



AGENDA
WATAUGA ECONOMIC DEVELOPMENT CORPORATION
VIRTUAL MEETING
TUESDAY, JULY 21, 2020
6:00 PM

The meeting will be held via videoconference using WEBEX.

If you wish to view-only, the meeting will be streamed “live” on our web-site at the normal location: <https://www.cowtx.org/1403/Agendas-and-Minutes>

If you wish to comment during the meeting, you may do so by registering by selecting the WEDC meeting link at: <https://www.cowtx.org/comments>, and then completing the appropriate form. You will have the option to join the virtual meeting and comment “live” at the appropriate time using a computer, Android device, iOS device and/or a phone. Or, you can provide your comments at the time of registration and they will be read into the record for you.

Comprehensive Plan Update

Conducting Elections

Welcome Info

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WEDC July 21, 2020 Comment Registration

Save Progress

Members of the public are invited and encouraged to attend all public meetings that are not closed to the public in accordance with the Texas Open Meetings Act. Public input is encouraged during Public Testimony, Public Hearings or Action sections of a meeting agenda. As authorized by the Executive Orders issued by the Texas Governor; the City and WEDC are making special provisions to allow the public to comment at this meeting. The meeting will be hosted using WEBEX. "Live" participation is limited. A person desiring to comment "live," during the meeting must register in advance using this form. Once registered, citizens will be provided with the meeting link information on a first come, first served basis until all slots have been filled.

Citizens may also provide their comments in writing. ALL COMMENTS MUST BE RECEIVED NO LATER THAN 1 HOUR PRIOR TO THE MEETING. All written comments must comply with applicable decorum rules for comments made during a public meeting of the Watauga Economic Development Corporation Board to be read into the record. Up to three minutes shall be allotted for each written comment to be read into the record of the meeting. All timely comments will be read into the record of the meeting at the appropriate time during the meeting.

While reasonable efforts will be taken to gather comments received within the hour prior to the meeting or received during the meeting, all such comments are considered untimely and may not be recognized and read during the meeting.

First Name*

Last Name*

Address1*

Address2

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“Live” meeting space is limited and will be provided on a first come, first served basis. If you select the “live” meeting option, the WEBEX meeting details will be emailed to you at the e-mail address you provide during registration. You will be responsible for ensuring that you are available in the WEBEX meeting at the time public testimony is requested and that you have a microphone or have called in via telephone so that your comments can be heard.

A copy of the agenda packet for this meeting may be obtained here:
<https://www.cowtx.org/1403/Agendas-and-Minutes>. **A recording of this meeting will be made available on-line at the city's website as soon as practicable after the meeting.**

CALL TO ORDER

PUBLIC TESTIMONY Members of the public are invited and encouraged to attend all public meetings of the Watauga Economic Development Council that are not closed to the public in accordance with the Texas Open Meetings Act. It is the desire of the WEDC Board that citizens actively participate in the City's governance system and processes. Public input to the City Council is encouraged during the Public Testimony, Public Hearings, or Action Item sections of a meeting agenda. Individuals desiring to speak during Public Testimony shall be called upon to speak only after completing a Request to Speak form provided. The Request to Speak form for Public Testimony shall be submitted to the administrative staff prior to speaking. Individuals desiring to speak on an agenda item or during a public hearing shall submit the Request to Speak form prior to the introduction of that respective item by the Chair. Once the form is received by administrative staff, the individual shall be recognized and called upon by the Chair prior to speaking. Any public testimony must occur prior to formal action being taken by the Body. The Chair shall have the power to suspend citizen comments at any time during the meeting to preserve the order and efficiency of the meeting. Reasonable time limitations may be placed on public testimony by the presiding officer in order to conduct an efficient and effective public meeting.

REPORTS FROM STAFF

1. Monthly Financial Report for May, 2020
Sandra Gibson, CGFO, CGFM, Director of Finance
Andrea Gardner, City Manager

APPROVAL OF MINUTES

1. Discuss and consider action on the WEDC Regular Meeting minutes for June 23, 2020
Andrea Gardner, City Manager

PUBLIC HEARING

1. Conduct a Public Hearing in support of an economic development grant agreement to provide funding to support costs for an Incubator Site Project
Sandra Gibson, CGFO, CGFM, Director of Finance

Andrea Gardner, City Manager

NEW BUSINESS

1. Discuss and consider adopting a resolution of the Watauga Economic Development Corporation establishing and approving the Corporation's Fiscal Year Budget for FY2020-2021; providing for all anticipated expenditures; directing the Executive Director to submit it to the City Secretary's Office for City Council consideration to approve the budget and related operational expenditures; and providing an effective date
Sandra Gibson, CGFO, CGFM, Director of Finance
Andrea Gardner, City Manager
2. Discuss and consider action to approve a Resolution of the Watauga Economic Development Corporation board of directors authorizing the development of utilities, drainage and other site improvements at 6200 Watauga road to develop and operate a business incubator project in accordance with Texas Government Code sections 501.103 and 501.153; authorizing the executive director to expend the funds necessary and execute documents necessary and approved by the board's legal counsel to complete the improvements; directing the executive director and legal counsel to establish the operational plan, license agreements and other related materials to operate the project for future board consideration and approval prior to completion of the necessary improvements and providing an effective date.
Andrea Gardner, City Manager
3. Discuss and consider action on a resolution to approve and ratify the July 2020 Bylaws Amendment previously approved by the City Council of the City of Watauga on July 13, 2020; The amended bylaws contain substantive changes through the amendment of Articles relating to Director terms, Board vacancies, attendance and fiscal reporting requirements; the addition of an Article VIII relating to legal construction and authority, effective date and certification.
Andrea Gardner, City Manager
4. Consider action on a Staffing and Reimbursement Agreement between the Watauga Economic Development Corporation and the City of Watauga for personnel and services
Sandra Gibson, CGFO, CGFM, Director of Finance
Andrea Gardner, City Manager
5. Discuss and consider action on a resolution by the Watauga Economic Development Corporation of the City of Watauga, Texas authorizing the use of the Watauga EDC name on the 2020 Tarrant County Pride Parade application and granted permission to participate in said event; providing for repeal; providing a savings clause; and providing an effective date
Board Member Cruze
Andrea Gardner, City Manager
6. Discuss and consider action on authorizing the development and use of a Business Registration program

Andrea Gardner, City Manager

7. Consider action on a resolution approving a City of Watauga Economic Development Grant Agreement with the City of Watauga to provide funding to support costs for an Incubator Site Project

Sandra Gibson, CGFO, CGFM, Director of Finance

Andrea Gardner, City Manager

ADJOURNMENT

Meeting Notices and Reservation of Rights

The Watauga Economic Development Corporation Board of Directors may retire to executive session any time between the meeting's opening and adjournment for the purpose of consultation with legal counsel pursuant to Chapter 551.071 of the Texas Government Code; discussion of personnel matters pursuant to Chapter 551.074 of the Texas Government Code if the requisite information is otherwise posted; deliberation regarding real property pursuant to Chapter 551.072 of the Texas Government Code; deliberation regarding economic development negotiations pursuant to Chapter 551.087 of the Texas Government Code; and/or deliberation regarding the deployment, or specific occasions for implementation of security personnel or devices pursuant to Chapter 551.076 of the Texas Government Code (as applicable) when determined necessary by the to address a subject matter on the agenda. Action, if any, will be taken in open session.

This agenda has been reviewed and approved by the City's legal counsel and the presence of any subject in any Executive Session portion of the agenda constitutes a written interpretation of Texas Government Code Chapter 551 by legal counsel for the governmental body and constitutes an opinion by the attorney that the items discussed therein may be legally discussed in the closed portion of the meeting considering available opinions of a court of record and opinions of the Texas Attorney General known to the attorney. This provision has been added to this agenda with the intent to meet all elements necessary to satisfy Texas Government Code Chapter 551.144(c) and the meeting is conducted by all participants in reliance on this opinion.

Attendance by Other Elected or Appointed Officials: It is anticipated that members of other governmental bodies, and/or city council, boards, commissions and/or committees may attend the meeting in numbers that may constitute a quorum of the body, board, commission and/or committee. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a possible meeting of the other body, board, commission and/or committee, whose members may be in attendance, if such numbers constitute a quorum. The members of the city council, boards, commissions and/or committees may be permitted to participate in discussions on the same items listed on the agenda, which occur at the meeting, but no action will be taken by such in attendance unless such item and action is specifically provided for on an agenda for that city council, body, board, commission or committee subject to the Texas Open Meetings Act.

NOTICE

THIS FACILITY IS WHEELCHAIR ACCESSIBLE AND ACCESSIBLE PARKING SPACES ARE AVAILABLE. REQUESTS FOR ACCOMMODATIONS OR INTERPRETIVE SERVICES

MUST BE MADE 48 HOURS PRIOR TO THIS MEETING. PLEASE CONTACT THE CITY SECRETARY'S OFFICE AT (817) 514-5825, OR FAX (817) 514-3625.

I, Andrea Gardner, City Secretary for the City of Watauga, hereby certify that this agenda was posted on the bulletin boards at City Hall, 7105 Whitley Road, Watauga, Texas, on Thursday, July 16, 2020, before 5:00 p.m., in accordance with Chapter 551 of the Texas Government Code.



Andrea Gardner, City Secretary





AGENDA MEMORANDUM

DATE: July 15, 2020
TO: Watauga Economic Development Corporation Directors
FROM: Sandra Gibson, CGFO, CGFM, Director of Finance
SUBJECT: Monthly Financial Report for May, 2020

BACKGROUND/INFORMATION:

The Monthly Report for the period ending May 31, 2020 is attached for the Board's review.

FINANCIAL IMPLICATIONS:

N/A

RECOMMENDATION/ACTION DESIRED:

This item does not require a recommendation as it is a presentation/report.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. 19-20 May EDC 2020 Rev Exp Report v.kr.2

REVIEWED BY:

Sandra Gibson, CGFO, CGFM, Director of Finance
Andrea Gardner, City Manager
Approved as to form for inclusion on Agenda

Approved - 7/16/2020
Final Approval - 7/16/2020

CITY OF WATAUGA
BUDGET TO ACTUAL COMPARISON
FISCAL YEAR 2020
For the period ending May 31, 2020 (3rd FY Qtr.)

WATAUGA ECONOMIC DEVELOPMENT CORP - 04

	CURRENT BUDGET	5/31/2020 YTD ACTUAL	% USED	% REMAINING	5/31/2019 YTD ACTUAL	\$ CHG 20 vs 19	% CHG 20 vs 19
REVENUE:							
SALES TAX	764,000	468,781	61.36%	38.64%	498,021	(29,241)	-5.87%
INTEREST EARNINGS	10,000	3,274	32.74%	67.26%	13,863	(10,590)	-76.39%
INTEREST/ESCROW	-	-	-	-	-	-	-
CONTRIBUTIONS/OTHER	-	-	-	-	-	-	-
TOTAL REVENUE	\$774,000	\$472,054	60.99%	39.01%	\$511,885	(39,830)	-7.78%
PERSONNEL SERVICES	-	(0)	0.00%	100.00%	273,844	(273,844)	-100.00%
NON-DEPARTMENTAL	-	-	0.00%	100.00%	12,534	(12,534)	-100.00%
SUPPLIES	2,200	324	14.71%	85.29%	18,488	(18,164)	-98.25%
MAINTENANCE	4,000	-	0.00%	100.00%	27,043	(27,043)	-100.00%
CONTRACTUAL & SUNDRY	148,450	75,064	50.56%	49.44%	66,172	8,892	13.44%
TRANSFERS	294,470	196,212	66.63%	33.37%	34,193	162,020	473.84%
CAPITAL OUTLAY	7,500	-	0.00%	100.00%	5,500	(5,500)	0.00%
TOTAL EXPENDITURES	456,620	271,600	59.48%	40.52%	\$ 437,774	(166,174)	-37.96%
EXCESS REVENUE OVER (UNDER) EXPENDITURES	\$317,380	\$200,455			\$74,111	\$126,344	



AGENDA MEMORANDUM

DATE: June 24, 2020

TO: Watauga Economic Development Corporation Directors

FROM: Andrea Gardner, City Manager

SUBJECT: Discuss and consider action on the WEDC Regular Meeting minutes for June 23, 2020

BACKGROUND/INFORMATION:

The minutes for the regular meeting of the WEDC held on June 23, 2020 are attached.

FINANCIAL IMPLICATIONS:

RECOMMENDATION/ACTION DESIRED:

City staff respectfully requests the WEDC Board review and approve the meeting minutes for June 23, 2020.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. 6-23-20

REVIEWED BY:

Approved as to form for inclusion on Agenda

MINUTES
WATAUGA ECONOMIC DEVELOPMENT CORPORATION
VIDEOCONFERENCE MEETING
JUNE 23, 2020
6:00 P.M.

CALL TO ORDER:

President Miner called the meeting to order by videoconference at 6:01 PM.

DIRECTORS PRESENT:

Art Miner, President, Place 1	Attended by Videoconference
Amirali Fazalbhair, Place 2	Attended by Videoconference
Jan Hill, Place 3	Attended by Videoconference
Damon Solko, Place 4	Attended by Videoconference
Mike Alexander, Place 5	Attended by Videoconference
Cheneya Cruze, Place 6	Attended by Videoconference
Robert Gaffney, Place 7	Attended by Videoconference

DIRECTORS ABSENT:

None

CITY STAFF PRESENT:

Andrea Gardner, City Manager	Attended by Videoconference
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Also present – Council Liaison, Lovie Downey Attended by Videoconference

PUBLIC TESTIMONY

None

REPORTS FROM STAFF

1. Monthly Financial Report – April 2020
Andrea Gardner, WEDC Executive Director/City Manager

Ms. Gardner presented the Monthly Financial Report for April 2020. She provided a glimpse of the COVID-19 impacts on sales tax revenues for the corporation.

APPROVAL OF MINUTES

1. Consider and take action to approve the minutes of the Regular Meeting of May 19, 2020

Director Hill motioned to approve the minutes of the Regular Meeting of May 19, 2020 as submitted. Director Fazalbhair seconded. Director Solko requested a

friendly amendment to correct his attendance at the meeting reflecting he attended by videoconference. Both Director Hill and Director Fazalbhai agreed to the friendly amendment request and the motion carried by a unanimous vote as follows:

Ayes: Fazalbhai, Hill, Solko, Alexander, Cruze, Gaffney

Nays: None

PUBLIC HEARING AND ACTION

1. Conduct a public hearing on the FY2020-2021 Watauga Economic Development Corporation Proposed Budget and discuss and consider action adopting a resolution of the Watauga Economic Development Corporation Board of Directors establishing and approving the corporation's fiscal year budget for FY2020-2021; providing for all anticipated expenditures; directing the executive director to submit the budget to the city secretary's office for city council consideration to approve the budget and approve the related operational expenditures; and providing an effective date

President Miner opened the Public Hearing at 6:07 PM. City Manager Gardner notified the Board of the Public Notice provided in the Fort Worth Star Telegram on June 5, 2020 for the public hearing on the FY 2020-2021 Proposed Budget of the WEDC.

No comments were received from the Board or members of the public during the public hearing.

President Miner closed the public hearing at 6:09 PM.

NEW BUSINESS

1. Discuss and consider action on the WEDC Business Anniversary Program

Public Testimony: None

Director Hill made a motion to discuss the item and Director Gaffney seconded the motion.

Ms. Gardner provided an overview of the item and President Miner notified the Board of staff efforts regarding visiting the local businesses during the month of June 2020. He notified the Board no action was required on this item unless the Board desired changes to the existing program.

The Board provided no comments and a vote was not taken on the item.

2. Discuss and consider action to authorize the WEDC Executive Director/City Manager to submit a CARES Act grant applications for two projects that are anticipated to create or enhance economic development in Watauga

Public Testimony: None

Director Cruze motioned to discuss the item. Director Alexander seconded the motion.

