

Minutes
Wylie Economic Development Corporation
Board of Directors Meeting

Wednesday, February 20, 2019 – 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 6:31 a.m. Board Members present were Todd Wintters, John Yeager, Demond Dawkins and Marvin Fuller.

Ex-officio members Mayor Eric Hogue and City Manager Mindy Manson were present.

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

INVOCATION & PLEDGE OF ALLEGIANCE

Board Member Todd Wintters gave an invocation and led the Pledge of Allegiance.

Mayor Hogue arrived at 6:34 a.m.

CITIZEN PARTICIPATION

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

ACTION ITEMS

ITEM NO. 1 – Consider and act upon approval of the January 21, 2019 Minutes of the Wylie Economic Development Corporation (WEDC) Board of Directors Meeting.

MOTION: A motion was made by John Yeager and seconded by Demond Dawkins to approve the January 21, 2019 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 January 2018 WEDC Treasurers Report.

Staff reviewed the Treasurers Report and called the board's attention to the following highlights:

Sales Tax Receipts remain strong with \$307,367 received in February. This represents an 11.5% increase over 2018 receipts.

During the month of January, the WEDC made its sixth and final incentive and sales tax reimbursement payment to B&B Theatres Operating Company.

The WEDC purchased 2 properties in January: 410 E. Brown and 102 N. Birmingham.

Payments were made for the paving improvements at Hensley and Sanden.

Staff conveyed that a WEDC budget amendment was presented to Council on 2-12-19 and unanimously approved. There were however two questions from Council regarding the (1) unbudgeted alley east of Ballard and (2) paving improvements at Sanden & Hensley. Staff responded to Council that the alley was an approved line-item within the FY 17 – 18 budget that was not completed and that the Hensley project had not been presented to Council. After further research staff concluded that the Hensley project was added to the current budget but not presented to Council as a line-item expenditure.

MOTION: A motion was made by Todd Wintters and seconded by John Yeager to approve the January 2019 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 issues surrounding a Consulting Agreement between the WEDC and The Retail Coach.

Staff reviewed a proposal from The Retail Coach to renew a Consulting Services Contract. The WEDC and The Retail Coach have had a lengthy relationship which started in 2007 prior to Wylie's first experience at RECON which ultimately resulted in the securing of Woodbridge Crossing.

Services provided assist the WEDC with development of marketing materials, site analysis, and promotion of Wylie sites to regional and national retailers.

Staff explained that while short term contracts are typically beneficial in the sense that poor work product/professional relationships can be modified or corrected, staff believes that The Retail Coach has provided such a consistent level of service and professionalism that a longer contract with associated cost saving is worth considering. Staff presented a proposal for a 5-year agreement resulting in a cost savings of \$12,500 compared to the 2-year structure previously approved.

Board Members Wintters and Brokaw both commented on dedicated meeting space at ICSC provided in the new contract. Mr. Fuller favored the longer-term agreement only because of the long-term quality of work but requested that Retail Coach representatives provide a presentation to the Board as to the overall retail environment in Wylie.

MOTION: A motion was made by Marvin Fuller and seconded by John Yeager to approve an agreement with The Retail Coach in the amount of \$62,500 for the creation and implementation of a Comprehensive Retail Recruitment &

Development Strategy. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 4 – Consider and act upon issues surrounding the conveyance of WEDC personal property to the City of Wylie.

Upon purchase of real estate located at 300 East Brown Street, the WEDC acquired all personal property utilized in operating a senior care facility. While much of the personal property had little to no value, there was a generator present that was used for emergency operations and capable of powering the entire facility.

The 2005 Cummins stand-alone, 35KW diesel generator (Model #DGGD-5705578/Serial #B050747631) has a market value of \$6,000 - \$9,000. The City of Wylie Wastewater Department has a high level of interest in the used generator to be utilized for emergency power needs of multiple pump stations operated by the City with the equipment mounted on a trailer and retrofitted to complement existing power connections.

After contacting the Purchasing Department, the WEDC was advised that if the Board of Directors was interested in conveying this equipment to the City, formal action must be taken by the Board.

MOTION: A motion was made by Demond Dawkins and seconded by Todd Winters to authorize the Executive Director to execute all documentation necessary to formalize the conveyance of a 2005 Cummins diesel generator to 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 Performance Agreement between the WEDC and Parkarosa, LTD.

