

Minutes
Wylie Economic Development Corporation
Board of Directors Meeting

Wednesday, November 28, 2018 – 6:30 A.M.
WEDC Offices – Conference Room
250 South Highway 78 – Wylie, Texas

CALL TO ORDER

Announce the presence of a Quorum

President Bryan Brokaw called the meeting to order at 6:33 a.m. Board Members present were John Yeager, Marvin Fuller, Demond Dawkins and Todd Winters.

City Manager Mindy Manson was present.

WEDC staff present was Executive Director Sam Satterwhite, Assistant Director Jason Greiner, and Senior Assistant Angel Wygant.

INVOCATION & PLEDGE OF ALLEGIANCE

President Brokaw gave an invocation and led the Pledge of Allegiance.

CITIZEN PARTICIPATION

Nick Klein was present and informed the Board that he recently located his insurance business in the downtown area off Ballard Street. President Brokaw welcomed him and thanked him for attending the Board Meeting.

With no further citizen participation, President Brokaw moved to Action Items.

ACTION ITEMS

ITEM NO. 1 – Consider and act upon approval of the October 31, 2018 Minutes of the Wylie Economic Development Corporation (WEDC) Board of Directors Meeting.

MOTION: A motion was made by Todd Winters and seconded by John Yeager to approve the October 31, 2018 Minutes of the Wylie Economic Development Corporation. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 2 –Consider and act upon approval of the October 2018 WEDC Treasurers Report.

Staff reviewed the items contained within the Treasurers Report and called the Board's attention to the third month of positive sales tax receipts with the full year ended down \$2.46%. Staff also

noted that had it not been for the \$41,000 audit adjustment by the Comptroller in May, sales tax revenues would have been flat for the fiscal year.

Board Member Fuller requested that the Treasurer's report or sales tax chart reflect the audit adjustment. Board Member Fuller also requested that staff review the Statement of Net Position and ensure that the footnotes are consistent with the report. Staff indicated that the Finance Director will be invited to the Board Meeting in December/January to provide their annual assessment of WEDC financial activity and reporting of the same.

MOTION: A motion was made by John Yeager and seconded by Demond Dawkins to approve the October 2018 Treasurer's Report for the Wylie Economic Development Corporation. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 3 –Consider and act upon a Commercial Contract between the WEDC and FFA Village, LLC for the purchase of property located at 102 N. Birmingham Street.

As directed by the Board in Executive Session, the WEDC entered into a Commercial Contract with FFA Village, LLC on November 5, 2018 for the purchase of property located at 102 N. Birmingham Street in Wylie, Texas for \$99,000. The feasibility period for the contract expires on December 5, 2018.

The Contract requires Seller to provide the existing tenant with a 30-day notice at the end of the feasibility period to vacate the property. The contract further states that closing shall occur 7 days following expiration of the feasibility period or when property is vacant, whichever is later. If within 90 days of the execution of the contract Seller is unable to remove tenant, the contract will terminate, and Buyer will not incur any fees or penalties with all earnest money being refunded to Buyer.

MOTION: A motion was made by Marvin Fuller and seconded by Todd Winters to ratify the Real Estate Sales Contract, and further authorize WEDC President Bryan Brokaw to execute all documents necessary to effectuate the purchase of property located at 102 N. Birmingham Street. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 4 –Consider and act upon a Development Agreement between the WEDC and City of Wylie.

Staff reviewed the proposed Development Agreement between the WEDC and City of Wylie for development services associated with the 4.79-acre property located at FM 544 and Kirby, referred to as the 544 Gateway Property. This City property, as depicted in Exhibit A of the Agreement, is expected to be developed in tandem with WEDC property, shown as Exhibit B.

The Agreement calls for the WEDC to perform, or cause to be performed, all development work that may be required on the property including engineering, surveying, environmental consulting and remediation, maintenance and construction of utility and access improvements. Upon the sale

of the property, or a portion thereof, to a Third Party, the City of Wylie shall reimburse the WEDC for expenditures incurred for developmental services. The Agreement stipulates that reimbursement shall be funded out of the net proceeds from the sale(s) of City property after any existing liens and closing costs have been satisfied.

Staff also pointed out that Section F within the Recitals identifies \$159,741 as the beginning balance of the Reimbursement Amount and that Council will be provided with a detailed analysis of those funds already expended by the WEDC.