City Manager Gardner provided details related to the projects to the Board. One project was the incubator that has been discussed a number of times with the Board and the second project is a pedestrian bridge between Hillglen and Hillview that will connect to the shopping center that is home to Target.

Director Hill inquired as to the cost to submit the grant applications and the City Manager provided the response of staff time to prepare and submit.

Director Gaffney inquired about the likelihood of the application being funded and the dollar amount of the funding. City Manager Gardner explained that information is unknown at this time and will be determined by the EDA upon a decision to award, if that occurs.

President Miner restated the motion as a motion to discuss the item and authorize the submittal of the grant application. The motion carried by a unanimous vote as follows:

Ayes: Fazalbhai, Hill, Solko, Alexander, Cruze, Gaffney
Nays: None

Nays: None

President Miner announced the Hector F. Garcia Golf Tournament is scheduled to held on July 7, 2020.

ADJOURNMENT

With no further business to discuss, President Miner adjourned the videoconference meeting at 6:22 PM.

APPROVED: this the _____ day of _____ 20____.

SIGNED: this the _____ day of _____ 20____.

APPROVED:

Arthur L. Miner, President

ATTEST:

Amirali (A.J.) Fazalbhai, Secretary

DRAFT



AGENDA MEMORANDUM

DATE: July 14, 2020

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, CGFO, CGFM, Director of Finance

SUBJECT: Conduct a Public Hearing in support of an economic development grant agreement to provide funding to support costs for an Incubator Site Project

BACKGROUND/INFORMATION:

The Economic Development Corporation is a Type B sales tax corporation and is authorized to expend funds related to community or recreational facilities.

The incubator project was discussed during the budget process for the Board's consideration. The site will serve as a temporary location for restaurant entrepreneurs seeking to get a food service business established prior to the large capital investment required for such businesses.

The attached resolution and agreement requires consideration and action by the Board after the required Public Hearing. If the Board agrees to pay for this debt service, a transfer of funds will be made annually to the City's General Obligation Debt Service Fund. The WEDC gave approval for staff to pursue an EDA Grant Opportunity under the CARES Act for this project. If grant funding is received, this agreement will be amended.

The project cannot begin and monies cannot be expended until 60 days after the Public Hearing per Local Government Code 505.160.

FINANCIAL IMPLICATIONS:

An annual transfer of debt service costs for the Incubator site project will be included in the EDC budget.

RECOMMENDATION/ACTION DESIRED:

Respectfully recommend the Board take action to approve the resolution approving the grant agreement between the WEDC and City for an incubator site project.



AGENDA MEMORANDUM

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Incubator Site Plan
2. \$500K 10 YR Food Truck Court
3. WEDC Resolution Incubator Site Project
4. Incubator Site Project Grant Agreement legal review (Final)

REVIEWED BY:

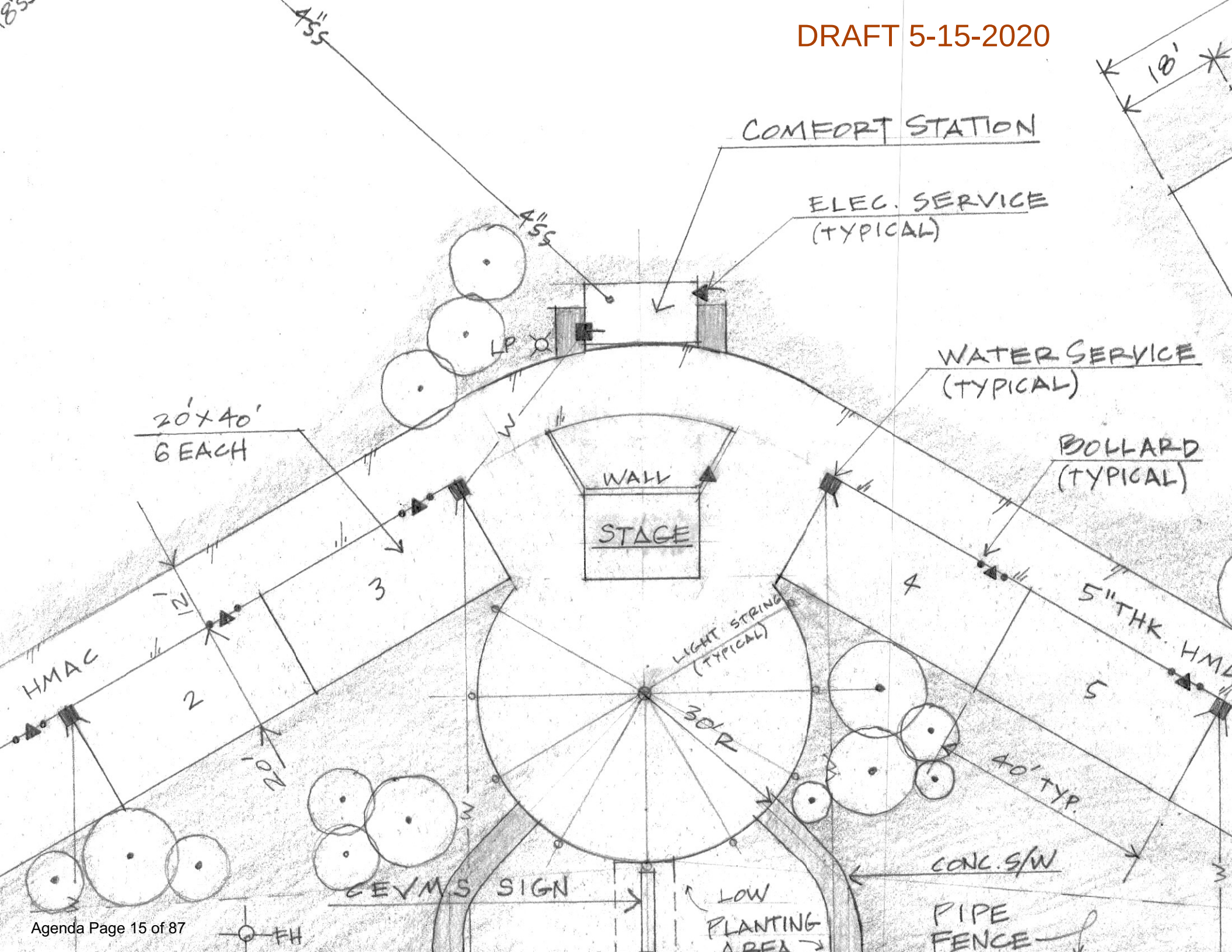
George Hyde, Legal

Andrea Gardner, City Manager

Approved as to form for inclusion on Agenda

Approved - 7/16/2020

Final Approval - 7/16/2020



BOND DEBT SERVICE

**Watauga Parks Development Corporation
Certificates of Obligation, Series 2020**

Dated Date 08/01/2020
Delivery Date 08/01/2020

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2021	45,000	3.000%	7,500	52,500	
08/01/2021			6,825	6,825	
09/30/2021					59,325
02/01/2022	45,000	3.000%	6,825	51,825	
08/01/2022			6,150	6,150	
09/30/2022					57,975
02/01/2023	45,000	3.000%	6,150	51,150	
08/01/2023			5,475	5,475	
09/30/2023					56,625
02/01/2024	50,000	3.000%	5,475	55,475	
08/01/2024			4,725	4,725	
09/30/2024					60,200
02/01/2025	50,000	3.000%	4,725	54,725	
08/01/2025			3,975	3,975	
09/30/2025					58,700
02/01/2026	50,000	3.000%	3,975	53,975	
08/01/2026			3,225	3,225	
09/30/2026					57,200
02/01/2027	50,000	3.000%	3,225	53,225	
08/01/2027			2,475	2,475	
09/30/2027					55,700
02/01/2028	55,000	3.000%	2,475	57,475	
08/01/2028			1,650	1,650	
09/30/2028					59,125
02/01/2029	55,000	3.000%	1,650	56,650	
08/01/2029			825	825	
09/30/2029					57,475
02/01/2030	55,000	3.000%	825	55,825	
09/30/2030					55,825
	500,000		78,150	578,150	578,150

WATAUGA ECONOMIC DEVELOPMENT CORPORATION
RESOLUTION NO. 2020-07

A RESOLUTION OF THE WATAUGA ECONOMIC DEVELOPMENT CORPORATION APPROVING AN ECONOMIC DEVELOPMENT GRANT AGREEMENT FOR THE DESIGN, CONSTRUCTION, AND AMENITIES FOR AN INCUBATOR SITE PROJECT IN THE CITY OF WATAUGA BETWEEN THE WATAUGA ECONOMIC DEVELOPMENT CORPORATION AND THE CITY OF WATAUGA, TEXAS AND AUTHORIZING THE PRESIDENT OF THE WATAUGA ECONOMIC DEVELOPMENT CORPORATION TO EXECUTE SAID AGREEMENT.

WHEREAS, the Watauga Economic Development Corporation (the “WEDC”) is a Type B Economic Development Corporation organized pursuant to Chapters 501, 502 and 505 of the Texas Local Government Code; and

WHEREAS, Texas Local Government Code Section 501.103 defines an authorized project for an economic development corporation to include “ expenditures . . . suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to . . . streets and roads . . . and related improvements”; and

WHEREAS, Texas Local Government Code Section 505.153 allows the Corporation to lease all or any part of a project to a user, for the rental and on the terms that the corporation’s board of directors considers advisable and not in conflict with this subtitle.

WHEREAS, the Board of Directors of the WEDC finds that an incubator site project will encourage new enterprises and support the growth of business within the community; and

WHEREAS, the Board of Directors of the WEDC finds that an incubator site project will stimulate job growth with hiring local people, buying from local sources, and selling to local customers and shall assist residents and visitors of the City of Watauga to enjoy quality of life and additional dining opportunities; and

WHEREAS, the Board of Directors of the WEDC finds that the incubator site project will create a multi-modal community hub for residents, directly serves the food industry, and indirectly serves the surrounding retail industries and local businesses, thus supporting such businesses and ensuring such businesses create and retain primary jobs; and

WHEREAS, the Board of Directors of the WEDC finds that the design, construction, and amenities for an Incubator Site Project in the City constitutes an authorized project as provided by Texas Local Government Code Sections 501.103 and 505.153; and

WHEREAS, in August, 2020, the City of Watauga is scheduled to issue Certificates of Obligation for the specific purpose of the design and construction of an incubator site in the City of Watauga; and

WHEREAS, the Board of Directors of the WEDC desires to allocate an amount of funds sufficient to pay the debt service on such 2020 Certificates of Obligation for the design and construction of an incubator site in the City of Watauga; and

WHEREAS, the Board of Directors of the WEDC finds the incubator site will facilitate business recruitment, retention, and expansion efforts for the future benefit of the City of Watauga; and

WHEREAS, the Board of Directors of the WEDC further finds that the incubator site will promote and develop new and expanding business enterprises in the City of Watauga and improve the community; and

WHEREAS, the action authorized by this Resolution is in furtherance of the public interest, for the good of the community, and necessary and proper for carrying out the authority granted by law to the WEDC.

NOW, THEREFORE, BE IT RESOLVED by the Watauga Economic Development Corporation Board of Directors that:

I.

The WEDC hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the WEDC hereby incorporates such recitals as a part of this Resolution.

II.

The City of Watauga Economic Development Grant Agreement between the City of Watauga and the Watauga Economic Development Corporation pertaining to the design and construction of an incubator site in the City of Watauga is hereby in all things approved and authorized.

III.

The President of the WEDC is hereby authorized to execute for and on behalf of the WEDC, and the Secretary of the WEDC is hereby authorized to attest the Economic Development Agreement between the City of Watauga, Texas, and the Watauga Economic Development Corporation, Corporation pertaining to the construction and installation of branding signs throughout the City of Watauga. A copy of such economic development agreement is attached hereto and made a part hereof for all purposes.

IV.

This Resolution shall be and is hereby cumulative of all other resolutions of the WEDC and this resolution shall not operate to repeal or affect any such other resolutions except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this resolution, in which event such conflicting provisions, if any, in such other resolution or resolutions are hereby repealed.

V.

If any section, subsection, sentence, clause or phrase of this resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of this resolution.

VI.

This resolution shall become effective and be in full force and effect from and after the date of passage and adoption by the Board of Directors of the WEDC, and upon approval thereof as prescribed by law.

PASSED AND ADOPTED by the Watauga Economic Development Corporation on this 21st day of July 2020.

APPROVED

President

ATTEST:

Secretary

STATE OF TEXAS
COUNTY OF TARRANT

§
§

CITY OF WATAUGA ECONOMIC DEVELOPMENT GRANT AGREEMENT

Authority

This Agreement is made under the authority of TEX. LOC. GOV'T CODE chapters 501, 502 and 505, as amended (the "Code")

Parties

This Agreement is made and entered into by and between the City of Watauga Economic Development Corporation (the "WEDC") organized under the Code, and the City of Watauga (the "GRANTEE").

Effective Date

This Agreement shall be effective on the 61st day after the date the notice of the public hearing was first published, provided that no valid petition seeking an election on whether the project should be undertaken is filed with the municipality within that time period and provided that the WEDC and GRANTEE have duly executed the Agreement by signature of authorized representatives for both WEDC and Grantee ("Effective Date").

Preamble

WHEREAS, the WEDC held a meeting concerning the expenditure of the funds that are the subject of this agreement on July 21, 2020; and

WHEREAS, on July 21, 2020 a public hearing was held on the proposed project that is the subject of this agreement; and

WHEREAS, upon the recommendation of the WEDC, the City Council of Watauga, Texas on _____, approved the expenditure of said funds; and

WHEREAS, Texas Local Government Code Section 501.103 defines an authorized project for an economic development corporation to include "expenditures . . . suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to . . . water and sewer utilities, electric utilities, ...drainage, site improvements and related improvements"; and

WHEREAS, Texas TEX. LOC. GOV'T CODE § 505.153 allows the Corporation to lease all or any part of a project to a user, for the rental and on the terms that the corporation's board of directors considers advisable and not in conflict with this subtitle.

WHEREAS, the Board of Directors of the WEDC and the City Council of the City or Watauga find that the design, construction and amenities and the operation of a small business incubator site in the City is an authorized project as provided by TEX. LOC. GOV'T CODE §§ 501.103 and 505.153; and

NOW THEREFORE, in view of the above and foregoing, and in consideration of the mutual agreements herein contained, WEDC and Grantee hereby agree as follows:

Terms

In consideration for the mutual promises and covenants given and the mutual benefits received, which is hereby acknowledged by the Parties, the Parties agree as follows:

1) Purpose; Allocation; Schedule of Payments

- i) WEDC shall allocate an amount of funds ("Funds") sufficient to cover the costs of design and construction for an incubator site project and amenities to be located within the corporate boundaries of the City of Watauga as pre-approved by the WEDC and City of Watauga City Council in order to promote or develop new or expanded business enterprises, to develop streets and roads and related improvements, to promote and develop new or expanded business enterprises that create and retain primary jobs, to provide for general municipally owned improvements, to create and retain primary jobs and to facilitate business recruitment, retention and expansion efforts for the future benefit of the WEDC and City of Watauga and to improve the community; and
- ii) Said Funds allocated shall be used by GRANTEE for the purpose of providing paying the debt service requirements (each February and August) on the 2020 Certificates of Obligation planned to be issued by the City of Watauga specific to the incubator site project. Said incubator site is instrumental to the WEDC in the promotion and development of new and expanded business enterprises in the City of Watauga and shall benefit the WEDC in their goals of creating and expanding business in the City of Watauga.
- iii) The exact amount of Funds to be allocated shall be determined by the City's Financial Advisor with a separate debt schedule set forth solely for the purpose of the incubator site project. The schedule for payment shall be based on a 10 year timeline beginning in February, 2021 and ending in

September 2030, with a minimum of two semi-annual payments due on or before February 15 and August 15, at the interest rate set at the bond issuance in August, 2020 by the City to pay for the Incubator Site Project. Once prepared the separate debt schedule shall be appended to this Agreement as Appendix A and shall be incorporated herein as if recited verbatim.

