



**SOUTHLAKE COMMUNITY ENHANCEMENT AND DEVELOPMENT CORPORATION
BOARD MEETING MINUTES: May 28, 2019**

LOCATION: The Marq Southlake
Legends Hall – Boardroom
285 Shady Oaks Drive
Southlake, Texas 76092

TIME: 6:00 p.m.

**COMMUNITY ENHANCEMENT AND DEVELOPMENT CORPORATION BOARD
MEMBERS PRESENT:**, Board President Martin Schelling, Board Vice-President
Brandon Bledsoe, Tom DeCaro, and Craig Sturtevant (Acting Board Secretary).

**COMMUNITY ENHANCEMENT AND DEVELOPMENT CORPORATION BOARD
MEMBERS ABSENT:** Board Secretary Suzanne Maisto, Bob Mundlin, and Jeff Wang.

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, and Deputy Director of Economic Development Daniel Cortez.

1. Call to order

Board President Martin Schelling called the meeting to order at 6:00 p.m.

2. Consider approving the minutes from the April 23, 2019 Community Enhancement and Development Corporation meeting

A motion was made to approve the minutes from the April 23, 2019 meeting as presented.

Motion: Bledsoe
Second: Sturtevant
Ayes: Bledsoe, DeCaro, Schelling, and Sturtevant
Nays: None
Abstain: None
Vote: 4-0
Motion Carried – APPROVED

**3. Economic Development:
a. Review Business Climate Survey Results**

Deputy Director of Economic Development Daniel Cortez presented this item and provided the Board with an overview of the business climate survey results. The key findings from the survey include:

- Most businesses feel the City provides excellent/good quality services
- The local and regional business environment is better than anywhere else
- Businesses have a positive outlook towards the future, expecting growth and more employees
- The concentration of similar type of businesses is creating over-competition
- Traffic and vehicular accessibility to businesses is the greatest customer complaint
- Finding qualified or service industry employees is a growing issue

No formal action was sought on this item other than board feedback and questions on the survey results.

b. Discuss and make recommendations regarding the Gateway Plaza Commercial Site Assessment

Deputy Director of Economic Development Daniel Cortez re-presented the site assessment for Gateway Plaza, the first commercial center that underwent the department's vitality assessment. After the presentation the board provided the following feedback on the assessment results:

- A focus shouldn't just be to enhance but preserve the tax base
- Encourage a mix of uses beyond what we have in zoning
- We need to capitalize on the creek as an amenity for the center
- Retail alone is not sustainable
- The north side of the center admittedly would be challenging for any leasing company
- Does there need to be additional signage?
- We need to figure out how we can assist in marketing the center, mainly as it pertains to the large spaces
- Maybe a "design charrette" should be conducted for the future of the center
- Can we talk to those businesses that leave from the center to figure out why they're leaving?

4. 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 7:21 pm and concluded at 7:46 pm.

5. The Marq Southlake:

- a. Consider funding with TDC2 for the design, engineering, and construction services to connect Carroll ISD fiber to the City of Southlake fiber at Bicentennial Park in an amount not to exceed \$96,846.**

Chief Financial Officer and Board Treasurer Jackson informed the board that on April 16, 2019, City Council approved updating the fiber interlocal agreement with Carroll ISD to extend the City of Southlake's network area to The Marq. The Marq Southlake contains over 100,000 sq. ft. of premier fitness, activity and event space for Southlake residents, as well as customers within the Dallas-Fort Worth Metroplex. As such, staff wants to ensure network redundancy at this facility in the event that the current fiber optic cables were to fail. TDC2, LLC will provide the design, engineering, and construction services connecting the City of Southlake fiber optic cable to Carroll ISD fiber optic cable. This connection will provide an estimated 4,200 feet of fiber optic cable, eliminating the risk of a single point of failure and ensure network redundancy.

A motion was made to approve the purchase request as presented.

Motion: Bledsoe
Second: DeCaro
Ayes: Bledsoe, DeCaro, Schelling, and Sturtevant
Nays: None
Abstain: None
Vote: 4-0
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 trending at 21%, which is below the target of 82% (set for year three)
- Year-to-date revenue is \$516,557
- Year-to-date expenses is \$2,443,969

ii. Champions Club membership sales report

Chief Financial Officer and Board Treasurer Jackson shared with the board that the City has currently sold 1,950 memberships to Champions Club, which has surpassed the year one goal of 1,100.

iii. Sales tax report

Chief Financial Officer and Board Treasurer Jackson informed the Board that the Corporation brought in \$498,751 in revenue for the month of March 2019, which is 5.6% above what was budgeted for the same month last year. The total revenue for the year is over \$2.8m (\$2,812,560).

b. Economic and development activity report

No report for this month.

c. Construction management report

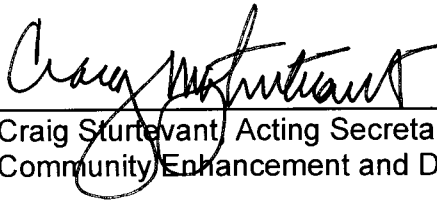
Director Cohen provided a brief update on the construction status of Champions Club. He noted that \$30.9 million has been paid to the contractor thus far, and that the focus of work is on punch list corrections, developing an exit strategy for the contractor, and working towards obtaining the final certificate of occupancy.

7. ADJOURNMENT

Board President Schelling adjourned the meeting at 8:04 p.m.



Martin Schelling, Board President
Community Enhancement and Development Corporation Board



Craig Sturtevant, Acting Secretary
Community Enhancement and Development Corporation Board