

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, December 16, 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.

FEDC BOARD MEMBERS Quorum Present

Jeff Pena President
Marinell Music Vice President
Lesa Girouard Secretary
Ed Garcia
Nicole Mireles
Mingo Marquez Absent
Trey Sullivan

Courtland Holman: Executive Director
Tim Kelty: City Manager
Christopher Duncan: Attorney
Stephanie Russell: Finance Director

Visitors in Attendance:
David McGinty
Sam Reyna
Ruben Renabato

I. CALL TO ORDER:

President Jeff Pena opened the meeting at 6:12P.M. A quorum was present: Jeff Pena, Nicole Mireles, Lesa Girouard, Marinell Music, Ed Garcia and Trey Sullivan. Mingo Marquez is absent.

II INVOCATION AND PLEDGE

President Pena led the Pledge of Allegiance.

III PRESIDENT STATEMENT

President Pena informed the Board he would adhere to Roberts Rules of Order and FEDC's charter throughout the meeting. He stated that FEDC membership is voluntary and appointed by City Council and is funded by tax payer dollars. He added that Freeport has many unique opportunities for growth and since his three year tenure as an FEDC board member he feels a fast track to attract new businesses to Freeport is in order. To accommodate a speedier business response, he feels two regularly schedules meetings per month as opposed to the existing singular monthly meeting would more adequately benefit FEDC'S goals for growth. He emphasized this would require a full commitment from all FEDC's board members as he feels FEDC needs constant attention. He brought forth the idea of a volunteer team to advise and give creative input to FEDC.

IV CITIZEN COMMENTS

None

Board Comments

President Pena: He advised his opening statement would serve as comments.

Director Ed Garcia: Director Garcia asked the Board to be mindful of their integrity. He stated that businesses look to FEDC, the City of Freeport and its administration for honesty, integrity and an assurance that all are doing the right thing for our citizens and that any and all selective policies cease and desist for the sake of citizen's trust.

Vice President Marinell Music: Vice President Music congratulated President Pena on his recent victory in his race for city council, Ward A. Vice President Music feels President Pena has much to offer his Ward, the City and FEDC. She relayed how pretty the Christmas lights downtown are and that she and numerous other citizens she spoke with would like to have downtown lit in a decorative fashion year round. She suggested such lighting possibly continue down Second Street and added that perhaps FEDC could participate in the financial aspect of this endeavor. She stressed the need for also considering utility lighting on Second Street as well.

Director Nicole Mireles: Director Mireles stated she is serving on FEDC because she loves Freeport and reiterated Director Garcia's request for transparency. In her opinion, the FEDC is suffering from a lack of progress. She suggested that instead of having repeat items on each agenda the Board should focus on three main items to accomplish each meeting. She also requested that Board members not pinpoint certain businesses for negative input.

Director Trey Sullivan: No comments

Secretary Lesa Girouard: No comments

V Consent Agenda

- A. Approve Meeting Minutes for November 10 Regular Board Meeting
- B. Approve Corrections to Meeting Minutes from October 8 Special Board Meeting
- C. Approve October Financial Statement

Director Music made a motion to approve all (three) consent agenda items. Director Girouard seconded the motion. President Pena requested that item B be moved to regular agenda. Director Music **amended her motion** to include items A and C only. Director Girouard **seconded** the motion. Motion **Passed** Unanimous.

President Pena stated he is concerned about the integrity of FEDC's Minutes and informed the Board that out of this consideration and acting upon his authority as President he has appointed Jennifer Hawkins to act as Secretary and process FEDC's Minutes. President Pena feels it is vital that FEDC be responsible for its own internal affairs and that duties such as those of Secretary should not be not be handled by the City.

Director Mireles asked if the City still had the option to handle the Minutes and inquired if Ms. Hawkins was being compensated.

President Pena replied that a recent recording of FEDC meetings the City was responsible for only contained three minutes; there were pertinent agenda items in question and no recording to clarify confusion pertaining to these issues.

Director Mireles asked if FEDC could interview possible Secretary candidates.

Director Sullivan inquired as to what the bylaws state concerning this situation.

President Pena then stated he was being proactive in appointing Ms. Hawkins as Secretary without initial Board approval.

