

**NOTICE OF SPECIAL MEETING
MISSION ECONOMIC DEVELOPMENT CORPORATION
FEBRUARY 9, 2016 5:30 P.M.
CITY HALL**

PRESENT:

S. David Deanda, Jr., President
Jody Tittle, Vice President
Richard Hernandez, Secretary
Linda Requénez, Treasurer
Catherine Garcia
Pete Jaramillo
Councilman Ruben D. Plata served in the Mayor Position

ABSENT:

ALSO PRESENT:

Lea Juarez, Progress Times
Elizabeth Davis, Nuts & Cows
Daniela Aguilar, Nuts & Cows
Abraham Neave, JDG Jewelers
Elizabeth Neave, JDG Jewelers
Leo Neave, JDG Jewelers
Raul Flores, JDG Jewelers
Abisai Neave, JDG Jewelers
Nibia Neave, JDG Jewelers
Margie Ramirez, Hands in Art Studio
Zin Hernandez, Cruise Control Entertainment
Miguel Cruz, Cruise Control Entertainment
Jose Salinas, Cruise Control Entertainment

STAFF PRESENT:

Alex Meade, Chief Executive Office
Randy Perez, Deputy City Manager
Daniel Silva, Chief Operating Officer
Judy Vega, Executive Assistant
Angie Vela, Assistant Finance Director
Bertha Ramirez, Administrative Assistant
David Gonzales, Accountant
Officer E.R. Latin, Mission P.D.

1. Call to order

With a quorum being present President S. David Deanda Jr. called the meeting to order at 5:39 p.m.

2. Approval of Minutes – January 19, 2016

Subject to a correction on Page 2 of the minutes, Item 6, second paragraph, first sentence, change the word “*Flamingo*” to “*Valley*”, Catherine Garcia moved for approval. Motion was seconded by Linda Requenez and approved 6-0.

3. Approval of MEDC Financial Statements for January 2016

Accountant David Gonzales presented and recommended approval of the Financial Statement for January 2016.

There being no corrections or additions Richard Hernandez moved for approval. Motion was seconded by Pete Jaramillo and approved 6-0.

4. Acceptance of Quarterly Report of Investments for the Quarter ending December 31, 2015 and Interest Earned for Three Months ending December 31, 2015

Accountant David Gonzales presented and recommended Acceptance of Quarterly Report of Investments for the Quarter ending December 31, 2015 and Interest Earned for Three Months ending December 31, 2015.

There being no corrections or additions Catherine Garcia moved for approval. Motion was seconded by Pete Jaramillo and approved 6-0.

5 Approval of Budget Amendment to FY 2015-2016 Budget:

- A. Infrastructure Improvement Project located at 2140 E. Business Hwy 83, Mission, TX 78572 in an amount not exceed \$11,000; and**
- B. Administrative**

Councilman Ruben D. Plata joined the meeting at 5:43 p.m.

Accountant David Gonzales presented and recommended approval of the Budget Amendment for Items 5-A & 5-B, an increase in appropriations for the Infrastructure Project Fund and Administrative sections of the budget, respectively.

Item 5-A: CEO Alex Meade said that the owner made a request for assistance related to parking lot improvements he made to the old Valley Bowl on Business Highway 83, Mission, Texas. His expenses for the parking lot came in under \$11,000.

Catherine Garcia moved for approval of Budget Amendment to FY 2015-16 Budget for Valley Bowl located at 2140 E. Business Hwy. 83, Mission, Texas 78572, in an amount not to exceed \$11,000. Motion was seconded by Pete Jaramillo and approved 7-0.

Item 5-B: The CEO said that with the new Center for Education and Economic Development (CEED), where we will be moving in to on May 1st, additional staffing needs will arise. He is requesting a budget amendment (administrative) in an amount not to exceed \$140,739 to create the following five positions: Director of Strategic Partnerships & Program Development, Director of Technology, Program Director, and two Administrative Aides.

