

ANNUAL REPORT

WEST FORT BEND MANAGEMENT DISTRICT

2005/2006 FINANCIAL YEAR

West Fort Bend Management District

2110 Fourth Street, Rosenberg, TX 77471-0032

MESSAGE FROM THE CHAIRMAN

The Cities of Richmond and Rosenberg, together with the experienced counsel of Allen, Boone Humphries and Robinson, LLP provided an excellent and unique piece of legislation in SB 1820, the Bill that created the West Fort Bend Management District. This legislation for the District has the potential to profoundly influence the future of the district and the segments within it.

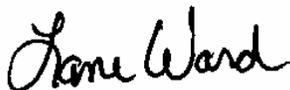
Because of the extent of the management district and the variety of development needs within West Fort Bend, implementing the legislation has been a challenge. There was no other model we could use or easily adapt. Instead we adopted a different and unique strategy that can be implemented in discrete stages along the corridors as constituent demand and funds allow.

The approach also reflects the Board's philosophy that being responsive to its constituents is the key to developing a successful Management District. In the short time of our existence the Board has recognized and embraced the strong demand for input from our constituents and developed a flexible, staged approach that allows for grass-root action at each major step of program development.

We will soon have the first products of this approach: two cornerstone documents that will be used in all future planning – the District's Management Plan and the Landscape and Architectural Standards document.

I believe we have started down the right path to meet the vision of the Legislation, and it would not have been possible without the active participation and support of a very wide range of people. And so I would like to take this opportunity, on behalf of the Board, to thank in particular - the cities of Richmond and Rosenberg, the Economic Development Corporations and our ever-positive and hard-working committee volunteers.

I look forward to another active and successful year in fiscal 2007.



Lane Ward
Chairman
West Fort Bend Management District

OVERVIEW

The West Fort Bend Management District – a product of the cooperation of the cities of Richmond and Rosenberg, together with the foresight of the George Foundation – could not have been timelier. The district has been in the process of transitioning from rural to urban for a number of years and the development process is accelerating.

West Fort Bend faces the dual challenges of advancing commercial development in a district without zoning and a growing and changing population: a mix that will significantly increase demands on city services. The Board believes that to maintain and attract positive business, residential and tourism growth to in West Fort Bend it will be necessary to retain the unity and integrity of the district by “getting ahead of” and shaping the development of the corridors. The alternative is to be fragmented by the short term and unpredictable demands of uncoordinated development.

The Management District provides a vehicle to supplement the City and County services and powers. The Board will work to develop new, agreed upon standards and services to be used in development and redevelopment within the West Fort Bend Management District without adding layers of bureaucracy into government or excessive cost burdens on landowners and businesses.

This report outlines progress made in the last year.

BACKGROUND

West Fort Bend Management District (“WFBMD”) was created through SB 1820 in the 79th Regular Session of the Texas Legislature in 2005. The WBMD is governed by Local Government Code, and Chapter 49, Water Code, as well as the enabling legislation that created it (SB 18220). It’s creation was strongly supported by the cities of Richmond and Rosenberg.

The first meeting of the WFBMD was held on July 8th, 2005.

