

GCEDD BOARD MEETING AGENDA



WEDNESDAY, APRIL 24, 2024

1. Call to Order

2. Welcoming Remarks

3. Pledge of Allegiance

4. Roll Call and Housekeeping

5. Public Comment

6. Action Items

6A. Meeting Minutes

- Request approval of the minutes from the February 21, 2024 meeting

6B. GCEDD Financial Report

- Request approval of the financial reports for the periods ending:
 - October 31, 2023
 - December 31, 2023
 - March 31, 2024

6C. GCEDD Bylaws Update

- Vote to update Bylaws for the GCEDD

7. Information

7A. Loan Program Report

7B. Comprehensive Economic Development Strategy Outline

7C. Broadband Initiative Update

8. Presentations

8A. Fair Housing

8B. Workforce Regional Update

8C. Workforce Apprenticeship Program Highlight

9. Other

9A. General Staff Updates

9B. Other Business

9C. Closing Remarks

9D. Next Meeting – July 10, 2024

10. Adjourn Meeting

6. Action Items

6A. Meeting Minutes

February 21, 2024

GULF COAST ECONOMIC DEVELOPMENT DISTRICT

QUARTERLY MEETING AGENDA

GCEDD Board of Directors



Wednesday, February 21st 2024

3555 Timmons Ln
Houston, Texas 77027

10:00 a.m. – 12:00 p.m.

Room 2ABC

Zoom Meeting registration:

https://us06web.zoom.us/meeting/register/tZAtd-Curj0jEtYsHq3_dgBcBzVs2A8aFAex

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- 1) Call to Order and Welcoming Remarks
Start at 10:11am. Judge Rozell gave opening remarks.
 - 2) Pledge of Allegiance
 - 3) Roll Call and Housekeeping (Staff contact: Darryl Briscoe)
Present:
Mike Rozell
Carlos Guzman
Andrew Van Chau
Lance Dean
Jimmy Henry
Josh Owens
Chad Burke
Danielle Scheiner
Dianna Grobe
Guy Robert Jackson
B.J. Simon
Patti Worfe
Mike Ferdinand
Marlon D. Mitchell

Absent:
John Isom
Frank M. Jordan
Dane Carlson
Gwen Tillotson
Vince Yokom
Michele Hay

Courtland Holman
Wendell Null

Quorum was met.

- 4) Public Comment
No public comments.

ACTION

- 5) Meeting minutes - (April 21st, 2023 and September 6th, 2023) Meeting
Request approval of the minutes from the (January 20, 2023) meeting. (Staff contact: Darryl Briscoe)
Motion by Mike Rozell
Second by Guy Robert Jackson
All previous minutes are approved.
- 6) GCEDD Financial Report – (Approve April 21st and September 6th)
Request approval of the financial report for the period ending (April 2023 and June 2023). (Staff contact: Shaun Downie)
Motion by Josh Owens
Second by Dianna Grobe
The April and June financials were approved.
- 7) GCEDD Financial Report – (Approve December 2023)
Request approval of the financial report for the period ending (December 2023). (Staff contact: Shaun Downie)
Motion by Danielle
Second by Andrew Van Chau
The October financials were not approved and were tabled for further evaluation. There was a typo regarding December financials, and this is in reference to the October financials.
- 8) GCEDD Financial Report – (Approve January 2024)
Request approval of the financial report for the period ending (January 2024). (Staff contact: Shaun Downie)
Motion by Danielle
Second by Andrew Van Chau
The financials were not approved and were tabled for further evaluation. This was a typo and was in reference to December (End of Year) financials.
- 9) GCEDD Bylaws update – (Approve updates to Bylaws)
Vote to update Bylaws for the GCEDD. (Staff contact: Omar Fortune)
There were suggested updates to the Bylaws and the approval was tabled to the April meeting.

INFORMATION

10) Loan Program Report – (December 2023)

Update of the lending program for the period ending in (January 2024). (Staff contact: Isaac Perez)

Isaac Perez presented the loan program to the board and gave an update on the status of the lending opportunities.

11) Adjourn meeting

Motion to Adjourn by Guy Robert Jackson

Second by Lance Dean

Adjourned meeting at 11:21am

For questions or comments, please contact Darryl Briscoe at 832-298-7640 or darryl.briscoe@h-gac.com

In compliance with the Americans with Disabilities Act, H-GAC provides for reasonable accommodation for persons attending H-GAC functions. Requests should be received by H-GAC 24 hours prior to the function.

6B. Financial Reports

Financial Reports - October 2023

- Income Statement
- Balance Sheet

**H-GAC COMPONENT UNITS
GULF COAST ECONOMIC DEVELOPMENT DISTRICT
STATEMENT OF REVENUE AND EXPENDITURES
01/01/23 - 10/31/2023**

REVENUE

	<u>10/31/2023</u>	<u>10/31/2022</u>
Notes Interest		
- EDA RLF	25,314	38,409
- CARES RLF	32,360	705
- CARES RLF 2	4,966	
- RRR RLF	2,262	
Program Revenue		
- EDA Cares	592,917	250,598
- EDA Broadband	36,788	
- EDA Planning	43,554	
- CDFI	125,000	100,000
- Fortbend County	1,400,000	500,000
Interest	15,716	1,254
Total REVENUE	<u>2,278,876</u>	<u>890,966</u>

EXPENSE

Bank Fee	-	
Bad Debt Expense - Write Off	-	
H-GAC Management Expense		
- Personnel	408,597	216,981
- Indirect	37,498	21,893
- Other Contract Services	48,222	21,544
- Travel	1,721	889
- Rent	19,181	14,629
- Grants	150,000	
- Bad Debt Expense - Write Off		104,752
- Others	72,418	77,798
Total EXPENSE	<u>737,638</u>	<u>458,486</u>
NET INCOME	<u><u>1,541,238</u></u>	<u><u>432,480</u></u>

