

NOTICE OF REGULAR MEETING & PUBLIC HEARING
MISSION ECONOMIC DEVELOPMENT CORPORATION
AUGUST 18, 2015 5:30 P.M.
CITY HALL

PRESENT:

Jody Tittle, Vice President
Richard Hernandez, Secretary
Linda Requénez, Treasurer
Pete Jaramillo

ABSENT:

S. David Deanda, Jr., President
Catherine Garcia
Mayor Position

ALSO PRESENT:

Julie Silva, Progress Times
Aaron Gonzalez, UTPA, SBDC
Janie Caballero, UTPA, SBDC
Rafael Pacheco, El Yaqui Products
Cooper Thompson, EVE
Roger Pecina, EVE
Claudio Fasci, LVF
Valeria Fasci, LVF
David Martinez, Ground Zero Gym
Blanca Scalise, Ground Zero Gym
Abel Gonzalez, Ground Zero Gym
Timothy McVey, MEDA Board

STAFF PRESENT:

Alex Meade, Chief Executive Office
Randy Perez, Finance Director
Daniel Silva, COO
Judy Vega, Executive Assistant
Bertha Ramirez, Administrative Assistant
David Gonzales, Accountant

1. Call to order

With a quorum being present Vice President Jody Tittle called the meeting to order at 5:36 p.m.

2. Swearing In of Appointed Board of Director

Judy Vega Swore In Appointed Board of Director Pete Jaramillo.

3. Approval of Minutes – July 21, 2015

There being no corrections or additions Richard Hernandez moved for approval. Motion was seconded by Linda Requénez and approved 4-0.

4. Approval of MEDC Financial Statements for July 2015

Finance Director presented and recommended approval of the Financial Statement for July 2015.

There being no corrections or additions Pete Jaramillo moved for approval. Motion was seconded by Richard Hernandez and approved 4-0.

5. Approval of Budget Amendment to FY 2014-2015 Budget: A. Manufacturing Expansion Project – in an amount not to exceed \$55,000

Linda Requenez moved for approval of Budget Amendment to FY 2014-2015 Budget for Metal Processing International, the Manufacturing Expansion Project, in an amount not to exceed \$55,000. Motion was seconded by Pete Jaramillo and approved 4-0.

The notice of public hearing and notice of intention to amend the budget was published on June 19, 2015 and the 60 day comment period ended today, August 18, 2015.

6. Approval of Resolution No. 2015-04 Adopting FY 2015-2016 Annual Budget

Approval of Resolution No. 2015-04 Adopting FY 2015-2016 Budget

Finance Director Randy Perez presented the summary of FY 2015-2016 Budget which included the following:

MEDC - Fund 21

Estimated Beginning Fund Balance – \$3,796,213
Total revenues – \$3,996,500
Total appropriations – \$5,619,324
Unreserved, undesignated fund balance – \$2,173,389

Projects included in Fund 21 are:

City of Mission - \$1,000,000
Texas Citrus Fiesta – \$75,000
RGV Lead - \$75,000
Downtown Façade Fund Program – \$100,000
Small Business Fund Program - \$250,000

Fund 41 Debt Service

Estimated Beginning Fund Balance - \$247,568
Total Revenues – +\$1,172,499
Total appropriations – -\$1,171,959
Estimated Ending Fund Balance – \$248,108

After brief discussion on the proposed budget, Richard Hernandez moved to approve Resolution No. 2015-04 adopting the FY 2015-2016 budget and approving all projects. Motion was seconded by Linda Requenez and approved 4-0.

7. Public Hearing – MEDC Project Consideration

Vice President Jody Tittle opened the public hearing at 5:48 p.m. and asked for comments on the following MEDC FY 2015-16 proposed project consideration: Downtown Rent Subsidy Program in an amount not to exceed \$50,000.

CEO Alex Meade said since we started the Downtown Façade Improvement Program, it has been very successful. MEDC has assisted about 25 businesses, and what he's looking to create another program called the Downtown Rent Subsidy Program, to compliment what Mission EDC, TIRZ, and the City of Mission have done downtown. This program will assist businesses with up to six (6) months of rent or not to exceed \$7,500, whichever is less per business with a real estate lease of at least 3 years. The qualifying businesses would be limited to coffee shops, fine restaurants, bistros, bookstores, art studios, galleries, or specialty grocery stores. The reason for the limitation is because these type of businesses would tend to stay open late which would create a more diverse and lively downtown, as well as create more foot traffic. Mr. Meade said that with the recent Conway Streetscape Project that was recently completed, this would be an ideal complement. The incentive would apply to startup businesses or established business that are looking into moving or opening a second location on Conway between 1st and 17th streets.