2) Default:

- i) Any party to this Agreement is in default if the party has failed to perform any obligation in this agreement, after notice of failure to perform, the passage of 90 days and, the party has failed to cure the alleged failure to perform.
- ii) If a default occurs in the performance of any obligation of WEDC or Grantee, any payment or performance obligation may be enforced by: (1) mandamus; or (2) the appointment of a receiver in equity with the power to: (A) charge and collect any applicable rents, purchase price payments, and loan payments; and (B) apply any revenue from the project in accordance with any resolution, mortgage, or instrument supporting or related to this agreement.
- iii) This Agreement may be terminated by the WEDC if it is determined that GRANTEE is in default by using the funds provided for in this Agreement for any purpose other than those identified in Section 1(i) of this Agreement. Termination of this Agreement may be affected if any such default is not cured within ninety (90) days after written notice by WEDC to GRANTEE.
- iv) In the event of termination for default under this agreement WEDC's sole remedy shall be termination of this agreement and reimbursement of the funds determined to be improperly used.

3) Miscellaneous

- i) Assignment. GRANTEE may not assign this Agreement.
- ii) No Right of Renewal. It is understood and agreed that the receipt of these funds by GRANTEE shall not imply any right of automatic renewal of this contract.
- iii) Notice. Any notice required under the provisions of this Agreement shall be in writing and delivered in person, by fax or deposited in the United States Mail, registered or certified, return receipt requested. Any such notice must be addressed to WEDC or GRANTEE at the following addresses. Any notice shall be deemed received three days after the date of deposit in the United States Mail, unless proof is offered to the contrary. Unless otherwise

provided in this Agreement, all notices shall be delivered to the following addresses:

WEDC: City of Watauga Economic Development Corporation
Attn: President
7105 Whitley Road
Watauga, Texas 76148
GRANTEE: City of Watauga, Texas
Attn: City Manager
7105 Whitley Road
Watauga, Texas 76148

Either party may designate a different address or fax number by giving the other party written notice.

- iv) Binding Agreement. This Agreement has been duly executed and delivered by both parties and constitutes a legal, valid and binding obligation of the parties. Each person executing this Agreement on behalf of each party represents and warrants that they have full right and authority to enter into this Agreement.
- v) Amendment. This Agreement may not be amended except in a written instrument specifically referring to this Agreement, approved by the WEDC Board of Directors and the City Council of Grantee and signed by the parties hereto.
- vi) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. The State of Texas shall have jurisdiction over this Agreement and the parties hereto, and venue of any legal action filed by either WEDC or GRANTEE shall be in Tarrant County, Texas.
- vii) Severability. In the event that one or more of the provisions contained in the Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein, but shall not affect the remaining provisions of this Agreement, which shall remain in full force and effect.
- viii) Execution. WEDC executes this Agreement by and through its President. GRANTEE executes this Agreement by and through its Mayor. The parties further agree that this Agreement may be executed in multiple counterparts, each of which shall be considered an original.

**WATAUGA ECONOMIC
DEVELOPMENT CORPORATION:**

_____, 2019
DATE

PRESIDENT

ATTEST:

**AMIRALI FAZALBHAI,
CORPORATION SECRETARY**

CITY OF WATAUGA:

_____, 2019
DATE

MAYOR

ATTEST:

**ANDREA GARDNER,
CITY SECRETARY**



AGENDA MEMORANDUM

DATE: June 17, 2020

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, CGFO, CGFM, Director of Finance

SUBJECT: Discuss and consider adopting a resolution of the Watauga Economic Development Corporation establishing and approving the Corporation's Fiscal Year Budget for FY2020-2021; providing for all anticipated expenditures; directing the Executive Director to submit it to the City Secretary's Office for City Council consideration to approve the budget and related operational expenditures; and providing an effective date

BACKGROUND/INFORMATION:

The required Public Hearing was held on June 23, 2020 to allow for citizen input on the FY2020-2021 Proposed Budget for the Watauga Economic Development Corporation Budget.

The Board must take action on approval and adoption of the Watauga Economic Development Corporation Budget and provide approval to submit to City Council. The Board may still make budget changes on the budget before approval. Staff recommends an update to the sales tax revenue estimates as provided in the attached Fund Summary cover page. These numbers have been revised for Year End Projections FY2019-2020 and Budget Year FY2020-2021 due to sales tax receipts coming in higher than forecast.

The Watauga Economic Development Corporation Budget is attached for review and consideration.

FINANCIAL IMPLICATIONS:

Revenues and expenditures as shown on attached Proposed Budget.

RECOMMENDATION/ACTION DESIRED:

Respectfully recommend the Board review and approve Resolution 2020-05, approving and recommending approval to the City Council of the FY 2020-21 Proposed Budget for the WEDC.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:



AGENDA MEMORANDUM

1. WEDC PROPOSED BUDGET FY2020-2021
2. BUDGET SUMMARY -04 FY2020-2021 revised sales tax
3. Res approving WEDC 2020-2021 Budget 07212020 (1)

REVIEWED BY:

George Hyde, Legal

Andrea Gardner, City Manager

Approved as to form for inclusion on Agenda

Approved - 7/16/2020

Final Approval - 7/16/2020

PROPOSED BUDGET



FISCAL YEAR 2020-2021

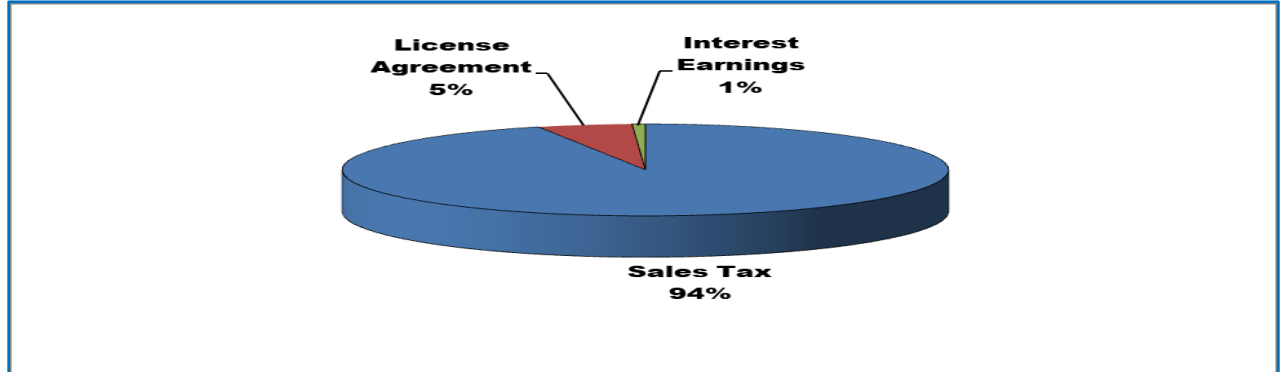
SPECIAL REVENUE FUND

ECONOMIC DEVELOPMENT CORPORATION (FORMERLY PARKS DEVELOPMENT CORPORATION)

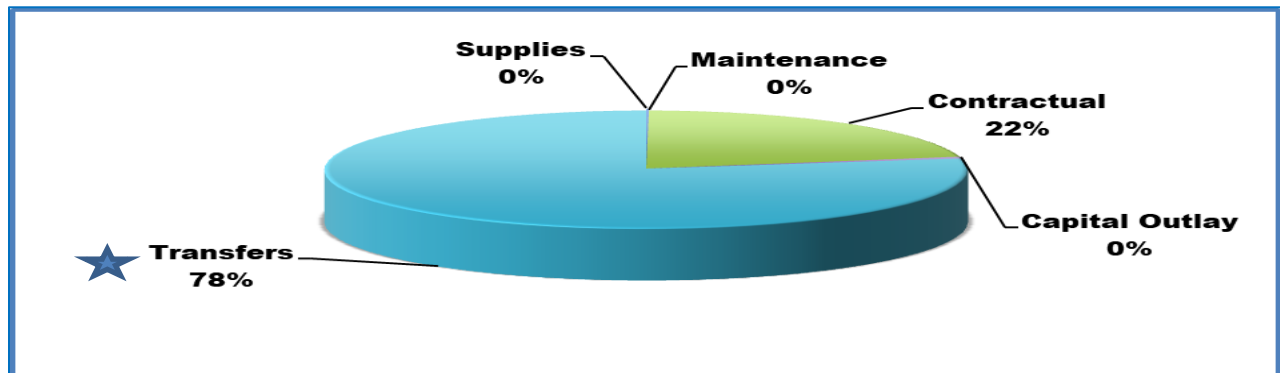
Voters established the Watauga Parks Development Corporation Sales Tax Fund to account for a ½ cent sales tax increase in May 1994 under the 4b Economic Development Legislation. The purpose of the increase in sales tax is to build city parks and improve existing parks under the supervision of the Watauga Parks Development Corporation. In May 2012, voters approved a reduction of the sales and use tax for the Watauga Parks Development Corporation to ¼ of one percent and reallocate ¼ of one percent for maintenance and repairs of municipal streets. This reduction took place on October 1, 2012. In FY2018-19 the corporation's name was changed to Economic Development Corporation and the focus was redirected to economic development within the City. Sales tax revenues for FY2021 are expected to be \$668,000.

This Special Revenue Fund is used to account for specific revenues that are legally restricted to expenditures for particular purposes. The fund is accounted for on the modified accrual basis of accounting. Revenues are recorded when available and measurable, and expenditures are recorded when liability is incurred.

Where Does the Money Come From?



Where Does the Money Go?



★ *Note: Transfers to general fund cover personnel expenses and debt*

SPECIAL REVENUE FUNDS

ECONOMIC DEVELOPMENT CORPORATION BUDGET SUMMARY - FUND 04

	HISTORY		PROJECTED YEAR		BUDGET	%CHANGE
	2017-2018 Actual	2018-2019 Actual	2019-2020 Budget	2019-2020 Projected	2020-2021 Budget	FY2020-21 VS 2019-20
Fund Balance, October 1	\$810,000	\$837,206	\$829,447	\$880,834	\$1,113,604	
<u>Revenues:</u>						
Sales Taxes	729,841	746,760	764,000	635,000	668,000	-12.6%
License Agreement - Property	0	0	0	0	28,800	100.0%
Interest Earnings	12,771	22,814	10,000	5,000	5,000	-50.0%
License Agreement - Services	0	0	0	0	7,000	100.0%
Operating Revenues	\$ 742,611	\$ 769,574	\$ 774,000	\$ 640,000	\$ 708,800	-8.4%
Total Available Resources	\$ 1,552,611	\$ 1,606,780	\$ 1,603,447	\$ 1,520,834	\$ 1,822,404	
<u>Expenditures:</u>						
Non-Departmental	15,505	19,837	0	0	0	0.0%
EDC	0	0	162,150	112,760	111,960	-31.0%
Parks Department	666,330	655,209	0	0	0	0.0%
Operating Expenditures	681,834	675,046	162,150	112,760	111,960	69.0%
<u>Operating Transfers-Out</u>						
To General Fund	36,443	36,400	194,292	194,292	231,781	19.3%
To Internal Service Fund	0	14,500	0	0	0	0.0%
To Debt Service	0	0	100,178	100,178	157,503	57.2%
Total Operating Transfers-Out	36,443	50,900	294,470	294,470	389,284	32.2%
TOTAL OPERATING & TRANSFERS	\$ 718,277	\$ 725,946	\$ 456,620	\$ 407,230	\$ 501,244	9.8%
Fund Balance, September 30	\$834,334	\$880,834	\$1,146,827	\$1,113,604	\$1,321,160	
CHANGE IN FUND BALANCE	\$24,334	\$43,628	\$317,380	\$232,770	\$207,556	

SPECIAL REVENUE FUND

DEPARTMENT: ECONOMIC DEVELOPMENT

DIVISION / ACTIVITY: ECONOMIC DEVELOPMENT CORPORATION – FUND 04

LOCATION:

7105 Whitley Road

Watauga, Texas 76148

Phone Number: 817-514-5800

HOURS OF OPERATION:

Monday – Friday

8:00 A.M. – 5:00 P.M.

MISSION / PROGRAMS / SERVICES:

Economic Development functions to implement a program of activities that works to improve Watauga's well-being and quality of life. Emphasis is placed on improving the business climate through specific efforts by way of the following projects and activities: new development, redevelopment, workforce development, business retention and expansion, and small business development.

FY2019-2020 HIGHLIGHTS / ACHIEVEMENTS:

- Completed a Five Year Strategy Plan
- Participated in the update to the Comprehensive Plan and Future Land Use Plan to add the RTMU zoning designation
- Held monthly Board Meetings for the WEDC
- Partnered with the City to host the Annual State of the City Address
- Executed a contract with Retail Coach to enhance new business recruitment
- Participated in monthly regional economic development meetings
- Participated in the Red River International Council of Shopping Centers Conference
- Completed the transfer of the Brooks Property to the WEDC from the Brooks family
- Created a new business recognition program
- Facilitated the hiring of an attorney for the WEDC
- Completed Business Retention training at Georgia Tech University
- Approved the Splash pad project
- Approved an agreement with the City for personnel services performed by City staff on behalf of the WEDC
- Developed the Shop Local, Play Local, and Dine Local campaign for the WEDC
- Approved a poster sign project to help promote local business

FY2020-2021 GOALS/ OBJECTIVES:

- Implement the Business Retention & Expansion Program
- Provide non-financial assistance to local businesses as part of the COVID-19 recovery
- Update the Five Year Strategic Plan for the WEDC
- Continue participation in the Annual State of the City Address
- Continue economic development efforts to attract new business and redevelopment
- Create a separate website for the WEDC
- Attend the International Council of Shopping Centers Conference
- Continue to support the Director of the WEDC to complete the Economic Developer Certification
- Develop a business incentive program

MAJOR BUDGETARY ISSUES AND OPERATIONAL TRENDS:

As the City begins to recover from the COVID-19 crisis, the WEDC will need to partner with the City on supporting local businesses through recovery efforts.

