MINUTES OF THE INDUSTRIAL DEVELOPMENT CORPORATION OF THE CITY OF GALVESTON
REGULAR MEETING - APRIL 1, 2025

4/1/2025 - Industrial Development Corporation Minutes

I. Declaration Of A Quorum

Mayor Brown declared a quorum and he called the meeting to order at 9:00 am

II. Roll Call

Present: Board Member Craig Brown (Mayor); Board Member Marie Robb (Mayor Pro Tem); Board Member Sharon Lewis (City Council); Board Member Keith Basset (Galveston Chamber of Commerce); Board Member Alex Porretto - 9:16 am (City Council); Bill Coltzer - 9:13 am; (Galveston Economic Development Partnership); Jason Hardcastle (Park Board)

III. Conflict of Interest Declaration

No conflicts of interest were declared.

IV. Consider Approval Of Meeting Minutes

IV.A March 4, 2025 Meeting Minutes

Board Member Robb made a motion to approve the March 4, 2025 minutes adding that Board Member Hardcastle was in attendance. Board Member Lewis seconding the motion. Unanimoulsy approved.

V. Public Comment On Agenda Items

N/A.

VI. Public Hearing - Economic Development Silo

VI.A Public Hearing and Potential Changes to the Economic Development Agreement between the City of Galveston and the Industrial Development Corporation for Right-of- Way, including title searches and legal descriptions for the Pelican Island Bridge Project in the amount of $35,000.

Assistant City Attorney Trevor Fanning stated that this is the firm that City Attorney Don brought in to figure out the description for the row for the new bridge and this is the money for that group that is doing it. This was voted on last time and it is here today for a Public Hearing. Board Member Craig Brown opened the public hearing at 9:05 a.m. Hearing no response, Board Member Craig Brown closed the Public Hearing at 9:05 a.m.

VII. Infrastructure Silo

VII.A Update on Financial Forecast – Infrastructure Silo, 5-Year Funding Plan (B. Cook)

Board Member Craig Brown gave a current synopsis of the current situation before Assistant City Manager Brandon Cook presented the 5 year financial forecast for the two SILOS. He stated that at the last Council Meeting, the Council approved a Resolution to move forward giving the City Manager permission to sign the AFA once we had all the participants' funding in place. In the local participants' funding, when this project started out, 7 million dollars was to come from the County. That was based upon the County being the local sponsor of this project; 2 million of that 7 million that the County was going to place into the project that was giving them a credit for funds that they had already spent for a County project and TXDOT had given them credit for 2 million dollars. Once the County decided that they would not be the sponsor of this project, it moved to the City. The City elected to move forward with being the local sponsor. By doing that, the 7 million from the County now is only 5 million because the 2 million that they were given credit for was rescinded and pulled back by TXDOT so we were 2 million dollars shy of the participants' total funding. The COG has already approved 6 million dollars and now we are presenting taking 2 more million out of the IDC half of infrastructure and half of economic development. These funds will not be taken out of the IDC until 2026. In order to meet our funding requirements, we are moving forward taking the 2 million dollars out of the City's Fund Balance and this will be repaid to the City once we remove the funds for 2026 and 2027.
Assistant City Manager Brandon Cook passed out handouts discussing with the board the 5-year forecast for the Economic Development SILO and the 5-year forecast for the Infrastructure SILO.

VII.B Discuss and receive an update on the Funding Agreement with TxDOT for the Pelican Island Replacement Bridge Project.

The Board continued to go over the handouts presented by Assistant City Manager Brandon Cook regarding the funding for the Pelican Island Replacement Bridge Project.

VII.C Project Consideration (Mayor Brown)

Board Member Craig Brown stated that the participants, if this is approved, the City will put in 8 million, the County will put in 5 million, A&M will put in 9.2 million, the Navigation District will put in 10 million, the Port of Houston will put in 2 million, and the Port of Galveston will put in 2 million. The total amount is 36.2 million.

VII.C.1 Consider for Approval a Resolution of the Board of Directors of the Industrial Development Corporation of the City of Galveston Approving Additional Funding in the amount of $2,000,000, to the City of Galveston for the Local Share Funding Requirement for the Pelican Island Bridge Replacement Project.

Board Member Craig Brown made a motion to approve Item 7.C.1 and Item 7.C.2 approving a Resolution of the Board of Directors of the IDC of the City of Galveston approving additional funding in the amount of $2,000,000 to the City of Galveston for the

local share funding requirement for the Pelican Island Bridge Replacement Project and for approval of an Economic Development Agreement between the City of Galveston, Texas and of the IDC of the City of Galveston approving additional funding in the amount of $2,000,000, to the City of Galveston for the local share funding requirement for the Pelican Island Bridge Replacement Project with Board Member Hardcastle seconding the motion. Unanimously approved.

VII.C.2 Consider for Approval an Economic Development Agreement between the City of Galveston, Texas and the of the Industrial Development Corporation of the City of Galveston, Texas Approving Additional Funding in the amount of $2,000,000, to the City of Galveston for the Local Share Funding Requirement for the Pelican Island Bridge Replacement Project.

Board Member Craig Brown made a motion to approve this item under Item 7.C.1 with Board Member Hardcastle seconding it; it was unanimously approved.

VIII. Administrative Matters

VIII.A Discuss Economic Development Incentive Policy & Guidelines. (M. Hay)

The Economic Development Coordinator passed out a handout on Economic Development Incentive Policy Tools. She went over the handout with the board.

VIII.B Discuss and consider annually accruing funds for Business Incentive Grants and developing policy and program guidelines to administer such. (M. Robb/K. Bassett)

Board Member Alex Porretto made a motion to begin accruing the Business Incentive Grants Program and the Economic Development Silo earmarked for $100,000 a year beginning to accrue before any of that gets spent; review IDC policies and go through Legal and the proper channels to see if we can develop a policy to spend that money on. Second by Board Member Jason Hardcastle. Unanimously approved.

VIII.C Discuss And Receive Update From Treasurer On Expenses, Available Funds, Forecasts And Investments. (B. Cook)

Assistant City Manager Brandon Cook did not have much to add since this item was discussed earlier under item 7.A.; but he did say that he will have a new set of numbers for the board at the next meeting.

VIII.D Discuss and Receive Update on Current or Completed IDC Projects (M. Hay)

The Economic Development Coordinator discussed with the board that we are about 99% complete with the Sand Hill Crane Project. It is estimated that the Soccer Complex will open around the end of May 2025 or around the beginning of June 2025.

VIII.E Discuss and Receive Update FY25 Calendar. (M. Hay)

IX. Executive Session

Pursuant to Texas Government Code Section 551.072 Deliberation Regarding Real Property the Corporation may convene into Executive Session to discuss the purchase, exchange, lease, or value of real property.

X. Consider Any Action as May Be Required As Resulting From The Executive Session Concerning the Funding of the Purchase of Real Property on Pelican Island Conducted From IDC.

No Action.

XI. Request Agenda Items For Future Meetings

The board requested the following future agenda items:
More specifics on the utilization of the Business Incentive Type Programs and more information on the flexibility on primary jobs on this.

XII. Adjournment

The meeting was adjourned at 11:00 a.m.

Nellie De La Fuente

Manuela "Nellie" De La Fuente
Date Approved: May 19, 2025