

CITY OF FREEPORT
ECONOMIC DEVELOPMENT CORPORATION
200 West 2nd Street, Freeport, Texas 77541

MINUTES

STATE OF TEXAS)
)
COUNTY OF BRAZORIA)
)
CITY OF FREEPORT)

BE IT REMEMBERED that the Economic Development Corporation of the City of Freeport met on Tuesday, July 14, 2020 at 6:00 p.m. in the Freeport Police Department Municipal Court Room, located at 430 North Brazosport Boulevard, Freeport, TX, for the purpose of considering the agenda items.

MEMBERS OF THE BOARD PRESENT: Quorum Present

Trey Sullivan- President (Via Teleconference)
Lesa Girouard
Kenny Hayes
Mingo Marquez
Marinell Music
Jeff Pena
Ed Garcia

Tim Kelty: City Manager
Chris Duncan: Attorney
Stephanie Russell: Finance Director

Visitors in Attendance:

Ruben Renobato
Mrs. Melanie Oldham

I. CALL TO ORDER:

Mrs. Marinell Music opened the meeting at 6:09P.M. A quorum was present. Trey Sullivan (Via Teleconference), Lesa Girouard, Mingo Marquez, Jeff Pena, Marinell Music, Kenny Hayes and Ed Garcia.

II. INVOCATION AND PLEDGE

Mr. Chris Duncan led the invocation and Mrs. Marinell Music the Pledge

III. **CITIZEN COMMENTS:**

Mr. Ruben Renobato said the city needs new residential housing and previous outside developer approaches have not worked. Mr. Ruben stated time is of the essence and the responsibility is ours. Mr. Renobato said he believes the right team is in place to implement and execute an alternative plan by having the city build the infrastructure and sell the individual lots.

IV. **CONSENT AGENDA**

A) **Approve Meeting Minutes for June 9 Regular Board Meeting, June 18, 2020 Special Board Meeting, June 23 Special Board Meeting and July 7 Special Board Meeting.**

MOTION made by Mrs. Lesa Girouard to approve meeting minutes for June 9 regular board meeting, June 18, 2020 special board meeting, June 23 special board meeting and July 7 special board meeting, **seconded** by Mr. Ed Garcia. Motion **PASSED** unanimously.

B) **Approve May Financial Statement**

MOTION made by Mr. Kenny Hayes to approve May Financial Statement, **seconded** by Mrs. Lesa Girouard. Motion **PASSED** unanimously.

V. **DISCUSSION AND ACTION**

A) **Presentation by Jessica of Retail Strategies regarding Downtown Assessment**

Ms. Jessica gave a brief background on the work Retail Strategies did regarding Downtown in Freeport and what is going to happen next. Ms. Jessica stated Retail Strategies has partnered with the Freeport Economic Development. Ms. Jessica said also part of the partnership was for a Downtown Strategic Assessment which is to evaluate the Downtown area and come up with an action plan in order to promote Downtown.

B) **Consider recommendation by Executive Director to Board of Developer Qualification questions and information that developer/builder must supply the EDC for the development 192 lots.**

Mrs. Lesa Girouard said she had a question regarding the proof of funds and prequalification letter from the bank for private equity entity. She asked if it would be burdensome to ask for two years of financial statements.

Mr. Courtland Holman replied to Mrs. Lesa Girouard and said he does not think it would be burdensome and developer/builder should be able to prove they are financially capable of doing a project. Mr. Courtland Holman said the list of questions are the types of questions that would be asked to a developer at some point in the conversation.

Mr. Chris Duncan said he thinks the developer/builder must provide proof of new company capitalization or be aware they will need to sign a personal guarantee of performance with personal liability. Mr. Chris Duncan said if it is a new company with no track records or two year financial it is a new company we need to make sure they have money on hand or they are personally responsible if it goes bad.

Mrs. Melanie Oldham asked the board if the proposed contractor qualification list is the same as the one proposed in the last meeting or if they were any major changes.

