

AGENDA REPORT

Meeting Date:	<u>January 19, 2022</u>	Item Number:	<u>1</u>
Department:	<u>WEDC</u>		<i>(Staff Use Only)</i>
Prepared By:	<u>Jason Greiner</u>	Account Code:	<u></u>
Date Prepared:	<u>1/18/22</u>	Exhibits:	<u>1</u>

Subject

Consider and act upon a Performance Agreement between the WEDC and Fuel City Wylie, LLC.

Recommendation

Motion to approve a Performance Agreement between the WEDC and Fuel City Wylie, LLC providing for a maximum infrastructure reimbursement incentive of \$500,000 and further authorizing the WEDC Executive Director to execute said Agreement.

Discussion

As the Board will recall, WEDC staff presented Project 2021-4a back in April 2021. After further analysis and Board direction, staff took the project to City Council on November 15, 2021. In accordance with Resolution No. 2019-17(R), the Wylie City Council authorized the WEDC to formalize negotiations with Fuel City Wylie, LLC (FCW) and enter into a Performance Agreement with the same.

Fuel City requested assistance from the WEDC specifically related to the construction of a new 9,340 square foot travel center, a 770 square foot outdoor covered dining area, and a 6,214 square foot car wash on a 7.79 AC lot located at the intersection of Eubanks Lane and State Highway 78. The facility will offer fueling stations for passenger vehicles and commercial trucks, a convenience store/gift shop, dining area, and an Express tunnel carwash. Fuel City plans to invest \$10,000,000 on the project which is anticipated to be complete by March 31, 2023. Infrastructure included in the project includes two TxDOT deceleration lanes, one from Highway 78 into Fuel City’s property and the second decel lane will provide cross-access from the median opening into the adjacent lot. Additionally, the project is also tied to the underground relocation of utilities and stormwater infrastructure improvements for the site. These improvements will add value to the neighboring tracts of land and maximize the buildable square footage on the adjacent properties. Utility relocations and infrastructure improvements on both properties total nearly \$800,000.

The attached Agreement outlines a \$500,000 infrastructure reimbursement incentive and the Performance Measures are identified as follows:

- Proof of Certificate of Occupancy by March 31, 2023; and
- Proof of Payment of Permit Fees to the City of Wylie; and
- Proof of installation (and acceptance) of Decel Lane #2 (main entrance into FCW); and
- Proof of installation (and acceptance) of Decel Lane #3 (for adjacent property); and

- Proof of installation (and acceptance) of all public improvements, fire lanes, and access drives connecting the two properties; and
- Proof of installation (and acceptance) of underground stormwater catchment system (underground box culverts vs. open-cut drainage)
- Proof Company is current on all ad valorem taxes and other property taxes.

Economic Impact Analysis (EIA): While this project plans to invest \$10MM, the estimated valuation is roughly \$7MM. With the WEDC's Infrastructure Reimbursement of \$500,000, this project will generate an estimated \$1.9MM 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 \$3.80 in our community.

Additional estimates of tax revenue generated includes \$144,048 for Collin County, \$392,271 for WISD, and \$67,813 for Collin College over the next 10 years.