

**WHARTON ECONOMIC DEVELOPMENT CORPORATION**  
**Minutes - Regular Meeting**  
**April 18, 2022**

Vice-President Michael Wootton called the Meeting to order at 12:01 P.M.

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

Board Members Not Participating: Michael Wootton

Advisory Members Participating: City Mayor Tim Barker, City Manager Joe Pace, Ron Sanders  
Marilyn Sebesta and Donald Smith

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

WEDC Attorney Not Participating: Kari Lutringer

Visitors Participating: Joe Southern, David Bowlin, Jon Cochrum, Haley and Justin Hobbs,  
Joan Anandel

Staff Member Present: Joshua Owens and Louisa Jimenez

Consultant Present: Karen Heintschel

**Public Comments:** President Freddie Pekar asked if there were any public comments. Chris Luera with The Ranch Downtown, LLC addressed the board and made a funding request for signage for Ranch House Designs new franchise on the property located at 311 South Polk Street, Wharton, Texas. President Freddie Pekar thanked him for his presentation and said his request would be considered in Executive Session.

**Minutes of the Regular Meeting held February 21, 2022, minutes of the Special Meeting held on March 7, 2022.** Director Michael Roberson made the motion to approve all of the minutes as presented. Director Andrew Armour seconded the motion. All voted in favor.

**Presentation by David Bowlin on GLO multi-family housing.** Mr. Bowlin addressed the board and provided a power point presentation on the General Land Office proposed housing project. Site 1, also known as The Brooks at Caney Creek, is currently under construction on Richmond Road. Inspiration of the building project originated from the Katrina Cottages. The site 2 will be a Victorian house with a lower and upper level. The projected monthly rent will range from \$700-\$1,100 per month. Mr. Bowlin mentioned the new housing project will be constructed out of perfect block and will be able to withstand an E4 tornado, Hurricane and will be insect proof.

Mr. Bowlin reported the housing project located on 800 Abell Street is making progress. The building has been vacant since 2009, tax exempt since 1935 and will soon go on tax rolls. The Directors thanked Mr. Bowlin for the PowerPoint presentation and his contribution to city's betterment of housing options. No action was taken.

**Presentation by Haley Hobbs on the properties located at 129 and 133 South Fulton Street.** Mrs. Hobbs addressed the board and provided each Director with construction estimates for 129 and 133 Fulton Street. Mrs. Hobbs stated she

is seeking assistance to bring both buildings back to economic use and to follow the provided Secretary of Interior guidelines in maintaining the historical value.

The new facilities will be an upgraded version from her current location at 243 W. Milam. Mrs. Hobbs anticipates staff size to grow from ten to fifteen and increase hair stations from four to eight. The array of luxury salon services will include yoga, wellness, tanning tent and full salon services to promote overall beauty. The Directors thanked Mrs. Hobbs for her detailed report. No action was taken

**Presentation by Job Cochrum on the Trailer Place Expansion.** Mr. Cochrum addressed the board and provided each Director a development plan for the request of Wharton EDC's Wharton Industrial Foundation located at 7300 Hwy 59.

The plan for the acquired property (7300 Hwy 59) is to expand the Retail operations of the Trailer Place, build a support staff to 80+, broaden operations throughout the US and grow Star Metal Fab to manufacture more trailers. The Directors thanked Mr. Cochrum for the presentation. No action was taken.

**TxDOT proposal on purchasing the Wharton Industrial Foundation Site Frontage.** Executive Director Josh Owens reported on the TxDOT request of requestion of 1.3 acres located on Frontage Road. Mr. Owens stated the TxDOT pitch is not equivalent to YTD appraisal and suggested the board of Directors consider a counter offer that would be closer to fair market value. No action taken.

**Appointment of Budget and Personnel Committees.** President Freddie Pekar appointed Directors Michael Wootton, Russell Machann and David Schroeder as members of the Budget Committee. The Budget committee is scheduled to meet Tuesday, May 3<sup>rd</sup> at 9:00am in the John O'Quinn room. City Manager Joe Pace and Finance Director Joan Anzel requested to be included in the budget planning meeting. Mr. Pekar appointed Directors Clifford Jackson, Andrew Armour and Michael Roberson as members of the Personnel Committee. The Personnel committee is scheduled to meet Thursday, May 5<sup>th</sup> at 9:00am in the John O'Quinn room.