SPECIAL REVENUE FUND

DEPARTMENT: ECONOMIC DEVELOPMENT						
DIVISION / ACTIVITY: ECONOMIC DEVELOPMENT CORPORATION - FUND 04						
	OPERATED AS PDC					
EXPENDITURES	2016-2017 ACTUAL	2017-2018 ACTUAL	2018-2019 ACTUAL	2019-2020 BUDGET	2019-2020 PROJECTED	2020-2021 BUDGET
Non-Departmental	\$14,807	\$15,505	\$19,837	\$0	\$0	\$0
Personnel	\$393,284	\$433,236	\$410,747	\$0	\$0	\$0
Supplies	\$44,874	\$44,413	\$47,591	\$2,200	\$1,000	\$700
Maintenance	\$62,453	\$68,694	\$52,680	\$4,000	\$0	\$0
Contractual/Sundry	\$94,699	\$113,786	\$138,691	\$148,450	\$109,260	\$108,760
Capital Outlay	\$7,695	\$6,200	\$5,500	\$7,500	\$2,500	\$2,500
Transfers	\$36,285	\$36,443	\$50,900	\$294,470	\$294,470	\$389,284
TOTAL	\$654,097	\$718,277	\$725,946	\$456,620	\$407,230	\$501,244
PERFORMANCE MEASURES / SERVICE LEVELS						
Input / Demand			Actual 18-19	Budget 19-20	Projected 19-20	Budget 20-21
Staff Dedicated			PREVIOUSLY	1.50	1.5	N/A
Volunteers			PDC	2	2	5
Inquiries Received				20	20	25
Output/ Workload			Actual 18-19	Budget 19-20	Projected 19-20	Budget 20-21
Project Files Opened			PREVIOUSLY	5	10	15
Cilents Served			PDC	5	10	15
Jobs Created				5	26	35
Potential New Business Calls/Contacts				85	158	170
Responses Submitted				20	147	155
Board Meetings Held				12	12	12
Efficiency Measures / Impact			Actual 18-19	Budget 19-20	Projected 19-20	Budget 20-21
M & O percentage of City budget			PREVIOUSLY	0.82%	0.73%	
M & O budget per capita			PDC	\$19.34	\$17.25	\$20.45
Effectiveness Measures / Outcomes	Goals		Actual 18-19	Budget 19-20	Projected 19-20	Budget 20-21
Business Closures				2	10	15
Business Retention Visits			PREVIOUSLY	200	141	200
Small Business Development			PDC	4	8	10
New Businesses Opened				10	19	25
Redevelopment Projects				2	3	10
New Development Projects				3	5	5

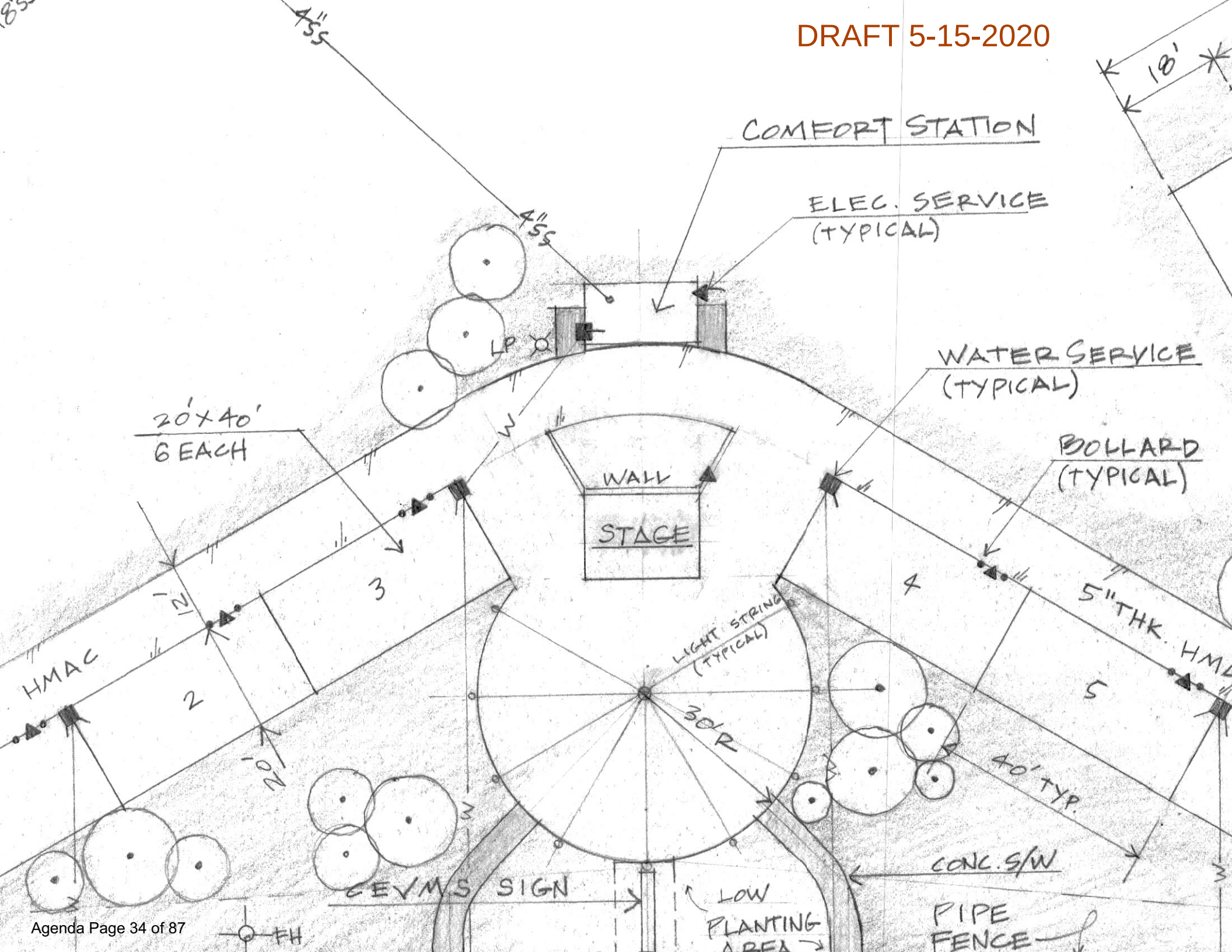
SPECIAL REVENUE FUND
ECONOMIC DEVELOPMENT CORPORATION
BUDGET SUMMARY
FUND 05 - CAPITAL PROJECTS

	HISTORY		PROJECTED YEAR		BUDGET
	2017-18 Actual	2018-2019 Actual	2019-2020 Budget	2019-2020 Projected	2020-2021 Budget
Fund Balance, October 1	\$ 430,390	\$ 374,358	\$244,179	\$244,179	\$43,347
<u>Revenues:</u>					
Interest Earnings	5,060	8,453	5,500	5,500	1,000
Proceeds from Sale of Assets	0	0	0	0	0
Transfer from PDC Sales Tax Fund	0	0	0	0	0
Other Financing Sources	0	0	0	0	0
Matching Grants	0	0	0	0	0
Total Revenues	\$ 5,060	\$ 8,453	\$ 5,500	\$ 5,500	1,000
Total Available Resources	\$ 435,450	\$ 382,811	\$ 249,679	\$ 249,679	44,347
<u>Expenditures:*</u>					
Shade Structure - BISD Park	0	25,000	0	0	0
Foster Village Improvements	49,962	49,800	0	0	0
Shade Structure - Indian Springs	0	21,578	0	0	0
Park Equipment (Picnic Pads, etc.)	0	39,666	0	0	0
Capp Smith Park Improvements	11,130	2,588	151,832	151,832	0
Capp Smith Improvements EDC	0	0	54,500	54,500	0
Contingency	0	0	0	0	40,000
Total Expenditures	61,092	138,632	206,332	206,332	40,000
<u>Other Expenditures</u>					
Transfer to PDC Debt Service	0	0	0	0	0
Total Other Soures (Uses)	0	0	0	0	0
REVENUES OVER (UNDER) EXPENSES	(\$56,032)	(\$130,179)	(\$200,832)	(\$200,832)	\$ (39,000)
Fund Balance, September 30	\$374,358	\$244,179	\$43,347	\$43,347	\$4,347
CHANGE IN FUND BALANCE	(\$56,032)	(\$130,179)	(\$200,832)	(\$200,832)	(\$39,000)

***WAS PARKS DEVELOPMENT CORPORATION UNTIL FY2018-19

PROPOSED INCUBATOR PROJECT





Item No.	OPTION G - DESCRIPTION OF ITEM	UNIT	TOTAL QTY.	UNIT PRICE	COST
1	Prepare/Restore Site	LS	1	\$2,500.00	\$2,500.00
2	Construction Entrance	EA	1	\$2,500.00	\$2,500.00
3	Site Grading	LS	1	\$2,500.00	\$2,500.00
4	Remove Existing Curb and Gutter	LF	110	\$35.00	\$3,850.00
5	Remove Existing Concrete Flatwork	SF	360	\$3.00	\$1,080.00
6	Excavation	CY	348	\$20.00	\$6,960.00
7	6" Thk. Concrete Paving (Truck Parking areas, Dumpster pad and Drive Approach)	SY	681	\$60.00	\$40,860.00
8	5" Thk. Concrete Paving (Dumpster driveway)	SY	107	\$57.00	\$6,099.00
9	4" Thk. Concrete sidewalks	SF	630	\$5.00	\$3,150.00
10	3" Type "B" HMAC	SY	998	\$22.50	\$22,455.00
11	2" Type "D" HMAC	SY	998	\$15.00	\$14,970.00
12	6" Flex Base	SY	667	\$18.00	\$12,006.00
13	ADA Ramps	EA	4	\$1,600.00	\$6,400.00
14	Water Service	EA	7	\$1,500.00	\$10,500.00
15	4" dia. Sewer Service Line	LF	150	\$25.00	\$3,750.00
16	Sanitary Sewer Service Transfers Incl. Cleanout, Tee & Double Cleanout	EA	1	\$350.00	\$350.00
17	Connect to Existing 18" SS Line	EA	1	\$1,000.00	\$1,000.00
18	Landscaping - Trees, Shrubs, etc.	LS	1	\$75,000.00	\$75,000.00
19	Pipe Fence with Gates	LF	450	\$50.00	\$22,500.00
20	4" Thick Topsoil & Solid Sodding	SY	2500	\$6.00	\$15,000.00
21	Dumpster Enclosure and Gate (Unknown type of Enclosure)	LS	1	\$10,000.00	\$10,000.00
22	Site Electrical	LS	1	\$75,000.00	\$75,000.00
23	CEVMS Sign	EA	1	\$79,000.00	\$79,000.00
24	Traffic Control Plan and Implementation	LS	1	\$1,500.00	\$1,500.00
25	Erosion Control	LS	1	\$1,000.00	\$1,000.00
26	Project Signs	EA	1	\$750.00	\$750.00
27	Project- Wide Miscellaneous Allowance	LS	1	\$25,000.00	\$25,000.00
28	Modular Restroom without Stairs or Ramp	LS	1	\$36,226.00	\$36,226.00
					\$481,906.00
	Stage, Seating or Tables Budget is not included in this Estimate				

Reduction of the following items shall reduce the cost accordingly

BOND DEBT SERVICE

**Watauga Parks Development Corporation
Certificates of Obligation, Series 2020**

Dated Date 08/01/2020
Delivery Date 08/01/2020

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2021	45,000	3.000%	7,500	52,500	
08/01/2021			6,825	6,825	
09/30/2021					59,325
02/01/2022	45,000	3.000%	6,825	51,825	
08/01/2022			6,150	6,150	
09/30/2022					57,975
02/01/2023	45,000	3.000%	6,150	51,150	
08/01/2023			5,475	5,475	
09/30/2023					56,625
02/01/2024	50,000	3.000%	5,475	55,475	
08/01/2024			4,725	4,725	
09/30/2024					60,200
02/01/2025	50,000	3.000%	4,725	54,725	
08/01/2025			3,975	3,975	
09/30/2025					58,700
02/01/2026	50,000	3.000%	3,975	53,975	
08/01/2026			3,225	3,225	
09/30/2026					57,200
02/01/2027	50,000	3.000%	3,225	53,225	
08/01/2027			2,475	2,475	
09/30/2027					55,700
02/01/2028	55,000	3.000%	2,475	57,475	
08/01/2028			1,650	1,650	
09/30/2028					59,125
02/01/2029	55,000	3.000%	1,650	56,650	
08/01/2029			825	825	
09/30/2029					57,475
02/01/2030	55,000	3.000%	825	55,825	
09/30/2030					55,825
	500,000		78,150	578,150	578,150

Allocations Information



SCHEDULE A - Estimated Cost for Economic Development Corporation 2020-2021 Fiscal Year

Prepared by: Finance Director Sandra Gibson

Phone #: 817-514-5822

Salary/ Benefits Personnel

Staff	Description	Annual hours	Salary + Benefits Calculation
City Secretary - TOTAL			\$18,410
City Secretary 1/4 Cost Allocation	Agenda Prep/Posting/Meetings		\$6,666
Records Secretary	Records Retention/PIA	208	\$3,975
Deputy City Secretary	Agenda Prep/Minutes/Resolutions	312	\$7,769
Finance - TOTAL			\$2,632
Finance Director - Total 33 hours	Monthly Report	6	\$2,242
	EDC Attendance	12	
	Annual Budget	15	
Financial Analyst	Monthly Report	4	\$98
Purchasing personnel	Purchasing	15	\$293
Information Technology - TOTAL			\$33,795
IT Director	IT Director - Website Design/Updates	120	
	Attend/Record Meetings	12	
Public Information Officer - Part-time	Marketing	1040	\$25,568
	Website/Updates/Projects		
Public Works - TOTAL	Projects	49	\$2,107
	Project Coordination/Oversight		
Parks - TOTAL	EDC Projects - Parks	208	\$6,875
Admin Asst. - EDC	50% of salary/benefits		\$24,024
	Business Retention/Scheduling		
City Manager - TOTAL	50% of Salary & Benefits		\$139,163
EDC Director Role and CM Role			
Sub-total			\$227,006
<i>Other Items</i>			
Annual Audit Allocation	4% of Total		\$2,000
Codification Fees	15% of Total		\$900
Civil Space	25% of Total		\$1,875
Sub-total			\$4,775
TOTAL			\$231,781

SPECIAL REVENUE FUNDS

ECONOMIC DEVELOPMENT CORPORATION BUDGET SUMMARY - FUND 04

	HISTORY		PROJECTED YEAR		BUDGET	%CHANGE
	2017-2018 Actual	2018-2019 Actual	2019-2020 Budget	2019-2020 Projected	2020-2021 Budget	FY2020-21 VS 2019-20
Fund Balance, October 1	\$810,000	\$837,206	\$829,447	\$880,834	\$1,174,604	
<u>Revenues:</u>						
Sales Taxes	729,841	746,760	764,000	696,000	705,000	-7.7%
License Agreement - Property	0	0	0	0	28,800	100.0%
Interest Earnings	12,771	22,814	10,000	5,000	5,000	-50.0%
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Total Available Resources	\$ 1,552,611	\$ 1,606,780	\$ 1,603,447	\$ 1,581,834	\$ 1,920,404	
<u>Expenditures:</u>						
Non-Departmental	15,505	19,837	0	0	0	0.0%
EDC	0	0	162,150	112,760	111,960	-31.0%
Parks Department	666,330	655,209	0	0	0	0.0%
Operating Expenditures	681,834	675,046	162,150	112,760	111,960	69.0%
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CHANGE IN FUND BALANCE	\$24,334	\$43,628	\$317,380	\$293,770	\$244,556	

WATAUGA ECONOMIC DEVELOPMENT CORPORATION
RESOLUTION NO. 2020-05

A RESOLUTION OF THE WATAUGA ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS ESTABLISHING AND APPROVING THE CORPORATION'S FISCAL YEAR BUDGET FOR FY2020-2021; PROVIDING FOR ALL ANTICIPATED EXPENDITURES; DIRECTING THE EXECUTIVE DIRECTOR TO SUBMIT THE BUDGET TO THE CITY SECRETARY'S OFFICE FOR CITY COUNCIL CONSIDERATION TO APPROVE THE BUDGET AND APPROVE THE RELATED OPERATIONAL EXPENDITURES; AND PROVIDING AN EFFECTIVE

WHEREAS, on May 19, 2020, the Watauga Economic Development Corporation Board was presented with a proposed budget for FY2020-2021; and

WHEREAS, the Board finds the proposed budget for FY2020-2021 provides for the projected revenue and expenses of the Corporation for the upcoming fiscal year; and

WHEREAS, the Board finds it necessary and appropriate to approve the corporation's Budget for the fiscal year beginning October 1, 2020 and ending September 30, 2021 (Fiscal Year 2020-2021) for final consideration and approval by City Council in accordance with Section 501.072(a) of the Texas Local Government Code; and

WHEREAS, the Board find it necessary to direct its Executive Director to submit the approved Budget to the City Council of the City of Watauga, Texas, for consideration and approval; and

WHEREAS, Section 501.073 of the Local Government Code authorizes the corporation's authorizing unit to approve programs and expenditures and annually review the financial statements of the corporation; and

WHEREAS, the Executive Director has certified the availability for appropriations revenues available from fund balance and interest earnings; and

WHEREAS, in accordance with state law and the City Charter, the WEDC Board is of the opinion that the budget should be approved.