**H-GAC COMPONENT UNITS
GULF COAST ECONOMIC DEVELOPMENT DISTRICT
BALANCE SHEET
AS OF 10/31/2023**

ASSETS	<u>10/31/2023</u>	<u>10/31/2022</u>
Cash	1,347,841	1,009,601
Accounts Receivable	-	3,400
Loan Receivable		
Regular -RLF	1,018,624	1,484,248
CARES ACT - RLF	822,621	1,261,341
CARES ACT - RLF 2	526,279	
RRR RLF Loan	1,279,168	
Total ASSETS	<u>4,994,533</u>	<u>3,758,590</u>
LIABILITIES & EQUITY		
Liabilities		
Accounts Payable - LDC	-	45,050
Accounts Payable - H-GAC	161,798	113,192
Total Liabilities	<u>161,798</u>	<u>158,242</u>
Equity		
Retained Earnings	<u>3,291,496</u>	<u>3,167,869</u>
	3,291,496	3,167,869
Net Income	<u>1,541,238</u>	<u>432,480</u>
Total Equity	<u>4,832,735</u>	<u>3,600,349</u>
Total LIABILITIES & EQUITY	<u>4,994,533</u>	<u>3,758,590</u>

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Financial Reports - December 2023

- Income Statement
- Balance Sheet

**H-GAC COMPONENT UNITS
GULF COAST ECONOMIC DEVELOPMENT DISTRICT
STATEMENT OF REVENUE AND EXPENDITURES
01/01/23 - 12/31/2023**

REVENUE

	<u>12/31/2023</u>	<u>12/31/2022</u>
Notes Interest		
- EDA RLF	28,068	43,575
- CARES RLF	36,880	13,023
- CARES RLF 2	8,468	
- RRR RLF	5,588	
Program Revenue		
- EDA Cares	892,917	231,202
- EDA Broadband	189,351	3,291
- EDA Planning	43,554	94,479
- CDFI	125,000	100,000
- Fortbend County	1,400,000	500,000
Interest	20,227	3,102
Total REVENUE	<u>2,750,054</u>	<u>988,672</u>

EXPENSE

Bank Fee	-	
Bad Debt Expense - Write Off	-	
H-GAC Management Expense		
- Personnel	456,697	292,971
- Indirect	35,226	29,561
- Other Contract Services	137,932	44,044
- Travel	1,721	4,190
- Rent	19,947	19,447
- Grants	150,000	270,000
- Others	79,891	100,080
- Bad Debt Expense - Write Off	340,401	104,752
Total EXPENSE	<u>1,221,814</u>	<u>865,045</u>
NET INCOME	<u><u>1,528,240</u></u>	<u><u>123,627</u></u>

**H-GAC COMPONENT UNITS
GULF COAST ECONOMIC DEVELOPMENT DISTRICT
BALANCE SHEET
AS OF 12/31/2023**

ASSETS	<u>12/31/2023</u>	<u>12/31/2022</u>
Cash	1,772,025	1,259,402
Accounts Receivable	147,063	87,130
Loan Receivable		
Regular -RLF	713,815	1,130,728
CARES ACT - RLF	771,839	1,120,061
CARES ACT - RLF 2	819,275	
RRR RLF Loan	1,203,793	
Total ASSETS	<u>5,427,810</u>	<u>3,597,321</u>
LIABILITIES & EQUITY		
Liabilities		
Accounts Payable - H-GAC	608,074	305,825
Total Liabilities	<u>608,074</u>	<u>305,825</u>
Equity		
Retained Earnings	<u>3,291,496</u>	<u>3,167,869</u>
	3,291,496	3,167,869
Net Income	<u>1,528,240</u>	<u>123,627</u>
Total Equity	<u>4,819,736</u>	<u>3,291,496</u>
Total LIABILITIES & EQUITY	<u>5,427,810</u>	<u>3,597,321</u>

Financial Reports - March 2024

- Income Statement
- Balance Sheet

**H-GAC COMPONENT UNITS
GULF COAST ECONOMIC DEVELOPMENT DISTRICT
STATEMENT OF REVENUE AND EXPENDITURES
01/01/24 - 03/31/2024**

REVENUE

	<u>3/31/2024</u>	<u>3/31/2023</u>
Notes Interest		
- EDA RLF	5,999	8,366
- CARES RLF	8,363	62
- CARES RLF 2	7,813	
- RRR RLF	5,744	
Program Revenue		
- EDA Cares	220,870	
- EDA Broadband	-	
- EDA Planning	-	
- CDFI	-	
- Fortbend County	-	
Interest	8,621	3,750
Total REVENUE	<u>257,410</u>	<u>12,178</u>

EXPENSE

Bank Fee	-	
Bad Debt Expense - Write Off	-	
H-GAC Management Expense		
- Personnel	56,852	96,548
- Indirect	2,645	11,064
- Other Contract Services	79,751	4,500
- Travel	865	-
- Rent	1,122	6,603
- Grants	-	
- Others	6,278	21,192
- Bad Debt Expense - Write Off	-	
Total EXPENSE	<u>147,513</u>	<u>139,907</u>
NET INCOME	<u><u>109,897</u></u>	<u><u>(127,729)</u></u>

**H-GAC COMPONENT UNITS
GULF COAST ECONOMIC DEVELOPMENT DISTRICT
BALANCE SHEET
AS OF 03/31/2024**

ASSETS	<u>3/31/2024</u>	<u>3/31/2023</u>
Cash	2,448,458	1,085,365
Accounts Receivable	22,503	7,687
Loan Receivable		
Regular -RLF	814,513	1,082,977
CARES ACT - RLF	1,512,225	1,166,744
CARES ACT - RLF 2	853,270	
RRR RLF Loan	1,158,250	140,000
Total ASSETS	<u>6,809,219</u>	<u>3,482,773</u>
LIABILITIES & EQUITY		
Liabilities		
Accounts Payable - LDC	-	
Accounts Payable - H-GAC	1,879,586	319,006
Total Liabilities	<u>1,879,586</u>	<u>319,006</u>
Equity		
Retained Earnings	4,819,736	3,291,496
	<u>4,819,736</u>	<u>3,291,496</u>
Net Income	109,897	(127,729)
Total Equity	<u>4,929,633</u>	<u>3,163,767</u>
Total LIABILITIES & EQUITY	<u>6,809,219</u>	<u>3,482,773</u>

6C. GCEDD Bylaws

BYLAWS
OF
GULF COAST ECONOMIC DEVELOPMENT DISTRICT, INC.

