



**Thursday, July 20, 2023
Economic Development Corporation Meeting**

**Council Chambers
3815 Sachse Road, Building B
6 p.m.**

Economic Development Corporation Board Meetings are streamed live online or on-demand (<https://sachsetx.swagit.com/live>).

The Sachse Economic Development Corporation reserves the right to reconvene, recess, or realign the regular meeting, call Executive Session, or order of business at any time prior to adjournment.

As authorized by Section 551.071(2) of the Texas Government Code, these meetings may be convened into closed Executive Session at any time during the Sachse Economic Development Corporation meeting for the purpose of seeking confidential legal advice from the City Attorney on any workshop or regular meeting agenda item listed herein.

A. Regular Meeting Opening

1. Call to Order: The Board of Directors of the Economic Development Corporation of the City of Sachse will hold a Regular Meeting at 6 p.m. on Thursday, July 20, 2023, to consider the following items of business:
2. Invocation and Pledge of Allegiance to the U.S. and Texas Flags.

B. Public Comment

1. The public is invited to address the Board regarding any topic not already on the agenda. The time limit is 3 minutes per speaker. A Public Comment Card should be presented to the acting secretary prior to the meeting. According to the Texas Open Meetings Act, the Board is prohibited from discussing any item not posted on the agenda but will take comments under advisement.

C. Consent Agenda - All items listed on the consent agenda will be considered by the Board and will be enacted on by one motion. There will be no separate discussion of these items unless a Board member so requests.

1. Approve the June 22, 2023, meeting minutes.
2. Accept the Quarterly Investment Report for the quarter ending March 31, 2023.
3. Approve the Consent Agenda.

D. Regular Agenda Items

1. Receive any reports and presentations by the Sachse Economic Development Corporation President, Board Members, Executive Director, and staff regarding items of community interest; special events; announcements and activities; office, industrial, commercial, or retail business retention; and marketing projects.
2. Discuss and consider approval of the proposed local business grant program.
3. Consider the Sachse Economic Development Corporation FY 2023-2024 Budget.

E. Executive Session

1. The Sachse Economic Development Corporation shall convene into Executive Session pursuant to Texas Government Code Section §551.087: Deliberation regarding Economic Development Negotiations: Discussion of an Economic Development incentive for Bunker Hill Retail, LLC for a project generally located along Bunker Hill Road and Miles Road and for retail or commercial business projects seeking to locate within the City of Sachse.
2. Executive Session Pursuant to Texas Government Code §551.087 Economic Development Deliberations: Deliberate the offer of a financial or other incentive relating to the development of Project Fern.

F. Regular Items / Meeting Closing

1. Take action as a result of executive session: Consider authorizing the City Manager as Executive Director of the EDC to negotiate and execute an economic development agreement on behalf of the EDC with Bunker Hill Retail, LLC for a project generally located along Bunker Hill Road and Miles Road, and any amendments and instruments related thereto.
2. Take any action as a result of Executive Session - deliberate the offer of a financial or other incentive relating to the development of Project Fern.
3. Adjournment.

I, the undersigned authority, do hereby certify that this notice of a public meeting was posted in accordance with the regulations of the Texas Open Meetings Act and was posted on the bulletin board, an accessible location at Sachse City Hall.



Leah K Granger, City Secretary

Posted: 07/17/23 by 5 pm _____ Removed: _____

Accommodation requests for persons with disabilities should be made at least 48 hours prior to the meeting by contacting Amanda Chi, ADA Coordinator, via phone at 972-495-1212, via email at achi@cityofsachse.com, or by appointment at 3815 Sachse Road, Building B, Sachse, Texas 75048.

C. Consent Agenda - All items listed on the consent agenda will be considered by the Board and will be enacted on by one motion. There will be no separate discussion of these items unless a Board member so requests.

Subject	1. Approve the June 22, 2023, meeting minutes.
Meeting	Jul 20, 2023 - Economic Development Corporation Meeting
Access	Public
Type	Action (Consent), Minutes
Recommended Action	Approve the June 22, 2023, meeting minutes.

File Attachments
[06.22.23 EDC Minutes.pdf \(82 KB\)](#)

All items listed on the consent agenda will be considered by the Board and will be enacted by one motion. There will be no separate discussion of these items unless a Board member so requests.



**ECONOMIC DEVELOPMENT CORPORATION
JUNE 22, 2023, MEETING MINUTES**

The Board of Directors of the Sachse Economic Development Corporation (EDC) convened in a public meeting at 6 p.m. on Thursday, June 22, notice of the meeting having been posted as prescribed at the Sachse City Hall, 3815 Sachse Road, Building B, Sachse, Texas, as required by Chapter 551, Local Texas Government Code.

Those present: President Marcia Harris-Daniel, Vice President Scott McMurdie, Board members Teddy Kinzer, Mark Potter, Richard Chandler, Jim Mason, and Chinelo Nwanze; Economic Development Manager Jerod Potts; and Economic Development Coordinator Denise Lewis.

Those absent: None.

REGULAR MEETING OPENING:

1. Call to Order.

Ms. Harris-Daniel called the meeting to order at 6:03 p.m.

2. Invocation and Pledge of Allegiance to the U.S. and Texas Flags.

Mr. McMurdie gave the invocation and led the Board in the pledges.

PUBLIC COMMENT:

Matthew Holboke, Sachse resident, commented on the local business grant program.

CONSENT AGENDA:

- 1. Approve the May 9, 2023, Joint City Council/ EDC meeting minutes.**
- 2. Approve the May 18, 2023, regular meeting minutes.**
- 3. Accept the monthly revenue and expenditure report for the period ending April 30, 2023.**
- 4. Approve the Consent Agenda as presented.**

Mr. Kinzer made a motion to approve the consent agenda as presented. Mr. Potter seconded the motion, and it carried unanimously.

REGULAR ITEMS / MEETING CLOSING:

- 1. Receive any reports and presentations by the Sachse Economic Development Corporation President, Board Members, Executive Director, and staff regarding items of community interest, special events, announcements and activities, office, industrial, commercial, retail, business retention, and marketing projects.**

Mr. Potts mentioned that Jakes will open late Fall 2023. He gave a brief overview of the 5th Street District project noting that the City Council recently approved the bid for the Alexander Street infrastructure project. Mr. Potts updated the Board on his recent trip to Boston with the Dallas Regional Chamber to

attend the Biotechnology Innovation Organization 2023 international convention. Mr. Potts highlighted a few upcoming events and important dates.

2. Consider the Sachse Economic Development Corporation FY 2023-2024 Budget.

Mr. Potts presented the EDC budget to the Board noting that the goal this evening was to get early feedback before requesting action be taken at a future meeting. He gave an overview of revenue and expenditures from fiscal year 2021 to 2023. He walked through some of the key line items and explained the proposed changes to the budget since the agenda packet was posted to the City's website. Mr. Potts mentioned the proposed request of \$30,000 for an economic development marketing video to be produced. The Board asked about the ability to update information in the video as things change in Sachse. The Board asked about the comprehensive planning line item and what the cost consists of. Mr. Potts mentioned the current proposed cost shown for the comprehensive plan update is a placeholder number that anticipates the EDC portion of funding this item.

Resident, Matthew Holboke, asked about the proposed budget request of \$2,500 for Five Loaves in the Community Relations budget line item.

