



#### **IV. Consent Agenda**

- 1. Approve Meeting Minutes for November 22, 2021**
- 2. Approve November 2021 Financial Statement**
- 3. Approve Invoices**

Jeff Pena made a motion to approve all consent agenda items. Josh Mitchell Seconded.

Discussion:

Cathy Ezelle said she was present for any questions on invoices and financials.

Sandra Loeza asked why there are so many invoices for Chris Duncan when invoices are reviewed monthly.

Cathy Ezelle replied that she presents the invoices to the EDC board as they are received and that Chris Duncan's were just recently turned in to her.

Jeff Pena asked if the project for the \$99806 Project has been completed.

Cathy Ezelle responded yes.

Jeff Pena asked how many acres in total VT Enterprises is mowing. Jeff Pena said the cost appears high.

David McGinty replied to Jeff Pena that the cost is cheaper than the EDC was paying Wells.

Mingo Marquez called for a vote.

**Motion Passed unanimously.**

#### **V. Presentation**

- 1. Texas Rivers Distillery- Donald Miller**

Donald Miller and Jason Wierzbicki presented Texas Rivers Distillery to the board.

Mingo Marquez asked where the location of the distillery would be.

Donald Miller responded it is the metal building located beside Pal Norte on Gulf Blvd.

Chris Duncan asked if a barrel was 31 gallons, the same as beer.

Donald Miller said a whiskey barrel is 53 gallons.

Chris Duncan asked if their license will stipulate by the gallon or by the barrel.

Donald Miller said it doesn't say how much they can produce, but it sets a limit on how many gallons they can sell at the location and then a limit on how many they can sell through a distributor.

Chris Duncan asked what the aging time would be.

Donald Miller responded that this varies from alcohol to alcohol. Some are ready to sell and drink the day they are made.

Chris Duncan asked if they would have some to sell immediately and then those that are aging.

Donald Miller said yes, they would have some for opening day and immediate sell and then others like their bourbon will take a minimum of 2 years before it will be ready to sell, and whiskey will take 2-3 months.

Jason Wierzbiki said they would be acquiring bourbon from Balcones to rectify it for sell through Texas Rivers so that they can cater to everyone's tastes at opening.

Donald Miller said they would be buying spirits from other distilleries as allowed in the state of Texas and process it in some way in house at Texas Rivers. For example, buy a 4-year bourbon and flavor it with another wood or cut it down.

Mingo Marquez asked what their expected timeline is to open.

Donald Miller said it depends on the City Inspector and the Fire Marshall.

Jeff Pena asked if they have already met with these people.

Donald Miller responded yes; they have. They have set some criteria for the distillery to follow.

Jeff Pena asked if they have received a punch list.

Donald Miller said it was not exactly a punch list, but one was a firewall. He said he was a brick mason for 15 years and has no problem putting in a firewall himself.

Jason Wierzbiki said as far as their TABC Licensing, within in 60-70 days they would have their license to start producing,

Donald Miller said that once this happens, their goal is to bring the still in and start producing and getting spirits made and bottled before customers can come in the building. Donald Miller said it is his hope to be able to produce for a month or two and then open to the public in March. Donald Miller said they do want to do some remodeling and add walls. He brought sketches for the board to view the potential layout of the building.

Chris Duncan asked if they would be adding tax to-go bottles and tasting room sales.

Donald Miller said the second it leaved the bonding room, the excise tax is paid, whether to the tasting room or to the distributor. Sales tax is collected by the tasting room and then the distributor would handle their own sales tax.

Mingo Marquez asked how much they would be investing in the building and the business. Donald Miller said the 3-year project is roughly a \$160,000 loan and \$62,000 of their own money, totaling \$220,000.

Mingo Marquez asked if this was for the remodel and to get the business running.

Donald Miller responded yes, for the remodel, fire sprinklers, fire walls, resurfacing the parking lot, and adding caliche to the parking lot across the street.

Jeff Pena said he noticed the current floorplan has about 3-4 rooms.

Donald Miller said yes, but they are changing it to have 6, per the provided floorplan sketches.

Melanie Oldham asked what percentage of the building would be the tasting room versus the distillery.

Donald Miller said the tasting room itself is only about 240 square feet and the distillery is 2800.

Melanie Oldham asked the capacity of the tasting room.

Donald Miller said that even though it could hold more, they are requesting it be set at 99 people or less for the entire building. Donald Miller said part of the plan for the tasting room is to have the big bay door in that room so they can open it up and give access to the fenced in area outside of the building.

Josh Mitchell asked if there was anything specific Donald and Jason were looking for from the EDC.

Donald Miller jokingly replied 99 years of free taxes. He said that working with West Columbia EDC, there were incentives for new businesses, beautification, and things of this nature. Donald Miller said he was hoping there would be an incentive for the fire sprinklers since these are so costly. Donald Miller said he has a set of \$50,000 drawings for the building plans from when they were looking to build in West Columbia and he is hoping that eventually they could use those to still build in Freeport and would like to get some assistance with this in the future once they produce enough revenue to afford it.

