

RICHARD WARREN, PRESIDENT
BRENT McCAULLEY, COUNCILPERSON
AMANDA GERRISH, BOARD MEMBER
CHUCK ENGELKEN, COUNCILPERSON



DANNY EARP, BOARD MEMBER
JOHN BLAKEMORE, BOARD MEMBER
NANCY OJEDA, VICE-PRESIDENT

CITY OF LA PORTE DEVELOPMENT CORPORATION BOARD OF DIRECTORS MEETING AGENDA

Notice is hereby given of a meeting of the City of La Porte Development Corporation Board of Directors to be held on July 25, 2022, at the City Hall Council Chamber, 604 West Fairmont Parkway, La Porte, Texas, beginning at 5:00 p.m., to consider the following items of business:

Remote participation is available using this link:

<https://us02web.zoom.us/j/82740337837?pwd=bk1iU09lZkVCZEIVT1VrL1ZGNitHUT09>

Join by phone at 888-475-4499 or 877-853-5257. The meeting ID is 827 4033 7837 and the passcode is 188768..

1. **CALL TO ORDER**
2. **CITIZEN COMMENT** (Generally limited to five minutes per person; in accordance with state law, the time may be reduced if there is a high number of speakers or other considerations.)
3. **PRESENTATIONS**
 - (a) Receive Annual Report from Houston Port Region Economic Alliance. [Matt Daeumer, Assistant City Manager]
4. **AUTHORIZATIONS**
 - (a) Approve the minutes of the regular meeting of the La Porte Development Corporation Board of Directors held on June 27, 2022. [Chair Warren]
 - (b) Presentation, discussion, and possible action to approve the La Porte Development Corporation's proposed 2022-23 Fiscal Year budget. [Matt Daeumer, Assistant City Manager]
5. **SET NEXT MEETING**
6. **BOARD COMMENTS** *Hear announcements concerning matters appearing on the agenda; items of community interest; and/or inquiries of staff regarding specific factual information or existing policy from the Committee members and City staff, for which no formal action will be discussed or taken.*
7. **ADJOURN**

If, during the course of the meeting and discussion of any items covered by this notice, the La Porte Development Corporation Board determines that a Closed or Executive Session of the Board is required, then such closed meeting will be held as authorized by Texas Government Code, Chapter 551, Section 551.071 - consultation with counsel on legal matters; Section 551.072 - deliberation regarding purchase, exchange, lease or value of real property; Section 551.073 - deliberation regarding a prospective gift; Section 551.074 - personnel matters regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; Section 551.076 - implementation of security personnel or devices; Section 551.087 - deliberation regarding economic development negotiation; Section 551.089 - deliberation regarding security devices or security audits, and/or other matters as authorized under the Texas Government Code. If a Closed or Executive Session is held in accordance with the Texas Government Code as set out above, the La Porte Development Corporation Board will reconvene in Open Session in order to take action, if necessary, on the items addressed during Executive Session.

Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact the City Secretary's office (281-470-5019), two working days prior to the meeting for appropriate arrangements.

Pursuant to Texas Government Code Sec. 551.127, on a regular, non-emergency basis, members may attend and participate in the meeting remotely by video conference. Should that occur, a quorum of the members will be physically present at the location noted above on this agenda.

CERTIFICATE

I, Lee Woodward, City Secretary, do hereby certify that a copy of the July 25, 2022, La Porte Development Corporation Board agenda was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website, www.LaPorteTX.gov, in compliance with Chapter 551, Texas Government Code.

DATE OF
POSTING

TIME OF
POSTING

TAKEN DOWN

Lee Woodward

Lee Woodward, City Secretary



REQUEST FOR CITY COUNCIL AGENDA ITEM

Agenda Date Requested: <u>July 25, 2022</u>
Requested By: <u>Matt Daeumer, ACM</u>
Department: <u>City Manager's Office</u>
<input checked="" type="radio"/> Report <input type="radio"/> Resolution <input type="radio"/> Ordinance

Exhibits: Economic Alliance presentation

Appropriation	
Source of Funds:	_____
Account Number:	_____
Amount Budgeted:	_____
Amount Requested:	_____
Budgeted Item:	<input type="radio"/> Yes <input type="radio"/> No

SUMMARY & RECOMMENDATION

As a part of their agreement with the City, the Port Region Economic Alliance is to make an annual presentation to the Economic Development Corporation and City Council.

Chad Burke, President/CEO of the Houston Port Region Economic Alliance, will present the Economic Alliance's Annual Report to the 4B Board.

RECOMMENDED MOTION

Receive Annual Report from Houston Port Region Alliance

Approved for the City Council meeting agenda

Corby D. Alexander, City Manager

Date



Economic Alliance Annual Report

City of La Porte
July 25, 2022

Presented By:
Chad Burke
President/CEO
Economic Alliance Houston Port Region
chad@allianceportregion.com



Our Mission

A non-profit organization, created in 1985, whose mission is to market and grow a vibrant regional



Our Footprint

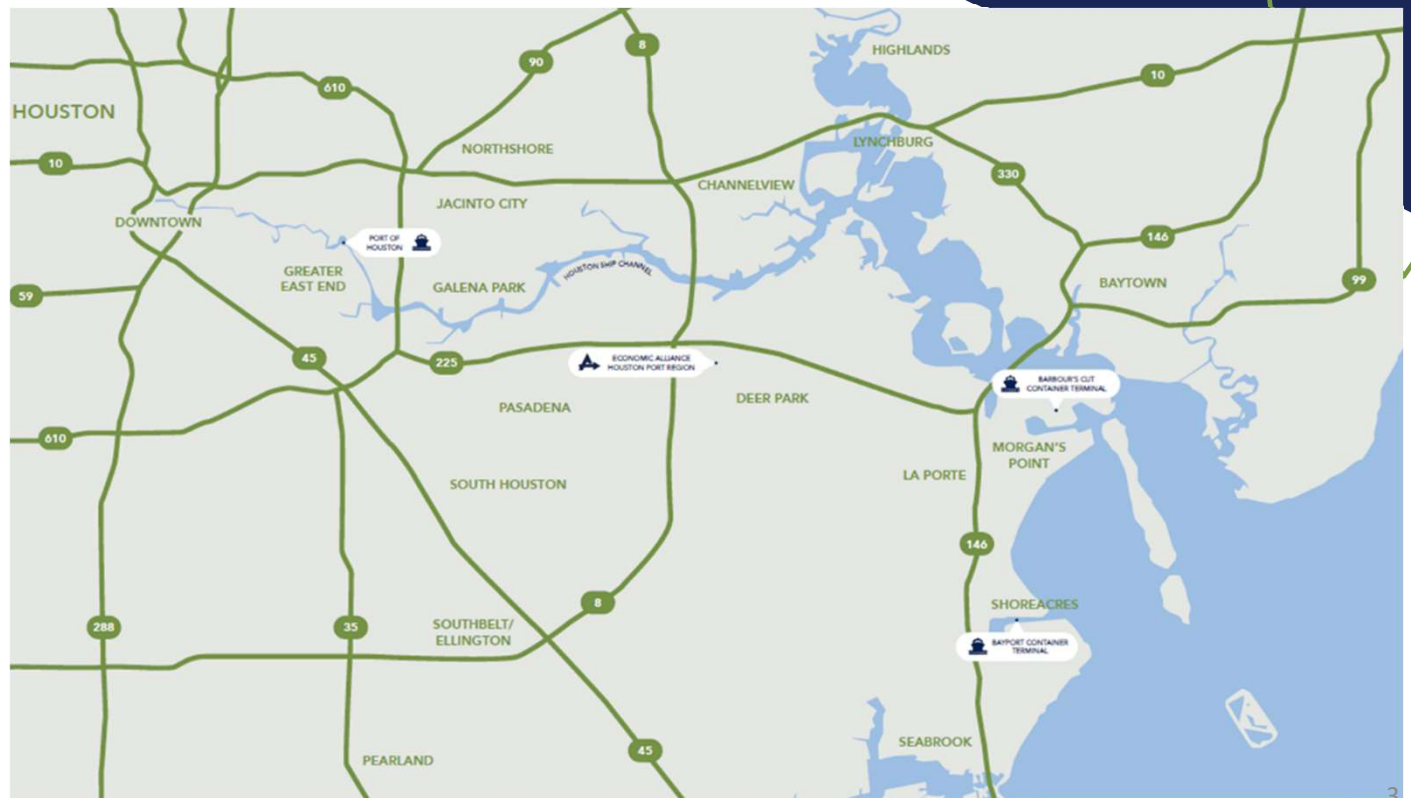
Most sought-after region in the world for petrochemical, manufacturing, maritime and logistics operations.

