

**CITY OF FREEPORT  
ECONOMIC DEVELOPMENT CORPORATION  
200 West 2<sup>nd</sup> Street, Freeport, Texas 77541**

**MEETING 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 Monday, July 12, 2022 at 6:00 p.m. in the Freeport Police Department Municipal Court Room, located at 430 North Brazosport, Freeport, TX, for the purpose of considering the agenda items.

**FEDC BOARD MEMBERS:** Quorum Present

Directors:

Mingo Marquez	President
Josh Mitchell	Vice-President
David McGinty	Secretary
George Matamoros	
Shonda Marshall	
Ken Tyner	
Sandra Loeza	

Tim Kelty: City Manager  
Chris Duncan: Attorney  
Jerry Cain: Council Liaison  
Kaytee Ellis: EDC Assistant  
Mike Barnes: Consultant

**Visitors in Attendance:**

Pam Dancy  
Melanie Oldham

**I. Call to Order**

Mingo Marquez called the meeting to order at 6:08 PM. A quorum was present.

**II. Invocation and Pledge**

Shonda Marshall led the invocation and Ken Tyner led the pledge.

### III. Citizens Comments

Melanie Oldham said as she has mentioned before she attended EDC meeting for about six years and was on the EDC for six months. Melanie Oldham said during this time she would go to the EDC office and look through records to try and understand why all these years, they have failed to get a developer in and to develop the skinner street lots. Melanie Oldham said she was on two committees; the director search and she feels like that committee could have found a director by now. Melanie Oldham said she strongly believes the committee could have found a director to be chosen by the board but there are those that were opposing hiring a director and she still believes there are members of the board that do not want a director. Melanie Oldham said the EDC has now been without a director for over a year. Melanie Oldham said she was on the skinner street committee with David McGinty and Sandra Loeza in which they had numerous meetings with a developer. Melanie Oldham said she has done a lot of research and believes this is a good deal. Melanie Oldham said the city needs good affordable housing and it will tie in with the Volkswagen deal. Melanie Oldham asked the board to consider moving forward with this project. Melanie Oldham said she does also have some concerns about the EDC attorney and he was let go from the City due to “lack of trust.” Melanie Oldham said she has items in black and white for her concerns on Mr. Duncan and would be happy to share those with the board if they would like.

Gina Adams said she wanted to give an update on the watch party. Gina Adams said there was great feedback and there was a business that is now even wanting to locate to Freeport. Gina Adams said she did what she could in the limited amount of time and looks forward to working with the EDC on this event again next year.

### IV. Consent Agenda

1. **Approve Meeting Minutes for June 27, 2022**
2. **Approve Invoices**
3. **Approve June Financial Statement**

Sandra Loeza questioned the payment to the City for \$152,500.

Kaytee Ellis explained this was for the \$150,000 repayment to the City as well as the \$2,500 Spring Market Days sponsorship to the museum.

Sandra Loeza asked if the payment to Mike Barnes was the monthly payment.

Mingo Marquez responded yes.

Sandra Loeza asked the time frame of the Mike Barnes Contract.

David McGinty responded three months.

Shonda Marshall made a motion to approve the consent agenda. Josh Mitchell seconded.  
**MOTION PASSED UNANIMOUSLY.**

### V. Discussion & Action Items

1. **Discussion and possible action on KidFest Sponsorship -David**

LeAnn Strahan presented the KidFest event and requested the EDC offer a sponsorship in the amount of \$2500 for the petting zoo costs as well as shirts for the event. The shirts would include the EDC logo on the back.

Sandra Loeza asked how long the Cit has been hosting this event.

LeAnn Strahan responded 11 years.

Mingo Marquez said this is an event he has taken his kids to every year and it is a great event.

David McGinty made a motion to approve a sponsorship in the amount of \$2500 to Kid Fest. Sandra Loeza seconded. **MOTION PASSED UNANIMOUSLY.**

## **2. Discussion and possible action on EDC Logo – Josh**

Josh Mitchell said he has been in contact with Kaytee Ellis who came up with the logos on the top of the page and also included other logos that have been submitted to the EDC. The original artwork for the logo contest was included in the packet.

Mingo Marquez said his thoughts is to include the kid's logo for the marketing for kid fest.

Shonda Marshall agreed.

Kaytee Ellis said she wanted to inform the board that LeAnn has already ordered the marketing cards with the current logo but she could send the kids logo to be used on the shirts.

Mingo Marquez said to use the kid designed logo on the shirts with the addition of "Freeport Economic Development Corporation"

Ken Tyner asked if this would be the EDC's official logo.

Josh Mitchell responded the kids drawn logo would be just for kid's events such as kid fest, but the other logos presented would be for the official EDC logo.

