



2013-2104

**State of the Windcrest Economic
Development Corporation**

by:

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The Beginning



This WEDC Board comes in with major issues to overcome

- Allegations of Millions of dollars missing
- Co-Signer on an 18 million dollar loan
- Over 12 million dollars in commitments with the Master Economic Incentives Agreement(MEIA)
- A WEDC Budget that had spent more than it took in revenue

The Challenges



- We needed to have a stable WEDC Board and stabilize the operations of the Corporation
- Work on solutions to alleviate the 18 Million dollar loan
- Take all actions at our disposal in recovering the alleged missing Millions of dollars
- Study, Understand and Re-Negotiate an MEIA agreement that committed the WEDC and City to over 12 million dollars in obligations in a document that is over 600 pages long.
- Rebuild the trust and a positive relationship with Rackspace and Windcrest Businesses
- Build and Complete the Racker Road Project as **PROMISED**
- Retain Businesses and attract new business investment into Windcrest and GROW our Sales Tax Revenue – A major obstacle we had to overcome
- Ensure that we are spent less than we take in our budget

Getting it DONE!



- We have had the same WEDC board for the last 4 years.
- With a truly dedicated WEDC Board & City Council, many hours were spent negotiating a solution on an **18 million dollar loan** that was inherited. The team was successful in finding a solution and the WEDC was released from the loan with the purchase of the land(111 acres) by Stratford Properties.
- The WEDC Board has and is working with Texas Rangers, Bexar County District Attorneys office and attorneys in any & all efforts to recover alleged missing funds.
- Because of missing funds and a commitment to Rackspace, the WEDC had no other choice but to obtain a 1.6 million dollar low interest loan from the Texas Leverage Fund(TLF).
- With the WEDC Board's decision to pay off debt whenever possible we have paid off more than half of the 1.6 million dollar loan and saved well over \$200,000 in interest in just over 3 years.

Getting it DONE!



WEDC

TLF Loan update

Action	End Date	Payment	Interest	Balance	Interest Savings
original	3/28/2011 -		-	1,600,000.00	
original	4/1/2026		424,406.00		
1st pay down year	2/1/2024		328,883.73		95,522.27
2nd pay down year	11/1/2021		246,310.98		178,095.02
2014 Pay Down Opt					
150k pay down	5/1/2020		208,539.19		215,866.81
175k pay down	2/1/2020		203,591.35		220,814.65

Getting it DONE!



- With the TLF loan we started and completed the Racker Road Project and kept our promise to Rackspace. **We also came in under budget.**
- The WEDC Board, City Council & Staff worked diligently with our attorneys as well as Rackspace, Bexar County, City of San Antonio & Stratford Land in renegotiating the over 600 page MEIA agreement. We were able to get Bexar County Commissioners Court, San Antonio City Council, Rackspace, Stratford Land as well as ourselves and our City Council to all approve this revised MEIA agreement. This removed the more than 12 million dollars in obligations from the WEDC and City of Windcrest. This was also instrumental in us receiving an additional \$250,000 in funds.
- All during this time we had to rebuild trust with Rackspace and our Businesses. We did this through communication, living up to our commitments and hard work. It is evident that we have been successful as we look at the huge growth of Rackspace and a large increase in our Sales Tax Dollars.

Getting it DONE!



- We started a Storefront & Streetscape Improvement Program to enhance the appearance of our businesses. Our most recent example is Sand Dollar Pools and more business continue to apply
- We have had Millions of Dollars invested by our city's businesses (Over 120 million by Rackspace, 10 million by Whitestone – Reit, 5 Million by Frost Bank and more by others)
- We have had new businesses come into Windcrest such as Ross, Burkes Outlet, Cricket Cellular(2 stores), Shipley Donuts, Casa di Mi Tierra Restaurant, Skechers, Dunkin Donuts/Baskin Robbins, Rodney D. Young Insurance.
- Many of our businesses have done remodels or upgrades such as Sand Dollar Pools, Las Palapas, Olive Garden, Red Lobster, Whataburger , I-Hop and PetSmart.
- We have new businesses coming in and building in Windcrest as we speak such as In n Out Burger, Buffalo Wild Wings and a Whataburger Management Training Center.

Getting it DONE!



- I am also very proud to announce that we have a business in Windcrest that after being involved with Windcrest for 36 years(since 1978) will now be investing 1.4 million dollars into their new location here in Windcrest - Windcrest Cosmetic & General Dentistry – Dr. Wright & Dr. Garza will be at 8211 Rough Rider.
- The WEDC board understands that development does not happen overnight and the right change takes time and sometimes saying no if it is not in the best interest of our City. We have also made many changes in the EDC in our organization and communication to ensure we are professional in all areas.

Getting it DONE!