25 miles of the Houston Ship Channel:

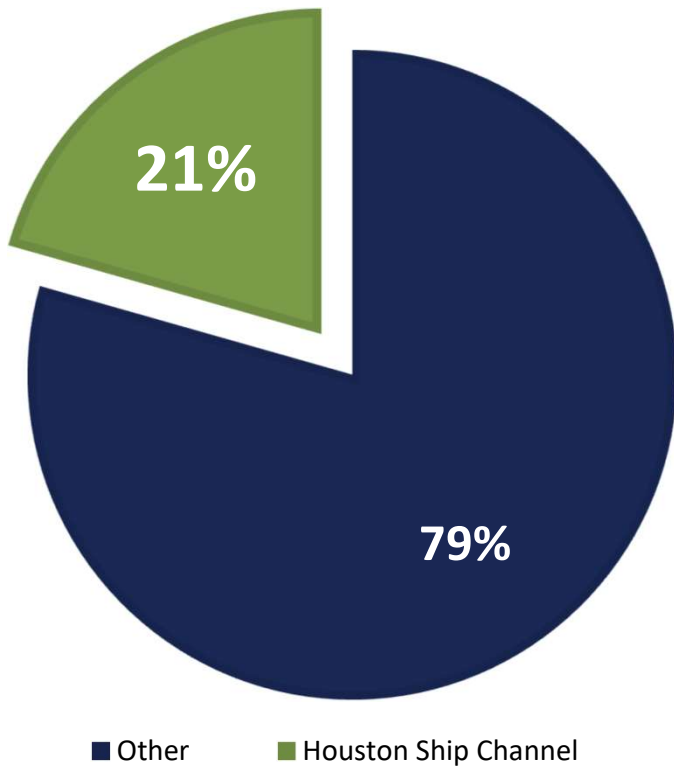
1. World's largest petrochemical complex
2. Nation's busiest port in terms of foreign tonnage

11 Cities, Harris County, Port Houston

250+ Private Sector Members



State GDP along HSC



In 2018, the Houston Ship Channel

- generated nearly **\$802 billion** in U.S. economic value
- supported **3.2 million jobs**
- provided **\$38 billion in tax revenue**

In Texas, it

- generated **\$339 billion** in economic value
- sustained **1.3 million jobs**
- generated **\$5.6 billion in state and local tax revenue**

Key Metric of Activity - Vessel Movements – Houston and Texas Ports

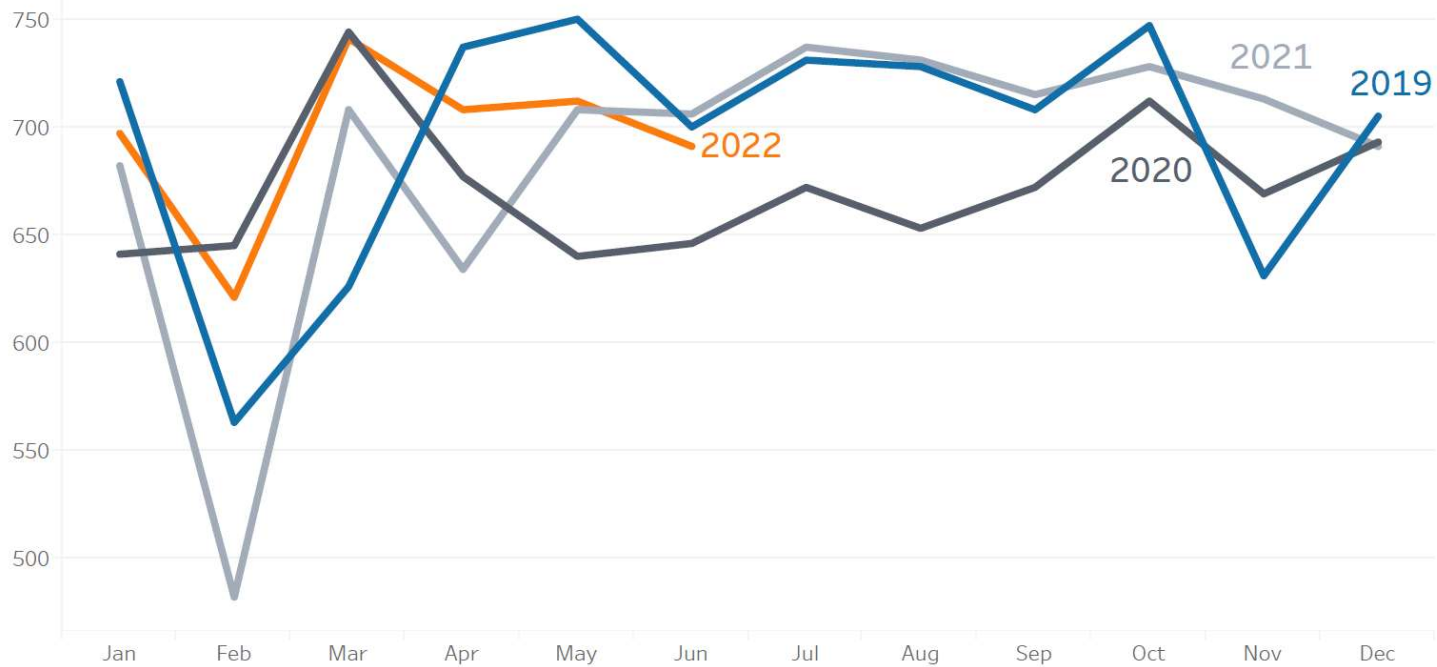
Summary - Vessel Arrivals

Port	Jan	Feb	Mar	Apr	May	Jun	YTD 2022	YTD 2021	YTD %Δ	MTM %Δ
Brownsville	27	21	21	22	15	17	123	131	-6% ▼	13% ▲
Corpus Christi	198	182	217	243	217	226	1,283	1,181	9% ▲	4% ▲
Freeport	97	95	124	99	109	101	625	612	2% ▲	-7% ▼
Galveston	76	53	103	89	105	82	508	472	8% ▲	-22% ▼
Houston	697	621	741	708	712	691	4,170	3,920	6% ▲	-3% ▼
Matagorda	20	17	18	25	29	28	137	99	38% ▲	-3% ▼
Sabine	238	228	270	257	259	255	1,507	1,291	17% ▲	-2% ▼
Texas City	64	55	82	81	73	74	429	378	13% ▲	1% ▲
Grand Total	1,417	1,272	1,576	1,524	1,519	1,474	8,782	8,084	9% ▲	-3% ▼

All reports and associated data are produced by the Greater Houston Port Bureau for the sole use of the intended recipient(s) and may contain work-related product and/or proprietary information. Any unauthorized review, use, disclosure or distribution is inconsistent with the terms associated with the provision of this data and its related reports.

Supply Chain Interruptions Impact on Vessel Movements

Houston Vessel Arrivals - 2019-2022



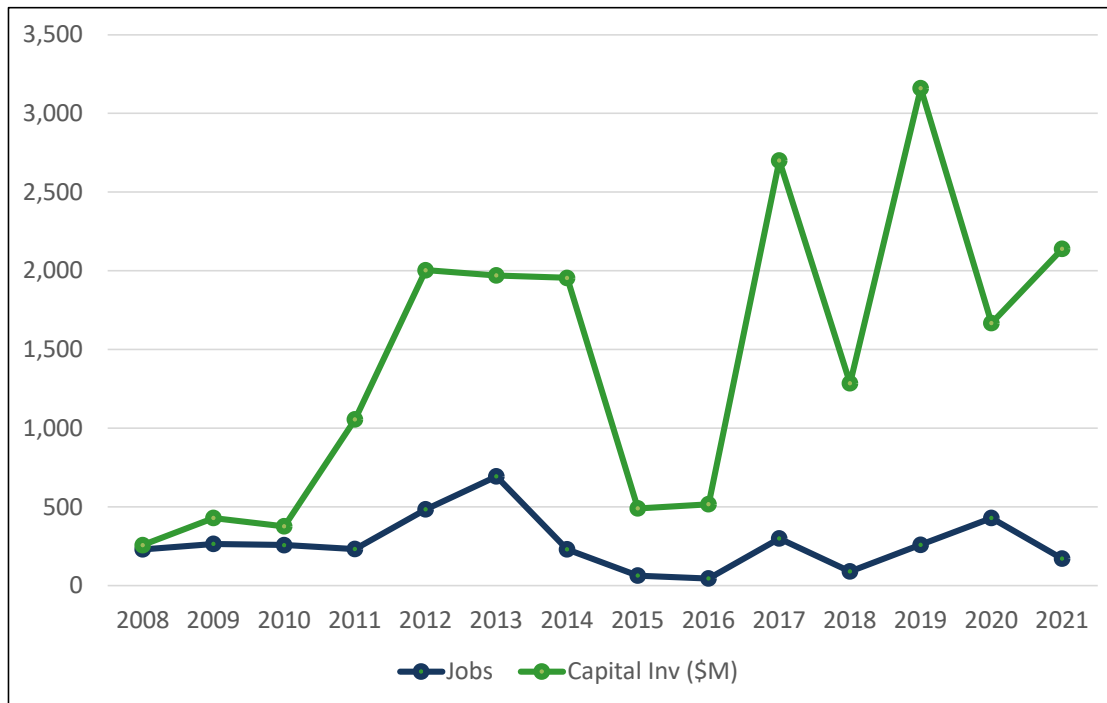
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Economic Development