Prior to discussion of this item, Marvin Fuller informed the board that the principal in this item has a depository relationship with his employer. The Board was polled and determined no conflict of interest existed.

As reported at the September 2018 Board Meeting in Executive Session, staff approached Parkarosa, Ltd (Richard Parker Real Estate) to encourage increased parking to serve a 1,737 square foot office being remodeled at 306 Ballard. Staff was able to confirm that with WEDC assistance, Parker would provide six paved parking spaces behind the building, tie into the newly constructed alley, construct a new approach off Ballard, and create new sidewalks connecting the parking improvements to the office. Staff also pointed out that as with other residential properties transitioning into commercial, it is not required for the property owner to provide any new parking as off-site parking satisfies current requirements.

Staff determined that the cost for the parking by itself, not including sidewalks, new approach, etc., is \$8,938.

MOTION: A motion was made by Todd Winters and seconded by Demond Dawkins to authorize the Executive Director to enter into a Performance Agreement with Parkarosa, Ltd to provide \$4,469 in reimbursements for qualified infrastructure assistance. 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, Eubanks water line, Cross Development Performance Agreement, presentation by Finance Department, parking improvements at 308 North Ballard, McClure office project, Abernathy presentation to Council, Ballard Street alley project, Jackson Street alley project, 78/Brown redevelopment update, active project summary, and regional housing starts.

Staff updated the Board on WEDC projects and activities noting that year-over-year sales tax receipts received in December for the Woodbridge Crossing shopping center decreased 7.39% and Woodbridge Centre experienced an increase of 5.25% over the same time period. Staff could find no explanation for the decrease in sales tax revenue during this period.

Staff informed the Board that the Eubanks waterline project was complete, the alley projects are progressing well with GT construction nearing completion of the Ballard Street alley and work commencing on the Jackson Street project on or about February 22nd. The Weatherford property closed on February 12th and new housing starts remained strong with twenty-eight new homes permitted in Wylie.

Cross Development has informed staff that they will be approaching Council in the very near future to request a 90-day extension of their requirement to complete the multi-family project (among other requirements) by September 1, 2020. Cross cites an additional 6 weeks in permitting that wasn't anticipated and unprecedented rains this past fall. Staff has been unable to locate historical rainfall averages and 2018 actuals for Wylie, but DFW had 30" of rain between September – November in 2018 with typical rainfall levels being 4" – 6" over the same period. While there was 23" in 2015, you have to go back to 1994 to find anything over 15".

Cross projects they may be complete in August 2020 barring any further delay, but the 10 weeks already lost early in the project is cause for concern.

Staff informed the board that Mr. Randy Hullett will be making a presentation to Council on March 26, 2019. The topic to be addressed will be reporting requirements between the WEDC and the Wylie City Council similar to a presentation presented to Council on or about July 2018.

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

Board Member Fuller requested that staff present on a future agenda the economic impact case study on the Seventy8 development by Cross Development.

President Bryan Brokaw recessed into Executive Session.

EXECUTIVE SESSION

Recess into Closed Session at 7:47 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
- State Highway 78 & Ballard
- State Highway & Cooper
- F.M. 544 & Cooper

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 2018-4b
- Project 2018-10c
- Project 2019-2a

Mindy Manson left the meeting at 8:13 a.m.
Mayor Hogue left the meeting at 8:37 a.m.

RECONVENE INTO OPEN MEETING

Take any action as a result from Executive Session

The WEDC Board of Directors reconvened into open session at 8:59 a.m. and took the following action:

ITEM NO. 9 – Consider and act upon ratifying a real estate contract between the WEDC and Dennis and Kay Murphy for the purchase of property located at 701 S. Ballard.

MOTION: A motion was made by John Yeager and seconded by Demond Dawkins to approve a real estate contract between the Wylie Economic Development Corporation and Dennis and Kay Murphy for the purchase of property located at 701 S. Ballard, Wylie, Texas for \$170,000 plus fees and further authorize President Bryan Brokaw to execute all documentation necessary to effectuate the transaction. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ADJOURNMENT

With no further business, President Brokaw adjourned the WEDC Board meeting at 9:00 a.m.



Bryan Brokaw, President

ATTEST:



Samuel Satterwhite, Director