Jeff Pena asked what assistance West Columbia was willing to offer Texas Rivers.

Donald Miller said West Columbia has awarded Texas Rivers a \$150,000 forgivable loan on the promise of creating 5 permanent jobs by year 3, revenue of \$15,000 in taxes per year for 10 years and the loan would be forgiven. Each year the taxes would be reviewed and if the goal was met, they would be excused for that year. If they fell short, they would only have to pay the difference. West Columbia gave them this amount upfront to use for collateral on the building loan. Donald Miller said they were approved for 1.2 million and were in the process of closing in January when the plans fell through.

Jeff Pena asked why this fell through.

Donald Miller said they were asked to meet with a woman who wanted to open a kitchen and offer a spot for her in their building. They did and once the updated plans came back

the price had increased to 2.4 million due to “Covid pricing” and the lady backed out. Donald Miller said he and Jason were still willing to proceed with the new cost and the land owner backed out, leaving them with no place to build the distillery in West Columbia.

Jeff Pena asked about using the SBA loan.

Donald Miller said yes, this was an option.

Jeff Pena said he would love to see them come to Freeport and stay local. He would like to ensure that if they start in Freeport and grow, that once they are ready to use their plans and build, they would stay in Freeport and build here, not move back to West Columbia.

Donald Miller agreed and said this would be their plan. Donald Miller said he and Jason are both from Freeport and would like to stay here as well. He said he heard the EDC has property available on the river and they are keenly interested in this to ultimately build their facility. Donald Miller said that right now though, they are just trying to get their doors open, and get their stills running so they can enter competitions. Donald Miller used Blacks Fairy Meadery as an example. They are located in West Columbia and have won many awards. Donald Miller said Texas Rivers will be working with her directly and she will be making the mead for Texas Rivers to Distill and then flavoring once it is done. Donald Miller said they will be buying Texas grown and made wines to be distilling into brandies as well. Donald Miller said all of their products will be grown and made in Texas.

Jeff Pena asked if they could provide contact information and informed them the Business Improvement Grant Program is pending final approval but suggested they fill out the paperwork for assistance on the parking lot, signage, and façade.

Sandra Loeza asked how long it would be before they opened.

Donald Miller said it would be about 3 months. They had received the public notice signs from TABC that day and would post tomorrow, 12/15. It is a 60-day notice sign to give the public time to object.

Sandra Loeza asked if it would be more like 4 to 5 months.

Donald Miller said no it would be 3 as long as everything goes smoothly.

Sandra Loeza asked what the hours of operation would be.

Donald Miller said they would follow both the hours of operation of a package store and bar. They would not sell bottles after 9:00 PM and would open sales at 10:00 AM. Bar hours would be open according to city code.

Melanie Oldham asked the estimated cost to get the building up to code.

Donald Miller said this is mainly the firewall and sprinkler system. The total cost for these is \$50,000. This does not include the parking lot, which is not against code, but it is being recommended they update this as well.

Mingo Marquez said he appreciated Donald and Jason coming out and he is looking forward to this opportunity for Freeport.

Sam Reyna said this is the exact issue he has been bringing to the EDC. The cost of a fire sprinkler and fire prevention is going to keep businesses from coming to freeport and will hurt existing businesses in the city. Sam Reyna said the firewall is less expensive.

Donald Miller said that with most distilleries, a sprinkler system is not a normal practice.

Sam Reyna suggested the City of Freeport grandfather these older building in and not require a sprinkler system, especially if there will be a firewall present. Sam Reyna says there is no need for both a firewall and a sprinkler system.

## **VI. Discussion & Action Items**

### **1. Discussion and possible action on the removal and addition of board members as signatories**

Cathy Ezelle said the bank requires a letter from a signatory as well as meeting minutes in order to make a change to signatories. Cathy Ezelle suggested the EDC board vote to remove Ed Garcia as a signatory and add EDC Treasurer Jeff Pena.

Sandra Loeza asked who the current signories were in addition to Ed Garcia.

Cathy Ezelle replied, Mingo Marquez, Josh Mitchell, and herself.

Chris Duncan asked if the bank could take a resolution versus the meeting minutes because if they need minutes, the change will have to wait until after the next EDC meeting where the minutes from tonight's meeting will be approved.

Cathy Ezelle said yes, the bank could use a resolution to make the change.

Josh Mitchell made a motion to remove Ed Garcia as an EDC signatory and add Jeff Pena. Shonda Marshall seconded. **Motion passed unanimously.**

### **2. Discussion and possible action on Public Funds Investment Act**

Cathy Ezelle said the EDC should have a Public Funds Investment Policy and Public Funds Investment Officer. Cathy Ezelle said it is law and to her knowledge, the EDC is not currently in compliance. Cathy Ezelle said this act should be updated annually. Cathy Ezelle said she is willing to cater the City's policy to the EDC. Cathy said the State of Texas considers the EDC a government entity but the Federal Government does not. This means that the EDC is not qualified under FDIC laws to collateralize their finances and if the banks were to fall, the EDC will lose about 1.4 million dollars (all EDC funding other than the \$250,000 that is covered under FDIC). Cathy Ezelle said this is why this investment policy is so important, so that the EDC money will be protected.