NOW, THEREFORE, BE IT RESOLVED by the Watauga Economic Development Corporation Board of Directors that:

Section 1. The statements set forth in the recitals of this resolution are true and correct, and the WEDC hereby incorporates such recitals as a part of this resolution.

- Section 2. The Watauga Economic Development Corporation Budget for Fiscal Year 2020-2021 is approved as shown in Exhibit A, which is attached hereto and incorporated herein for all purposes.
- Section 3. This resolution shall be and is hereby cumulative of all other resolutions of the WEDC and this resolution shall not operate to repeal or affect any such other resolutions except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this resolution, in which event such conflicting provisions, if any, in such other resolution or resolutions are hereby repealed.
- Section 4. If any section, subsection, sentence, clause, or phrase of this resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of this resolution.
- Section 5. This resolution shall become effective and be in full force and effect from and after the date of passage and adoption by the Board of Directors of the WEDC, and upon all subsequent approvals thereof as prescribed by law.

PASSED AND ADOPTED by the Watauga Economic Development Corporation on this 21st day of July 2020.

APPROVED

Arthur L. Miner, President

ATTEST:

Amirali Fazalbhai, Secretary

APPROVED AS TO FORM AND LEGALITY:

George Hyde, Corporation General Counsel



AGENDA MEMORANDUM

DATE: June 2, 2020

TO: Watauga Economic Development Corporation Directors

FROM: Andrea Gardner, City Manager

SUBJECT: Discuss and consider action to approve a Resolution of the Watauga Economic Development Corporation board of directors authorizing the development of utilities, drainage and other site improvements at 6200 Watauga road to develop and operate a business incubator project in accordance with Texas Government Code sections 501.103 and 501.153; authorizing the executive director to expend the funds necessary and execute documents necessary and approved by the board's legal counsel to complete the improvements; directing the executive director and legal counsel to establish the operational plan, license agreements and other related materials to operate the project for future board consideration and approval prior to completion of the necessary improvements and providing an effective date.

BACKGROUND/INFORMATION:

The property located at 6200 Watauga Road was transferred by a prior owner to the City but was intended for WEDC use; therefore, the city had the deed corrected to convey the property to the WEDC. Since, City staff discussed options for marketing the land in January 2020. During the same month, a local property owner approached the WEDC/City for assistance with a proposed business enterprise to be located at the property owned along Hightower. Due to the size of the project, the company was unable to obtain an affordable bid and met with City staff to determine options. City Staff identified the site's current best use would be to improve it to allow for it to serve as a local small business incubator. Legal counsel identified Sec. 505.103 of the Texas Local Government Code as a means to authorize the Corporation to conduct a project which includes water, sewer, electric, and gas utility improvements, drainage and site improvements and other related improvements upon the property which will allow the WEDC to improve the site to be used as a small business incubator. Once improved, Texas Local Government Code Section 501.153 allows the WEDC to lease a project to one or more users, for the rental and on the terms that the Corporation Board considers advisable. Therefore the property will be improved and then used to generate revenue for the WEDC while at the same making space available to grow business development in the community.



AGENDA MEMORANDUM

During the February 18, 2020 WEDC Meeting, City staff and legal presented an economic development business recruitment opportunity (incubator project for Watauga Road property) to the Board.

During the March 31, 2020 Board Meeting, staff requested direction from the Board based on a concept plan. The concept plan was approved by the Board during this meeting.

Staff held the committee meeting with the Board selected members to discuss the project and receive further feedback regarding the project, any required terms to be included in the license agreement and ordinance revisions.

The next step to move the project forward is to consider a resolution to authorize the project.

City staff plans to present the project to the City Council for consideration in August 2020, if authorized by the WEDC Board.

FINANCIAL IMPLICATIONS:

Staff intends to apply for CARES act funding through the EDA for this project; however, funding was included in the proposed bond issuance in the event the grant funds aren't awarded.

RECOMMENDATION/ACTION DESIRED:

City staff respectfully recommends the Board approve Resolution 2020-08, approving infrastructure project to allow for development of a business incubator site.

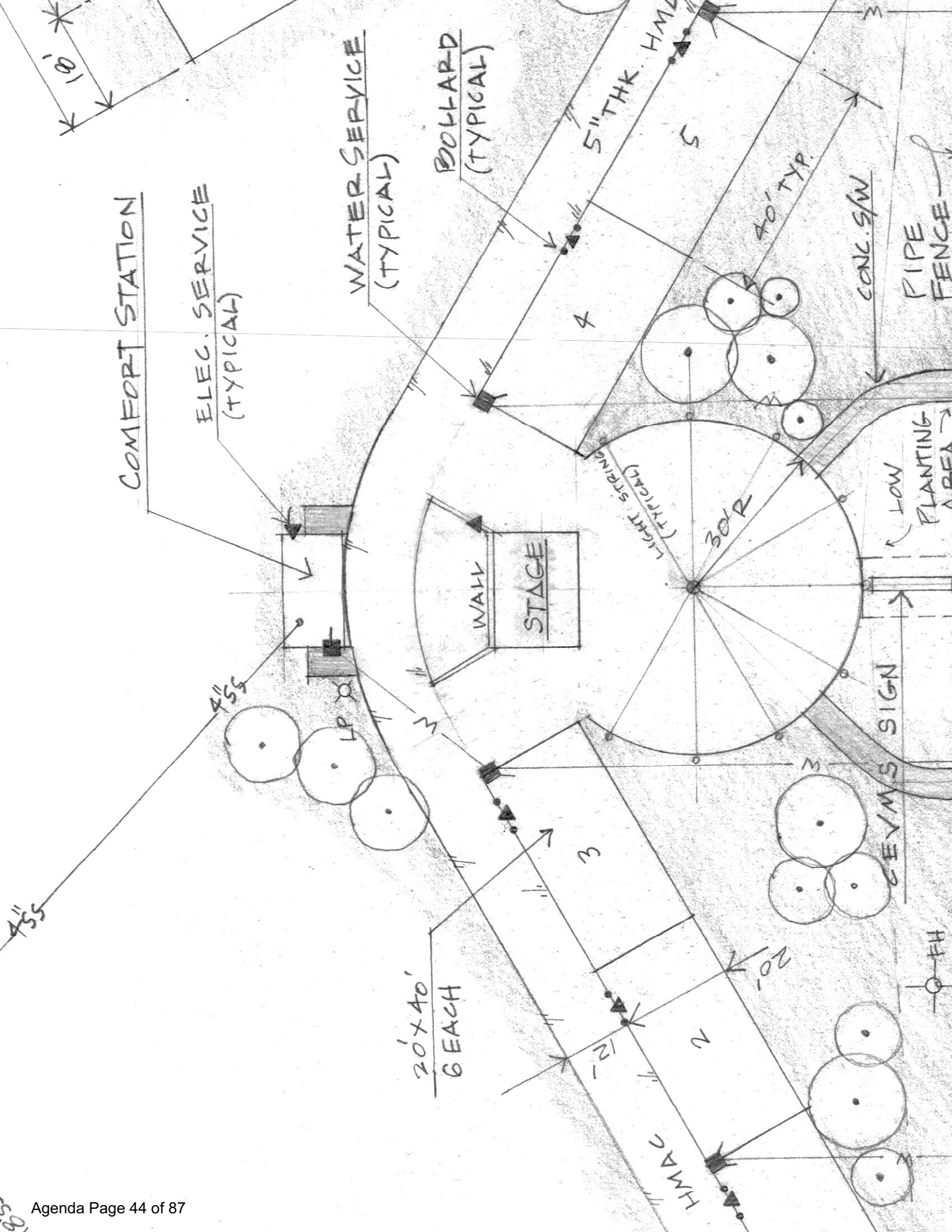
ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Site Plan
2. Reso WEDC Business Incubator Project (2)

REVIEWED BY:

Karrie Marling, Legal
George Hyde, Legal
Sandra Gibson, CGFO, CGFM, Director of Finance
Andrea Gardner, City Manager
Approved as to form for inclusion on Agenda

Approved - 6/18/2020
Approved - 7/16/2020
Approved - 7/16/2020
Final Approval - 7/16/2020



WATAUGA ECONOMIC DEVELOPMENT CORPORATION
RESOLUTION NO. 2020-08

A RESOLUTION OF THE WATAUGA ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING THE DEVELOPMENT OF UTILITIES, DRAINAGE AND OTHER SITE IMPROVEMENTS AT 6200 WATAUGA ROAD TO DEVELOP AND OPERATE A BUSINESS INCUBATOR PROJECT IN ACCORDANCE WITH TEXAS GOVERNMENT CODE SECTIONS 501.103 AND 501.153; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXPEND THE FUNDS NECESSARY AND EXECUTE DOCUMENTS NECESSARY AND APPROVED BY THE BOARD'S LEGAL COUNSEL TO COMPLETE THE IMPROVEMENTS; DIRECTING THE EXECUTIVE DIRECTOR AND LEGAL COUNSEL TO ESTABLISH THE OPERATIONAL PLAN, LICENSE AGREEMENTS AND OTHER RELATED MATERIALS TO OPERATE THE PROJECT FOR FUTURE BOARD CONSIDERATION AND APPROVAL PRIOR TO COMPLETION OF THE NECESSARY IMPROVEMENTS AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Watauga Economic Development Corporation (the "WEDC") wishes to grow and expand employment and business enterprises in the community; and

WHEREAS, the WEDC owns unimproved property located at 6200 Watauga Road; and

WHEREAS, the WEDC Board finds that property which is both available and affordable for use as a small business incubator is not readily available in the city; and

WHEREAS, the WEDC Board finds that 6200 Watauga Road if appropriately developed is suitable for use as a small business incubator site; and

WHEREAS, the WEDC is authorized by Texas Government Code Section 501.103 to develop the property for this project and is authorized to operate the project pursuant to Texas Government Code Section 501.153.

NOW, THEREFORE, BE IT RESOLVED by the Watauga Economic Development Corporation Board of Directors that:

I.

The WEDC authorizes the development of the property for, and the operation of the Business Incubator Project as presented to the board to be located at 6200 Watauga Road, Watauga, Texas.

II.

The WEDC authorizes the Executive Director of the WEDC, in connection with this project to expend only those funds necessary to carry out the Project.

III.

The WEDC authorizes the Executive Director to execute all necessary documents, agreements and contracts required to complete the necessary improvements to carry out this Project, provided that such documents agreement and contracts are approved as to form and legality by the WEDC General Counsel.

IV.

The WEDC directs the Executive Director and its General Counsel to develop an operational plan, license agreements and all other related materials necessary to operate the Small Business Incubator Project for Board consideration and approval, prior to the completion of the improvements to allow for operation upon completion of the improvements.

V.

This resolution shall be and is hereby cumulative of all other resolutions of the WEDC and this resolution shall not operate to repeal or affect any such other resolutions except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this resolution, in which event such conflicting provisions, if any, in such other resolution or resolutions are hereby repealed.

VI.

If any section, subsection, sentence, clause, or phrase of this resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of this resolution.

VI.

This resolution shall become effective and be in full force and effect from and after the date of passage and adoption by the Board of Directors of the WEDC, and upon approval thereof as prescribed by law.

PASSED AND ADOPTED by the Watauga Economic Development Corporation on this _____ day of _____ 2020.

APPROVED

Arthur L. Miner, President

ATTEST:

Amirali Fazalbhai, Secretary



AGENDA MEMORANDUM

DATE: June 26, 2020

TO: Watauga Economic Development Corporation Directors

FROM: Andrea Gardner, City Manager

SUBJECT: Discuss and consider action on a resolution to approve and ratify the July 2020 Bylaws Amendment previously approved by the City Council of the City of Watauga on July 13, 2020; The amended bylaws contain substantive changes through the amendment of Articles relating to Director terms, Board vacancies, attendance and fiscal reporting requirements; the addition of an Article VIII relating to legal construction and authority, effective date and certification.

BACKGROUND/INFORMATION:

July 2020 Bylaws Amendment were previously approved by the City Council of the City of Watauga on July 13, 2020, pending ratification by the WEDC.

The current WEDC bylaws lack clarity regarding appointments for positions on the Board in other than to state the appointments are two year terms. The current language has created confusion regarding which positions are appointed in odd and even years. Additional language relating to Board vacancies, attendance and fiscal reporting requirements, and will serve to clarify the duties and obligations required in an a Director position. Finally, the addition of an Article VIII relating to legal construction and authority, effective date and certification will serve to clarify the legal authority of the bylaws. Thus, the attached resolution and proposed amendment to the existing bylaws seeks to provided greater clarity and understanding surrounding these issues.

FINANCIAL IMPLICATIONS:

RECOMMENDATION/ACTION DESIRED:

City staff respectfully recommends the WEDC Board approve resolution 2020-06, amending the bylaws of the WEDC.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. WEDC Resolution regarding Bylaws Amendment- July 2020



AGENDA MEMORANDUM

2. WEDC Bylaws Amendment July 2020

REVIEWED BY:

Karrie Marling, Legal

George Hyde, Legal

Andrea Gardner, City Manager

Approved as to form for inclusion on Agenda

Approved - 7/10/2020

Approved - 7/16/2020

Final Approval - 7/16/2020

CITY OF WATAUGA, TEXAS
RESOLUTION NO. 2020-06

A RESOLUTION BY THE WATAUGA ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF WATAUGA, TEXAS APPROVING AMENDMENTS TO THE BYLAWS OF WATAUGA ECONOMIC DEVELOPMENT CORPORATION; REPEALING ALL RESOLUTIONS AND PROVISIONS IN CONFLICT HERewith; PROVIDING THAT ALL RESOLUTIONS IN CONFLICT HERewith ARE HEREBY REPEALED TO THE EXTENT THAT THEY ARE IN CONFLICT; PROVIDING FOR A SAVINGS CLAUSE; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 501.064 of the Texas Local Government Code (formerly Article 5190.6, Section 13 V.A.T.S.), requires that amendments to bylaws of a corporation created pursuant to the Development Corporation Act of 1979 be approved by the governing body (City Council).

NOW, THEREFORE, BE IT RESOLVED by the Economic Development Corporation of the City of Watauga, Texas that:

I.

The proposed amendment of the bylaws of the Watauga Economic Development Corporation should be recommended for approval and adoption by the City Council of the City of Watauga, Texas as reflected in "EXHIBIT A" attached hereto.

II.

This Resolution shall be and is hereby cumulative of all other resolutions of the Watauga Economic Development Corporation and this resolution shall not operate to repeal or affect any such other resolutions except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this resolution, in which event such conflicting provisions, if any, in such other resolution or resolutions are hereby repealed.

III.

If any section, subsection, sentence, clause or phrase of this resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of this resolution.

IV.

This resolution shall become effective and be in full force and effect from and after the date of passage and adoption by the Board of Directors of the Watauga Economic Development Corporation of the City of Watauga, Texas, and upon approval thereof as prescribed by law.

PASSED AND ADOPTED by the City Council of the City of Watauga, Texas on this 21st day of July 2020.

APPROVED:

President
Watauga Economic Development Corporation

ATTEST:

Secretary
Watauga Economic Development Corporation

APPROVED AS TO FORM AND LEGALITY:

George Hyde, City Attorney

WATAUGA ECONOMIC DEVELOPMENT CORPORATION
BYLAWS AMENDED JULY 2020

ARTICLE ONE: POWERS & PURPOSES

1.01 In order to implement the purposes for which the Corporation was formed as set forth in the Articles of Incorporation, the Corporation is organized exclusively for the purposes of benefitting and accomplishing public purposes of, and to act on behalf of the City of Watauga, Texas and the specific purposes for which the Corporation is organized and may issue bonds on behalf of the City of Watauga, Texas for the promotion and development of commercial, industrial and manufacturing enterprises to promote and encourage employment and public welfare, pursuant Chapter 501-505 of the Local Government Code, as now or hereafter amended.

