

NOTICE OF REGULAR MEETING
MISSION ECONOMIC DEVELOPMENT CORPORATION
SEPTEMBER 15, 2020 5:30 P.M.
CENTER FOR EDUCATION AND ECONOMIC DEVELOPMENT

Time: Tuesday, September 15, 2020, 5:30 p.m. (Central Time)

Join Zoom Meeting (by computer or Mobile App)

<https://us02web.zoom.us/j/84902843978?pwd=WTZQc2ZibmtydXpnSFVMMkw4Y09kQT09>

Meeting ID: 849 0284 3978, Password: 075530;

Or Dial by telephone: +1 346 248 7799, Meeting ID: 849 0284 3978, Password: 075530

PRESENT:

S. David Deanda, Jr., President
Pete Jaramillo, Vice President
Aissa I. Garza, Secretary
Balde Morales
Mario Garza
Mayor Armando O'Caña served in the Mayor Position

ABSENT:

Dr. Sonia Treviño, Treasurer

ALSO PRESENT:

Lee McCormick, President, CDA

STAFF PRESENT:

Daniel Silva, Chief Executive Officer
Joel A. Garza, Chief Operating Officer
Angie Vela, Finance Director
Ezeiza Garcia, Assistant Finance Director
Judy Vega, Executive Assistant
Randy Perez, City Manager
Joe Salazar, Accountant
Daniel Rivera, Director of Programs & Marketing
Melanie Tovar, CEED Receptionist

1. Call to order

With a quorum being present President S. David Deanda Jr., called the meeting to order at 5:35 p.m.

2. Approval of Minutes: August 18, 2020

There being no corrections or additions Secretary Aissa I. Garza moved for approval of the regular board meeting minutes of August 18, 2020. Motion was seconded by Mario Garza and approved 6-0.

3. Approval of Financial Statement for July 2020.

Finance Director Angie Vela presented and recommended approval of the Financial Statement for the month of July 2020. Secretary Aissa I. Garza questioned the way outstanding MEDC loan principal payments are reported in the expenditures section of the report and suggested that they are reported as a decrease in the liabilities section instead. Finance Director Vela said that the way the financials were being presented is in line with government guidelines of reporting and mentioned that general funds don't get posted on the balance sheet until the end of the fiscal year. She also explained that due to entries being described as funds, the actual amounts are not listed on the expenditures; however, they are listed under long term debt. Secretary Aissa I. Garza noted a correction on the financials related to the long-term debt entry where \$14.5 million is noted, it looks like a negative \$672,712 was entered instead of a

positive, because the balance is \$15.2 million. The correction was noted. Secretary Aissa I. Garza suggested she and Ms. Vela schedule a meeting discuss ways on how to make the financial statement more management friendly. Ms. Vela said she will work with CEO Daniel Silva to schedule a meeting.

Subject to the correction, Secretary Aissa I. Garza made a motion to approve the financial statement for July 2020 as presented. Motion was seconded by Vice President Pete Jaramillo and approved 6-0.

4. Acceptance of a \$3 million grant from the U.S. Department of Commerce, Economic Development Administration

CEO Daniel Silva presented this item by saying that the \$3 million grant application had been submitted to the U.S. Department of Commerce, Economic Development Administration in partnership with the Killam Family Development. An award letter has been received from the U.S. Department of Commerce, Economic Development Administration on the award of the grant. The funds will be used for drainage infrastructure related to the property the Killam Family has acquired from Hunt Development. Mr. Silva said that he is also working on a Development Agreement on the Mission Redevelopment Authority/TIRZ side to assist the Killam's on the property they plan to develop since it is in a TIRZ zone. A Zoom press conference invitation was sent to the Board shortly before this meeting related to the announcement of the grant by Congressman Henry Cuellar. The total amount of the grant is \$3.7 million which includes the 20% match required on the application process, as well as administration fees and an amount for the engagement of the grant writer and project manager. The City of Mission will take care of the projects' procurement process, which from there will become their own. City Manager Randy Perez said that due to this being a federal grant, the city will get involved. Mayor Armando O'Caña said that all the procurement processes have been updated with TxDOT and are at federal level. Mr. Silva is requesting acceptance of the grant and invited everyone to participate in the Zoom press conference, scheduled for 1:30 p.m. on Friday, September 18, 2020.

Secretary Aissa I. Garza moved for acceptance of a \$3 million grant from the U.S. Department of Commerce, Economic Development Administration. Motion was seconded by Mario Garza and approved 6-0.

5. Approval of Resolution No. 2020-09, A Resolution of Mission Economic Development Corporation Authorizing the Issuance of One or More Series of Revenue Bonds; and the Loan of Proceeds Thereof to Panda High Plains Hemp Gin, LLC; Approving Documents Related Thereto; and Approving Other Matters in Connection Therewith

Lee McCormick, President of Community Development Associates, presented this item by saying that this project was approved in March 2020 as Panda Biotech, LLC, which was created purposely for this transaction. This is a final resolution for its affiliate, Panda High Plains Hemp Gin, LLC, for an \$80 million project of an industrialized hemp processing facility in Wichita County, Texas. He reported that hemp was illegal to grow here, but that was up until December 2018. This is one of the largest in this country aside from one that is being constructed in China. Approval was obtained from the Wichita Commissioners' Court last week. A vacant former Ford General Motors 500,000 sq. ft. building will be repurposed for this new facility. Mr. McCormick said that at closing, the MEDC will receive a \$150,000 payment, and \$20,000 annually until it matures, which should be in 15 years. He is requesting approval of this final resolution.

Secretary Aissa I. Garza moved to approve Resolution No. 2020-09 as presented. Motion was seconded by Vice President Pete Jaramillo and approved 6-0.

Resolution No. 2020-09

Resolution of Mission Economic Development Corporation Authorizing the Issuance of One or More Series of Revenue Bonds; and the Loan of Proceeds Thereof to Panda High Plains Hemp Gin, LLC; Approving Documents Related Thereto; and Approving Other Matters in Connection Therewith

6. COVID-19 Recovery Working Committee Report

CEO Daniel Silva reported that staff continues to diligently work on the COVID-19 Cares Program. He recapped from last month's report where he said that the County of Hidalgo had allocated \$1.5 million in funding to assist citizens of Mission affected by the pandemic. To date, \$857,000 in grant fund applications have been approved. There are 66 applications that are in the review process. If approved, that should be an additional \$160,000. The City of Mission has also implemented new programs for citizens. City Manager Randy Perez reported that the County of Hidalgo had extended the deadline for reimbursements until October 31, 2020, with submittals being received until November 30, 2020.

7. President Comments

President S. David Deanda Jr. said that we may continue to meet in this manner thru Zoom meetings until a vaccine becomes available against COVID-19. He said he heard on the news this morning about an antibody found by scientists in Pennsylvania, a study in rats, which prevents them from getting the COVID disease and encouraged everyone to look up the good news. Mayor Armando O'Caña said that despite county lifting orders, he continues to voice the message to citizens about voluntarily social distancing themselves and taking all precautions necessary to protect themselves and the public. He discourages mass gathering participation and asks that everyone wear masks. No further comments were made.

8. Adjournment.

Mario Garza moved to adjourn the meeting. Motion was seconded by Secretary Aissa I. Garza and approved 6-0. Meeting was adjourned at 6:10 p.m.

S. David Deanda, Jr., President

ATTEST:

Aissa I. Garza, Secretary