

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, August 18, 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.

MEMBERS OF THE BOARD PRESENT: Quorum Present

Marinell Music Vice President
Lesa Girouard
Kenny Hayes
Mingo Marquez (Via Teleconference)
Jeff Pena
Ed Garcia

Tim Kelty: City Manager
Chris Duncan: Attorney
Stephanie Russell: Finance Director

Visitors in Attendance:

Paul Crow (Via Teleconference)
Nicole Mirles
Sam Reyna
Ruben Renobato
Melanie Oldham
David McGinty
Jennifer Hawkins
Michael Payne
Kirk Paschal
Keith Stumbaugh

I. CALL TO ORDER:

Mrs. Marinell Music opened the meeting at 6:03P.M. A quorum was present. Lesa Girouard, Mingo Marquez (Via Teleconference), Jeff Pena, Marinell Music, Kenny Hayes and Ed Garcia.

II. INVOCATION AND PLEDGE

Mr. Tim Kelty led the invocation and Mrs. Marinell Music the Pledge.

III. CITIZEN COMMENTS:

Mr. Keith Stambaugh said a couple of EDC meetings ago there was an item on the agenda about replacing the fountain in downtown and he volunteered to assist. Mr. Stambaugh said he took the time to go online and found some commercial fountains and gave the board several pictures of fountain examples he found. Mr. Stambaugh said the fountains are really nice and are not real expensive the price range is between \$10,000-\$12,000. Mr. Stambaugh said he think the board should look into this more and have a meeting to collaborate on deciding on a particular fountain. Mr. Stambaugh also said he personally does not like the waterfall type of fountain because it is focused on one direction and the place where the fountain is a 360-degree view. Mr. Stambaugh stated the installation cost and removal will be in addition to the cost of the fountain.

IV. CONSENT AGENDA

A) Approve Meeting Minutes for July 14 Regular Board Meeting and July 20 Special Board Meeting.

MOTION made by Mrs. Lesa Girouard to approve meeting minutes for July 14 Regular Board Meeting and July 20 Special Board Meeting, **seconded** by Mr. Ed Garcia. Motion **PASSED** unanimously.

B) Approve June Financial Statement

MOTION made by Mr. Kenny Hayes to approve June Financial Statement, **seconded** by Mr. Jeff Pena. Motion **PASSED** unanimously.

V. DISCUSSION AND ACTION

A) Choosing of Officers that was delayed to COVID.

Mr. Kenny Hayes said he thinks it should be delayed again

Mr. Chris Duncan said in the By-Laws states it is required to have an annual meeting and elect officers in June and it does not say anything about the timing related to

when the City Council appoints officers. Mr. Duncan stated the By-Laws are kind of like the Constitution and are required to follow the By-Laws.

Mr. Ed Garcia said he thinks it has already been delayed long enough and he is one of the members that may be reappointed or not and if he is reappointed he is willing to serve and if not, he says thank you very much and enjoyed the time he was on the board.

Mr. Ed Garcia, Mr. Jeff Pena and Mrs. Marinell Music nominated Mr. Jeff Pena for President of the board.

Mr. Kenny Hayes and Mrs. Lesa Girouard nominated Mr. Trey Sullivan for President of the board.

Jeff Pena was voted President by a 3 to 2 vote

Mr. Jeff Pena, Mr. Ed Garcia, Mrs. Marinell Music, Mrs. Lesa Girouard and Mr. Kenny Hayes nominated Mrs. Marinell Music for Vice President of the board. **Mrs. Marinell Music was voted Vice President by a 5 to 0 vote.**

Mr. Jeff Pena, Mr. Ed Garcia, Mrs. Marinell Music, Mrs. Lesa Girouard and Mr. Kenny Hayes nominated Mr. Mingo Marquez for Treasurer of the board. **Mr. Mingo Marquez was voted Treasurer by a 5 to 0 vote.**

Mr. Ed Garcia, Mr. Jeff Pena, Mrs. Marinell Music, Mrs. Lesa Girouard and Mr. Kenny Hayes nominated Mrs. Lesa Girouard for Secretary of the board. **Mrs. Lesa Girouard was voted Secretary by a 5 to 0 vote.**

B) Discussion and Possible Action for Mr. Campbell to discuss business plan on 602 West First Street.

