



## *Mayor's Letter*

December 15, 2016

*Hello Everyone,*

**SANTA** made his annual trip to Lakewood Village on December 4th. Family photos and ornament decorating were the order of the day. A good time was had by all.

**IN MANY YEARS**, the Town Council would cancel the December meeting, however, this year Clint Bushong came up with a great alternative. So, we tried something new. On December 13<sup>th</sup>, the Town Council invited all of the members of our boards, citizen volunteers, and workers to an appreciation dinner at Town Hall. While the Town Council has the most visibility, there are many unsung volunteers who accomplish things that go unnoticed. Whether it's the person who reads the water meter, decorates the bulletin boards, acquires playground equipment, or hangs the banners at the front of the town, we all benefit from the efforts of many individuals. We put it together on short notice, so we probably forgot some of you. We'll keep better track this year. We're a small town, we don't have lots of staff, we have to have help, and we really do appreciate it.

**EXCLUDING** the last two years, we would typically average around eleven council meetings a year, with December or January often cancelled due to the holidays. **In 2016 we had 19 meetings.** Why so many? It's easy to see, just look all around us – economic development is booming and we have to stay ahead of it. At our last Council meeting, an audience member asked about executive sessions, which is the part of our meeting closed to the public. Good question; let me elaborate. Under Texas Law, and in nearly all other states, "sunshine laws" mean official actions (voting) can only be taken in an open meeting. So, no matter what is discussed in executive session, we cannot vote in secret – all actions must be taken out in front of the public.

Why do we have executive sessions? The legislature has determined **there are a few limited circumstances** where the benefit to public welfare gained by the executive session outweighs making the information public. Let me give you an example. We were very concerned about the abandoned house at 665 Woodcrest that was vacant for years. The house was beyond repair and people were illegally entering the house, which was in an unsafe condition due to vandalism and a previous fire. What were our legal options? Could we order the house demolished? What if Wells Fargo refused? We aren't going to sue them – they have a zillion dollars, so what would we do? We needed straight advice from our attorney – **BUT, the Wells Fargo attorney is sitting in the front row of the Council meeting.** Well, as you would expect, under *Texas Government Code §551.071* you can consult with your attorney in private. There's a reason the Cowboys don't invite the other teams' defensive players into their huddle. When we later decided to issue a demolition order, we did so in the open, after allowing input from the bank's attorney.

Later, after discussions with the bank, it was clear that Wells Fargo wanted to sell the property rather than spend money demolishing the structure and then owning an empty lot. I knew that the property was important to the town and we should buy it. What I didn't say in public was the lot adjacent to it on Woodcrest was originally planned to have a well to service the area that became the Shores. If you look at the power poles, you will see that the three phase power necessary for running our equipment stops at that property. Also, there is already a 6" water main with the valves already in place at the front of the property. **Under the Texas Government Code §551.072 we can deliberate about the purchase of property in private.** Obviously, I can't explain to the council how critical it is to acquire the property with the owner (Wells Fargo) sitting five feet away. So, in executive session, I make the case and the council discusses a maximum price that they are comfortable with, say for example \$10,000. Later, after I have negotiated the purchase price, in this case \$3400, the council meets in the open session and votes to complete the sale. Obviously, it wouldn't be an efficient use of taxpayer dollars if you have to discuss the maximum price you want to pay in front of the seller. That's why there is the exception.

**OVER ↘**

**TEXAS IS VERY PRO-DEVELOPMENT.** We can see the new construction, abundant jobs, and economic growth all around us. Unlike the states with income taxes, municipalities in Texas don't receive any revenue sharing from the state – you sink or swim based on your own abilities. So, developers approach towns and try to negotiate economic development deals and then act accordingly. That's why the Walmart at FM423 is on the Frisco corner and not the corner in Little Elm.

Suppose Walmart came to LWV and gave us a detailed layout of a huge store with the types of merchandise, the lot layout with the BoA branch and Whataburger out front, the estimated traffic counts, projected sales, expected number of new jobs, etc. They wanted to discuss possible sales tax incentives and maybe some road construction costs. **This is an example – Don't panic, Walmart isn't coming.** Under Texas Law, that information is proprietary – it is confidential – we can't release that to the public even if you do an open records request. That's why we have to discuss economic development offers in private. Do you think that Target or other competitors might be interested in Walmart's analysis? Suppose that your competitors could get a copy of every piece of information you gave the city when you were negotiating a project. You probably wouldn't disclose all the information; you would hold some back to keep it away from your competitors. But, Towns need to have all of the information to make the best decisions for our citizens. So, the legislature has decided that what is best for development, our Texas economy, and best for a Town's decision-making is that by law any business information is confidential and discussed in private. **AGAIN, no action can be taken in private,** all action must be in the public meeting, but you have to be able to discuss things in private.

**I CAN'T CONTROL** who walks in the front door at Town Hall. We have hundreds of acres for sale in and around LWV. When I got back into town last Wednesday, Linda informed me that I had a meeting with a developer on Friday at 3pm. On Friday at noon, a new developer group showed up at Town hall for a different piece of property. When a serious developer wants to meet about doing business with LWV, they can't talk with our Director of Planning, our Municipal Development Coordinator, or the Planning and Zoning Board because they don't exist. They can't talk to the entire Council because that creates a quorum issue. So, based on our attorney's recommendation, for many years we have used a subcommittee to meet with developers. That subcommittee is myself, Mayor Pro-tem Ed Reed, and Councilmember Gary Newsome. We provide immediate feedback to the developers and they know that they are getting straight talk from the Town.

Each meeting, I have to update the entire Council on the development discussions that we had, what the proposals are and the status of the negotiations. Because the issue concerns economic development, we do that in executive session and their concept drawings and related documents are considered confidential by state law. That's why we have an executive session on every agenda and we will continue to do so for the foreseeable future.

**I PROMISE YOU,** before we consider approving any new development in LWV, I will make sure that everyone will have every opportunity to see the details. I will personally sit at town hall every evening for a week with the plans, pictures, drawings and designs and answer any questions. I'll even supply the donuts and coffee for a Saturday morning. The future plans are really going to be great and I think you will agree.

2016 is almost in the books, 2017 is going to be a great year for us. Stay safe, stay warm, and have a great holiday. **It's never been a better time to be in Lakewood Village.**

**Dr. Mark E. Vargus**  
Mayor



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