3. Hold a discussion regarding a local business grant program.

Mr. Potts gave some background on incentive and grant funding and referenced the discussion from the November 2022 EDC Board meeting when this item was previously discussed. He gave highlights of the proposed program and mentioned the proposal is an administratively approved matching grant, for commercial projects, not to exceed \$25,000, for infrastructure that stays with the building. The Board discussed how signage fits into the program noting this needs to be specified in the guidelines. The Board mentioned being flexible with the requirements for the grant and that businesses should make a case for their request. The Board discussed the geographic boundary of the proposed program in which businesses must be located to be eligible to apply for the grant. The Board talked through the matching requirement of the grant. Mr. Potts explained that the authorization for staff to administer these funds comes from adoption of the EDC budget by the Board and then ultimately by City Council. The Board requested to receive reports when grants are awarded.

Resident, Matthew Holboke, wanted clarity on what projects that would qualify for the local business grant program.

4. Adjournment.

Ms. Harris-Daniel adjourned the meeting at 8:12 p.m.

APPROVE:

Marcia Harris-Daniel, President

ATTEST:

Jerod Potts, Economic Development Manager

C. Consent Agenda - All items listed on the consent agenda will be considered by the Board and will be enacted on by one motion. There will be no separate discussion of these items unless a Board member so requests.

Subject	2. Accept the Quarterly Investment Report for the quarter ending March 31, 2023.
Meeting	Jul 20, 2023 - Economic Development Corporation Meeting
Access	Public
Type	Action (Consent)
Recommended Action	Accept the Quarterly Investment Report for the quarter ending March 31, 2023.

BACKGROUND

The Finance Department provides a Quarterly Investment Report to provide an overview of investment activity details for Checking, Money Market, Investment Pool, and Certificate of Deposit accounts. This same Quarterly Investment Report was accepted by City Council on June 5, 2023.

POLICY CONSIDERATION

Texas Government Code 2256.023 of the Public Funds Investment Act (PFIA) requires not less than quarterly, the investment officer prepare and submit a written report of investment transactions for all funds covered by the Investment Policy. The City's Investment Policy is to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of Sachse and conforming to the PFIA and all other State and local statutes governing the investment of public funds.

RECOMMENDATION

Accept the Quarterly Investment Report for the quarter ending March 31, 2023.

File Attachments

[Quarterly Investment Report FY 2023 Q2 2023.03.31.pdf \(1,599 KB\)](#)

All items listed on the consent agenda will be considered by the Board and will be enacted by one motion. There will be no separate discussion of these items unless a Board member so requests.

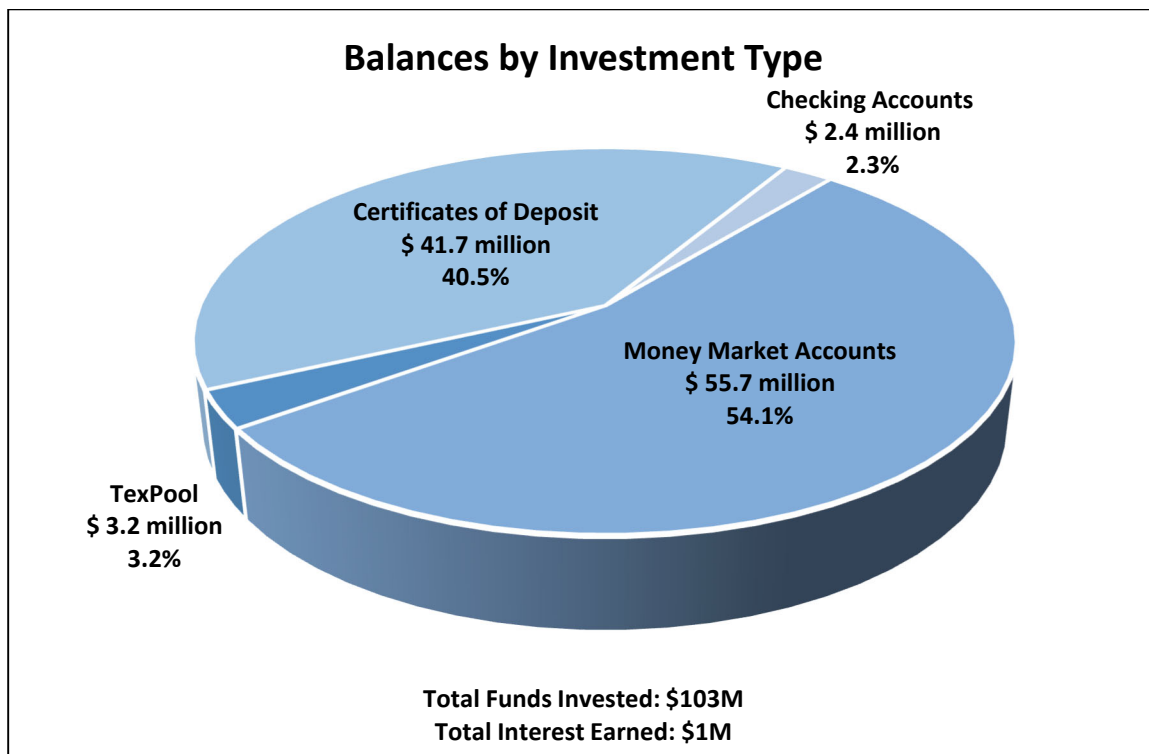


Finance Department Memo

To: Gina Nash, City Manager
From: David Baldwin, Director of Finance
Ryan Bredehoeft, Assistant Director of Finance
Katelyn Ellis, Senior Accountant
CC: Mayor and City Council
Date: June 5, 2023

Re: Investment Report for the quarter ending March 31, 2023

Attached is the Quarterly Investment Report for the quarter ending March 31, 2023. This report complies with the requirements of the City's Investment Policy and the Public Funds Investment Act as amended. The chart below provides a summary of balances by investment type. See the report for further details.



Account Type	Weighted Average Interest Rate
Checking Accounts	0.00%
Money Market Accounts	4.94%
TexPool	4.61%
Certificates of Deposit	3.98%

Average interest rate yield	4.44%
TexPool (benchmark)	4.61%



The City of
SACHSE

QUARTERLY INVESTMENT REPORT

For the Quarter Ended

March 31, 2023

Prepared by
Valley View Consulting, L.L.C.

The investment portfolio of the City is in compliance with the Public Funds Investment Act and the Investment Policy and strategies.

Director of Finance

Assistant Director of Finance

Senior Accountant

Disclaimer: These reports were compiled using information provided by the City of Sachse. No procedures were performed to test the accuracy or completeness of this information. The market values included in these reports were obtained by Valley View Consulting, L.L.C. from sources believed to be accurate and represent proprietary valuation. Due to market fluctuations these levels are not necessarily reflective of current liquidation values. Yield calculations are not determined using standard performance formulas, are not representative of total return yields and do not account for investment advisor fees.

