

A G E N D A

A meeting of the Economic Development Commission to be held on **Wednesday, September 30, 2020** at 11:30 a.m. in the City Council Conference Room, 401 South Rogers, Waxahachie, Texas.

Members:	Mackey Morgan, President David Hill, Mayor Mary Lou Shipley, Mayor Pro Tem Rick Keeler Rhyan Phillips
Ex-officio Members:	Michael Scott, City Manager Dr. Bonny Cain, WISD Superintendent WISD Board Trustee

1. Call to Order
2. **Public Comments:** Persons may address the Board on any issues. This is the appropriate time for citizens to address the Board on any concern whether on this agenda or not. In accordance with the State of Texas Open Meetings Act, the Board may not comment or deliberate such statements during this period, except as authorized by Section 551.042, Texas Government Code.
3. Reorganize the Board
4. Approve minutes of the Economic Development Commission meetings of October 1, 2019 and April 17, 2020
5. **Consider** tax abatement incentives for Nutrenare-AG for a proposed expansion at their current facility and take any necessary action
6. **Consider** tax abatement incentives for Timco Logistics Systems for a proposed expansion at their current facility and take any necessary action
7. **Consider** tax abatement incentives for Kinro Texas for a proposed expansion at their current facility and take any necessary action
8. Adjourn

The Economic Development Commission reserves the right to go into Executive Session on any posted item.

This meeting location is wheelchair-accessible. Parking for mobility impaired persons is available. Any request for sign interpretive services must be made forty-eight hours ahead of the meeting. To make arrangements, call the City Secretary at 469-309-4005 or (TDD) 1-800-RELAY TX

<p style="text-align: center;"><i>Notice of Potential Quorum</i> <i>One or more members of the Waxahachie City Council may be present at this meeting.</i> <i>No action will be taken by the City Council at this meeting.</i></p>

A meeting of the Economic Development Commission was held on Tuesday, October 1, 2019, at 1:00 p.m. in the City Council Conference Room, 401 South Rogers, Waxahachie, Texas.

Members Present: Mackey Morgan, President
David Hill, Mayor
Mary Lou Shipley, Mayor Pro Tem
Rick Keeler, Planning and Zoning Commission
Rhyan Phillips

Ex-officio
Member Present: Michael Scott, City Manager

Others Present: Doug Barnes, Director of Economic Development
Albert Lawrence, Assistant City Manager
Lori Cartwright, City Secretary

1. Call to Order

President Mackey Morgan called the meeting to order, gave the invocation, and introduced new members of the Board.

2. Public Comments

None

3. Approve minutes of the Economic Development Commission meeting of January 15, 2019

Action:

Mayor Pro Tem Mary Lou Shipley moved to approve the minutes of the Economic Development Commission meeting of January 15, 2019. Mayor David Hill seconded, All Ayes.

4. Consider incentives for Showbiz Cinemas to construct an entertainment center at 108 Broadhead Road and take any necessary action

Mr. Doug Barnes, Director of Economic Development, introduced Mr. Kevin Mitchell, CEO and Mr. Greg Ellis, CFO of Showbiz Cinema noting they are here to add a third addition to Showbiz Cinema.

Mr. Mitchell stated when they first opened they projected 450,000 attendees and when they added the expansion, with the city's help, they saw a 20% increase in attendees. He stated the new expansion will make Showbiz Cinema a destination of entertainment and add an additional 20% in attendance. Mr. Mitchell showed a video noting they intend to add a bowling alley, arcade game room, and banquet room. He stated they will lose some parking and by redoing each movie location and lose 60% of the seating. Mr. Mitchell explained the occupancy stays high because with advanced booking of seating, if that seat is taken, the customer will come back during the week to see a movie.

Mr. Greg Ellis stated the proposed addition will cause revenue to increase up to 50%. He stated they have estimated 9 million for the project and have 10 million slated for the project. Mr. Ellis stated the project will bring 130 – 150 employees with an hourly rate of pay ranging from \$8.00 to \$15.00.

Mr. Barnes reviewed the Chapter 380 Economic Development Agreement noting Showbiz Cinemas' Obligations include:

- 11,000 s/f family entertainment center expansion and amenities
- Construct the improvements with a finished appraised value of at least \$9,400,000
- Increase total annual employment hours which estimates to approximately 140 jobs

Mr. Barnes stated the City's obligations include:

- Provide an incentive to Showbiz Cinemas equivalent to 85% of the new Business and Personal Property Tax earned by Showbiz during each calendar year of the 10-year agreement. The payment of this incentive will be based on new appraisal value.
- Provide an incentive to Showbiz Cinemas equivalent to 85% of the municipal sales tax earned by Showbiz during each calendar year of the 10-year agreement.
- Total incentives not to exceed \$1,000,000.

Mr. Barnes stated the Chapter 380 Economic Development Agreement was developed based on an estimate of additional annual taxable sales of \$4,188,887. The City's 15% share of additional sales tax estimated to be \$94,250 during the 10-year agreement. The Waxahachie Community Development Corporation will receive a 100% of their half-cent portion of sales tax; which is an estimated \$209,444 during the 10-year agreement. Additionally, City's 15% share of new Ad Valorem revenues on the improvements are estimated to be \$82,487 during the 10-year agreement.