Economic Alliance Project Announcements

Jobs and Capital Investment by Year








Totals since 2008:

- 74 Project Wins - 5.3/year
- \$16.3B Capital Investment
- 3,756 Jobs Created

Impact on the Houston Port Region

2021 Wins

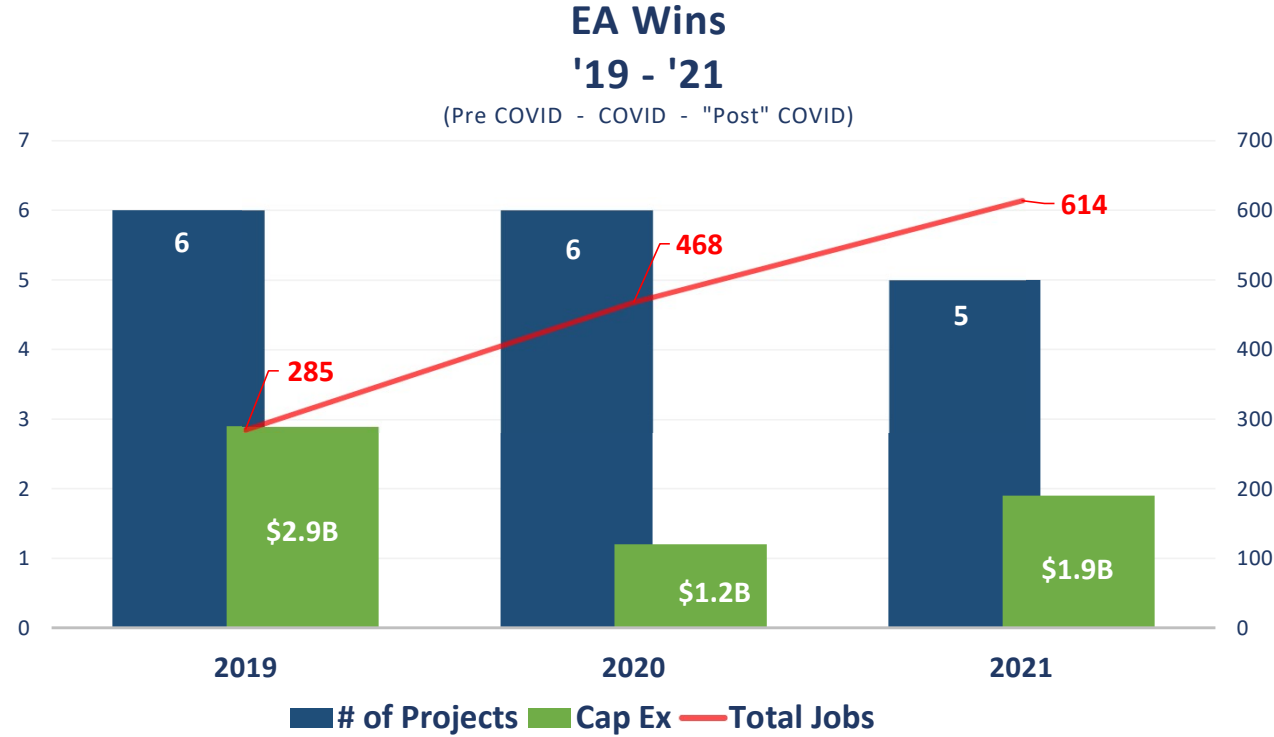
5 wins - \$1.9B in one-time capital investment - 600 total jobs - \$265M in annual economic impact

COMPANY	DIRECT JOBS	INDIRECT JOBS	CAP EX	ECON IMPACT (Annual)	TOTAL JOBS	INDUSTRY
 Covestro	25	53	\$1.6B	\$31.6M	78	PetroChem
 Stepan	25	64	\$200M	\$47M	89	PetroChem
 Air Products	30	113	\$100M	\$67.8M	143	PetroChem
 Haldor Topsoe	75	197	\$65M	\$114.2M	272	PetroChem
 Kelsey Seybold	17	15	\$2M	\$4.4M	32	Healthcare Services
TOTALS	172	442	\$1.9B	\$265M	614	

Indirect Job and Annual Economic Impact calculations by the Greater Houston Partnership Research Department based on multipliers supplied by the IMPLAN Group Inc

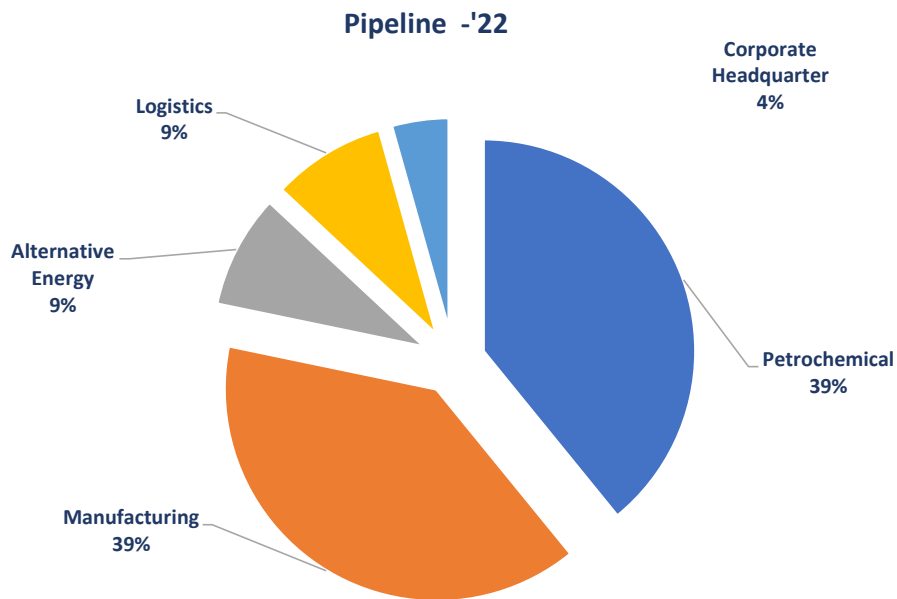
Investment in the Houston Port Region

'19 – '20 – '21 Wins



Project Pipeline – 2022

Industry Breakdown



Active Projects

- ✓ **23 Projects**
- ✓ **\$7.1B Cap Ex**
- ✓ **3,800 New Jobs**
- ✓ **300 Retained Jobs**

- ✓ **39% Petrochem**
- ✓ **9% Logistics**
- ✓ **39% Manufacturing**
- ✓ **9% Alt Fuels**
- ✓ **4% Corp Headquarters**

Early stages and evaluating multiple locations across the Houston Port region.

Professional Services

Provide a professional relationship to navigate the multiple facets of the site selection/expansion process, including access to our economic development support network.

