

Minutes
Wylie Economic Development Corporation
Board of Directors Meeting
July 19, 2023 – 7:30 A.M.
WEDC Offices – Conference Room
250 S Hwy 78 – Wylie, TX 75098

CALL TO ORDER

Announce the presence of a Quorum

President Demond Dawkins called the meeting to order at 7:30 a.m. Board Members present were Melisa Whitehead, Blake Brininstool, and Aaron Jameson.

Ex-Officio Member City Manager Brent Parker and Mayor pro tem Jeff Forrester were present.

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

INVOCATION & PLEDGE OF ALLEGIANCE

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

COMMENTS ON NON-AGENDA ITEMS

Bob Heath addressed the Board, as a business owner in Wylie, to express gratitude for the work that Wylie EDC does for the community. Mr. Heath noted the efforts that he and his son have made to restore buildings in downtown Wylie and encouraged the Board to thoughtfully consider the structures in downtown Wylie and how future WEDC projects might affect downtown.

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

CONSENT AGENDA

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 a 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 Minutes from the June 21, 2023 Regular Meeting of the WEDC Board of Directors.**
- B. **Consider and act upon approval of the June 2023 WEDC Treasurer's Report.**

Board Action

A motion was made by Melisa Whitehead, seconded by Blake Brininstool, to approve the Consent Agenda as presented. A vote was taken, and the motion passed 4-0.

President Dawkins moved to Discussion Items.

DISCUSSION ITEMS

- DS1. Staff report: WEDC Property Update, Temporary Access Agreements, Downtown Parking, Engineering Report, Upcoming Events, and WEDC Activities/Programs.**

Staff Comments

Regarding property management, staff discussed the tenant's request to install new and/or additional A/C units at 104 S Ballard. The Board and Staff again discussed the issues surrounding the tenant's desire to further expand the general retail space into more of a restaurant use. When the property was first acquired, the A/C unit was able to sufficiently cool the building. As previously noted, the former occupants of this building were a Pawn Shop and All the Rave Nutrition and neither use caused any issues for the existing infrastructure. However, due to the recent change of use, the existing A/C unit on the roof does not have the excess capacity to offset the heat generated by the new coolers, freezers, ice machines and additional equipment that the tenants have installed for Loteria Fruteria.

The Board discussed the relatively short-term nature of the lease and collectively did not feel that an investment in new rooftop A/C units is an appropriate use of funds, especially if the building will be demolished soon. Staff discussed a possible option and requested feedback from the Board regarding concessions on the next month's rent to help offset the cost of the temporary plug-in A/C units. The Board agreed to allow the costs of the interior/floor A/C units to be taken from the amount due in the monthly rent. The Board requested that the WEDC Property Manager oversee the installation to ensure that proper installation occurs.

The Board discussed the original intent to acquire 104 S Ballard for redevelopment of the area. However, since there was an existing lease for the All the Rave, the Board, Staff and Property Manager have all worked with the tenant to accommodate their needs. However, the unapproved change of the businesses, change of the use, and issues surrounding a series of defaults on their lease, the Board has discussed when to move forward with the redevelopment project. The board again reiterated the desire to get back to Economic Development and out of the Property Management business. The intent is not to disrupt the business operations when the WEDC provides a notice to vacate. The Board further discussed their commitment to help get the tenant through the hot/busy summer months and to encourage them to find a new location as soon as possible. To do so, the Board suggested establishing a clear date to vacate for the tenant, possibly at the end of the calendar year. Staff and the Board noted that this is a month-to-month lease with 90-day notice to vacate and it was confirmed that this has been reiterated to the tenants by Staff, individual Board Members and the Property Manager. The Board discussed opportunities for relocation in downtown Wylie and Staff agreed to assist, if possible, in the relocation of this business to a building better suited for their use. Given the feedback and direction, additional consideration will be required at a future Board Meeting, so the item will come back as a Regular Agenda item.

Staff then referred the Board to the Agenda Report provided in the packet for all other updates related to the WEDC Property Update, Temporary Access Agreements, Downtown Parking, Engineering Report, BRE Updates, Upcoming Events, and WEDC Activities/Programs. The Board noted potential issues for traffic exiting onto FM 544 depending on use at the FM 544 Gateway development. Regarding property management, staff confirmed they will begin the process of notifying tenants at the WEDC-owned properties previously discussed that are subject to the issuance of notices to vacate.

President Dawkins then moved back to consider Regular Agenda Items.