Summary

Quarter End Results by Investment Category:

Asset Type	December 31, 2022		March 31, 2023		
	Book Value	Market Value	Book Value	Market Value	Ave. Yield
Bank/Pool	\$ 65,195,522	\$ 65,195,522	\$ 61,353,286	\$ 61,353,286	4.72%
CDs/Securities	36,393,474	36,393,474	41,676,035	41,676,035	4.02%
Totals	\$ 101,588,996	\$ 101,588,996	\$ 103,029,321	\$ 103,029,321	4.44%

Current Quarter Average Yield (1)

Total Portfolio 4.44%

Fiscal Year-to-Date Average Yield (2)

Total Portfolio 3.80%

Weighted Average Maturity 100 days

Rolling Three Month Treasury 4.78%
Rolling Six Month Treasury 4.73%
TexPool 4.61%

Rolling Three Month Treasury 4.49%
Rolling Six Month Treasury 4.32%
TexPool 4.30%

Interest Earnings (Approximate)

	City	EDC
Interest Earnings QTR	\$ 965,634	\$ 69,480
Interest Earnings YTD	\$ 1,595,519	\$ 97,503

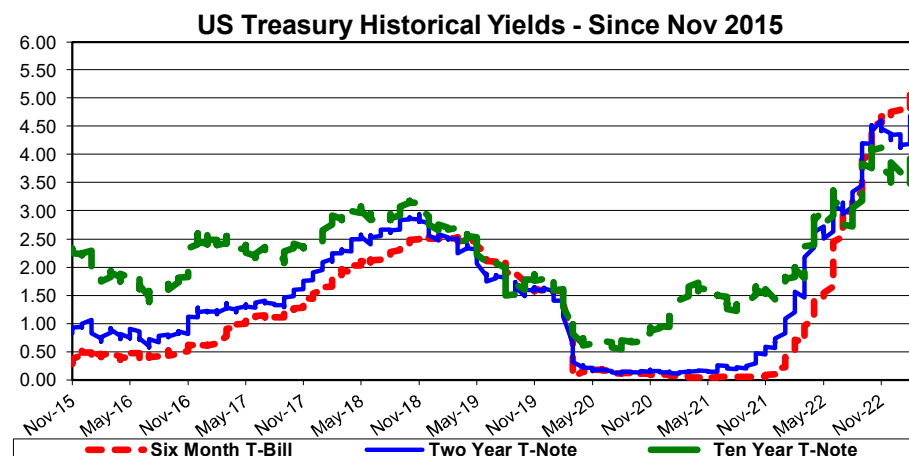
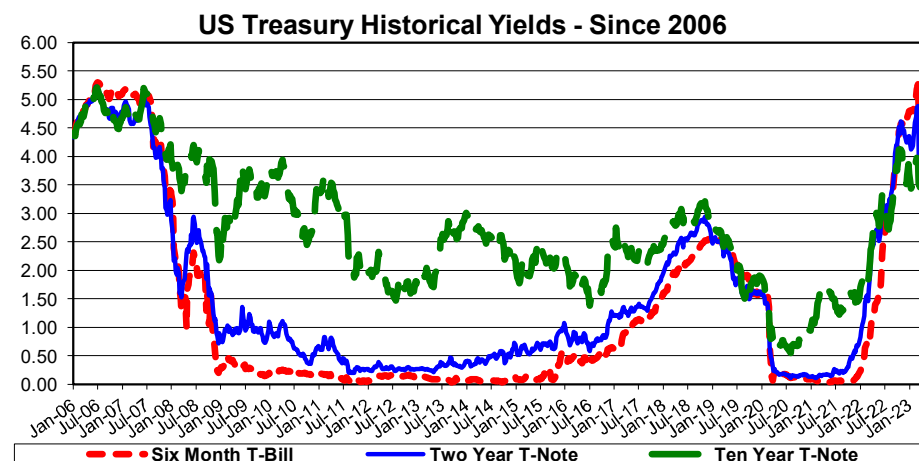
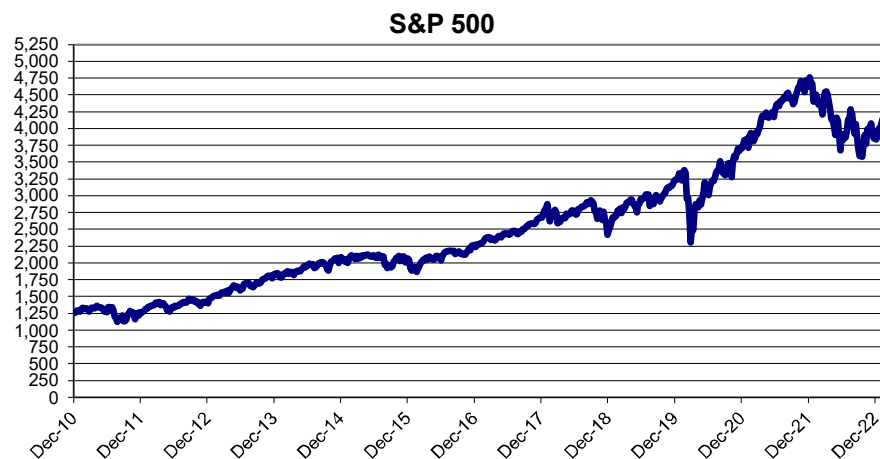
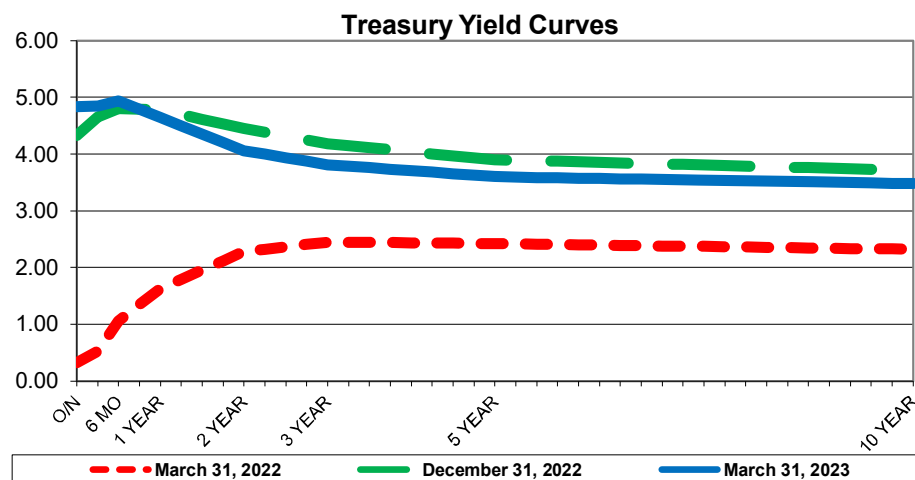
(1) Current Quarter Weighted Average Yield - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis; realized and unrealized gains/losses and investment advisory fees are not considered. The yield for the reporting month is used for bank, pool, and money market balances.

(2) Fiscal Year-to-Date Weighted Average Yields - calculated using quarter end report yields and adjusted book values and does not reflect a total return analysis or account for advisory fees.

Economic Overview

3/31/2023

The Federal Open Market Committee (FOMC) raised the Fed Funds target range 0.25% to 4.75% - 5.00% March 22nd (Effective Fed Funds are trading +/-4.82%). An additional 0.25% increase is projected May 3rd. Fourth Quarter 2022 GDP was revised downward to 2.6% (final number). March Non-Farm Payroll saw 236k new jobs. OPEC announced production cuts and Crude Oil moved up slightly to +/- \$80 per barrel. The S&P Stock Index still oscillates on either side of 4,000. In early March, two large US banks and one European bank required bail-outs to prevent wider financial market disruption. The yield curve shifted lower on broader economic concerns, even with the expectation of additional FOMC rate increases. The Market is now considering lower future interest rates as early as this fall. Inflation is still over the FOMC 2% target (Core PCE +/-4.7% and CPI +/-6.4%). International challenges add to economic uncertainty.