Director Garcia asked if President Pena's appointment without Board approval was in compliance with Robert's Rules of Order.

Director Sullivan stated this appointment was not a team decision.

Director Holman stated that Director Girouard is FEDC's Secretary. He went on to say concerning recording, with City appointee as Secretary occurred in Executive Session where recording was off, but when we came back out of executive session the recording was turned back on which lasted about 2 hours. The open session was recorded until meeting was adjourned lasting 2 minutes and 19 seconds. In question in relation to light repairs on Brazos Street up to \$9,500.

Director Girouard asked if she was responsible for Minutes.

Lawyer Duncan replied that FEDC the Bylaws state the FEDC Secretary takes the Minutes but does not say that minutes cannot be taken by a hired third party.

Ms. Hawkins was granted permission to approach the Board by President Pena where she apologized to the Board and stated that she did, in fact, request that President Pena obtain FEDC Board approval before commencing as Secretary. She informed Director Girouard that she would give her the audio recording and written notes she had thus far. Ms Hawkins returned to her seat and Director Girouard proceeded as both FEDC Board member and acting Secretary.

A **motion to approve** item B was made by Ed Garcia and **second** by Nicole Mireles. Motion **Passed** unanimously.

VI. Discussion and Action

a. Discussion and possible action requesting from City that the Visitor Center Building on Hwy 288 for the use of the FEDC as its office.

Ed Garcia made a **motion to allow** FEDC to utilize the Visitor Center. Nicole Mireles **seconded**.

Lesa Girouard stated that the building is on prime real estate and believes that the building should be sold and not used as a city or FEDC.

Trey Sullivan agreed that it is prime real estate, but believes that FEDC needs space available to us.

Ed Garcia stated that we probably won't get many tax dollars from a sale of the property. Marinell Music expressed that it is good to have a separate place for visitor center and the FEDC.

Nicole Mireles shared that she visited the Museum in downtown and stated that the visitor center is not being used properly.

Jeff Pena stated that there are three items to consider when thinking about the viability of the FEDC:

Visibility – FEDC would be more visible in the former Visitor Center space

Accessibility – FEDC would be more accessible to the public

Usability – FEDC would get benefit from using the space.

Tim Kelty mentioned that the property would be an ideal location for a small business to move into.

All voted in favor of this item with the exception of Lesa Girouard. Motion **Passed** five **Yes** and one **No**.

Jeff Pena and Courtland Holman will write a letter to City Council to request that FEDC use the former Visitor Center building.

b. Discussion and possible action regarding new EDC position

Courtland Holman explained the Assistant/Analyst position to the board. It would essentially be a dual position consisting of Administration and Analyst.

The administration position would consist of duties such as office work, taking meeting minutes, answering phone, preparation of agenda packets, etc. Could also be a notary public that the public could use at no cost.

The analyst position would consist of updating website, outreach to business community, business retention calls, identification of vacant properties, finding property owners on frontage and main corridors, etc.

Nicole Mireles asked, “How will you get candidates?” Per Courtland, publish with Texas Municipal League, Brazosport College, HGAC and other free mechanisms. He stated he has already had a couple of inquiries.

Ed Garcia mentioned that we are already paying Retail Strategies \$45,000 to do a lot of what this person would be doing.

Trey Sullivan mentioned that we need to make a decision tonight.

Jeff Pena believes we can save money to contract the position out and hire a temp agency.

Marinell Music liked the idea of a contract position and put them on a probationary period.

Marinell Music made **motion** that we seek out someone on a contract services basis through Kelly Services or similar. We would entertain looking at hiring more than one

position to take care of separate duties such as admin, etc. and that the position report directly to the EDC board. Jeff Pena **seconded** the motion. Motion **Failed. In favor** – Marinell and Jeff. **Not in favor** – Trey, Lesa, Ed, Nicole

Trey Sullivan made **motion** to allow Courtland Holman to advertise Assistant/Analyst position and find applicants. Courtland will bring the applications to the EDC who will then provide Courtland direction. Motion **seconded** by Ed Garcia. Motion **Passed unanimously**.

Courtland commented that it takes about 30 days to get a good number of candidates and should probably have to the board in February.

