



STATE OF TEXAS

COUNTY OF FORT BEND

CITY OF RICHMOND

The Development Corporation of Richmond convened in a regular meeting open to the public and pursuant to notice thereof duly given in accordance with Section 501.072, Local Government Code, Vernon's Texas Codes, in Richmond City Hall Annex within said City on June 8, 2021, at 6:00 p.m. Directors in attendance included the following:

President, Joe Bonham
Secretary, Nancie Rain
Becky Haas
William B. Morefield, III - **Absent**
City Attorney, Gary Smith
City Secretary, Laura Scarlato

Vice President, Kit Jones
Treasurer, Terry Gaul
Verge Greenwood - **Absent**
Terri Vela, City Manager
Executive Director "ED", Jerry Jones

President Joe Bonham proceeded to call the meeting to order at 6:05 p.m. The meeting was broadcast via video conference call. All members of the public may participate in the meeting and via video conference call.

There was a quorum present.

The Pledge of Allegiance to the U.S. flag and Texas flag were recited.

Agenda item A3, was introduced for public comments. There were no individuals signed up to speak therefore the agenda item was closed.

Agenda item A4, to review and consider taking action on the minutes of the regular meeting held on May 11, 2021. President Bonham asked for changes or discussion regarding the minutes and there was one suggestion for the last page, item 11 to clarify Director Kit Jones and Economic Development Director Jerry Jones. Director Nancie Rain made the motion to approve the minutes with the correction to item 11 for the May 11, 2021 meeting. Director Kit Jones seconded the motion, and the vote was unanimous to approve.

Agenda item A5, Review Financial Reports through May 31, 2021. Finance Director Justin Alderete highlighted a May revenue increase of approximately \$300,000 that the Finance Department is monitoring closely. It is a one time deposit and will not be reoccurring. This is more than double the expected sales tax for May. There was a discussion of the wayside horn expenditures and when those will be reflected. There was no action needed for this item and therefore, it was closed.

Agenda item A6, Review and discuss the proposed Development Corporation of Richmond Proposed 2021 budget. City Finance Director Justin Alderete addressed the Board providing the background and requirements to present a budget for the upcoming fiscal year by August 15th. Director Alderete reviewed the budget approach, revenues and expenses. It was stated that sales tax experienced gradual growth from 2014 – 2017 and then it plateaued in 2018 and 2019. There was significant increase in 2020 and the projection for 2021 is \$8.46M for sales tax City General Funds plus the DCR. However, after 2021 the projected sales tax was brought down to more accurately reflect the revenue stream. The thought is to be more conservative and not over commit. The budget summary reflected a \$634, 516 deficit which was unsettling for Director Gaul. There was a lengthy discussion regarding the reporting methods and the deficit. It was requested that the two categories, advertising and contracted services be reviewed for possible reduction. President Bonham stated it appeared to be the same funds just being moved around. President Bonham stated he preferred the path with the less times it would be necessary to be on the agendas of the City Commission and the DCR. Director Haas, Director Rain and Director Kit Jones all stated they were comfortable with the budget as presented. Director Haas inquired about the Historical Commission Budget and City Manager Vela stated it would be within the Planning and Zoning budget, with no additional discussion, the agenda item was closed.

Agenda item A7, Receive update on Legislative Affairs from Marvin Marcell. The goal was to extend the House Bills 3097 & 4103, the hotel occupancy state rebate tax incentive timeline. This was a very successful effort that extended the deadline from 2023 to 2027. The definition of "commence" was required to be in the Bill which it was stated means physical work or dirt moved on the project by September 2027. Mr. Marcell stated, "the City can feel good at where they stand". Surrounding cities are not in as great of a position.

Agenda item A8, Review and discuss amendments to the Bylaws. ED Jerry Jones reviewed the amendments to the Bylaws that would coincide with the board's requirements from the City of Richmond.

- ❖ 4.01 Board of Directors.
- ❖ 4.02 Number and Qualifications of the DCR Board.
- ❖ 4.03 Bonds.
- ❖ 4.04 General duties of the Board.
- ❖ 4.09 Attendance.
- ❖ 5.09 Economic Development Director
- ❖ 5:10 Other Employees
- ❖ 5:11 Prohibitions
- ❖ 4.14 Board's relationship with Administrative Department of the City.

There were several questions regarding each section with a lengthy discussion on that section. The agenda item was closed as no action was necessary at this time.

Agenda item A9, Public hearing to receive comments for or against a project with the Fort Bend History Association to fund repair of damage to the water line and wall from the freeze in February; repainting the fence at the McFarlane House; and painting the shutters on the McFarlane House. There were no individuals signed up to speak therefore the agenda item was closed.

Agenda item A10, Consider taking action on requests for future agenda items. Director Kit Jones inquired that within the discussions with the West Fort Bend Management District and beautification, anything could be done on the Hwy 359 corridor. There are safety concerns and aesthetics at the entrance of Frank's Nursery. City Manager Vela provided the history of TXDOT and the turn around but would contact the Management District and report the findings.

Agenda item A11, Excuse from Attendance at Regular DCR Meeting. There were no excuses provided, the agenda item was closed.

Agenda item 12, Report of activities of Economic Development Director.
ED Jerry Jones provided the highlights of his report which were as follows:

- ❖ Fort Bend County grant application is in the process for the third round of funding. The total approved available grant money is \$25 million. There are currently 777 applications in the system.
- ❖ Contact with possible retail development.
- ❖ Met with the new director of Friends of North Richmond, Emmanuel to discuss the Second Chance Job Fair.
- ❖ Met with Bella Media and Magana Media to ensure a coordinated effort between the City and the Development Corporation. We are expecting a roll out from Bella Media in July.
- ❖ Recommendation to update the DCR logo to reflect the bridge and emphasize the connectivity of the City and the DCR.
- ❖ The DCR website will have some changes with no additional funds needed beyond what is budgeted.
- ❖ There is a potential development that is working with Retail Coach in Fredericksburg, TX with hopes of making the project work in Richmond.
- ❖ Entered a competition showcasing the Economic Development Week.
- ❖ The DCR has seen a strong increase in the media presence on all forms of social media. Everyone was encouraged to "Like" and "Share" the posts.


President Bonham announced the board would adjourn to Executive Session, as authorized by Texas Government Code, Section 551.087, Deliberation Regarding Economic Development Negotiations at 7:51 p.m.

The Board reconvened at 8:52 p.m.

Director Gaul made the motion to authorize the City Manager and Staff to proceed with the negotiations of the two potential developments known as Project Battleship and Project Slice that were discussed. Director Rain seconded the motion, and the vote was unanimous to approve.

There being no further business to come before the Development Corporation of Richmond, President Bonham adjourned the meeting at 8:53 p.m.

APPROVED:


Joe Bonham, President

ATTEST:



Laura Scarlato, City Secretary