ARTICLE I

Name and Purpose

Section 1. Name. The name of the corporation is the Gulf Coast Economic Development District, Inc. (District)

Section 2. Purpose. The purpose of the district is to:

- (a) promote economic growth in the Gulf Coast State Planning Region of Texas;
- (b) increase employment opportunities for unemployed and underemployed persons;
- (c) assist and coordinate economic development planning efforts of local governments and local economic development organizations;
- (d) coordinate economic development planning with transportation planning, community development programs, job training programs, small business development programs and other programs and activities which might stimulate the region's economic betterment;
- (e) implement an economic development technical assistance program which includes workshops, assistance in implementing economic programs, and assistance to local organizations applying for grant assistance for economic development purposes;
- (f) develop a regional Comprehensive Economic Development Strategy (CEDS);
- (g) conduct other activities supporting the region's economic development goals and objectives; and
- (h) All other rights and powers granted to the District as a non-profit organization incorporated under the Texas Non-Profit Corporation Act.

Section 3. Service Area. The District shall serve the counties of Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Harris, Liberty, Matagorda, Montgomery, Walker, Waller, and Wharton.

ARTICLE II

Board of Directors

Section 1. General Powers and Qualification. The business and affairs of the District shall be exercised, controlled, and supervised by its Board of Directors (Board). The Board shall be composed of the necessary representatives so as to comply with the Economic Development Administration's regulations and shall include officials

and/or employees of general purpose local governments, ~~and~~ private sector representatives, and others representing regional economic development interests. Until changed by amendment to these bylaws, the number of directors serving on the Board of Directors (Directors) shall be at least 19. The Board will be broadly representative of the District's service area's principal economic interests including business, labor, and education.

Section 2. Composition. The Board will be comprised of the following representatives:

- (a) Local Government Officials. At least a simple majority of the Board shall be elected officials and/or employees of ~~general purpose~~general-purpose units of local government appointed to represent such governments.
- (b) Private Sector Representatives. At least one (1) but no more than five (5) of the Board's membership shall be a private sector representative who are neither elected officials of a ~~general purpose~~general-purpose unit of government nor employees of such government appointed to represent that government. These representatives should have regional interests and not use H-GAC or GCEDD information to gain a competitive advantage. Upon the inability to locate a Private Sector Representative to serve, following extensive due diligence, the Assistant Secretary may waive the Private Sector requirement. The Assistant Secretary shall not delegate the authority to grant a waiver pursuant to 13 C.F.R. part 304.2 of EDA regulations.
- (c) Regional Principal Economic Interests. At least one (1) but no more than five (5) of the following: Representatives of Chambers of Commerce, Economic Development Corporations, institutions of post-secondary education, workforce development groups, industry associations, other economic development organizations, and individuals with an economic development background. At least one (1) or more of the following: Executive Directors of Chambers of Commerce, Economic Development Corporations, or representatives of institutions of post-secondary education, workforce development groups or labor groups, all of which must comprise in the aggregate a minimum of thirty five (35) percent of the Board's membership.

Section 3. Representation and Method of Appointment – Local Government. Local government representation and method of appointment shall be as follows:

- (a) Each County government which has resolved to support and join the District may appoint one representative ~~and one alternate~~. Total Board membership representing County government will not exceed thirteen (13).
- (b) Cities that maintain a three-year average Sales and Use Tax Revenue of \$250,000,000 or more may appoint one representative. For city

representation, if there is more than one city within a county with a three-year average of \$250,000,000 or more in sales and use tax revenue, the city with the greatest amount of sales and use tax revenue shall preside. Currently, these cities are: Conroe, Houston, Pearland, and Sugar Land.

- To update city membership, GCEDD staff will review sales and use tax via the Texas Comptroller's Office periodically through staff discretion or upon request.
- If a city falls below the three-year average \$250,000,000 threshold, they will be removed from membership.
- This does not impact county representation. The cities of Houston, Pasadena, Baytown, Galveston, and Texas City, when they have resolved to support and join the District, may appoint one representative and one alternate each.

Section 4. Representation and Method of Appointment – Private Sector Representatives and Regional Economic Interests. Private Sector Representatives and those representing Regional Economic Interests will be appointed by the Houston-Galveston Area Council Board of Directors. ~~Private Sector Representatives and those representing Regional Economic Interests may designate one alternate each. Alternate designations will be submitted annually in writing prior to the first meeting of each year. Additional private citizen representatives may be appointed when necessary to achieve the requirement contained in Article II, Section 2 b and c.~~

Section 5. Tenure. All representatives shall serve terms of three years. Each Director shall serve for his or her term of office, and until his or her successor shall have been duly appointed pursuant to Sections 3, and 4 of Article II of these bylaws. All Directors are eligible for re-appointment without limitation, so long as they continue to meet qualifications for the category they represent.

Section 7. Vacancies. Vacancies in the Board may be filled in the same manner as Directors are initially appointed, for the same category of Directors. If an appointment is made to fill a vacancy on the Board, the successor Director shall serve for the remaining unexpired term of his or her predecessor.

Section 8. Resignation. Each Director shall have the right to resign at any time upon written notice thereof to the President or Secretary of the District. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective.

ARTICLE III

Duties of the Board

Section 1. General. The corporate powers, business, and property of the board shall be exercised, conducted, and controlled by the Board. The Board shall serve as the policy making body of the District.

Section 2. Organization. The Board ~~may recruit and retain staff or may will contract work with its sponsoring agency~~ for staff services, ~~to include . The Board shall designate the an~~ Executive Director ~~of its sponsoring agency~~ to serve as its Chief Administrative Officer. ~~The Board shall and~~ adopt ~~its sponsoring agency's~~ management and accounting ~~policies and procedures.~~

Section 3. Contracts. ~~On behalf of the Board, the Executive Director~~ will have authority to enter into contracts and to accept and expend funds from federal, state, and local governmental and private sources.

Section 4. Subcommittees. The Board may establish such subcommittees as it deems necessary to conduct its work. ~~The duties of such subcommittees will be determined by the Board upon the establishment of each such subcommittee.~~

Executive Committee. ~~The GCEDD will have an Executive Committee which shall serve in an advisory capacity to the President and shall consist of the District Officers. The Executive Committee will meet as needed and at the discretion of the Board President to provide counsel on the strategic direction of the Board. The Executive Committee will be responsible for the creation of additional subcommittees and appointment of committee members to these committees as the need arises and as the Board may direct.~~

Other Subcommittees. The duties of such subcommittees will be determined by the Board Executive Committee upon the establishment of each such subcommittee.

- Membership. Board members who are not formally appointed to a committee may volunteer to join the committee and meet with appointed committee members to carry out committee business, including voting on matters before the committee.
- Term. Committees that are not standing committees, such as the Executive Committee, will be active for a necessary period until their objectives are met.
- Other duties. Committees will provide progress reports and/ or updates during regularly scheduled board meetings, or more frequently, if necessary and requested by the Executive Committee.