1.02 The Corporation is not a political subdivision or political corporation of the State of Texas within the meaning of its constitution, and no agreements, bonds, debts, or obligations or the lending of credit, or grant of public money or anything of value, of or by the City of Watauga, Texas or any other political corporation, subdivision, or agency of the State of Texas, or a pledge of faith and credit of any of them.

1.03 The registered office of the corporation is located at 7105 Whitley Road, Watauga, Texas 76148, and the name of the registered agent of the corporation at such address is Andrea Gardner, City Manager. The principal office for the transaction of the business of the corporation is located at 7105 Whitley Road, Watauga, Texas 76148.

ARTICLE TWO: DIRECTORS

Powers

2.01 The Directors shall act only as a board, and an individual Director shall have no power to act for the corporation. All corporate powers of the corporation shall be exercised by the Board of Directors or under its authority. The business and affairs of the corporation shall be controlled by the Board of Directors, subject, however, to such limitations as are imposed by law, the Articles of Incorporation or these Bylaws. The Board of Directors may, by contract or otherwise, give general or limited or special power and authority to the officers and employees of the corporation to transact the general business or any special business of the corporation and may give powers of attorney to agents of the corporation to transact any special business requiring such authorization.

2.02 The Directors shall appoint and consent to the City Attorney for the City of Watauga to also serve as the General Counsel for the Corporation.

Qualification and Number of Directors

2.03 Each Director must be a resident of the City of Watauga at the time of appointment and maintain that residency during entire tenure on the Board. The authorized number of Directors of this corporation shall be seven (7). The place numbers for the seven (7) Directors

shall be known as Place 1, Place 2, Place 3, Place 4, Place 5, Place 6 and Place 7.

Appointment and Term

2.04 The Directors shall be appointed by the Watauga City Council and serve at the pleasure of the Watauga City Council. A director is appointed to hold a position for two (2) year terms. The terms of Director Position 1, Director Position 3, Director Position 5 and Director Position 7 directors shall expire in August of each odd-numbered. The terms of Director Position 2, Director Position 4 and Director Position 6 shall expire in August of each even-numbered year.

2.05 Board Membership shall comply with Texas Local Government Code Subchapter B Sections 501.051, 505.052 and 505.053, with the exception that the number of members from the City's governing body serving as a Director/Board of the WEDC shall be limited to three.

2.06 Board members, who also serve on the governing body of the City, shall cease to serve on Board of Directors at the time they cease to serve on the City Council; likewise any board member who is also an employee of the City of Watauga shall cease to serve on the Board of Directors at the conclusion of their employment.

Vacancies

2.07 Vacancies on the Board of Directors may be filled by a majority vote of the Watauga City Council at a regular meeting or special meeting called for that purpose. A vacancy occurring on the Board of Directors may be filled by the City Council at any time. Any Director appointed by the City Council shall serve the remainder of the term of appointment of their predecessor. Nothing in this provision should be construed to prevent such a successor from being appointed and serving one or more subsequent terms.

Removal of Directors

2.08 The entire Board of Directors or any individual Director may be removed from their Director position with or without cause by majority vote of the Watauga City Council, and a successor may then and there be elected to fill the vacancy thus created.

Place of Meetings

2.09 All meetings of the Board of Directors shall be held at the principal offices of the Corporation or at such other location as the Board of Directors may designate, within the City limits of Watauga.

Annual Meetings

2.10 The annual meeting of the corporation shall be held in the month of March each year. At such meetings, officers shall be appointed, reports of the corporation's affairs shall be considered, and any other business may be transacted which falls within the power of the Directors. All provisions herein pertaining to the Board of Directors meetings shall also apply to the annual meeting.

Regular Meetings

2.11 Regular meetings of the Board of Directors shall be held on the third Tuesday of each month between annual meetings of the corporation, and at such dates and times as the Directors may determine. Meetings shall be held no less than quarterly.

Roberts Rules of Order shall be used to conduct and govern meetings. The City of Watauga Council Rules of Procedure apply to the Board. Any action taken by the board which evidences the desired intent to approve, disapprove, or table an agenda item shall not be subject to challenge on the basis of an alleged procedural violation regarding the manner in which the meeting was conducted. All meetings shall be conducted in accordance with the Texas Open Meetings Act, Government Code Chapter 551, as now or hereafter amended.

Special Meetings - Call and Notices

2.10 Special meetings of the Board of Directors for any purpose shall be called at any time by the President or, if the President is absent or unable or refuses to act, by any two Directors. Written notices of the special meetings, stating the time and place and in general terms the purpose or purposes thereof, shall be mailed, electronically mailed or personally delivered to each Director not later than the day before the day appointed for the meeting. All meetings shall be conducted in accordance with the Texas Open Meetings Act, Government Code Chapter 551, as now or hereafter amended.

Attendance

2.11 Attendance at the Board meetings is required of each Director and the attendance record of each Director shall be submitted to the Council prior to any reappointment to the Board. Absences which are considered by Council to indicate the inability or unwillingness to fulfill the duties of the Director may result in the removal and the replacement of the Director as provided in section 2.08 of these bylaws.

Quorum

2.12 A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn or recess a meeting. Every act or decision done or made by a majority of the Directors present shall be regarded as the act of the Board of Directors, unless a greater number is required by law or by the Articles of Incorporation. Each Director who is present at a meeting will be deemed to have assented to any action taken at the meeting unless the Director's dissent to the action is entered in the minutes of the meeting.

Board Action

2.13 Any action required or permitted to be taken by the Board of Directors must be taken pursuant to a lawfully convened meeting.

Adjournment - Notice

2.14 A quorum of the Directors may adjourn or recess any Directors' meeting to meet

again at a stated hour on a stated day. In the absence of a quorum, a majority of the Directors present at any Directors' meeting, either regular or special, may adjourn or recess from time to time until the time fixed for the next regular meeting of the Board. All meetings of the Board of Directors shall be conducted in accordance with the Texas Open Meetings Act, Government Code Chapter 551, as now or hereafter amended.

Conduct of Meetings

2.15 The President or, in the President's absence, the Vice President, or in the absence of both, any Director selected by the Directors present, shall preside at the meeting of the Board of Directors. The President, or presiding officer in the absence of the President, shall not make motions and shall vote only in case of a tie. The Secretary of the corporation or, in the Secretary's absence, any person appointed by the presiding officer, shall act as Secretary of the Board of Directors' meetings.

Power of Eminent Domain

2.16 The corporation may exercise the power of eminent domain only on approval of the action by the Watauga City Council. The power must be exercised with and subject to the laws applicable to the City of Watauga.

Liability

2.17 The corporation, individual Directors, the City of Watauga, the individual Watauga City Council Members, employees of the City of Watauga or of the Corporation are not liable for damages arising from governmental function of the corporation or the City of Watauga.

Indemnification of Directors and Officers

2.18 The Board of Directors may authorize the corporation to indemnify and/or pay expenses incurred by, or to satisfy a judgment or settle a claim or pay a fine rendered or levied against present or former Directors, officers, employees or agents of this corporation based upon his or her action as a director, officer, employee or agent of the corporation as authorized by State law.

ARTICLE THREE: OFFICERS

Title and Appointment

3.01 The officers of the corporation shall be a President, one or more Vice Presidents, Secretary, and such assistants and other officers as the Watauga City Council deems necessary to carry out the business and purposes of the corporation. All officers shall be appointed by and hold office at the pleasure of the Board of Directors.

Powers and Duties of Officers

3.02 The officers of the corporation shall have the powers and duties generally ascribed

to the respective offices and such additional authority or duty as may from time to time be established by the Board of Directors. The Secretary is encouraged to furnish to new members the telephone numbers of other WEDC board members and staff, the governing regulations, and any other pertinent information concerning the WEDC to the new board member within seven (7) days of the new director's appointment.

ARTICLE FOUR: FISCAL PROVISIONS

401 The Corporation shall review and upon approval by the Board submit monthly financial reporting in a format utilized by the City of Watauga. All books and records of the Corporation shall be maintained by the City's Finance Department in accordance with Section 501.073 of the Texas Local Government Code. The Watauga City Council and the Corporation acknowledge and agree that the management of the Corporation's financial records shall be administered by the City pursuant to the terms of the Financial Services Agreement.

402 All expenditures of the Corporation shall be preapproved by the City Council in accordance with Texas Local Government Code Chapter 501, Subchapter A. The Corporation shall have its records and accounts audited annually and shall have an annual financial statement prepared based on the audit. The audit shall be completed by the same independent auditor selected by the City Council of Watauga who is selected to conduct the City of Watauga's annual fiscal audit.

403 The corporate fiscal year shall begin October 1st and end September 30th of each year. The Executive Director shall annually prepare each year an itemized budget to cover the proposed expenditures of the Corporation for the upcoming fiscal year. The proposed itemized budget shall be submitted to the Board the 60th day prior to the budget being considered by the Board. Once approved by the Board, the board shall submit the its proposed Corporate itemized budget to the City Secretary, for record and placement on the Council agenda, for consideration and approval by the City of Watauga City Council. All expenditures shall be identified as either routine or contingent, and all routine expenditures shall be considered approved in accordance with Section 501.073 without further action by the City Counsel. All contingent expenditures must be preapproved by the City Council before any funds are disbursed. The itemized budget shall also provide as clear a comparison as practicable between expenditures included in the proposed budget and actual expenditures for the same or similar purposes made for the preceding year. The budget must show as definitively as possible each of the projects for which expenditures are set up in the budget and the estimated amount of money carried in the budget for each project. The budget must contain a complete financial statement of the Corporation that shows (1) the outstanding obligations of the Corporation; (2) the cash on hand to the credit of each fund; (3) the funds received from all sources during the preceding year; and (5) the estimated revenue available to cover the Corporate itemized budget. The Corporation shall provide notice of the date, time and location of the City Council's consideration of the Corporate itemized budget on the Corporation's website.

404 Temporary or idle funds of the Watauga Economic Development Corporation which are

undesignated, may be invested in any legal manner authorized by the Public Funds Investment Act and authorized by the Corporation's approved Investment Policy. The Corporation's Investment Policy must be reviewed and approved annually by the Board of Directors.

ARTICLE FIVE: EXECUTION OF INSTRUMENTS

5.01 The Board of Directors may, in its discretion, authorize an officer or officers, or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except where otherwise provided by law and such execution or signature shall be binding on the corporation.

ARTICLE SIX: RECORDS AND REPORTS

Inspection of Books and Records

6.01 The corporation shall keep at the principal place of business a book of minutes of all meetings, adequate business records and notices of all its transactions.

6.02 All books and records of the corporation shall be open to inspection to the extent expressly provided by the Texas Open Records Act, Chapter 551 of the Government Code, as now or hereafter amended, and not otherwise. All books and records may be examined by Directors and Watauga City Council members at reasonable times.

ARTICLE SEVEN: AMENDMENT OF BYLAWS

Amendment of Bylaws

7.01 The power to alter, amend, or repeal these bylaws is vested in the Directors, subject to the approval of the City Council or changes in State law.

ARTICLE EIGHT: MISCELLANEOUS PROVISIONS

Legal Authorities Governing Construction of Bylaws

8.01 The Bylaws shall be construed in accordance with the laws of the State of Texas. All references in the Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time. It is expressly provided that the provisions of Chapter 501-505 of the Local Government Code, as now or hereafter amended, are incorporated within these Bylaws by reference. In the event of any conflict between the applicable provisions of such Act and these Bylaws, then the applicable provisions of such Act shall control.

Legal Construction

8.02 If any Bylaw provision is held to be invalid, illegal or unenforceable in any respect,

the invalidity, illegality or unenforceability shall not affect any other provision and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws.

Effective Date

These Bylaws, and any subsequent amendments hereto, shall be effective as of and from the date on which approval has been given by both the Board of Directors and the City Council of the City of Cleveland, Texas.

CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the elected and acting secretary of the Watauga Economic Development Corporation, a Texas corporation; and the preceding bylaws, comprising ____ pages, constitute a true and complete copy of the bylaws of the corporation as amended at a meeting of the board of directors of the corporation held on the ____ day of _____ 2020.

I have subscribed my name and affixed the seal of the corporation on this the ____ day of _____ 2020.

WATAUGA ECONOMIC DEVELOPMENT CORPORATION

By: _____
Secretary

[Seal]

Approved by City Council on _____ day of _____, 2020.



AGENDA MEMORANDUM

DATE: July 14, 2020

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, CGFO, CGFM, Director of Finance

SUBJECT: Consider action on a Staffing and Reimbursement Agreement between the Watauga Economic Development Corporation and the City of Watauga for personnel and services

BACKGROUND/INFORMATION:

The attached Staffing and Reimbursement Agreement estimates fees to be charged through an interfund transfer to the Watauga Economic Development Corporation based on an allocation prepared each fiscal year during the budget process for matters benefiting the WEDC. The Texas Constitution requires the City to recover any costs provided for the benefit of the Corporation through a contractual agreement.

The amount estimated for FY2020-2021 is \$231,781 and is included in the Proposed FY2020-2021 Economic Development Corporation Budget. Actuals will be calculated during the FY2020-2021 budget year and adjusted accordingly.

The Agreement would begin October 1, 2020 and terminate September 30, 2021 if approved by the Board.

FINANCIAL IMPLICATIONS:

A transfer of \$231,781 is estimated in the Proposed FY2020-2021 Budget.

RECOMMENDATION/ACTION DESIRED:

Respectfully recommend the Board review and take action to approve the agreement.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Staffing and Reimbursement Agreement Draft legal review with changes
2. Staffing and Reimbursement Agreement Draft legal review FINAL
3. EDC Allocation Worksheet FY2020-2021

REVIEWED BY:

George Hyde, Legal

Approved - 7/16/2020



AGENDA MEMORANDUM

Andrea Gardner, City Manager

Final Approval - 7/16/2020

Approved as to form for inclusion on Agenda

**STAFFING AND REIMBURSEMENT AGREEMENT BETWEEN THE CITY
OF WATAUGA AND THE WATAUGA ECONOMIC DEVELOPMENT
CORPORATION FOR PERSONNEL AND SERVICES.**

This Agreement for Staffing and Reimbursement Agreement between the City of Watauga and the Watauga Economic Development Corporation for Personnel and Services (this "Agreement") is entered into by and between the following Parties; the City of Watauga, a Home Rule City located in Watauga, Texas, (the "City") and the Watauga Economic Development Corporation, Texas, (the "WEDC") a political subdivision of the State of Texas, Tarrant County, (individually a "Party" and collectively the "Parties").

WHEREAS, pursuant to The Texas Development Corporation Act, Texas Local Government Code Chapters 501, 502 and 505 (the "Act"), the City created the WEDC and collects, on behalf of the WEDC, a sales and use tax, a portion of which may be used by WEDC to pay certain administrative costs; and

WHEREAS, the WEDC desires to utilize the services and support of certain City staff and contractors in furtherance of its work and the projects it undertakes to eliminate duplication of services and to promote economy and efficiency; and

WHEREAS, the City is prohibited by Texas Local Government Code §501.007 from granting public money or another thing of value in aid to the WEDC, except as provided for by a contract authorized by §380.002 of the Texas Local Government Code; and

WHEREAS, during the FY2019 Budget process the Board of Directors of the WEDC requested the City to allocate the costs of the parks staff to the general fund; and

WHEREAS, to more effectively and efficiently fulfill the WEDC's purpose, its Board of Directors of the WEDC and the City Council have determined that the WEDC's staffing needs can best be met by utilization of certain City employees and contractors; and

WHEREAS, the WEDC and the City of Watauga have determined that providing certain personnel and services, including personnel management, professional services, administrative services, financial management, oversight services and legal services to the WEDC will be mutually beneficial to the City and the WEDC, will promote local economic development, and will stimulate business and commercial activity within the City, all in furtherance of the purposes of the WEDC; and

WHEREAS, the cost for such services by city employees will be accounted for and presented to the WEDC based on an allocation prepared each fiscal year during the budget process for matters benefiting the WEDC and the actual costs for any contracted services and related expenses will be charged directly to the WEDC; and

WHEREAS, the WEDC Board of Directors and the City Council wish to enter into the agreement to memorialize the terms and conditions under which City personnel and contractors shall serve the WEDC; and

NOW, THEREFORE, in consideration of the promises and mutual agreements hereinafter set forth, the Parties hereby do mutually agree as follows:

1.0 Purpose

The purpose of this agreement is to set out the terms and conditions by which the City of Watauga shall provide personnel and services to serve the needs of the WEDC.

