



**CITY OF FARMERSVILLE
FARMERSVILLE ECONOMIC DEVELOPMENT CORPORATION MINUTES
FEBRUARY 21ST, 2019, 6:30 P.M.
COUNCIL CHAMBERS, CITY HALL
205 S. Main Street**

CALL TO ORDER

The Farmersville EDC met in regular session on February 21st, 2019 at 6:30 p.m. in the City Hall Council Chambers with the following board members present: Robbie Tedford, Diane Piwko, Bob Collins, Jason Lane and Randy Smith. Staff members present were City Accountant Daphne Hamlin and City Manager Ben White.

RECOGNITION OF CITIZENS AND VISITORS

No Visitors

PUBLIC COMMENT

No Comments

CONSIDER, DISCUSS AND ACT UPON FINANCIAL STATEMENTS FOR JANUARY 2019

- Motion to approve January 2019 Financial statement by Mr. Collins
- 2nd to approve made by Mrs. Piwko
- All members voted in favor

CONSIDER, DISCUSS AND ACT UPON FAÇADE GRANT REIMBURSEMENT

- Motion to approve Façade Grant Reimbursement by Mrs. Piwko
- 2nd to approve made by Mr. Smith
- All members voted in favor

CONSIDER, DISCUSS AND ACT UPON COLLIN COLLEGE FOUNDATION SUPPORT

- Motion to support sound system by Mrs. Piwko
- 2nd to approve made by Mr. Tedford
- All members voted in favor

REVIEW CURRENT CITY OF FARMERSVILLE PLANNING AND ZONING ORDINANCE AND MAKE RECOMMENDATIONS FOR IMPROVEMENTS WITH REGARDS TO INDUSTRIAL DEVELOPMENT

- Mr. White reviewed the list of the changes made during last meeting with the EDC Board. This item is going forward to City Council for a recommendation to forward to the Planning and Zoning Commission on March 12 or 26th.
- Mrs. Piwko asked for a copy for review.
- Mr. Lane asked that the summary list forward to all board members along with set date for meeting with City Council.
- Mr. Smith asked what the motivation behind the EDC Board is reviewing these documents.
- Mr. Lane stated we are looking at industrial zone areas limiting industrial development. Mr. Lane said not sure if we should go into commercial and retail. EDC highly related to industrial.
- Mr. White stated we are limited what we can do for commercial and retail.
- Mr. Lane said the comprehensive zoning refresh will need experts to review.
- Mr. White stated funds are set aside in the EDC Budget and Kiley Horn is ready to review. WE are waiting on the Highway 380 decision
- Mr. Smith stated does not see planning and zoning, just wondering if we want to add our input toward commercial and retail, hoping to create jobs and sales tax.
- Mr. Collins stated commercial and retail are demographically driven, when numbers are right business will come.
- Mr. Smith stated thought the review was to make us more competitive with other cities.

CONSIDER, DISCUSS AND ACT UPON ITEMS RELATING TO STREETS AND UTILITIES FOR THE NEW COLLIN COLLEGE CAMPUS AND BUDGET AMENDMENTS

- Mr. White stated he had a couple of meeting with Collin College, TIRZ Board has financed the Collin College Road, currently redoing sewer lines to be able to take on Collin College capacity. Major thing we are discussing now is the electrical distribution line. The thing the College needs today is electrical line. Collin College has spoken with Texas New Mexico, and City Farmersville offers a better rate. Mr. White has met with Dr. Matkin, explained our CCN and what we are able to serve in our area. Mr. White presented slide showing our CCN (see attached). Mr. White stated existing power lines are on the east side. We have existing water and sewer on site. We need electrical radial extension line on east property line. Mr. Collins asked if there are any chances going underground. Mr. White stated that Dr. Matkin wants to keep it beautiful. Future site to provide a loop feed, if distribution line goes down still able to feed from an alternate line source. Mr. White stated the loop feed added 1,800 feet long with

6 transformers. Mr. White presented a budget on cost asking EDC to help with phase one of \$150k. (See attached).