**Wharton EDC project update.** Mr. Owens updated the Board on the Wharton EDC's open projects. Mr. Owens provided the following updates:

- 1) Kapeesh website is not online but should be ready next month
- 2) CoStarters will resume on May 9<sup>th</sup>.
- 3) Mr. Baird continues to work on downtown buildings.
- 4) Renovations for OakBend has not started.
- 5) There have been no proposals on the Burleson and Elm Street properties
- 6) Correspondence was forwarded to Kelly Utech stating the infrastructure project will not proceed, due to change of plans; the \$150k paid to the city will be used as May 1<sup>st</sup> first payment towards the FM 1301 Interlocal agreement.
- 7) The Wayfinding project is moving forward
- 8) Mr. Owens is working with CenterPoint on the downtown Wi-Fi project. No action was taken

**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 March sales tax was up by 22% 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 and Commitments Sheet.** Mr. Owens provided the Board with copies of the current Balance and Commitments Sheet stating WEDC's total assets were \$2,985,388 and the total liabilities were \$207,597, net equity being \$2,777,791 WEDC's 2021-2022 commitments were \$207,597.

**D. Statement of Revenues and Expenditures.** Mr. Owens provided the Board with copies of the Statement of Revenues and Expenses as of March 31, 2022, and said the budget was well on track.

Mr. Owens reported the following:

- 1) The PFIA is close to the last month's values and funds will need to be transferred from Texas Gulf Federal Credit Union to keep the balance below the minimum of \$250K
- 2) A review of grants in order to determine which applicants have exceeded the time limit to complete their projects
- 3) Wharton EDC expenses are on track
- 4) No change in Web Analytics
- 5) Continuing to work on strategic plan
- 6) Two RFI's have been completed/submitted to Greater Houston Partnership and there is potential for companies locating to Wharton
- 7) Completed a third meeting with potential Chemical plant clients.
- 8) An Oil refinery is looking to locate in Wharton
- 9) SBDC delivered an informative presentation at April 13<sup>th</sup> Rotary meeting. Mr. Owens ended the report that downtown is growing despite the challenges.

Director David Schroeder made the motion to approve the Executive Director's report as presented. Director Russell Machann 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 12:58 P.M.

**A. §551.087 - Deliberation regarding Economic Development negotiations.**

1. **Negotiations on Sites.** No action taken.
2. **Business Retention and Expansion.** No action taken.

**B. §551.072 - Deliberation regarding Real Property**

1. **129 South Fulton Street.** No action taken

2. **133 South Fulton Street.** No action taken
3. **311 South Polk Street.** No action taken
4. **623 Richmond Road** No action taken
5. **Richard Lockley-Wharton Feed & Supply store Expansion project.** No action taken
6. **Jon Cochrum-Trailer Place Expansion.** No action taken
7. **TxDOT Proposal on Wharton Industrial Foundation Site Frontage.** No action taken

**C. §551.074 - Personnel Matters**

1. **Wharton EDC Personnel.** No action was taken.

**The Board returned to Open Session at 1:39 P.M.**

**The Board returned to Executive Session at 1:42 P.M.**

**The Board returned to Open Session at 1:50 P.M.**

**A. §551.087 - Deliberation regarding Economic Development negotiations.**

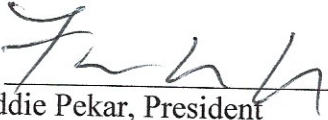
1. **Negations on Sites.** No action taken.
2. **Business Retention and Expansion.** No action taken


**B. §551.072 - Deliberation regarding Real Property**

1. **129 South Fulton Street and (2) 133 South Fulton Street-** On a motion made by Director David Schroeder and seconded by Director Russell Machann the following resolution was unanimously adopted: Eliminate the previous grant in the amount of \$20k to Mrs. Hobbs and issue a new grant in the amount of \$50k based on the additional requirements made by the Texas Historic Commission. 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 façade, signage and the additional required improvements. All voted in favor
2. **311 South Polk Street-** On a motion made by Director Michael Roberson and seconded by Director Andrew Armour the following resolution was unanimously adopted: Resolved that the application from The Ranch Downtown, LLC, be approved for \$500 for signage 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 façade and signage improvements. All voted in favor
3. **Richard Lockley- Wharton Feed & Supply store Expansion project-** No action taken
4. **Jon Cochrum-Trailer Place Expansion-** Director Russell Machann made the motion to grant the 15 acres of raw land located at the Wharton Industrial Site in accordance with the terms presented in his proposal. Director Clifford Jackson seconded the motion. All voted in favor.
5. **TxDOT Proposal on Wharton Industrial Foundation Site Frontage-** Director David Schroeder made the motion to have Mr. Owens to generate a counter-offer letter to TxDOT and Director Michael Roberson seconded the motion. All voted in favor.

With no further business to discuss, President Freddie Pekar thanked everyone for coming and adjourned the meeting at 1:59 P.M.

**WHARTON ECONOMIC DEVELOPMENT BOARD**

By:   
Freddie Pekar, President  
04.18.2022

Attest:   
Andrew Armour, Secretary