



DEVELOPMENT CORPORATION of RICHMOND

**CITY COMMISSION CHAMBER,
600 Morton Street, Richmond, Texas,**

Tuesday March 7, 2023, at 5:15 p.m. and

via Video Conference call
(pursuant to Texas Government Code, Section 551.127)

Join Zoom Meeting

<https://us06web.zoom.us/j/84771028639>

A quorum of the City Commission may be present at this meeting.

1. Call to Order.
2. Oath of Office given to new Board Members.
3. Recite the Pledge of Allegiance to the U.S. Flag and Texas Flag.
4. Public Comments. (Public comment is limited to a maximum of 3 minutes per item. No deliberations with DCR Board. Time may not be given to another speaker.)
5. Review and consider taking action on Marvin Marcell Consulting Contract.
6. Commercializing the Former Richmond Fire Station
7. Future agenda items.
8. Adjourn to Executive Session, as authorized by Texas Government Code, Section 551.087, Deliberation Regarding Economic Development Negotiations.

EXECUTIVE SESSION

In accordance with Chapter 551, Government Code, Vernon's Texas Code Annotated (V.T.C.A.) (Open Meetings Law), "The Board of Directors may meet in a Closed Executive Meeting pursuant to provisions of the Open Meetings Law, Chapter 551, Government Code, V.T.C.A. in accordance with the authority contained in the following section"; Section 551.087, Deliberation Regarding Economic Development Negotiations.

OPEN MEETING

9. Reconvene into Open Meeting, and take action on items, if necessary.
10. Adjournment

NOTICE OF ASSISTANCE AT THE PUBLIC MEETING

The Development Corporation of Richmond (DCR) meetings are available to all persons regardless of disability. This facility is wheelchair accessible and accessible parking spaces are

available. Requests for accommodations, should you require special assistance, must be made 48 hours prior to this meeting. Braille is not available. Please contact the City Secretary's office at (281) 342-5456 for needed accommodations.

CERTIFICATE

I certify that the above notice of meeting was posted on a bulletin board located at a place convenient to the public in the City Hall, Richmond, Texas, on the 28th day of February 2023, at ____ a.m./p.m.

Lasha Gillespie, City Secretary



1. Call to Order.



DEVELOP
RICHMOND

EST. TEXAS 1837

2. Oath of Office given to new Board Members





City of Richmond Resolution No. 446-2023

A RESOLUTION OF THE CITY OF RICHMOND, TEXAS PROVIDING FOR THE APPOINTMENT OF DIRECTORS OF THE DEVELOPMENT CORPORATION OF RICHMOND; PROVIDING AN EFFECTIVE DATE; AND MAKING SUCH OTHER FINDINGS AND PROVISIONS RELATED HERETO.

The Richmond City Commission established the Development Corporation of Richmond (DCR) to assist in economic development of the City.

The Board of Directors (Board) of the DCR shall consist of seven (7) members, five (5) of whom are not employees, officers or members of the governing body of the City Commission and are appointed by the City Commission, each of whom shall be a duly qualified elector of the City, except that one member may be from the city's extraterritorial jurisdiction as provided in section 4.02 of the DCR Bylaws and section 8.01 of the City Charter.

The Commissioner Interview Committee for the DCR has interviewed applicants for the DCR Board and makes a nomination for the positions.

The City Commission wishes to appoint a member to Position 2 and to reappoint the member to Position 4 on the DCR Board, as nominated by the Commissioner Interview Committee.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF RICHMOND, TEXAS, THAT:

Section 1. City Commission hereby appoints the following members and their respective terms as members and offices held as follows:

POSITION	NAME	TERM START	TERM END
<u>2</u>	Cody Frederick	December 1, 2022	November 30, 2024

Section 2. Effective Date. This resolution shall be effective from and after its approval and passage in accordance with the Texas Local Government Code and the city charter

Section 3. That it is hereby officially found and determined that the meeting at which this resolution is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551, Local Government Code

PASSED AND APPROVED on this 20th day of February, 2023.

THE CITY OF RICHMOND, TEXAS

BY: 

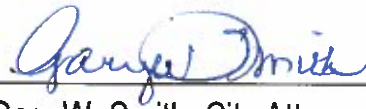
Alex BeMent, Mayor Pro Tem

ATTEST:



Lasha Gillespie, City Secretary

APPROVED AS TO FORM:



Gary W. Smith, City Attorney



OATH OF OFFICE CITY OF RICHMOND

"I, Cody Frederick , do solemnly swear (or affirm), that I will faithfully execute the duties of the office of a Board Member for Development Corporation, of the City of Richmond, State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and Laws of the United States and of this State and the Charter and ordinances of this City; and I furthermore solemnly swear (or affirm), that I have not directly nor indirectly paid, offered, or promised to pay, contributed, nor promised to contribute any money, or valuable thing, or promise any public office or employment, as a reward for the giving or withholding a vote at the election at which I was elected, or if the office is one of appointment, to secure my appointment So Help Me God."