The FEDC recessed for a restroom break at 7:39 p.m. and reconvened at 7:49 p.m.

h. Discussion and possible action regarding EDC Attorney contract

Jeff brought up question of we really needed a contract for attorney. Chris Duncan stated that it is good housekeeping to have a contract and that he has one with the City of Freeport. He will draft a contract with EDC in same type form at an hourly rate. If at any time rates get close to the budgeted yearly amount, he will alert the board.

Motion made by Marinell Music to have Chris develop an attorney contract. Nicole Mireles **seconded**. Motion **Passed** unanimously.

c. Discussion and possible action on invoices and contracts

Ed Garcia believes we need to concentrate on advertising Statewide and Nationally instead of internationally. Nicole Mireles agreed and wants to find local people who might be interested in doing business in Freeport.

Trey Sullivan asked Courtland to prioritize the contracts to spend our dollars on.

Prioritization was as follows per Courtland:

- 1) Retail Strategies: This would be second year of a three-year contract. Benefits include using their booth at retail trade show. Attracts business using our current demographics. They have marketing and analysts at our disposal.
- 2) Courtland's favorites for US marketing are Expansion Solutions and Conway Data and he prefers Expansion Solutions over Conway Data. Said that Expansion Solutions targets CEO's a decision-makers and when we attract the business through Freeport ads, they will see the benefits of doing business in Freeport. Explained that Expansion Solutions markets us for industrial, retail, housing. If we don't use this resource, the decision-makers won't know we exist.
- 3) FDI Alliance: Has most information that targets CEO's in entire world. They are focusing on Freeport.

Jeff Pena expressed disfavor of using Retail Strategies and explained that this company said that Freeport can never compete with Lake Jackson. Jeff stated that we can advertise real estate through Loop Net where we can get an account for \$50.00 a month. He expressed his disappointment that Retail Strategies does not use Zoom Prospector and that they are not giving us what we need. Reminded the board that Retail Strategies stated that a business would have to make \$9 million in sales to generate \$45,000 in property tax and that we are currently paying Retail Strategies \$45,000 per year for their services. An example was brought up that if a company had 2 million in sales such as Subway, that Retail Strategies would have to bring in 4 retail stores per year for us to break even. Also expressed his desire for EDC to have a larger social media presence. Believes we are not promoting our city, the river, etc in the right way. Wants to use our funds responsibly. Wants to concentrate on the low hanging fruit and that there are other strategies we can employ.

Courtland explained that we cannot attract development unless we advertise. He wants to improve the lives for the citizens of Freeport and explained that in order to do so we must use these tools like the other cities similar to Freeport's size and larger because we are competing against them for these businesses. Explained that these tools give us credibility with CEO's and decision-makers and that we need outside dollars coming in to bring jobs to improve the quality of life in Freeport. If we stop using these tools, we are going to take 3 steps back. If we stop now, we will have to start all over again. Says local marketing does not work and we need to use these tools to attract the big fish.

Marinell asked where we have the land to attract rooftops because retail attracts rooftops. Says looking for land is not on the city's radar. We don't have a lot of space for housing and we don't have a lot to offer for industrial property because Mr. Wong has much of the property. Courtland stated that downtown could be used for mixed use development creating a lifestyle type development. We will have to go vertical because we are in a confined area. We can also negotiate with others to get more land such as school district, Port, etc.

Trey made a recommendation to go through each item individually and vote.

iv. Invoice for Retail Strategies \$45,000

Motion made by Jeff Pena that do not pay the Retail Strategies invoice and that we terminate contract by giving them 30 days' notice. Nicole Mireles **seconded**. Motion to cancel contract **Passed with** Lesa Girouard, Ed Garcia, Marinell Music, Jeff Pena, Nicole Mireles voting **Yes** and one **Abstained** – Trey Sullivan

There was discussion on if a member can abstain if not a conflict of interest. Chris Duncan said that a member can abstain.