- Conduct **real estate searches**
- Participate in and coordinate **site-selection tours**
- Facilitate **access to data**
- Provide guidance in evaluating State and Local incentive **permitting and workforce programs**
- **Advocate** for projects and **mobilize** key members

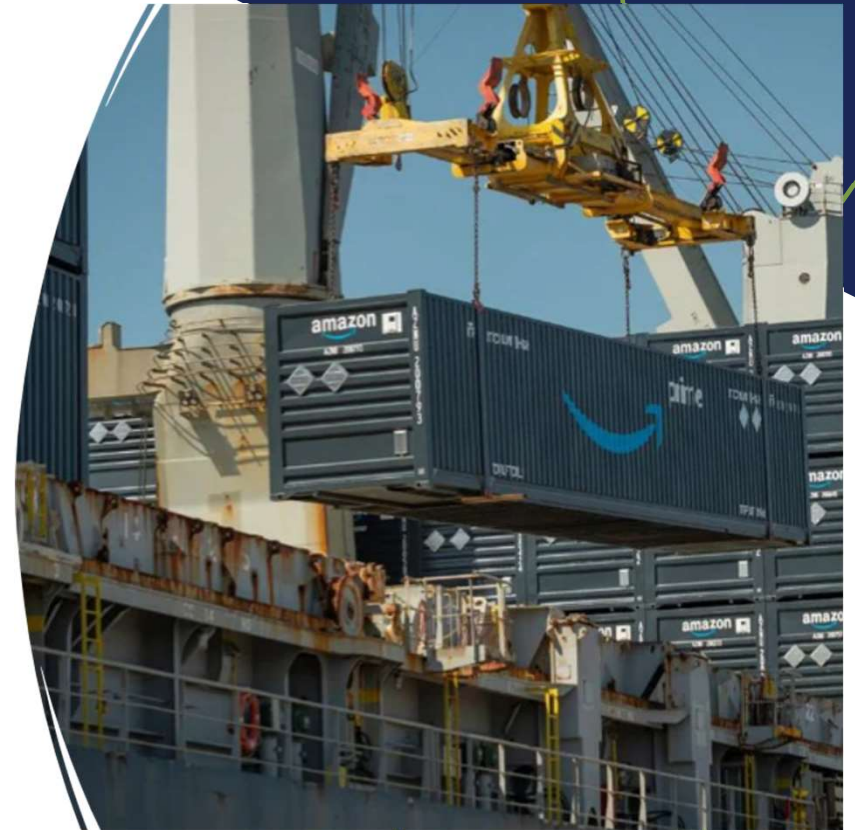




Maritime Supply Chain

Houston Supply Chain Growth

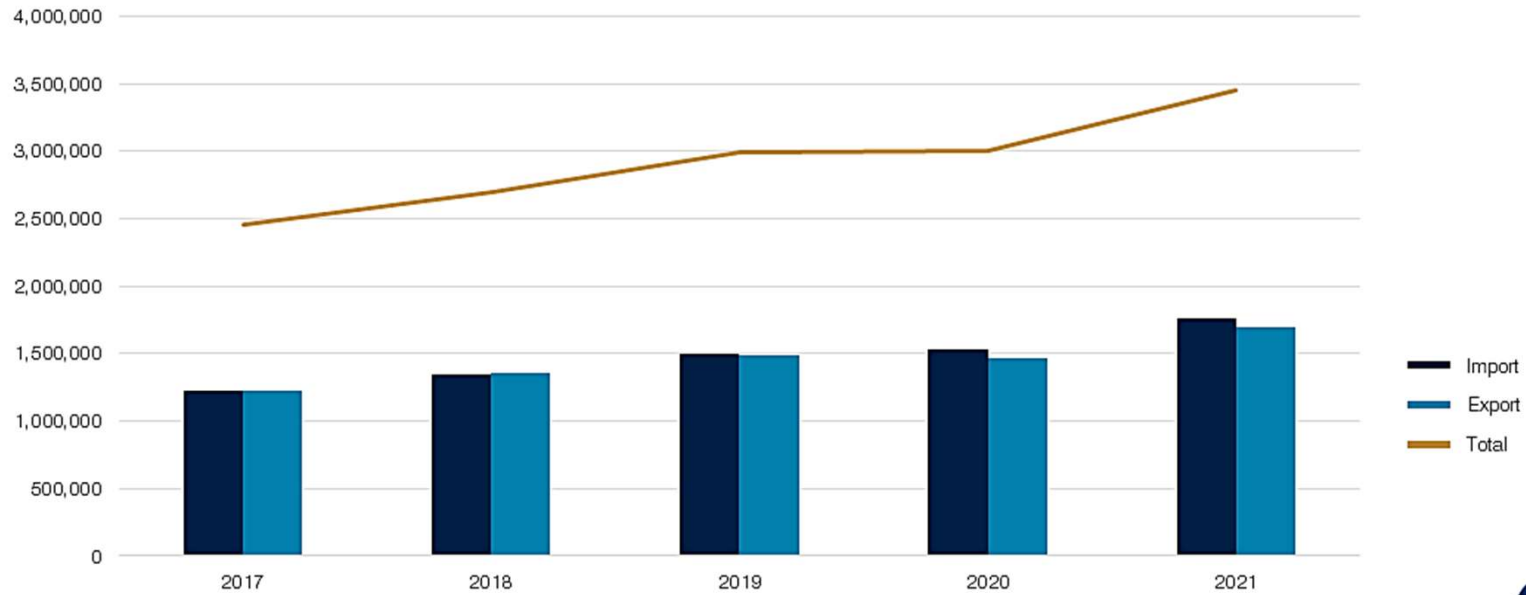
- Houston has seen Asian imports via Panama Canal go from 0% to 37% in the last six years
- Houston hit 3 million TEU's in '19 - topped 3.5 TEU's in '21 and expected to hit 4 million in '22



Port Houston

Consistent Growth of Containers '17 to '21

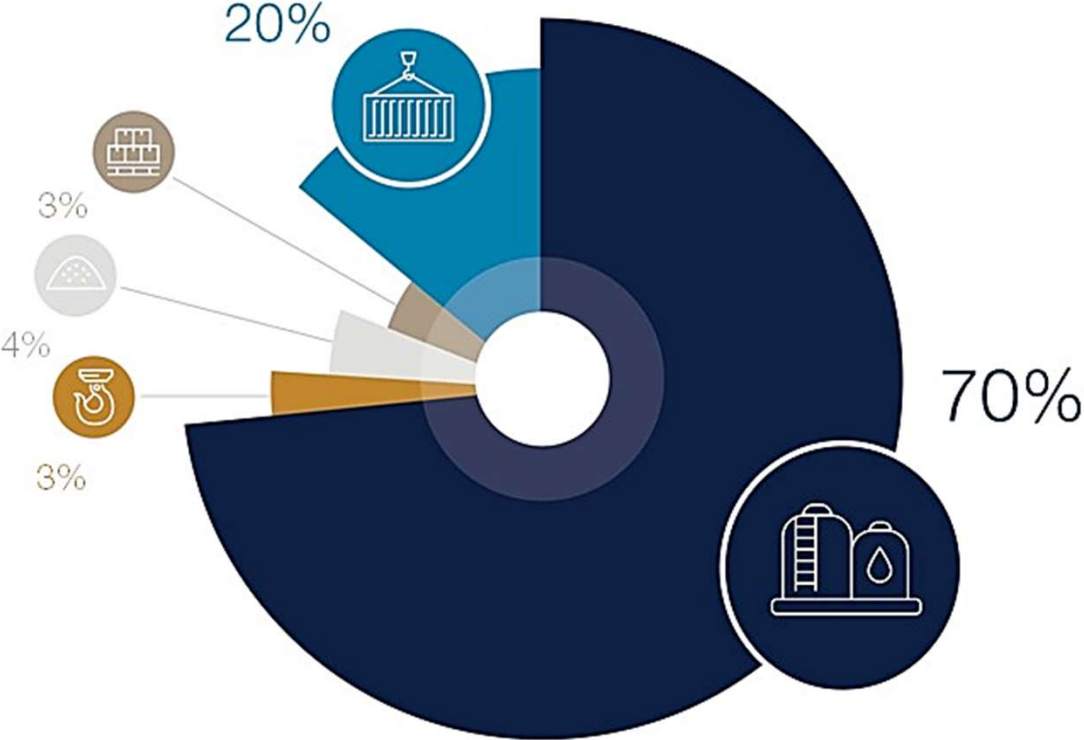
of Containers



Note: Totals include empty containers
Source: PH Accounting, PH Research & Forecasting



Port Houston - Cargo Sectors '21



- Liquid Bulk
- Containerized
- Project Cargo
- Dry Bulk
- General Cargo

Vessel Movements

BESS
Vehicles Carrier

East London, South Africa
ETA: Jul 21, 06:00

Speed: 17.3 kn Course: 185.0° Draught: 9.5 m (max 9.6)
Status: - Last report: Jul 10, 2022 05:55 UTC

Southampton, United Kingdom (UK)
ATD: Jul 4, 19:00 UTC

[Newer position via Satellite](#)

VESEL PARTICULARS		
Gross Tonnage:	Built:	IMO number:
58750	2010	9531715
Deadweight:	Size:	MMSI:
18013	199 / 32 m	372995000

Currently: **85 ships** waiting to dock compared to **35 normally** > 100% increase



Ground Transportation & Infrastructure

Committee of Regional Transportation Stakeholders

**Addresses critical issues associated with the movement of Freight
and Commuters.**

- **Regional Mayors**
- **East Harris County Manufacturer's Association (130+ plants)**
- **Port Houston**
- **Harris County**
- **Texas Department of Transportation**
- **Houston Galveston Area Council**