There being no further comments, Vice President Jody Tittle declared the public hearing closed at 5:54 p.m.

The notice of public hearing and notice of intention to undertake the project was published on July 24, 2015 and the 60 day comment period will end on September 24, 2015.

8. Authorization to Utilize Mission Corridors Fund for an Infrastructure Project located at 102 S. Bryan Road, Mission, Texas in an amount not to exceed \$12,000

The CEO recapped from an incentive created in 2012 for the purpose of assisting infrastructure projects along Bryan and Shary Roads. This building located at 102 S. Bryan Road that has been vacant for about 3-4 years. The issues have been resolved by an investor who purchased the building and invested approximately \$1,050,000 and wants to convert it into a medical plaza. The investor has approached MEDC requesting assistance for improvements on the parking lot and beautification and submitted a quote in the amount of \$11,400 and that's what he's requesting. Brief discussion took place.

After the discussion, Pete Jaramillo moved for approval of the Authorization to Utilize Mission Corridors Fund for an Infrastructure Project located at 102 S. Bryan Road, Mission, Texas in an amount not to exceed \$12,000. Motion was seconded by Richard Hernandez and approved 4-0.

9 Approval of Resolution No. 2015-05, A Resolution of the Mission Economic Development Corporation Regarding Request of Natgasoline LLC for the Issuance of One or More Series of Revenue Bonds; Authorizing the Filing of an Application for Allocation of Volume Cap for Private Activity Bonds with the Texas Bond Review Board; Authorizing Public Hearings Regarding the Bonds and the Related Publication of Hearing Notices and Appointment of Hearing Officers; and Authorizing Other Action Relating Thereto

Lee McCormick, President with Community Development Associates presented this item by saying that this is an initial resolution meaning he will be back to the Board for approval of a final resolution once the bonds are issued. Natgasoline LLC is building a natural gas methanol production complex in Beaumont, Texas. The plant is expected to have a capacity of up to approximately 1.75 million metric tons per year, and is expected to start production the first half of 2017. The bonds are expected to be issued in an amount not to exceed \$1.5 billion. The financing team include Bank of America Merrill Lynch. Bond counsel is Bracewell & Giuliani

LLP. Approval of this resolution will in no way impose any payment or obligation on the MEDC or City of Mission in connection with the financing. He is requesting approval of Resolution No. 2015-05.

After brief discussion, Linda Requenez moved to approve Resolution No. 2015-05 as presented. Motion was seconded by Richard Hernandez and approved 4-0.

Resolution No. 2015-05

A Resolution of the Mission Economic Development Corporation Regarding Request of Natgasoline LLC for the Issuance of One or More Series of Revenue Bonds; Authorizing the Filing of an Application for Allocation of Volume Cap for Private Activity Bonds with the Texas Bond Review Board; Authorizing Public Hearings Regarding the Bonds and the Related Publication of Hearing Notices and Appointment of Hearing Officers; and Authorizing Other Action Relating Thereto

10. Ruby Red Ventures Award Presentations

COO Daniel Silva presented the winners of the Ruby Red Ventures program. The program promotes entrepreneurship and innovation in the City of Mission. It awards \$100,000 a year or \$50,000 every six months to the most innovative and entrepreneurial businesses. Participants competed for awards by attending several business plan workshops and presented their business plans to a panel of judges. Mr. Silva thanked Aaron Gonzalez and Janie Caballero with the Small Business Development Center at UTPA for their involvement in the program. He said that this is the second and final round for this year. Out of 24 teams four were selected for awards this round. They are: Claudio Fasci with Le Vegan Factory (\$15,000) a raw organic coffee and juice bar; Cooper Thompson with Eve Unmanned Vehicles (\$10,000) for the design of personal vehicle unmanned drones; Abel Gonzalez with Ground Zero Gym (\$10,000), the opening of a training facility focusing on healthy therapeutic human movement; and El Rafael Pacheco with El Yaqui Products (\$15,000), for the expansion of his product of tortilla chip snacks. Participants thanked the Board for the awards and opportunity to participate.

No action was taken or required.

11. Adjournment

Richard Hernandez moved to adjourn the meeting. Motion was seconded by Linda Requenez and approved 4-0. Meeting was adjourned at 6:12 p.m.

S. David Deanda, Jr., President

ATTEST:

Richard Hernandez, Secretary