

**AGENDA REPORT**

<b>Meeting Date:</b>	<u>June 21, 2023</u>	<b>Item Number:</b>	<u>C</u>
<b>Prepared By:</b>	<u>Jason Greiner</u>	<b>Account Code:</b>	<u></u>
<b>Date Prepared:</b>	<u>June 16, 2023</u>	<b>Exhibits:</b>	<u>1</u>

**Subject**

Consider and act upon a Performance Agreement between the WEDC and Wylie Insurance Agency, Inc.

**Recommendation**

Motion to approve a Performance Agreement between the WEDC and Wylie Insurance Agency, Inc.

**Discussion**

As the Board will recall, the WEDC approved a Performance Agreement with Project 2021-11a (Wylie Insurance Agency, Inc.) in an amount not to exceed \$30,000, subject to City Council approval, on December 21, 2022. Additionally, on January 10, 2023, City Council authorized the WEDC to enter into a Performance Agreement with Project 2021-11a in an amount not to exceed \$30,000. For clarity, Staff is simply bringing this item back to the consent agenda with the inclusion of the LLC name, as both former approvals were tied only to “Project 2021-11a”.

From our previous discussions, Wylie Insurance requested assistance from the WEDC specifically related to the construction of a new 5,361 square foot office building adjacent to the South Ballard Overlay, more specifically 404 South Jackson Avenue in Wylie, Texas. Wylie Insurance plans to invest over \$500,000 in the project over the next 12 months. The following Agreement outlines a \$30,000 infrastructure reimbursement incentive, payable over a two-year period.

The Performance Measures and Incentive Payments are identified as follows:

Incentive No. 1 ..... \$15,000

- Proof of Certificate of Completion by December 31, 2023; and
- Proof of Qualified Infrastructure investment of no less than \$30,000
- Company is current on all ad valorem taxes and other property taxes.

Incentive No. 2 ..... \$15,000

- Proof of Certificate of Occupancy one year from the anniversary of CC; and
- Company is current on all ad valorem taxes and other property taxes.

Should Wylie Insurance fail to meet the Performance Measures for Incentive No. 1, the entire Performance Agreement is voided in advance. Further, no partial incentive payments will be provided.

*Economic Impact Analysis (EIA): The estimated valuation for this project is approximately \$150/SF or \$804,150. With the WEDC's Infrastructure Reimbursement of \$30,000, this project will generate an estimated \$165,735 in overall tax revenue for the City of Wylie over the next 10 years. For every \$1 that the WEDC invests, this developer is investing \$5.52 in our community.*

*Additional estimates of tax revenue generated include \$20,587 for Collin County, \$132,836 for WISD, and \$9,117 for Collin College over the next 10 years.*