MINUTES
WATAUGA ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING
TUESDAY, JULY 21, 2020
7105 WHITLEY ROAD, WATAUGA, TEXAS 76148
6:00 PM

CALL TO ORDER:

President Miner called the meeting to order by videoconference at 6:00 PM.

DIRECTORS PRESENT:

Art Miner, President, Place 1	Attended by Videoconference
Amirali Fazalbhai, Place 2	Attended by Videoconference
Jan Hill, Place 3	Attended by Videoconference
Damon Solko, Place 4	Attended by Videoconference
Cheneya Cruze, Place 6	Attended by Videoconference (Joined at 6:05 p.m.)
Robert Gaffney, Place 7	Attended by Videoconference

DIRECTORS ABSENT:

Mike Alexander, Place 5	Absent with Notice

CITY STAFF PRESENT:

Andrea Gardner, City Manager	Attended by Videoconference
Sandra Gibson, Finance Director	Attended by Videoconference
Paul Hackleman, Public Works Director	Attended by Videoconference

ANNOUNCEMENTS FROM BOARD

None

PUBLIC TESTIMONY

Mayor Miner called for Public Testimony.

Ms. Mary Stormer, 6545 Old Mill Circle, Watauga, Texas, addressed the board and asked how many new businesses had Retail Coach brought in and how many were lost to COVID-19.

Ms. Danielle Tucker submitted a request to speak during the meeting, was called upon, but provided no response.

REPORTS FROM STAFF

Ms. Gibson gave an overview of the Monthly Financial Report for May 2020 that included the following:

WEDC is 67% into the May 2019-2020 budget year; revenue is 61% of budget and expenditures are

60% of budget. May sales tax receipts are down 6.4%, and per the Comptroller's report, retail is down.

Ms. Gibson also stated that there are no details regarding the number of businesses that have closed due to COVID.

There were no questions or comments from the Board.

PUBLIC HEARING

President Miner opened the public hearing at 6:10 p.m.

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

Ms. Gibson presented a brief overview of the item and stated that the $500,000 project would be funded by Certificates of Obligation and an application would be submitted for an EDA Grant.

President Miner called for Public Comment and introduced Ms. Mary Stormer, 6545 Old Mill Circle, Watauga. Ms. Stormer shared multiple concerns regarding the incubator project. City Manager Gardner and President Miner addressed Ms. Stormer's concerns.

Vice-President Cruze asked Ms. Gardner to address the misinformation circulating online regarding the project and the fact that the incubator could be used for non-food vendors. City Manager Gardner stated that the project is for restaurants and the City is working on an operations plan that will address all business requirements and agreements. The plan will be brought to the board to discuss and vote on at a future date.

President Miner read comments submitted by Ms. Sharon Gehle, 7725 Partridge Dr., Watauga, and Ms. Andra Dunn, 6516 Alta Vista Dr. Watauga. (*To will be recorded with approved minutes*)

Ms. Gardner read response provided via email to Ms. Dunn (*To be recorded with approved minutes)*

Director Gaffney inquired if rate of 3% is still available. Ms. Gibson responded that financial advisor anticipates the rate to be lower than 3%.

Mr. Paul Hackleman reported that parking will include 16 -18 spaces with a possibility to allow additional temporary parking if needed but does not want a separate entrance and exit due to pedestrians in the area. Ms. Gardner mentioned the possibility of entering into a shared parking agreement to accommodate additional parking needs.

Mayor Miner closed Public Hearing at 6:39 p.m.

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.**

Ms. Gibson provided background information of the presented item.

Director Gaffney asked to verify that debt service in budget shows an increase and if the incubator project is also included.

Ms. Gibson confirmed the difference of the debt service from FY 2020 to FY 2021 and the incubator project's purpose.

Ms. Mary Stormer, 6545 Old Mill Circle, Watauga, asked for clarification of Ms. Gardner's job titles and if they included WEDC Executive Director, City Manager and City Secretary. President Miner stated that all (3) functions are served by Ms. Gardner.

