

Town of Trophy Club Economic Development Corporation Meeting Minutes
February 27, 2024, 7:00 p.m., Special Meeting
1 Trophy Wood Drive, Trophy Club, Texas 76262

CALL TO ORDER

Teri Addington called the meeting to order at 6:01 p.m.

EDC BOARD MEMBERS PRESENT

Teri Addington, Director
Andrew Borgan, Director
John Mann, Director
Joseph Longo, Director
John Rybeck, Director

EDC MEMBERS ABSENT

Scott Hinshaw
James Calaway

STAFF PRESENT

Brandon Wright, Town Manager
Tammy Dixon, Town Secretary
Dean Roggia, Town Attorney
Tamara Smith, Assistant to Town Manager
Matt Cox, Director of Community Development
April Duvall, Director of Finance

PUBLIC COMMENTS

There were none.

REGULAR ITEMS

1. Introduction of new board members.

Mr. Rybeck was introduced.

2. Discuss the general roles and responsibilities of the Economic Development Corporation.

Town Manager Wright gave the following presentation:

General Roles and Responsibilities

General Roles and Responsibilities of EDC

- EDC is appointed by the Town Council.
- EDC Board members serve 2-year staggered terms.
- EDC acts in an advisory capacity to the Town Council.
- EDC's purpose is laid out in the Bylaws and is to promote economic development within the Town to eliminate unemployment and underemployment.
- The EDC budget is developed at least 90 days before the commencement of each fiscal year the Board adopts a proposed budget. The budget is not effective until it has been approved by the Town Council.
- EDC is a nonprofit created to finance new and expanded business enterprises.

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General Roles and Responsibilities of EDC

- The Town allocates 1/2 cent of sales and use tax to EDC. (+/- \$750,000 annually)
- EDC projects must be approved by the Council before starting.
- EDC Type B corporations may pay for land, buildings, equipment, facilities, targeted infrastructure, and improvements.
- EDC Type B corporations created by cities with a population of 20,000 or less and those classified as landlocked communities may use sales tax revenue to fund projects that promote new or expanded business development that do not create or retain primary jobs.

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General Roles and Responsibilities of EDC

- **Type B Projects**
 - Development, retention, or expansion of
 - Manufacturing and industrial facilities
 - Research and development facilities
 - Military facilities
 - Recycling facilities
 - Distribution centers
 - Small warehouse facilities
 - Primary job training facilities for use by institutions of higher education
 - Regional or national corporate headquarters facilities

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General Roles and Responsibilities of EDC

- **Type B Projects**
 - Infrastructure improvements that promote or develop business enterprises
 - Maintenance and operating costs associated with projects and job training
 - Quality of life improvement projects
 - Professional and amateur sports and athletics facilities
 - Tourism and entertainment facilities
 - Parking and transportation facilities
 - Promotional expenses (10% max). Must advertise or publicize the city for the purpose of developing new and expanded business enterprises.

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General Roles and Responsibilities of EDC

- **Type B Projects**
 - A Type B corporation in a city with a population of 20,000 or less may provide land, building, equipment, facilities, expenditures, targeted infrastructure, and improvements found by the board of directors to promote new or expanded business development provided that, for projects which require an expenditure of more than \$10,000, the city council adopts a resolution authorizing the project after giving the resolution at least two (2) separate readings.
 - Must "publish" the project at least 60 days prior to undertaking a project.

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General Roles and Responsibilities of EDC

- **President**
 - Chief executive officer of the corporation. Subject to the authority of the Board, the President is in charge of the properties and affairs of the corporation, presides at Board Meetings, and signs and executes documents.
- **Vice President**
 - Power and duties prescribed by the Board and exercise the powers of the President during that officer's absence or inability to act.

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General Roles and Responsibilities of EDC

- **Treasurer**
 - Responsibility for all funds and securities of the corporation. Endorse and sign for collection or issuance, checks, and other bank obligations. See to the entry of full and accurate accounts of all monies received and paid on behalf of the corporation.
- **Secretary**
 - Keep minutes of Board Meetings. Give and serve all notices. Sign with the President in the name of the corporation, and/or attest to the signature of the President. Charge of corporate books, records, documents, and instruments.

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General Roles and Responsibilities of EDC

- What are the responsibilities of a Board Member?
 - If directed by the Town Council, research, develop, prepare, finance, and implement a recreational facilities development plan.
 - Exercise all rights and powers granted under the "Act" with the objective and for the purpose of developing and diversifying the economy of the State of Texas and the Town, eliminating unemployment and underemployment, and expanding commerce within the State.
 - Submit reports to the Town Council with the status of its activities with respect to each project undertaken by the Corporation.
 - Adopt a proposed budget at least 90 days prior to the start of each fiscal year.

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General Roles and Responsibilities of EDC

- What are the responsibilities of a Board Member?
 - Brandon's Version...
 - Utilize the sales tax dedicated by Trophy Club citizens to fund projects that will promote new or expanded businesses in Trophy Club.
 - Set vision for what the desired amount of new or expanded business in Trophy Club needs to be.
 - Identify projects that will promote a "sense of place" where businesses can be successful.
 - Develop and fund plans that create a clear picture of public sector investments and entitlements that help existing business owners and new developers lower/eliminate risk when investing in Trophy Club.