Investment Holdings
March 31, 2023

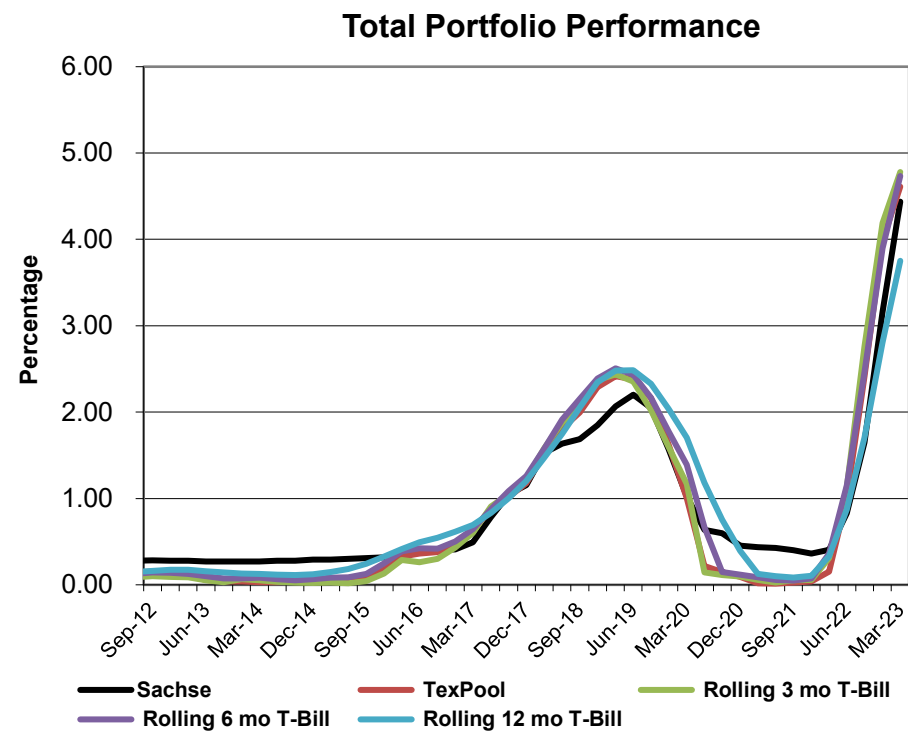
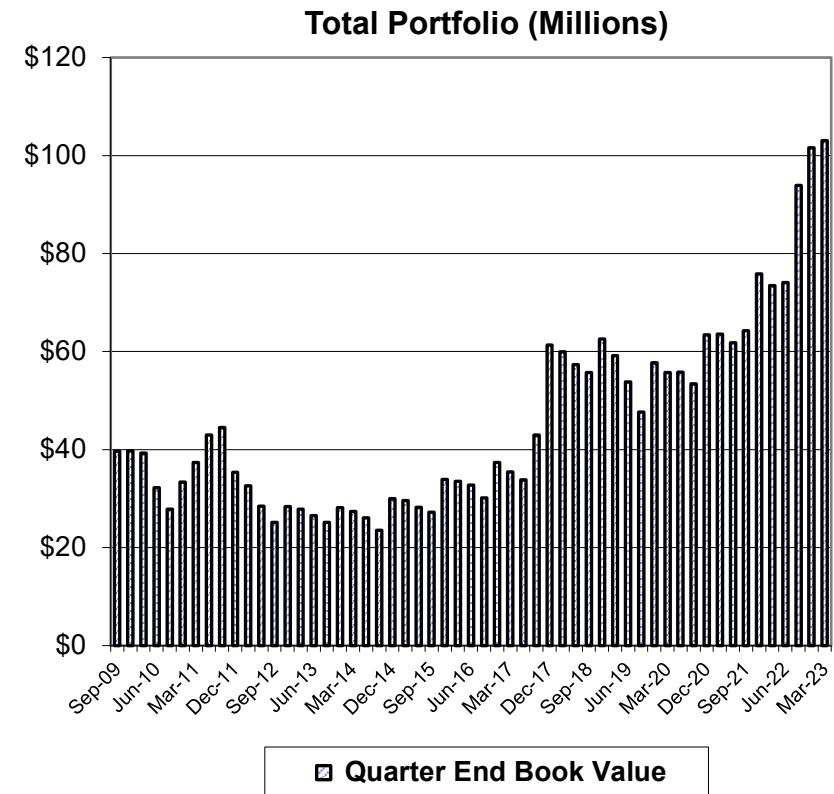
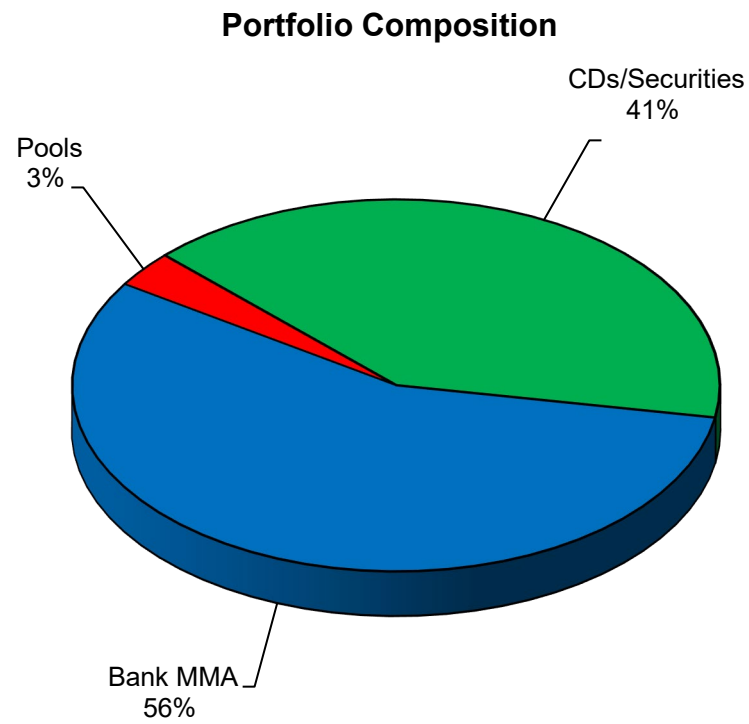
Description	Rating	Coupon/ Discount	Maturity Date	Settlement Date	Book Value	Market Price	Market Value	Life (days)	Yield
<u>Checking Accounts</u>									
American Nat'l Bank of Texas Checking		0.00%	04/01/23	03/31/23	\$ 2,412,480	1.00	\$ 2,412,480	1	0.00%
<u>Money Market Accounts</u>									
American Nat'l Bank of Texas		3.92%	04/01/23	03/31/23	3,429,229	1.00	3,429,229	1	3.92%
NexBank IntraFi		5.00%	04/01/23	03/31/23	42,078,415	1.00	42,078,415	1	5.00%
Texas Bank		5.00%	04/01/23	03/31/23	10,185,816	1.00	10,185,816	1	5.00%
<u>Local Government Investment Pools</u>									
TexPool	AAAm	4.61%	04/01/23	03/31/23	3,247,347	1.00	3,247,347	1	4.61%
<u>Certificates of Deposit</u>									
East West Bank 8172		2.87%	06/30/23	06/30/22	5,109,289	100.00	5,109,289	91	2.87%
East West Bank 7048		3.15%	07/01/23	07/26/22	2,043,441	100.00	2,043,441	92	3.15%
Citizens Bank 5763		2.75%	07/07/23	07/07/22	1,030,084	100.00	1,030,084	98	2.75%
Citizens Bank 5773		2.75%	07/07/23	07/07/22	1,030,084	100.00	1,030,084	98	2.75%
Citizens Bank 5783		2.75%	07/07/23	07/07/22	1,030,084	100.00	1,030,084	98	2.75%
East West Bank 0043		3.01%	07/13/23	07/13/22	3,065,521	100.00	3,065,521	104	3.06%
East West Bank 6187		4.08%	10/05/23	10/05/22	7,140,666	100.00	7,140,666	188	4.16%
Veritex Community Bank 5162		4.87%	01/09/24	01/09/23	3,032,422	100.00	3,032,422	284	4.87%
Veritex Community Bank 5165		4.84%	01/23/24	01/23/23	7,062,191	100.00	7,062,191	298	4.84%
American Nat'l Bank & Trust 7350		4.25%	03/07/24	10/07/22	5,088,531	100.00	5,088,531	342	4.33%
American Nat'l Bank & Trust 7787		4.50%	07/24/24	01/24/23	6,043,723	100.00	6,043,723	481	4.59%
					<u>\$ 103,029,321</u>		<u>\$ 103,029,321</u>	<u>100</u>	<u>4.44%</u>
								(1)	(2)

