CITY OF FREEPORT

ECONOMIC DEVELOPMENT CORPORATION

1201 North Avenue H, Freeport, TX

Tuesday, October 8, 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
David McGinty	Secretary
Shonda Marshall	
Mark Parker	
Ronnie Martin	

Robert Johnson: Executive Director

Lance Petty: City Manager (Absent)

Jerry Cain- City Liaison (Absent)

Loren Smith: 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

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

III. Citizens Comments

There were no citizen comments.

IV. Consent Agenda

1. **Approve Meeting Minutes for September 10, 2024**
2. **Approve Monthly Financials**

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

V. Discussion and Action Items

1. **Discuss and take possible action on designating bank signatories & investment pools**

Ashlee Ferguson began by explaining that she was added to the Freeport Economic

Development Corporation (EDC) accounts at Texas Gulf Bank a few months ago. However, due to Cathy Edzell's departure, a new resolution was needed to remove Cathy Edzell as a signatory and formally designate Ashlee Ferguson on the account. Furthermore, the investment pool (Tex Pool) account, which Cathy Edzell had set up, also required updating to add Ashlee Ferguson as a contact. This required more in-depth work and would need to be brought back next month after an attorney consultation.

Robert Johnson inquired, "Do all signatories have to sign again, or is it just a matter of updating the contact?" Ashlee Ferguson clarified that the form to remove Cathy Edzell and add her would be straightforward, with only one or two people needing to sign, but that the Tex Pool account update would be more complicated, and they would need to work with the attorney to ensure it was handled properly. Robert Johnson added, "So we'll get that sorted by next month, but we're okay for now with the city accounts?"

Ashlee Ferguson confirmed, "Yes, tonight all we need is approval for the city accounts update, and then next month we'll bring the Tex Pool changes to the board." Sandra Loeza then asked, "Why do we need a city official to be one of the signatories? Isn't the EDC separate from the city?" Robert Johnson responded, explaining that during the period when the EDC was without an executive director, having city signatories ensured that bills were paid on time. He emphasized that the current system had helped avoid late fees, but assured Sandra Loeza that city and EDC funds were kept separate.

Ronnie Martin made a motion to approve the removal of Cathy Edzell and the addition of Ashlee Ferguson as a signatory on the city accounts. Mark Parker seconded. **MOTION PASSED UNANIMOUSLY.**

The board agreed to revisit the Tex Pool update next month.

2. **Discuss and update on UTSA study for the downtown Main Street district**

Wade Dillon provided an update on the UTSA study, explaining that the final report, titled "Downtown Comprehensive Plan and Design Guidelines," would be completed by October 15. Mr. Dillon detailed the back-and-forth process between the city, UTSA, and the Texas Main Street Program to finalize the document, which would serve as a playbook for revitalizing the downtown area. The report, at 103 pages, would provide a comprehensive look at future development plans.

Robert Johnson asked, "When will the community get to see this report?" Wade Dillon responded, "The report will be released on October 15, but we want to give people time to digest the information before it's presented to the council." Mr. Dillon added that the final presentation would be made to the city council, but there had been discussions about holding a public showcase of the report, similar to earlier public sessions.

David McGinty asked, "Can we hold another presentation at a public venue like River Place? I think it would be more engaging for the community than a formal council meeting." Wade Dillon responded that the UTSA contract may not cover additional presentations but offered to ask about the feasibility and potential costs of organizing a community presentation. Robert Johnson added, "Let's get the cost on that, but we need to be mindful of the contract terms. If we can't do it, we can still push the report out through other channels to get the word out."

After further discussion, it was agreed that Wade would follow up with UTSA about the possibility of an additional public presentation, and *no formal action was taken at this time.*

3. **Discuss and take possible action on the Gensler Project**

Robert Johnson led the discussion, informing the board that representatives from Gensler would present their findings from the community engagement sessions to the board in November. The estimated cost for Gensler's attendance and presentation was $800, but Robert Johnson recommended that the board approve up to $1,000 to cover any potential extra expenses.

Sandra Loeza asked, "What exactly are we paying Gensler for? Is this just for their travel time and hourly rate?" Robert Johnson confirmed, "Yes, this is to cover their hourly rate, travel expenses, and preparation for the presentation. We want to make sure we allocate enough funds so that there are no surprises." Mark Parker asked, "Are they coming from Houston? Is that included in this cost?" Robert Johnson answered, "Yes, they're coming from Houston, and the travel expenses are part of this estimate."

Mark Parker made a motion to approve up to $1,000 for the Gensler presentation. David McGinty seconded. **MOTION PASSED UNANIMOUSLY.**

4. **Discuss and take possible action on sponsor item: Super Feast Banner**

David McGinty initiated the discussion by recalling that the Freeport EDC had sponsored the Super Feast Banner the previous year. He explained that the banner used last year was too small for its intended purpose, and this year, a larger banner would be needed. The cost for the new banner was estimated at around $500. David McGinty proposed that the board allocate up to $1,000 to cover not only the banner but also additional marketing materials for the event if necessary. Mr. McGinty clarified that all funds would be processed through the city's financial system, meaning the EDC would not be directly issuing checks but would provide support through marketing expenses.

Sandra Loeza raised a question, asking, "Why wasn't last year's banner sufficient?" David McGinty responded, "The size of the banner last year didn't have the impact we needed. It was too small to attract attention from a distance, which is why we need a larger one this time." Robert Johnson added, "Are there any other marketing materials you're planning to include, or is the focus solely on the banner?" David McGinty responded, "Mainly the banner, but there could be other marketing needs that come up, which is why I suggest we approve up to $1,000 instead of just $500."