Mingo Marquez asked what the first step would be.

Cathy Ezelle said the first step is to create the investment policy, but part of doing so is naming an investment officer.

Shonda Marshall asked if the investment officer needed any specific certifications or qualification and if they needed to be a member of the actual EDC board.

Cathy responded they do not need to be a member of the board and whoever would be appointed, would have to take a 6-hour class and get certified.

Mingo Marquez said he would like to appoint Jeff Pena as the investment officer as he is the EDC Treasurer and Sandra Loeza as the backup.

Sandra Loeza agreed.

David McGinty made a motion to appoint Jeff Pena as the Public Funds Investment Officer and Sandra Loeza as the backup. Josh Mitchell seconded. **Motion passed unanimously.**

### **3. Discussion and possible action on sales tax repayment**

Cathy Ezelle read the sales tax repayment memo included in the Agenda Packet provided to the board. Cathy Ezelle said this was from the period of 2017-2019.

Shonda Marshall asked how this happened.

Cathy Ezelle responded that large companies, especially those in the oil industry, tend to pay sales taxes upfront but in this case, they grossly overestimated their sales and overpaid in sales tax.

Melanie Oldham made a motion to resolve the sales tax overpayment with a monthly payment plan. Jeff Pena seconded. **Motion passed unanimously.**

### **4. Discussion and possible action on EDC Credit Card**

Cathy Ezelle said that since the director has been gone, there are a few instances where the EDC is having to use her card or the City Managers card. Cathy Ezelle said Mingo Marquez has requested a card for the EDC. Cathy Ezelle said the EDC can go and try to get their own card, but going through the city would be the easiest way. Cathy Ezelle said the card would be in an individual's name and they would be responsible for this card. Cathy Ezelle proposed the EDC get a card through their existing program in Mingo Marquez's name with a limit of \$5,000

Sandra Loeza asked if the card is in both the City of Freeports name, and the individuals name, who would be responsible for reconciling the card.

Cathy Ezelle said the individual would be responsible, but herself and Mr. Kelty both check the transactions.

Sandra Loeza made a motion to get a credit card through the City of Freeport with a limit of \$5,000 in the name of Mingo Marquez until a director is hired. Jeff Pena seconded. **Motion passed unanimously.**

### **5. Discussion and possible action on Wells Nursery invoices.**

Cathy Ezelle said she did not have much luck getting a detailed invoice from Wells.

David McGinty said Wells did provide a detailed invoice but whether the work was completed or not is subjective. David McGinty suggests paying the invoices and being done with Wells.

Mingo Marquez asked what the total of the invoices was.

Cathy Ezelle responded \$2400.

David McGinty made a motion to pay Wells nurse in the amount of \$2400. Seconded by Josh Mitchell. **Motion passed unanimously.**

#### **6. Discussion and possible action on Way Signage**

David McGinty said he has contacted several companies on this. Most recently his has met with Coastal signs and shown them the signs around town. David McGinty said the signs just need to be freshened up and new graphics applied. Coastal Sign's is working on an estimate to replace the plexiglass and designs. David McGinty said there is one estimate included in the packet from a business in Clute. This estimate is \$4,200 but will decrease due to there only being 2 signs, not 4 as previously stated.

Mingo Marquez said there are two quotes in the packet and asked if they were for the same signs.

David McGinty said yes but are for two different designs. He is still waiting on the quote from Coastal.

Jeff Pena asked if there were any proofs.

David McGinty responded no; this will be done later once a company is chosen.

Jeff Pena said he thought there were three signs total.

David McGinty responded there are 4 signs but only two that use the plexiglass and graphics.

David McGinty said this quote was provided to show the board that the committee is working on the signs and hopefully in January he will have.

Jeff Pena said he has a couple of sign companies and he could assist David with getting quotes from them.

#### **7. Discussion and possible action on EDC Agenda Process and Policy**

Mingo Marquez said the administrative assistant Kaytee Ellis has created a calendar with deadlines for the agenda and quorum posting. Mingo Marquez said he was not sure if the board had time to review but he thinks it looks great. Mingo Marquez asked if this schedule would be the same every month.

Kaytee Ellis responded yes.

Jeff Pena asked if the notices would be posted 12 days before the meeting.

Kaytee Ellis responded no, notice is posted 72 hours before each meeting.

Jeff Pena asked if the same time table would be replicated if there were a special meeting.

Kaytee Ellis said yes it would be the same for special meetings also.

Jeff Pena made a motion to adopt the agenda process and policy. Shonda Marshall seconded. **Motion passed unanimously.**

#### **8. Discussion and possible action on EDC Logo Contest**

Shonda Marshall said at the last meeting, it was discussed to open a contest for the logo design for local schools. Shonda Marshall said it was said to give a \$250 prize to the winning student, but they were not able to take any formal action as a vote was not made.

Mingo Marquez said he thought there was a vote and asked Kaytee Ellis if any action was taken.

Kaytee Ellis responded that no motion was made.