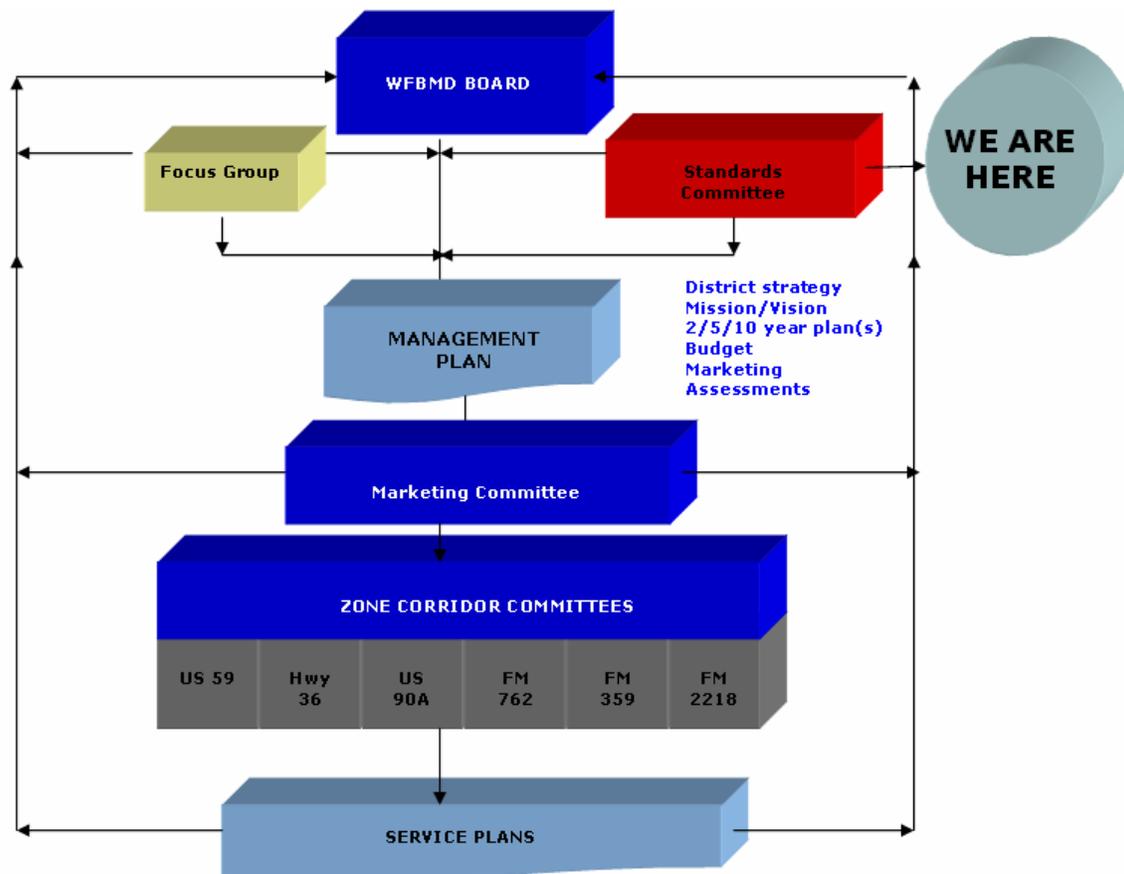
THE YEAR IN REVIEW

The Board has accomplished the following significant steps in its first year of operation:

1. DEVELOPED AN IMPLEMENTATION STRATEGY

Usually a management district would develop a ‘Service Plan and Budget’ that outlines the services and improvements that it would then implement. The plan is implemented across the whole district – an approach that works well for a contained, single entity district.

As WFBMD is a collection of smaller districts or corridors, each at different stages of development with a variety of different needs, a singular approach was not possible. The Board endorsed a unique solution. This was to develop an ‘umbrella’ Management Plan that provides overall coordination of standards and services and allows for each of the corridors or zones to create their own Service Plans. The strategy, outlined below, is sustainable and able to be implemented in different stages as funds and constituent support allows.



2. IMPLEMENTED THE STRATEGY

The Board has formed the Standards Committee and Focus Group. Both groups are core to the development of the Management Plan and the Standards document that will be used by the Zone Corridor Committees in developing their individual Service Plans.

The Standards Committee is made up of professionals with expertise in development and city planning process and its members are committed to developing workable standards to be used for future development and redevelopment. They have made significant progress under the expert guidance their Chairman, Mr. Bill Jameson, in drafting the Standards for adoption by the Board and then by cities of Richmond and Rosenberg.

The other significant task to be undertaken by the Standards group is the creation of a “brand” for the West Fort Bend Management District. This is required to develop a sense of cohesion and identity that uniquely defines the district: this in turn will provide a blueprint for ongoing development, marketing and promotional efforts.

The final Standards Guidelines will be ready for presentation to the WFBMD Board on November 30, 2006.

The Focus Group, composed of landowners, business and community figures drawn from the zones covered in the legislation, has been formed to provide direct constituent feedback to the

Board. This feedback will be used to help the Board develop its first 5 year Management Plan. The Focus Group will deliver their final report to the Board on September 30, 2006.