Mrs. Marinell Music replied to Mrs. Melanie Oldham and said the list is very similar but it is more condensed.

MOTION made by Mr. Kenny Hayes to approve the Contractor Qualification list with the following changes: 1. Company must provide 2 years financials; IF it is a new company without 2 years of financials the 2. Must provide proof of new company capitalization or be aware they will need to sign a personal guarantee of performance with personal liability, **seconded** by Mr. Mingo Marquez. With all present voting, "Aye" 5-0. Mr. Jeff Pena voted "Nay".

C) Update to Realty World

Mr. Tim Kelty said Realty World submitted the documents the day after the last meeting and plans were approved which they were able to get a performance bond. Mr. Tim Kelty stated they would send an electronic copy and a paper copy to be reviewed by Mr. Chris Duncan and himself.

Mr. Chris Duncan said if for some reason the performance bond is not received the board will be notified and will not be able to be discussed by email. Mr. Chris Duncan said a special meeting will be set to discuss the options after that.

D) Update to Pop Box

Mr. Chris Duncan said the pop box is almost completed. Mr. Chris Duncan said the only problem slowing the process is a special door was ordered but should get there

within the next few days to be cut and frame to make sure it is correctly placed. Mr. Chris Duncan stated the Pop Box would be delivered either that Friday or Monday.

Mr. Jeff Pena asked Mr. Duncan if he had a tenant for the Pop Box and also what is the budget so far.

Mr. Chris Duncan replied to Mr. Jeff Pena and he does not have a tenant for the Pop Box yet. Mr. Duncan said he wants to first get the Pop Box and check it out before getting a tenant for it. Mr. Duncan stated the budget for the Pop Box is around \$5,000 not including the AC and supply generator and is not sure how much it will be for the labor.

E) Next steps to Downtown Zone by EDC....projects, advertising, etc.

Mr. Jeff Pena asked what steps will be taken in the future regarding the Downtown in the next 30-60 days.

Mr. Courtland Holman said Retail Strategies presented their plan regarding the Downtown and it is the responsibility of each leadership in the subcommittees to implement those ideas.

Mrs. Marinell Music said the subcommittees have some work to do.

F) Discussion on EDC and NDA policy

Mr. Courtland Holman said an NDA policy with the EDC or City is non-enforceable. Mr. Holman said when talking to developers coming in it has to be extremely specific. Mr. Holman stated he created an NDA last year and would not like to go with someone else's NDA policy he would like to keep the same Mr. Duncan reviewed in 2019.

Mr. Jeff Pena said if the board blesses the NDA then he is fine with Mr. Courtland Holman signing it but if it is any other NDA policy he would like for it to be brought to the board. Mr. Pena asked what are the boundaries of discussion when in executive session.

Mr. Chris Duncan said it is not required for Mr. Courtland Holman to sign the NDA right away but if the corporation requires him to do sign one he would preferably sign the version of the EDC instead of theirs. Mr. Duncan stated Mr. Holman is required to tell the board what they require him to tell the board. Mr. Duncan said when Mr. Holman tells the board something in Executive Session the board can not go and tell other people what was discussed. Mr. Duncan stated when one of the board members violates the rules, act unethically and prevents the board from getting their work done a vote can be recommended to City Council for the board member to be punished or removed.

G) Discussion on Admin Hire

Mr. Jeff Pena said he would like for Mr. Holman to be able to get some help in all the work he does. Mr. Pena said he would like with the boards permission to hire either a part time or full time. Mr. Pena said he would like someone that can facilitate and help Mr. Holman with the multi administrative tasks he is busy with.

Mr. Courtland Holman said he really needs help because there is a lot of work to get done. Mr. Holman said he would like to hire an analyst admin that will be able to analyze projects, have the ability to talk to the public and understand what Economic Development is. Mr. Holman stated he added a version of the job description to the agenda which he has used in the past but just made a couple of changes. Mr. Holman said this is not in the budget at the moment and he would have to talk to Ms. Stephanie Russell to see if this will be able to be afforded.

