

**Minutes**  
**Wylie Economic Development Corporation**  
**Board of Directors Meeting**

Wednesday, March 20, 2019 – 6:30 A.M.  
WEDC Offices – Conference Room  
250 South Highway 78 – Wylie, Texas

**CALL TO ORDER**

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*Announce the presence of a Quorum*

President Bryan Brokaw called the meeting to order at 6:35 a.m. Board Members present were Todd Winters, 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**

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Board Member John Yeager gave an invocation and led the Pledge of Allegiance.

**CITIZEN PARTICIPATION**

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

**ACTION ITEMS**

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**ITEM NO. 1 – Consider and act upon approval of the February 20, 2019 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 February 20, 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 February 2018 WEDC Treasurers Report.**

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

Sales tax receipts continue to be strong with \$208,222 received in March. This represents a 13.87% increase over March 2018 receipts and a 14.24% increase overall over the prior year. The

City Finance Department is deciding whether to adjust Sales Tax Revenue during the Mid-Year Budget Amendment. Staff will adjust WEDC Budget numbers in accordance with the City's decision. However, staff does not anticipate adjusting expenses to allocate the additional sales tax revenue.

During the month of February, the WEDC made final incentive payments to Mikten and Hooper Woodbridge II. In addition, the WEDC sold property located at 105 N. Jackson and purchased the Weatherford Property, 300 N. 2<sup>nd</sup> Street, and 306 & 208 N. 2<sup>nd</sup> Street.

On 2/15/19 the WEDC made a payment in the amount \$459,605.40 to pay off the remaining balance of American National Bank loan #88149711 which funded the purchase of the Peddicord building, parking lot purchased from the City of Wylie, and the White Property on Alanis Drive.

**MOTION:** A motion was made by John Yeager and seconded by Todd Wintters to approve the February 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 a Purchase and Sale Agreement between the WEDC and Taylor and Son Properties, LLC.**

Marvin Fuller reminded the Board that, as previously presented in Executive Session, the principal in this item has a business relationship with his employer. The Board was polled and determined no conflict of interest existed for Item 3 or Item 4 involving the same principal.

Staff reviewed a Purchase and Sale Agreement between the WEDC and Taylor and Son Properties. The WEDC purchased the ±0.17-acre tract on Birmingham Street from FFA Village, LLC in 2019 for \$99,000 and is expending \$5,500 for the demolition of the existing structure, thus creating a purchase price of \$104,500.

Staff reported that this property could be a long-term hold to complement redevelopment efforts on Jackson and Birmingham or can be used to immediately attract new investment in the form of a 3,500 square foot office building.

**MOTION:** A motion was made by Todd Wintters and seconded by John Yeager to approve a Purchase and Sale Agreement between the WEDC and the Taylor and Son Properties, LLC and further authorize WEDC President Brokaw to execute all documentation necessary to effectuate the transaction. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

**ITEM NO. 4 – Consider and act upon a Performance Agreement between the WEDC and Taylor and Son Properties, LLC.**

Staff presented a Performance Agreement between the WEDC and Taylor and son Properties, LLC. As an accompaniment to the Purchase and Sale Agreement, the WEDC is committing to

fund a \$104,500 reimbursement incentive. Should Taylor and Son construct the contemplated office project as evidenced by the issuance of a building permit by February 1, 2020 and Certificate of Completion for a minimum of 3,500 square feet issued by February 1, 2021, they will receive the first half of the reimbursement incentive. Taylor must also provide documentation supporting construction costs of not less than \$400,000, which is a conservative number by design. The second reimbursement incentive is to be paid upon receipt of Certificate of Occupancy for not less than 1,750 square feet by February 1, 2022.

Staff has drafted language into this Agreement which allows for a 90-day extension to either the Permit deadline, the CO deadline, or both. The extension can be requested in writing and obtained by Company should it be determined by staff, at its sole and absolute discretion, that the Company is making reasonable efforts to meet the above deadlines but is unable to do so.

Board Member Wintters called staff's attention to a correction required to the incentive amount on page 4 of the agreement. *'Forty-Nine Thousand Five Hundred Dollars'* should be amended to read *'Fifty-Two Thousand Two Hundred Fifty Dollars'*.

