CITY OF FREEPORT
ECONOMIC DEVELOPMENT CORPORATION

430 North Brazosport, Freeport, TX
Tuesday, June 11th, 2024, at 6:00 p.m.

REGULAR MEETING MINUTES

FEDC BOARD MEMBERS: Quorum Present

Directors:

Josh Mitchell	President
Sandra Loeza	Vice President
Ken Tyner	Treasurer
Shonda Marshall	
Mark Parker (Absent)	
Ronnie Martin	
David McGinty	

Robert Johnson: Executive Director
Lance Petty: City Manager
Jerry Cain- City Liaison
Paige Bailey: EDC Attorney
Rachael Cohen: EDC Staff

I. Call to Order

Josh Mitchell called the meeting to order at 6:00 p.m. A quorum was present.

II. Invocation and Pledge

Shonda Marshall led the invocation and David McGinty led the pledge.

III. Citizens Comments

There were no citizen comments.

IV. Consent Agenda

1. **Approve Meeting Minutes for May 14th, 2024**
2. **Approve Financials**

Ronnie Martin made one correction for clarity on the May 14th meeting minutes. A correction was noted on page 11, third paragraph, to reflect that Ronnie Martin recused himself from the Main Street motion vote.

The financial report was presented by Cathy Edzel, highlighting the sales tax received in

May 2024 was $112,048, which was a decrease from the same month last year [May 2023]. The EDC has received $7,009 more in sales tax compared to the same period last year. As of May 30th, 2023, revenues were under expenditures by $4,017 in the EDC fund, with a balance of $1,186,456, the Marketing fund had a balance of $155,540, and the TIRZ fund had a balance of $489,299. Shondra Marshall asked about the project balance, and Cathy Edzel confirmed the figures as of May 31st.

Shondra Marshall made a motion to approve the consent agenda. Ronnie Martin seconded. **MOTION PASSED UNANIMOUSLY.**

V. Discussion and Action Items

1. Discuss and review the UTSA Project status.

Ana Silbas, the Main Street Coordinator, began by summarizing the recent presentation by the UTSA Center for Urban and Regional Planning Research and Post Oak Preservation Solutions, which took place on June 4th. Ana Silbas detailed that the meeting attendees included herself, Vice Chair Irene O'Connor, design subcommittee members Betty Lopez and Melanie Oldham, Robert Johnson from the Freeport Economic Development Corporation, and Wade Dillon, the museum manager. Ana Silbas noted that Ellis Mumford Russell and Megan McDonnell from Post Oak Preservation Solutions provided an overview of the proposed historic district and design guidelines. Ian Caine, the Director of the UTSA Center for Urban and Regional Planning Research, discussed proposed public improvements related to Memorial Park and the downtown streetscape. The improvements suggested included the possibility of establishing a Freeport Historical Commission that would be distinct from the Main Street Advisory Board, establishing a local historic district, and adopting historic design guidelines.

Josh Mitchell asked for clarification on the specific public improvements being proposed for Memorial Park and the downtown area. Ana Silbas explained that the proposed public improvements focus on enhancing Memorial Park, improving the streetscapes at Park Avenue, West Second Street, West Broad Street, and West Fourth Street, and creating better connectivity to the waterfront site, which is the north-end cap of the downtown district. These improvements aim to create a cohesive and inviting environment that encourages economic growth and community engagement.

Ana Silbas continued by noting that the economic vitality subcommittee will meet on June 20th for a virtual presentation on economic strategies by Ian Caine and Tom Tunstall, the Research Director for the UTSA Institute for Economic Development. Invitations and were extended to Robert Johnson and Josh Mitchell for the presentations.

Ronnie Martin asked about the expected outcomes from the economic vitality meeting. Ana Silbas responded that the meeting will focus on strategies to enhance economic development in Freeport, with insights into best practices and potential initiatives that can stimulate local economic growth.

Ana Silbas reminded everyone that the final community visioning session will be held on July 18th at the Freeport River Place from 6 P.M. to 8 P.M.

Shonda Marshall inquired about the community response to the visioning sessions. Ana Silbas replied that the community response has been very positive, with engaging discussions and valuable feedback that have helped refine the plans. The community is excited about the proposed improvements, and their input has been instrumental in shaping the strategies.

Josh Mitchell thanked Ana Silbas for the detailed update and all her hard work on the project.

No further questions or comments were raised.