- Mrs. Piwko asked are the Collin College buildings going to be thru a bond issue.
- Mr. Collins stated no plans for build out yet. Currently the board has a 100 million in reserves. Mr. Collins stated a lot depends on next few years on growth here and in Celina.
- Mr. Tedford stated this is what we have been saving our money for. Mr. Tedford asked are we getting the full building or a scaled down building.
- Mr. Collins stated Collin College will have 55k sq. ft.
- Mr. Tedford stated would like to see the building we are suppose to get.
- Mr. Collins stated Celina's building is scaling down from 2 buildings to 1.
- Mr. Smith asked if there was a reduction in the Wylie Campus as well.
- Mr. Collins stated Wylie is fixed.
- Mr. White stated in the future eventually we will have to upgrade electrical substation. 800k in offsite feeder upgrades, as the campus grows. \$1.3 m includes upgrades to substation. It is Oncor's substation today, we have plans to purchase substation @45k. EDC has 210k set aside for substation. Upgrade engineering wise will begin after council approval. Eventually will need a new substation somewhere else. Currently we have a liability we have one transmission line. There is an upgrade plan for the new substation, paid for through revenue bonds.
- Mr. Collins asked on the reliability problem. Mr. White stated run 2 line feeds.
- Mr. White stated Council will be considering long term plans for a new electric substation. Mr. White said we will move old transformer to a new station, it will have scada ability to provide the lineman on how the substation is operating. Future load capability to meet the needs of the entire Collin College campus, upgradable for future loads cost is \$5m. This is a phased in approach and building for the future.
- Mrs. Piwko asked if we will completely disposition or leave substation.
- Mr. White stated we will disposition.
- Mr. Smith asked about the revenues.
- Mr. White stated what we think will happen if we ever have enough revenues to support the General Fund, we can reduce the amount of transfers from the electrical fund system.
- Mr. White stated he needs the \$45k to purchase and requested a 150k amendment to the budget to pay for engineering for new transformer. May be able to pay engineering through pca.
- Mr. Tedford asked for the \$150K partner with the College at 50/50 with loop up to 153k. Mr. Tedford said we are running utility to the College committing 300k, in exchange for the building we were currently supposed to receive.
- Mr. Collins said the building is under contract.
- Mr. Tedford said the original contract we were not liable.
- Mr. White stated it was never in our agreement. But in exchange we want a building.

- Mr. Tedford stated this is one thing we can do for Farmersville, and glad we are in a position to help.
- Mr. Smith asked to note that the EDC Board decided to grant funds to the City rather than issue a loan to the City for the Collin College Electric Project.
- - Motion to spend \$150k with the commitment of a 50/50 split on future project completion of the Collin College loop up to \$153k in exchange for request that the building be 60,000 sq. ft.
 - 2nd to approve made by Mrs. Piwko
 - Members voted, Mr. Smith not in favor, motion passed

RECEIVE UPDATE ON ELECTRICAL SUBSTATION

- Discussed in previous item

RECEIVE UPDATE ON WORKFORCE STUDY

- Mr. White stated he has been in contact with the City of Wylie in regards to the workforce study, and what they have done.
- Mr. Sadderwhite has access to data, and we could manipulate to get information that could be helpful to us (showing population information interline labor market survey, map showing regional commute patterns). This information is available on the City of Wylie website. Interline labor market survey.
- Mr. White stated the objective here is to go to NGTOG workforce and regionalize it to the east side of Lavon. We need to regionalize, the more we get together.
- Mr. White stated the way I'm looking at this issue is to see what is available for our industrial area. Our objective is to find out what is over there. Mr. White started with population with neighboring counties in our region (see attached) NCTOG work force solution.

RECEIVE UPDATE ON TAX FREE ZONE

Table add to next meeting

CONSIDER, DISCUSS AND ACT UPON MEETING MINUTES FOR JANUARY 17TH, 2019

- Motion to accept minutes with changes by Mr. Tedford
- 2nd to approve made by Mr. Collins
- All members voted in favor

CITY MANAGER REPORT

Mr. White stated this item was added so he could talk freely about things we need to discuss, Martin Marietta is in a holding pattern, no contact since December. There are major concerns regarding dust issues, since then employer discussed with Martin Marietta his concerns a line of communication has opened up. Ongoing negotiations. Tommy and I continue discussion with KSC Trans model in this region would be successful. Continued discussion with KSC. New sewer line for Palladium, opens up

north side of highway 380, Highway 380 discussion delayed until May, Reliable still proceeding. Attended Dallas Chamber of Commerce presented slide (see attached) Legislation Session 2.5 % cap on taxes

REQUESTS TO BE PLACED ON FUTURE AGENDAS

Tax Free Zone

Update on bids Collin parkway

Update Collin College

Update on Batch Plants

ADJOURNMENT

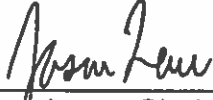
Meeting was adjourned at 8:22 p.m.

ATTEST:

APPROVE:



Diane C. Piwko, Secretary



Jason Lane, Chairman



**OFFICE OF THE
GOVERNOR**



**The Texas Economic
Development and
Tourism Office**

gov.texas.gov/business

TEXAS BUSINESS & COMMUNITY DEVELOPMENT

DFW MARKETING TEAM MEETING

February 8, 2019



AWARDS & ACCOLADES



Texas ranked as the No. 1 State for Business for the 14th consecutive year



Recipient of Site Selection Governor's Cup in 2017 for the 6th year in a row



CNBC named Texas 2018's Top State for Business in America



WalletHub named Texas the 2018 Best State to Start a Business in the nation



Texas received Area Development Magazine's 2018 Gold Shovel Award



Texas secured five No. 1 rankings on Business Facilities' 2018 State Rankings Report



WHY TEXAS?



With no corporate income tax
and no individual income tax,
Texas has one of the lowest tax
burdens in the country.



Texas is one of the nation's leaders
in job growth, adding more than
391,800 jobs from January 2018 to
December 2018.



In 2017, Texas was the nation's top
exporter for the 16th year in a row
with exports valued at \$264 billion.