TxDOT Priority List

Houston Port Region Freight Improvement Strategic Plan			
#	Project	Priority	Info & Updates
1	SH 146 at Barbours Cut	H/S	Intersection improvements. Construction completed.
2	SH 146 from Fairmont Parkway to Red Bluff Road	H/S	Widen to 6 lanes. Project was let in August 2021. Construction ongoing.
3	SH 225 Widening from BW 8 to SH 146	H/S	Part of the SH 225 and IH 610 East PEL Study. Phase 1 of the PEL is underway. Phase 1 is the data collection phase of the study. The PEL team has been conducting stakeholder coordination meetings, and a public meeting is tentatively scheduled for the second quarter of 2022.
5	Grand Parkway Segments H & I	H/S	Design-build new location freeway. Currently under construction. Construction is anticipated to be complete in 2022.
6	FM 1942 from Hatcherville Road to SH 146	H/S	TxDOT Beaumont District project. Road rehabilitation. Scheduled to let in 2023.
8	FM 565 from SH 146 to SH 99	H/S	Widen from 2 to 4 lanes with continuous center left turn lane. Scheduled to let in 2024.
10	SH 146 from Ferry Road to Business SH 146	H/S	Construct 4 mainlanes and bridge. Scheduled to let in 2022.
32	SH 99 at IH 45	H/M	Construct direct connectors for trucks heading from Port Houston to Dallas and from Dallas to Port Houston. Part of Grand Parkway System. Minimum scope to be built first per Market Valuation Waiver Agreement. Planning to program for 2040.
30	SH 99 at IH 69	H/M	Construct direct connectors for trucks heading to and from Port Houston. Part of Grand Parkway System. Minimum scope to be built first per Market Valuation Waiver Agreement. Planning to program for 2040.
9	BW 8 at SH 225	H/M	Construct 5 direct connectors. (WB-NB, EB-NB, SB-EB, SB-WB, NB-WB) Scheduled to let in 2023.
13	SH 225 Widening from BW 8 to IH 610	H/M	Part of the SH 225 and IH 610 East PEL Study. Phase 1 of the PEL is underway. Phase 1 is the data collection phase of the study. The PEL team has been conducting stakeholder coordination meetings, and a public meeting is tentatively scheduled for the second quarter of 2022.
14	IH 69 Bypass Route	H/M	TxDOT completed an Origin-Destination Study and presented findings to H-GAC. The study found that only a limited amount of truck volumes continue completely through the region without stopping at logistics facilities.
16	SH 225 and IH 610 Interchange	H/M	Part of the SH 225 and IH 610 East PEL Study. Phase 1 of the PEL is underway. Phase 1 is the data collection phase of the study. The PEL team has been conducting stakeholder coordination meetings, and a public meeting is tentatively scheduled for the second quarter of 2022.
17	IH 610 Bridge at the Houston Ship Channel	H/M	TxDOT reviewed and provided comments on the Port Houston vertical clearance study to help identify how high a new bridge should be.
20	Spur 330 at IH 10	M/M	Improve northbound connectivity to IH 10 by constructing an eastbound entrance ramp. Project was let in fall of 2020.
21	Independence Parkway at SH 225 Improved Connectivity	M/M	Part of the SH 225 and IH 610 East PEL Study. Phase 1 of the PEL is underway. Phase 1 is the data collection phase of the study. The PEL team has been conducting stakeholder coordination meetings, and a public meeting is tentatively scheduled for the second quarter of 2022.

PEL Studies

- I-10 East Expansion/San Jacinto River Bridge
- SH 225 - 610 Expansion

Designed & Work Underway

- 146 Expansion & Widening/Fairmont to Red Bluff
- Beltway Bridge/225 Direct Connectors

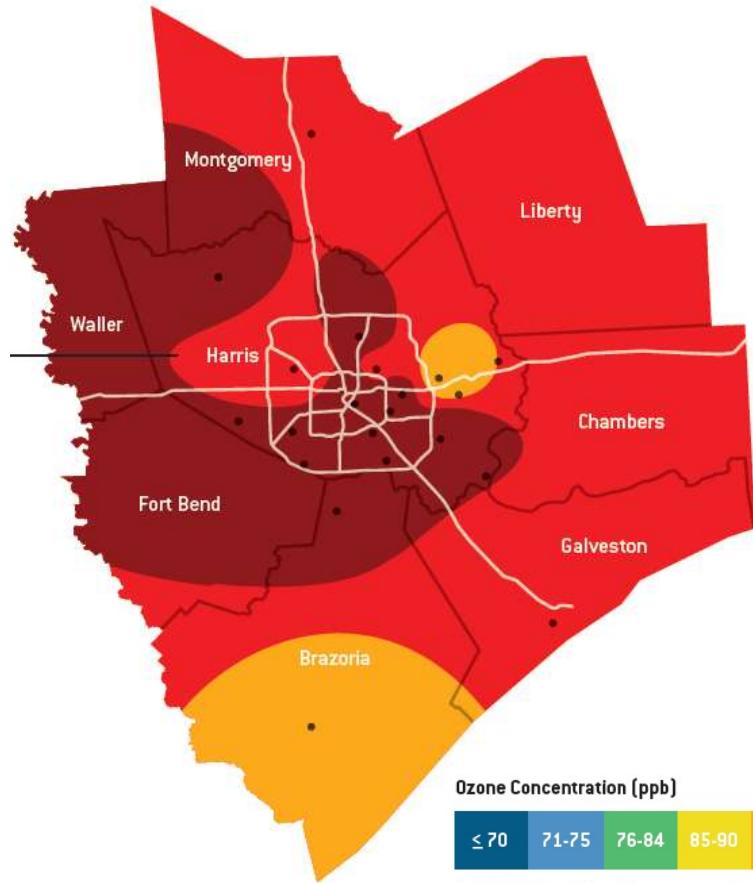
2019 Traffic Counts



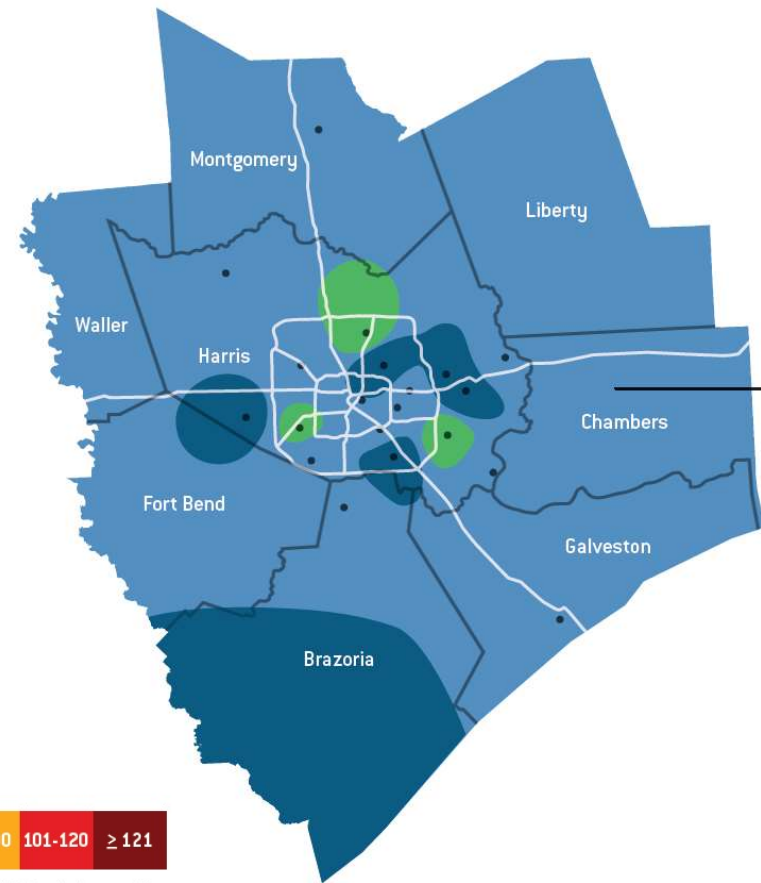
TCDS - 2019

8-Hour Ozone Design Values

1985



2020



Ozone Concentration (ppb)



In 1997, EPA set the 8-hour ozone standard at 84 ppb, lowered it to 75 ppb in 2008, and lowered it, again, to 70 ppb in 2015.