2. **Discuss and take possible action to terminate the Economic Development Agreement with Quest Trust dated June 20, 2023, for failure to complete the performance agreements as required under Article III Section A.**

Robert Johnson provided a detailed discussion on the termination of the Economic Development Agreement with Quest Trust. He explained that Kevin Mutai from Quest Trust approached the board, and the agreement was approved on June 20, 2023, with a grant award of $29,250. However, shortly after the agreement was signed, Kevin became ill and was unable to proceed with the project.

Robert Johnson noted that the agreement stipulated certain performance requirements, including completing improvements and opening a business within six months, which were not met. Consequently, the contract could be terminated under Article Three, Section Eight of the agreement.

Robert Johnson emphasized the need to officially terminate the agreement due to non-completion of these requirements and suggested that the board vote to terminate the performance agreement and send a formal legal letter to Quest Trust.

Sandra Loeza made a motion to terminate the contract, seconded by David McGinty, and **MOTION PASSED UNANIMOUSLY.**

Having the motion passed, Robert Johnson mentioned that a legal letter would be drafted by the attorney's office and sent to Quest Trust to formally terminate the agreement.

3. **Discuss and review 208 W. Park Demo and possible issues (White's Café)**

Robert Johnson provided an update on the 208 West Park demolition project. Mr. Johnson stated that the demolition of the 208 West Park building was completed successfully. However, Mr. Johnson noted that there was an issue with the adjacent White's Cafe, which the city had condemned. White's Cafe might need to be demolished due to its deteriorating condition. Robert Johnson emphasized that the Economic Development Corporation (EDC) had no involvement in the condemnation or potential demolition of White's Cafe. He clarified that the decision was made solely by the city's code enforcement office based on safety and structural concerns.

David McGinty raised concerns that rumors were circulating about the possibility that the EDC had played a role in the condemnation of White's Cafe. Mr. McGinty stressed the importance of addressing these rumors to maintain the EDC's credibility and transparency.

Robert Johnson agreed and reiterated that the EDC had no influence over the city's decision regarding White's Cafe. He explained that he had met with Mr. McDonald, the owner of White's Cafe, and James Tuberville, who was considering the demolition of the building. Both parties confirmed that the EDC was not involved in the decision to condemn the property.

Robert Johnson stated emphatically that the EDC had nothing to do with the situation at White's Cafe and that the issue was strictly a matter of city code enforcement. Mr. Johnson also mentioned that the EDC's focus remains on completing its projects and ensuring that all actions are in line with the corporation's goals and the community's best interests.

The board acknowledged the clarification and moved on to the next agenda item.

4. Discuss the EPA Brownfield Grant Award.

Robert Johnson announced that the city has been awarded a $500,000 EPA Brownfield Grant to identify and assess potentially contaminated properties. He explained that the grant is designed to be a redevelopment tool to help revitalize communities in need by assessing and determining the environmental conditions of specific sites. The funds will be released on October 1st. The immediate next steps include completing the necessary paperwork by July 1st and issuing a Request for Proposal (RFP) for grant management services.

Robert Johnson elaborated that the priority sites identified for development under this grant are the Walker Royal site, a 5.66-acre tract adjacent to City Hall and the Brazos River, and an 11-acre tract south of the historic downtown area. These sites are strategic as they bookend the downtown area and have significant potential for redevelopment and economic growth.

Josh Mitchell thanked everyone who worked on securing the grant and asked if the grant provides funding for cleanup.

Robert Johnson clarified that while the grant provides funding to identify and assess environmental conditions and determine whether the sites can be developed or require remediation, it does not cover the actual cleanup costs. However, Mr. Johnson noted that completing these assessments positions the city favorably for future grant funding specifically for remediation and cleanup efforts.

Josh Mitchell then asked if there were any other questions regarding the EPA Brownfield Grant.

Ronnie Martin inquired about the potential timeline for beginning development once the assessments are completed.

Robert Johnson responded that the timeline would depend on the results of the assessments and subsequent funding for remediation if needed. He estimated that if no significant environmental issues are found, development planning could begin as early as the following year.

No further questions were raised, and the discussion moved on to the next agenda item.

5. Discuss the Business Development Breakfast date and event information.

Robert Johnson discussed the upcoming Business Development Breakfast scheduled for July 11th at Ann's Party Place. He explained that the Business Development Breakfast is part of the board's ongoing efforts to support and enhance local businesses. The event aims to provide valuable information and resources to local business owners and entrepreneurs. Robert Johnson emphasized that the breakfast will feature Jennifer Finney and Kacey Roman from the Small Business Development Center (SBDC), who will discuss various programs and services that the SBDC offers to support small businesses. These include assistance with business planning, securing loans, marketing strategies, and more.