Section 5. Civil Rights. The Board will establish procedures and take actions necessary to assure compliance with all applicable civil rights laws and regulations.

Section 6. Comprehensive Economic Development Strategy (CEDS). The Board shall be responsible for reviewing, updating, and adopting a CEDS for the District and method of compliance with the applicable requirements of 13 C.F.R. part 303 of EDA regulations.

Section 7. Technical Assistance. The Board may authorize a program of technical assistance to the District service area, including but not limited to workshops and seminars, and information and assistance on state and federal economic development grants and loans.

Section 8. Coordination and Implementation. The Board will coordinate the District's activities with local governments, ~~and~~ economic development agencies, and other stakeholders. It shall exercise other duties as necessary to ~~as~~ensure implementation of an effective economic development program and compliance with 13 C.F.R. parts 303 and 304.2 of EDA regulations. The Board grants autonomy to the Board's staff members to carry out and further economic development activities in compliance with the regulations of the Board. The Board requires that all staff projects and opportunities requiring Board action be presented to the Board for its approval decision (i.e., funding opportunities).

Section 9. Public Participation. The Board will hold meetings open to the public at least once a year and shall also publish the date and agenda of such meetings sufficiently in advance to allow the public reasonable time to prepare in order to participate effectively. The District shall provide information sufficiently in advance of decisions to give the public adequate opportunity to review and react to proposals. The Board will provide admittance to meetings to persons who are not members of either the Houston-Galveston Area Council or the District to enable such persons to make their views concerning ongoing and proposed activities in the District's service area known, in compliance with 13 C.F.R. part 304.2 of the EDA regulations.

ARTICLE IV

Meetings of the Board

Section 1. Regular Meetings. Regular meetings of the Board shall be held four (4) times each fiscal year in person, virtually, or hybrid formats. Directors participating virtually must be visible on camera. Directors must attend at least two regular meetings annually in order to remain in good standing.

Section 2. Special Meetings. Special meetings may be called by the Board President, Chief Administrative officer of the District, or upon the request of at least three members of the Board. All requirements for notice, quorum and other rules governing regular meetings shall apply to special meetings.

Section 3. Notice. All meetings of the Board shall be called by written notice via United States mail electronic mail, or fax at least three (3) days prior to the meeting. Such notice shall state the date, hour, and place where such meeting shall take place. A waiver of notice in writing and signed by the person entitled to such notice, whether before or after the time the notice is required, shall be equivalent to the giving of such notice. Attendance of a Director at a meeting shall constitute notice of such meeting except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

| Section 34. Quorum. At any meeting of the Board, with one-third of current Directors or alternates being present in person or by teleconference and entitled to vote at

such meeting shall constitute a quorum for all purposes, except where it is otherwise provided by law. Directors participating virtually must be visible on camera.

Section 45. Organization. The President of the Board, or in his or her absence, the Vice ~~President~~ of the Board, or in his or her absence, the Board Secretary/ Treasurer, or in his or her absence, a chairperson chosen by the Directors present, shall preside at each meeting of the Board.

Section 56. Manner of Acting. The District shall adopt a system of parliamentary procedures to assure that Board members and others have access to an effective opportunity to participate in the affairs of the District. The affirmative vote of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board. Any action required to be taken at a meeting of the Board may be taken without a meeting if consent is given in writing setting forth the action to be taken. ~~Written consent shall be signed by all members of the Board and such consent shall have the same force and effect of a unanimous vote.~~

Section 67. Proxies. Voting by the Directors ~~or their alternates~~ shall be done in person or via teleconference at a meeting called or by proxy pursuant to these bylaws.

Section 78. Conflict of Interest. The District will prevent conflicts of interest pursuant to 13 C.F.R. part 302.17 of EDA regulations and the International Development Council's Code of Ethics.-

Section 89. Attendance and Removal of Board Members. ~~Any Director or their alternate failing to attend two regular Board meetings in person or via teleconference within a calendar year will be considered for removal from the Board.—~~ Directors who are absent (no call/ no show) for two meetings within a year will receive a notice that they are in jeopardy of being removed from the Board. A copy of this notice will also be sent to their nominator, if applicable. Directors who miss three meetings without reason will be removed. A copy of the notice will be sent to the director and the nominator. We will also ask the nominator to nominate a new representative for their community. The roster will reflect the absentee director until a replacement is appointed. For Directors who voluntarily step down from the board, we will ask the nominator to submit a replacement nominee to fill the vacant seat as quickly as possible.

Removal of Board Mmembers due to attendance, conflicts, and/ or conduct shall be acted upon by the Board Members pursuant to these Bylaws. ~~Executive Committee and Board members.~~

ARTICLE V

Officers

Section 1. Officers. The officers of the District shall consist of an Executive Director (or designee), (~~designated~~ in accordance with Article III, Section 2 of these bylaws) a President, a Vice President, a Secretary, ~~an Assistant Secretary, and a~~ Treasurer, all of whom shall be elected by the Board. ~~Any two offices may be held by the same person except the offices of the President and Secretary.~~ The Board may from time to time grant certain officers the right to act on behalf of the District and at all times the President, Vice President, and Executive Director are each authorized to execute and deliver agreements and other instruments on behalf of the District.

Section 2. Subordinate Officers and Employees. The Board may appoint and remove such other officers and employees as it may deem necessary, who shall have authority and perform such duties, as from time to time may be prescribed by the Board.

Section 3. Tenure of Office and Removal. The tenure of office of each officer of the Board shall be one year. Any officer may be removed at any time prior to the expiration of his or her term by affirmative vote of two-thirds of the Directors present, at a meeting duly called and held where a quorum is present.

Section 4. Term Limits. ~~An Officer may not hold an individual Officer position for more than 36 years. An Officer may be nominated for and hold a different Officer position at the conclusion of their term limit.~~

Section 54. The President. The President shall preside at all meetings of the District and at all meetings of the Directors at which he or she is present. He or she shall see that all orders and resolutions of the Board are carried into effect.

Section 65. Vice-President. The Vice-President shall, in absence of the President, or in the case of his or her inability to act, be vested with the powers and shall perform the duties of the President. The Vice-President shall also perform such other duties and exercise such other powers as may from time to time may be imposed upon or vested in him or her by resolution of the Board.

Section 76. Secretary/Treasurer. The Secretary shall attend all meetings of the Board.