Shonda Marshall said the flyer also stated the contest would end January 4<sup>th</sup>, but with the students leaving for Christmas break in just a few days, this would not give them ample time to post notice and promote. Shonda Marshall asked the board what a good timeline would be.

Josh Mitchell said at least 1 week maybe 2 weeks.

Jeff Pena asked what the new dates would be.

Josh Mitchell said to possible start on January 5<sup>TH</sup> and run the contest to January 19<sup>th</sup>.

Jeff Pena made a motion to approve the logo contest with an aware of \$250 to the winner. Josh Mitchell seconded. **Motion passed unanimously.**

Jerry Cain asked if the board could go ahead and get the information to the schools so that the students could begin working on the logo over the Christmas break if they choose.

Mingo Marquez responded yes.

Shonda Marshall said she would contact the schools tomorrow to get it going and asked Kaytee Ellis to update the flyer.

#### **9. Discussion and possible action on window/yard signs for businesses grants from FEDC**

Josh Mitchell said this was something asked awhile back and Kaytee Ellis has gotten a quote from Blueline. Josh Mitchell said these signs are a great way to get the EDC's name out and promote as well as let them know which businesses have received funding from the EDC. Josh Mitchell said there are yard signs and window stickers included. The window sticker would be permanent and the yard signs could be out for maybe 3 months or so and the board could take them back.

Jeff Pena said he likes the idea to promote the EDC wins and he thinks it is important for the EDC to promote this way.

Jeff Pena asked if the board could receive proofs on this.

Josh Mitchell asked if they want to use the current logo or wait until the new logo is approved.

Jeff Pena said it would not hurt to get some out now.

David McGinty suggested ordering a smaller number.

Mingo Marquez said maybe reduce the number to 5.

David McGinty made a motion to order 5 yard signs and 5 window stickers with the current logo. Jeff Pena seconded. **Motion Passed unanimously.**

#### **10. Discussion and possible action on Subcommittee Assignments**

Mingo Marquez said he would like to make some changes to the subcommittees to include the new board members. Mingo said he would reach out to the rest of the board later and make additional changes but for now he would like to change four committees.

Mingo Marquez modified the committees as follows:

Way Signage Committee: David McGinty as chairman, Melanie Oldham, and Sandra Loeza

Mowing Committee: David McGinty as chairman, Melanie Oldham, and Shonda Marshall

Housing Committee: David McGinty as chairperson, Melanie Oldham, and Sandra Loeza

Grant Committee: Josh Mitchell as chairperson, Mingo Marquez, and Sandra Loeza

Jeff Pena asked if there would be any more changes to subcommittees.

Mingo Marquez said more changes would be coming at a later time after talking to each board member.

#### **11. Discussion and action on recommendation to City Council on TIRZ President**

Tim Kelty said in regards to TIRZ, the EDC is designated to the board in addition to two other members, an appointment from the county and an appointment from Brazosport College. Tim Kelty said it is the responsibility of City Council to appoint a president for the TIRZ board. Nicole Mireles was formerly appointed to the position but would need to be replaced now that she is no longer with the EDC. Tim Kelty asked if the EDC board would like to make a nomination for this position.

Mingo Marquez asked if any EDC board member would like to fill the position of TIRZ President.

Jeff Pena said he would like to put in his name for the nomination.

Mingo Marquez asked if anyone else would like to volunteer.

Sandra Loeza made a motion to recommend Jeff Pena to the City Council for TIRZ president. Josh Mitchell seconded. **Motion passed unanimously.**

## **12. Discussion and possible action on PopBox Application**

Tabled by Mingo Marquez.

### **MINGO MARQUEZ OPENED THE PUBLIC HEARING AT 7:40 PM**

#### **13. PUBLIC HEARING: Discussion and possible action on PopBox program expansion**

Mingo Marquez read the Proposal for the PopBox Project *“Inspired by the trend of “Food Trucks” that have become popular, “Pop Box” makes use of colorful shipping containers to form a mobile “Pop Up” retail center in Freeport consisting of food, music, and retail sales. “Pop Box” operates at a minimum every weekend, and during other city events. The location changes week to week, as a legitimate pop-up feature in Freeport. This mobility promotes various areas of the city and brings crowds to different areas. Examples Locations: EDC 8.8 acres, Bryan Beach, downtown during events, Municipal Park during events. “Pop Box” is open only to Freeport citizen businesses. Similar to a business incubator, new businesses can use “Pop Box” to establish a demand for their new business, with the hope of obtaining a permanent location. Established Freeport businesses can use the opportunity to promote their existing business and obtain additional income. Vendors apply to use the shops. Vendors can use for free, but must pay a deposit and commit to being open for specific days and business hours”*

Melanie Oldham asked if since the PopBox is an incubator, would there be a set limit of 6 months for each tenant.

Mingo Marquez said this would be decided on a case-by-case basis. Mingo Marquez said originally there were supposed to be five boxes and at the last meeting it was discussed to include food trucks.

Jeff Pena said originally there were supposed to be 6 boxes and at the time they were all static locations that would be moved based on business needs.

