

Minutes
Wylie Economic Development Corporation
Board of Directors Meeting

Monday, September 21, 2015 – 6:30 A.M.
WEDC Offices – Conference Room
250 South Highway 78 – Wylie, Texas

CALL TO ORDER

Announce the presence of a Quorum

President Marvin Fuller called the meeting to order at 6:35 a.m. Board Members present were John Yeager, Mitch Herzog, Demond Dawkins, and Todd Wintters.

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

WEDC staff present was Executive Director Sam Satterwhite.

CITIZEN PARTICIPATION

Mr. Fuller welcomed Lynn Grimes and Tommy Pulliam. Lynn Grimes thanked the WEDC for purchasing 106 N. Birmingham and cleaning up the property. She felt this purchase contributed to the beautification of Historic Downtown Wylie. She also thanked the City of Wylie Staff and Code Enforcement for helping to save the home next door to the WEDC property on N. Birmingham. She informed the Board that the property would be going before the Historic Review Board for certification as a Historic Property. Once that is complete, renovation of the property will commence.

With no further citizen participation, Mr. Fuller proceeded to Action Items.

ACTION ITEMS

ITEM NO. 1 – Consider and act upon approval of the August 19, 2015 Minutes of the Wylie Economic Development Corporation (WEDC) Board of Directors Meeting.

MOTION: A motion was made by Mitch Herzog and seconded by Todd Wintters to approve the August 19, 2015 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 August 2015 WEDC Treasurer’s Report.

MOTION: A motion was made by Todd Wintters and seconded by John Yeager to approve the August 2015 WEDC Treasurer’s report. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 3 – Consider and act upon issues surrounding a Performance Agreement between the WEDC and VIAA Properties, LLC

Staff reviewed that in March 2015, the WEDC Board of Directors authorized Staff to negotiate a Performance Agreement with Dr. Vinay Kumar, owner of Wylie Village Dentistry. Staff stated he completed negotiations but did not formalize the discussions with a Performance Agreement.

Presented for the Board's review was a Performance Agreement between Dr. Kumar (VIAA Properties, LLC) and the WEDC. The Agreement calls for VIAA to construct a minimum 8,352 square foot medical office building with a minimum construction cost of \$1.3 mm. A Certificate of Occupancy (CO) must be issued by the City of Wylie no later than February 28, 2016. Further VIAA must achieve a minimum appraised value of \$1,000,000 the year after a CO is issued.

At issuance of CO the WEDC will issue incentive Payment #1 of 2 in the amount of \$30,000. Twelve months following issuance of CO, Payment #2 of 2 in the amount of \$20,000 will be issued for a total incentive package of \$50,000.

It is estimated that the property will generate \$10,700 annually in property taxes for the City of Wylie and \$20,500 for the WISD. Also, the project generated \$51,108 in development fees to the City of Wylie.

Staff recommended that the WEDC Board of Directors approve a Performance Agreement between the WEDC and VIAA Properties, LLC.

MOTION: A motion was made by Mitch Herzog and seconded by John Yeager to approve a Performance Agreement between WEDC and VIAA Properties, LLC. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 4 – Consider and act upon issues surrounding the creation of a new position within the WEDC posting a job description and establishing a salary and benefits.

Staff commented that the WEDC had budgeted for a WEDC Assistant Director position with an annual salary of \$50,000, car allowance of \$1,500 and phone allowance of \$1,500. A job description and essential job functions were presented for Board review which will ultimately be forwarded to the Texas Economic Development Council for posting on its website. Staff anticipates leaving the job posting open until filled and projects beginning the interview process on or about November 15th. Staff anticipates developing a short list of candidates and creating an interview panel to include a representative from the City Manager's office. Staff indicated that the Board President Fuller will be consulted with prior to the job being offered.

Staff recommended that the WEDC Board of Directors authorize the job description to be posted, approve an annual salary range of \$45,000 - \$50,000 with benefits, and authorize the Executive Director to begin the interview process.