(1) **Weighted average life** - For purposes of calculating weighted average life, pool investments are assumed to have a one day maturity.

(2) **Weighted average yield to maturity** - The weighted average yield to maturity is based on adjusted book value, realized and unrealized gains/losses and investment advisory fees are not considered.

Book & Market Value Comparison

Issuer/Description	Yield	Maturity Date	Book Value 12/31/22	Increases	Decreases	Book Value 03/31/23	Market Value 12/31/22	Change in Market Value	Market Value 03/31/23
<u>Checking Accounts</u>									
American Nat'l Bank of Texas	0.00%	04/01/23	\$ 12,954,165	\$ —	\$(10,541,685)	\$ 2,412,480	\$ 12,954,165	\$(10,541,685)	\$ 2,412,480
<u>Money Market Accounts</u>									
American Nat'l Bank of Texas	3.92%	04/01/23	7,356,639	—	(3,927,410)	3,429,229	7,356,639	(3,927,410)	3,429,229
NexBank	5.00%	04/01/23	101,667	—	(101,667)	—	101,667	(101,667)	—
NexBank IntraFi	5.00%	04/01/23	31,502,191	10,576,223	—	42,078,415	31,502,191	10,576,223	42,078,415
Texas Bank	5.00%	04/01/23	10,068,885	116,931	—	10,185,816	10,068,885	116,931	10,185,816
<u>Local Government Investment Pools</u>									
TexPool	4.61%	04/01/23	3,211,976	35,371	—	3,247,347	3,211,976	35,371	3,247,347
<u>Certificates of Deposit</u>									
Citizens Bank 5723	0.65%	01/07/23	1,012,957	—	(1,012,957)	—	1,012,957	(1,012,957)	—
Citizens Bank 5733	0.65%	01/07/23	1,012,957	—	(1,012,957)	—	1,012,957	(1,012,957)	—
Citizens Bank 5743	0.65%	01/07/23	1,012,957	—	(1,012,957)	—	1,012,957	(1,012,957)	—
East West Bank 0174	0.48%	01/23/23	2,009,095	—	(2,009,095)	—	2,009,095	(2,009,095)	—
East West Bank 0553	0.48%	01/23/23	2,009,095	—	(2,009,095)	—	2,009,095	(2,009,095)	—
East West Bank 6002	0.48%	01/23/23	2,009,095	—	(2,009,095)	—	2,009,095	(2,009,095)	—
East West Bank 6607	0.48%	01/23/23	2,009,095	—	(2,009,095)	—	2,009,095	(2,009,095)	—
East West Bank 8172	2.87%	06/30/23	5,073,262	36,028	—	5,109,289	5,073,262	36,028	5,109,289
East West Bank 7048	3.15%	07/01/23	2,027,632	15,810	—	2,043,441	2,027,632	15,810	2,043,441
Citizens Bank 5763	2.75%	07/07/23	1,023,237	6,847	—	1,030,084	1,023,237	6,847	1,030,084
Citizens Bank 5773	2.75%	07/07/23	1,023,237	6,847	—	1,030,084	1,023,237	6,847	1,030,084
Citizens Bank 5783	2.75%	07/07/23	1,023,237	6,847	—	1,030,084	1,023,237	6,847	1,030,084
East West Bank 0043	3.06%	07/13/23	3,042,854	22,667	—	3,065,521	3,042,854	22,667	3,065,521
East West Bank 6187	4.16%	10/05/23	7,069,193	71,473	—	7,140,666	7,069,193	71,473	7,140,666
Veritex Community Bank 5162	4.87%	01/09/24	—	3,032,422	—	3,032,422	—	3,032,422	3,032,422
Veritex Community Bank 5165	4.84%	01/23/24	—	7,062,191	—	7,062,191	—	7,062,191	7,062,191
American Nat'l Bank & Trust 7350	4.33%	03/07/24	5,035,577	52,954	—	5,088,531	5,035,577	52,954	5,088,531
American Nat'l Bank & Trust 7787	4.59%	07/24/24	—	6,043,723	—	6,043,723	—	6,043,723	6,043,723
TOTAL / AVERAGE	4.44%		\$ 101,588,996	\$ 27,086,334	\$(25,646,009)	\$ 103,029,321	\$ 101,588,996	\$ 1,440,325	\$ 103,029,321



FUND EQUITY IN POOLED CASH AND INVESTMENT

FUND	FUND NAME	12/31/2022	3/31/2023	Percent	Quarterly Change
01	General Fund	\$ 20,400,163	\$ 23,614,246	22.93%	\$ 3,214,083
02	Utility Fund	21,842,692	\$ 21,130,003	20.52%	(712,690)
03	Debt Service	4,725,983	\$ 2,546,411	2.47%	(2,179,572)
04	Capital Projects	12,712,928	\$ 12,117,571	11.76%	(595,358)
05	Special Revenue Fund	954,781	\$ 743,993	0.72%	(210,788)
06	Sachse Economic Development (EDC)	3,955,552	\$ 4,279,504	4.15%	323,952
09	PGBT Reinvestment Zone TIF Fund	32,097	\$ 31,828	0.03%	(269)
10	Impact Fees	7,917,108	\$ 8,151,124	7.91%	234,015
11	Street Maintenance	1,464,957	\$ 1,672,184	1.62%	207,228
12	Vehicle Equipment Replacement Fund (VERF)	1,766,300	\$ 2,343,539	2.27%	577,239
13	Sachse Municipal Development District (MDD)	(76,155)	\$ 114,561	0.11%	190,717
14	TIRZ #2 Station	137,227	\$ 138,004	0.13%	777
15	Health Insurance	1,170,409	\$ 1,478,221	1.43%	307,812
16	Station O&M PID	29,931	\$ 27,707	0.03%	(2,224)
17	American Rescue Plan Act (ARPA)	6,516,415	\$ 6,501,177	6.31%	(15,239)
18	Hotel Occupancy Tax	15,682	\$ 19,976	0.02%	4,294
21	2022 Bond Construction Fund	18,022,926	\$ 18,119,274	17.59%	96,348
TOTAL POOLED CASH AND INVESTMENTS		\$ 101,588,996	\$ 103,029,321	100.00%	\$ 1,440,325

Notes:

Consistent with City policy, investment activity is attributed to all of the City's accounting funds collectively and on a proportional basis to each fund's total cash balance.