Mingo Marquez asked if there were any questions from the public.

Jerry Cain said he had one comment to continue off of what Jeff Pena had said. Jerry Cain said he would recommend the EDC establish specific places the boxes would be beneficial and put together a packet to present to City Council for their approval.

David McGinty said he believes it is important to fill the current PopBox and then revisit adding more.

Chris Duncan said there are additional people interesting in leasing Pop Boxes and having multiple would contribute to the success of each box involved.

Melanie Oldham asked how long the EDC has had this one box.

Jeff Pena answered about a year.

Melanie Oldham asked if there have been some learning curves along the way to hold the process up.

Jeff Pena said he would like to revise his statement to include that the box was purchased about a year ago but it has taken about 9 months to modify and bring to code.

Shonda Marshall said to address the concerns, the EDC could show Council that there is an interest in the PopBox, and a need for more.

David McGinty said he is all for the boxes, but he still believes the importance of filling the current PopBox first.

Chris Duncan said he would like to add that the modified boxes are transferrable and if the program were to not meet the expectations of the EDC, they could sell easily and might even make a profit.

Jeff Pena said he would like to also have a time table set to revisit the boxes and evaluate their success as well as set an exit strategy if the tenants are not performing. Jeff Pena also said the other side of this is if a business is in fact performing well, what will the EDC do to help them reach the next step.

Shonda Marshall asked how someone would apply to use the PopBox for a special event within the city.

Mingo Marquez said at this time it is not an option. There is only one PopBox and it should always be filled.

Shonda Marshall said in the event the box is empty and someone wanted to rent it out for say Riverfest, what would the cost then be.

Chris Duncan said it costs a couple hundred dollars just to move it.

Mingo Marquez asked if the public had any questions or comments. There were none.

#### **14. PUBLIC HEARING: Discussion and possible action on Business Improvement Grant Project**

Mingo Marquez read Section 1 of the Business Improvement Grant Program Guidelines and Criteria packet. *“The purpose of this program is to promote the development and expansion of new and existing business enterprises within the city limits of Freeport, Texas and enhance the economic welfare of the citizens of the city by securing and retaining business enterprises and maintaining a higher level of employment, economic activity, and stability.”* Mingo Marquez said the grants included in this project are the Façade, Sign, Property, landscaping, and the MEGA Grant.

Melanie Oldham asked if a business only needs to repair ¼ of their roof, under this grant would they need to replace the entire roof.

Mingo Marquez said as the program stands, yes, they would need to replace the entire roof. Mingo Marquez said this was done so that the business would not have to replace the rest of their roof later on.

Jeff Pena said he would like to revisit this issue as well.

Mingo Marquez said there is a committee that could review this on a case-by-case basis.

Melanie Oldham said the committee might want to visit with Kasey Roman on this also.

Chris Duncan said the EDC might want to discuss the budget for the project as well.

Mingo Marquez asked if there were any additional questions.

Jeff Pena asked if the draft of the grant packet provided was the final draft.

Kaytee Ellis responded that this draft included the changes made at the last meeting, with the exception of the bullet point criteria which has not been set.

Jeff Pena asked where in the packet the language discussing the roof was.

Kaytee Ellis responded this was in Section 3 Item F. this item previously stated “roof repair or replacement” and now says “roof repair”. Kaytee Ellis said that for clarification this section states the exclusions to the grant program and means that the EDC would allow roof replacement, but would not allow roof repairs.

Jeff Pena asked where the \$150,000 budget was adjusted.

Kaytee Ellis responded that the budget was set under Section 6 Item 2.

Mingo Marquez asked to refer back to the roof repair.

Melanie Oldham said that talking to Mrs. Roman the price difference on a repair versus a replacement is a pretty large amount.

Jeff Pena said that he would like to modify this to include partial repairs. Jeff Pena asked Kaytee Ellis what the cost was on Sweet T’s roof.

Kaytee Ellis responded that she did not have these numbers but wanted to add that since she has gone around and talked to businesses throughout the city, the number one problem business owners are having are their roofs. Business owners are now worried that if they come to the EDC for help, they are going to pay three or four times out of pocket the amount it would cost to just fix their roof to replace the entire thing, with the help of the EDC.

Jeff Pena said he believed the EDC board is practical and would like to make the change to allow roof repair under the new grant program.

Mingo Marquez asked if the public had any additional comments or questions. There were none.

**15. PUBLIC HEARING: Discussion and possible action on outdoor market on EDC Property**

Jeff Pena asked to table this item.

Josh Mitchell said he would like to discuss this. Josh Mitchell said to make a long story short, the fish market is an idea that would benefit business involved but also drive traffic to the 8 acres and the downtown area. Josh Mitchell said the \$100,000 price of the product

is very cheap when you look at the bigger picture and the impact it could potentially have on the City.

Melanie Oldham asked how many local fish vendors there are. Melanie said this is great marketing for them. Melanie asked if this would be open to multiple fish vendors or just one at a time

Chris Duncan said the idea is to have fish vendors, there could be more than one, and to have food vendors so you can buy fresh fish and have it cooked right there. There would be tables and music as well.

