

**Minutes**  
**Wylie Economic Development Corporation**  
**Board of Directors Meeting**  
July 22, 2020 – 8:30 A.M.  
300 Country Club Road, Building #100  
Wylie, TX 75098

**CALL TO ORDER**

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*Announce the presence of a Quorum*

President Demond Dawkins called the regular meeting to order at 8:33 a.m. Board Members present were John Yeager, Melisa Whitehead, and Tim Gilchrist. Gino Mulliqi arrived at 8:35 a.m.

Ex-officio members Mayor Eric Hogue and City Manager Chris Holsted were present.

WEDC staff present included Executive Director Jason Greiner, BRE Director Angel Wygant, and Senior Assistant Rachael Hermes.

Market President Anita Collins of American National Bank attended to present to the Board.

**INVOCATION & PLEDGE OF ALLEGIANCE**

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President Dawkins gave the invocation and led the Pledge of Allegiance.

**CITIZEN PARTICIPATION**

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With no citizen participation, President Dawkins moved to Consent Agenda.

**CONSENT AGENDA**

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*All matters listed under the Consent Agenda are considered to be routine by the WEDC Board of Directors and will be enacted by one motion. There will not be separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.*

- A. Consider and act upon approval of the June 17, 2020 Minutes of the WEDC Board of Directors Meeting.
- B. Consider and act upon approval of the June 2020 WEDC Treasurer's Report.
- C. Consider and act upon the award of a contract to Verity Group for the purchase of a printer in the amount of \$9,300.

**Board Action**

A motion was made by John Yeager, seconded by Melisa Whitehead, to approve the Consent Agenda as presented. A vote was taken, and the motion passed 5-0.

**ACTION ITEMS**

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President Dawkins began with Action Item 6 for discussion/presentation purposes.

- 6. Consider and act upon approval of the FY 2020-2021 WEDC Budget.

Anita Collins with American National Bank provided the Board with an overview of the current loans held with ANB and a recap of debt service coverage ratios from 2014 to 2019. Various principal reduction scenarios were presented to the Board for their consideration, noting that the interest rate on the Brown/78 loan could be reduced from 5.25% to 4% with a principal reduction payment. Reducing the interest rate would result in a savings of approximately \$400,000 and interest-only payments could be made on this loan through FY 21. Ms. Collins explained that an additional principal payment is not a requirement but would reduce monthly debt service. Ms. Collins expressed her appreciation to the Board and welcomed any further questions or comments.

Staff noted that reduced expenditures due to COVID-19 and sales tax revenues exceeding initial projections during the pandemic has resulted in an increased ending fund balance. These changes have prompted staff to look at several different scenarios for the Board to discuss/consider related to potential principal reduction. Staff discussed various options available to the Board on any of the three ANB loans and will update the beginning fund balance projections as needed based upon the Board's direction.

The Board discussed the options available to them related to principal payments toward the ANB loans and expressed interest in applying principal payment toward the Brown/78 loan and the Wallace (Dallas/Whirlpool) loan within FY 20 with the understanding that the interest rate on the Brown/78 loan would be reduced to 4% and interest-only payments would be made on the Brown/78 loan for the duration of FY 21.

City Manager Chris Holsted discussed sales tax projections into FY 21. Staff discussed the proposed FY 21 Budget that was presented to Council on 7-28-20 and noted the inclusion of a Future Projects line item within Incentives. Staff explained that a similar line item could be proposed for Land if the Board wished.

The Board opted to delay further consideration of Item 6 until after Executive Session to accommodate any other necessary changes related to staff evaluations.

President Dawkins stepped out at 8:50 a.m. during discussion of Item 6.

Vice President Yeager moved to Action Item 3 to allow every Board Member to be present for discussion of Action Items 1 & 2.

3. **Consider and act upon the award of a contract to EDsuite for website services in the amount of \$17,850.**

**Staff Comments**

Staff noted that the proposed website contract covers full website redesign and technology integration. Approval of the contract allows for the overall payment of website services to be spread over multiple years.

