
KEDC Earns National Award

By Anonymous

Published: 03/25/2009 - 08:48

March 17, 2009

Business Retention and Expansion International has awarded Kilgore Economic Development Corporation with the 2009 Community Project/Program Impact Award. The 2009 honor is the first time the organization has rewarded a program for its community impact and was awarded to KEDC based on the success of the Freeport Tax Exemption in Kilgore.

Judges of the award at BREI placed emphasis on the ability of the project to influence economic development partners to make a significant change in their own programs or in resource allocation. They also considered the ability of the project to influence the involvement of multiple organizations and impact companies or communities. Under KEDC's direction, the City of Kilgore, Kilgore Independent School District and Kilgore College executed PILOT (payment in lieu of taxes) agreements with nine companies in Kilgore that stipulated cash payments from the companies to the taxing entities in lieu of Freeport Taxes. These agreements were designed to end when the taxing entities' base taxable value grew to a point to offset the first year's total exemption amount. The Kilgore College comptroller monitored all agreements and handled billing and collections for all three entities.

With these innovative agreements in place, Orgill, Inc. constructed a 500,000 SF distribution center in Kilgore's Synergy Park, investing more than \$60 million. After only one year, the tax base in Kilgore had increased by 30 percent, allowing the contracts to end.

According to Amanda Nobles, KEDC's executive director, the entire commercial and industrial sector contributed to the growth. "Thirty percent in that sector alone is surprising. Now the benefit of the Freeport Exemption is there forever, and it would not have been realized without the collaboration of Kilgore College, KISD and the City of Kilgore." she said.

BREI is a professional association for business retention and expansion and provides leadership resources and education. The organization is headquartered in Bismarck, North Dakota.