MOTION: A motion was made by John Yeager and seconded by Todd Wintters to authorize the job description to be posted, approve an annual salary range of \$45,000 - \$50,000 with benefits, and authorize the Executive Director to begin the interview process. 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 Mann Made, Inc. – II.

Staff reminded the Board that the following five Action Items culminate a redevelopment effort which began in July 2006 and is projected to be completed on or about October 9, 2015. Over this period of time the WEDC has purchased five properties totaling 3.05 acres on Highway 78 between Starbucks and Wylie Printing at a cost of \$1.8 mm. Individual purchases range from \$9.24 psf to \$25.02 psf with an average psf price of \$13.55. The philosophy from the beginning of this effort was that without the WEDC initiative in this area, redevelopment would be unlikely over the foreseeable future due to the cost of acquiring properties with improvements, demolishing the same, and achieving an adequate return on the resale for a private investor.

The redevelopment effort realized significant gains in 2014-2015 as a sizeable tract was acquired for \$9.24 psf and a long-time holdout on the Industrial Court cul-de-sac was secured. In February 2015 staff began what has turned out to be a seven month negotiation for the final property (1.23 acres) located in the center of the identified redevelopment zone owned by Joe & Barbara Edge who operate a family run business (Mann Made) at the location. It had always been the contention of the Edge family that the WEDC could not pay enough to achieve an adequate return on their real estate to purchase an alternate property to suit the needs of their ongoing business.

As the WEDC acquired a 20,000 square foot building on Commerce Street in 2014, there became an alternative to satisfy the future needs of Mann Made to house their business operations. However, the property never received significant interest from Edge due to its age along with ingress and egress restrictions.

In April/May 2015 two significant events occurred which have allowed the WEDC to come to terms with Edge. First, a 15,000 square foot building became available on Business Way which is suitable for Mann Made's needs and second, a national food service group entered into discussions with the WEDC to purchase WEDC-owned 1.25 acres at the northeast corner of Cooper and Highway 78. The continuing challenge on both issues was that the asking price for the Business Way property was \$1,050,000 and the national food service group needed 1.53 acres. While the WEDC was able to negotiate a \$950,000 purchase price for Business Way, which is \$45 - \$55 psf less than new construction, the only option for an additional 0.28 acre required by the national food service group was Edge who was not willing to sell 0.28 acre. Combine these issues with the fact that the national food service group is able to pay 'top of the market' pricing for the fully assembled property, staff believed the timing was right to offer whatever was necessary to secure the acquisition of the Edge property.

What staff presented and recommended approval thereof was the acquisition of Edge property for \$750,000, the purchase of the Business Way property for \$950,000, the conveyance of the Business Way property to Edge at no cost, the remodeling of the Business Way property to meet the existing needs of Mann Made at a cost of \$549,450, and the relocation by the WEDC of all Mann Made equipment and inventory at a cost of \$171,000. Total investment by the WEDC on the Mann Made project equals \$2,420,450. Combine this figure with the previous acquisitions of \$1,800,000, closing costs and brokerage fees, a combined outlay of \$4.3 mm will be incurred by the WEDC to assemble what will be a contiguous 4.7 acre tract with ±680' of frontage on State Highway 78 (\$21 psf). In its present state, the property supports nine buildings with predominately light manufacturing/warehouse uses.

Based upon a Letter of Intent for a 1.53 acre tract within the redevelopment zone, an \$18 psf sales price for the remaining 1.5 and 1.6 acre tracts, gross sales for the properties are projected to be \$3.83 mm resulting in a net loss of \$481,842. However, income has been generated off these lease properties in the amount of \$530,000 over the past nine years resulting in a \$48,000 gain (not including staff time, interest, and maintenance). It was pointed out however that these figures do not include the expense of demolishing approximately two-thirds of the existing structures which the Board did acknowledge as negligible considering the scope of the project. All things being equal, the WEDC revenue and expenses are a wash which reiterates the theory that this overall project would be difficult to accomplish if undertaken by a private investment group.

