

**NOTICE OF REGULAR MEETING & PUBLIC HEARING**  
**MISSION ECONOMIC DEVELOPMENT CORPORATION**  
**SEPTEMBER 27, 2023                      4:00 PM**  
**CENTER FOR EDUCATION AND ECONOMIC DEVELOPMENT**

**PRESENT:**

Richard Hernandez, President  
Jose G. Vargas, Vice President  
Deborah Cordova, Secretary  
Estella Saenz, Treasurer  
Noel Salinas  
Carl Davis  
Mayor Norie Gonzalez Garza

**ABSENT:**

**ALSO PRESENT:**

Eugene Vaughan, JGKL LLP  
Matt Jones, JGKL LLP  
Lee McCormick, President, CDA  
Adrian Arriaga, Sperry Commercial Group

**STAFF PRESENT:**

Teclo J. Garcia, Chief Executive Officer  
Stepanie Palacios, Financial Officer  
Judy Vega, Executive Assistant  
Angie Vela, Finance Director  
Ezeiza Garcia, Assistant Finance Director

**1. Call to Order and Establish Quorum**

After establishing a quorum of the Board of Directors, President Richard Hernandez called the meeting to order at 4:07 PM

**2. Approval of Minutes: August 30, 2023**

Carl Davis moved for approval of the meeting minutes of August 30, 2023 as presented. Motion was seconded by Vice President Jose G. Vargas and approved 6-0.

**3. Acceptance of Adjusted Financial Statements for July 2023**

Financial Officer Stephanie Palacios presented and recommended approval of the adjusted financial statements for July 2023.

Secretary Deborah L. Cordova moved for acceptance of the adjusted Financial Statement for July 2023 as presented. Motion was seconded by Treasurer Estella Saenz and approved 6-0.

**4. Deliberation and possible action related to approval of Amendment to MEDC's FY 2022-2023 Budget.**

Financial Officer Stephanie Palacios presented and recommended approval of the Amendment to MEDC's FY 2022-2023 Budget and briefly explained them as follows:

- MEDC Fund 21- Transfers Out (\$1,717,472.50/Transfers Out) – Necessary for principal loan and debt service funds.
- MEDC Fund 21- Wagner Peyser (\$6,346.20/Revenues & \$6,346.20/Expenditures) – Necessary for the Wagner Peyser Fund for FY 2022-2023
- MEDC Fund 41- Debt Service (\$1,717,472.50/Transfers In & \$2,214,668.07/Expenditures) – Necessary for the principal payments made to pay off the 2010 refunding bond, the 2016 Lone Star National Bank loan, and the principal payment made to the 2018 PNC Bank loan.
- MEDC Fund 51- Capital Projects (\$15,869.10/Expenditures) – Necessary to allocate funds for the purchase of the CEED building office equipment.

There being no corrections or additions, Vice President Jose G. Vargas moved to approve the Amendment to MEDC's FY 2022-2023 Budget. Motion was seconded by Treasurer Estella Saenz and approved 6-0.

**5. Deliberation and possible action regarding the approval of Resolution No. 2023-07, A resolution regarding request of Oberon Fuels, Inc., for the issuance of one or more series of revenue bonds; authorizing the filing of an application for allocation of volume cap private activity bonds with the Texas Review Board; authorizing public hearings regarding the bonds; and authorizing other action related thereto.**

Lee McCormick, President of Community Development Associates presented this item by saying that this was an inducement resolution for Oberon Fuels, Inc. The project consists of a 17-acre sub-parcel (proposed facility boundary) in the southeastern portion of Gonzales County parcel 9976 (the site) adjacent to 1680 CR 431 in Waelder TX 78959. The facility will convert poultry manure into renewable dimethyl ether (rDME) and renewable methanol for use in high-value incentivized transportation markets. Oberon is partnering in this project with Cal-Maine Foods, the largest producer and distributor of shell eggs in the United States, which operates eight farms near the project location. Poultry manure from Cal-Maine's operating farms will be fed to a newly constructed anaerobic digester to be sited near Cal-Maine's Waelder 1 and Waelder 2 complexes. This project is for certain infrastructure and capital improvements for a pollution control treatment facility. Once all the paperwork is completed and the bond is set to close, Mr. McCormick will be bringing it back to the Board for approval in the form of a final resolution.

Approval of this resolution does not impose any payment or obligation on MEDC or the City of Mission. There is potential "reputational risk" if the borrower defaults since MEDC's name is included on the bonds. Assuming a bond issuance of \$140 million, at closing the MEDC is expected to receive approximately \$205,000 for serving as issuer of the bonds and an annual fee of \$35,500 until maturity. He is requesting approval of the resolution in the amount not to exceed \$150 million of tax-exempt private activity bonds.

Carl Davis moved for approval of Resolution No. 2023-07 as presented. Motion was seconded by Vice President Jose G. Vargas and approved 6-0.

Resolution No. 2023-07

Resolution regarding request of Oberon Fuels, Inc., for the issuance of one or more series of revenue bonds; authorizing the filing of an application for allocation of volume cap private activity bonds with the Texas Review Board; authorizing public hearings regarding the bonds; and authorizing other action related thereto.

- 6. Public Hearing: MEDC FY 2023-2024 proposed project consideration: An economic incentive for a sports facility to be located at 2513 Victoria Drive, Mission, in an amount not to exceed a total of \$141,000 to be paid over a period of three (3) years.**

At 4:28 PM President Richard Hernandez opened the public hearing.