David McGinty said he likes the top logo, but EDC is repeated twice and he likes the bottom logo.

Ken Tyner said he likes the top logo but the colors are off and EDC is repeated. Ken Tyner said he also likes the third and fourth logo. Ken Tyner said most people will not know what "FEDC" means.

Josh Mitchell said the colors can all be changed.

George Matamoros said he wanted to interject and tell the board to take into consideration that with the website being redesigned the board needs to take into consideration the color scheme and fonts so that it can be carried over to the website and remain as uniform as possible. George Matamoros said he likes the first and the 5<sup>th</sup> logo. George Matamoros said he would change the colors away from the bright blue and green and remove the repeated

EDC on the top logo, and on the bottom, he likes that “Freeport” is nice and bold as well as the sun and water is eye catching.

David McGinty said he likes the color scheme on the top one and the more professional look on the bottom one.

Sandra Loeza said she likes the first logo.

Josh Mitchell said he has no preference but for awhile the EDC is wanted to be set apart from the City, and a new logo will help with that and show the EDC’s independence. Josh Mitchell said he does not care for the second to last but is open to the others.

David McGinty suggested using the first one and making the changes the board has mentioned.

Mingo Marquez asked if the board wanted to use the first logo but take off “EDC” and make “Freeport” bolder. Mingo Marquez asked if anyone would like to make this motion.

David McGinty made the motion. Josh Mitchell seconded. **MOTION PASSED UNANIMOUSLY.**

### **3. PUBLIC HEARING: Discussion on Starbucks Project Grant**

Mingo Marquez opened the public hearing at 6:37.

Mingo Marquez read the request letter from Starbucks aloud. Mingo Marquez said Starbucks is requesting a grant in the amount of \$150,000. Mingo Marquez said this had been discussed during executive session and the board has come up with the following terms (see agenda attachment).

David McGinty asked if this would be paid to Starbucks or to the Developer.

Mingo Marquez responded this would be paid to the developer.

Josh Mitchell said to be clear, they are not giving Starbucks \$150,000.

Sandra Loeza asked if they only get the \$25,000 if they meet that standard.

Mingo Marquez responded yes.

Sandra Loeza asked if year one is not met, does the agreement continue for years two and three.

Mingo Marquez responded yes.

Shonda Marshall asked if it was the responsibility of the developer to ensure that Starbucks meets the requirements.

Mingo Marquez responded yes.

Shonda Marshall asked if the EDC has the right to go in and ask for financial records.

Mingo Marquez said they will need to prove they met the qualifications in order for the EDC to issue payment.

Chris Duncan said he wanted to add that the agreement does not have any deadlines and the board may want to add those.

Sandra Loeza asked if they are renovating Western Auto or tearing down and building a new building.

Mingo Marquez responded they would tear down and rebuild completely.

Mike Barnes if these paying points would be provided in the form of a performance agreement.

Chris Duncan responded yes.

Mike Barnes asked if it would list full time jobs or full-time equivalent jobs.

Sandra Loeza asked if it should be specific.

Chris Duncan said yes, it is in the agreement it would be the equivalent of so many fulltime employees.

George Matamoros asked if Chris Duncan drafted the agreement.

Chris Duncan responded yes.

George Matamoros said he found it alarming that Mr. Duncan drafted the agreement and does not know the number of employees being specified.

Mingo Marquez said it would be 15 employees.

Chris Duncan said it would be the equivalent of 15 full time employees regardless of fulltime/part time status.

Melanie Oldham said she knows the board had discussed this in executive session but the agreement needs to be really tight and the City and community need to get something from it. Melanie Oldham said it sounds like a good deal but there needs to be a really strong contract. Melanie Oldham asked if the board approves this today, will the agreement need to go to council for approval?

Mingo Marquez answered yes, it will have to go to council for approval. Mingo Marquez asked Chris Duncan to include “15 full time equivalent employees”

Shonda Marshall asked Tim Kelty to get clarification on the employees.

Jerry Cain said the 15 employees on the contract came from Starbucks’ business plan. This is what they said they would employee.

Tim Kelty said he has been in discussion with Starbucks and they say they will be open by October 1, 2023.

Mingo Marquez suggested adding an additional three months to this timeline.

Shonda Marshall asked Mike Barnes for insight on how to address the employee situations.

Mike Barnes said the easiest way to address this would be to say “15 FTEs.” Mike Barnes asked if they have asked for any wage rates or benefits.

Chris Duncan said to keep in mind, the developer is getting money and the contract, not Starbucks.

Mike Barnes said he is well aware of this and would much rather give a millionaire the money than the developer in this instance.

Chris Duncan said if Starbucks does not come, then they do not give the money.

