



**SOUTHLAKE COMMUNITY ENHANCEMENT AND DEVELOPMENT CORPORATION
BOARD MEETING MINUTES: January 22, 2019**

LOCATION: Southlake Town Hall – Room 4A
1400 Main Street
Southlake, Texas 76092

TIME: 6:00 p.m.

**COMMUNITY ENHANCEMENT AND DEVELOPMENT CORPORATION BOARD
MEMBERS PRESENT:** Board President Martin Schelling, Board Secretary Suzanne Maisto, Tom DeCaro, Bob Mundlin, Craig Sturtevant and Jeff Wang.

**COMMUNITY ENHANCEMENT AND DEVELOPMENT CORPORATION BOARD
MEMBERS ABSENT:** Board Vice-President Brandon Bledsoe

STAFF PRESENT: Assistant City Manager Alison Ortowski, Assistant City Manager Ben Thatcher, Chief Financial Officer & Board Treasurer Sharen Jackson, Director of Community Services Chris Tribble, Director of Public Works Rob Cohen, Deputy Director of Economic Development Daniel Cortez, Tourism & Marketing Manager Cambria Jones, and Assistant Police Chief Ashleigh Casey.

1. Call to order

Board President Martin Schelling called the meeting to order at 6:00 p.m. and welcomed newly appointed board member Craig Sturtevant.

2. Consider approving the minutes from the November 27, 2018 Community Enhancement and Development Corporation meeting

A motion was made to approve the minutes from the November 27, 2018 meeting as presented.

Motion: Mundlin
Second: Wang
Ayes: DeCaro, Maisto, Mundlin, Schelling, and Wang
Nays: None
Abstain: Sturtevant
Vote: 5-0-1
Motion Carried – APPROVED

3. EXECUTIVE SESSION

Board President Schelling announced the Community Enhancement and Development Corporation (CEDC) would go into Executive Session pursuant to the

Open Meetings Act, Chapter 551, Texas Government Code, Section 551.087 to deliberate regarding economic development negotiations.

Executive Session began at 6:03 pm and concluded at 6:05 pm.

4. Economic Development

a. Receive a report and provide feedback on implementation of the Southlake 2035 Tourism Master Plan

Assistant City Manager Ortowski introduced Cambria Jones to the board. Cambria was recently hired to serve as the City's Tourism and Marketing Manager. Assistant City Manager Ortowski then presented the Board with an overview of the implementation of the 2035 Tourism Master Plan. No formal action was sought other than board feedback on implementation of the master plan.

b. Review status update and provide feedback on the launch of the annual business climate and satisfaction survey

Deputy Director of Economic Development Daniel Cortez presented this item and provided the Board with an overview of the business survey. City staff has integrated the board's feedback from previous discussion into the survey program. Deputy Director Cortez noted that his office is ready to implement the survey in February unless the board has any additional feedback for the program. No formal action was sought other than board feedback on the survey program.

5. The Marq Southlake

a. Consider funding annual agreement with Regent Services (Southlake Leasing) for janitorial services for Legends Hall and Champions Club in an amount not to exceed \$155,000.

Community Services Director Tribble presented this item seeking approval to fund a janitorial services agreement with Regent Services for both Legends Hall and Champions Club in The Marq. Director Tribble noted that Regent Services has provided satisfactory janitorial services to the City for most City facilities since 2011 through an inter-local agreement with the City of Grapevine.

A motion was made to approve the agreement with Regent Services as presented.

Motion: Mundlin

Second: Maisto

Ayes: DeCaro, Maisto, Mundlin, Schelling, Sturtevant and Wang

Nays: None

Abstain: None

Vote: 6-0

Motion Carried – APPROVED

b. Consider funding an amendment to the City’s contract with Tactical Systems Network for security guards at Champions Club in an amount not to exceed \$129,000.

Assistant Police Chief Casey presented this item seeking approval to fund an amendment to the City’s contract with Tactical Systems Network for security guards at Champions Club. Chief Casey explained that the City currently has a contract with Tactical Systems Network to provide armed security for Town Hall. This amendment adds armed security for Champions Club to the current City contract and will provide services to Champions Club during all hours that the facility is open.

A motion was made to approve the amendment with Tactical Systems Network as presented.

Motion: Maisto
Second: DeCaro
Ayes: DeCaro, Maisto, Mundlin, Schelling, Sturtevant and Wang
Nays: None
Abstain: None
Vote: 6-0
Motion Carried – APPROVED

6. Staff reports:

a. Financial reports

i. The Marq Southlake financial highlights

Chief Financial Officer and Board Treasurer Jackson presented the monthly dashboard status for the Marq and noted the following for the board:

- Overall cost recovery for The Marq is 34.68%, which is below the target of 82% (set for year three)
- Year-to-date revenue is \$160,510
- Year-to-date expenses is \$462,893

ii. Champions Club membership sales report

Director Tribble informed the board that currently the City has sold 732 memberships to Champions Club, which is 142% of the pre-sale goal and 43% of the year one goal.

iii. Sales tax report

Chief Financial Officer and Board Treasurer Jackson asked the board if there were any questions regarding the sales tax report that was in the packet. She informed the Board that the Corporation brought in \$430,355 in revenue for the

month of November 2018. The total revenue for the year is under \$1m (\$903,342).

b. Economic and development activity report

i. State of the Economy

Assistant City Manager Ortowski provided the board a presentation on the state of the economy in Southlake. She noted the following points from 2018 as part of her presentation:

- Residential permits were down from the previous year of 161 to 127 in 2018.
- Residential value added was down from \$292m in 2017 to \$241m in 2018.
- Commercial permits were slightly higher with 23 in 2018.
- Commercial value added was down from \$124m in 2017 to \$91m in 2018.
- The City has a 58% new business survival rate after five years which is higher than the national average of 51%.
- Office occupancy rates are at 80.3%.
- Sales tax collections are up by 2.24%.

ii. Business Engagement Program Q1 Report

Deputy Director of Economic Development Daniel Cortez gave the board an update on the first quarter business engagement report. During Q1 12 businesses were interviewed and 40 new businesses were visited.

c. Construction management report

Director Cohen provided a brief update on the construction status of Champions Club including several recent updated pictures of the building. He informed the board that the project is 82% complete and that substantial completion is targeted for the end of January 2019. He noted that \$25.5 million has been paid to the contractor thus far.

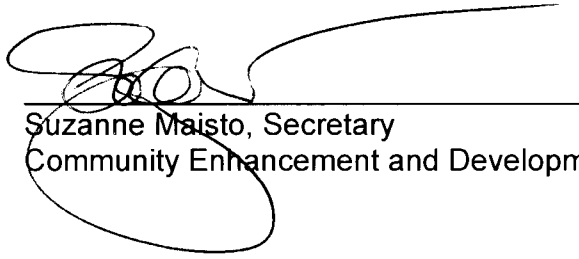
Director Tribble also informed the board that the grand opening event is being planned for the end of March, and that more information will be forthcoming.

7. ADJOURNMENT

Board President Schelling adjourned the meeting at 7:31 p.m.



Martin Schelling, President
Community Enhancement and Development Corporation Board



Suzanne Maisto, Secretary
Community Enhancement and Development Corporation Board