The City does not carry any security instrument (investment type) on its books that is traded on the open market; therefore, all investments are listed at 100% of market value.

It is the strategy of the Finance Department to maintain a high percentage of its idle funds invested in safe and secure investment securities and pooled investment types in accordance with the Public Funds Investment Act.

The City's investments are liquid and have same day access. The City's funds are swept into the above accounts and are withdrawn as needed for operational cash flow requirements.

C. Consent Agenda - All items listed on the consent agenda will be considered by the Board and will be enacted on by one motion. There will be no separate discussion of these items unless a Board member so requests.

Subject **3. Approve the Consent Agenda.**

Meeting Jul 20, 2023 - Economic Development Corporation Meeting

Access Public

Type Action (Consent)

Recommended Action Approve the Consent Agenda.

*All items listed on the consent agenda will be considered by the Board and will be enacted by one motion.
There will be no separate discussion of these items unless a Board member so requests.*

D. Regular Agenda Items

Subject	1. Receive any reports and presentations by the Sachse Economic Development Corporation President, Board Members, Executive Director, and staff regarding items of community interest; special events; announcements and activities; office, industrial, commercial, or retail business retention; and marketing projects.
Meeting	Jul 20, 2023 - Economic Development Corporation Meeting
Access	Public
Type	Discussion, Information
Goals	 Make Sachse more prosperous through job creation and quality development that adds community value.

BACKGROUND

Announcements are made at this time for informational purposes only.

POLICY CONSIDERATION

There are no policy considerations affiliated with this item.

RECOMMENDATION

Receive any reports and presentations by the Sachse Economic Development Corporation President, Board Members, Executive Director, and staff regarding items of community interest; special events; announcements and activities; office, industrial, commercial, or retail business retention; and marketing projects.

D. Regular Agenda Items

Subject	2. Discuss and consider approval of the proposed local business grant program.
Meeting	Jul 20, 2023 - Economic Development Corporation Meeting
Access	Public
Type	Action, Discussion
Preferred Date	Jul 20, 2023
Fiscal Impact	Yes
Recommended Action	Discuss and consider approval of the proposed local business grant program.
Goals	 Make Sachse more prosperous through job creation and quality development that adds community value.

BACKGROUND

The Sachse Economic Development Corporation budget contains an account code for a Local Business Grant Program. The purpose of this agenda item is to have a policy discussion about this program. On November 17, 2022, the Board held a discussion about small business grants and local business grants. No action was taken during that meeting.

At the June 22 EDC Board meeting, the Board discussed this program again and provided additional direction to staff in terms of the details of the program. No action was taken during that meeting.

OVERVIEW

During the FY 2023 budget planning and approval process, money was not specifically allocated to the local business grant account code as staff wanted first to receive policy direction from the Economic Development Corporation.

POLICY CONSIDERATION

The EDC follows statutory requirements relative to economic development projects. Currently, there is not an active grant distribution policy for local business grants.

RECOMMENDATION

Discuss and consider approval of the proposed local business grant program.

File Attachments

[Local Business Grant Program.pdf \(189 KB\)](#)

Local Business Grant Program

Discussion regarding a local business grant program.

Highlights of proposed program

- EDC goals document references an **administratively approved** grant program
- Focus on Hwy 78 (TIRZ #3 area excluding Woodbridge Corners)
 - Line item in budget subject to City Council approval (local business grant)
 - Maximum matching grant of \$25,000 for each applicant
 - Can be approved by staff subject to meeting requirements of program
 - ❖ Would require City Council approval of local business grant program (policy) in addition to the line item in the budget (budget authority)
 - Matching fund grant requests over \$25,000 ineligible for this program
 - ❖ Matching grant request over \$25,000 or any type of EDC sales tax reimbursement would be processed as incentives are currently handled
 - Requires EDC Board approval and City Council approval
 - Staff to report out to City Council and EDC Board as grants are awarded

Proposed framework

- Approve Local Business Grant line item within EDC Budget
- Staff to create straightforward application to be completed by grant requestor
- Application reviewed by staff for completeness
- To note:
 - The process above requires City Council approval of a local business grant line item each year in the EDC budget
 - Staff to work with City attorney to ensure program meets Type B requirements for economic development projects
 - Would need to hold a public hearing at a future EDC Board meeting for this as a project if/after approved by City Council in order to authorize the expenditure of these funds

Program details

- Program designed to enhance and improve the Highway 78 commercial corridor, specifically in regard to visibility from the right-of-way
- Grant funds awarded on a reimbursement basis once work has been verified by City staff and are compliant with the proposed plans in the approved application
- Funds disbursed as a single payment to the applicant
- Follows TIRZ #3 boundary excluding Woodbridge Corners but including Oak Grove Plaza shopping center
- Building/site must not have received grant funding less than 1 year prior for application date (using City fiscal year of October 1 – September 30)
 - If a commercial retail center with multiple tenants has a single owner, one (1) project eligible per year
- Maximum grant of \$25,000
 - Applicant must pay at least 25% of costs
 - EDC portion not to exceed 75% of total cost
- Application for grant funding **must** be made prior to work beginning

Program details, continued

- Applicants required to conform to all zoning regulations and building codes and must apply for and receive all necessary permits
- Applicant must pay all applicable fees
- Tenants who do not own the property must have a signed lease agreement and must submit a completed letter of property owner approval on a form created by Economic Development staff
- Improvements must be completed within a 12-month period or the applicant forfeits the grant
- Applicant must receive at least two (2) quotes for the proposed improvements and provide to Economic Development staff with the application

Program details, continued

- Receipts must be provided to staff prior to funding disbursement
 - Final amount of disbursement contingent on amount proven to have been paid via receipts
 - Reimbursement grants are a cash payment of up to the approved percentage of funds expended by the applicant on the improvements and are not to exceed the limits
 - In-kind contributions to the improvements by the applicant will not be considered as an expenditure by the applicant. Only cash expenditures by the applicant may be used in calculating the cost of improvements.
- Improvements as presented in the application and approved by staff must be completed in their entirety. Failure to complete all of the stated improvements shall render the applicant ineligible to receive grant funding.
- Upon approval of a grant application, and during the construction of the improvements, a representative or representatives of City staff shall have the right, at all reasonable times, to have access to and inspect the work in progress.
- The applicant shall not begin any improvements prior to receiving written approval of grant funding from staff
- Grant approval is discretionary – submittal of an application does not constitute an offer of a grant from the Sachse Economic Development Corporation

