

WHARTON ECONOMIC DEVELOPMENT CORPORATION

Minutes - Regular Meeting

January 24, 2022

vice-President Michael Wootton called the Meeting to order at 12:04 P.M.

Board Members Participating: Michael Roberson, Clifford Jackson, David Schroeder
Michael Wootton, Andrew Armour and Russell Machann

Board Members Not Participating: Freddie Pekar

Advisory Members Participating: Mayor Tim Barker, City Manager Joe Pace, Mark Castillo,
Marilyn Sebesta, Cindy Hernandez and Ron Sanders

Advisory Members Not Participating: Kent Hill, Billie Jones, Dr. Michael O'Guin, Betty McCrohan,
Judge Philip Spenrath, Joe Freudenberger and Abby King

WEDC Attorney Not Participating: Kari Lutringer

Visitors Participating: Christi Gonzales, Joan Andel, Gwyn Teves, Russell Baird, Brandon Cruz,
Stephanie Konvicka, Laura Clemens, Yvonne Hawkins, Alvin Hawkins
Chris Young and Joe Southern.

Staff Member Present: Joshua Owens

Consultant Present: Karen Heintschel

Public Comments: Vice-President Michael Wootton asked if there were any public comments. Brandon Cruz, owner of Damon's Real Texas BBQ, 807 Alabama Road, addressed the Board and made a funding request for signage on his property. Russell Baird addressed the Board explained the planned renovations and improvements to his properties located at 238, 246, 307, 309 and 311 West Milam Street and asked for funding to help defray the cost of the improvements. Vice-President Michael Wootton thanked both gentlemen for their presentations and said their requests would be considered in executive session.

Minutes of the Regular Meeting held on December 20, 2021. Director David Schroeder made the motion to amend the minutes to include the specific items added to the agreement as requested by the Board. Director Clifford Jackson seconded the motion. All voted in favor. A draft copy of the amended minutes will be included in the next regular monthly meeting packet for approval.

Presentation by Yvonne Hawkins on the property located at 135 West Burleson Street. Mrs. Hawkins addressed the Board and said her plan was to turn the property into an, indoor/outdoor family friendly type venue, including a kitchen, for receptions, parties and indoor/outdoor concerts. She said she would remove three trees from the lot in the back of the building and utilize the rest to have an open-air environment for entertainment. Mrs. Hawkins did not present any drawings, proof of financing, written cost estimates or site elevations, etc., as requested, but estimated the cost to renovate the space would be between \$350,000 to \$500,000. She added that they were in the process of attaining a beer and alcohol license. The Board thanked her for her presentation and said the request would be considered in executive sessions. No action was taken.

Presentation by Collaborative Communities Foundation, Laura Clemons on the property located at 135 West Burleson Street. Ms. Clemons addressed the Board and gave a power point presentation outlining the

schedule and timing of demolition, construction and cost estimate to refurbish the building. She did not provide any drawings, proof of financing or site elevations, etc., as requested, but estimated total estimated cost to renovate the building was \$250,000. Ms. Clemons said there were four undisclosed tenants interested in locating in the building and each would contribute to the renovation to meet their individual needs. She said lot behind the building would be utilized for yoga, eating, drinking, music and a place for dogs. The Board thanked her for her presentation and said her request would be considered in executive session. No action was taken.

Memorandum of Understanding with Work Force Solutions. Mr. Owens provided the Board with copies of the Memorandum of Understanding with Work Force Solutions. Director Michael Roberson made the motion to amend the Memorandum and add a review of the MOU in six months. Director Russell Machann seconded the motion. All voted in favor.

Resolution No. 2022-01 Authorizing Wharton EDC to enter into an agreement with Oak Bend Medical Center. Mr. Owens provided the Board with draft copies of Resolution 2022-01 Authorizing Wharton EDC to enter into an agreement with Oak Bend Medical Center. Mr. Owens stated that \$50,000 would be distributed in the first quarter of 2022 upon proof of paid receipts totaling \$50,000 and the remaining \$50,000 would be distributed no earlier than the fourth quarter of 2022 upon the completion of the project and proof of paid receipts. Director Clifford Jackson made the motion to approve Resolution No 2022-01 to enter into an Agreement with Oak Bend Medical Center. Director Michael Roberson seconded the motion. All voted in favor. A copy of the Resolution is attached.

report from Executive Director and discussion of:

A. Monthly Sales Tax Report. Mr. Owens provided the Board with copies of the Monthly Sales Tax Report and said the January sales tax was up 20% over the budgeted amount.

B. Required PFIA 2256.023 Report. Mr. Owens provided the Board with copies of the required PFIA 2256.023 as attached.

C. Balance Sheet/Commitments. Mr. Owens provided the Board with copies of the current Balance Sheet stating WEDC's total assets were \$2,965,530 and the total liabilities were \$170,726, net equity being \$2,794,804 WEDC's 2021-2022 commitments were \$170,726.

D. Statement of Revenues and Expenditures. Mr. Owens provided the Board with copies of the Statement of Revenues and Expenses as of December 31, 2021, and said that the Wharton EDC staff had been working with Harrison, Waldrop and Uherek on the annual audit. Mr. Owens provided analytical data on the web site and said the site was down by 150 visitors and had 139 new viewers. He said due to the time involved in updating the real estate section, the new web site should be up and running within the next month.