Presented to the Board was a marketing flyer designed by the Retail Coach identifying Plot 1 and Plot 2 as current properties owned by the WEDC with an unshaded area between the two Plots depicting the Edge property. A second attachment was designed by RLK Engineering as a driveway exhibit for TxDOT. The TxDOT exhibit shows 3 restaurant pad sites at 1.5 acres, 1.53 acres, and 1.6 acres.

The attached Performance Agreement formalizes the commitment by Mann Made to sell the existing property on Highway 78 to the WEDC and vacate the same following the remodeling of the Business Way property and relocation of machinery and equipment to Business Way. Being that Mann Made is receiving a financial package in excess of what is considered fair market value for their 1.23 acre property, the difference between the WEDC capital outlay and fair market value for the 1.23 acres is considered an incentive which must have claw-back provisions should Mann Made/Edge not adhere to the performance measures. In calculating the incentive, staff identified fair market value equal to that amount offered within the most recent Letter of Intent (LOI) from the national food service group. The \$750,000 offer initially negotiated with Edge was based upon a previous LOI from a second tier (in terms of ability to pay) developer. The net result between the total WEDC package and market value for 1.23 acres equals \$155,000 and will be uncollateralized.

The performance requirements are identified in Section 3 and are as follows:

1. 1.23 acre Edge property on 78 sold to WEDC; and

2. Mann Made principal place of business to remain in Wylie until such time as a certificate of occupancy (CO) is issued; and
3. Mann Made must maintain at least five employees with a weekly payroll of \$1,760; and
4. Mann Made must vacate 78 property within seven months; and
5. Mann Made must become operational on Business Way as evidenced by the extrusion of a billet; and
6. Mann Made must not operate or consult for the operation of a third party extrusion company; and
7. Mann Made must stay current on all property taxes.

After a CO is issued and Mann Made becomes operational, all requirements under the Performance Agreement will have been met.

Staff was unable to secure a multi-year commitment from Edge to maintain business operations under the terms of a forgivable note for the full purchase price of the Business Way property due to the perceived volatile nature of the extrusion business and the position by Edge that there would be no debt incurred. With the point being mute and Edge willing to discontinue negotiations, staff presented a Performance Agreement with terms agreeable to Edge.

In theory, the WEDC could convey an interest of \$950,000 in the Business Way property to Mann Made, expend \$549,450 in remodeling, relocate Mann Made equipment and machinery to the Business Way property at a cost of \$171,000, Mann Made becomes operational and then shuts an entity which has been in business for over forty years. The end result will still be that the WEDC assembled 4.7 acres on 78 and completed a redevelopment project to support three restaurant pad sites.

As an attachment to the Performance Agreement, the WEDC has employed Pulliam Construction Management to develop the Construction Budget for the remodeling of 710 Business Way. While there are still two bids that are out, Mr. Pulliam has provided what he believes to be a 'not to exceed' budget of \$549,450. The first draft of plans have already been reviewed by Edge with a final set of drawings ready to submit to the City of Wylie on or about September 25th. Construction could take as long as three months with an optimistic time frame of 60 days.

The Board expressed concerns about cost adjustments to the remodel portion of the project and the financial liability associated with those adjustments. Mr. Pulliam reassured the Board that his confidence in the estimate was high so long as there was no significant change in the scope of work and work commenced in the near term.

A second attachment to the Performance Agreement was the bid for moving services from Able Machinery Movers in the amount of \$166,000. The original bid received in June of \$338,000 was reduced primarily by Edge agreeing to use Mann Made employees during the shutdown to move a majority of all items save and except the two extrusion presses, age oven, and other large pieces of equipment. An additional \$5,000 was placed within the Performance Agreement for unanticipated items associated with moving. The primary expense was identified by staff as \$2,500 for the rental of a commercial truck to be used by Mann Made employees to move dies,

racks, raw materials, and inventory over a two week period. The first bid also called for a time frame of 4 – 6 weeks with the new bid contemplating 3 – 4 weeks.