I-10 East PEL

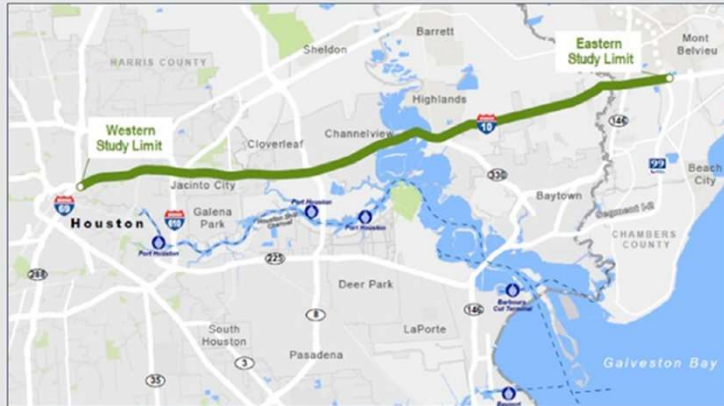


STUDY LIMITS:
I-69 to SH 99

STUDY LENGTH:
30 Miles

COUNTIES:
Harris, Chambers

PLACES:
Baytown
Channelview
Cloverleaf
Highlands
Houston
Jacinto City
Mont Belvieu



I-10 San Jacinto River Bridge

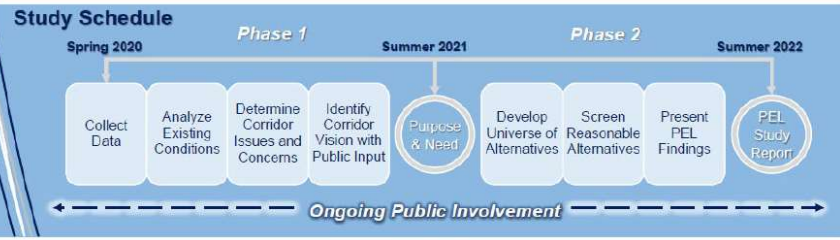


Reconstruct and widen I-10 from Monmouth to Spur 330

PEL Study

I-10 East
Expansion/San
Jacinto River Bridge

SH 225 – I-610 PEL



PEL Study

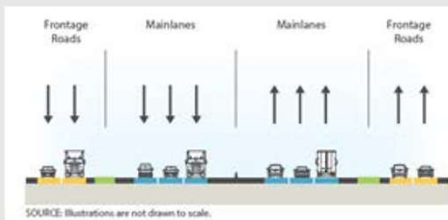
SH 225 - 610
Expansion

State Highway 146

From Fairmont Parkway to Red Bluff

Widen to 6 main lanes

- Environmentally cleared
- Final design underway/anticipated to let in Fall 2022
- The total cost of this project is approximately \$42 million



**Designed & Work
Underway**

146 Expansion &
Widening/Fairmont
to Red Bluff



**Designed & Work
Underway**

Beltway 8 Bridge/
SH 225 Direct
Connectors

Transportation Stakeholder Consensus

Beltway 8 Bridge/SH 225 Direct Connectors Support Letter 5 of 8 Direct Connectors funded - Seeking funding for final 3 Direct Connectors



5/14/2022

J. Bruce Bugg, Jr.
Chairman
Texas Transportation Commission
128 E. 11th St.
Austin, TX 78701

Dear Mr. Bugg:

This correspondence is to highlight the Economic Alliance Houston Port Region support for the funding and construction of all eight direct connectors at the Beltway 8 Bridge/SH 225.

For several years the Economic Alliance has convened a Transportation Infrastructure/Mobility Taskforce. The group is a collection of local/state elected officials, Port Houston, petrochemical association partners and private sector members. The mission has been to deliver TxDOT and key leadership a prioritized transportation/infrastructure project list based on stakeholder consensus and critical investments need. Project priorities have been based on:

- Impacting safety, mobility efficiency and environmental concerns related to the SH146/SH225/SH130/130 transportation corridor.
- The need to facilitate economic opportunity through the acknowledgment of Port Houston's unprecedented growth that has made it the nation's busiest port. The port's economic impact supports 2.5 million jobs statewide, over 3 million nationally and is forecasted to continue to grow as it supports the nation's supply chain needs.
- Specific projects that will enhance current/future committed private sector and public transportation mobility investments. Specifically, over the last several years, the Houston port region has seen \$500 billion in manufacturing expansion, Port Houston's 51B commitment to widen and deepen the Houston ship channel, and state and local investment to construct the \$2B Beltway 8 bridge and expansion of SH146.

Ultimately, the taskforce is making certain the Houston Port region is connecting mobility/safety/environmental issues, economic opportunity, and unprecedented industry growth with current and future transportation/infrastructure projects.

With the completed expansion of Beltway 8 south of SH 225, and the construction of the Beltway 8 Ship Channel bridge to the north, it is critical that all eight of the direct connectors joining these two main arteries be constructed. This will address the factors of safety, congestion/delay, increasing traffic counts, support the increasing movement of goods and ensure a complete transportation system for the workers and residents of the Houston port region.



To further articulate the need for all the Beltway 8 connectors being completed simultaneously is the fact that 2022 traffic counts indicate over 300,000 vehicles (including trucks) utilize the SH 225/Beltway interchange daily. CRIS Data indicates that the SH225/Beltway 8 interchange is by far the most dangerous intersection along SH 225 with 992 crashes over a 4-year period (15-18).

The Beltway 8 connectors will be a key complement to the already designed/implemented projects and will together solutions to address the Houston Port regions mobility/safety/environmental issues, economic opportunities, and unprecedented industry growth.

The undersigned regional stakeholders join in strongly supporting the funding and construction of all eight direct connectors simultaneously in association with the Beltway 8 project at SH225.

Sincerely,

Chad Burke
President & CEO
Economic Alliance

Brian Balin D.D.S.
District 36
U.S. Congressman

Sylvie Garcia
District 28
U.S. Congresswoman

Roger Guenther
Executive
Port Houston Director

Adrian Garcia
Commissioner
Harris County Pct. 2

Larry Taylor
State Senator
Senate District 11

Mary Ann Perez
State Representative
District 115

Jerry Mizoun
Mayor,
Clear Park

Erico Carr
State Representative
District 128

Brandon Capriko
Mayor,
Baytown

Michel Bechtel
Mayor,
Morgan's Point

Jeff Wagner
Mayor,
Pasadena



Thom Kollupal
Mayor,
Seabrook

Louis Rigby
Mayor,
La Porte

Bob Brinkman
INESO Site Manager
EMCMA Director
Co-Chairman
EA Transportation Taskforce

Emeralds Noya
Mayor,
Galena Park

Glenn Royal
Co-Chair
EA Transportation Taskforce

Ana Diaz
Mayor,
Jacinto City

Jimmy Strocher
East Harris Co.
Manufacturers Assoc.
Transportation Chair

Amy Slick
Executive Director
Bay Area Transportation

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Workforce Development

Workforce Development

Inspiring & Preparing the Next Generation Workforce

- Leveraging partnerships with the EHCMA and 9 community colleges to recruit and train a qualified workforce
- Providing career paths and job opportunities to address attrition, skill enhancement and demand
- **Targeting high-demand, high-paying careers supporting the petrochem and maritime industries**

Since 2016:

- 🎓 400+ Presentations
- 🎓 40,000+ Contacts/Students





Quality of Life

San Jacinto Historic District

Quality of Life Matching Grants

\$63,000 in total matching funds awarded to **9 projects**

\$38,000 directly supported **beautification/community enhancement** projects with an **estimated total cost of \$1.3M.**

- ✓ Pasadena Mini-Murals on Signal Boxes (\$10K)
- ✓ Restoration of the Pearland Depot (\$10K)
- ✓ City of Morgan's Point Storage Tank Rehab/Logo (\$5K)
- ✓ La Porte Gold Star Families Memorial Monument (\$5K)
- ✓ Texas Memorial Illumination at San Jacinto Monument (\$5K)
- ✓ Shoreacres Gateway Flagpole (\$3K)

\$25,000 direct support to **capital campaigns for community impact organizations missions/publicized projects of over \$11M.**

- ✓ Dolly Parton's Imagination Library (\$5K)
- ✓ The Imelda Assistance Fund (\$10K).
- ✓ The Bridge Over Troubled Waters (The Bridge) (\$10K).





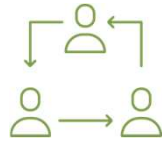
Summary

Economic Alliance is a Driving Force

Talented Well-Connected Organization of Members



NETWORK - Providing contacts, resources and solutions to operations in the Houston Port region.



VOICE – Through members a voice with invaluable connections to key decision makers.



VISIBILITY – Most sought-after region in the World for Petrochemical, Manufacturing, Maritime and Logistics operations.