THE TOWN OF TROPHY CLUB

General Roles and Responsibilities of EDC

- Avoiding common mistakes
 - The Town and EDC do not decide which companies open business in Trophy Club.
 - So long as the use is allowed by zoning, any company with that use is allowed by right to locate there.
 - The power and authority of Trophy Club's Economic Development Corporation rests with the Board acting as a body.
 - No individual member of the Board has any authority.
 - Businesses want to see structure and commitment to feel comfortable investing in a particular location. How do they fit into the larger picture?
 - A shot-gun approach to asking businesses to come is not very effective.
 - EDC's role is to "set the table."
 - Business capital investment planning and funding is often being developed for the next 1-3 year time horizon.
 - Economic development is about being consistent with a transparent, long-term strategy.

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- Discuss and take appropriate action regarding the appointment of a Board president, vice president, secretary, treasurer, and assistant secretary.

Director Addington moved to nominate John Mann as President. Director Longo seconded the motion.

VOTE ON THE MOTION

AYES: Borgan, Rybeck, Mann, Addington, Longo
NAYES: None
ABSENT: Hinshaw, Calaway
VOTE: 5-0-2

Director Longo moved to nominate Teri Addington as Vice President. President Mann seconded the motion.

VOTE ON THE MOTION

AYES: Borgan, Rybeck, Mann, Addington, Longo
NAYES: None
ABSENT: Hinshaw, Calaway
VOTE: 5-0-2

Vice President Addington moved to nominate the Town Manager and/or his designee as Treasurer. Director Longo seconded the motion.

VOTE ON THE MOTION

AYES: Borgan, Rybeck, Mann, Addington, Longo
NAYES: None
ABSENT: Hinshaw, Calaway
VOTE: 5-0-2

Director Longo moved to nominate John Rybeck as Secretary. Director Borgan seconded the motion.

VOTE ON THE MOTION

AYES: Borgan, Rybeck, Mann, Addington, Longo
NAYES: None
ABSENT: Hinshaw, Calaway
VOTE: 5-0-2

Vice President Addington moved to nominate the Town Secretary and/or her designee as Assistant Secretary. President Mann seconded the motion.

VOTE ON THE MOTION

AYES: Borgan, Rybeck, Mann, Addington, Longo
NAYES: None
ABSENT: Hinshaw, Calaway
VOTE: 5-0-2

4. Consider approval of the meeting minutes dated July 6, 2023, and the joint EDC/Town Council meeting minutes dated September 6, 2023.

Vice President Addington moved to approve the meeting minutes dated July 6, 2023, and the joint EDC/Town Council meeting minutes dated September 6, 2023. President Mann seconded the motion.

VOTE ON THE MOTION

AYES: Borgan, Rybeck, Mann, Addington, Longo
NAYES: None
ABSENT: Hinshaw, Calaway
VOTE: 5-0-2

5. Discuss and consider approval of a resolution amending the Articles of Incorporation of the Trophy Club Economic Development Corporation.

Town Secretary Dixon stated when the initial Articles were created and approved in 1996 the Articles provided that no more than two board of directors shall be members of the Town Council which is in conflict of the Town's Charter that prohibits an elected position to serve on a board, commission, or corporation.

Ms. Dixon explained that in 2009 State Law recodified the Development Corporation Act into the Local Government changing the reference of EDCs formerly known as 4A and 4B corporations to Type A and Type B corporations, respectively, along with some other minor changes.

Ms. Dixon stated the proposed amendments remove any reference to Town Council members being appointed to the board and reflect the changes made in 2009 when the ACT was recodified to the Local Government Code.

President Mann moved to approve Resolution EDC 2024-01 amending the Articles of Incorporation of the Trophy Club Economic Development Corporation. Vice President Addington seconded the motion. The caption of the resolution reads as follows:

RESOLUTION NO. EDC 2024-01

A RESOLUTION OF THE TROPHY CLUB ECONOMIC DEVELOPMENT CORPORATION AMENDING THE ARTICLES OF INCORPORATION; AND PROVIDING AN EFFECTIVE DATE.

VOTE ON THE MOTION

AYES: Borgan, Rybeck, Mann, Addington, Longo
NAYES: None
ABSENT: Hinshaw, Calaway
VOTE: 5-0-2

6. Discuss and consider approval of a resolution approving proposed amendments to the Trophy Club Economic Development Corporation's Bylaws.

Town Secretary Dixon stated the Town Attorney's Office reviewed the Bylaws in conjunction with the Articles. She explained, as with the Articles, the proposed amendments reflect changes made in 2009 when the Development Corporation Act was codified into the Government Code along with some minor grammatical amendments.