Finally, the WEDC has approximately \$2.33 mm in debt associated with Woodbridge Parkway, Cooper Drive properties, Hobart property on Commerce, Peddicord property on Jackson, White property on Alanis, Industrial Court properties, and the paving of Martinez. Staff will propose within a subsequent Action Item that the WEDC Board authorize additional debt of \$1.685 mm for the Edge/Business Way properties totaling \$4,015,000 in outstanding obligations. With the ultimate sale of 3 pad sites, the WEDC Board will have the option of paying off a majority of its obligations or just pay off the Mann Made/Business Way debt and increase its cash reserves by approximately \$1.75 mm after development expenses.

Staff also presented that a Phase I Environmental has been performed by W&M Environmental that identified elevated levels of naphthalene and lead which is consistent with industrial properties with 40+ years of use. With additional testing in the form of a limited Phase II, W&M believes that they can establish that no groundwater has been impacted which increases the allowable levels for naphthalene and lead per TCEQ requirements.

Staff recommended that the WEDC Board of Directors approve a Performance Agreement between the WEDC and Mann Made, Inc. – II.

Tommy Pulliam departed the meeting at 7:59 a.m.

MOTION: A motion was made by Todd Wintters and seconded by John Yeager to approve a Performance Agreement, subject to clearance of the property by W&M Environmental, between the WEDC and Mann Made, Inc. – II. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

The WEDC Board of Directors recessed for a short break at 8:02 a.m. and reconvened into open session at 8:08 a.m.

ITEM NO. 6 – Consider and act upon a Real Estate Sales Contract between Joe H. Edge & Barbara J. Edge and the WEDC for the purchase of 1.23 acres located at 398 South Highway 78, Wylie, Texas, *further* authorizing President Marvin Fuller to execute all closing documents necessary to effectuate the purchase of said property.

Attached for the Board's review was a Real Estate Sales Contract between Joe & Barbara Edge (Edge) and the WEDC under which Edge conveys its interest in 1.23 acres located on State Highway 78 for the purchase price of \$750,000. The Contract acknowledges that the WEDC is conveying a separate 2.107 acre tract (Linduff Property) at the same time as 1.23 acres is sold to the WEDC. The Contract further contemplates that Edge will have 7 months to vacate the property under the terms of a temporary lease which is also attached for your review.

Being that all real estate contracts are contingent on the others closing, the Linduff contract is scheduled to close no later than October 9th. Lawyers Title has already started a file on this

Contract and is prepared to close at any time. Once this contract has been executed, all attorneys involved will review the title commitment and proceed to closing.

Within Section 10.01 (n), it is acknowledged that a 1031 Exchange may be pursued and that the WEDC will cooperate with that process under certain circumstances. This language was added in the event that Edge needed a higher purchase price to offset the value of the Linduff property that would be part of the 1031 Exchange. Staff had preliminarily thought that the purchase price could be increased and Edge could become responsible for a portion or all of the moving costs. However, staff was informed by Edge that the \$750,000 purchase price will suffice with no need to alter the terms of the Performance Agreement or Real Estate Contract.

Staff recommended that the WEDC Board of Directors approve a Real Estate Sales Contract between Joe H. Edge & Barbara J. Edge and the WEDC for the purchase of 1.23 acres located at 398 South Highway 78, Wylie, Texas, and further authorizing President Marvin Fuller to execute all closing documents necessary to effectuate the purchase of said property.

MOTION: A motion was made by John Yeager and seconded by Mitch Herzog to approve, subject to clearance by W&M Environmental Services, a Real Estate Sales Contract between Joe H. Edge & Barbara J. Edge and the WEDC for the purchase of 1.23 acres located at 398 South Highway 78, Wylie, Texas, and further authorizing President Marvin Fuller to execute all closing documents necessary to effectuate the purchase of said property. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 7 – Consider and act upon a Commercial Contract of Sale between TD Linduff Real Estate, L.P. and the WEDC for the purchase of property located at 710 Business Way, Wylie, Texas more specifically known as Lot 10R, Block 1 of 544 Industrial Park, further authorizing President Marvin Fuller to execute all closing documents necessary to effectuate the purchase of said property.