13.8 MILLION

Texas has the second largest
civilian workforce in America –
13.8 million industrious people.



Texas is the 10th largest economy
in the world (if it were a country)
based on GDP, ahead of Australia,
Mexico, South Korea and Russia.



Texas ranks No.1 in the nation for
foreign and domestic investment,
based on number of jobs.



OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT & TOURISM

The Governors' Office of Economic Development & Tourism

The Governor's Office of Economic Development and Tourism (EDT) promotes the State of Texas as a leading global business climate and premier travel destination.





LEGISLATIVE MANDATE FOR ECONOMIC DEVELOPMENT IN TEXAS

Legislative code dictates that the state works with stakeholders to market Texas as the premier location for business and travel.

EDT assists businesses in creating new jobs and investing capital in the state by facilitating location and expansion of domestic and international business and promoting and assisting business and community economic development programs.

EDT provides export assistance, research and information to Texas companies.

EDT establishes strategy for economic development growth (including cluster development).



OFFICE OF THE GOVERNOR BUSINESS & ECONOMIC DEVELOPMENT

The Governor's Office of Economic Development and Tourism (EDT) promotes the State of Texas as a leading global business climate and premier travel destination. Business & Community Development focuses on domestic and international business recruitment, expansion and retention, with the goal of creating jobs and enhancing opportunities for the Texas business community.

BUSINESS & COMMUNITY ASSISTANCE SERVICES

Project coordination

- Business recruitment/expansion
 - Site selection/lead distribution
 - State incentives & financing programs
- Review of financial program applications
 - Contracting of financial programs
 - Compliance for financial programs
- Permit assistance
 - Trade & export promotion
 - Industry research & analysis
 - Small business advocacy

Finance Team

Business assistance



COMMUNITY RELATIONS

The Community Relations Division serves as the direct extension of the Governor's Office, representing the agency in the five regions of Texas. The Division is a link between the agency and the communities, providing direct means of communication and engagement to the state.

Community Relations Representatives assist communities with building economic development capacity. The team organizes economic development workshops, business retention and expansion programs, community engagement visits, and provides the local economic development stakeholders with updates on state programs and resources.

Representatives:

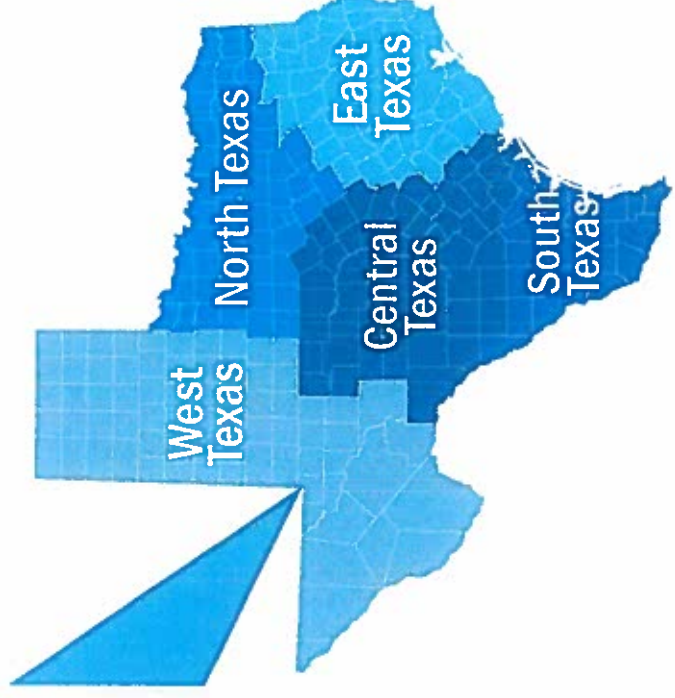
West – Chandra Eggemeyer

North – Janie Havel

Central – Lindsay Dennis

East – Betty Russo

South – Priscilla Duran



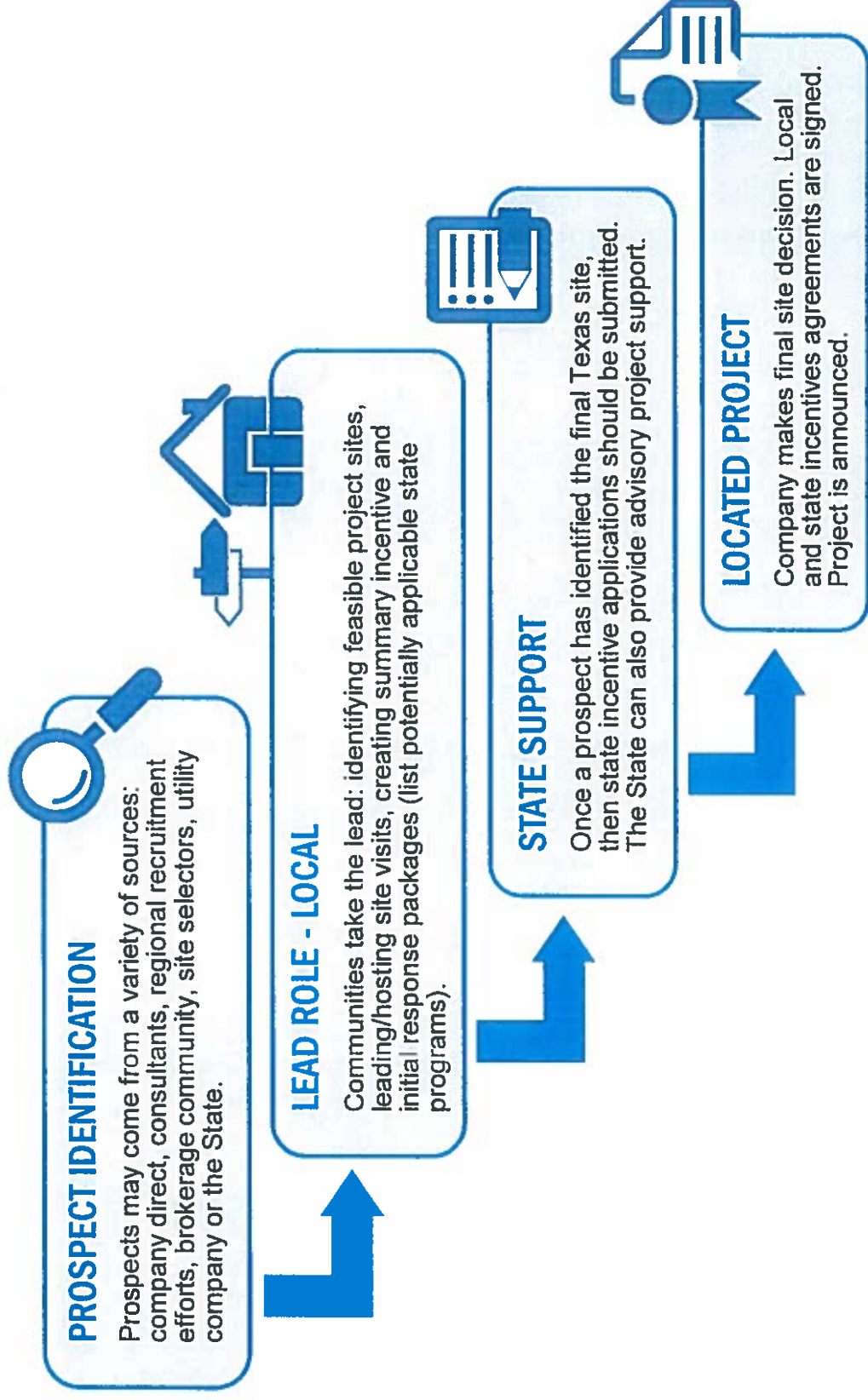
585

ENGAGEMENTS IN THE
COMMUNITY IN 2018



TEXAS ECONOMIC DEVELOPMENT MODEL

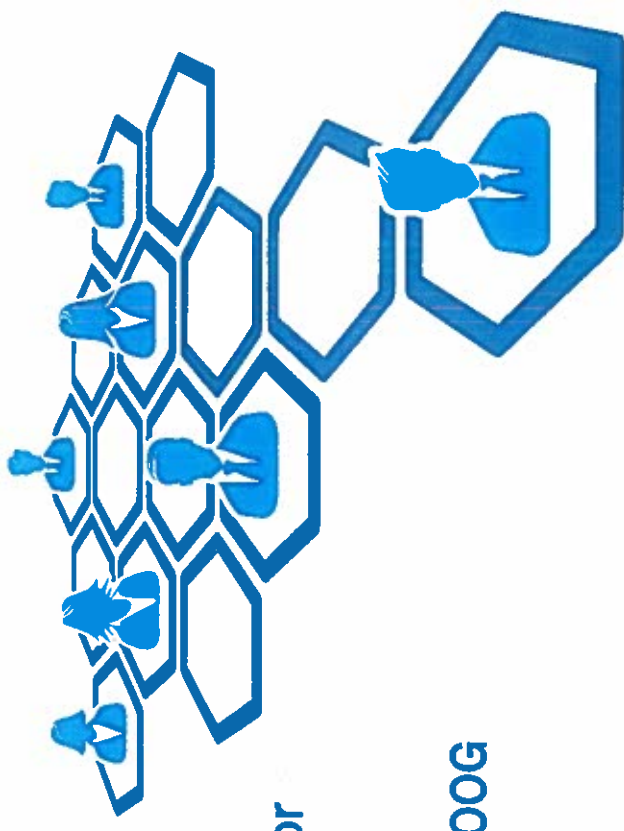
The State's economic development model provides decentralized and local control to Economic Development Organizations (EDO).