Vice President Addington moved to approve Resolution EDC 2024-02 amending the Trophy Club Economic Development Corporation Bylaws. Director Longo seconded the motion. The caption of the resolution reads as follows:

RESOLUTION NO. EDC 2024-02

A RESOLUTION OF THE TROPHY CLUB ECONOMIC DEVELOPMENT CORPORATION APPROVING PROPOSED AMENDMENTS TO THE CORPORATION'S BYLAWS; AND PROVIDING AN EFFECTIVE DATE.

VOTE ON THE MOTION

AYES: Borgan, Rybeck, Mann, Addington, Longo
NAYES: None
ABSENT: Hinshaw, Calaway
VOTE: 5-0-2

7. Discuss and consider approval of a resolution authorizing amendments to financial institution documents and naming authorized Town representatives for Texas Local Government Investment Pools TexPool signature accounts.

Director of Finance, April Duvall, explained the proposed resolution authorizes the inclusion of authorized representatives on the TexPool account. Ms. Duvall also explained TexPool is a local government investment pool in the State of Texas.

Following a discussion staff advised they would provide additional information on TexPool to the Board members.

Director Longo moved to approve Resolution EDC 2024-03 authorizing amendments to financial institution documents and naming authorized Town representatives for Texas Local Government Investment Pools TexPool signature accounts. President Mann seconded the motion. The caption of the resolution reads as follows:

RESOLUTION NO. EDC 2024-03

A RESOLUTION OF THE ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS OF THE TOWN OF TROPHY CLUB, TEXAS, APPROVING AND AUTHORIZING AMENDMENTS TO FINANCIAL INSTITUTION DOCUMENTS NAMING AUTHORIZED TOWN REPRESENTATIVES ON TEXPOOL SIGNATURE ACCOUNTS; APPOINTING AUTHORIZED REPRESENTATIVES, AND DESIGNATING INVESTMENT OFFICERS.

VOTE ON THE MOTION

AYES: Borgan, Rybeck, Mann, Addington, Longo
NAYES: None
ABSENT: Hinshaw, Calaway
VOTE: 5-0-2

8. Discuss the business revitalization grant program.

Assistant to the Town Manager, Tamara Smith, stated on July 11, 2023, the Economic Development Corporation (EDC) discussed and considered a grant program tailored to benefit businesses within the community to support projects encompassing exterior and interior enhancements, equipment, and signage upgrades.

She explained the Board allocated \$300,000 for the grant program in the FY 2023-2024 budget. She further explained a draft program was developed and sent to the Board for review in October of 2023.

Ms. Smith gave the following presentation on the draft program:

Business Revitalization Grant Program

Business Revitalization Grant Program

- Matching grant 85% Town / 15% Business.
- Up to \$20,000
- Up to \$20,000 for equipment aid in production.
- Up to \$10,000 for storefront enhancements or interior enhancements.
- Up to \$5,000 for signage or the construction of new Town-approved signage.
- EDC Board members and Town staff will review applications.
- The Town Manager will be the final review before presenting to the Town Council.
- The grant program utilizes a performance agreement set forth by the Texas Comptroller, which is a set of specific requirements that will need to be met.

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Suggestions from Council Member

- Prioritize support for businesses that have been established in our town for the longest duration over those that have been operating for less than one year.
- Update to Council before and after with pictures.
- Additionally, if an application from a business is not selected for support within a given year, the application can remain on file with the Town for up to two years before requiring the business to re-apply.

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Questions

- Do you want interior grants? The only grants talked about were façade grants, but interior and marketing grants are included in the grant program.
- Do you want exterior work that includes concrete work, building renovations, etc.?
- Are there any ineligible improvement?
- What is important to you that is not in the grant program?
- Any additional information that you would need to be included that could help you with approval of a grant application?

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Next Steps

- Revise and finalize grant program.
- Create a performance agreement.
- Finalize a process for reviewing the grant program.
- Add a 1295 Form (if applicable).
- Create a resolution establishing the grant program.
- Roll out to the community with a marketing package.

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Following discussion staff advised final program document to include discussed changes would be brought back to the Board for approval.

EXECUTIVE SESSION/REGULAR SESSION

Pursuant to the Open Meetings Act, Chapter 551, the EDC Board convened into a Closed Executive Session at 6:53 p.m. and reconvened into Regular Session at 7:35 p.m. in accordance with the Texas Government Code regarding:

Section 551.087, Deliberation regarding economic development negotiations.

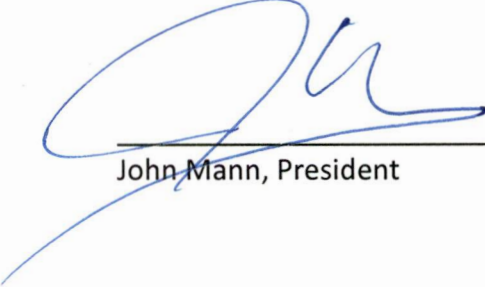
1. Discuss negotiations regarding a prospective commercial project within the Town of Trophy Club. **No Action Taken.**

Section 551.072, Deliberation regarding real property.

1. Discuss a real estate and economic development opportunity. **No Action Taken.**

ADJOURN

President Mann adjourned the meeting at 7:35 p.m.



John Mann, President

John Rybeck, Secretary