Attached for the Board's review was a Commercial Contract of Sale between TD Linduff and the WEDC under which Linduff conveys all interest in a 2.107 acre tract, including a 15,000 square foot commercial building, to the WEDC for the purchase price of \$950,000. The transaction is currently set to close no later than October 9, 2015 under the terms of a recent amendment. Also under the terms of the amendment, Linduff will vacate the property within 10 business days of closing as opposed to 14 days called for in the attached Contract.

Staff informed the board that there will be simultaneous closings on Edge to WEDC, Linduff to WEDC, and WEDC (Linduff property) to Edge.

Staff recommended that the WEDC Board of Directors ratify a Commercial Contract of Sale between TD Linduff Real Estate, LP and the WEDC for the purchase of Property located at 710 Business Way, Wylie, Texas, more specifically known as Lot 10R, Block 1 of 544 Industrial Park, further authorizing President Marvin Fuller to execute all closing documents necessary to effectuate the purchase of said property.

MOTION: A motion was made by Mitch Herzog and seconded by Demond Dawkins to ratify a Commercial Contract of Sale between TD Linduff Real Estate, LP and the WEDC for the purchase of Property located at 710 Business Way, Wylie, Texas, more specifically known as Lot 10R, Block 1 of 544 Industrial Park, further authorizing President Marvin Fuller to execute all closing documents necessary to effectuate the purchase of said property. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 8 – Consider and act upon a Real Estate Contract between the WEDC and Joe H. Edge & Barbara J. Edge for the sale of property located at 710 Business Way, Wylie, Texas, more specifically known as Lot 10R, Block 1 of 544 Industrial Park, further authorizing President Marvin Fuller to execute all closing documents necessary to effectuate the sale of said property.

Attached for the Board’s review was a Real Estate Sales Contract under which the WEDC conveys its interest in property located at 710 Business Way to Joe and Barbara Edge who will in turn lease the property to Mann Made, Inc. – II. There will be no direct cost to Edge/Mann Made other than commitments made under the Performance Agreement between the parties.

Exhibits to this Contract are the Performance Agreement and remodeling Construction Budget.

Under the contract between Linduff and the WEDC, Linduff is responsible for providing the WEDC with a Title Policy. As the WEDC conveys title to Edge, the policy will pass through to Edge at no cost to the WEDC.

Staff reiterated to the Board that there will be simultaneous closings on Edge to WEDC, Linduff to WEDC, and WEDC (Linduff property) to Edge.

Staff recommended that the WEDC Board of Directors approve a Real Estate Sales Contract between the WEDC and Joe H. Edge and Barbara J. Edge for the sale of property located at 710 Business Way, Wylie, Texas, more specifically known as Lot 10R, Block 1 of 544 Industrial Park, further authorizing President Marvin Fuller to execute all closing documents necessary to effectuate the sale of said property.

MOTION: A motion was made by Todd Winters and seconded by John Yeager to approve a Real Estate Sales Contract between the WEDC and Joe H. Edge and Barbara J. Edge for the sale of property located at 710 Business Way, Wylie, Texas, more specifically known as Lot 10R, Block 1 of 544 Industrial Park, further authorizing President Marvin Fuller to execute all closing documents necessary to effectuate the sale of said property. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

ITEM NO. 9 – Consider and act upon WEDC Resolution 2015-02 (R) approving Loan Documents between the WEDC and The American National Bank of Texas in the cumulative amount of \$1,685,000 for the acquisition of 1.23 acres located at 398 South

Highway 78, Wylie, Texas from Joe H. & Barbara J. Edge in addition to the acquisition of property located at 710 Business Way, Wylie, Texas from TD Linduff Real Estate, L.P., pledging as security the use and sales tax revenue the WEDC receives from the City of Wylie for repayment of said Loan, and further authorizing President Marvin Fuller to execute all documents necessary to effectuate the Loan Documents.