i. Invoice for Expansion Solutions \$30,000

Motion made by Jeff Pena that we terminate contract with Expansion Solutions. Ed Garcia **seconded**. Motion to cancel contract **Passed** with Lesa Girouard, Ed Garcia, Marinell Music, Jeff Pena, Nicole Mireles voting **Yes** and one **No** – Trey Sullivan

ii. Invoice for FDI Alliance \$25,000

Motion made by Jeff Pena that we terminate contract with FDI Alliance effective immediately and give them 30 day notice if required. Nicole Mireles **seconded**. Motion to cancel contract **Passed with** Lesa Girouard, Ed Garcia, Marinell Music, Jeff Pena, Nicole Mireles voting **Yes** and one **Abstained** – Trey Sullivan

iii. Invoice for Conway Data for Texas Wide Open for Business Magazine and website side bar advertisement \$10,000

Motion made by Jeff Pena that we remove Conway Data from budget since we have not hired them and remove them from consideration for financing for this fiscal year. **Nicole Mireles seconded**. Motion **Passed with** Lesa Girouard, Marinell Music, Jeff Pena, Nicole Mireles voting **Yes** and two **No** – Trey Sullivan and Ed Garcia

d. Update to City's 192 lots

Doug Kirk and Gary Bassinger created a proposal to build on these lots. Courtland will bring to board for discussion at next meeting.

e. Update to FEDC lights on 8.8 acre property

Discussion concerned lights on EDC- owned riverfront property.

Jeff Pena believes we need to promote this area actively including the lighting and landscaping. In our best interest to present the property in its best light. Discussion on safety and permitting.

Trey Sullivan asked if permits have been pulled.

Jeff Pena contacted a master electrician who inspected the site. An electric broker contacted CenterPoint who then turned on electricity. 3 meters did not require permits, however, one meter did.

City received complaint by Gardner Campbell with safety concern and that lights were turned on without an inspection. City Code Enforcement Officer said that 1 meter was not safe.

Ed Garcia expressed concern that Code Enforcement Officer is sharing information with a provide developer.

CenterPoint inspected the property and made a decision to turn off the power. The one meter that did not have a permit will have a permit pulled.

Jeff Pena expressed frustration with the City, as well as Code Enforcement and wanted to know the status of getting the lights back on.

Trey Sullivan asked if we are in jeopardy of being fined by the City and are we in line of doing things properly?

Jeff Pena explained that he contacted a master-licensed electrician and that we are doing things properly.

Marinell asked what is the status of getting the lights back on.

Per Tim Kelty, Code enforcement inspected after Mr. Campbell made a citizen complained. CenterPoint inspected and turned power off. Mr. Kelty explained that the City is here to help the EDC in any way they can and that EDC and city has same goal in mind. The master electrician needs to communicate with City and things should be resolved within a matter of days if communication happens.

Jeff expressed that it seems that Code Enforcement creates multiple hurdles. Per Chris, we need to understand what CenterPoint's concerns are and why they shut the power off.

f. Update to Bryan Beach Entry

No discussion on this topic took place.

g. Update to Popbox

Marinell Music to contact City Code Enforcement to finalize inspection.

i. Discussion and possible action regarding EDC Networking Mixer

No discussion

VII. Executive Session – Adjourn into Executive Session

It is now 9:25 p.m. and I hereby recess the regular session of the Freeport Economic Development Corporation December 8, 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. Discussion with Project Sky High
2. Review of current Contracts and/or 380 agreements
 - a. Realty World contract
3. Update on Project Wing Tips
4. EDC Commercial Property occupied by Lucy Goose
5. Samer Letter to EDC
6. Cundieff Property

B. Section 551.074 (authorizes certain deliberations about officers and employees of the governmental body to be held in executive session to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee)

1. Executive Director
2. Administrative Assistant

Reconvene into Open Session

Board President's statement:

It is now 10:53 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

None

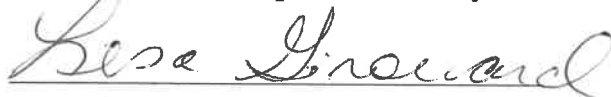
VII. Directors Notes

Not discussed but already in board packet.

IX. Adjourn

Motion to close meeting made by Nicole Mireles and **seconded** by Ed Garcia.
Motion Passed unanimous.

It is now 10:54 pm and I hereby close the board meeting.



Lesa Girouard - Secretary