**Board Action**

A motion was made by Gino Mulliqi, seconded by Tim Gilchrist, to award a contract to EDsuite for website services in the amount of \$17,850. A vote was taken, and the motion passed 4-0.

4. **Consider and act upon a Performance Agreement between the WEDC and WB Real Estate, LLC.**

**Staff Comments**

Following direction from the Board, staff took this item to City Council and received approval to proceed with a Performance Agreement related to the boring under Hwy 78.

**Board Action**

A motion was made by Tim Gilchrist, seconded by Gino Mulliqi, to approve a Performance Agreement between the WEDC and WB Real Estate, LLC. A vote was taken, and the motion passed 4-0.

5. **Consider and act upon a Performance Agreement between the WEDC and First Miracle, Inc.**

**Staff Comments**

Staff noted that this project is related to Landon Winery and assists with approximately 10% of the overall cost for fire suppression at their downtown location. Over a ten-year period, it is estimated that this project will generate \$117,600 in overall tax revenue for the City of Wylie. The Economic Impact Analysis (EIA) for this project indicates that for every \$1 that the WEDC invests, this developer is investing \$9.97 in our community.

**Board Action**

A motion was made by Gino Mulliqi, seconded by Melisa Whitehead, to approve the Performance Agreement between the WEDC and First Miracle, Inc. A vote was taken, and the motion passed 4-0.

Vice President Yeager moved to Discussion Items.

**DISCUSSION ITEMS**

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7. **Staff report: WEDC Property Update, Regional Housing Permits, Downtown Parking, WEDC Activities and Programs.**

Staff updated the Board regarding sales tax revenues for May, stating that revenues are up 38% over the same month last year. While May revenues include a \$156k sales tax adjustment, the revenues are still up 19% over last year after accounting for the adjustment.

WEDC Property Updates include the discussion of business assistance related to COVID and rent concessions/adjustments for any commercial rental properties owned by WEDC. After discussion, the Board directed staff to request a statement of loss from any tenant requesting assistance. At that time, the Board will assess and review requests on a case-by-case basis. The Board noted their desire for requestors to fully utilize all available assistance options and programs prior to requesting assistance. Mayor Hogue and City Manager Holsted discussed assistance that has been made available through the City of Wylie, stating that City Council has the option to reopen the application process if they choose to do so in the future.

Regarding demolition of properties, 503 S. Ballard, 204 N 2<sup>nd</sup>, and 208 N 2<sup>nd</sup> are scheduled for demolition in August. Staff noted that 504 E. Brown will be vacated as of July 31, 2020. The

Board discussed proceeding with demolition at 504 E. Brown to save on mobilization costs with nearby demolition already scheduled. Staff will provide information related to any potential cost-savings to the Board. Police and Fire will utilize the locations on 2<sup>nd</sup> Street for training opportunities prior to demolition and have already trained at 503 S. Ballard.

Staff informed the Board that the request for use of the WEDC-owned lot at 303 E. Marble for the FBC Rodeo has been withdrawn since the event has been postponed. Related to the downtown parking project, staff discussed the interlocal agreement with Union Pacific and will be more actively pursuing the agreement now that we have more favorable information regarding sales tax revenues.

Overall project updates include a request that has been submitted to seek an amendment to an existing Performance Agreement due to COVID-19. The item will be presented with additional information to the Board at the next meeting.

President Dawkins returned to the meeting at 9:23 a.m. during discussion of Item 7.

Mayor Hogue left the meeting at 9:26 a.m. during discussion of Item 7.

President Dawkins moved back to Action Items.

**ACTION ITEMS**

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**1. Consider and act upon issues surrounding the Election of Officers for the WEDC Board of Directors for 2020-2021.**

Wylie City Council recently reappointed Mr. Tim Gilchrist to a three-year term as a Member of the Wylie Economic Development Corporation Board of Directors. He has been sworn in by the City Secretary’s office.