He or she shall assure that official records of the Board ~~shall be~~ maintained; ~~and give~~ notice of all meetings ~~as required are provided; and by these bylaws. the financial affairs of the District are soundly monitored.~~ He or she shall perform such other duties as may from time to time be prescribed by the Board.

~~Section 7. Assistant Secretary. The Assistant Secretary shall perform the duties if the Secretary in his or her absence.~~

~~Section 8. Treasurer. The Treasurer shall be responsible for reports to the Board concerning the financial affairs of the District. He or she shall perform such other duties as the Board may from time to time prescribe.~~

Section 89. Executive Director. The Board may employ or designate an Executive Director. Such Executive Director may not be a member of the Board. The Executive Director shall be Chief Administrative Officer for the District. He or she shall employ, direct and supervise District staff and staff activities pursuant to District policies.

Section 910. Vacancies in Office. If an office of the District becomes vacant by reason of death, resignation, retirement, disqualification or removal from office or inability to act, the Board may, in every such case, choose a successor for such officer who shall hold office for such term as may be prescribed by the Board, but no longer than the unexpired term of the officer or agent whose place is vacant, and until his or her successor shall have been duly elected and qualified.

ARTICLE VI

Miscellaneous Provisions

Section 1. Budget. The District's Board shall ~~adopt an annual budget for the operation of the District prior to each fiscal year as established by the Board. Such approve budgets for may include federal, and state, local and other grants for economic development projects and opportunities.~~ The Board shall assure that local matching

funds will be provided for state or federal grants where applicable. The District will make ~~annual~~ budgets information available to the public, as may reasonably be requested.

Section 2. Disbursements. All payments for District expenses shall be in accordance with the ~~District budget and pursuant to~~ fiscal policies and procedures of its sponsoring agency as adopted by the Board.

Section 3. Limitation of Liability. Any debt, liability or obligations of the District shall be those of the District only and not of any other entity participating in the District.

Section 4. Indemnification. The District may indemnify any current or former Director, officer, agent, employee or similar functionary of the District against judgments, penalties, fines, settlements and reasonable expenses actually incurred by such person as provided in Article 1396-2.22A of Vernon's Annotated Texas Statutes, as amended.

Section 5. Contributions. The Board may accept on behalf of the District any contribution, gift, bequest or devise for any purpose of the District.

Section 6. Amendments. The Board may amend or repeal these bylaws or adopt new bylaws consistent with the Articles of Incorporation and laws of this state, upon a majority vote ~~of two-thirds~~ of the Directors, at meetings duly called and held at which a quorum is present. Proposed amendments for initial consideration must be forwarded to each Director at least ten days in advance of a Board meeting.

Section 7. Dissolution. The District's Board may dissolve the District in accordance with the provisions set forth in the Articles of Incorporation and the Texas Non-Profit Corporation Act.

Section 8. Fiscal Year. The fiscal year of the District shall begin on the 1st day of January and end on the 31st day of December of each calendar year.

Section 9. Books and Records. The District shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the meetings of its Board and Subcommittees. The District shall make available to the public such audited statements and minutes of public meetings, as may reasonably be requested. The District and its Board of Directors shall comply with all Federal and State financial assistance reporting requirements pursuant to EDA regulations.

ARTICLE VII

Effective Date

These bylaws shall be effective from and after their adoption until amended or repealed in accordance with the provisions set forth in these bylaws.

DATE OF ADOPTION: _____.