IMPACT – One of the most impactful business organizations in Texas. Economic development, public policy, transportation, workforce development and q of I initiatives.



INSIGHT – Sharing knowledge/information and convening of industry leaders.



Thank you!

www.allianceportregion.com

Presented By:
Chad Burke
President/CEO
Economic Alliance Houston Port Region
chad@allianceportregion.com

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NANCY OJEDA
VICE-PRESIDENT

MINUTES OF THE LA PORTE DEVELOPMENT CORPORATION BOARD OF DIRECTORS MEETING OF JUNE 27, 2022

The City of La Porte Development Corporation Board met on Monday, June 27, 2022, at the City Hall Council Chambers, 604 West Fairmont Parkway, La Porte, Texas, at 5:00 p.m., with the following in attendance:

Board members present: Richard Warren, Danny Earp, Chuck Engelken, John Blakemore, Brent McCaulley, Amanda Gerrish

Board members attending remotely: Nancy Ojeda

Board members absent: None

Council-appointed members present: Corby Alexander, City Manager; Lee Woodward, City Secretary; Clark Askins, Assistant City Attorney

1. **CALL TO ORDER** – President Warren called the meeting to order at 5:01 p.m.
2. **CITIZEN COMMENT** (*Generally limited to five minutes per person; in accordance with state law, the time may be reduced if there is a high number of speakers or other considerations.*)

Donnas Cooper spoke about the proposed renovations to the Parks and Recreation Center and the Senior Center within it.

3. CONSENT AGENDA

- a. **Approve minutes of the regular meeting of the La Porte Development Corporation Board of Directors held on May 23, 2022. [Chair Warren]**

Member Engelken moved to approve the minutes of the regular meeting of the La Porte Development Corporation Board of Directors held on May 23, 2022; the motion was seconded by Members Earp; the motion was adopted, 6-0 (Member Ojeda was not visible or audible at the time of the vote, having left the meeting at 5:05 p.m.).

4. AUTHORIZATIONS

- a. **Presentation, discussion, and possible action to open a 60-day public comment period for a potential project to promote new or expanded business enterprises at 114 W. Main St., La Porte, Texas, to be known as the Revak Building, through a five-year loan of \$3,200,000.00, or alternatively, up to a \$480,600.00 incentive payment. [Matt Daeumer, Asst. City Manager]**

(Member Ojeda rejoined the meeting at 5:09 p.m.) Member Earp moved to open a 60-day public comment period for a potential project to promote new or expanded business enterprises at 114 W. Main St., La Porte, Texas, to be known as the Revak Building, for up to a \$480,600.00 incentive payment; the motion was seconded by Member Blakemore; the motion was adopted, 5-2, Members McCaulley and Gerrish voting against.

- b. **Presentation, discussion, and possible action to provide direction to staff on strategic goals and plans of the La Porte Development Corporation for promotion of future economic development in the City of La Porte. [Matt Daeumer, Asst. City Manager]**

(Member Ojeda left the meeting at 5:38 p.m. and returned at 5:41 p.m.) Assistant City Manager Daeumer offered a short presentation.

5. SET DATE FOR NEXT MEETING

The next meeting date was scheduled for July 25, 2022.

6. **BOARD COMMENTS** *Hear announcements concerning matters appearing on the agenda; items of community interest; and/or inquiries of staff regarding specific factual information or existing policy from the Committee members and City staff, for which no formal action will be discussed or taken.*

There were no comments.

ADJOURN – The meeting was adjourned without objection at 5:51 p.m.

Lee Woodward, City Secretary



**REQUEST FOR LA PORTE DEVELOPMENT CORPORATION BOARD
AGENDA ITEM**

Agenda Date Requested: <u>July 25, 2022</u>
Requested By: <u>Matt Daeumer, Asst. City Mgr.</u>
Department: <u>Administration/CMO</u>
<input checked="" type="radio"/> Report <input type="radio"/> Resolution <input type="radio"/> Ordinance

Appropriation	
Source of Funds:	<u>038 – EDC</u>
Account Number:	<u>Various</u>
Amount Budgeted:	<u>N/A</u>
Amount Requested:	_____
Budgeted Item:	<input type="radio"/> Yes <input checked="" type="radio"/> No

Exhibits: Proposed FY 2021-22 Budget

SUMMARY

The La Porte Development Corporation fiscal year 2022-23 proposed budget has been reviewed by the City Manager’s Office and Finance. The expenditure budget for next fiscal year has been prepared with a \$220,347 (7%) increase from the current fiscal year budget. This is due to decreased transfers to CIP than the previous year along with a decrease in Special Programs. Generally, the EDC Fund transfers money to the Debt Service Fund annually in the amount of \$750,000 to \$1 million. In FY 2025-26, this transfer will decrease to approximately \$150,500 to service debt payments.

The LPDC is comprised of 1.25 full-time equivalent employees (0.75 is the Economic Development Coordinator and 0.50 is the Senior Administrative Assistant). The Economic Development Coordinator position has been vacant for over a year; however, the Assistant City Manager has been taking on this position’s daily operations. The City is in the process of reviewing applications for this position, and staff is hopeful to have this vacancy filled soon. Staff has budgeted for continuation of the membership in vital key organizations within the Houston area such as Bay Area Houston Economic Partnership (BAHEP) and Economic Alliance as well as the International Center for Shopping Centers (ICSC) and the Texas City Manager’s Association. Generally, the Economic Development Coordinator attends the Texas Municipal League (TML) and TCMA conferences as well as the Texas Economic Development Council (TEDC) conference. City Council has approved the continuation of the Harris County Transit services provided to residents in La Porte, which is funded by LPDC. Staff has included funding for mid-year advertising opportunities as well as funds to attend “trade shows” at the Red River & ICSC conferences. As discussed previously with the Board, staff has included funding for any mid-year incentive opportunities.

The La Porte City Council had a pre-budget retreat earlier this year and asked for staff to move forward with a list of several quality of life amenities. Additionally, during the budget preparation, staff noted several other quality of life amenities that can be

grouped together with these projects. A Total of \$2,275,000 quality of life amenity projects are being requested to be funded by the Board for FY 2022-23:

- Golf Course Fencing Project - \$475,000
- Golf Course Pond Remediation - \$150,000
- Golf Course Land Acquisition - \$350,000
- Funding for Enhancement Grant Program - \$200,000
- Wave Pool Enhancements - \$500,000
- Recreation Center Phase II Design - \$250,000
- City-wide signage project Phase III - \$350,000

Staff has provided the Board with the FY 2022-23 Proposed Budget documents, which highlight the LPDC's healthy proposed fund balance at the end of September 30, 2023 to be nearly \$7.35 million, which is \$90,000 less than fund balance on September 30, 2022. The City's Finance Department has been working diligently to project conservative revenues and feels comfortable in the proposed \$3,254,000 revenue projections, which includes sales tax and interest income. Additionally, staff has provided a line-item detail of expenditures for the Board to review for personnel services, supplies, and services & charges.

The La Porte City Council is scheduled to receive the annual budget presentation at the August 9th City Council meeting. Staff is requesting the Board approve the proposed FY 2022-23 budget for the La Porte Development Corporation.

ACTION REQUIRED BY LPDC BOARD

Presentation, discussion and possible action to approve the La Porte Development Corporation's proposed 2022-23 Fiscal Year budget.