Director Hill motioned to approve the item as presented. Director Gaffney seconded the motion. The motion carried 5-0.

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

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.**

Ms. Gardner introduced the item and stated that she or Mr. Hackleman are available to address questions regarding the presented item.

President Miner called for Public Testimony and introduced Ms. Mary Stormer, 6545 Old Mill Circle, Watauga. Ms. Stormer asked how much has been expended on the project and why the WEDC President does not also needed to sign documents. President Miner commented that previous legal counsel worked with the City for over 30 years and before contracts are executed, they are presented to the Board and Council.

Director Hill motioned to approve the item as presented. Secretary Fazalbahi seconded the motion. The motion carried 5-0.

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

APPROVAL OF MINUTES

1. **Consider and take action to approve the minutes of the Regular Meeting of June 23, 2020**

Vice-President Cruze motioned to approve the minutes of the Regular Meeting of June 23, 2020 as submitted. Director Hill seconded the motion. The motion carried 5-0.

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

NEW BUSINESS (Continued)

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.**

Ms. Gardner gave a brief description of the amendments.

President Miner called for Public Testimony and introduced Ms. Mary Stormer, 6545 Old Mill Circle, Watauga. Ms. Stormer stated that she was concerned that Council can remove members without cause and asked for additional information regarding section 2.06. Ms. Gardner responded to all concerns.

Mr. Gaffney asked for clarification on his position expiration date. President Miner stated that Position 7 will expire in August 2021.

Director Hill motioned to approve the item. Director Fazalbhai seconded the motion. The motion carried 5-0.

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

4. **Consider action on a Staffing and Reimbursement Agreement between the Watauga Economic Development Corporation and the City of Watauga for personnel and services**

Ms. Gibson gave background on the item and pointed out the added positions of the Public Information Officer and Information Technology support position.

President Miner called for Public Testimony and introduced Ms. Mary Stormer, 6545 Old Mill Circle, Watauga. Ms. Stormer inquired regarding the statement that City employees shall not be WEDC employees and inquired about the rate of various City employees included in the attachment. President Miner addressed Ms. Stormer's inquiries.

Director Gaffney motioned to approve the item. Vice-President Cruze seconded the motion. The motion carried 5-0.

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

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

Vice-President Cruze presented the item to the Board and requested approval to participate for the second consecutive year.

President Miner called for Public Testimony and introduced Ms. Stormer, 6545 Old Mill Circle, Watauga. Ms. Stormer stated that she is pleased that the board is considering this item.

President Miner stated that he has requested legal counsel to secure means prohibiting the use of the City logo and that they are looking to trademark the Watauga name and logo.

Secretary Fazalbhai motioned to approve the item. Director Gaffney seconded the motion. The motion carried 5-0.

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

6. Discuss and consider action on authorizing the development and use of a Business Registration program

Ms. Gardner provided background on the presented item.

Secretary Fazalbhai stated that he was in support of the program and suggested additional exposure.

Director Gaffney asked if the City had any liability for inaccurate data entry and if this could be made part of the overall process.

President Miner added that he would like Board members to speak with business owners.

President Miner called for Public Testimony and introduced Ms. Mary Stormer, 6545 Old Mill Circle, Watauga. Ms. Stormer recommended looking to the Better Business Bureau and is concerned regarding ownership of data and information.

Director Fazalbhai motioned to approve the item. Vice-President Cruze seconded the motion. The motion carried 5-0.

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

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

President Miner called for Public Testimony and introduced Ms. Mary Stormer, 6545 Old Mill Circle, Watauga. Ms. Stormer stated that she feels the agendas are set out ahead of the meeting and that citizens are upset. She challenged the Board members to go out to the community and visit with citizens. She commented that she feels that seniors are not be being taken care of and receives pushback from individuals. President Miner addressed some of Ms. Stormer's comments and stated that he would like to hear from citizens.

Vice-President Cruze responded to Ms. Stormer's comment regarding citizen interaction and stated that she spends a fair amount of time on social media and tries to ensure that items are addressed. Director Hill echoed the comments made by Vice-President Cruze regarding social media and encouraged citizens to email the City Manager and Council.