Sandra Loeza expressed concern about the venue size and parking availability at Ann's Party Place. Mrs. Loeza noted that the location might not be sufficient to accommodate the anticipated number of attendees, and parking is limited. Robert Johnson acknowledged these concerns but believed the venue, which holds about 65 people, would suffice for the event. Ken Tyner added that parking is indeed limited to around 12 spots, but there might be alternative parking options nearby. Ronnie Martin noted parking options in the area behind the building.

Josh Mitchell inquired about the timing of the event. Robert Johnson confirmed that the Business Development Breakfast would take place from 8 A.M. to 10 A.M. on July 11th. He emphasized that the timing was chosen to allow business owners to attend before starting their workday.

Sandra Loeza asked about the marketing strategy for the event to ensure maximum participation. Rachael Cohen explained that the flyer for the event is currently in draft form and will be updated with all relevant details before being posted on social media platforms like Facebook. Additionally, EDC staff plan to distribute flyers in person to local businesses to ensure those not active on social media are informed about the event.

Robert Johnson highlighted the importance of the Business Development Breakfast in fostering a supportive environment for local businesses. Mr. Johnson noted that one of the significant challenges faced by small businesses in Freeport is the lack of comprehensive business plans. The SBDC speakers will address this issue and guide

Businesses on how to create effective business plans, which are crucial for securing loans and planning for long-term success.

Josh Mitchell thanked Robert Johnson for the detailed update and emphasized the importance of the event for the local business community. He encouraged all board members to promote the event and attend if possible to show their support.

No further questions or comments were raised, and the discussion moved on to the next agenda item.

6. **Discuss Skinner St. property for zoning concerns.**

Robert Johnson then discussed the property on Skinner Street. He explained that the Freeport Economic Development Corporation owns the property, which is located past the Realty World buildings and a church on the right side of the street. However, it was recently discovered that the property is zoned for mobile homes and is surrounded by residential zoning, making it a spot zoning case. This means that the property can only be used for residential purposes and not for commercial endeavors.

Robert Johnson emphasized the importance of the board being aware of these zoning limitations. Mr. Johnson noted that the property could be marketed as a residential property, sold, or potentially turned into a park. However, it cannot be developed for commercial purposes due to the current zoning restrictions. Mr. Johnson mentioned that he had consulted with Code Enforcement, who confirmed these limitations and advised that any rezoning would also have to be for residential use only.

David McGinty shared some historical context regarding the property. He mentioned that a gentleman had previously attempted to place a couple of mobile homes on the property, but the city council at the time shut down the proposal. David McGinty explained that there was some speculation that the property was being reserved due to personal interest in the urban renewal area, a plan allegedly supported by a former council member who is no longer on the board.

David McGinty asked if there was any possibility of getting the property rezoned for something other than residential. Robert Johnson reiterated that, according to discussions with legal counsel Shelby, the property can only be rezoned for residential purposes. He emphasized that the board needs to be aware of this constraint as they consider potential uses for the property.

Robert Johnson concluded by stating that he wanted to bring this issue to the board's attention so that they were fully informed about the limitations and potential uses of the Skinner Street property. Mr. Johnson noted that no immediate decisions were required but wanted the board to consider the information for future planning.

VI. Board and Executive Director Comments

VII. Executive Session- Adjourn into Executive Session

It is now 6:36 p.m. and I hereby recess the regular session of the Freeport Economic Development Corporation meeting and do hereby convene into executive session in compliance with Texas Government Code: Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), Section 551.074 (Personnel Matters)

1. **Update on Pending Litigation: Realty World and A&T**
2. **Update on Pending Litigation: Music Case**

Reconvene into an Open Session

Board President's statement:
It is now 6:41 p.m. and I hereby close the executive session of the Freeport Economic Development Corporation and do hereby reconvene the regular open session and take possible action on items mentioned in the executive session.

VIII. Adjourn

Josh Mitchell requested a Motion to adjourn the board meeting. Shondra Marshall made the motion, and the motion was seconded by Sandra Loeza. **MOTION PASSED UNANIMOUSLY.**

Josh Mitchell adjourned the board meeting at 6:42 p.m.