Melanie Oldham asked if vendors would be on a rental basis.

Chris Duncan responded to Melanie Oldham that there would be stalls set up that vendors would rent.

Jeff Pena said the plan for this space is to help facilitate the PopBox and local vendors. Jeff Pena said part of the bigger picture is to expand the dock space there and there is a lot of interest already from local businesses and fish suppliers

Mingo Marquez said it would not have to be called a fish market either, it could be just a downtown market.

Shonda Marshall asked how long it would take to get the market running.

Jeff Pena said he would like to see it up before the end of January but before spring break at the latest.

Melanie Oldham asked if vendors would need access to ice.

Chris Duncan responded that a commercial ice maker is included on the project proposal.

Mingo Marquez asked if there was any further discussion. There was none.

#### **16. PUBLIC HEARING: Discussion and possible action on Bryan Beach Development**

Jeff Pena said he made a presentation to the EDC in October with a site plan to extend the road to the beach resurfaced and have the beach signage remade to include a flow of traffic diagram. Jeff Pena said this sight plan included bathrooms and various PopBoxes. Jeff Pena said the Pop Boxes would include rentals specific to the beach. Jeff Pena said that since this presentation in October, there was discussion on the county resurfacing the road with money provided by FEMA. Jeff Pena said the work has already begun and would be finished this week.

Mingo Marquez asked about the restrooms that would be added.

Jeff Pena responded yes there would be restrooms and apologized for not having the diagrams with him tonight. Jeff Pena said the good news is that the largest expenditure, the road, has already been taken care of. This would save the EDC about \$100,000

Jeff Pena said he would provide the site plan to the board but it is his hopes to get this rolling and completed before spring break.

Melanie Oldham asked if the sign has been discussed and a name set for the beach would be "Freeport's Beach" or "Freeport's Bryan Beach".

Jeff Pena said there has not been a formal discussion but the consensus is that the beach would remain Bryan Beach, but the signage would say "Freeport's Beach" so that visitors would know they are still in Freeport.

Mingo Marquez said there is a committee that will work out all of the details on this project.

David McGinty asked if there was structure work done to the road prior to the new asphalt.

Jeff Pena responded that he was not sure because the county was responsible.

Tim Kelty responded yes that a new base was established so the road would hold up longer.

Jeff Pena said he was under the impression that the road improvements would extend further and asked if there would be more work done or is the current re-pavement it.

Tim Kelty responded he believes that the work currently being done is the extent of the project.

Mingo Marquez said wanted to remind everyone that the public hearing is to not work out all of the project details, but to introduce the project to the public and give them a chance to ask questions or voice their concerns.

Melanie Oldham asked what the set budget was for the beach project.

Mingo Marquez said a budget for this has not been set.

Chris Duncan reminded the board to ask the public to speak. Chris Duncan also said the board has three options in regards to taking action during a public hearing: no action, take action and approve the whole budget for the project, or take action and approve a budget for engineering. Chris Duncan said the board does not have to take any action, but if they want to approve the project, they need to set some sort of budget.

Jeff Pena said the budget initially suggested to be set at \$9,000 but he would like to increase this to \$25,000.

Mingo Marquez asked Chris Duncan if he was able to work up some pricing for the project.

Chris Duncan answered no but he did have pricing for the others.

Mingo Marquez said he would like to discuss all of the projects at this time and then set a budget and proceed with the Grant project specifically so that it may be presented to City Council at their next meeting.

Shonda Marshall asked if there were any preliminary costs for the restrooms.

Jeff Pena said there were two options: tapping into the existing sewer lines or mobile restrooms. Jeff Pena said this needs to be discussed further with Council.

Mingo Marquez asked if the public had any questions. There were none.

**17. PUBLIC HEARING: Discussion and possible action on Bridge Lighting Project**

Mingo Marquez said this project is to light the bridges, highlighting the river and bringing attention to the downtown area. Mingo said the lighted bridges would be the Velasco bridge, the Guillotine bridge and the railroad bridge.

Chris Duncan said he contacted Union Pacific who owns the railroad bridge. Chris Duncan said the local and regional Union Pacific are on board and in support of the lighting. Chris Duncan said he is waiting to hear back from the state or national levels for an official “yes”.

Chris Duncan said the railroad bridge would be the most expensive and then the guillotine bridge would require spotlights that can be mobile and not installed.

Melanie Oldham asked if the railroad bridge is still functional.

Chris Duncan said yes, it is still functional 1-2 days a week.

Mingo Marquez asked for any further discussion.

Jeff Pena asked if there has been any preliminary budgeting like was done for the beach project and the fish marketing.

Chris Duncan said the two extremes have been included in the packet, one is \$9,000 and the other is \$1.2 million. Chris Duncan said there are companies that can be hired that will help with this and present the best options to the EDC. Chris Duncan suggested setting a budget for proposals and initial engineering.

Jeff Pena said he is not interested in spending millions but there are some ways to be economic about it and he would like to look into sky lighting on the bridges. Jeff Pena said the lighting for these is roughly \$6,000 and these lights can be seen for miles.