Mr. Gardner Campbell said last time he went up to talk to the board a new packet/agreement was put together and did a deed on the property of the new home he was building. Mr. Campbell said he has had a few delays the home that was built with the idea of selling did not work the people that went to look at it with the realtor they were not happy with the conditions of the river in front of it and have been working for four years to get this problem solved. Mr. Campbell stated the City is dealing with the railroad, have gone through changes of City Managers, changes in president and members of the EDC and most times when he goes to the board sometimes the board members do not know about his agreements or projects. Mr. Campbell said he opted to rent for \$1,600 and could not rent it for that amount till finally he got a good tenant that is on a three-year lease for \$1,300 a month. Mr. Campbell asked Mr. Chris Duncan he has not seen that packet/agreement that was agreed on the last time and wants to know if he has a copy of a signed agreement.

Mr. Chris Duncan if there is a signed copy Mr. Courtland Holman would have it and would be in the EDC files.

Mr. Campbell said a thumb drive will be provided next week that will show every receipt, files, closing statements and everything on the houses Mr. Campbell said he decided to live in 602 West First Street and on the document, it will show the total amount invested in the property as of today. Mr. Campbell said he would like to purchase the lot in front of 602 West First Street so he can put a boat dock in and possibly a boat house in the future. Mr. Campbell asked the board if they could sell him the lot in front of 602 West First Street so he can move further with his development in that neighborhood.

Mr. Chris Duncan said the original agreement was Mr. Campbell owns four of the six lots and the agreement says when he built a house that had a specific value of \$160,000 in improvements he would get the lot behind it that would make it a riverfront house.

Mr. Campbell said the reason of having to do redo the first agreement is because it never got finalized and a quorum was not being met almost a whole year before being able to get the group together to have the full discussion. Mr. Campbell stated he took the paper work of his agreement to his attorney and he looked at it and said there was a lot of contradiction and said it is not legal. Mr. Campbell said after that he took it back to the board to discuss it and everybody read it and the language was going to be straightened in between two paragraphs but he said he does not know that he ever saw that agreement.

Mrs. Marinell Music said she thinks it is best to get the agreement found and see what the status is if it has been signed or not. Mrs. Marinell Music said she personally has no issues with selling the three lots because she sees it does no good to anybody else other than Mr. Campbell. Mrs. Marinell Music stated she knows and sees Mr. Campbell does excellent work and also has good product that he puts out.

Mr. Ruben Renobato said he would hate to think the EDC is doing business based on unsigned agreements and if such thing happens then is the EDC board that careless in the way business is done.

Mr. Chris Duncan said just for clarification the board does have signed agreements and have signed multiple of agreements with Mr. Campbell and some have been modified and he said they are some agreements with a mistake and is not certain of what he is talking about. Mr. Duncan said the original deal was he would be able to buy the waterfront property at a very cheap price in exchange of building houses at a certain value.

MOTION made by Mr. Ed Garcia to table discussion and possible action for Mr. Campbell to discuss business plan on 602 West First Street, **seconded** by Mr. Jeff Pena. Motion **PASSED** unanimously.

E) Discussion development of 2020-2021 Budget that must be approved by September regular board meeting prior to City Council meeting.

Mr. Courtland said a subcommittee will be able to look over the budget and make a final recommendation to the board. Mr. Holman said the grant review committee which is the one he would like to maintain to review the budget is Mr. Ed Garcia, Mr. Mingo Marquez, Mrs. Lesa Girouard, Mr. Chris Duncan, Mrs. Stephanie Russell and the alternate being Mrs. Marinell Music.

Mrs. Marinell Music said if an alternate is needed Mr. Jeff Pena volunteered for this position.

MOTION made by Mrs. Lesa Girouard to change the alternate in the grant review committee to Mr. Jeff Pena, **seconded** by Mr. Ed Garcia. Motion **PASSED** unanimously.

F) Update to Pop Box.