Eligible projects

- Generally, eligible projects include infrastructure as defined by Sec. 501.103, Texas Local Government Code
- Existing buildings or sites located in the program boundary
- The table below provides a list of projects that would be considered eligible

Local Business Grant Program	
Category	Examples
Signage	New signs, replacement of non-conforming and pole signs, removal of existing façade signage
Infrastructure	Parking lot improvements, grease traps
Significant façade and site improvements	Façade rehabilitation, exterior treatments such as brick, stone, stucco, wood, or other desirable building materials, painting, patios, window enhancements as well as canopies and window awnings (as part of overall façade improvements), attached gutters/downspouts, visible roof repair only when in conjunction with other improvements, exterior lighting fixtures (attached to structure or other permanent exterior lighting features)
Landscaping, screening, streetscape, and hardscape	Tree plantings, enhanced landscaping, irrigation, hardscape improvements including sidewalks, curb and gutter improvements, pergolas (affixed to the building), permanent street furniture
Demolition	Removal of commercial structures, derelict or dilapidated accessory structures

Ineligible projects

- Residential and/or non-commercial projects
- New commercial construction
- Interior remodeling or renovation
- Burglar bars
- Roof repair or replacement
- General / routine maintenance and repairs of buildings, signs, landscaping, etc.
- Explicit signage and/or content
- Work for projects that have already been started, are in progress, or have been completed
- An establishment with outstanding, open, and/or unresolved code enforcement or property maintenance issues/cases
- Professional fees (design, legal, engineering or other similar fees) are not eligible for reimbursement
- City fees not eligible for reimbursement
- Program is not open to appointed and/or elected officials
 - Also excludes projects for anyone related by blood or marriage to an appointed or elected official

D. Regular Agenda Items

Subject	3. Consider the Sachse Economic Development Corporation FY 2023-2024 Budget.
Meeting	Jul 20, 2023 - Economic Development Corporation Meeting
Access	Public
Type	Action, Discussion
Recommended Action	Approve the Sachse Economic Development Corporation FY 2023-2024 Budget.
Goals	 Be a model of financial stewardship through growth management, responsible investment, and financial transparency.

BACKGROUND

Staff has put together the FY 2023-2024 Economic Development Corporation budget to be consistent with the strategic goals and objectives of the Board.

OVERVIEW

Each year the EDC Board must approve an annual budget for the following fiscal year.

POLICY CONSIDERATION

Approval of the proposed budget by the EDC Board is necessary for it to be included in the overall City of Sachse Budget and then to be approved by Ordinance of the City Council.

RECOMMENDATION

Approve the Sachse Economic Development Corporation FY 2023-2024 Budget.

File Attachments

[EDC Budget Worksheet_07.17.23_EDC Meeting.pdf \(139 KB\)](#)



City of Sachse

Budget Worksheet

Account Summary

For Fiscal: 2022-2023 Period Ending: 07/31/2023

								Defined Budgets
		2020-2021 Total Budget	2020-2021 Total Activity	2021-2022 Total Budget	2021-2022 Total Activity	2022-2023 Total Budget	2022-2023 YTD Activity	2023-2024 Preliminary
Fund: 06 - ECONOMIC DEVELOPMENT FUND								
Revenue								
Object Category: 22 - Other Taxes								
06-000-40060	Sales Tax	837,500.00	1,153,321.21	975,000.00	1,374,944.64	1,300,000.00	1,068,385.16	1,430,000.00
Object Category: 22 - Other Taxes Total:		837,500.00	1,153,321.21	975,000.00	1,374,944.64	1,300,000.00	1,068,385.16	1,430,000.00
Object Category: 27 - Developer Contributions								
06-000-44041	Developer Contribution	0.00	7,800.00	0.00	0.00	0.00	0.00	0.00
Object Category: 27 - Developer Contributions Total:		0.00	7,800.00	0.00	0.00	0.00	0.00	0.00
Object Category: 28 - Interest, Rent & Leases								
06-000-45000	Interest Income	5,000.00	6,158.60	5,000.00	12,868.48	7,000.00	106,292.78	100,000.00
Object Category: 28 - Interest, Rent & Leases Total:		5,000.00	6,158.60	5,000.00	12,868.48	7,000.00	106,292.78	100,000.00
Object Category: 29 - Grants and Donations								
06-000-46055	Concession Income - Food Truc...	12,500.00	0.00	0.00	0.00	0.00	0.00	0.00
06-000-46120	Misc Grants and Donations	0.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Object Category: 29 - Grants and Donations Total:		12,500.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Revenue Total:		855,000.00	1,177,279.81	990,000.00	1,397,813.12	1,317,000.00	1,184,677.94	1,540,000.00

Budget Worksheet

For Fiscal: 2022-2023 Period Ending: 07/31/2023

Defined Budgets

		2020-2021 Total Budget	2020-2021 Total Activity	2021-2022 Total Budget	2021-2022 Total Activity	2022-2023 Total Budget	2022-2023 YTD Activity	2023-2024 Preliminary
Expense								
Object Category: 41 - Personnel Costs								
06-019-50000	Wages and Salaries	190,736.00	160,761.42	114,039.00	84,196.85	156,152.00	83,210.77	147,002.00
06-019-50010	Overtime	0.00	6,449.90	5,196.75	1,767.67	0.00	0.00	0.00
06-019-50020	Other Pay	0.00	0.00	659.00	0.00	0.00	0.00	0.00
06-019-50030	Longevity Pay	320.00	320.00	48.00	0.00	68.00	76.00	120.00
06-019-50050	Social Security and Medicare (F...	15,314.00	11,879.66	9,176.00	6,660.88	12,027.00	6,157.25	11,414.00
06-019-50060	TMRS Contributions	25,449.00	23,585.10	16,575.00	12,668.61	22,906.00	12,085.11	22,096.00
06-019-50070	Vacation/Sick Leave Buy Back	0.00	0.00	0.00	1,279.20	991.00	0.00	2,077.00
06-019-50072	Health Insurance	20,937.00	5,502.87	17,867.00	0.00	0.00	0.00	29,019.00
06-019-50080	Dental Insurance	1,181.00	146.22	543.00	0.00	0.00	0.00	723.00
06-019-50090	Life and LTD Insurance	386.00	0.00	237.00	0.00	0.00	0.00	316.00
06-019-50100	Workers Compensation	493.00	263.00	280.00	189.37	211.00	127.56	322.00
06-019-50110	Unemployment Tax	648.00	432.94	630.00	9.00	504.00	12.24	504.00
06-019-50575	Employee Insurance Transfer O...	0.00	0.00	0.00	18,647.00	27,316.00	18,208.00	0.00
Object Category: 41 - Personnel Costs Total:		255,464.00	209,341.11	165,250.75	125,418.58	220,175.00	119,876.93	213,593.00
Object Category: 42 - Supplies and Materials								
06-019-51020	Utilities - Water	0.00	66.39	0.00	65.90	0.00	0.00	0.00
06-019-51030	Utilities - Communications	1,600.00	1,356.79	1,440.00	785.53	1,008.00	498.19	972.00
06-019-51050	Office Supplies	3,000.00	808.36	3,000.00	477.73	5,750.00	131.28	3,000.00
06-019-51070	Postage	400.00	300.00	400.00	0.00	400.00	833.61	1,000.00
06-019-51230	Business Retention Efforts	12,000.00	0.00	10,000.00	4,660.12	10,000.00	5,510.94	10,000.00
06-019-51400	Special Programming Supplies	2,500.00	799.21	0.00	0.00	0.00	0.00	0.00
06-019-51500	Uniforms and Accessories	0.00	0.00	450.00	408.30	880.00	89.44	880.00
06-019-51510	Small Tools and Equipment	700.00	0.00	1,000.00	473.20	1,000.00	3,200.53	1,000.00
06-019-51550	Fuel and Lubricants	0.00	0.00	3,250.00	299.97	574.00	99.26	473.00
06-019-51700	Community Relations & Special...	0.00	0.00	47,275.00	25,057.87	44,750.00	19,279.00	42,750.00
06-019-51800	Dues and Subscriptions	6,500.00	14,251.50	20,446.88	49,308.37	51,692.00	31,119.03	7,829.00
06-019-51810	Employee Training and Travel	7,000.00	1,140.00	7,715.50	7,252.76	7,900.00	12,187.42	17,430.00
Object Category: 42 - Supplies and Materials Total:		33,700.00	18,722.25	94,977.38	88,789.75	123,954.00	72,948.70	85,334.00
Object Category: 43 - Maintenance and Repairs								
06-019-52000	Vehicle Repairs and Maintenan...	500.00	257.64	1,000.00	1,097.26	1,000.00	93.48	1,000.00