Sandra Loeza also inquired whether the banner would need to be updated annually, to which David McGinty explained, “The banner won’t have specific dates on it, so it can be reused for multiple years. It will just say ‘Thanksgiving Day’ without the year, making it adaptable for future events.”

Mark Parker asked about the vendor for the banner, saying, “Who will we be purchasing the banner from?” David McGinty mentioned using Danny from Blue Line, stating, “Danny has done good work for us in the past with highway banners. If you order from him, he even offers to change the dates each year for a minimal charge if needed.”

David McGinty made a motion to approve up to $1,000 for the Super Feast Banner and additional marketing materials. Mark Parker seconded. **MOTION PASSED UNANIMOUSLY.**

5. **Discuss and take possible action on Business Improvement Grant Application: Ann’s Party Place**

The board reviewed the Business Improvement Grant application submitted by Ann’s Party Place, which was severely damaged by Hurricane Beryl. Elizabeth “Ann” Johnson, the owner, was present and explained that the storm caused significant roof damage to the event center. She requested a grant of up to $10,000 to help with roof repairs and other necessary structural improvements. Mrs. Johnson provided contractor estimates for the total repair costs, which were around $24,100.

Robert Johnson asked, “Have you explored any other funding options, like insurance or federal disaster relief?” Ann explained, “I’ve already filed an insurance claim, but it didn’t cover the full cost of repairs. I’ve also applied for an SBA loan, but that process is taking longer than expected. This grant would help cover the gap so I can get the work done before more damage occurs.”

Mark Parker followed up with a specific inquiry, asking, “What kind of repairs are you looking at exactly? Is this just the roof, or are there other structural issues as well?” Ann responded, “The main issue is the roof, but the water damage caused by the leaks has affected some of the walls inside, so I may need to repair those as well depending on what the contractor finds.”

Ronnie Martin raised a question about accountability, asking, “How will we make sure that the funds are used as intended for the repairs?” Ashlee Ferguson clarified, “We require businesses to submit invoices and proof of work before the funds are disbursed. Ann will need to provide documentation from the contractor showing that the repairs have been completed.”

Sandra Loeza also expressed concern about timing, saying, “Given the extent of the damage, how quickly can the repairs be done once the funds are approved?” Ann Johnson reassured the board, “I’ve already lined up contractors. As soon as the funds are available, they can start the work immediately. My goal is to get the event center back up and running as soon as possible."

Ronnie Martin made a motion to approve the grant for Ann's Party Place for up to $10,000, allowing Ann to proceed with the repairs. Mark Parker seconded the motion. **MOTION PASSED UNANIMOUSLY.**

6. **Discuss and take possible action on Business Improvement Grant Application: Rhombus, Inc.**

   Rhombus, Inc. had submitted a Business Improvement Grant application requesting funds for structural and aesthetic improvements. However, Robert Johnson informed the board that a stop-work order had been issued earlier that day by code enforcement, preventing the business from moving forward with its renovations due to issues with their building permits.

   David McGinty inquired, "What's the reason behind the stop-work order? Are there specific violations?" Robert Johnson explained, "The building failed to meet some of the necessary code requirements. Rhombus, Inc. didn't have the proper permits in place for the work they were doing, which led to the stop-work order." Sandra Loeza added, "This highlights the importance of making sure that businesses applying for these grants comply with local regulations before we approve any funding."

   Mark Parker asked, "What kind of improvements were they planning to make, and can those improvements still proceed once the permit issues are resolved?" Robert Johnson clarified, "The improvements included both structural repairs and aesthetic changes to the exterior of the building. Once the code violations are addressed and the necessary permits are secured, they should be able to proceed with the work."

   David McGinty raised the point, "Shouldn't we have a system in place to ensure that all businesses applying for grants are in compliance before they even submit their application? It would save time and avoid situations like this." Robert Johnson agreed, stating, "I think that's something we need to look into going forward. In this case, though, we can't proceed with their grant application until the permit issues are resolved."

   The board discussed the need for Rhombus, Inc. to resubmit their application once the stop-work order was lifted and the building permits were in order.

   No motion was made, and the decision on the grant was tabled until the next meeting when Rhombus, Inc. could provide proof of compliance with city regulations.

7. **Discuss and take possible action on Skinner Street Property**

   The final item on the agenda was the Skinner Street property. The board discussed the status of the property, including potential options for its use or sale. Several considerations were raised, including the property's current condition, location, and potential value to the city or private investors.

Robert Johnson explained the EDC Staff are still waiting for the appraisal to come through and did not inform any interested parties of changes until that appraisal is completed by M.B. Lane and Associates.

After deliberating on the various options, the board decided that more information was needed before taking any action. They agreed to defer the decision to a future meeting, allowing time for additional research and consultation with relevant stakeholders. The discussion will be revisited once further details are available, ensuring that the board can make an informed decision about the future of the Skinner Street property.

VI. Board and Executive Director Comments

VII. Executive Session- Adjourn into Executive Session

It is now 7:09 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). Consideration for Ms. Shonda Marshall was given to allow her son to help with interpretation and hearing difficulties.

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

Reconvene into an Open Session

Board President's statement:
It is now 7:01 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. Ronnie Martin made the motion and was seconded by Sandra Loeza. **MOTION PASSED UNANIMOUSLY.**

Josh Mitchell adjourned the board meeting at 7:24 p.m.