MOTION: A motion was made by Todd Wintters and seconded by John Yeager to approve a Development Agreement between the WEDC and the City of Wylie. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 5 –Consider and act upon a First Amendment to Performance Agreement between the WEDC and Taylor & Son Properties, LLC.

Staff reminded the Board that on July 20, 2018, the WEDC entered into a Performance Agreement with Taylor & Son Properties L.L.C. to aid with the development of qualified infrastructure in the amount of \$3,200. To qualify for assistance, Taylor & Son is to obtain a Certificate of Occupancy (CO) for a 1,290 square foot office building located at 107 N. Jackson with a project cost of at least \$75,000 and construct qualified infrastructure of a minimum of seven paved parking spaces at a minimum cost of \$6,400. Due to construction delays associated with rainfall during the month of October, the project has fallen behind schedule. Taylor and Son has requested a 60-day extension to complete construction. Staff is confident that the remaining work will be completed quickly, but with winter weather patterns predicted to be colder and more rainy than normal, staff is requesting a 90-day extension to ensure that the project will be completed within the scope of the First Amendment.

MOTION: A motion was made by Todd Wintters and seconded by Demond Dawkins to approve a First Amendment to Performance Agreement between the WEDC and Taylor & Son Properties, LLC. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 6 –Consider and act upon a Performance Agreement between the WEDC and Carrie Elle LLC.

Prior to discussion of and voting on this Item, Board Member Fuller informed the Board that Carrie Elle, LLC conducts banking at his place of business, but Inwood does not have a loan relationship. The WEDC Board was polled and no Board Member felt a conflict of interest existed.

As previously discussed in Executive Session, Carrie Elle, LLC is a rapidly growing small-business located at 311 North Ballard Avenue in downtown Wylie. Carrie Elle has been operating in Wylie since 2014 and recently renewed its lease following a small renovation/expansion of their production area to accommodate additional employees and provide optimum workflow. Carrie Elle plans to invest in new equipment which will almost certainly result in the hiring of an

additional full-time print/production employee and add to their growing team of part-time contractors. Carrie Elle currently has two full time employees and eight part-time employees. Also, Carrie Elle is projecting 53% growth in 2018 over 2017 gross sales.

Carrie Elle Owner, Mr. Charles Lindsey, approached the WEDC in September requesting financial assistance to offset the cost of investment in a new hydraulic paper cutter (replacing an existing 1998 manual version) to increase efficiency and production output. The equipment cost is \$15,000, including freight, delivery and installation.

As directed in Executive Session, staff presented a Performance Agreement providing for a \$5,000 equipment reimbursement for Carrie Elle, LLC. to be paid over a 2-year time period.

MOTION: A motion was made by John Yeager and seconded by Demond Dawkins to approve a Performance Agreement between WEDC and Carrie Elle providing for a maximum incentive of \$5,000 and further authorizing the WEDC Executive Director to execute said Agreement. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

DISCUSSION ITEMS

ITEM NO. 7 - Staff report: review issues surrounding WEDC Performance Agreement Summary, Hotel Occupancy Tax, Environmental Activity Summary, WEDC website, improvements impacting WEDC property, alley improvements, active project summary, and regional housing starts.

Staff updated the Board on WEDC projects and activities noting that year-over-year sales tax receipts for the Woodbridge Crossing shopping center increased 1.14% and Woodbridge Centre experienced a 25% increase over the same time period. Housing starts remained strong with forty-five new homes permitted in Wylie.

Staff reported that waterline expansion to increase water pressure on Windco is progressing with staff proposed extending a water line through WEDC property directly west of Deanan and linking with an 8" line in Eubanks. The owners to the north have agreed to provide an easement to Eubanks.

ITEM NO. 8– Discussion of issues to be placed on a future WEDC Board Meeting agenda (no substantial consideration/discussion allowed).

No Board Member requested any items to be placed on future Agendas.

With no further business in the Open Meeting portion of the Agenda, President Brokaw thanked Mr. Klein for attending and recessed into Executive Session.

EXECUTIVE SESSION

Recess into Closed Session at 7:24 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 & 5th Street
- Birmingham & Oak

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 2013-3a
- Project 2016-1b
- Project 2018-1a
- Project 2018-10b
- Project 2018-10c

RECONVENE INTO OPEN MEETING

The WEDC Board of Directors reconvened into open session at 8:33 a.m. and took no action.

ADJOURNMENT

With no further business, President Brokaw adjourned the WEDC Board meeting at 8:33 a.m.



Bryan Brokaw, President

ATTEST:



Samuel Satterwhite, Director