REGULAR AGENDA

1. Consider and act upon the approval of the FY 2023-2024 WEDC Budget.

Staff Comments

An overview was provided to the Board of the WEDC budget as presented to City Council on July 25, 2023, noting that no changes have been made since that time. Staff highlighted estimates of \$18.5 MM in

available resources including a \$11.1 MM beginning fund balance. Staff reminded the Board that substantial funds are being carried into next year due to unexpected changes in project timelines. Sales tax revenue is estimated to be \$4.5 MM, which is a 10% increase. Personnel Services expenses are up from \$439,008 to \$629,900 with the addition of 1 FT and 1 PT personnel. Incentives are down due to the completion of some projects and elimination of other anticipated incentive projects that will not be moving forward. Debt service will remain the same until principal reductions can be made in the next 3-4 years. WEDC's Capital Outlay has been budgeted for \$1 MM and can be modified if the Board opts to acquire additional properties. The largest increase this year can be found in Special Services. Working with the finance department last year, staff reclassified the WEDC Expenses in Infrastructure Projects (Streets & Alleys) to Special Services. These expenses have always been accounted for in Capital Outlay, however, since the WEDC does not maintain ownership of the street, alley, water, sewer, or natural gas lines, they have been moved to Special Services. The Special Services Account has been split into three sub-categories to more adequately track the taxable vs. non-tax nature of these expenses for reporting purposes. Advertising is up from \$129,100 to \$226,125 with additional tourism and regional marketing efforts. Engineering is up from \$87,500 to \$530,175 due to the number of active infrastructure projects, which includes a place holder for a \$206,000 flood study. Staff estimates a FY24 ending fund balance of \$2 MM.

Board Action

A motion was made by Melisa Whitehead, seconded by Blake Brininstool, to approve the FY 2023-2024 WEDC Budget as presented. A vote was taken, and the motion passed 4-0.

2. **Consider and act upon a Second Amendment to the Purchase and Sale Agreement between the WEDC and McClure Partners Construction Company.**

Staff Comments

WEDC entered into a contract with McClure Partners Construction Company in 2020 to work toward the redevelopment of the Highway 78 and Brown Properties. A First Amendment was approved on March 16, 2022, to address issues with the completion of the water line relocation. Although the waterline relocation has been completed and staff anticipates final closure of the project within the next 60 days, discussions are still ongoing regarding the detention pond sizing and must be finalized before a final plat and easement abandonment can be completed. The Second Amendment will extend the water line relocation deadline by six months, from March 31, 2023 to September 30, 2023 to allow more time to wrap up the civils and submit a Final Plat for the city's approval.

Board Action

A motion was made by Aaron Jameson, seconded by Blake Brininstool, to approve a Second Amendment to the Purchase and Sale Agreement between the WEDC and McClure Partners Construction Company and further authorize WEDC President Dawkins to execute said agreement. A vote was taken, and the motion passed 4-0.

EXECUTIVE SESSION

Recessed into Closed Session at 8:46 a.m. in compliance with Section 551.001, et. seq. Texas Government Code, to wit:

Sec. 551.072. DELIBERATION REGARDING REAL PROPERTY; CLOSED MEETING.

- ES1. **Consider the sale or acquisition of properties located at Ballard/Brown, Brown/Eubanks, FM 544/Cooper, FM 544/Sanden, Jackson/Oak, Regency/Steel, State Hwy 78/Ballard, and State Hwy 78/Brown.**

Sec. 551.074. PERSONNEL MATTERS; CLOSED MEETING.

Sec. 551.087. DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS; CLOSED MEETING.

ES2. Deliberation regarding commercial or financial information that the WEDC has received from a business prospect and to discuss the offer of incentives for Projects: 2013-9a, 2021-2d, 2021-4c, 2021-5a, 2021-6c, 2021-9b, 2022-1b, 2022-1c, 2022-7b, 2022-10c, 2023-1a, 2023-1c, 2023-2d, 2023-3b, 2023-5b, 2023-6b, 2023-6c, 2023-6d, 2023-7a, 2023-7b, and 2023-7c.

Mayor pro tem Jeff Forrester left at 9:32 a.m.

RECONVENE INTO OPEN SESSION

Take any action as a result of the Executive Session.

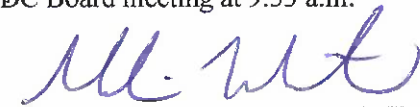
President Dawkins reconvened into Open Session at 9:53 a.m.

FUTURE AGENDA ITEMS

There were no Items requested for inclusion on future agendas.

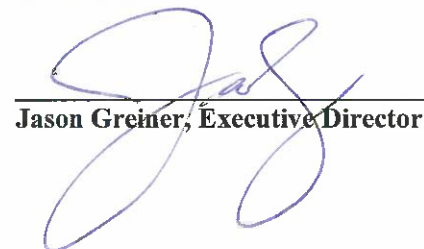
ADJOURNMENT

With no further business, President Dawkins adjourned the WEDC Board meeting at 9:53 a.m.



Melisa Whitehead, Vice President

ATTEST:


Jason Greiner, Executive Director