Mr. Chris Duncan said the Pop Box is a modified shipping container that is developed into a mobile pop up vendor size of market and the plan is to have several of these to make it into an attraction. Mr. Duncan said the first Pop Box was delivered this afternoon and is by where the old Freeport Community House is located. Mr. Duncan said applications will be taken from Freeport owned businesses whether it is an existing business, a former business or wanting to start a new business. Mr. Duncan said the intention is to not charge any rent but their will be mandatory hours if occupied the business will have to be open certain days and certain hours. Mr. Duncan said any items can be sold in this pop box. Mr. Duncan said this is only intended for Freeport citizens. Mr. Duncan said the subcommittee will develop the agreements, documents, and procedures. Mr. Duncan stated he would like for the pop box to be occupied by September 1st, 2020. Mr. Duncan asked the board for permission to do a press release to the Facts with some good photos once applications have been submitted and the logo has been added to the pop box.

Mr. Holman said they are also other options such as Hispanic Chamber of Commerce and Brazoria County Alliance to promote the Pop Box.

Mr. Duncan said the intention of this is to benefit as many businesses in the City of Freeport.

VI. EXECUTIVE SESSION-ADJOURN INTO EXECUTIVE SESSION

It is now 7:19 p.m. and I hereby recess the regular session of the Freeport Economic Development Corporation August 18, 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. Update on Project Sky High
2. Discuss potential plans or disposition regarding 318 Second Street
3. Update on Project Wing Tips
4. Update on Hotel Development
5. Update on Realty World

Reconvene into Open Session

Board President's statement:

It is now 9:05 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

1. Possible action regarding Executive Director's Annual Review

MOTION made by Jeff Pena made a motion to table this item and to be rescheduled for special board meeting next week, **seconded** by Mr. Mingo Marquez. Motion **PASSED** unanimously.

2. Possible action regarding potential plans or disposition regarding 318 Second Street

MOTION made By Mr. Ed Garcia made a motion to table this item and to be rescheduled for special board meeting next week, **seconded** by Mr. Jeff Pena. Motion **PASSED** unanimously.

3. Discussion and possible action on Realty World

No Action

VII. EXECUTIVE DIRECTOR'S REPORT

Directors Report given by FEDC Director Courtland Holman.

C) Discussion and Action for support letter from the FEDC board with the Main Street grant application.

Mr. Courtland Holman said he has worked with Mrs. LeAnn Strahan (Destinations Direct of the City) on the grant that is being worked on for the Main Street. Mr. Courtland Holman said it is a letter that would be sent to the Main Street Organization asking for not only the FEDC support but also the Historical Commission and supporting their request for a grant.

Mrs. Marinell Music asked Mr. Courtland if all that is being asked is for the EDC to generate support letter to go along with the grant application.

Mr. Courtland Holman replied to Mrs. Marinell and said yes, the more support letters they can receive from the City the better the opportunity to receive a grant.

Mr. Kelty said Mr. Courtland Holman is not submitting an application for the grant but is submitting an application to join the Main Street.

MOTION made by Mr. Kenny Hayes to submit support letter from the FEDC board with the Main Street grant application, **seconded** by Mr. Jeff Pena. Motion **PASSED** unanimously.

D) Discussion and Action for Letter to Governor to include Downtown Zone in the Severely Distressed New Market Tax Credit zone as it borders the existing SDNMTC at Second street northward in order to attract financial investment.

Mr. Courtland Holman said he is requesting another support letter. Mr. Courtland Holman said a TIRZ has already been created downtown to try to get additional funding to attract development which is one step. Mr. Courtland Holman stated this is another potential step that can obtain possible tax credit allocation. Mr. Holman said the City and possible county commissioners would have to approve this.

Mr. Jeff Pena asked Mr. Courtland Holman if this is the final version and if instead of only having the board president if it is possible to have it signed by the board officers also.

Mr. Courtland Holman replied to Mr. Jeff Pena and said it is not the final version changes can be made to the letter and it is no problem having the board officers' signatures on the letter also.

MOTION made by Mrs. Lesa Girouard to submit letter to Governor to include Downtown Zone Severely Distressed New Market Tax Credit zone as its borders the existing SDNMTC at Second street northward in order to attract financial investment, **seconded** by Mr. Kenny Hayes. Motion **PASSED** unanimously.

VIII. ADJOURN

MOTION made by Jeff Pena to adjourn the meeting, **seconded** by Mr. Mingo Marquez.
Motion **PASSED** unanimously.

A handwritten signature in cursive script that reads "Lesa Girouard". The signature is written in black ink and is positioned above a horizontal line.

Lesa Girouard
Secretary