On an annual basis and following the selection of WEDC Board Members by the Wylie City Council, the WEDC elects officers for the upcoming year.

The current FY 2020 WEDC Board Officers are:

Demond Dawkins.....	President
John Yeager .....	Vice President
Melisa Whitehead .....	Secretary
Gino Mulliqi .....	Treasurer
Tim Gilchrist .....	Board Member

**Board Action**

A motion was made by Tim Gilchrist, seconded by Gino Mulliqi, to keep the current 2019-2020 slate of WEDC Board Officers for 2020-2021: Demond Dawkins, President; John Yeager, Vice President; Melisa Whitehead, Secretary; Gino Mulliqi, Treasurer. A vote was taken, and the motion passed 5-0.

**2. Consider and act upon the establishment of a Regular Meeting Date and Time for the WEDC Board of Directors for 2020-2021.**

Section 4.07 of the WEDC Bylaws states that the President of the Board shall set a regular meeting date and time at the beginning of his/her term. WEDC Board Meetings are currently set for the third Wednesday of each month at 7:30 a.m.

With officers elected via the previous Action Item, the WEDC President is required to establish the Regular Meeting date/time.

**Board Action**

A motion was made by John Yeager, seconded by Melisa Whitehead, to keep the current date and time for Regular WEDC Board of Directors Meetings as the third Wednesday of each month at 7:30 a.m. for 2020-2021. A vote was taken, and the motion passed 5-0.

**EXECUTIVE SESSION**

*Recessed into Closed Session at 9:38 a.m. in compliance with Section 551.001, et. seq. Texas Government Code, to wit:*

**Section 551.072** (Real Estate) of the Local Government Code, Vernon’s Texas Code Annotated (Open Meetings Act). Consider the sale or acquisition of properties located at:

- State Highway 78 & Brown
- Jackson & Oak

**Section 551.074** (Personnel Matters) of the Local Government Code, Vernon’s Texas Code Annotated (Open Meetings Act).

- Evaluation of WEDC Staff

**Section 551.087** (Economic Development) of the Local Government Code, Vernon’s Texas Code Annotated (Open Meetings Act). Deliberation regarding commercial or financial information that the WEDC has received from a business prospect and to discuss the offer of incentives for:

- Project 2017-10a
- Project 2018-2a
- Project 2018-10c
- Project 2019-11b
- Project 2019-12a
- Project 2020-4a
- Project 2020-4c

**RECONVENE INTO OPEN MEETING**

*Take any action as a result from Executive Session*

President Demond Dawkins reconvened into Open Session at 10:29 a.m. and the following action was taken related to Action Item 6.

**6. Consider and act upon approval of the FY 2020-2021 WEDC Budget.**

Following previous discussion of this Item, the Board directed staff related to specific principal reduction payments to be made within the current fiscal year. It was determined that principal reduction payments in the amounts of \$347,040 to the Brown/78 Loan and \$1,005,522 to the Wallace (Dallas/Whirlpool) Loan are to be made within FY 20. Upon issuance of these payments, the resulting beginning fund balance for FY 21 is projected to be \$1,407,508.50.

**Board Action**

A motion was made by Gino Mulliqi, seconded by John Yeager, to approve the proposed FY 2020-2021 WEDC Budget reflecting a projected beginning fund balance of \$1,407,508.50. A vote was taken, and the motion passed 5-0.

**ADJOURNMENT**

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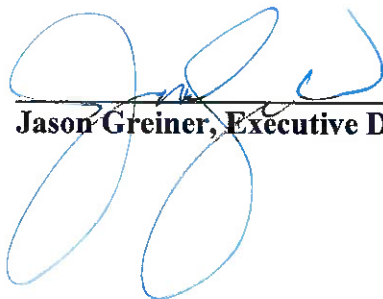
With no further business, President Dawkins adjourned the WEDC Board meeting at 10:31 a.m.



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**Demond Dawkins, President**

**ATTEST:**



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**Jason Greiner, Executive Director**