CITY OF FREEPORT
ECONOMIC DEVELOPMENT CORPORATION
430 North Brazosport Boulevard, Freeport, TX
Tuesday, February 11, 2025, 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
Jerry Cain: City Liaison
Loren Smith: EDC Attorney
Rachael Cohen: EDC Staff

I. Call to Order

Josh Mitchell called the meeting to order at 6:17 p.m. A quorum was present.

II. Invocation and Pledge

Shonda Marshall led the invocation, and Mark Parker led the pledge.

III. Citizens' Comments

IV. Consent Agenda

1. **Approve Meeting Minutes for February 11, 2025**
2. **Approve Financials**

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

V. Discussion and Action Items

1. **Discuss and take action on an update to the investment policy.**

The auditors identified that the investment policy required updating to reflect personnel changes. Specifically, the policy named individuals who were no longer in their designated roles, necessitating a revision to ensure compliance and accuracy. The update removes Cathy Ezell and assigns Ashlee Hurst as the new investment officer. The update removes Cathy Edzell and assigns Ashlee Hurst as the new investment officer. This change aligns with the organization's financial oversight structure and ensures that authorized personnel are properly designated to manage investment activities.

The board discussed the importance of maintaining an up-to-date policy to prevent discrepancies in financial reporting and decision-making. Members emphasized that an outdated policy could pose risks to financial governance and investment security. The revised policy will enhance operational efficiency, mitigate risks, and align the investment procedures with best practices. Additionally, the board considered implementing a periodic review process to ensure that investment policies remain current and reflective of organizational leadership changes.

Further discussion focused on how the investment officer's responsibilities would be structured, including oversight of fund allocations, compliance with state and federal financial regulations, and regular reporting requirements. Board members also explored the potential for additional training for the newly appointed investment officer to ensure familiarity with the corporation’s financial policies and obligations. A quarterly review mechanism was proposed to assess investment performance and risk management strategies.

Motion: Sandra Loeza motioned to update the investment policy by removing Cathy Edzell and adding Ashlee Hurst as the replacement in the investment policy. Seconded by Ronnie Martin. **MOTION PASSED UNANIMOUSLY.**

2. **Discuss and review Downtown and Main Street updates for January.**

The discussion on Main Street Freeport centered on the city's efforts to achieve accreditation through the Texas Main Street Program. January was dedicated to reporting, including a quarterly report and an annual self-assessment, which would determine whether Freeport would receive full accreditation or remain an affiliate program in 2025. The accreditation process revealed several key focus areas for improvement, including addressing blight and vacant buildings, strengthening governmental structure, and enhancing fundraising opportunities for downtown revitalization. The results of the accreditation review were expected in March.

Significant progress had been made in formalizing the governance of the Main Street Program, with the adoption of bylaws by both the Main Street Board and the City Council in December. Additionally, efforts were underway to revise historic preservation ordinances before splitting the Freeport Historical Commission and the Main Street Advisory Board. To ensure a smooth transition, Freeport’s Main Street leadership was collaborating with the Texas Main Street Program and other Main Street managers to align the commission's role with preservation efforts.

To further downtown development, weekly meetings with Robert and Shelby from Code Enforcement had been established. These meetings proved productive in identifying necessary updates to existing historic preservation ordinances and potential new ordinances that could foster growth and preservation in downtown Freeport.

A major highlight of the discussion was the financial reinvestment into downtown Freeport. According to the Main Street Freeport Annual Report, a total of $142,813.90 was invested by Freeport EDC, while local businesses contributed $572,311.90, resulting in a combined downtown reinvestment of over $715,000 in 2024. These figures underscored the ongoing economic development efforts and the community's commitment to revitalizing downtown Freeport.

In addition to financial investment, the Freeport Historical Commission and Main Street Advisory Board volunteers contributed 189 hours toward downtown initiatives. According to the Independent Sector and Do Good Institute at the University of Maryland, the value of a volunteer hour in Texas is $31.94, meaning the total volunteer contribution equated to $6,036.66 in economic value.

To continue the momentum, board members were reminded of the upcoming Main Street Board meeting scheduled for February 20th at 5 PM at Freeport City Hall. All were encouraged to attend and consider joining a subcommittee to support downtown initiatives further.

3. **Discuss and review Wayfinding improvements.**

Wade Dillion emphasized the critical need for improved wayfinding signage to help visitors navigate Freeport and locate key destinations such as downtown Freeport, the business district, and historical sites. Currently, the city only has two wayfinding signs, making it difficult for visitors to find attractions efficiently, leading to missed opportunities for local businesses and tourism. He pointed out that Lake Jackson has effective heritage signage, which Freeport lacks, making the city harder to navigate for first-time visitors.

The board discussed whether the wayfinding initiative should be limited to downtown Freeport or expanded into a comprehensive citywide effort, integrating branding and marketing strategies. Some members suggested rebranding Freeport entirely, citing Angleton's branding project as an example of how a unified visual identity could strengthen Freeport's appeal. They stressed the importance of incorporating Freeport's unique historical and cultural identity into signage, ensuring consistency in color schemes and design elements.

A previous cost estimate for wayfinding and branding exceeded $100,000, which led to its rejection in the past. The board revisited potential funding sources, including state grants, public-private partnerships, and local business contributions. Additionally, they explored incorporating smart signage technology, such as interactive kiosks and QR codes, to modernize Freeport's visitor experience.