2.0 Employees of the City

All personnel who are designated as City employees shall at all times remain solely employees of the City and shall not employees of the WEDC in any capacity. All personnel servicing this contract shall be subject to the City's Charter, ordinances and City personnel policies. The WEDC Board shall coordinate any staff directive through the City Manager.

3.0 Personnel Assigned to the WEDC and Reimbursement of Costs

Certain City employee positions shall be assigned to serve the WEDC for all or part of the positions' work schedules as set forth within Schedule A, attached hereto and made a part hereof for all purposes. Schedule A further provides the allocated charge for each employee position's service. On or before the 10th day of month the City shall transfer from the WEDC Fund to the General Fund an amount equal to the allocated charge for the personnel services dedicated to WEDC for the previous month. ~~Upon receipt and payment of the invoice for City legal services the City shall transfer from the WEDC Fund to the General Fund an amount equal to actual legal costs incurred for WEDC purposes.~~

4.0 Breach

The failure of either Party to comply with its obligations under the agreement shall be considered a breach of this agreement. Should such a breach occur, the non-breaching Party shall provide breaching Party with at least 30

days written notice to cure its breach.

5.0 Waiver

The waiver by either Party of a breach of this agreement shall not constitute a continuing waiver of such breach or of a subsequent breach of the same or a different provision, unless so stipulated by the Party not in breach of this agreement.

6.0 Term

This Agreement shall remain in effect until September 30, 2020⁹¹ and renews annually thereafter unless terminated by either of the Parties. Any notice of termination is not effective until the first day of the fiscal year following notice.

7.0 Texas Law to Apply

This agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the Parties created hereunder are performable in Tarrant County, Texas.

8.0 Notice

All notices, whether for reimbursement or otherwise, shall be in writing and may be hand delivered, or sent by registered or certified mail, postage prepaid, return receipt requested to the following addresses:

City of Watauga
Attn: City Manager
7105 Whitley Rd.
Watauga, TX 76148

City of Watauga Economic Development Corporation
Attn: WEDC Board Chair
7105 Whitley Rd.
Watauga, TX 76148

9.0 Legal Construction

If any one or more of the provisions contained in this agreement shall for any reason be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

This Agreement shall be for the sole and exclusive benefit of the City and the WEDC and shall not be construed to confer any benefit or right upon any other Parties.

10.0 Entire Agreement

This agreement supersedes any and all other agreements, either oral or in writing, between the Parties hereto with respect to the subject matter hereof and contains all of the covenants and agreements between the Parties with respect to said matter. Each Party to this agreement acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, have been made by any Party or anyone acting on behalf of any Party which are not embodied herein and that no other agreements, statement, or promise not contained in this agreement shall be valid or binding. No modification concerning this instrument shall be of any force or effect, excepting a subsequent amendment in writing signed by the Parties. No official, representative, agent or employee of either entity, has any authority to modify this agreement except pursuant to express authority to do so granted by the governing body.

11.0 Parties Bound

This agreement shall be binding upon and inure to the benefit of the Parties to it and their respective legal representatives, successors and assigns where permitted by this agreement.

IN WITNESS WHEREOF, the City of Watauga and the Watauga Economic Development Corporation, have hereby entered into this agreement.

City

WEDC:

By: _____
Mayor

By: _____
President

Date: _____

Date: _____

**STAFFING AND REIMBURSEMENT AGREEMENT BETWEEN THE CITY
OF WATAUGA AND THE WATAUGA ECONOMIC DEVELOPMENT
CORPORATION FOR PERSONNEL AND SERVICES.**

This Agreement for Staffing and Reimbursement Agreement between the City of Watauga and the Watauga Economic Development Corporation for Personnel and Services (this "Agreement") is entered into by and between the following Parties; the City of Watauga, a Home Rule City located in Watauga, Texas, (the "City") and the Watauga Economic Development Corporation, Texas, (the "WEDC") a political subdivision of the State of Texas, Tarrant County, (individually a "Party" and collectively the "Parties").

WHEREAS, pursuant to The Texas Development Corporation Act, Texas Local Government Code Chapters 501, 502 and 505 (the "Act"), the City created the WEDC and collects, on behalf of the WEDC, a sales and use tax, a portion of which may be used by WEDC to pay certain administrative costs; and

WHEREAS, the WEDC desires to utilize the services and support of certain City staff and contractors in furtherance of its work and the projects it undertakes to eliminate duplication of services and to promote economy and efficiency; and

WHEREAS, the City is prohibited by Texas Local Government Code §501.007 from granting public money or another thing of value in aid to the WEDC, except as provided for by a contract authorized by §380.002 of the Texas Local Government Code; and

WHEREAS, during the FY2019 Budget process the Board of Directors of the WEDC requested the City to allocate the costs of the parks staff to the general fund; and

WHEREAS, to more effectively and efficiently fulfill the WEDC's purpose, its Board of Directors of the WEDC and the City Council have determined that the WEDC's staffing needs can best be met by utilization of certain City employees and contractors; and

WHEREAS, the WEDC and the City of Watauga have determined that providing certain personnel and services, including personnel management, professional services, administrative services, financial management, oversight services and legal services to the WEDC will be mutually beneficial to the City and the WEDC, will promote local economic development, and will stimulate business and commercial activity within the City, all in furtherance of the purposes of the WEDC; and

WHEREAS, the cost for such services by city employees will be accounted for and presented to the WEDC based on an allocation prepared each fiscal year during the budget process for matters benefiting the WEDC and the actual costs for any contracted services and related expenses will be charged directly to the WEDC; and

WHEREAS, the WEDC Board of Directors and the City Council wish to enter into the agreement to memorialize the terms and conditions under which City personnel and contractors shall serve the WEDC; and

NOW, THEREFORE, in consideration of the promises and mutual agreements hereinafter set forth, the Parties hereby do mutually agree as follows:

1.0 Purpose

The purpose of this agreement is to set out the terms and conditions by which the City of Watauga shall provide personnel and services to serve the needs of the WEDC.

2.0 Employees of the City

All personnel who are designated as City employees shall at all times remain solely employees of the City and shall not employees of the WEDC in any capacity. All personnel servicing this contract shall be subject to the City's Charter, ordinances and City personnel policies. The WEDC Board shall coordinate any staff directive through the City Manager.

3.0 Personnel Assigned to the WEDC and Reimbursement of Costs

Certain City employee positions shall be assigned to serve the WEDC for all or part of the positions' work schedules as set forth within Schedule A, attached hereto and made a part hereof for all purposes. Schedule A further provides the allocated charge for each employee position's service. On or before the 10th day of month the City shall transfer from the WEDC Fund to the General Fund an amount equal to the allocated charge for the personnel services dedicated to WEDC for the previous month.

4.0 Breach

The failure of either Party to comply with its obligations under the agreement shall be considered a breach of this agreement. Should such a breach occur, the non-breaching Party shall provide breaching Party with at least 30 days written notice to cure its breach.

5.0 Waiver

The waiver by either Party of a breach of this agreement shall not constitute a continuing waiver of such breach or of a subsequent breach of the same or a different provision, unless so stipulated by the Party not in breach of this agreement.

6.0 Term

This Agreement shall remain in effect until September 30, 2021 and renews annually thereafter unless terminated by either of the Parties. Any notice of termination is not effective until the first day of the fiscal year following notice.

7.0 Texas Law to Apply

This agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the Parties created hereunder are performable in Tarrant County, Texas.

8.0 Notice

All notices, whether for reimbursement or otherwise, shall be in writing and may be hand delivered, or sent by registered or certified mail, postage prepaid, return receipt requested to the following addresses:

City of Watauga
Attn: City Manager
7105 Whitley Rd.
Watauga, TX 76148

City of Watauga Economic Development Corporation
Attn: WEDC Board Chair
7105 Whitley Rd.
Watauga, TX 76148

9.0 Legal Construction

If any one or more of the provisions contained in this agreement shall for any reason be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

This Agreement shall be for the sole and exclusive benefit of the City and the WEDC and shall not be construed to confer any benefit or right upon any other Parties.

10.0 Entire Agreement

This agreement supersedes any and all other agreements, either oral or in writing, between the Parties hereto with respect to the subject matter hereof and contains all of the covenants and agreements between the Parties with respect to said matter. Each Party to this agreement acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, have been made by any Party or anyone acting on behalf of any Party which are not embodied herein and that no other agreements, statement, or promise not contained in this agreement shall be valid or binding. No modification concerning this instrument shall be of any force or effect, excepting a subsequent amendment in writing signed by the Parties. No official, representative, agent or employee of either entity, has any authority to modify this agreement except pursuant to express authority to do so granted by the governing body.

11.0 Parties Bound

This agreement shall be binding upon and inure to the benefit of the Parties to it and their respective legal representatives, successors and assigns where permitted by this agreement.

IN WITNESS WHEREOF, the City of Watauga and the Watauga Economic Development Corporation, have hereby entered into this agreement.

City

WEDC:

By: _____
Mayor

By: _____
President

Date: _____

Date: _____

SCHEDULE A - Estimated Cost for Economic Development Corporation 2020-2021 Fiscal Year

Prepared by: Finance Director Sandra Gibson

Phone #: 817-514-5822

Salary/ Benefits Personnel

Staff	Description	Annual hours	Salary + Benefits Calculation
City Secretary - TOTAL			\$18,410
City Secretary 1/4 Cost Allocation	Agenda Prep/Posting/Meetings		\$6,666
Records Secretary	Records Retention/PIA	208	\$3,975
Deputy City Secretary	Agenda Prep/Minutes/Resolutions	312	\$7,769
Finance - TOTAL			\$2,632
Finance Director - Total 33 hours	Monthly Report	6	\$2,242
	EDC Attendance	12	
	Annual Budget	15	
Financial Analyst	Monthly Report	4	\$98
Purchasing personnel	Purchasing	15	\$293
Information Technology - TOTAL			\$33,795
IT Director	IT Director - Website Design/Updates	120	
	Attend/Record Meetings	12	
Public Information Officer - Part-time	Marketing	1040	\$25,568
	Website/Updates/Projects		
Public Works - TOTAL	Projects	49	\$2,107
	Project Coordination/Oversight		
Parks - TOTAL	EDC Projects - Parks	208	\$6,875
Admin Asst. - EDC	50% of salary/benefits		\$24,024
	Business Retention/Scheduling		
City Manager - TOTAL	50% of Salary & Benefits		\$139,163
EDC Director Role and CM Role			
Sub-total			\$227,006
<i>Other Items</i>			
Annual Audit Allocation	4% of Total		\$2,000
Codification Fees	15% of Total		\$900
Civil Space	25% of Total		\$1,875
Sub-total			\$4,775
TOTAL			\$231,781



AGENDA MEMORANDUM

DATE: June 18, 2020

TO: Honorable City Council Members

FROM: Board Member Cruze

THROUGH: Andrea Gardner, City Manager

SUBJECT: Discuss and consider action on a resolution by the Watauga Economic Development Corporation of the City of Watauga, Texas authorizing the use of the Watauga EDC name on the 2020 Tarrant County Pride Parade application and granted permission to participate in said event; providing for repeal; providing a savings clause; and providing an effective date

BACKGROUND/INFORMATION:

On June 16, 2020, the City Manager received an email request from Board Member Cruze to place an item on the July 2020 Agenda requesting permission to participate in the Tarrant County Gay Pride Parade. The application requires an entry fee, that is being paid through a private donation.

The parade is scheduled for October 2020 but is subject to change due to COVID-19.

FINANCIAL IMPLICATIONS:

RECOMMENDATION/ACTION DESIRED:

Board Member/Director Place 6, Cheney Cruze requests the WEDC Board approve Resolution No. 2020-04 supporting the participation of the Board Members and inclusion of the Watauga EDC on the application for the Tarrant County Gay Pride Parade to be held in October 2020.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Authorizing Resolution for 2020 Pride Parade Application

REVIEWED BY:

Karrie Marling, Legal

Approved - 6/18/2020

George Hyde, Legal

Final Approval - 6/19/2020

Approved as to form for inclusion on Agenda

WATAUGA ECONOMIC DEVELOPMENT CORPORATION
RESOLUTION NO. 2020-04

A RESOLUTION BY THE WATAUGA ECONOMIC DEVELOPMENT CORPORATION OF THE CITY OF WATAUGA, TEXAS AUTHORIZING THE USE OF THE WATAUGA ECONOMIC DEVELOPMENT CORPORATION NAME ON THE 2020 TARRANT COUNTY PRIDE PARADE APPLICATION AND SUPPORTING PARTICIPATION BY BOARD MEMBERS; PROVIDING FOR REPEAL; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE

BE IT RESOLVED by the Watauga Economic Development Corporation that:

I.

Board Member Cheneya Cruze is hereby authorized to use the name “Watauga Economic Development Corporation” on the 2020 Tarrant County Gay Pride Parade application.

II.

This resolution shall be and is hereby cumulative of all other resolutions of the Watauga Economic Development Corporation and this resolution shall not operate to repeal or affect any of such other resolutions, except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this resolution, in which event such conflicting provisions, if any, in such other resolution or resolutions are hereby repealed.

III.

If any section, subsection, sentence, clause or phrase of this resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of this resolution.

IV.

This Resolution shall become effective and shall be in full force and effect from and after the date of passage and adoption by the Watauga Economic Development Corporation of the City of Watauga, Texas, and upon application of law and in accordance with the Bylaws of the Watauga Economic Development Corporation.

PASSED AND ADOPTED by the Watauga Economic Development Corporation Board of Directors, on this the 21st day of July 2020.

APPROVED:

ARTHUR L. MINER, President

ATTEST:

Amirali Fazalbhai, Board Secretary

APPROVED AS TO FORM AND LEGALITY:

GEORGE HYDE, Corporation Attorney



AGENDA MEMORANDUM

DATE: July 16, 2020

TO: Watauga Economic Development Corporation Directors

FROM: Andrea Gardner, City Manager

SUBJECT: Discuss and consider action on authorizing the development and use of a Business Registration program

BACKGROUND/INFORMATION:

City staff have worked to develop a business retention program and in that process discovered the need for a more reliable and professional method for tracking the number, type and business details information.

While trying to assist local businesses with funding program applications and other pandemic related matters, the need for such a program, to include software purchase, became evident.

City staff has completed demonstrations of several software programs and should the Board agree to creating such a program and once a final recommendation can be made the software purchase will be presented to the Board and City Council for approval.

In the meantime, City staff created a template application in Civic Plus to give the Board an idea of the type of information we would seek to acquire from our local businesses.

FINANCIAL IMPLICATIONS:

The first year, City staff recommends not attaching a fee to the Business Registration process to ensure more businesses actually register with the City. In future years, the City staff will evaluate the need to add a renewal fee and a new registration fee for those businesses registering after the first year. That fee is expected to be nominal.

RECOMMENDATION/ACTION DESIRED:

City staff respectfully request the Board to consider developing a Business Registration Program and provide direction to the City Manager on implementation.