Cody Frederick, Board of Directors

State of _____
County of _____

Sworn to and subscribed before me this _____ day of _____, 20_____.

(seal)

Signature of Notary Public or
Other Officer Administering Oath

Lasha Gillespie, City Secretary



OATH OF OFFICE CITY OF RICHMOND

"I, Tim Jeffcoat , do solemnly swear (or affirm), that I will faithfully execute the duties of the office of a Board Member for Development Corporation, of the City of Richmond, State of Texas, and will to the best of my ability preserve, protect, and defend the Constitution and Laws of the United States and of this State and the Charter and ordinances of this City; and I furthermore solemnly swear (or affirm), that I have not directly nor indirectly paid, offered, or promised to pay, contributed, nor promised to contribute any money, or valuable thing, or promise any public office or employment, as a reward for the giving or withholding a vote at the election at which I was elected, or if the office is one of appointment, to secure my appointment So Help Me God."

Tim Jeffcoat, Board of Directors

State of _____
County of _____

Sworn to and subscribed before me this _____ day of _____, 20_____.

(seal)

Signature of Notary Public or
Other Officer Administering Oath

Lasha Gillespie, City Secretary

3. Recite the Pledge of Allegiance to the U.S. Flag and Texas Flag.



The United States Pledge of Allegiance:

I pledge allegiance to the Flag of the
United States of America, and to the
Republic for which it
stands, one Nation
under God, indivisible,
with liberty and
justice for all.



The Texas Pledge of Allegiance:



Honor the Texas flag;
I pledge allegiance to
thee, Texas, one state
under God, one and
indivisible.

4. Public Comments.

Public comment is limited to a maximum of 3 minutes per item.

No deliberations with DCR Board. Time may not be given to another speaker.



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5. **Review and consider taking action on Marvin Marcell Consulting Contract**



Community and Legislative Representation Agreement

This Business contract between the Development Corporation of Richmond (“Corporation”) and Marvin Marcell, Government Relations Consultant (Marcell) is effective February __, 2023 for a period of twelve months. Marcell is retained by the Corporation to provide legislative support and representation for the Corporation in connection with the 2023 Texas Legislative Session.

Marcell agrees to monitor for legislative issues that affect the Corporation and will counsel with the Corporation on advocacy responses as appropriate and then execute that agreed response. Further, Marcell will coordinate with Corporation leadership prior to the session in to determine specific legislative matters that should be initiated by the corporation and will pro-actively execute those agreed actions.

Marcell agrees, as requested, to meet with the Corporation Board and the City Commission to discuss Marcell’s obligations under this agreement and to receive guidance from the Corporation Board and City Commission related to the legislative agenda.

The Corporation agrees to pay Marcell \$3,000 per month for the period of this agreement and will pay expenses necessary to fulfillment of the agreement up to a maximum of \$5,000 for the term of this agreement.

Marcell agrees, each month, to file with the Corporation a report of his activities performed pursuant to this agreement. Marcell agrees to provide the Corporation with a list of other interests represented to assure that Marcell does not represent an interest with a conflict with the interests of the Corporation and the City. Marcell agrees to file documentation required for the provision of the services under this agreement. Marcell agrees to provide documentation of expenses requested for reimbursement.

This agreement may be terminated by either party upon thirty (30) days written notice, with Marcell being paid for all services through the date of termination.

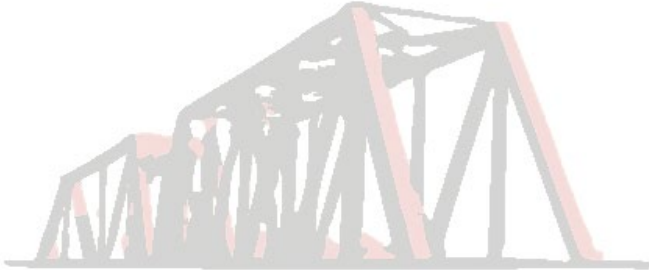
(Signature Page Follows)

Marvin Marcell

Consultant

Development Corporation of Richmond

6. Commercializing the Former Richmond Fire Station



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Development Corporation of
Richmond
AGENDA ITEM COVER MEMO

DATE: March 1, 2023

AGENDA ITEM: Commercializing the Former Richmond Fire Station

DCR BOARD OF DIRECTORS ACTION

During our Development Corporation of Richmond's Board of Directors meeting on February 15, 2023, the Board of Directors voted to suspend further negotiations with the parties involved in our previous earnest money negotiations.

An additional vote was made to authorize staff to bring back a recommendation on how best to move forward with the commercialization of the old fire station.