Mingo Marquez said he wanted to reiterate this point from Mr. Duncan.

Mike Barnes asked what happened if Starbucks leaves.

Mingo Marquez responded they contract is void.

Mike Barnes responded not for the first year and they money will have been paid.

Tim Kelty asked if the agreement states a lease term with Starbucks.

Melanie Oldham said he feels like the specifics should have been worked out prior to this public hearing and she hopes there will be some more discussion. Melanie Oldham said if they are getting \$150,000 in incentive, the person negotiating the deal would say you want an outlined umber of employees with benefits, all of this should have been negotiated at that time.

Chris Duncan said to keep in mind he does not negotiate, he puts down what he is told to put down.

Melanie Oldham responded “by Mr. Pena”

Chris Duncan responded by Mr. Pena, Mingo, Mr. Kelty or anyone else that was a part of the conversation.

Mingo Marquez said when they went to negotiate, they took the things the board as a whole had already decided on.

Sandra Loeza asked who will be making these changes to the agreement.

Chris Duncan responded he will and that the employee amount is listed already.

Mingo Marquez asked for any addition public comments. There were none.

Mingo Marquez closed the public hearing at 7:15pm.

Ken Tyner made a motion to approve the Starbucks agreement with the correction of adding 15 FTE and deadline of operation January 1, 2024. Josh Mitchell seconded. **MOTION PASSED UNANIMOUSLY.**

## **VI. Subcommittee Updates**

Website:

George Matamoros said the website committee met on Friday for an alignment review and redesign. George Matamoros said the committee names Kaytee Ellis the project manager and to be the main point of contact. George Matamoros said they were caught off guard and told it would take 4-6 months for the redesign process but they will be started on the work on August 8<sup>th</sup>. George Matamoros said while going through this process, they discovered the website is not ADA compliant and this needs to be remedied. Civic Plus has an additional service called Audio Eye that will make it compliant for an additional \$3500. George Matamoros said this makes our website accessible for those with disabilities and the committee will be bringing this back to the board for review at the next meeting.

Sandra Loeza asked if this was a one-time fee.

George Matamoros responded that it is a yearly fee. George Matamoros said this service will go through every picture, every item, every document on the website and make it compliant.

Mingo Marquez asked for a cost breakdown of the website.

Kaytee Ellis said the annual cost for the website is right over \$5000, the premium redesign was \$8,000. Zoom Prospector is an add on, not the specific website and is \$8,800. This feature is separate but does integrate with the website.

Mingo Marquez asked how much the annual fee will be per year with the premium.

Kaytee Ellis said the annual \$5000 does not change.

Ken Tyner asked if the jump is from \$5000 to \$8500.

Shonda Marshall said she would like to make a plea to have the audio eye added because when she goes to view the website, she has difficulty and it currently says “image, image, image” and is not descriptive.

Kaytee Ellis said right now without this addition, any image or PDF on the website will not work and is not compliant. With the addition, it will now describe the image and read agendas and things like this.

George Matamoros said this is just to make us ADA compliant and as of right now we aren't.

Kaytee Ellis said as of right now there are over 11,000 risks on the website where we are out of compliance.

Mingo Marquez said so the board is looking at \$17,000 a year for the website plus the additional \$8500 for the redesign.

Mingo Marquez asked Mike Barnes if other EDC's pay \$17,000 a year for their website.

Mike Barnes said to be clear they had a website in place for \$5500 and the board opted to go with the premium to an additional \$8500, plus potentially \$3500 for Audio Eye, plus \$8800 for zoom prospector.

Sandra Loeza said that is at \$2200.

Mike Barnes said next year this will drop to \$8800 for Zoom Prospector, \$5500 for the website and \$3500 for ADA compliance. Mike Barnes said if the board is asking if this seems unreasonably high, his response is yes.

Tim Kelty asked which part seems high.

Mike Barnes said his firm would do a website for \$10,000.

Tim Kelty asked if it was for design and hosting and asked the annual fee.

Mike Barnes said he did not know for sure.

Shonda Marshall said to just forget the ADA add on.

Mike Barnes said even without that, it is still high. Mike Barnes asked if they did the updates or if staff was trained.

Kaytee Ellis said she updated the website.

Mike Barnes asked if the board ever considered RFPing the website.

Shonda Marshall said the board could do that.

Mike Barnes said not if the contract was already signed.



Mingo Marquez said a contract hasn't been signed yet.

Kaytee Ellis said the contract was signed after the last meeting where the website was approved.

Mingo Marquez said he would like to send this over to the website committee for further discussion.

George Matamoros told Mike Barnes on his website it shows \$8500 a month for the website.

Mike Barnes said that is for full digital marketing.