Jeff Pena said he would like to go ahead and set a budget not just for engineering but for lighting as well at \$25,000.

Chris Duncan said he believes they can do a request for proposal with lighting companies and these would not cost anything.

Jeff Pena said he liked the idea of lighting, even if it is just a skylight for now and this could symbolize a beacon of good things coming.

Melanie Oldham said a previous EDC board has discussed not only lighting the bridges but having projectors that would shine fish or some kind of light show.

Jeff Pena said he heard there were fountains in the river at one point and asked if this were true and could be running again.

Mingo Marquez said he was told they were turned off due to the overspray ruining the Riverplace building.

Jeff Pena said he is interested in the logistics and looking into this a little more. Jeff Pena said the Brazosport bridge was also lit up at one point with neon trim and he would like to see the cost of getting this back up and running.

Mingo Marquez asked if there were any more questions or comments. There were none.

## **MINGO MARQUEZ CLOSED THE PUBLIC HEARING AT 8:35 PM**

### **Discussion and possible action on Business Improvement Grant Project**

Josh Mitchell made a motion to move forward with the Business Improvement Grant Program with an allocated budget of \$150,000 and the change the criteria to allow repair of roofs and present to City Council for approval. Shonda Marshall seconded. **Motion passed unanimously.**

### **Discussion and possible action on Bridge Lighting Project**

Josh Mitchell made a motion to allocate \$25,000 to the Bridge Lighting Project. Jeff Pena seconded. **Motion passed unanimously.**

### **Discussion and possible action on outdoor market on EDC Property**

Shonda Marshall made a motion to allocate \$25,000 to the Fish Market Project. David McGinty seconded. **Motion passed unanimously.**

### **Discussion and possible action on PopBox program expansion**

No Action

### **Discussion and possible action on Bryan Beach Development**

No Action

## **18. Discussion and review of TIRZ contract**

Tim Kelty said in August of 2019 the EDC contracted Travis James with TXP to create the TIRZ. Tim Kelty said nothing substantial has been done in the last 9 months. The last step was creating the final project financing plan. Tim Kelty said when he contacted Travis James after the last meeting to see what was necessary to move forward, Travis James informed him that due to the time that has passed he would need to do some updates, restructuring and education. He has proposed to amend the contract and asked for an additional \$10,000 to develop the final project financing plan. There was a remaining balance of \$13,000 on the account so the total to be paid would be \$23,000. Tim Kelty said the original quote was significantly more so he does recommend moving forward.

Jeff Pena asked how much the EDC has paid so far.

Tim Kelty said he believes it is \$67,000.

Shonda asked how long this would take.

Tim Kelty responded that he expects the plan would be completed by the end of February. Tim Kelty said Travis James would come sit down with the board and determine what exactly they want the TIRZ funding to be used for. Tim Kelty said for those who did not know, the TIRZ would include all of the river frontage along Second Street and includes the river frontage all the way around the other side of the river as well as downtown.

Jeff Pena asked when an orientation would be set up for the new board members.

Tim Kelty responded some time in January or February. Tim Kelty suggested this be done at 5:30 before an EDC meeting and move the meeting to 6:30.

Melanie Oldham asked if any other taxing entity would be included.

Tim Kelty said the Port and the Brazosport Drainage District involved but their tax rates are so low that it may not be beneficial in comparison to adding new members to the board.

Jeff Pena asked if a formal request has ever been made of the Port and that this is something he could reach out to do.

Tim Kelty responded no a formal request has not been made but the EDC may want to weigh their small contribution to adding a new board member.

Melanie Oldham asked if the school district could be included as well.

Tim Kelty said the school district could not be included by law.

Jeff Pena asked if a MUD could be included.

Tim Kelty said yes it could potentially, but there would have to be a MUD established in the TIRZ district but there is not currently one established.

Sandra Loeza made a motion to pay the remaining \$23,000 and move to part two of the creation of the TIRZ. Josh Mitchell seconded.

Shonda Marshall asked if the EDC was responsible for the entire \$23,000.

Tim Kelty responded yes. The contract is over two years old and has since expired.

Jeff Pena asked what the additional services would be.

Tim Kelty responded that this would be the creation of the investment plan and contract.

David McGinty said the added \$10,000 is just added inflation for not moving forward with the contract 2 years ago.

Jeff Pena asked if there was any room for negotiation.

Tim Kelty said there is always a chance but it would put this on hold for at least another month while they wait for another EDC meeting to vote.

Shonda Marshall asked if there was an agreement signed that would lock in the original price.

Tim Kelty responded yes, but the original agreement expired February 2020.

Mingo Marquez called for a vote. **Motion passed unanimously.**

### **19. Discussion and possible action on Port Café Invoices.**

Jeff Pena said the board has received remaining invoices from port café. Jeff Pena said questions arose on whether the EDC should approve these or not and asked Kaytee Ellis for the totals of the first check from the EDC and what the proposed amount would be.