Director Hill motioned to approve the item as presented. Director Fazalbahi seconded the motion. The motion carried 5-0.

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

ADJOURNMENT

With no additional business to discuss, President Miner adjourned the videoconference meeting at 7:50 p.m.

APPROVED: this the 15TH day of SEP, 2020

SIGNED: this the 13TH day of OCT, 2020

Arthur L. Miner /s/
Arthur L. Miner, President

Amirali (A.J) Fazalbhai /s/
Amirali (A.J.) Fazalbhai, Secretary

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WEDC July 21, 2020 Comment Registration - Submission #26715

Date Submitted: 7/21/2020

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*

Andra

Last Name*

Dunn

Address1*

6516 Alta Vista Dr.

Address2

City*

Watauga

State*

TX

Zip*

76148

Email*

[redacted]

Phone

8174499636

I wish to comment during (check all that apply):*

- [ ] Public Testimony
- [x] Public Hearing
- [ ] New Business 1
- [ ] New Business 2
- [ ] New Business 3
- [ ] New Business 4
- [ ] New Business 5
- [ ] New Business 6
- [ ] New Business 7

Select how you wish to participate:

If you select WEBEX, a meeting invite will be sent to the email address you provide. You will need to have internet, a device that can connect with audio and/or a phone. You will be responsible for connecting to the meeting and being available when the section you are requesting to speak during is current.

Select an option:*

- ( ) Connecting to the meeting using WEBEX
- (•) Having my comments read into the record

Comments - Indicate which section of the meeting your comments refer to:

I have a number of concerns about the incubator project. Primarily, I question the timing, as we face an economic downturn and a decrease in our sales tax revenues, is this really the time to be risking our money on a questionable venture? In different circumstances this is a project I might be able to get behind, but the timing of this project, I feel, should be tabled until we are in a more stable economic environment.

In addition, I have concerns with the overall vision of this project. Will there be ample parking for people to shop/dine? Who will oversee the operations of this incubator site? What kind of screening process will vendors go through? Will trucks be semi-permanently placed, opened daily during regular set business hours? Or do they just randomly pull up and set up shop? How do we ensure the space is fully utilized and doesn't just sit empty? Are there currently businesses that have requested this kind of access to our City that have previously been denied?

Will this location also facilitate the Watauga Farmers Market and other seasonal vendors that set up temporary businesses?

Finally, would there be incentives offered to encourage these mobile businesses to move to a brick and mortar inside of Watauga city limits? Would there be any kind of limits to their access to the incubator site, say 6 months or a year, and then they must establish their business or move on to other locations outside of our city if they wish to only have a mobile operation? How could we decentivize mobile-only businesses from accessing this incubator?

Has someone thought through all of these questions? Is there a business plan that covers all of these kinds of operational issues that can be reviewed?

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WEDC July 21, 2020 Comment Registration - Submission #26714

Date Submitted: 7/21/2020

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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*

Sharon

Last Name*

Gehle

Address1*

7725 Partridge Drive

Address2

City*

Watauga

State*

TX

Zip*

76148

Email*

[redacted]

Phone

18174984918

I wish to comment during (check all that apply):*

- [ ] Public Testimony
- [x] Public Hearing
- [ ] New Business 1
- [ ] New Business 2
- [ ] New Business 3
- [ ] New Business 4
- [ ] New Business 5
- [ ] New Business 6
- [x] New Business 7

Select how you wish to participate:

If you select WEBEX, a meeting invite will be sent to the email address you provide. You will need to have internet, a device that can connect with audio and/or a phone. You will be responsible for connecting to the meeting and being available when the section you are requesting to speak during is current.