Mr. Owens mentioned that he would attend two conferences in the near future and that Co-Starters would begin another session soon. He also said he's continuing to work on retail with Retail Strategies and with T-Mobile on the Downtown public WIFI. Mr. Owens said that the Interlocal Agreement with the city had been signed and would be sent to the city for finalization. He mentioned the maintenance being done on the benches around the arthouse square and reminded everyone about the upcoming Job Fair on February 15th at the Wharton Civic Center.

Director Russell Machann made the motion to approve the Executive Director's report as presented. Director Michael Roberson seconded the motion. All voted in favor.

Executive Session: According to Texas Government Code (Chapter 551, Open Meetings), the Board may conduct a closed executive session for the following reasons: Consultation with attorney §551.071, deliberation regarding real property §551.072, deliberation regarding prospective gift §551.073, personnel matters §551.074, deliberation regarding security devices §551.076, deliberation regarding economic development negotiations §551.087. Final action, decision, or vote, if any with regard to any matter considered in Executive Session shall be made in Open Meeting.

The Board went into Executive Session at 1:00 P.M.

A. §551.087 - Deliberation regarding Economic Development negotiations.

1. **Negotiations on Sites.** No action taken.
2. **Business Retention and Expansion/Retail Reporting.**
3. **Retail.** No action taken.
4. **3010 North Richmond Road Project.** No action taken

B. §551.072 - Deliberation regarding Real Property

1. **135 West Burleson Street.** No action taken.
2. **807 North Alabama Road.** No action taken.
3. **238 West Milam Street.** No action taken.
4. **246 West Milam Street.** No action taken.
5. **307 West Milam Street.** No action taken.
6. **309 West Milam Street.** No action taken.
7. **311 West Milam Street.** No action taken.
8. **313 West Milam Street.** No action taken.

The Board returned to Open Session at 2:01 P.M.

A. §551.087 - Deliberation regarding Economic Development negotiations.

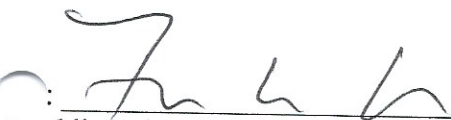
1. **Negotiations on Sites.** No action taken.
2. **Business Retention and Expansion/Retail Reporting.** No action taken.
3. **Retail.** No action taken.
4. **3010 North Richmond Road.** The Board directed Mr. Owens to write a letter to Ms. Utech, pending attorney approval, stating Wharton EDC's intent to withdraw the \$150,000 infrastructure grant in 30 days due to her sale of the property.

B. §551.072 - Deliberation regarding Real Property.


1. **135 West Burleson Street.** Mr. Owens stated that neither of the parties provided the content requested for a proposal, including financing, drawings, elevations, etc., they were asked to present to the Board, and recused himself from any discussion. The Board directed Mr. Owens to create a document, similar to the Business Restoration Grant Application, with requested pertinent and detailed information, such as, drawings, financing, elevations, etc., related to future written proposals for the purchase of 135 West Burleson Street, have it reviewed by Wharton EDC counsel and approved by the Board. The Board also directed Mr. Owens to proceed with negotiations with Ms. Clemens once the guidelines were approved and to offer Mrs. Hawkins financial assistance on her existing properties to help her get them operational.
2. **807 North Alabama Road.** On a motion made by Director Andrew Armour and seconded by Director Michael Roberson the following resolution was unanimously adopted: Resolved that the application from Brandon Cruz, owner of Damon's Real Texas BBQ, be approved for \$1,427.57 for signage as the Board finds that it will enhance the property located in Wharton and will promote the future expansion of business in Wharton. Funding will be contingent upon the completion of the project and the applicant providing paid receipts for the full amount of the signage improvements. All voted in favor.
- 3.-7. **238, 246, 307, 309, and 311 West Milam Street.** On a motion made by Director Russell Machann and seconded by Director Andrew Armour the following resolution was unanimously adopted: Resolved that the application from Russel Baird, be approved for \$50,000 for renovations and upgrades to his properties as the Board finds that it will enhance the properties located in Wharton and will promote the future expansion of business in Wharton. Funding will be contingent upon the completion of the project and the applicant providing paid receipts for the full amount of the improvements. All voted in favor.
8. **313 West Milam Street.** On a motion made by Director Clifford Jackson and seconded by Director Russell Machann the following resolution was unanimously adopted: Resolved that the application from Justin and Kristina Crouch, owners of Branded Bliss, be approved for \$10,000 for façade improvements as the Board finds that it will enhance the property located in Wharton and will promote the future expansion of business in Wharton. Funding will be contingent upon the completion of the project and the applicant providing paid receipts for the full amount of the facade improvements. All voted in favor.

With no further business to discuss, President Freddie Pekar thanked everyone for coming and adjourned the meeting at 2:08 P.M.

WHARTON ECONOMIC DEVELOPMENT BOARD


Freddie Pekar, President

01.24.2022

Attest: 
Andrew Armour, Secretary