



ANNUAL ECONOMIC
DEVELOPMENT POLICY
REVIEW AND AMENDMENTS

RS-24-137

August 6, 2024

Background

- City of Killeen's Economic Development Policy guides economic development activities, including those responsibilities delegated to the Killeen Economic Development Corporation (KEDC).
- This Economic Development Policy establishes the economic development incentives that are available in the City of Killeen.
- Killeen City Council originally adopted the Economic Development Policy in 2019 (19-007R) and was amended in 2021 (21-055R) and 2023 (23-081) reviews both the policy and active economic incentive agreements annually to ensure ongoing relevance.

Background

- The Economic Development Policy provides that City Council shall review the policy annually and make amendments as necessary.
- The City of Killeen currently has the following active incentive agreements:
 - ▣ Northwest Tidwell (Walmart)
 - ▣ First National Bank
 - ▣ Dongjin
 - ▣ CSW (Anthem Park)
 - ▣ K&D Evans Holdings LLC (Southern Roots)
 - ▣ MPCA (MGC)

		Adopted	Private Investment	# of Jobs	City Investment	Status of the Project	Status of Reimbursement
Northwest Tidwell (Walmart)	380	April 2014	\$5M in Real Property	340 FTE	\$1,010,000 in sales tax reimbursement	Complete	Completed reimbursement.
First National Bank	312	April 2020	\$11.5M in Real Property and \$1.8M in Personal Property	130 FTE with a average salary of \$66,982 (*Jobs Retained)	100% of the real property increment for 10 years.	Complete	1 st year of abatement was in 2023 for \$106K
Dongjin	380	Nov. 2022	\$30M in Real Property and \$38.5M in Personal Property	17 FTE with an average salary of \$50,000	25% of personal property tax reimbursement for 10 years not to exceed \$435,999	Received their CofO in May of 2024	Not started yet.

		Adopted	Private Investment	# of Jobs	City Investment	Status of the Project	Status of Reimbursement
CSW (Anthem Park)	311	April 2023	\$534M in Real Property		Not to exceed \$12,741,099 in incremental real property reimbursement for infrastructure	Under Construction	Not started yet.
K&D Evans Holdings LLC (Southern Roots Brewing Company)	380	January 2024	\$700K in Real Property and \$500K in Personal Property	14 FTE with an average salary of \$50,000	Reimbursement of \$150K toward real property improvements	Under Construction	Not started yet.
MPCA (MGC)	311 And 380	January 2024	\$89M in Real Property and \$40.6M in Personal Property	10 FTE with an average salary of \$44,000	TIRZ #2 reimbursement of \$600K towards infrastructure, and 50% incremental personal property reimbursement up to \$1,262,723	Under Construction	Not started yet.

Background

- On July 9, 2024 Killeen City Council gave a motion of direction to amend Section 3.10 of the Economic development policy to list the Innovation Black Chamber of Commerce as a Workforce Development resource in the City of Killeen.

Proposed Amendments

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The proposed policy amendments:

- Amending Section 3-10 Workforce Development, including adding the Innovation Black Chamber of Commerce as a resource
 - *“**Innovation Black Chamber of Commerce**- is an ecosystem support organization focused on empowering underserved entrepreneurs and small disadvantaged businesses. Providing targeted support, resources, and guidance for small businesses development and sustainability. The IBCC through the Profundity program offer strategic outreach and training in cutting edge tools such as AI with a goal of giving equal access to business and workforce development addressing economic vitality across the community.”*

Proposed Amendments

The proposed policy amendments:

- Adding the North Killeen Revitalization Area (NKRA) Sewer Rehabilitation and Redevelopment Incentive Program under the North Killeen Revitalization Area (NKRP) Incentive Program
- ***“North Killeen Revitalization Program – The North Killeen Revitalization Program exists to promote redevelopment in North Killeen, including downtown, by offering financial incentives for property owners who wish to construct new buildings or rehabilitate or expand existing ones. New construction and rehabilitation projects that spend at least \$2,000 are eligible to have all permit fees waived, and financial assistance up to \$20,000 in a 50% match of commercial sewer improvements for commercial or infill developments.”***

Recommendation

- City staff recommends updating the Economic Development Policy adding the Innovation Black Chamber of Commerce to Section 3-10 and adding the North Killeen Sewer Rehabilitation and Redevelopment Incentive Program under the North Killeen Revitalization Area (NKRP) Incentive Program