Board members also debated whether wayfinding signage should be implemented first or whether rebranding should come first to establish a cohesive theme. A phased approach was preferred, prioritizing high-traffic areas before expanding to secondary locations. Some members emphasized the need for highway signage on major routes like Highway 288 and 332 to direct visitors before they even enter the city.

After further discussion, the board directed staff to research comprehensive wayfinding and branding options, identify grant opportunities and alternative funding sources, and present detailed cost estimates and a phased implementation plan at a future meeting.

4. **Discuss and take possible action on a Business Improvement Grant: SitNBull**

The board reviewed a grant application from Lorinda Almaguer, owner of Sitting Bull, who applied for assistance due to unexpected fire suppression requirements resulting from changes in occupancy regulations. The business owner sought two grants: a Facade Improvement Grant totaling $21,146, requesting a $10,000 reimbursement, and a Fire Suppression Grant totaling $64,950, requesting a $25,000 reimbursement.

During renovations, it was determined that the business's occupancy limit had increased from 72 to 199 people, triggering a mandatory fire suppression system requirement that was not originally anticipated in the renovation plans. This regulation significantly increased costs, forcing the owner to redirect funds from other necessary improvements to cover fire safety compliance. Additionally, she was required to install a fire alarm system, bringing her total investment to over $101,096.

Board members discussed the permit discrepancies, as the initial permit for the fire suppression work only reflected $1,000 in work, despite a much higher project cost. This raised concerns about aligning the permit, work scope, and funding request. Further complications arose when it was revealed that the selected contractor, Brazos Port Construction, was not an authorized city contractor due to missing insurance documentation. To resolve this, Richard Steed, a master electrician, agreed to oversee the work, making Brazos Port Construction a subcontractor under his supervision. A revised permit was issued with a corrected fee of $314, allowing the project to proceed.

The board deliberated on the impact of these regulatory requirements on small business owners and discussed the purpose of the EDC grant programs. While some concerns were raised about whether fire suppression costs should be covered by the EDC in future cases, members acknowledged that similar grants had been approved in the past. The discussion remained a review with no final motion required at this stage, and the board ensured that the project remained in compliance with city requirements as it moved forward.

5. **Discuss and take possible action on conferences.**

The board discussed participation in the upcoming ICSC conference in Las Vegas, scheduled for May 16-20, 2025. This annual conference serves as a key networking and learning opportunity, bringing together economic developers, business leaders, and retail industry professionals. The board emphasized the importance of attending to promote Freeport as an attractive location for business expansion and investment.

Board members considered the benefits of scheduling targeted meetings with developers, investors, and retail chains to discuss opportunities for commercial growth in Freeport. They also explored the potential for collaboration with regional partners to enhance Freeport's visibility at the conference. Additionally, past experiences were reviewed to refine the approach for maximizing engagement and securing future business prospects.

Discussions included travel logistics, budgeting considerations, and identifying representatives best suited to attend. The proposed plan mirrors the previous year's successful strategy, in which board members were paired to attend scheduled meetings with key stakeholders. Ensuring a well-prepared delegation was highlighted as a priority, including having updated marketing materials and investment prospectuses available.

Action: Names of attendees will be finalized by March 4, 2025. Staff will prepare marketing materials and an agenda of targeted meetings for board approval.

6. **Discuss and review Chapter 313 replacement funding incentive with the JETI Program**.

Robert Johnson provided an update on the transition from the Chapter 313 economic development incentive to the newly implemented Jobs, Energy, Technology, and Innovation (JETI) Program. The State of Texas officially phased out Chapter 313, which was previously used to attract large-scale industrial projects by offering tax incentives. The JETI Program serves as its replacement, designed to provide a more structured and adaptable framework for economic development, particularly for industrial projects. One of the significant differences between the two programs is that JETI allows for the option to waive job creation requirements, an aspect that had added complexity under Chapter 313. This change provides greater flexibility, ensuringThis change provides greater flexibility, ensuring that businesses can qualify for incentives even if they do not meet stringent job creation mandates.

As part of this transition, Rachael Cohen, EDC Specialist, has successfully updated the Freeport Economic Development Corporation's website, removing references to Chapter 313 and replacing them with accurate information on the JETI Program. The website now reflects the revised incentive structure and serves as a resource for businesses and developers interested in utilizing JETI for projects in Freeport. Johnson noted that this update aligns Freeport's economic development efforts with the latest state policies, ensuring potential investors have the most current information.that potential investors have the most current information.

This discussion was informational, with no action or motion required. Johnson encouraged board members and stakeholders to reach out to him with any questions regarding the JETI Program and its impact on future development opportunities in Freeport.

VI. Board and Executive Director Comments

VII. Executive Session- Adjourn into Executive Session

It is now 7:4714 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 ongoing: Real property contract and possible sale of the Skinner Street property.
2. Update on ongoing litigation: Realty World and A&T.
3. Annual Personnel Review of Freeport Economic Development Corporation, Executive Director. (Marshall)

Reconvene into an Open Session

Board President's statement:
It is now 8:11 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.

A motion was made from Ronnie Martin to settle up to $85,000 to settle for Realty World. Motion was seconded by Mark Parker. **MOTION PASSED UNANIMOUSLY.**

A motion was set by Ronnie martin to approve up to $85,000 to settle Realty World. Seconded by Mark Parker. **MOTION PASSED UNANIMOUSLY.**

VIII. Adjourn

Josh Mitchell requested a motion to adjourn the meeting.

Motion: Sandra Loeza made the motion, seconded by Mark Parker. **MOTION PASSED UNANIMOUSLY**

Josh Mitchell adjourned the board meeting at 8:12 p.m.