Action:

After further discussion, Mayor David Hill moved to approve a Chapter 380 Economic Development Agreement with Showbiz Cinema as presented. Mayor Pro Tem Mary Lou Shipley seconded, All Ayes.

5. Adjourn

There being no further business the meeting adjourned at 1:48 p.m.

Respectfully submitted,

Lori Cartwright
City Secretary

City Council
April 17, 2020

(4)

An emergency meeting of the Mayor and City Council of the City of Waxahachie, Texas and Economic Development Commission was held via teleconference at City Hall, 401 S. Rogers on Friday, April 17, 2020 at 9:00 a.m.

Councilmembers Present: David Hill, Mayor

Via Teleconference: Mary Lou Shipley, Mayor Pro Tem (phone)
Chuck Beatty, Councilmember (phone)
Kevin Strength, Councilmember (phone)
Melissa Olson, Councilmember (phone)

Others Present: Michael Scott, City Manager
Albert Lawrence, Assistant City Manager
Tommy Ludwig, Assistant City Manager
Robert Brown, City Attorney (via Teleconference)
Amber Villarreal, Assistant City Secretary

Economic Development
Commission Members Present: David Hill, Mayor

Via Teleconference: Mackey Morgan, President
Mary Lou Shipley, Mayor Pro Tem
Rick Keeler
Rhyan Phillips

Ex-officio Members Present: Michael Scott, City Manager

Via Teleconference: Dr. Bonny Cain, WISD Superintendent (phone)

1. Call to Order

Mayor David Hill called the meeting to order.

2. Identification of a quorum (roll call)

Mayor Hill did a roll call for Council Members in attendance: David Hill, in person, Mary Lou Shipley, Chuck Beatty, Kevin Strength, and Melissa Olson were present by phone.

Mayor Hill did a roll call for Economic Development Commission Members in attendance: David Hill, in person, Mackey Morgan, Mary Lou Shipley, Rick Keeler, and Rhyan Phillips were present by phone.

3. Consider resolution to adopt Chapter 380 COVID-19 Emergency Loan for Small Business Program

City Manager Michael Scott reviewed the proposed Local Stimulus Program for Small Businesses. He explained the purpose is to create a no-interest short-term loan program to assist small businesses who are adversely impacted by the COVID-19 crisis. The purpose of the program is to

assist qualifying businesses in continuing to meet payroll and basic operating expenses in an effort to minimize the layoff of employees and continuation of its operations. Additionally, these funds are not intended to sustain a business long-term, but to instead provide bridge funding until funding from other sources is identified. The program will offer loans up to \$50,000 per business that applies to the City for assistance. The Loan Review Committee will be comprised of the Mayor, City Manager and Chamber of Commerce CEO and will review the applications and support documentation and award funding as it deems appropriate. The criteria for the award will be based on need, business' investment in the community, and funding availability. The short-term loans are being made to provide the business additional working capital to navigate through this uncertain time. The loan first payment will come due 6 months after the loan is granted and will be repaid over a period of up to 24-months without interest and without penalty for prepayment.

Waxahachie Chamber of Commerce CEO Sandy King explained she surveyed Chamber members and non-Chamber members regarding current needs. She received 73 responses noting 93% of small businesses would benefit from this proposed program.

The City Council and Economic Development Commission discussed the positive impact of the program for local small businesses.

City Attorney Robert Brown asked if the local businesses would be negatively affected to receive forgivable loans by the Federal Government and Ms. King noted at this time the Federal Loan Applications do not inquire about local funding received.

Mayor Pro Tem Mary Lou Shipley asked if the survey reflects businesses that have been in business less than one year and Ms. King noted that was not included but that information can be used when reviewing applications.

Councilmember Melissa Olson asked if the Loan Review Committee has experience with risk analysis to review the applications. Mr. Scott noted he does not have underwriting experience; however, the Committee will have input from the Economic Development Department. Mr. Brown noted the resolution does not prohibit the use of additional consulting for reviewing the applications.

Councilmember Olson asked what actions would be taken if a business defaults on their loan. Mr. Brown noted the business would be required to sign a promissory note and would allow the city to explore legal options for defaulted loans.

Ms. King noted she does not have underwriting experience but has experience with financial assistance programs.

Action:

Mayor Pro Tem Mary Lou Shipley moved to recommend approval of the resolution to adopt Chapter 380 COVID-19 Emergency Loan for Small Business Program. Mr. Rick Keeler seconded, All Ayes.

RESOLUTION NO. 1283

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
WAXAHACHIE, TEXAS, ADOPTING A CHAPTER 380 COVID-19
LOCAL STIMULUS PROGRAM FOR SMALL BUSINESSES.**

Action:

Councilmember Kevin Strength moved to approve Resolution No. 1283 as presented. Mayor Pro Tem Mary Lou Shipley seconded, the vote was as follows: Ayes: David Hill, Mary Lou Shipley, Chuck Beatty, and Kevin Strength. Noes: Melissa Olson.

The motion carried.

4. Adjourn

There being no further business, the meeting adjourned at 9:35 a.m.

Respectfully submitted,

Amber Villarreal
Assistant City Secretary