Select an option:*

- ( ) Connecting to the meeting using WEBEX
- (•) Having my comments read into the record

Comments - Indicate which section of the meeting your comments refer to:

1) Not enough parking. Needs parking at both ends of ingress/egress drives. There are NO nearby parking lots that would allow additional parking, and there are no demand generators in the area. Middle school across the street may add some demand, but only during narrow windows of the day. Unknown if Watauga Road generated sufficient traffic to support.
2) Driveway needs to be at least 15 feet wider to accommodate drive through traffic. Current configuration is reportedly only to get food truck in and out of spaces.
3) Instead of a food truck court, they should consider allowing at the Rec Center on Indian Springs and Foster Village Park on Starnes Road during soccer and baseball season. Cap Smith Park should also be considered for larger scheduled city and community events. Watauga should start out with properties already in use in order to test demand before additional dollars are spent.

Samantha Ortega

From: Raquel Guajardo
Sent: Wednesday, January 27, 2021 2:57 PM
To: Samantha Ortega
Subject: Submittal - A. Dunn

FYI. Redact emails.

From: Andrea Gardner
Sent: Wednesday, January 27, 2021 2:53 PM
To: Raquel Guajardo
Subject: FW: Submittal

From: Andrea Gardner <AGardner@wataugatx.org>
Sent: Tuesday, July 21, 2020 5:26 PM
To: Mayor Arthur Miner <AMiner@wataugatx.org>
Subject: Fwd: Submittal

FYI

Sent from my iPhone

Begin forwarded message:

> **From:** Andra Dunn [redacted]
> **Date:** July 21, 2020 at 4:38:33 PM CDT
> **To:** Andrea Gardner <AGardner@wataugatx.org>
> **Subject: Re: Submittal**
>
> CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.
>
> Thank you for your response, this is good information. I agree that attracting businesses to Watauga is important. There are so many vacant spaces currently! As I mentioned, I think eventually this could be a great project, but I think the plan needs a little more work or more information shared. I hope you get some valuable feedback. I think with the right design and resources this could prove to be a good thing for our city.
>
> A friend of mine asked if this would be ADA accessible. I assume it would be, but can you confirm? Will there also be a sidewalk from the parking lot to the businesses? The site plan doesn't show one.
>
> On Tue, Jul 21, 2020 at 4:01 PM Andrea Gardner <AGardner@wataugatx.org> wrote:
>
> > Andra,

It is good to hear from you. I hope all is well with your family. The attached agenda memorandum answers a large number of your questions. As for your concerns, the Economic Development Corporation has been presented with an affordable option to cover the debt service for the project that is included a City bond issue. This option allows the Corporation to pay for the project over the life of the project, not to exceed 20 years, rather than, immediately expend funds/cash for the project. This option is also more affordable for the future tenants. Furthermore, City staff and consultants are currently working to prepare a CARES Act grant application and complete a feasibility study for the proposed project that could potentially cover some of the project costs. The WEDC also plans to utilize a cost recovery through fees charged to incubator residents to cover the operational costs and an affordable rate for project recovery costs.

The research supports incubator projects as it provides the necessary support some entrepreneurs lack. Incubators can give them an edge and increase the likelihood that startup businesses are able to keep expenses under control and they also benefit from the business expertise that is offered through such a project and the emotional support from other incubator businesses at the site. The role of the economic development incubator is to be a place where a baby business can be nurtured and looked after until it is ready to survive on its own. Small business is where most job creation lies and the importance of small business has been truly realized as a result of COVID-19. The WEDC can't wait around for a big corporation to locate here and provide jobs.

City staff has been working with a licensed professional engineer to complete the attached site plan and the concerns expressed by you have been thought out as the project was being considered. Also, I am currently working with the sub-committee appointment by the WEDC Board several months ago and legal counsel to develop a license agreement for the incubator residents/tenants. Prior to the license agreement being developed, staff will complete the operational plan that will include an application, a credit analysis process and requirements for the tenants to meet. The plan for the incubator is expected to provide a business 3-5 years at the site with progress being shown towards opening a brick and mortar location.

I hope this helps clear up your concerns and answers your questions. Thanks.

Andrea M. Gardner

City Manager/City Secretary

7105 Whitley Rd.

Watauga, TX 76148

agardner@wataugatx.org

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