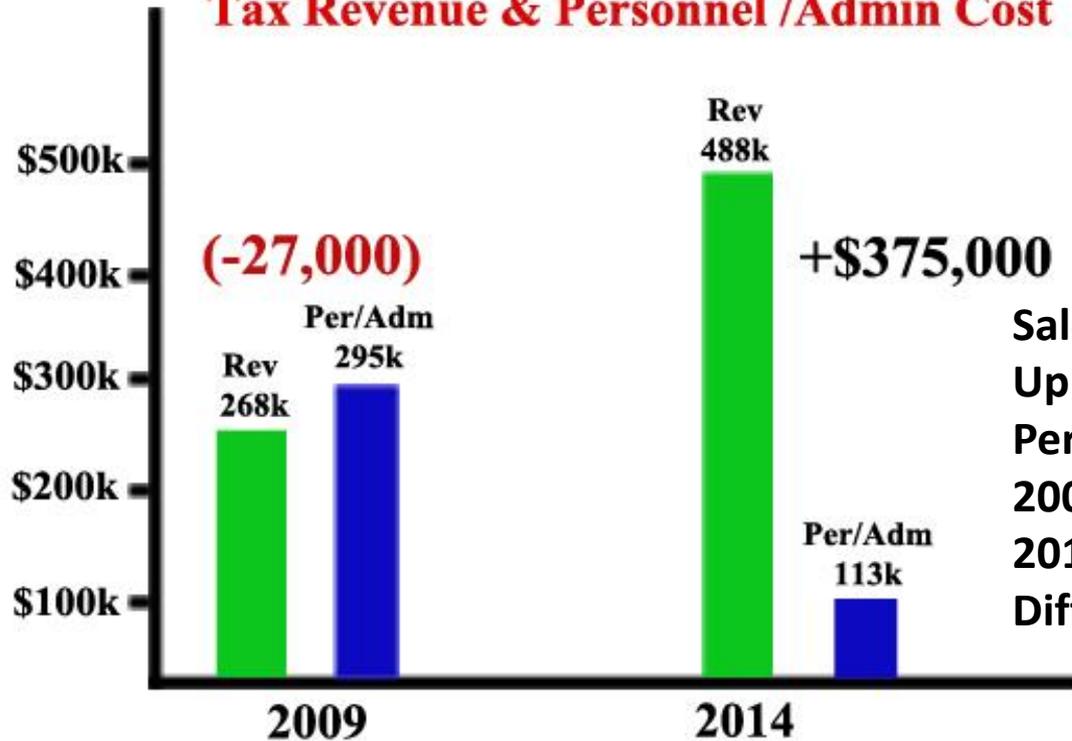


- The Getting it Done cannot stop. I would be remiss if I did not speak of our own house keeping and improvements. We are currently budgeting for around \$488k for next fiscal year. Our goal is that we exceed this by at least 10%. But this is just one aspect of our budget. I would like to show you where we are now and where we were in 2009 with the previous WEDC board & Administration.

Compare 2009 to Now



Tax Revenue & Personnel /Admin Cost



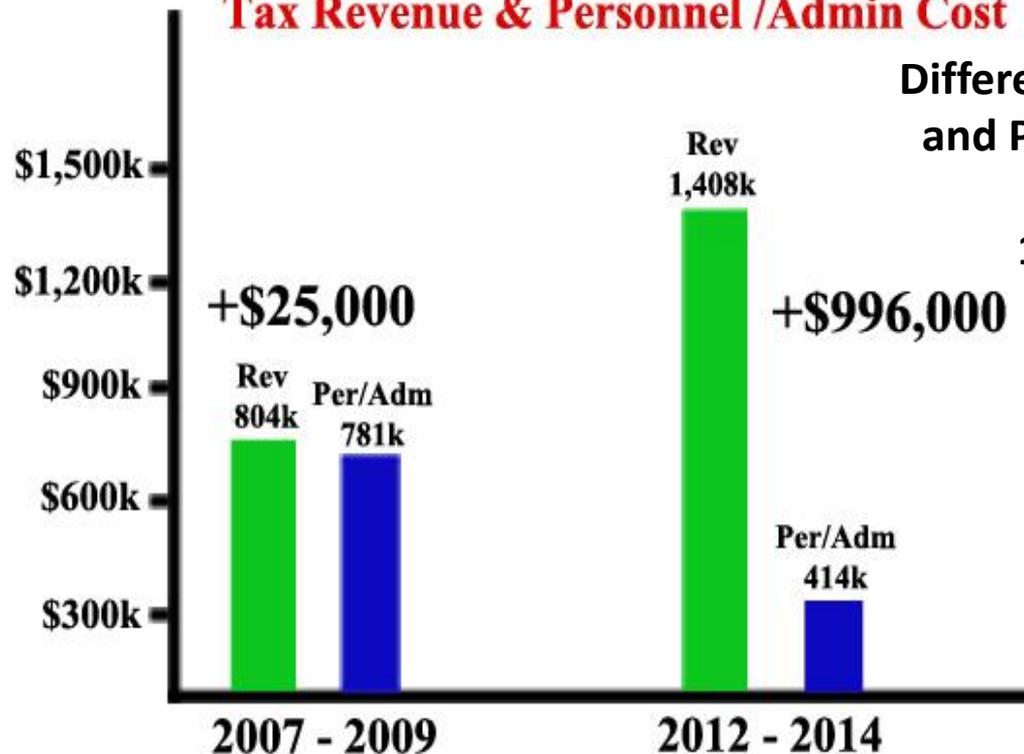
Sales Tax Revenue
Up + 82% = \$220,000
Personnel & Admin Cost
2009 – **110% of Tax Rev**
2014 – **23% of Tax Rev**
Difference **\$182,000**

Windcrest Economic Development Corporation

Compare 07-09 and 12-14



Tax Revenue & Personnel /Admin Cost



Difference between Revenue
and Personnel/Admin Cost

07-09 = \$25,000

12-14 = \$996,000

Sales Tax Revenue

07-09 vs 12-14

UP 75%

Windcrest Economic Development Corporation

Getting it DONE!



Getting it DONE!



**Future
Windcrest
Business
Owners**



Windcrest Economic Future