LEAD SOURCES

- Company or Consultant provides OOG with:
 - Specific community(ies)
 - Specific region
 - No specific area defined
- Company or Consultant contacts regional or community EDO directly
- U.S. or foreign trade department contacts OOG with project scope & geographic targets
- Community EDO
- Work with Project Coordination Team to:
 - Scope activity & how to represent potential state involvement





LEAD/RFI EXAMPLE

TO: West Texas & Upper Rio Grande Regions
SUBJECT: Prospect Lead—EDT—Project XXXXX

OVERVIEW:

The Office of the Governor has been contacted by a company that manufactures natural, edible coatings and films for confections, pharmaceuticals, vitamins, health supplements, and various food products. Approximately 90% of the company's finished product is shipped via truck.

The company is seeking an existing 15,000 to 20,000 square foot building to manufacture food-grade coatings. Texas is one of several southern states being considered.

Approximately 50 - 60 operators and technicians will be employed at the proposed operation. The company anticipates spending approximately \$5 million in machinery and equipment. The real estate costs are to be determined.

DEADLINE & SUBMISSION:

****QUICK TURN-AROUND****

All submittals must be done on-line and received by the consulting firm before 5:00 PM Friday September 2, 2018.

To: consultant@xyz.com

Cc: project.coordinator@gov.texas.gov

KEY CRITERIA:

Key criteria summarized

- Preferred site area: 150 acres, regular/rectangular in shape, and free of any obstacles to development in the core area of the site
- Road access: no more than 10 miles driving distance to an Interstate or other 4-lane limited access highway
- Rail access: no more than 50 miles from an established intermodal station (highway-rail)
- Airport Access: no more than 100 miles from a commercial airport providing daily direct flights to at least one hub airport in the US

ADDITIONAL CONSIDERATIONS:

- Please inform EDT if you submit a response but there is no need to provide a copy unless later requested.



LEAD/RFI EXAMPLE

INSTRUCTIONS:

Please remove yourself from consideration if your site is not located in one of the listed counties or does not meet the criteria. Leads are disseminated regionally and EDT will only accept responses submitted via approved EDO's. Whenever leads are disseminated to select regions, it is always at the request of the client. Sites located outside the State of Texas will not be accepted.

Because rail service is included as key criteria, please provide a copy of your community response to the appropriate rail representative ally. This will allow the rail carriers to manage their business accordingly.

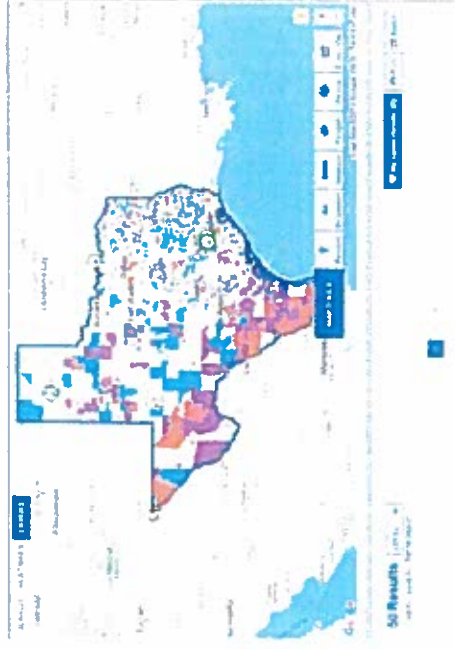
The entire local response, excluding the completed multi-site summary spreadsheet if requested, should be consolidated into a single attachment no larger than 5MB. A single zip file or PDF works well. The multi-site summary spreadsheet, if requested, should be included as a separate non-PDF attachment. Please do not modify the format or incorporate it into your community response. It is for EDT use only.

Unless otherwise noted please direct all inquiries to:

XXX XXXXX
Project Development Coordinator
Office of the Governor - Economic Development and Tourism
221 East 11th Street
4th Floor
P.O. Box 12428
Austin, TX 78711
512.936.XXXX
xxx@gov.texas.gov
www.governor.state.tx.us/divisions/ecodev



PROJECT MANAGEMENT RESOURCES



- State agency intermediary
- State incentive descriptions and eligibility criteria
- State industry reports and publications
- Texas Site Search
- Business climate comparison
- State trade, transportation and sector characteristics

• <https://gov.texas.gov/business>



INCENTIVES & FINANCING

GRANTS

- Texas Enterprise Fund (TEF)
- Skills Development Fund
- Self-Sufficiency Fund
- Governor's University Research Initiative (GURI)
- Texas Capital Fund Infrastructure Development and Real Estate Programs (INFRA/RE)
- Cancer Prevention & Research General Obligation Bonds
- The Defense Economic Adjustment Assistance Grant Program (DEAAG)

COMMUNITY INCENTIVES

- Local funding to business-related infrastructure and recruitment, equipment, land and economic development purposes.
- Property tax abatements
- Permitting fee waivers
- Local cash grants

FINANCING

- The Texas Product Development and Small Business Incubator Fund (PDSBI)
- The Texas Leverage Fund (TLF)
- The State of Texas Industrial Revenue Bond Program (IRB)
- The Texas Military Value Revolving Loan Fund (TMVRLF)
- Certified Capital Company (CAPCO)
- The Capital Access Program

TAX INCENTIVES

- Texas Enterprise Zone Program
- Manufacturing Exemptions
- Value Limitation and Tax Credits (Texas Economic Development Act)
- Freeport Exemptions
- Pollution Control Equipment Incentive
- Renewable Energy Incentives
- Defense Economic Readjustment Zone Program
- Research & Development Tax Credit
- Data Center Tax Incentives
- Business Relocation Tax Deduction



*In 2017, the 85th
Legislature fully
funded the Texas
Enterprise Fund.*

TEXAS ENTERPRISE FUND (TEF)

TEF is one of the largest deal-closing funds of its kind and continues to generate significant job creation and capital investment in Texas.