Mingo Marquez said he would be turning this over the website committee and would like to move forward.

#### Training-

Shonda Marshall said she got an email for the International EDC conference in Oklahoma City and if anyone was interested, they could reach out to Kaytee but to keep in mind there is only about \$4000 left in the training budget.

Mingo Marquez said he would like to see the itinerary for the conference and see how much would pertain to our EDC.

## VII. Board Comments

### 1. **President Mingo Marquez:**

Mingo Marquez thanked the chamber for hosting the Café y Pan Dulce event and the Fireworks Watch Party and the Lions club for holding such a great event. Mingo Marquez said he wanted to mention the EDC does not have a good contact to get the word out. Mingo Marquez said he asked various board and commission members why they weren't there and when he looked their invitation was in the junk folder or that people don't look at their email as much. Mingo Marquez said he would like a good text message contact list and asked Kaytee to continue working on this.

### 2. **Vice President Josh Mitchell:**

Josh Mitchell said attendance was low but it was nice to meet with people within the community and references a lady that manages apartment homes. Josh Mitchell said he enjoyed the firework event and getting to visit with businesses and the common denominator was that businesses all want to see each other improve. Josh Mitchell said he is looking forward to KidFest, Starbucks, and the new website. Josh Mitchell thanked Kaytee Ellis for all of her work.

### 3. **Secretary David McGinty:**

David McGinty said Shonda, Kaytee, George, and himself had a very informative introduction to the website and it sounds like they will have a very informative website. David McGinty said the TIRZ meeting was kind of a rehash of other things and he is looking forward to getting that moving. David McGinty asked Gina Adamas how well the coffee event was attended.

Gina Adams said it was very low attended compared to events in other cities.

David McGinty asked what we could do to correct this.

Gina Adams said she wasn't sure.

Kaytee Ellis said the event could have been marketed better and an email blast could have been beneficial for this.

**4. Sandra Loeza:**

No Comment

**5. Shonda Marshall:**

Shonda Marshall said they did have a brief meeting concerning the TIRZ. Shonda Marshall said she had some information previously given to her by Nicole Mireles that she would share with the new members so they can better understand the TIRZ. Shonda said she enjoyed the Fireworks event and thinks this is something the board should continue as well as the Café Y Pan Dulce. Shonda Marshall said she would like to see the business community be a part of these events.

**6. Ken Tyner:**

Ken Tyner said he and George are new, and two weeks ago, the public was able to come and speak in front of the board. Ken Tyner asked how the board answers the questions brought to them; could they call the citizens and answer them or what the procedure is for this.

Chris Duncan said citizens can come up and say anything but they cannot reply as it is not a subject on the agenda. Chris Duncan said a board member can then add that topic to the agenda for the next meeting so the board can then discuss. Chris Duncan said they are also welcome to contact that person directly to discuss but to be mindful of quorums.

**7. George Matamoros:**

No Comment

**VIII. Executive Session- Adjourn into Executive Session**

Executive Session Disclosure Statement: The FEDC Board of Directors reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

It is now 7:50 p.m. and I hereby recess the regular session of the Freeport Economic Development Corporation May 25, 2022 meeting and do hereby convene an executive session, said executive session authorized under the following sections of the Texas 551.071 (Consultation with Attorney.)

**Executive Session**

1. Discussion on Project 2022A pursuant to Texas Government Code Chapter 551, Section 551.087 (Economic and Community Development Matters)

2. Discussion on Project 2022B pursuant to Texas Government Code Chapter 551, Section 551.087 (Economic and Community Development Matters)
3. Discussion on Project 2022C pursuant to Texas Government Code Chapter 551, Section 551.087 (Economic and Community Development Matters)
4. Discussion on Hiring of EDC Executive Director pursuant to Texas Government Code Chapter 551.074(Personnel Matters)
5. Discussion on All Pending Litigation pursuant to Texas Government Code Chapter 551.071 (Consultation with Attorney).

### **Reconvene into Open Session**

#### **Board President's statement:**

It is now 9:24 p.m. and I hereby close the executive session of the Freeport Economic Development Corporation and do hereby reconvene the regular open session.

### **IX. Discussion and Possible Action**

1. **Discussion and possible action on Project 2022A**  
No action
2. **Discussion and possible action on Project 2022B**  
No action
3. **Discussion and possible action on Project 2022C**  
No action
4. **Discussion and possible action on Hiring of EDC Executive Director**  
No action
5. **Discussion and possible action on All Pending Litigation**  
No action

### **X. Adjourn**

Motion to close board meeting made by Josh Mitchell and seconded by George Matamoros.  
**Motion passed** unanimously.

**It is now 9:25 p.m. and I hereby close the board meeting.**