City of Hutto

Minutes

Economic Development Corp. Type A and Type B

Board of Directors Meeting

Monday, March 18, 2024 at 6:30 PM

City Council Chambers

1. **CALL SESSION TO ORDER**

   Meeting called to order at 6:30pm

2. **ROLL CALL**

   Chairman Carlson absent, all others present.

   2.1. Don Carlson, Chairman
   Shawn Lucas, Vice Chairman
   Erin Clancy, Secretary
   Marcus Coleman, Treasurer
   Matthew Minton, Board Member
   Brian Thompson, Board Member
   Terrence Owens, Board Member

3. **PLEDGE OF ALLEGIANCE**

4. **PUBLIC COMMENT**

   Any citizen wishing to speak during public comment may do so after completing the required registration form. The purpose of this item is to allow the residents of Hutto and other interested persons an opportunity to address the Hutto Economic Development Corporation Type A and the Hutto Economic Development Corporation Type B on agenda issues and on agenda issues (i.e., Corporation policy or legislative issues). Non-agenda issues regarding daily operational or administrative matters should be first dealt with at the administrative level by calling City Hall at (512) 759-4913 during business hours. Each person providing public comment will be limited to 3 minutes. (Note: The Texas Open Meetings Act, Texas Government Code, Chapter 551, prohibits governing bodies from a full discussion, debating, or considering subjects for which public notice has not been given on the agenda. Issues that cannot be referred to the Corporation Staff for action may be placed on the agenda of a future meeting.)

   None

5. **ECONOMIC DIRECTOR'S REPORT**

   5.1. Staff will provide updates on critical projects including the Megasite, Spine Road Construction Project, Cottonwood Properties Master Planning, staffing updates, sales tax training, Williamson County Economic Development Partnership, event recaps, upcoming events, Business Retention and Expansion program, and budget implementation.

   No action

6. **AGENDA ITEMS**

6.1. Discuss and consider action to approve the Corporate Financial statements for February 2024.

City Finance Director provided detailed overview of closing balances of accounts and large expenditures; advised that the previously approved budget amendment would be reflected in next month's statements.
Motion by Board Member Minton to approve as presented; seconded by Treasurer Coleman. Passed 6-0.

6.2. Discuss and consider action to approve the Corporation's Minutes from their meeting on February 12, 2024.

Motion by Treasurer Coleman to approve as presented; seconded by Board Member Owens. Passed 6-0.

6.3. Discuss and consider action regarding Financial Disclosures as required by City of Hutto Charter.

Staff correction to agenda language, Financial Disclosures are required as part of the Code of Ordinances, not the City Charter.
No action.

6.4. Discuss and consider action regarding a Business Credit Card for the Corporation's account to be used by the Director for Corporation expenses as approved in the current year's budget.

Motion by Treasurer Coleman to approve as presented with a $500 daily limit, that larger purchases need to be presented to the Board within 5 business days and that staff and legal counsel draft a credit card use policy; seconded by Board Member Owens. Failed 3-3 (Clancy, Minton, Thompson opposed)

Motion by Board Member Thompson to direct staff and legal counsel to draft a proposal on the credit card use policy by engaging area Cities and Economic Development Corporations and bring back to the Board for consideration; seconded by Secretary Clancy. Passed 5-1 (Coleman opposed)

7. EXECUTIVE SESSION

The Board will now recess the open meeting and reconvene in executive session pursuant to Texas Government Code Section 551.071 (Attorney Consultation), 551.087 (Economic Development), and 551.072 (Real Property) to deliberate and seek legal advice regarding the Corporation's financial obligations involving the City of Hutto, retail and restaurant incentives, workforce incentives, expansion incentives, ESD3 Sales Tax Sharing Agreement, sales tax sharing agreement with City of Hutto, the JRS incentive agreement, Project 7, Spine Road Construction Project, the Megasite project, Project Skybox, Project Sequel, Project Titan, Project Strat3, Project Flex, Project Vanilla Wafer, Project CG2, the planning and development of the Cottonwood Properties, and the evaluation of available corporate funds for incentives.

Recessed to Executive Session at 7:21pm
Convened in Executive Session at 7:35pm
Exited Executive Session at 9:01pm
Reconvened in Public Session at 9:03pm
No action taken in Executive Session

8. ACTION RELATIVE TO EXECUTIVE SESSION

8.1. Discuss and consider action on Resolution R-2024-036 approving an amendment to the Purchase and Sale Agreement (PSA) for Project Flex.
Motion by Board Member Minton to approve as presented and authorize the Chair to execute the agreement; seconded by Board Member Thompson. Passed 6-0

8.2. Discuss and consider action on Resolution R-2024-062 regarding a 380 Agreement between the Corporation and the City of Hutto for a Sales Tax Sharing Agreement on all properties affected by a sales tax sharing agreements between the City of Hutto and Williamson County ESD3.
Motion by Board Member Minton to approve as presented and authorize the Chair to execute the agreement; seconded by Board Member Owens. Passed 6-0

8.3. Discuss and consider action on Resolution R-2024-061 regarding a Memorandum of Understanding with Midway Development Group for the planning and development of the Corporation owned Cottonwood Properties.
Motion by Board Member Minton to approve as presented and authorize the Chair to execute the agreement; seconded by Board Member Thompson. Passed 6-0

8.4. Discuss and consider action regarding legal action for the breach of the incentive agreement between the Corporation and JRS.
Motion by Board Member Owens to direct staff and Legal Counsel to work with City Legal to pursue a notice of default to JRS; seconded by Board Member Thompson. Passed 6-0

8.5. Discuss and consider action regarding the farm lease at the Megasite.
Motion by Treasurer Coleman to direct staff to gather supporting documentation including receipts and operating costs for consideration; seconded by Secretary Clancy. Passed 6-0

8.6. Discuss and consider action regarding any item discussed in Executive Session.
Motion by Secretary Clancy to direct staff to draft a proposed incentive structure for Project Vanilla Wafer per the terms discussed in Executive Session; seconded by Treasurer Coleman. Passed 6-0

9. FUTURE AGENDA ITEMS

Secretary Clancy requested an agenda item on a formalized incentive program and a project summary spreadsheet. Staff advised that a project summary had been provided to the Board in their documents for this meeting and will update content based on board feedback.
Vice Chair Lucas requested an agenda item for a summary of all contracts and agreements since January 1, 2020 to ensure the Board is aware of all obligations and for compliance of all incentive requirements, with corresponding Minutes to support the agreements.

10. ADJOURNMENT

Meeting adjourned at 9:14pm

11. CERTIFICATION

Don Carlson, Chair

Erin Clancy, Secretary