

YOLANDA FORD
Chair
CHRIS PRESTON
Vice-Chair
VASHAUNDR A EDWARDS
Director
CHERYL STERLING
Director
JEFFREY L. BONEY
Director



ANTHONY G. MAROULIS
Director/Secretary
FLOYD EMERY
Director
BILL ATKINSON
Interim General Manager
MARIA JACKSON
Assistant Secretary

MISSOURI CITY DEVELOPMENT AUTHORITY MINUTES

The Board of Directors of the Missouri City Development Authority held a meeting on **Monday, May 4, 2020**, at **6:45 p.m.** in the City Hall, Council Chamber, 1522 Texas Parkway, Missouri City, Texas, to consider the following:

Due to the COVID 19 Disaster and the Center for Disease Control's recommendation regarding social distancing measures, the Chair, Vice-Chair, Directors, City Staff members, and members of the public were not physically present during this meeting. The meeting was made possible through the cloud-based video conferencing platform Zoom.

1. CALL TO ORDER

Chair Ford called the meeting to order at 7:39 p.m.

Those also present: Vice-Chair Preston, Directors Edwards, Sterling, Boney, Maroulis, and Emery; Interim General Manager Atkinson, Assistant Secretary Jackson, City Attorney Iyamu, Director of Financial Services Portis and Director of Communications Walker.

2. Consider approving the minutes of the meeting of March 2, 2020.

Director Emery moved to approve the minutes of the March 2, 2020 meeting. Director Maroulis seconded.
MOTION PASSED UNANIMOUSLY.

Ayes: Mayor Ford, Vice Chair Preston, Director Edwards, Director Sterling,
Director Boney, Director Maroulis and Director Emery
Nays: None

3. Public comments.

There were no public comments.

4. Consider authorizing a reimbursement to Fort Bend County from Tax Increment Reinvestment Zone Number Two.

Director of Financial Services Portis presented an overview on the reimbursement to Fort Bend County from Tax Increment Reinvestment Zone Number Two. Portis noted the TIRZ Board No. 2 met and approved the reimbursement on April 29, 2020 for \$58,692 plus \$29.04 interest per day for each day after April 30, 2020 until payment was made. Director Sterling asked why they had not been reimbursed until now. Portis noted the turnover in the Financial Services Department and stated she was not sure why the payment was not made in Fiscal Year 2017. Sterling asked for the difference in the reimbursement from 2017 to 2020. Portis stated the reimbursement would be of \$58,692 plus a 2% interest, which the City benefits from.

Chair Ford asked if this was an example of not having any processes to catch items as such. Portis stated that there were a lot of contracts and prior to a person coming onboard, they may not know about it unless it was brought to their attention. She stated she knew about this item last year and worked through reviewing contracts and expenditures to get to this point. City Attorney Iyamu stated most contracts include a trigger, which pertains to the developer submitting a request for reimbursement. Director Emery asked if they received a notice. Portis stated this agreement seemed to be different from other developer agreements, as it was only a reimbursement to Fort Bend County and it was not noted in the contract that they would need to notify the City about the reimbursement. Interim General Manager Atkinson noted that in the 2016-17 timeframe, there was a review happening of the TIRZ accounts to see what the obligations were.

Director Edwards asked who was the supervisor that allowed the project to go through without being notified. Portis stated she believed the agreement was executed in December 31, 2013 and she was not sure who was the supervisor at that time. Edwards asked if anyone was monitoring it and if they had any type of internal monitoring of such projects. Portis stated they have it in place when she came on board. Portis noted there was a consultant that reviewed all of the TIRZ agreements for any outstanding payments.

Chair Ford asked if they had to pay that amount in interest because they waited two years. Atkinson stated that with the way the agreement was constructed, that amount would come back to the City for other projects. Director Sterling stated there should be parameters put in place to avoid these situations. Ford stated the funds would go back into a transportation project but it would not go into a project of the City's choice but instead of the County's choice. She requested a process in place for items like this in order not to pay penalties. Atkinson agreed with Chair Ford and noted Director Portis would put a process in place to have these items done in a timely manner. Iyamu stated internally they would be making contractual policies to cap the interest payment to two years.

Director Boney agreed with his colleagues that a procedure should be put in place and that this particular contract would not cost the City money. Boney asked if the reimbursement was being done because of the interest or did it need to be done anyway. Portis stated they were supposed to give them \$530,000 from TIRZ revenue. Atkinson clarified the only difference was the \$58K. Portis confirmed the reimbursement was due anyway.

Director Boney moved to approve a reimbursement to Fort Bend County from Tax Increment Reinvestment Zone Number Two. Director Emery seconded. **MOTION PASSED.**

Ayes: Mayor Ford, Vice Chair Preston, Director Sterling, Director Boney, Director Maroulis and Director Emery
Nays: Director Edwards

5. Consider authorizing a reimbursement to Houston Community College System from Tax Increment Reinvestment Zone Number Three.

Director Portis presented an overview on a reimbursement to Houston Community College System from Tax Increment Reinvestment Zone Number Three. Director Emery asked about the total amount to be considered. Portis stated the total amount of expenditures of \$945,815.09. The amount to be paid to them was based on the amount they paid in. Emery asked about their commitments in 2015 and 2016. Portis stated they had not been billed for \$70,041.73 in 2015 and \$125,991.97 for 2016. Portis noted they had not been billed for 2017-19. Director Sterling asked about them not being billed. Portis stated they were not billed as they requested to no pay since they were waiting on the reimbursement. Director Boney asked about the Financial Services recommendation. Portis stated the recommendation was to authorize the reimbursement to Houston Community College System in an amount not to exceed their contribution

to the Tax Increment Reinvestment Zone Number Three or \$945,815.09. Interim General Manager Atkinson asked if it included educational facilities. City Attorney Iyamu confirmed.

Director Boney moved to approve a reimbursement to Houston Community College System from Tax Increment Reinvestment Zone Number Three. Director Sterling seconded. **MOTION PASSED UNANIMOUSLY.**

Ayes: Mayor Ford, Vice Chair Preston, Director Edwards, Director Sterling, Director Boney, Director Maroulis and Director Emery
Nays: None

6. Discuss the termination of the interlocal agreement between Reinvestment Zone Number Three, City of Missouri City, the City of Missouri City, Texas, and the Houston Community College System for the Houston Community College System's participation in Reinvestment Zone Number Three, City of Missouri City.

City Attorney Iyamu presented an overview on the termination of the interlocal agreement between Reinvestment Zone Number Three, City of Missouri City, the City of Missouri City, Texas, and the Houston Community College System for the Houston Community College System's participation in Reinvestment Zone Number Three.

Director Sterling asked if they terminate the agreement, would it have any bearing on the collection of the funds. Iyamu stated the contract stated they did not have to fulfill any obligations of the contract once it was terminated. She noted the payments could only be used for their facility, but because they no longer own a facility in the zone, the collection of the funds would cause no impact to the zone itself.

Sterling asked if there would be an impact on the reimbursement. Iyamu stated the City would expend dollars to reimburse something whereas the contract provides a relief as they would not have to pay. Portis explained the inefficiency of not terminating the agreement.

7. ADJOURN

Without objection, Chair Ford adjourned the meeting at 8:13 p.m.

BY: _____
Yolanda Ford, Chair

ATTEST: _____
Anthony G. Maroulis, Secretary