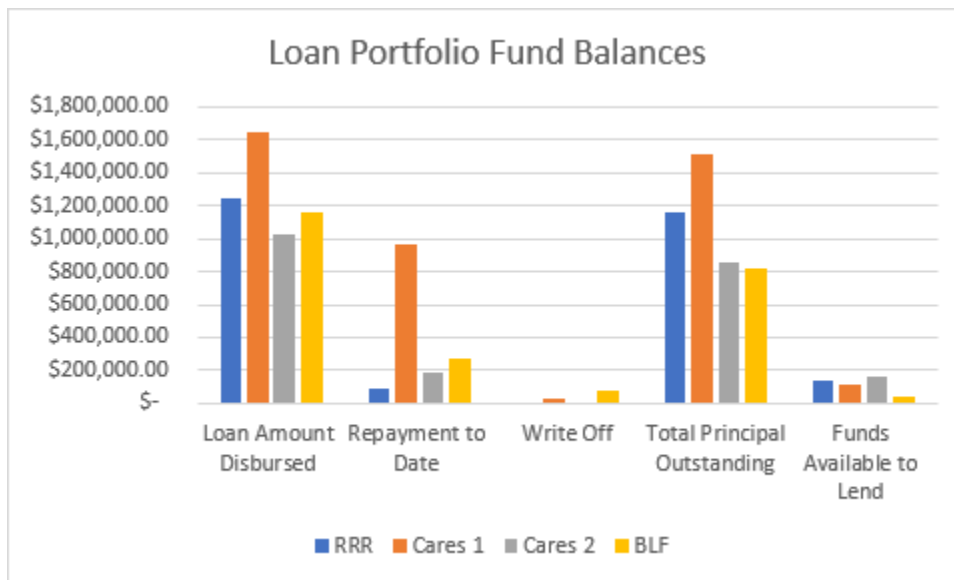
Secretary, Board of Directors

7. Information

7A. Loan Program Report

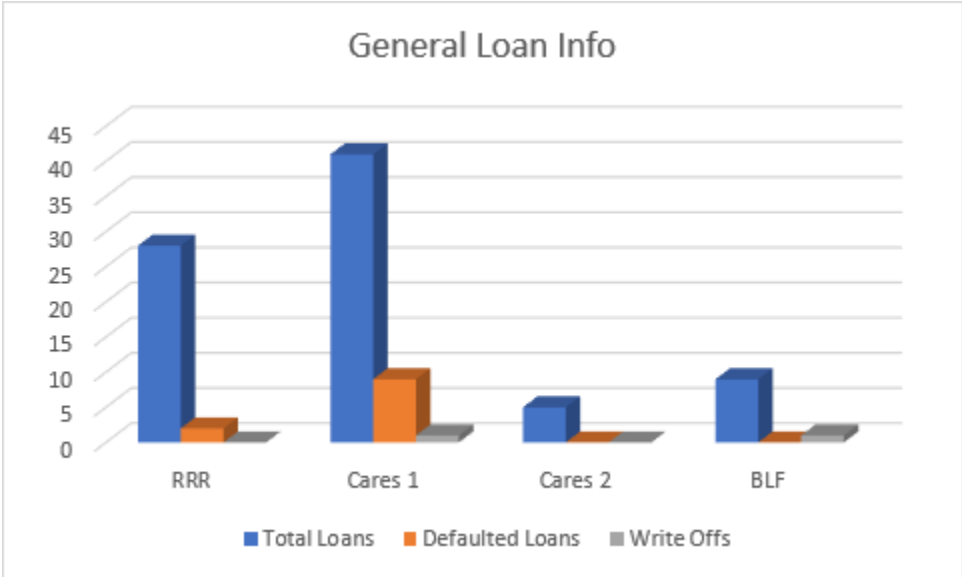
Loan Portfolio Fund Balances

As of 3/31/2024	RRR	Cares 1	Cares 2	BLF	Total
Loan Amount Disbursed	\$ 1,248,000.00	\$ 1,652,500.00	\$ 1,021,000.00	\$ 1,162,313.00	\$ 5,083,813.00
Repayment to Date	\$ 89,750.48	\$ 960,687.83	\$ 183,729.74	\$ 272,635.50	\$ 1,506,803.55
Write Off	\$ -	\$ 29,586.10	\$ -	\$ 75,165.67	\$ 104,751.77
Total Principal Outstanding	\$ 1,158,249.52	\$ 1,512,226.07	\$ 853,770.26	\$ 814,511.83	\$ 4,338,757.68
Funds Available to Lend	\$ 139,750.48	\$ 110,687.83	\$ 167,229.74	\$ 34,282.79	\$ 451,950.84



General Loan Information

As of 3/31/2024	RRR	Cares 1	Cares 2	BLF	Total
Total Loans	28	41	5	9	83
Defaulted Loans	2	9	0	0	11
Write Offs	0	1	0	1	2



7B. Comprehensive Economic Development Strategy Outline

CEDS Annotated Outline

- **Cover page**

Standard cover page with date approval date and GCEDD/H-GAC logos.
- **Table of Contents**

Table of contents will contain outline of the CEDS document. The outline will show page numbers, the document breakdown, and columns.
- **Introduction**
 - **Intro to GCEDD**

Formal introduction to the Board. Provide background information on the Board. Explain when the Board started, the Board's mission, and a small background of some of the Board's past work.
 - **Intro to H-GAC**

Formal introduction to H-GAC. Provide background information on H-GAC and what H-GAC does. Highlight our 13-county service area with the a few data points like estimated population. We then want to highlight some of the successes of H-GAC.
 - **Intro to EDA**

Formal introduction to the Economic Development Administration. Provide background on the EDA and the designation of economic districts. Explain the EDA focus areas and needs for expanding the economy.

 - Focus areas that the EDA are looking to fund in the future.
 - Equity
 - Recovery and resilience
 - Workforce Development
 - Advanced Manufacturing
 - Technology – Based Economic Development
 - Environmentally – Sustainable Development
 - Exports & Foreign Direct Investments
 - **Explanation of CEDS**

Give background of the CEDS, what H-GAC has accomplished during the previous CEDS, and the background of creating the new CEDS.
 - **Regionalism**

Explain the importance of regionalism and how it helps with standardized and collaborative growth. Graph of region.
- **Summary Background to region**

Explain the Gulf Coast Region's leading industries, land assists, and impact to the country. Also add a map of the region with a county breakdown with the major cities.

 - **Population**

- Graph and statistics of the population of the region. Give a small outline and overview of the population.
- **Growth**
Graph and statistics of the forecast of the region. Give an explanation on how the forecast effects the planning of the region in relation to the CEDS.
 - **Ethnicity**
Provide a graph of the racial and ethnic breakdown of the region.
 - **Age**
Provide a graph of the age breakdown of the region and provide background of the PAEG population.
 - **Education**
Provide a graph of the education attainment breakdown of the working age of the region.
 - **Employment**
Provide a graph of employment in the region.
 - **Economic Status**
Provide data of the state of the current economic status.
 - **Environment**
Give an overview of the environment of the environment.
 - **Infrastructure**
 1. **Broadband**
Overview the plan to act as the lead for broadband and the infrastructure planning. Explain the importance of regionalism as it pertains to the development of the economy and the region.
 2. **Utilities**
Overview on the need for collaborating with utilities and the understand of the development of infrastructure. Potentially use wastewater as indicator
 - **Industry**
Provide an overview of the leading industry sectors and how these sectors effect the region.
 1. **Energy**
 2. **Medical**
 3. **Advance Manufacturing**
 4. **Innovation**
 5. **Entrepreneurship – Look into data for small business.**
 6. **Agriculture, Fisheries, and Tourism**

- Workforce
 - Provide data on current workforce and the gaps missing in the economy. Show the development and projection of the workforce over the next 10 years. Explain the need to develop the workforce in key industries with projection for gen z.

- SWOT Analysis Overview
 - Add a graph of the final SWOT analysis that causes.
 - Strengths
 - Regionalism
 - Historical industries are growing.
 - Cost of Living
 - Location and proximity to transit routes
 - Favorable Business Climate
 - Weaknesses
 - Opportunities
 - Threats
- Strategic Direction
 - Vision
 - Mission
 - Goals and Strategies
- Action Plan
- Evaluation Framework

7C. Broadband Initiative Update



Broadband Study Final Report Summary

April 24, 2024



Building Communities.
Improving Lives.

Executive Summary

The leadership of the Houston Galveston Area Council and the Gulf Coast Economic Development District took an important step in recognizing the need for and making the financial arrangements to do this study. Broadband (for a definition of “broadband” and other telecommunications industry terms, please see the Glossary of Terms in Appendix A) plays a key role in many aspects of people’s lives and in how our communities function and deliver services. Understanding broadband strengths and weaknesses and having plans for broadband improvements are particularly relevant at this particular time.

One reason that having a clear understanding of broadband circumstances and a plan for improving broadband weaknesses is the recognition of the increasingly important role that broadband has in today's society. The internet is an essential tool for communication, education, and commerce. Reliable and high-speed broadband connectivity is crucial for businesses, schools, and individuals alike, as it enables access to online resources and information, which is necessary to remain competitive and stay informed in today's fast-paced world.

The COVID-19 pandemic has also highlighted the importance of broadband access. With more people working from home and relying on the internet for remote work and education, the need for reliable and high-speed broadband has become even more critical. Access to broadband is necessary for telecommuting, telemedicine, online learning, and even social interaction during the pandemic.