TEF is a performance-based cash grant for projects where a single Texas site is competing with another viable out-of-state option.

COMPANY	NEW JOBS	CAPITAL INVESTMENT	TEF OFFER
NTT Data, Inc. (HQ)	6,377	\$28,800,000	\$7,499,352
Cognizant Technology Solutions	1,090	\$8,452,000	\$2,105,880
Charles Schwab & Co., Inc.	1,200	\$100,000,000	\$6,000,000
McKesson Corp.	975	\$157,000,000	\$9,750,000
Merck & Co., Inc.	600	\$241,000,000	\$6,000,000
Kubota Tractor Corp. (HQ)	344	\$57,000,000	\$3,800,000
Hulu, LLC	214	\$13,660,000	\$1,284,000
Ryder Integrated Logistics, Inc.	205	\$5,266,000	\$1,050,000
W.W. Grainger, Inc.	178	\$3,900,000	\$906,910
PGA of America (HQ)	150	\$30,000,000	\$1,500,000
Jacobs Engineering Group, Inc. (HQ)	111	\$4,000,000	\$1,238,760
CORE West, Inc.	97	\$4,000,000	\$970,000

*Sampling of TEF awards under the Abbott administration

SINCE 2004

\$608 MILLION
IN TEF FUNDS AWARDED TO
162 COMPANIES

94,200 JOBS
AND MORE THAN

\$27 BILLION
IN CAPITAL INVESTMENT

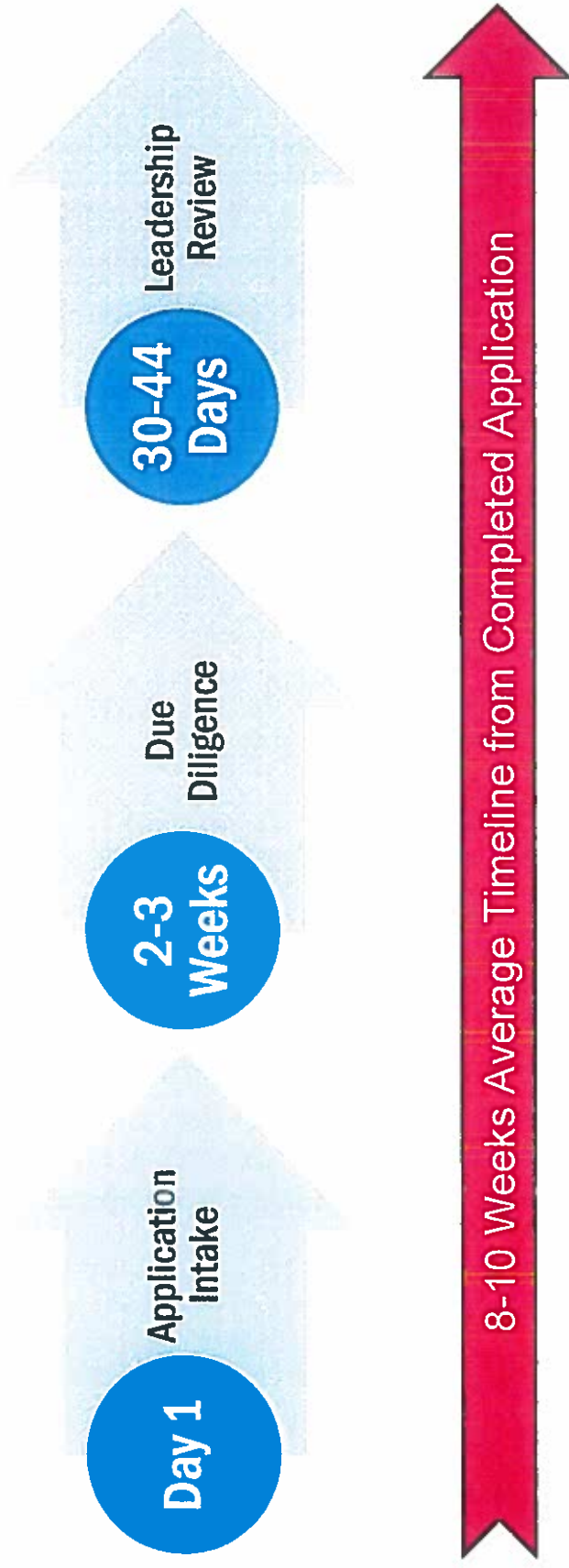


TEF ELIGIBILITY

- ✓ Competition with another out of state site for the project must exist and the business must not have already made a location decision.
- ✓ Projected new job creation must exceed 75 jobs in urban areas or 25 in rural areas.
- ✓ The new positions must offer compensation above the average wage of the county where the project would be located.
- ✓ A significant rate of return on the public dollars being invested in the project must be demonstrated.
- ✓ The project must have community participation from the city, county, and/or school district, primarily in the form of local economic incentive offers.
- ✓ The Governor, Lieutenant Governor, and the Speaker of the House must unanimously agree to support the use of TEF for each specific project.



