A Joint Meeting of the City Council of Haltom City and the Haltom City Economic Development Corporation was held on July 5, 2018, at 6:00 p.m. at the Northeast Center, 3201 Friendly Lane, Haltom City, Texas, with the following members present, to-wit:

- Mayor David Averitt
- Mayor Pro-Tem Dr. An Truong
- Council Place 1 Jeannine Nunn
- Council Place 2 Walter Grow (EDC)
- Council Place 3 Lin Thompson
- Council Place 4 Brent Weast
- Council Place 5 Bob Watkins (EDC)
- Council Place 6 Ricky Brown (EDC)

EDC members present were Gary Blocker, and Daren Hudson. EDC members Don Jury and Wesley Hart were absent.

Staff Present: Keith Lane, City Manager; Rex Phelps, Assistant City Manager; James Donovan, City Attorney; Art Camacho, City Secretary; and Greg Van Nieuwenhuize, Public Works Director. Trent Petty, of Petty and Associates, was also present.

CALL TO ORDER

Mayor David Averitt called the Council and EDC President Brown called the EDC joint meeting to order at 6:00 p.m. and addressed each member by name.

1. **Haltom Hospitality 380 Development Agreement** – Consideration and/or action regarding the Haltom Hospitality 380 Development Agreement. Mayor Averitt recused himself from the meeting during this agenda item. Assistant City Manager Rex Phelps stated that Al Karmali was not able to be present because of Ms. Karmali’s Naturalization of Citizenship Ceremony this same evening. Mr. Phelps also stated he had received an email from Mr. Karmali requesting a six (6) month extension across the board on all deadlines. He then presented this agenda item which included the following:
   
   A. Prior actions by Mr. Karmali, including a 60-day extension for construction work.
   B. Specifics on the hotel/restaurant according to the 380 Development Agreement, which included the project beginning date and completion date.
   C. Problems involving Mr. Karmali regarding property title issues.
   D. A switch of bank funding from Happy State Bank to Prosperity Bank for better financing by Mr. Karmali.
   E. Problem with the buried Atmos Gas Line for the parking lot area on the site plan.
   F. Projected date for the Hoffbrau Restaurant to move in by May/June of 2019.

   A discussion was held concerning the Council’s and the EDC’s intent on securing the Hoffbrau restaurant business in Haltom City and possibly acquiring another hotel source for the placement of the restaurant at the same location, designating a new performance bond agreement, and meeting the construction deadlines that favor both the new hotel and the Hoffbrau restaurant.

 Council/EDC Member Watkins moved, seconded by Council/EDC Member Grow, to deny the six (6) month extension for Mr. Karmali. **The vote was unanimous from both groups and the motion was carried.** Council/EDC Member Grow moved, seconded by Council/EDC Member Watkins, to have the City Attorney reclaim the property at Old Denton Road and NE Loop 820; dissolve the Haltom City Hospitality 380 Agreement with Mr. Karmali; and direct the City Staff to work with the economic consultant to market the
property where the 380 Agreement is currently located to look for an alternative developer to partner and develop the restaurant pad for Hoffbrau. The vote was unanimous from both groups and the motion was carried. Both the Council and EDC members expressed appreciation for the Hoffbrau restaurant and their desire to keep the business in Haltom City.

Mayor Averitt returned to the meeting after recusing himself.

2. **EDC Property** – Discussion of the appraisal of EDC properties and proposed development offers. Assistant City Manager Rex Phelps presented several offers regarding the following EDC properties:

   A. Midway 34.7 acres, zoned as M-2 Industrial - $1,666,000 value.
      1. Stream Realty Partners – Class A Industrial Park.

   B. Springlake – 42.06 acres – zoned as M1 Industrial
      $3,660,000 if Industrial - $2,930,000 if residential
      1. Alpha-Barnes - $2,500,000 (no incentives) – (7/19/18 meeting)
      2. Happy Baggett – (7/19/18 meeting)
      3. Our Country Homes – (7/19/18 meeting)
      4. Makens Group - ?

Trent Petty commented on establishing a criteria of a combination of housing and retail, with an allowance for city facilities, and sharing the appraised value with the developer.

**EXECUTIVE SESSION**
There was no Executive Session.

**ADJOURNMENT**
Mayor Averitt and President Brown adjourned the Council/EDC joint meeting at 7:15 p.m.

RESPECTFULLY SUBMITTED BY:  

APPROVED BY:

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Art Camacho, City Secretary

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David Averitt, Mayor