CEO Teclo J. Garcia said that this project, The Padel Club, was approved last month by the Board. The developer needs to meet certain requirements to receive the incentive and as stipulated in an economic incentive agreement. Mr. Garcia asked legal counsel Gene Vaughan to briefly explain the rules for public hearings. Mr. Vaughan mentioned that the Board can listen to comments, ask questions, and even answer questions from the public, but can't advocate for or against the project. No other comments were made.

President Richard Hernandez closed the public hearing at 4:30 PM.

Mayor Norie Gonzalez Garza joined the meeting at 4:39 PM.

- 7. Deliberation & possible action to authorize staff to publish a Notice of Intention to Undertake a Project or Projects for FY 2023-2024 regarding the following projects: A) An economic incentive for a sports facility to be located at 2513 Victoria Drive, Mission, in an amount not to exceed a total of \$141,000 to be paid over a period of three (3) years.**

Secretary Deborah L. Cordova moved for approval. Motion was seconded by Noel Salinas and approved 7-0.

- 8. Deliberation and possible action to authorize CEO to execute a proposal with the Buxton Company for marketing services.**

Mr. Garcia introduced this item by saying that Buxton is a strategic marketing and research firm that staff have reached out to for assistance with market analysis and local market recruiting services in the retail sector. Mr. Garcia mentioned that the funding for this service has been allocated to MEDC's budget but that due to the amount of the engagement he needs to also present it to the City Council for approval upon MEDC's approval. Secretary Deborah L. Cordova asked about the amount and terms of the engagement, does it renew automatically, and has it been reviewed by counsel? Mr. Garcia said it was a \$35,000 one-year engagement with online user access (three), as well as availability of a live consultant to assist as needed. The contract is not renewed automatically, and it has not been reviewed by legal counsel.

Treasurer Estella Saenz moved to authorize the CEO to execute a proposal with the Buxton Company for marketing services, subject to final review of legal counsel. Motion was seconded by Carl Davis and approved 7-0.

**9. Discussion and possible action regarding the scheduling and attendance of members of the Board of Directors at a Texas Economic Development Council Sales Tax Workshop.**

Mr. Garcia said that he recently attended this workshop in Edinburg where participants included Texas Municipal League and EDC attorneys, among other participants, and it is there that he learned that EDC Board members are required to attend the workshop on an annual basis. The Economic Development Sales Tax Workshop includes information about economic and community development in general, and changes to the Economic Development Sales Tax Law. The workshops will include a discussion of changes to the Economic Development Sales Tax law that occurred during the 88th session of the Texas Legislature. Workshop attendees will receive Open Meetings Act and Public Information Act certification as a part of this course. Several dates and workshop locations were provided to the Board for their review and selection. He asked that they communicate with Executive Assistant Judy Vega on their preferred date for registration and accommodations. No action was taken or required.

At 4:46 PM, President Richard Hernandez announced that the MEDC Board of Directors would be convening into executive session.

**10. Closed Session Pursuant to V.T.C.A. Gov. Code Sec. 551.001**

**Deliberation and possible action regarding commercial or financial information received the Mission EDC from a business prospect with which the Mission EDC is conducting economic development negotiations or with which the Mission EDC seeks to have to locate, stay, or expand operations in or near the City of Mission (as permitted under Tex. Gov't Code Sec. 551.087), including, but not limited to the following:**

**Report from CEO as to potential prospects.**

**Deliberation and possible action regarding the purchase, exchange, lease, or value of real property (as permitted under Tex. Gov't Code Sec. 551.072), including, but not limited to the following:**

**M.E.D.C. Land**

**The Mission Economic Development Corporation Board of Directors will reconvene in open session to take any actions necessary**

At 5:40 PM. President Richard Hernandez announced that the Mission Economic Development Corporation Board of Directors will reconvene in Open Session.

No action was taken.

**11. CEO Report on Economic Activity**

Mr. Garcia reported that Mission EDC hosted a Commercial Investment Tour in collaboration with the RGV Partnership, which was well attended and represented. Melden & Hunt sponsored lunch for the group at La Fogata and Adrian Arriaga with Sperry Commercial Group sponsored breakfast. Presentations were made and key speakers partook in the event. Mr. Garcia said we should do this for site selectors from around the state and country.

Mr. Garcia announced that Brand Geniuz had hired four young men from UTRGV as interns. Brand Geniuz is a tenant at CEED. An agreement we made with Brand Geniuz was that they had to hire one person from Mission each year and one of those young men is from Mission. Brand Geniuz initially was going to hire one person, but they were so impressed with the other three candidates that they decided to hire all of them part-time. The company plans on hiring two of them full-time after the year is over. Mr. Garcia shared images with the Board from companies incentivized by MEDC. As part of their agreements with MEDC, Tekna-Impact and Haidar Properties (IHOP), were required to make donations to community non-profit organizations. Mr. Garcia thanked the Board of Directors for their participation at the recent MEDC Workshop that took place on August 26, 2023 at CEED. The workshop was very informative with various key speakers present. Mr. Garcia finalized his report by sharing international border vehicular crossing tolls and stats.

## **12. President Comments**

President Richard Hernandez thanked the staff and the Board for their service. He asked the CEO about perhaps inviting school district representatives to the next Board meeting for a presentation on their request for a tax increase from voters.

## **13. Adjournment**

Vice President Jose G. Vargas moved to adjourn the meeting. Motion was seconded by Noel Salinas and approved 7-0. The meeting was adjourned at 6:03 PM.

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Richard Hernandez, President

ATTEST

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Deborah L. Cordova, Secretary