Kaytee Ellis said the first check was for \$4379.27 and the proposed is \$5458.67 for a total potential amount of \$9837.94

Jeff Pena said the discussion was that if the business is capped at \$10,000 and this amount falls under this and all of the work is covered by the grant program, does the EDC proceed and give them the check.

Mingo Marquez said he would just like to make sure that the EDC is only paying for items that were included in their grant proposal.

Jeff Pena said he would like to point out that Mingo is asking specifics and he (Jeff) is asking that it all be under the same umbrella.

Kaytee Ellis said the application and the agreement are both included in the packet. Their application only included “removal and replacement of grease interceptor” but when you look at the signed agreement no specifics are listed. The agreement states “a maximum of \$10,000”

Jeff Pena asked if the invoices themselves listed specifics.

Kaytee Ellis responded yes.

Mingo Marquez asked if the only thing the board approved was the grease trap.

Chris Duncan responded no.

Jeff Pena said he would like to take a practical approach and say that since they were approved for \$10,000, he would like to support all of the work that is covered by the grant program.

Chris Duncan said clarification would be needed here and suggests going back and looking at the minutes to see exactly what was approved.

Chris Duncan said Kaytee Ellis pulled up the minutes and the request was to provide a new sign, decorative fencing, pave the front of the building, and install a new grease trap.

Jeff Pena said these were all things included on the invoices.

David McGinty made a motion to pay the invoices for port café in the amount of \$5458.67. Jeff Pena seconded. **Motion passed unanimously.**

## **VII. Subcommittee Updates**

There were no subcommittee updates.

## **VIII. Board Comments**

### **1. President Mingo Marquez:**

No Comment

### **2. Vice President Josh Mitchell:**

Josh Mitchell welcomed the new members.

### **3. Secretary David McGinty:**

David McGinty welcomed the new members. David wanted to say there was a good turnout to the Christmas market downtown and the EDC was announced several times as a sponsor. David McGinty said contact has been made with Jim Maddox and they would be having a subcommittee meeting soon. David requested that if any board members have any information to provide him or information from Pete Garcia, he would like to get that. David McGinty said he also wanted to mention that he loved the new agenda binders and thanked Kaytee Ellis.

### **4. Treasurer Jeff Pena:**

Jeff Pena welcomed the new board members and those in attendance. Jeff Pena said there are still plenty of Christmas lights that were not able to be hung and asked for volunteers with this. Jeff Pena said there are some events coming up, MLK, and Mardi Gras. He would like that the 212 building be set up has a host space with volunteers and refreshment. Jeff Pena suggesting hanging maps or project proposals on the walls. Jeff Pena said in regards to the downtown building, there was one proposal and he was waiting on two additional.

### **5. Shonda Marshall:**

Shonda Marshall wanted to welcome the new members. Shonda said Mingo is doing a wonderful job as president and she is proud to be a member of this board. Shonda asked where the EDC was with selecting a new director. Shonda also thanked Kaytee Ellis for the agenda binder and said that with her disability this binder is much more helpful than the stack of papers that were previously being received.

### **6. Melanie Oldham:**

Melanie Oldham said she is very excited to be on his board and she hopes that with everyone's different talents they now have a strong board and can get some great work done for the City. Melanie said she is willing to put in the work, whatever it takes.

**7. Sandra Loeza:**

Sandra said she thinks they had a very productive meeting and she is looking forward to working with the board.

**IX. Executive Session- Adjourn into Executive Session**

Executive Session Disclosure Statement: The FEDC Board of Directors reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

It is now 9:21 p.m. and I hereby recess the regular session of the Freeport Economic Development Corporation December 14, 2021 meeting and do hereby convene an executive session, said executive session authorized under the following sections of the Texas 551.071 (Consultation with Attorney.)

**In Accordance with the Texas Government Code:**

Section 551.087 (Economic and community development matters), 551.072 (Deliberations about Real Property)

1. Potential lease of EDC Property
2. Potential sale of EDC Property
3. Legal discussion on Project 2021F

**Reconvene into Open Session**

**Board President's statement:**

It is now 10:12 p.m. and I hereby close the executive session of the Freeport Economic Development Corporation and do hereby reconvene the regular open session.

**X. Discussion and Possible Action**

1. Potential lease of EDC Property **No action taken**
2. Potential sale of EDC Property **No action taken**
3. Legal discussion on Project 2021F **No action taken**

Mingo Marquez said he would like to have an EDC Christmas Party or Dinner on Sunday, December 19<sup>th</sup>.

Jeff Pena suggested it be at On the River Restaurant.

Mingo Marquez agreed and set the time of the dinner 5:30 PM. Mingo Marquez said there would be a white elephant gift exchange for a \$20 gift. In addition to the EDC board, Mingo Marquez invited City Manager Tim Kelty, EDC Attorney Chris Duncan, EDC City Council Liaison Jerry Cain, and EDC Assistant Kaytee Ellis

The board agreed.

**XI. Adjourn**

Motion to close board meeting made by Jeff Pena and seconded by Josh Mitchell. **Motion passed** unanimously.

**It is now 10:19 p.m. and I hereby close the board meeting.**