Staff reviewed with the Board documents which will formalize the Loan between the Wylie Economic Development Corporation (WEDC) and The American National Bank of Texas (ANB) to purchase property from Joe & Barbara Edge located at 398 South Highway 78 and to purchase property from TD Linduff Real Estate located at 710 Business Way. The Loan Agreement calls for the borrowing of \$1,685,000 with the loan amount for the Edge property being \$750,000 and the Linduff Property \$935,000. The WEDC funded \$15,000 in earnest money to Lawyers under the terms of the Linduff Contract with 100% financing for Edge.

The Loan Agreement and Promissory Note specify a 4% interest rate with 9 months of interest only payments followed by 24 months of payments with principal and interest. There are three (3), 12 month renewal options thereafter at prime plus 0.75%. There is no prepayment penalty.

Following approval of the WEDC Resolution and Loan documents, the Wylie City Council will be required to authorize, via resolution, the WEDC entering into debt in the amount of \$1,685,000 and the pledge of sales tax receipts as security for said Loan with ANB. The tentative date for City Council consideration is September 22, 2015.

Staff recommended that the WEDC Board of Directors approve a Certificate of Corporate Resolution 2015-02 (R) approving Loan Documents between the WEDC and The American National Bank of Texas in the cumulative amount of \$1,685,000 for the acquisition of 1.23 acres located at 398 South Highway 78 from Joe H. & Barbara J. Edge in addition to the acquisition of property located at 710 Business Way, Wylie, Texas from TD Linduff Real Estate, LP., pledging as security the sales and use tax revenue the WEDC receives from the City of Wylie for repayment of said Loan, and *further authorizing* WEDC President Fuller to execute all documents necessary to effectuate the Loan Documents.

MOTION: A motion was made by John Yeager and seconded by Demond Dawkins to approve a Certificate of Corporate Resolution 2015-02 (R) approving the terms and conditions of the Loan Documents, including but not limited to a Loan Agreement, Promissory Note, and Security Agreement in order to borrow the sum of \$1,685,000 from the American National Bank of Texas for the acquisition of 1.23 acres located at 398 South Highway 78 from Joe H. & Barbara J. Edge in addition to the acquisition of property located at 710 Business Way, Wylie, Texas from TD Linduff Real Estate, LP., pledging as security the sales and use tax revenue the WEDC receives from the City of Wylie for repayment of said Loan, and *further authorizing* WEDC President Fuller to execute all documents necessary to effectuate the Loan Documents. The WEDC Board voted 5 – FOR and 0 – AGAINST in favor of the motion.

DISCUSSION ITEMS

ITEM NO. 10 – Staff report: review issues surrounding Performance Agreements between the WEDC and: Woodbridge Crossing, Ascend Custom Extrusions, CSD Woodbridge, Exco Tooling Solutions and regional housing starts.

Woodbridge Crossing

Attached for the Board's review was the Sales Tax Reimbursement Report which identifies all sales taxes received through August 2015 within Woodbridge Crossing for the City General Fund, the WEDC, and the 4B. As a reminder, the City and WEDC reimbursed 85% of all sales tax generated within Woodbridge Crossing through September 2013 with the reimbursement percentage reduced to 65% thereafter. Due to the default under the Amended and Restated Performance Agreement, Woodbridge Crossing is only eligible to receive up to \$6 million in sales tax reimbursement through September 2021 as opposed to the maximum reimbursement of \$12 million originally contemplated.

\$3,058,369.97 in reimbursement has been earned through August 2015 with net receipts of \$2,236,480.70 after reimbursements. As well, it is estimated that \$3.5 mm has been paid in ad valorem taxes to the City of Wylie (excluding the WISD).

As shown on the Sales Tax Reimbursement Report, \$127,061.34 was generated in sales tax in June 2015 versus \$108,382.12 in June 2014. This increase represents a 17% gain over 2014 receipts.

