the report being completed at a cost of \$25,000 in July and August, 2002. The report supported community beliefs in the most advantageous retail areas in Benbrook with the top three sites being identified as the IH-20 corridor, US377 (Benbrook Boulevard) and US Highway 80 from Williams Road to the east and Benbrook city limits to the west. The Board determined not to proceed with Phase II of the project which was to identify 25 specific retailers and prepare marketing packages designed specifically for those companies. Cost of Phase II at that time was an additional \$40,000 to \$45,000. Mr. Rainey informed the EDC Board that Richard King, Territory Business Manager, CommunityID Division – Buxton, has contacted the BEDC Staff and has proposed an update to the 2002 community psychographic and demographic profile. The company also proposed to update the previous material and include what had previously been termed “phase II” of the project. The company no longer phases the program and has increased the cost of the analysis. Buxton is proposing an update to the earlier study as well as the marketing system with \$20,000 due upon execution of the agreement and an additional payment of \$20,000 due upon delivery of the results of the proposal. No action was taken.

VI. OTHER MATTERS OF BUSINESS

- a. **Consider Benbrook Towne Crossing Budget per Richpenn Agreement** – Director Rainey stated that BEDC Board of Director Dan Tully, Vice President, has requested addition to the Agenda, discussion relating to the annual budget that is to be submitted by Richpenn Resources International, Inc., as per the BEDC/Richpenn Agreement. Much discussion followed. Director Rainey was directed to request a statement from Richpenn International on any reimbursements expected from closing cost with any accounting statement of possible accounts receivable from the Benbrook Towne Crossing Project.

VII. INFORMAL CITIZEN COMMENTS

- VIII. EXECUTIVE SESSION PURSUANT TO SECTION 551.072, DELIBERATION REGARDING REAL PROPERTY.** President Charlie Anderson did not call the Executive Session.

- a. Consider Sales Contract for Approximately 22 acres In Benbrook Towne Crossing**
- b. Consider Sales Contract for Approximately 11.5 acres in Benbrook Towne Crossing**

X. CONSIDER ANY ACTION FROM EXECUTIVE SESSION.

XI. ADJOURNMENT

There being no further business, the meeting adjourned at approximately 9:21 p.m.

Secretary

Presiding Officer