Mr. Chris Duncan said to the board if they have any suggestions of job duties or job description they should be sent to Mr. Courtland Holman.

H) Discussion to McDonald Color Scheme of Downtown Building

Mr. Jeff Pena asked Mr. Courtland Holman what conversation he had with Mr. McDonald to help encourage him to get in closer theme with what is in Downtown for now and in the future and he also asked what leverage is there to enforce it proactively and friendly.

Mr. Courtland Holman replied to Mr. Jeff Pena and said Mr. McDonald was given a color scheme from Retail Strategies which he did not like. Mr. Courtland said he has had multiple conversations to let Mr. McDonald know that some of the public does not enjoy his color choices. Mr. Holman said the City does not have any color scheme nor does it have a plan or ordinance of limiting a color.

Mrs. Lesa Girouard asked Mr. Holman if some kind of ordinance can be created as where if someone was going to paint a building in Downtown either has to go to the City Council or Economic Development for the board to approve.

Mr. Chris Duncan said last legislative session passed a law that says the cities can not require any specific buildings, materials, colors or anything of that type. Mr. Duncan said to the board that they can come up with Development plan or future vision and have some suggestions and try to corral opinions of property owners to conform to this vision.

I) Move Regular board meeting from August 11th to August 18th as Executive Director will be on vacation the week of August 2nd when the Agenda is created and posted.

MOTION made by Mr. Jeff Pena to move Regular board meeting from August 11th to August 18th as Executive Director will be on vacation the week of August 2nd

when the Agenda is created and posted, **seconded** by Mr. Mingo Marquez. Motion PASSED unanimously.

J) Discussion and Possible action for a Business Improvement Grant (signage) from business owner James McDonald for the E Park Street Development.

Mr. Courtland Holman said to the board Mr. James McDonald did not submit the application.

VI. EXECUTIVE SESSION-ADJOURN INTO EXECUTIVE SESSION

It is now 8:36 p.m. and I hereby recess the regular session of the Freeport Economic Development Corporation July 14, 2020 meeting and do hereby convene an executive session, said executive session authorized under the following sections of the Texas Government Code: (1) Government Code, Section 551.087 (Economic and Community Development Matters), 551.072 (Deliberations about Real Property), 551.074 (Personnel Matters).

In Accordance with the Texas Government Code:

- A. Section 551.087 (Economic and Community Development Matters)
 - 1. Executive Director's annual review
 - 2. Discussion of Letter from Resident in Ward A regarding Downtown Zoning
- B. Section 551.087 (Economic and Community Development Matters)
 - 1. Possible contract with Project Sky High
 - 2. Discuss potential plans or disposition regarding 318 Second Street.
 - 3. Update on Project Wing Tips
 - 4. Update on hotel Development

Reconvene into Open Session

Board President's statement:

It is now 9:30 p.m. and I hereby close the executive session of the Freeport Economic Development Corporation and do hereby reconvene the regular open session

Discussion and Action

- 1. Possible action Executive Director's annual review was differed to a Special Meeting to be held Noon July 20, 2020

MOTION made by Mr. Jeff Pena and Second by Mrs. Girouard. Motion PASSED unanimously.

- 2. Possible action regarding contract with Project Sky High was pulled.
- 3. Discuss potential plans or disposition regarding 318 Second Street was pulled.

VII. EXECUTIVE DIRECTOR'S REPORT

Directors Report given by FEDC Director Courtland Holman.

VIII. ADJOURN

MOTION made by Mr. Mingo Marquez and Second by Mr. Jeff Pena. Motion PASSED unanimously. Meeting adjourned at 9:35 P.M.

A handwritten signature in cursive script that reads "Mingo Marquez". The signature is written in black ink and is positioned above a horizontal line.

Mingo Marquez - Secretary