Staff also updated the Woodbridge Crossing Valuation Tracking Report which shows a \$5.2 mm increase in appraised value over 2015 or a 9% gain. The primary contributor to the gain was TJ Maxx/Home Goods which brought in new value of \$7.7 mm in new construction.

Ascend Commercial Lease and Performance Agreement

Attached for review was the Ascend Custom Extrusion Critical Dates Analysis and Performance Agreement Monitoring Procedures. Payment #4 of 5 for the Economic Incentives has been funded with Ascend meeting all Performance Obligations within Sections A and B of the attachment.

Also attached for review was the summary of a second Performance Agreement between the WEDC and ACE which was approved in December 2013. Payment #2 of 4 has been funded with Ascend meeting all Performance Obligations within Section A of the attachment.

CSD Woodbridge Performance Agreement

On July 15, 2013 a Certificate of Occupancy (CO) was issued for Kroger Marketplace. Beginning October 1, 2013 and ending October 1, 2023, Clark Street Development is eligible to receive a ½ cent sales tax reimbursement from the WEDC (City of Wylie not part of sales tax

reimbursement agreement). Quarterly payments will be made to Clark Street based upon the data provided by the Comptroller. In addition to the \$100,000 reimbursement incentive paid by the WEDC at CO, Clark Street is eligible to receive cumulative incentives of \$1,100,000 over the life of the Agreement.

Along with a summary of the Performance Agreement, a Sales Tax Reimbursement Report was included for the Board's review.

Exco Tooling Solutions

Exco has begun construction of its 30,000 square foot facility within Premier Business Park. All indications point to a December completion date. As provided in the Summary of Performance Obligations, the WEDC will fund an \$87,000 incentive upon issuance of a CO followed by four payments of \$20,000 over the following four years.

Regional Housing Starts

Thirty homes were permitted in Wylie for August 2015. Sachse, Lavon, and Murphy permitted a combined Forty-eight homes over the same period.

No action was requested by staff for this item.

ITEM NO. 11 – Discuss issues surrounding WEDC property located near the intersection of Jackson and Marble.

Attached for the Board's review were six different Schemes providing development options for a mixed-use concept on WEDC property on the east side of Jackson Street between Marble and Oak. The concepts are only meant to determine what the property is capable of sustaining and to begin the process of determining what type of project the WEDC and Council want to promote for the area.

While many issues such as depth of retail and square footage of apartments will be determined by what the Wylie market can support, the aesthetics desired by the City Council and the WEDC Board can be built into the Planned Development Zoning District, which will be required for this mixed use project. Current zoning contemplates single family dwellings above owner occupied businesses, but does not address multi-family lofts/apartments.

As is consistent in each Scheme, the ability to satisfy parking requirements both on-site and off-site will be a significant challenge. Compounding the parking challenge are the 25-30 cars that park in the existing parking lot most every day.

McCarthy Architects are preparing a presentation to be shown to both the WEDC Board and Wylie City Council in December providing exterior elevations of similar projects which are consistent with the downtown Wylie historic district. The WEDC Board will have the opportunity to preview that presentation at the November Board Meeting. Following Board and

Council review, staff anticipates presenting the plans to the downtown merchants to seek their input as well.

No action was requested by staff for this item.

EXECUTIVE SESSION

Recessed into Closed Session at 8:34 a.m. in compliance with Section 551.001, et.seq. Texas Government Code, to wit:

Section 551.087 (Economic Development) of the Local Government Code, Vernon’s Texas Code Annotated (Open Meetings Act).

- Project 2015-2a

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 near the intersection of:

- Cooper Drive and State Highway
- Business Way and Commerce

RECONVENE INTO OPEN MEETING

The WEDC Board of Directors reconvened into open session at 9:04 a.m. and took no action.

ADJOURNMENT

With no further business, President Fuller adjourned the WEDC Board meeting at 9:05 a.m.



Marvin Fuller, President

ATTEST:



Samuel Satterwhite, Director