The lack of broadband infrastructure can also have a significant impact on the economic development of a community and a region. Areas without reliable and high-speed broadband may struggle to attract new businesses or maintain existing ones. Broadband access is essential for businesses to remain competitive, as it allows them to reach a wider audience and access online tools and resources. In addition, areas without broadband infrastructure may struggle to attract and retain young people, who increasingly rely on the internet for work, education, and socialization.

Overall, broadband access is necessary for the economic development and social well-being of every person, each community and whole regions. The lack of broadband infrastructure can result in significant economic and social consequences, making it imperative that efforts are made to improve broadband access and connectivity.

Another reason that this study is particularly important right now is the backdrop that the largest grant opportunities for broadband in our lifetimes are being developed while this study is being conducted. There are dollars from the American Rescue Plan Act (ARPA), the United States Treasury (capital projects grants), Federal Infrastructure Bill (the Broadband Equity, Access, and Deployment (BEAD) program, the State of Texas Technical Assistance Program (TAP) and dollars that the State of Texas might allocate. Some of these grant programs have had deadlines that have already passed, but the majority of the money has not had the rules of their program defined or implemented. TAP will likely be offered in the Spring of 2024 and BEAD grant windows will open in 2024.

The BEAD program alone is approximately \$42 billion. Texas has been notified that the State will receive over \$3B. The timeline of this program has not been finally defined, but the rules, grant windows and distribution schedule should be set and communicated in 2024. In 2023, the State Legislature of Texas has been discussing providing more State dollars to increase the amount available for grants to improve broadband in Texas.

The timing of this study is important to determine which areas within H-GAC's thirteen counties could be eligible for grants and if there are digital equity issues (which could be access or adoption related) which could also be eligible for their category of grants. There could be grant opportunities that agree with eligibility determinations the State has already made. There could also be areas that local, specific data shows that there should be eligibility for grants, but that is not currently reflected in State data. For those, there should be the possibility of a challenge process for the communities to ask that the eligibility status be changed. Lastly, if there are areas that are eligible or could be eligible through a challenge, the communities will need to decide who the grant applicant would be (the City, a private provider or another organization).

The Challenges in Understanding and Improving Broadband

Knowing the actual strengths and weaknesses of broadband in a community can be challenging. Not all communities in H-GAC's area have the resources and personnel to take the steps necessary to define and clearly understand the broadband strengths and weaknesses in their area. There are multiple steps to take and decisions that have to be made and those all take expertise, time and resources. H-GAC's and GCEDD's vision to secure funding for and lead this broadband study process have been a significant step to make the needed analysis possible.

Compounding the challenge of time and resources needed to study broadband, there are actual factors within the broadband industry that can make the process difficult. For example, data points come from different sources and they often do not agree. Some have been shown to be inaccurate. Also, there are some people and businesses who express their frustration with their connectivity, but there are probably many who do not. Moreover, some broadband issues are related to a lack of infrastructure (or inadequate infrastructure) referred to as "Access" (see the Glossary in Appendix A) while some people do not or cannot utilize broadband infrastructure that is available to them (referred to as "Adoption" – see the Glossary in Appendix A).

Knowing the importance of good broadband generally but having challenges in seeing clear details about what specific broadband concerns there are, it can be difficult to develop a plan to ensure that broadband is as good as it needs to be in the thirteen counties in the H-GAC area and in the communities within those counties. This study utilizes a proven process that HR Green has developed to explore the specifics of broadband access and potential adoption challenges in each of the counties. Also, this study culminates in recommendations and actionable steps to improve the detailed broadband concerns that have been found and documented.

The focus of the Broadband Study was to:

- Find out where there are broadband concerns (access or adoption) through a survey of the thirteen-county area and stakeholder meetings.
- Provide information sessions related to specific topics.
- Develop options for improving broadband in areas where there are broadband concerns.
- Work with digital equity agencies to develop options for grant projects.
- Further develop relationships with the providers in the area.

This Executive Summary contains an overview and recommendations. The remainder of this report provides the detailed information gathered during this study that supports these findings and recommendations.

To complete these goals, the following steps were collaboratively developed with H-GAC staff:

- Develop an Engagement Plan to lead the survey, survey promotion and stakeholder meetings.
- Create survey promotion materials.
- Build a GIS data repository (including other datasets) and survey results.
- Create a survey and survey portal.
- Perform a market assessment per county that shows the coverage reported by the providers in each county (taken from their Form 477 reporting – for an explanation of 477 reporting please see the Glossary in Appendix A).
- Create contact lists of each working group.
- Lead meetings of the Working Groups (Promotions, Education, Chambers of Commerce, and Digital Equity).
- Conduct meetings with Internet Service Providers (ISPs) – see definition of ISP in the Glossary in Appendix A.
- Conduct meetings with key stakeholders.
- Develop a path for digital equity efforts.
- Create plans for each county to improve broadband.

Key Findings

The data gathered in the survey and in the stakeholder/working group meetings provides the following findings:

- There are broadband issues in the H-GAC region. This is not a surprise, but it is important that the areas in which there are broadband challenges are now more clearly defined. There are areas that show good broadband coverage, but there are areas within which coverage is problematic. There are connectivity issues in both urban and rural areas.
- There are areas that should be eligible for grants. Coordination of who will apply for those grants and ensuring all areas with connectivity issues apply for grants and have a broadband improvement plan is very important in the BEAD era. With this being the largest amount of grant money being allocated for broadband (in history and most likely in the future), if counties and cities do not work on broadband improvement in 2024, they could be left behind.
- In the more rural counties, in general, the survey results are in fairly close alignment with the FCC Fabric data. Where the FCC Fabric data shows unserved or underserved by terrestrial infrastructure (for a definition of this topic, see the Glossary in Appendix A), the survey often agreed with the reported data shown in the FCC fabric.
- In more populous counties, the agreement between the FCC Fabric data and what the survey results showed is not as consistent.
- The technology defining the adequacy of the connectivity in most of the H-GAC area is a critical factor to understand. Fiber is the most future-proof technology and also has the greatest capacity within the current technology options. There is fiber in the H-GAC study area, but there are significant portions of the study area that do not have much fiber.
- The question that arises from the previous bullet point regarding technology is what technologies will be considered ineligible for grants. For example, it appears that satellites will not be eligible for BEAD grants. Even if they report being able to provide 100/20 speeds, it seems like they will not be eligible for BEAD grants. Fixed Wireless also faces a similar question. It is considered terrestrial, but it is not wireline. There are questions as to whether this technology will be eligible

for grants. DSL and cable face questions regarding proximity to equipment (is there a distance at which service is not adequate and, therefore, should be eligible?).

