



# KILLEEN ECONOMIC DEVELOPMENT AGREEMENT

RS-18-076

September 4, 2018

# Background

2

- Agreement to provide economic development services since November 30, 1990.
- The agreements are for two-year terms. The current agreement expires September 30, 2018.
- Funding for the past two agreements:
  - ▣ FY 2015 and FY 2016 - \$772,708
  - ▣ FY 2017 and FY 2018 - \$386,354
- FY 2019 proposed budget funding - \$386,354

# Agreement Overview

3

- The following functions are explicitly required:
  - ▣ Encourage and promote economic development in Killeen;
  - ▣ Recommend projects and programs to encourage and further economic development in Killeen; and
  - ▣ Annually appoint a Board of Directors.

# Agreement Overview

4

- Summary of permitted use of funds:
  - ▣ Infrastructure improvements, including construction to attract businesses;
  - ▣ Business expansion grants;
  - ▣ State or Federal grant matching; and
  - ▣ Professional services related to the creation and retention of jobs.
- City Council approval not required if expenditures directly contribute to creating or retaining jobs in Killeen.
- Quarterly reports to City Council
  - ▣ Providing the amount and nature of expenditures.
  - ▣ Updating economic development progress and plans.

# Alternatives Considered

5

- ☐ Enter into an agreement.
- ☐ Enter into an agreement with different terms or contribution amount.
- ☐ Do not enter into an agreement.

# Recommendation

6

Staff recommends that City Council authorize the City Manager or designee to execute an agreement with the Killeen Economic Development Corporation and set the FY 2019 contribution amount.