3. OPERATIONS

The Board made up of voluntary members and has established operating procedures. It conducted development sessions for the creation of Vision, Mission, and Values. The exercises proved useful in developing teamwork, setting strategic priorities, and for developing the Board's Value Statement.

The final Vision and Mission for the Fort Bend Management District will be completed following input from the constituents in the Focus Group. This will be a part of the District's Management Plan.

The Management District employs no staff. Administrative support for the District has been minimal and provided almost in its entirety by the City of Rosenberg. Major activities include managing the financial statements and planning, posting, attending and writing minutes for meetings of the Board, and Standards groups meetings.

Management support, oversight for the administrative function, support for the sub-committees – the Standard and Focus groups - and project planning is provided on contract with Local Government Services, Inc.

General Counsel Services are contracted with Allen, Boone, Humphries and Robinson, LLP.

Expenditures year to date have been minimal during the planning phase. The costs are anticipated to increase as the strategy is implemented.

4. OUTREACH AND DEVELOPING STRATEGIC PARTNERS

The Board recognizes the need to develop strong relationships with strategic partners to successfully implement the Management Plan. The District has invited and received a positive response from a very significant strategic partner, TxDot. It has provided useful input to the Standards Committee and is available to the District on an "as needed" basis.

The District will continue to identify strategic partnerships and provide outreach programs to them and to its constituents through the development of our next significant implementation body – the Marketing Committee.

FINANCIALS

There is little to report in financials. Income for WFBMD was provided by the Economic Development Councils of Richmond and Rosenberg. The amount contributed was \$80,000. Expenditure year to date as of 06-30-06 is \$12,528, or 17% of the budget. The majority of the funds were spent on project and legal expenses.

What is significant is the amount of in-kind support given by professionals in the community year to date. The total for in-kind support: a measure of time donated to organizational administration and development of standard guidelines over the past year is estimated at over \$30,000 (assuming a conservative professional hourly rate). This represents a 37% increase over the actual income provided.

**WEST FORT BEND MANAGEMENT DISTRICT
2005-06 BUDGET TO ACTUAL
PERIOD ENDED JUNE 30, 2006**

Classification	2004-05 Actual	2005-06 Budget	2005-06 Actual
REVENUE & EXPENDITURE SUMMARY			
<i>REVENUES</i>			
Contributions from other entities	\$ 83,588	\$ 80,000	\$ 80,000
Interest on Investments	-	-	344
Total Revenues	\$ 83,588	\$ 80,000	\$ 80,344
<i>EXPENDITURES:</i>			
Personal Services	\$ -	\$ -	\$ -
Supplies	115	1,300	38
Maintenance and Services	83,472	73,389	12,490
Debt Service	-	-	-
Transfers to Other Funds	-	-	-
Subtotal	83,588	74,689	12,528
Capital Outlay	-	-	-
Total Expenditures	\$ 83,588	\$ 74,689	\$ 12,528

SUMMARY

In the last year the Board concentrated on how to translate the enabling legislation into an operable plan for the West Fort Bend Management District. The other priority was to develop the Board and its support function. The Board was successful in devising a clear and sustainable implementation strategy and has put it into operation.

CHALLENGES AND OPPORTUNITIES.

Change is a constant: for West Fort Bend and for the Board. The organization has a significant challenge in transitioning 3 of the founding directors. A training program for new directors will help minimize the loss of momentum as new directors become oriented.

Another challenge will be to maintain sufficient funding through the transformational phase of planning to implementation. There will be an increased demand for support of the voluntary committees used by the District to implement its management plan: the next ones to be formed and supported are the Marketing Committee and Zone Corridor Committees.

There is tremendous interest in the program and it is vital to harness this and extend it via the creation of education and marketing programs into an ever-widening community. Similarly, it will be necessary to build strong relationships with strategic partners and provide training to new committee and Board members.

While the challenges are great, there exists a window of opportunity to capitalize on the support expressed by our constituents and develop our programs with increased momentum.

The creation of the Management Plan, the communication and marketing programs, fundraising and the formation of the first Zone Corridor Committee – for the 59 Corridor - are priorities for the WFBMD Board in 2006/2007.

WEST FORT BEND MANAGEMENT DISTRICT

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