TEF PROCESS & TIMELINE

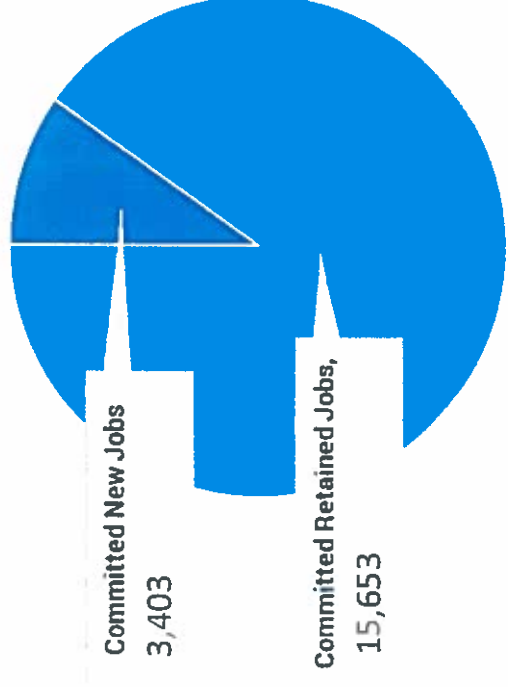




TEXAS ENTERPRISE ZONE

- Awards refunds on state sales and use taxes paid by companies creating or retaining jobs in or outside of economically distressed areas designated as Enterprise Zones.
- Amount of refund based on job creation/retention and capital investment.
- Maximum 105 designations allowed per biennium.

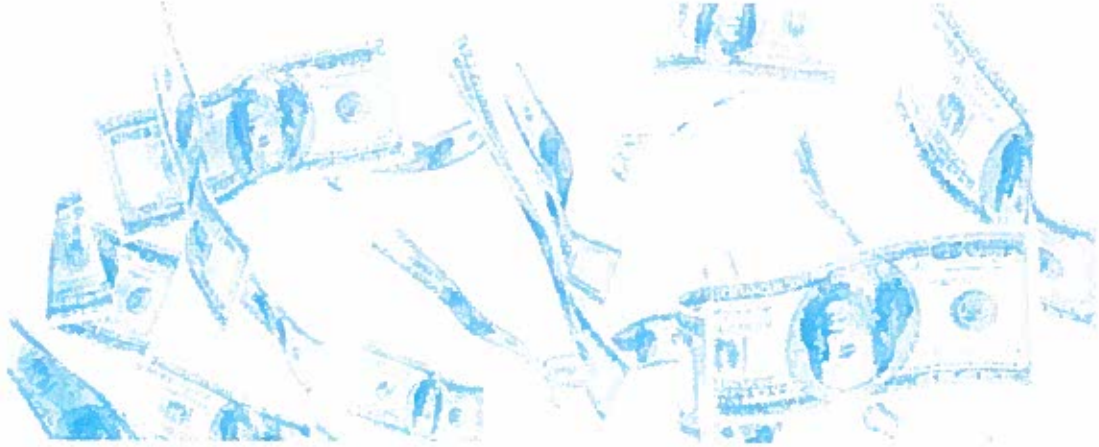
TOTAL JOBS FOR BENEFIT FY 2017-18



48.5 DESIGNATIONS
APPROVED DURING FY 2017-18

\$5.81 BILLION
COMMITTED CAPITAL INVESTMENT

\$34.2 MILLION
REFUNDED DURING FY 2017-18





DURING FY 2017,

47 GRANTS
WERE AWARDED TO

118 BUSINESSES
TOTALING MORE THAN

\$25 MILLION
THAT SUPPORTED

2,771 NEW JOBS
& UPGRADED THE SKILLS OF

11,575 WORKERS
IN EXISTING JOBS.

SKILLS DEVELOPMENT FUND

The Skills Development Fund is Texas' premier job-training program providing local customized training opportunities for Texas businesses and workers to increase skill levels and wages of the Texas workforce.

Training providers can use grant funds for curriculum development, training materials, instructor certifications and training equipment additions or upgrades.



The Texas Workforce Commission administers funding for the program. Success is achieved through collaboration among businesses, public community and technical colleges, Workforce Development Boards and economic development partners.