Catherine Garcia moved for approval of Budget Amendment to FY 2015-16 Budget (Administrative), in an amount not to exceed \$140,739. Motion was seconded by Linda Requeñez and approved 7-0.

Notice of Public Hearing for the Infrastructure Improvement Project was published on Nov. 20, 2015 and the comment period ended January 18, 2016.

5. Authorize the CEO with assistance of bond counsel to prepare a request for proposals from banks for the purpose of a \$2 million loan and proposed lending terms

CEO Alex Meade introduced this item by saying that he was requesting authorization to communicate with bond counsel Chuy Ramirez to prepare a request for proposals from banks. Mr. Meade also mentioned that he would like authorization to also publish a notice of public hearing to undertake the

project and a notice of intention for a budget amendment to FY 2015-2016 Budget. The \$2,000,000 loan will cover the IT, furniture, fixtures, equipment, and unforeseen expenses. Questions were made regarding on whether Mission EDC will take out a bond, on how the bond will be paid, on how revenue will be generated, and on the cost of the furniture. Mr. Meade explained that the new building will have lease space that will help generate revenue. One of the tenants he's looking to attract is a coffee shop. The coffee shop will need to be finished out and the EDC will likely assist them with that. He made it clear that the EDC will not be taking out a bond, but a loan and that he plans on leasing out temporary office or meeting space to individuals that may need it as an alternative to them going to area coffee shops to work or meet potential clients. These individuals will have access to classrooms, conference rooms, and internet service for a monthly fee. This revenue will help pay the loan and rent for the building. Mr. Meade mentioned that the estimate for the furniture and equipment is \$1.5 million. He said the building will contain 285 seats, 25 offices, six classrooms, a lecture hall and multiple conference rooms. Estimated cash flow prior to expenses per month would be roughly \$50,000 once fully occupied. Mr. Meade mentioned that although this is not a bond issue request, he is working with legal counsel who has assisted the EDC with bond issues before and is familiar of such requests therefore, is seeking his guidance.

Richard Hernandez moved to authorize CEO, with assistance of bond counsel, to prepare a request for proposals from banks for the purpose of a \$2 million loan and proposed lending terms, and to issue a notice of intention to amend the FY 2015-2016 budget to undertake the project, and notice of public. Motion was seconded by Councilman Ruben Plata and approved 7-0.

5. President's Comments

COO Daniel Silva presented the winners of the Ruby Red Ventures Program for this first round of the 2015-2016 FY as follows:

JDG Jewelers - \$20,000, a jewelry store that will use the incentive to expand their services and do 3D printing of their pieces rather than go to Mexico to have molds made.

Hands in Art Studio - \$10,000, to promote arts in the community by offering art workshops to the community tailored for children and adults.

Nuts & Cows - \$9,000, a small business that produces a medley of pecan products like low sugar pecan pies and canned pecans and pralines. Buttery, a natural artisan pecan butter without preservatives and/or artificial colors and flavors is the product the company plans on expand in Mission.

Cruise Control Entertainment - \$6,000, a young game development studio and publishing company who works in association with Steam, an online game shop. The company has four games under development and plans on releasing alpha prototypes. This award will assist them in creating boot camps where people interested in this type of hobby or liking can sign up, get educated, and perhaps later secure an internship within their company. Their goal is to create a full blown game development company.

Mr. Meade mentioned that the program has had 150 entrepreneurs participate in Ruby Red Ventures since its inception, 30 of which have been awarded. The Small Business Development Center has also played a key role in assisting with the program. In addition, kids have been trained through programs spearheaded by Mission EDC, like Code the Town which has trained 1,500 kids and in the Engenuity program, 600 kids have been trained. Each winner thanked the Board for the awards and took the opportunity to say a few words about their new businesses.

6. Adjournment

Councilman Ruben D. Plata moved to adjourn the meeting. Motion was seconded by Catherine Garcia and approved 7-0. Meeting was adjourned at 6:14 p.m.

ATTEST:

S. David Deanda, Jr., President

Richard Hernandez, Secretary