RECOMMENDED GOAL

According to our documents and policies, we have a finite space for our downtown area. This space serves as one of the gateways into the downtown area. We can bring quality development to the site and yield the highest and best use for the property. The Economic Development Department lacks the staffing capacity to facilitate the necessary management for this project based on property construction and management. The department can, however, supervise a highly effective and operable property construction and management firm. We, the city's Economic Development arm, have an invested interest in seeing that this project yields an excellent return for the citizens of Richmond that will produce sales tax and property tax values.

BACKGROUND

Real estate development is a multi-step process that can be complicated, lengthy, and risky. It can take years to bring a project from the initial planning stage through construction to completion, and plenty of obstacles can pop up along the way. Two significant obstacles during the most recent enhancements to the property were a change in leadership in the department and, more importantly, Covid-19. Covid significantly affected markets and investors' interest in projects throughout the Houston region. Many of them showed strong interest in commercial investments before the pandemic.

New Leadership in the Economic Development Department released a Request for Proposals on April 5, 2021. The Request was for the Redevelopment of the Former Downtown Fire Station. Although there was interest, several factors played a part in receiving little expressed interest. The following points, although in hindsight, could have contributed to the lack of expressed interest. incoming Economic Development Department leadership's network was not nearly as strong as it stands today.

- The Market was coming out of the shadows of Covid 19
- The expectations of the project may not have aligned with where the market stood at the time.

DEVELOPMENT STAGE/CYCLE

As mentioned, real estate development is a multi-step process that can be complicated, lengthy, and risky. The pressing question that staff believes the board is seeking is how we arrive at the stage in development where the Development Corporation and City receive the most benefit possible for the property in question. Suppose we imagine this space as more than a development project but a destination space that will attract citizens and visitors to our downtown. In that case, we will have a heightened opportunity to experience a highly profitable investment opportunity. By definition, development projects provide the opportunity to deliver a product that does not exist in a market, often providing a fresh new supply to satisfy pent-up market demand. When executed well, this aspect of a development project can translate into a runaway success story, something that isn't nearly as possible with the current state of the existing asset.

Early stage: Pre-Development

- Market analysis and feasibility studies
- Land acquisition or securing option rights to purchase land.
- Environmental assessments
- Surveys
- Site plans, development plans, and building plans.
- Permitting
- Some infrastructure improvements
- Arranging construction financing

Middle Stage: Construction

- Vertical construction
- Project marketing
- Drawing on construction financing
- Pre-leasing
- Arranging permanent financing (if not done during pre-development)
- Arranging for the property manager (if not done during pre-development)

Final Stage: Operation

- Ongoing marketing and leasing
- Finding a buyer, if not done earlier
- Determining a hold strategy, if not selling
- Ramping up property management
- Achieving stabilization

WHERE ARE WE NOW?

We can solicit creative insight from developers who work on transformational projects, many of who would not have been available for several reasons mentioned above, along with a possible lack of interest. Staff would like to invite developers specializing in the adaptive reuse of unique spaces like the fire station. While we identify ideas that would help commercialize the area, staff can also identify construction management firms who can manage the stages applicable within the section referencing Development Stage/Cycle. Based on the staff's assessment, the respective management firm would start with the stage that calls for creating site, development, and building plans.

Previous work on the former fire station includes market analysis and feasibility studies, land acquisition, environmental assessments, and surveys. The successfully procured management firm would assist us with addressing the remaining portions of the project outlined above.

PROPOSED ACTION ITEMS

Conduct Roundtable discussions with developers and include our potential anchor tenant(s) in those discussions. The developers with similar projects within Greater Houston can be vital to creating something in this space that does not exist anywhere else in Fort Bend County. The Developers we meet with may or may not be interested in the project; however, they can add value to the discussion because their creative thought can contribute substantially to our development of the site plans, development plans, and building plans.

Identify Construction and Property Management firms who would have an interest in this project. The initiative is also something that we may benefit from, including our anchor tenants in this process as well.

Ask the Board of Directors to Create an Ad Hoc Committee for selecting the Construction and Project Management Firm. This committee would review quotes and fast-track a recommendation to the board on which firm would serve our needs best.

The Management Firm would assist us with selecting firms to begin moving the project towards the final steps of achieving stabilization for the project with tenants as we start to identify if and when we would like to sell the property and place it into the private sector.

7. Future agenda items.



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8. Adjourn to Executive Session, as authorized by Texas Government Code, Section 551.087, Deliberation Regarding Economic Development Negotiations.

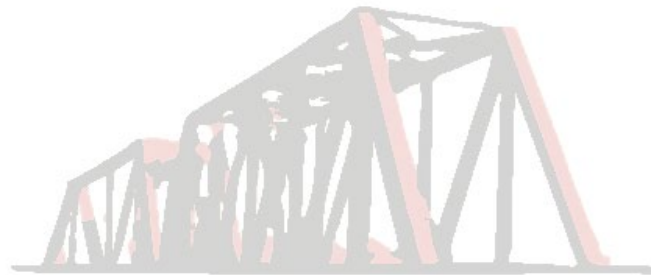
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OPEN MEETING

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10. Adjournment



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