DATE	COMPANY	GRANT AMOUNT
NOVEMBER 7, 2018	Amarillo College partnered with Health Care Consortium	\$549,774
OCTOBER 18, 2018	Business Consortium partnered with Collin College	\$249,190
OCTOBER 10, 2018	Environmental Development Partners LLC partnered with Wharton County College	\$383,615
OCTOBER 9, 2018	Manufacturing Consortium and TPCO America Corporation Inc. partnered with Del Mar College	\$1,161,997

*Recent sampling of Skills Development Fund Grants



TEXAS ECONOMIC DEVELOPMENT ACT (CHAPTER 313)

Overview

- Encourages large-scale manufacturing, R&D and other large capital investment projects.
- May qualify for a ten-year limitation on the appraised value of a property for the maintenance and operations portion of the school district property tax.

Eligibility

- Local school district must elect to participate.
- Requires the limitation on appraised value be a determining factor in decision to locate in Texas.
- Property tax limitation amount determined on a sliding scale ranging from a high of \$100 million for urban areas to a low of \$10 million for rural areas.
- Corporate headquarters can be eligible under certain requirements.





IMPORTANCE OF COMMUNITY RELATIONSHIPS

EDT works closely with local economic development organizations. In order to bring a project to completion, the ED0 must effectively perform the following functions with support from the community:

- ☒ Provide timely and relevant resources that are unique to the area
- ☒ Respond quickly to global inquiries
- ☒ Act as a host, tour guide and sales person for interested prospects
- ☒ Coordinate with partners at the city and county levels
- ☒ Demonstrate the community's viability and wherewithal to accommodate business expansions/relocations
- ☒ Communicate effectively with EDT

THANK YOU

Office of the Governor
Economic Development & Tourism
P.O. Box 12428 | Austin, Texas 78711

512.936.0100
gov.texas.gov/business

     TexasEconDev



InterLink Regional Labor Market Survey Report 2018~2023



Collin College Electrical Distribution Line Project

Cost Analysis Presentation

21 February 2019

Welcome Home To Farmersville



Farmersville
DISCOVER A TEXAS TREASURE

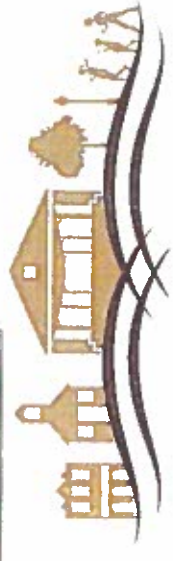
Farmersville Electric CCN Map



Welcome Home To Farmersville

Current Conditions

Current Campus Layout



Farmersville
DISCOVER A TEXAS TREASURE

Welcome Home To Farmersville

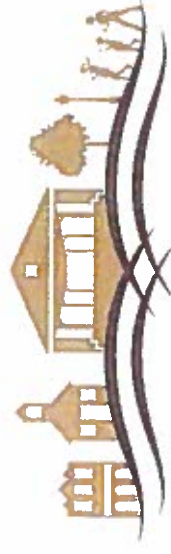
The Problem

Collin College Utility Needs

- From the City of Farmersville
 - Water
 - Existing on site
 - Sewer
 - Existing on site
 - Electrical
 - Need radial extension from east property line now to the first building
 - Need future distribution loop between all future buildings
- TIRZ Board
 - 4 lane divided street being provided via TIRZ funds and matching Collin County bond funds
 - \$3.48M total project, \$1.74M each
- Atmos
 - Gas being provided via existing line across AMP



Welcome Home To Farmersville



Farmersville
DISCOVER A TEXAS TREASURE

The Solution

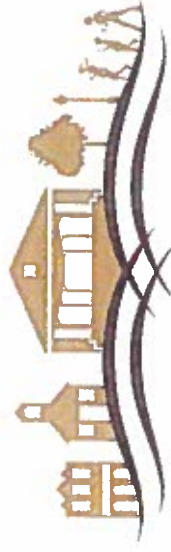
CC Electrical Distribution Loop



- Existing aerial distribution along east property line
- Phase I underground radial distribution line
1,512 feet long
1 Transformer
- Phase II underground loop distribution line
1,888 feet long
6 transformers



Welcome Home To Farmersville



Farmersville
DISCOVER A TEXAS TREASURE

The Solution

Budget Path

Description	Underground Line Segments											
	P to T1	T1 to T2	T2 to T3	T3 to T4	T4 to T5	T5 to T6	T6 to T7	T7 to P	Total			
Termination Point												
Length in Feet	1,512	179	318	176	299	152	204	560	3,400			
Cost Estimate for trench, conduit, #4/0 Al three-phase wire, elbows, engineering, etc.	\$120,000	\$15,000	\$26,000	\$15,000	\$24,000	\$13,000	\$17,000	\$45,000				
Cost Estimate for transformer and meter	\$20,000	\$24,000	\$24,000	\$26,000	\$26,000	\$24,000	\$20,000	N/A				\$275,000
Cost estimate for riser and pole	\$7,000	N/A	N/A	N/A	N/A	N/A	N/A	\$7,000				\$164,000
Total for Segment	\$147,000	\$39,000	\$50,000	\$41,000	\$50,000	\$37,000	\$37,000	\$52,000				\$453,000

- Requesting FEDC fund the following
 - Phase I: \$150K
 - 50% of future phase II: \$153K
 - Future budget year item
 - Could be more than 3 years out

Welcome Home To Farmersville