**MOTION:** A motion was made by Todd Wintters and seconded by John Yeager to approve a Performance Agreement between the WEDC and the Taylor and Son Properties, LLC, as amended, and further authorize the WEDC Executive Director to execute the Agreement. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

**ITEM NO. 5 – Consider and act upon issues surrounding a Performance Agreement between the WEDC and STRR GRVL, LP.**

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

As directed in Executive Session, staff presented a Performance Agreement between the WEDC and STRR GRVL, LP (dba Professional Plumbers Group). STRR is undertaking an 8,400 square foot expansion to their existing 12,000 square foot office/warehouse. The purpose of the expansion is to place a majority, if not all, of the material and inventory utilized in their business operations under roof. This expansion will not only make their operations more efficient but remove permissible outside storage of goods from public view.

STRR is expending in excess of \$800,000 on the expansion and has requested a \$26,000 assistance package from the WEDC. Development fees to the City of Wylie will be \$15,000 and a Certificate of Occupancy will be required under the Agreement prior to August 31, 2019. Professional Plumbers Group currently employs 58 hourly/salaried employees in their office/warehouse in addition to 75 contract laborers based out of their Wylie operations.

**MOTION:** A motion was made by Todd Wintters and seconded by John Yeager to approve a Performance Agreement between the WEDC and STRR GRVL, LP and further authorize the WEDC Executive Director to execute the Agreement. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

## **DISCUSSION ITEMS**

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**ITEM NO. 6 - Staff report: review issues surrounding WEDC Performance Agreement Summary, Hotel Occupancy Tax, environmental activity summary, McClure office project, Jackson Street alley project, Retail Coach Presentation, 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 February for the Woodbridge Crossing shopping center increased .79% and Woodbridge Centre experienced a decrease of 2% over the same time period.

The WEDC and McClure closed on a real estate transaction on 2-28-19. A building permit has been issued for the office project and construction will start within the next 30 days.

GT Construction will begin a second WEDC alley project north of Oak and west of Jackson the week of March 25th.

Elm Creek Environmental has begun the process to enroll all WEDC property in the Hwy 78 & Brown area within the Voluntary Cleanup Program (VCP) through the Texas Council on Environmental Quality. The First Baptist Church of Wylie and the Swayze family have authorized testing to take place on their respective properties located on 2<sup>nd</sup> Street.

**ITEM NO. 7– Presentation by City of Wylie Finance Department to review WEDC financials and reporting practices.**

Melissa Beard, Finance Director and Ron Arp, Assistant Finance Director for the City of Wylie reviewed the CAFR for FY 2017-2018 for the WEDC Board and provided feedback received from auditors. The WEDC financials and business activities during the prior fiscal year did not identify any concerns or the need for any changes or adjustments for FY 2018-2019.

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

Board Member Dawkins requested that staff place on a future agenda his role as Treasurer for the WEDC Board and discussion of any related compliance issues which might arise with his employer as a result of his serving the Board in this role.

President Bryan Brokaw recessed into Executive Session.

## **EXECUTIVE SESSION**

*Recess into Closed Session at 7:45 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 & 5<sup>th</sup> 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 2017-6a
- Project 2018-8b
- Project 2019-2a
- Project 2019-3a

Mayor Hogue left the meeting at 8:00 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 8:53 a.m. and took the following action:

### **ITEM NO. 9 – Consider and act upon a Commercial Contract of Sale with KC Swayze.**

**MOTION:** A motion was made by Todd Wintters and seconded by John Yeager to enter into a commercial Contract of Sale with KC Swayze to purchase property located at 208 N. Second Street, Railroad Addition, Block 9, Lot 9 and North ½ of lot 8 for \$180,000 plus applicable fees and closing costs, and a second Commercial Contract of Sale with Swayze Revocable Living Trust to purchase property at 204 North 2<sup>nd</sup> Street, Railroad Addition, Block 9, Lot 7 and South ½ of Lot 8 for \$180,000, and further authorize WEDC Board President Bryan Brokaw to execute all documentation necessary to close each real estate transaction. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

**ADJOURNMENT**

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With no further business, President Brokaw adjourned the WEDC Board meeting at 8:54 a.m.

  
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**Bryan Brokaw, President**

**ATTEST:**

  
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**Samuel Satterwhite, Director**