Budget Worksheet

For Fiscal: 2022-2023 Period Ending: 07/31/2023

Defined Budgets

		2020-2021 Total Budget	2020-2021 Total Activity	2021-2022 Total Budget	2021-2022 Total Activity	2022-2023 Total Budget	2022-2023 YTD Activity	2023-2024 Preliminary
06-019-52040	Software Licensing	0.00	0.00	0.00	0.00	0.00	0.00	52,020.00
Object Category: 43 - Maintenance and Repairs Total:		500.00	257.64	1,000.00	1,097.26	1,000.00	93.48	53,020.00
Object Category: 44 - Contractual Services								
06-019-53000	Legal/Consulting Fees	0.00	0.00	0.00	1,618.75	10,000.00	14,950.00	20,000.00
06-019-53002	Professional Services (53003)	100,000.00	115,301.03	125,000.00	19,529.43	73,000.00	8,291.67	220,000.00
06-019-53060	Printing Services	1,000.00	0.00	6,000.00	1,885.00	3,100.00	1,972.25	2,000.00
06-019-53170	Contract Mowing Services	0.00	0.00	0.00	7,344.40	0.00	0.00	0.00
06-019-53220	5th Street District	25,000.00	1,020.48	25,000.00	867.91	30,600.00	10,372.41	30,600.00
06-019-53241	Local Business Grant Program	206,262.00	43,147.99	0.00	0.00	0.00	0.00	100,000.00
06-019-53380	Advertising and Legal Publicati...	45,000.00	19,748.37	21,400.00	22,028.83	46,500.00	29,955.08	60,800.00
06-019-53500	Web Page Services	2,000.00	4,940.76	5,000.00	7,098.00	9,225.00	0.00	2,520.00
06-019-53600	Copier Rental & Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	864.00
Object Category: 44 - Contractual Services Total:		379,262.00	184,158.63	182,400.00	60,372.32	172,425.00	65,541.41	436,784.00
Object Category: 46 - Transfers and Contingencies								
06-019-55000	Operating Transfer Out - Gener...	154,310.00	154,310.00	177,576.00	177,576.00	118,803.00	79,200.00	118,035.00
Object Category: 46 - Transfers and Contingencies Total:		154,310.00	154,310.00	177,576.00	177,576.00	118,803.00	79,200.00	118,035.00
Object Category: 50 - Economic Development Grants								
06-019-54505	Small Business Grant Program	25,764.00	0.00	0.00	0.00	0.00	0.00	0.00
06-019-57000	Economic Development Grants	0.00	0.00	0.00	0.00	0.00	703,883.00	0.00
Object Category: 50 - Economic Development Grants Total:		25,764.00	0.00	0.00	0.00	0.00	703,883.00	0.00
Expense Total:		849,000.00	566,789.63	621,204.13	453,253.91	636,357.00	1,041,543.52	906,766.00
Fund: 06 - ECONOMIC DEVELOPMENT FUND Surplus (Deficit):		6,000.00	610,490.18	368,795.87	944,559.21	680,643.00	143,134.42	633,234.00
Report Surplus (Deficit):		6,000.00	610,490.18	368,795.87	944,559.21	680,643.00	143,134.42	633,234.00

Fund Summary

Fund	Defined Budgets						
	2020-2021 Total Budget	2020-2021 Total Activity	2021-2022 Total Budget	2021-2022 Total Activity	2022-2023 Total Budget	2022-2023 YTD Activity	2023-2024 Preliminary
06 - ECONOMIC DEVELOPMENT FUND	6,000.00	610,490.18	368,795.87	944,559.21	680,643.00	143,134.42	633,234.00
Report Surplus (Deficit):	6,000.00	610,490.18	368,795.87	944,559.21	680,643.00	143,134.42	633,234.00

E. Executive Session

Subject	1. The Sachse Economic Development Corporation shall convene into Executive Session pursuant to Texas Government Code Section §551.087: Deliberation regarding Economic Development Negotiations: Discussion of an Economic Development incentive for Bunker Hill Retail, LLC for a project generally located along Bunker Hill Road and Miles Road and for retail or commercial business projects seeking to locate within the City of Sachse.
Meeting	Jul 20, 2023 - Economic Development Corporation Meeting
Access	Public
Type	Closed Session

E. Executive Session

Subject	2. Executive Session Pursuant to Texas Government Code §551.087 Economic Development Deliberations: Deliberate the offer of a financial or other incentive relating to the development of Project Fern.
Meeting	Jul 20, 2023 - Economic Development Corporation Meeting
Access	Public
Type	Closed Session

F. Regular Items / Meeting Closing

Subject	1. Take action as a result of executive session: Consider authorizing the City Manager as Executive Director of the EDC to negotiate and execute an economic development agreement on behalf of the EDC with Bunker Hill Retail, LLC for a project generally located along Bunker Hill Road and Miles Road, and any amendments and instruments related thereto.
Meeting	Jul 20, 2023 - Economic Development Corporation Meeting
Access	Public
Type	Action, Discussion
Recommended Action	Authorize the City Manager as Executive Director of the EDC to negotiate and execute an economic development agreement on behalf of the EDC with Bunker Hill Retail, LLC for a project generally located along Bunker Hill Road and Miles Road, and any amendments and instruments related thereto.

F. Regular Items / Meeting Closing

Subject	2. Take any action as a result of Executive Session - deliberate the offer of a financial or other incentive relating to the development of Project Fern.
Meeting	Jul 20, 2023 - Economic Development Corporation Meeting
Access	Public
Type	Action, Discussion
Recommended Action	Motion to authorize City Manager to negotiate and execute an incentive agreement for Project Fern on behalf of the Economic Development Corporation.
Goals	 Make Sachse more prosperous through job creation and quality development that adds community value.