- Digital equity is an issue in the H-GAC study area. This concern is prominent in both rural and urban areas but can take different forms in each of those densities. The most consistent findings are that rural areas are facing a lack of infrastructure and urban areas are confronted with challenges that citizens have in accessing existing infrastructure. However, there do appear to be rural areas within which citizens have infrastructure, but they have challenges accessing what is there, and there are urban areas that have not had infrastructure built to them.
- Leaders and citizens realize broadband is an important topic, but it appears that there are challenges to addressing connectivity issues. Survey fatigue seems to be very real across the Country and in the study area. Leaders and citizens have a plethora of issues they are dealing with and, although broadband is important, it is competing with many concerns leaders and citizens are dealing with. Broadband is also a complex topic with different technologies and stakeholders, so navigating those factors can be time and energy consuming. These challenges manifested in this study in different forms regarding survey results, meetings and information exchanges. Those challenges are existing realities. The data needed to formulate meaningful study results was achieved, but these challenges do show issues to overcome to address broadband problems. Recognizing that there is a window to take action that will at least partially close over approximately the next year is important to make sure counties and cities do not get left behind.

Recommendations

Based on these findings, to continue to improve broadband in the H-GAC thirteen counties, HR Green provides the following recommendations:

- **Map challenges.** Although a significant amount of the survey results agreed with the FCC Fabric data, there could still be challenges. Counties and cities would be well served to look at their survey results as compared to the fabric data to see if they “feel right”. If community leaders know there are broadband connectivity challenges that are not shown in the maps, more work needs to be done to gain the data necessary to challenge. There are steps communities can take to get more data, for example arranging door-to-door questions in areas that seem incorrect or a community meeting in those areas to ask those questions. If there is something in a map that does not seem right (particularly an area that needs grant dollars but is not currently eligible) it will take data to correct those maps.
- **Decisions and coordination regarding who will apply for grants.** Assuming that all areas that have inadequate broadband will have grant applications and improvement plans is a gamble that could lead areas to be left behind for decades. Providers will likely evaluate options that make business sense to them, but rarely does a provider have all of the information and capital needed to develop wholistic plans that cover all citizens and businesses. Most often, there is a patchwork that is collaboratively developed if infrastructure is to be built to all citizens and businesses in need. That patchwork usually needs a leader if it is going to happen. That can be an excellent role for the public sector.
- **Decisions regarding whether middle mile is needed and who will build it** (for further definition of these terms, see the Glossary in Appendix A). Middle mile is usually the “transport” between areas or networks that enables them to be part of the larger internet. It often does not make sense for a private provider to build a lot of middle mile because it has fewer retail customers (the most

customers are in what is called the “last mile” – which is the network build to the service addresses). Because of those economic considerations, the payback for middle mile can be significantly longer than last mile builds. There can be payback (last mile providers leading middle mile), it just is a longer timeframe. Middle mile can be an important role for regional entities, counties and cities to provide. Those organizations are not trying to maximize profit and their funding mechanisms are used to longer-term payback. If there is middle mile needed (which there very likely will be in several counties), deciding who will build that and initiating that process is often the first step to improve broadband. In the High-Level Design section of this report, a middle mile ring has been designed for each county, including the costs to build. The first step is to decide need. The next step is to talk with providers to see their desire to have that in place. Then, final arrangements, engineering and building can be completed.

- **Decisions about who will build last mile.** Similar to grant applications and middle mile, determining who will build last mile in all of the areas with broadband needs has to be coordinated. This flows from the discussions of grant applications and middle mile, this is highlighted in a separate recommendation because an analysis to ensure there is a plan for infrastructure for all addresses with inadequate broadband is important.
- **Define Digital Equity projects for grant applications.** Improving digital equity issues is also a complex task that takes coordination. The goal is to develop a plan that realistically addresses digital equity issues that includes projects that can seek BEAD grant dollars. There are good steps that have been taken and that are moving forward. As part of this study, organizations who work with people who might have challenges to utilizing available broadband services (most commonly language, economic and age) have been brought into a working group that could continue to work together to develop steps to address digital equity. Also, H-GAC has taken a leadership role in a regional task force addressing digital equity (Gulf Coast Digital Inclusion Task Force originally organized by the Dallas Federal Reserve, based on work they have done in other parts of the State). Goals and next steps for these groups should be developed that can address digital equity in the study area and form grant fundable projects.
- **The Affordable Connectivity Program (ACP).** There is more detail about Digital Equity and the ACP in the Digital Equity Section of this report. This program has been a key component of digital inclusion and is set to end in April 2024. It has been one of the main ways to help those with economic challenges to utilize existing broadband services. The consequences of losing this program will very likely be significant. It is unclear what options are being considered at the national and state levels, but regional organizations counties and cities should consider ways to address this upcoming concern.
- **Policies.** It is important for counties and cities to evaluate their policies and permit procedures to ensure they meet their broadband goals. All communities are either working to attract broadband or to manage it (and often both). If a community desires to attract broadband, but policies deter investment from providers, that should be brought into alignment. Other communities have multiple broadband providers and need to manage available ROW. Both are important goals, the significant issue is that policies match those goals, instead of working against them.
- **Permitting.** One factor that needs to be considered by county and city leaders is that the influx of dollars for broadband will lead to a higher volume of permits and inspection. As each county and city evaluates the level of need in the area, thinking through the number of permits that could translate to is important. If there are a lot of permits, hiring staff is going to continue to be a challenge, so planning how to address that volume could be significant.

- **TAP program.** The State of Texas Broadband Development Office (BDO) will be opening a grant window for communities to access technical assistance grant dollars. If counties or cities need further steps in broadband improvement planning and to prepare for grants, there will be competitive grants available. HR Green is on the team that was selected to provide consulting services for the TAP program and is available to help H-GAC broadband study participants apply for those grants.

8. Presentations

8A. Fair Housing

(PowerPoint Slides Only)

8B. Workforce Regional Update

(PowerPoint Slides Only)

8C. Workforce Apprenticeship Program Highlight

(PowerPoint Slides Only)

9A. General Staff Updates

9B. Other Business

9C. Closing Remarks

9D. Next Meeting – July 10, 2024

10. Adjourn