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. Application



AGENDA MEMORANDUM

REVIEWED BY:

Andrea Gardner, City Manager

Final Approval - 7/16/2020

Approved as to form for inclusion on Agenda



Form Center

By signing in or creating an account, some fields will auto-populate with your information and your submitted forms will be saved and accessible to you.

Business Registration

Business Legal Name*

Business Registration Type*

Business Type*

Date of Business Opening*

Number of Employees*

Business Location Address*

Business Location Address 2

City

State

Zip

Mailing Address (If Different from Business Address)

Mailing Address 2 (If Different from Business Address)

City

State

Zip

Business Contact Email*

Business Contact Phone*

Owner/Operator First Name*

Owner/Operator Last Name*

Owner/Operator Email

Owner/Operator Phone (If Different from Business Phone)

Business Structure*

- ☐ DBA
- ☐ Sole Proprietor
- ☐ LLC
- ☐ Partnership
- ☐ 501C3

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☒ Receive an email copy of this form.

Email address

This field is not part of the form submission.

* indicates a required field



AGENDA MEMORANDUM

DATE: July 14, 2020

TO: Watauga Economic Development Corporation Directors

FROM: Sandra Gibson, CGFO, CGFM, Director of Finance

SUBJECT: Consider action on a resolution approving a City of Watauga Economic Development Grant Agreement with the City of Watauga to provide funding to support costs for an Incubator Site Project

BACKGROUND/INFORMATION:

The Economic Development Corporation is a Type B sales tax corporation and is authorized to expend funds related to community or recreational facilities.

The incubator project was discussed during the budget process for the Board's consideration. A public hearing was held for citizen input on the incubator project in accordance with Local Government Code 505.159.

The attached resolution and agreement requires consideration and action by the Board after the required Public Hearing. If the Board agrees to pay for this debt service, a transfer of funds will be made annually to the City's General Obligation Debt Service Fund. The WEDC gave approval for staff to pursue an EDA Grant Opportunity under the CARES Act for this project. If grant funding is received, this agreement will be amended.

The project cannot begin and monies cannot be expended until 60 days after the Public Hearing per Local Government Code 505.160.

FINANCIAL IMPLICATIONS:

An annual transfer of debt service costs for the Incubator site project will be included in the EDC budget.

RECOMMENDATION/ACTION DESIRED:

Respectfully recommend the Board take action to approve Resolution 2020-07, approving the grant agreement between the WEDC and City for an incubator site project.



AGENDA MEMORANDUM

ATTACHMENTS/ SUPPORTING DOCUMENTATION:

1. \$500K 10 YR Food Truck Court
2. Incubator Site Project Grant Agreement legal review (Final)
3. WEDC Resolution Incubator Site Project

REVIEWED BY:

George Hyde, Legal

Andrea Gardner, City Manager

Approved as to form for inclusion on Agenda

Approved - 7/16/2020

Final Approval - 7/16/2020

BOND DEBT SERVICE

**Watauga Parks Development Corporation
Certificates of Obligation, Series 2020**

Dated Date 08/01/2020
Delivery Date 08/01/2020

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
02/01/2021	45,000	3.000%	7,500	52,500	
08/01/2021			6,825	6,825	
09/30/2021					59,325
02/01/2022	45,000	3.000%	6,825	51,825	
08/01/2022			6,150	6,150	
09/30/2022					57,975
02/01/2023	45,000	3.000%	6,150	51,150	
08/01/2023			5,475	5,475	
09/30/2023					56,625
02/01/2024	50,000	3.000%	5,475	55,475	
08/01/2024			4,725	4,725	
09/30/2024					60,200
02/01/2025	50,000	3.000%	4,725	54,725	
08/01/2025			3,975	3,975	
09/30/2025					58,700
02/01/2026	50,000	3.000%	3,975	53,975	
08/01/2026			3,225	3,225	
09/30/2026					57,200
02/01/2027	50,000	3.000%	3,225	53,225	
08/01/2027			2,475	2,475	
09/30/2027					55,700
02/01/2028	55,000	3.000%	2,475	57,475	
08/01/2028			1,650	1,650	
09/30/2028					59,125
02/01/2029	55,000	3.000%	1,650	56,650	
08/01/2029			825	825	
09/30/2029					57,475
02/01/2030	55,000	3.000%	825	55,825	
09/30/2030					55,825
	500,000		78,150	578,150	578,150

STATE OF TEXAS
COUNTY OF TARRANT

§
§

CITY OF WATAUGA ECONOMIC DEVELOPMENT GRANT AGREEMENT

Authority

This Agreement is made under the authority of TEX. LOC. GOV'T CODE chapters 501, 502 and 505, as amended (the "Code")

Parties

This Agreement is made and entered into by and between the City of Watauga Economic Development Corporation (the "WEDC") organized under the Code, and the City of Watauga (the "GRANTEE").

Effective Date

This Agreement shall be effective on the 61st day after the date the notice of the public hearing was first published, provided that no valid petition seeking an election on whether the project should be undertaken is filed with the municipality within that time period and provided that the WEDC and GRANTEE have duly executed the Agreement by signature of authorized representatives for both WEDC and Grantee ("Effective Date").

Preamble

WHEREAS, the WEDC held a meeting concerning the expenditure of the funds that are the subject of this agreement on July 21, 2020; and

WHEREAS, on July 21, 2020 a public hearing was held on the proposed project that is the subject of this agreement; and

WHEREAS, upon the recommendation of the WEDC, the City Council of Watauga, Texas on _____, approved the expenditure of said funds; and

WHEREAS, Texas Local Government Code Section 501.103 defines an authorized project for an economic development corporation to include "expenditures . . . suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to . . . water and sewer utilities, electric utilities, ...drainage, site improvements and related improvements"; and

WHEREAS, Texas TEX. LOC. GOV'T CODE § 505.153 allows the Corporation to lease all or any part of a project to a user, for the rental and on the terms that the corporation's board of directors considers advisable and not in conflict with this subtitle.

WHEREAS, the Board of Directors of the WEDC and the City Council of the City or Watauga find that the design, construction and amenities and the operation of a small business incubator site in the City is an authorized project as provided by TEX. LOC. GOV'T CODE §§ 501.103 and 505.153; and

NOW THEREFORE, in view of the above and foregoing, and in consideration of the mutual agreements herein contained, WEDC and Grantee hereby agree as follows:

Terms

In consideration for the mutual promises and covenants given and the mutual benefits received, which is hereby acknowledged by the Parties, the Parties agree as follows:

1) Purpose; Allocation; Schedule of Payments

- i) WEDC shall allocate an amount of funds ("Funds") sufficient to cover the costs of design and construction for an incubator site project and amenities to be located within the corporate boundaries of the City of Watauga as pre-approved by the WEDC and City of Watauga City Council in order to promote or develop new or expanded business enterprises, to develop streets and roads and related improvements, to promote and develop new or expanded business enterprises that create and retain primary jobs, to provide for general municipally owned improvements, to create and retain primary jobs and to facilitate business recruitment, retention and expansion efforts for the future benefit of the WEDC and City of Watauga and to improve the community; and
- ii) Said Funds allocated shall be used by GRANTEE for the purpose of providing paying the debt service requirements (each February and August) on the 2020 Certificates of Obligation planned to be issued by the City of Watauga specific to the incubator site project. Said incubator site is instrumental to the WEDC in the promotion and development of new and expanded business enterprises in the City of Watauga and shall benefit the WEDC in their goals of creating and expanding business in the City of Watauga.
- iii) The exact amount of Funds to be allocated shall be determined by the City's Financial Advisor with a separate debt schedule set forth solely for the purpose of the incubator site project. The schedule for payment shall be based on a 10 year timeline beginning in February, 2021 and ending in

September 2030, with a minimum of two semi-annual payments due on or before February 15 and August 15, at the interest rate set at the bond issuance in August, 2020 by the City to pay for the Incubator Site Project. Once prepared the separate debt schedule shall be appended to this Agreement as Appendix A and shall be incorporated herein as if recited verbatim.

2) Default:

- i) Any party to this Agreement is in default if the party has failed to perform any obligation in this agreement, after notice of failure to perform, the passage of 90 days and, the party has failed to cure the alleged failure to perform.
- ii) If a default occurs in the performance of any obligation of WEDC or Grantee, any payment or performance obligation may be enforced by: (1) mandamus; or (2) the appointment of a receiver in equity with the power to: (A) charge and collect any applicable rents, purchase price payments, and loan payments; and (B) apply any revenue from the project in accordance with any resolution, mortgage, or instrument supporting or related to this agreement.
- iii) This Agreement may be terminated by the WEDC if it is determined that GRANTEE is in default by using the funds provided for in this Agreement for any purpose other than those identified in Section 1(i) of this Agreement. Termination of this Agreement may be affected if any such default is not cured within ninety (90) days after written notice by WEDC to GRANTEE.
- iv) In the event of termination for default under this agreement WEDC's sole remedy shall be termination of this agreement and reimbursement of the funds determined to be improperly used.

3) Miscellaneous

- i) Assignment. GRANTEE may not assign this Agreement.
- ii) No Right of Renewal. It is understood and agreed that the receipt of these funds by GRANTEE shall not imply any right of automatic renewal of this contract.
- iii) Notice. Any notice required under the provisions of this Agreement shall be in writing and delivered in person, by fax or deposited in the United States Mail, registered or certified, return receipt requested. Any such notice must be addressed to WEDC or GRANTEE at the following addresses. Any notice shall be deemed received three days after the date of deposit in the United States Mail, unless proof is offered to the contrary. Unless otherwise

provided in this Agreement, all notices shall be delivered to the following addresses:

WEDC: City of Watauga Economic Development Corporation
Attn: President
7105 Whitley Road
Watauga, Texas 76148

GRANTEE: City of Watauga, Texas
Attn: City Manager
7105 Whitley Road
Watauga, Texas 76148

Either party may designate a different address or fax number by giving the other party written notice.

- iv) Binding Agreement. This Agreement has been duly executed and delivered by both parties and constitutes a legal, valid and binding obligation of the parties. Each person executing this Agreement on behalf of each party represents and warrants that they have full right and authority to enter into this Agreement.
- v) Amendment. This Agreement may not be amended except in a written instrument specifically referring to this Agreement, approved by the WEDC Board of Directors and the City Council of Grantee and signed by the parties hereto.
- vi) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. The State of Texas shall have jurisdiction over this Agreement and the parties hereto, and venue of any legal action filed by either WEDC or GRANTEE shall be in Tarrant County, Texas.
- vii) Severability. In the event that one or more of the provisions contained in the Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein, but shall not affect the remaining provisions of this Agreement, which shall remain in full force and effect.
- viii) Execution. WEDC executes this Agreement by and through its President. GRANTEE executes this Agreement by and through its Mayor. The parties further agree that this Agreement may be executed in multiple counterparts, each of which shall be considered an original.

**WATAUGA ECONOMIC
DEVELOPMENT CORPORATION:**

_____, 2019
DATE

PRESIDENT

ATTEST:

**AMIRALI FAZALBHAI,
CORPORATION SECRETARY**

CITY OF WATAUGA:

_____, 2019
DATE

MAYOR

ATTEST:

**ANDREA GARDNER,
CITY SECRETARY**

WATAUGA ECONOMIC DEVELOPMENT CORPORATION
RESOLUTION NO. 2020-07

A RESOLUTION OF THE WATAUGA ECONOMIC DEVELOPMENT CORPORATION APPROVING AN ECONOMIC DEVELOPMENT GRANT AGREEMENT FOR THE DESIGN, CONSTRUCTION, AND AMENITIES FOR AN INCUBATOR SITE PROJECT IN THE CITY OF WATAUGA BETWEEN THE WATAUGA ECONOMIC DEVELOPMENT CORPORATION AND THE CITY OF WATAUGA, TEXAS AND AUTHORIZING THE PRESIDENT OF THE WATAUGA ECONOMIC DEVELOPMENT CORPORATION TO EXECUTE SAID AGREEMENT.

WHEREAS, the Watauga Economic Development Corporation (the “WEDC”) is a Type B Economic Development Corporation organized pursuant to Chapters 501, 502 and 505 of the Texas Local Government Code; and

WHEREAS, Texas Local Government Code Section 501.103 defines an authorized project for an economic development corporation to include “ expenditures . . . suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to . . . streets and roads . . . and related improvements”; and

WHEREAS, Texas Local Government Code Section 505.153 allows the Corporation to lease all or any part of a project to a user, for the rental and on the terms that the corporation’s board of directors considers advisable and not in conflict with this subtitle.

WHEREAS, the Board of Directors of the WEDC finds that an incubator site project will encourage new enterprises and support the growth of business within the community; and

WHEREAS, the Board of Directors of the WEDC finds that an incubator site project will stimulate job growth with hiring local people, buying from local sources, and selling to local customers and shall assist residents and visitors of the City of Watauga to enjoy quality of life and additional dining opportunities; and

WHEREAS, the Board of Directors of the WEDC finds that the incubator site project will create a multi-modal community hub for residents, directly serves the food industry, and indirectly serves the surrounding retail industries and local businesses, thus supporting such businesses and ensuring such businesses create and retain primary jobs; and

WHEREAS, the Board of Directors of the WEDC finds that the design, construction, and amenities for an Incubator Site Project in the City constitutes an authorized project as provided by Texas Local Government Code Sections 501.103 and 505.153; and

WHEREAS, in August, 2020, the City of Watauga is scheduled to issue Certificates of Obligation for the specific purpose of the design and construction of an incubator site in the City of Watauga; and

WHEREAS, the Board of Directors of the WEDC desires to allocate an amount of funds sufficient to pay the debt service on such 2020 Certificates of Obligation for the design and construction of an incubator site in the City of Watauga; and

WHEREAS, the Board of Directors of the WEDC finds the incubator site will facilitate business recruitment, retention, and expansion efforts for the future benefit of the City of Watauga; and

WHEREAS, the Board of Directors of the WEDC further finds that the incubator site will promote and develop new and expanding business enterprises in the City of Watauga and improve the community; and

WHEREAS, the action authorized by this Resolution is in furtherance of the public interest, for the good of the community, and necessary and proper for carrying out the authority granted by law to the WEDC.

NOW, THEREFORE, BE IT RESOLVED by the Watauga Economic Development Corporation Board of Directors that:

I.

The WEDC hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the WEDC hereby incorporates such recitals as a part of this Resolution.

II.

The City of Watauga Economic Development Grant Agreement between the City of Watauga and the Watauga Economic Development Corporation pertaining to the design and construction of an incubator site in the City of Watauga is hereby in all things approved and authorized.

III.

The President of the WEDC is hereby authorized to execute for and on behalf of the WEDC, and the Secretary of the WEDC is hereby authorized to attest the Economic Development Agreement between the City of Watauga, Texas, and the Watauga Economic Development Corporation, Corporation pertaining to the construction and installation of branding signs throughout the City of Watauga. A copy of such economic development agreement is attached hereto and made a part hereof for all purposes.

IV.

This Resolution shall be and is hereby cumulative of all other resolutions of the WEDC and this resolution shall not operate to repeal or affect any such other resolutions except insofar as the provisions thereof might be inconsistent or in conflict with the provisions of this resolution, in which event such conflicting provisions, if any, in such other resolution or resolutions are hereby repealed.

V.

If any section, subsection, sentence, clause or phrase of this resolution shall for any reason be held to be invalid, such decision shall not affect the validity of the remaining portions of this resolution.

VI.

This resolution shall become effective and be in full force and effect from and after the date of passage and adoption by the Board of Directors of the WEDC, and upon approval thereof as prescribed by law.

PASSED AND ADOPTED by the Watauga Economic Development Corporation on this 21st day of July 2020.

APPROVED

President

ATTEST:

Secretary