Approved for the La Porte Development Corporation Board meeting agenda

Corby D. Alexander, City Manager

Date

City of La Porte
La Porte Development Corporation (038) Fund Summary
(Section 4B Sales Tax)

Beginning Fund Balance 9/30/21		\$	7,263,258
Plus Estimated 21-22 Revenues			3,004,500
Less Estimated 21-22 Expenditures and Commitments			
Economic Development Operations	277,921		
Capital Projects/Transfers	2,569,783		
Total Expenditures	2,847,704		2,847,704
Estimated Fund Balance 9/30/22			7,420,054
Plus 22-23 Revenues:			
1/2 Cent Sales Tax	3,250,000		
Interest Income	4,000		
Total Revenues	3,254,000		3,254,000
Equals Total Resources			10,674,054
Less 22-23 Expenditures:			
Economic Development Operations	447,863		
Debt Service Transfer	785,255		
Transfer to General CIP Fund:			
Signage Project Phase III	350,000		
Golf Course Fence	475,000		
Golf Course Pond Remediation	150,000		
Wave Pool Enhancements	500,000		
Recreation Center	250,000		
Golf Course Land and Development	350,000		
	-		
	-		
	-		
Total Expenditures	3,308,118		3,308,118
Ending Fund Balance 9/30/23		\$	7,365,936

	Estimated		Projected
	2021-22		2022-23
Revenues	\$ 3,004,500	\$	3,254,000
Expenditures & Commitments	2,847,704		3,308,118
Revenues over Expenditures	\$ 156,796	\$	(54,118)

**Debt Service Payments for Library, Bay Area Boulevard & Canada Road and Ballfields.*

City of La Porte
La Porte Development Corporation Fund (038)
Statement of Revenues

Object	Description	Actual 2020-21	Budget 2021-22	Revised 2021-22	Projected 2022-23
Charges for Services:					
403.02-00	1/2 Cent Sales Tax	\$ 3,368,708	\$ 3,000,000	\$ 3,000,000	\$ 3,250,000
Charges for Services Subtotal		<u>3,368,708</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,250,000</u>
Interest:					
483.01-00	Interest Income	3,651	9,000	4,500	4,000
Interest Subtotal		<u>3,651</u>	<u>9,000</u>	<u>4,500</u>	<u>4,000</u>
Total La Porte Development Corp Fund Revenues		\$ 3,372,358	\$ 3,009,000	\$ 3,004,500	\$ 3,254,000

Economic Development Corporation
Fiscal Year 2022-23

Economic Development Operations

Expenditure Summary

	<i>Actual</i> 2020-21	<i>Budget</i> 2021-22	<i>Estimated</i> 2021-22	<i>Requested</i> 2022-23	<i>Percent</i> <i>Change</i>
<i>Personal Services</i>	\$ 34,991	\$ 112,036	\$ 32,569	\$ 103,508	-7.61%
<i>Supplies</i>	34	900	150	300	-66.67%
<i>Services & Charges</i>	1,126,963	2,974,835	2,864,485	3,204,310	7.71%
Division Total	\$ 1,161,988	\$ 3,087,771	\$ 2,897,204	\$ 3,308,118	7.14%

Scope of Services Summary

The Economic Development Division works with the Economic Development Corporation Board to establish direction and policies related to economic development projects in the City. The Department and its activities are funded through the collection of a 1/2 cent sales tax, which must be spent on economic development projects related to capital investment, quality of life, recreation, and/or primary job creation. Past activities have included the re-nourishment of Sylvan Beach, the ball fields at Pecan Park, the Community Library, construction of Canada Road, Construction of Bay Area Blvd., the Sports Complex, and infrastructure improvements on Main Street.

We will continue to work with our regional economic development partners on business retention and expansion programs, small business development, marketing efforts, workforce initiatives, transportation issues and quality of life issues. The Economic Development Coordinator will also serve as the Business Ombudsman for the City of La Porte, assisting new and existing businesses through the planning and zoning processes.

Personnel Position Roster

	Approved 2020-21	Approved 2021-22	Approved 2021-22
Economic Development Coordinator	0.75	0.75	0.75
Sr. Administrative Assistant	0.50	0.50	0.50
Total	1.25	1.25	1.25

**City of La Porte, Texas
Economic Development Corporation
Detail of Expenditures**

038-6030-565

	Actual 2020-21	Budget 2021-22	Estimated 2021-22	Requested 2022-23
Personal Services:				
1010 Regular Earnings	\$ 16,439	\$ 78,071	\$ 14,138	\$ 71,381
1035 Longevity	180	228	-	36
1060 FICA	1,078	5,990	1,082	5,464
1065 Retirement	2,250	12,747	2,302	11,627
1067 PARS Retirement	44	-	48	-
1080 Insurance - Medical	15,000	15,000	15,000	15,000
1081 Insurance - Life	-	-	-	-
Personal Services Subtotal	34,991	112,036	32,569	103,508
Supplies:				
2001 Office Supplies	-	200	100	200
2002 Postage	34	200	50	100
2015 Other Supplies	-	500	-	-
Supplies Subtotal	34	900	150	300
Services & Charges:				
3001 Memberships & Subscriptions	20,000	41,055	41,055	41,055
3020 Training/Seminars	-	7,200	-	7,200
4060 Technology Lease Fees	625	647	647	500
5001 Accounting	5,000	5,000	5,000	5,000
5007 Other Professional Services	79,500	75,500	75,500	75,500
6002 Printing & Reproduction	-	500	500	500
6005 Advertising	9,638	10,000	22,000	10,000
6040 Trade Shows	-	12,500	-	-
9997 Special Programs	45,200	252,650	150,000	204,300
9004 Adm Transfer to Fund 004	-	778,752	778,752	785,255
9015 Adm Transfer to Fund 015	967,000	1,791,031	1,791,031	2,075,000
Services & Charges Subtotal	1,126,963	2,974,835	2,864,485	3,204,310
Division Total	\$ 1,161,988	\$ 3,087,771	\$ 2,897,204	\$ 3,308,118

City of La Porte, Texas
Economic Development Corporation
038-6030-565
Detail of Expenditure

		Actual 2018-19	Actual 2019-20	Actual 2020-21	Budget 2021-22	Estimated 2021-22	Notes - Revised Estimate	Requested 2022-23	Notes - Departmental Request
Personal Services:									
1010	Regular Earnings	\$ 71,734	\$ 65,453	\$ 16,439	\$ 78,071	\$ 14,138		\$ 71,381	
1020	Overtime	160	-	-	-	-		-	
1030	Certification	-	-	-	-	-		-	
1035	Longevity	166	322	180	228	-		36	
1060	FICA	5,391	5,015	1,078	5,990	1,082		5,464	
1065	Retirement	11,605	10,713	2,250	12,747	2,302		11,627	
1067	PARS Retirement	-	174	44	-	48		-	
1080	Insurance - Medical	12,000	15,000	15,000	15,000	15,000		15,000	
1081	Insurance - Life	-	-	-	-	-		-	
1090	Other Benefits	-	-	-	-	-		-	
Personal Services Subtotal		101,056	96,677	34,991	112,036	32,569		103,508	
Supplies:									
2001	Office Supplies	-	9	-	200	100		200	
2002	Postage	1	-	34	200	50		100	
2015	Other Supplies	705	457	-	500	-	YTD \$0	-	TIRZ Board dinners Removed, moved to GF Non Dept per CM meeting
Supplies Subtotal		706	466	34	900	150		300	
Services & Charges:									
3001	Memberships & Subscriptions	20,759	63,261	20,000	41,055	41,055		41,055	BAHEP \$20,000; Economic Alliance \$20,000; TEDC \$500; Associate TCMA \$130; TCMA Region 6 \$25; ICSC \$400 (Coordinator and Three Board Members)
3020	Training/Seminars	5,131	3,851	-	7,200	-		7,200	TCMA Conference \$2,000; TEDC Conference \$1,500, Webinars \$200; Mileage \$1,500; TML Conference \$2,000
3024	Tuition Reimbursement	-	-	-	-	-		-	
4060	Technology Lease Fees	-	602	625	647	647		500	
5001	Accounting	5,000	5,000	5,000	5,000	5,000		5,000	Annual Audit
5003	Legal	31	-	-	-	-		-	
5007	Other Professional Services	75,000	79,500	79,500	75,500	75,500		75,500	Harris County Bus \$71,000; CivicPlus \$4,500
6002	Printing & Reproduction	-	-	-	500	500		500	
6005	Advertising	5,460	4,345	9,638	10,000	22,000		10,000	Mid-year Opportunites \$10,000
6040	Trade Shows	343	95	-	12,500	-		-	
9050	Contingency	-	-	-	-	-		-	
9997	Special Programs	124,846	-	45,200	252,650	150,000	Increase to \$150,000 per CM meeting YTD \$72,000	204,300	Merit \$2,150 & COLA 3% \$2,150 ; Mid-year Opportunities \$200,000; Public Art Program \$50,000 Removed per CM meeting
9004	Adm Transfer to Fund 004	1,033,362	1,004,822	-	778,752	778,752		785,255	
9015	Adm Transfer to Fund 015	1,835,700	1,292,950	967,000	1,791,031	1,791,031		2,075,000	Signage Project Phase III \$350,000, Golf Course Fence \$475,000, Golf Course Pond Remediation \$150,000, Wave Pool Enhancements \$500,000, Phase II of Rec Center Renovation \$1,742,378 Remove per and add \$250,000 for Rec Center per CM meeting Added \$350K for Golf Course Land and Development Project per ACM email 06/20
Services & Charges Subtotal		3,105,632	2,454,426	1,126,963	2,974,835	2,864,485		3,204,310	
Division Total		\$ 3,207,394	\$ 2,551,569	\$ 1,161,988	\$ 3,087,771	\$ 2,897,204		\$ 3,308,118	