

NOTICE OF SPECIAL MEETING, PUBLIC HEARING & WORKSHOP
MISSION ECONOMIC DEVELOPMENT CORPORATION
JULY 31, 2014 5:30 P.M.
CITY HALL

PRESENT:

S. David Deanda, Jr., President
Linda Requénez, Treasurer
Catherine Garcia
Mayor Norberto Salinas served in the Mayor Position

ABSENT:

Polo de Leon, Vice President
Jody Tittle, Secretary
Richard Hernández

ALSO PRESENT:

Julian Alvarez, RGV Partnership
Juan Eliseo Gonzalez
Norma L. Salaiz, Ph.D., RGV Lead
Doug Matney, South Texas Health System
Jessica Ortega-Ochoa, Mission City Councilwoman
Julie Silva, Progress Times

STAFF PRESENT:

Alex Meade, Chief Executive Office
Randy Perez, Assistant Finance Director
Judy Vega, Executive Assistant
Daniel Silva, Chief Operating Officer
Bertha Ramirez, Administrative Assistant
David Gonzales, Accountant
Martin Garza Jr., City Manager

1. Call to order

With a quorum being present President S. David Deanda Jr. called the meeting to order at 5:40 p.m.

2. Approval of Minutes – June 17, 2014

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

3. Approval of MEDC Financial Statements for June 2014

Assistance Finance Director Randy Pérez presented and recommended approval of the Financial Statements for June 2014.

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

4. Approval of Budget Amendment to FY Budget 2013-14

(A) Royal Technologies Corporation

(B) Offsite Infrastructure Improvements for off of Business Park Drive and Frontage Road, Mission, Texas, and a job creation grant

MEDC CEO Alex Meade presented and recommended approval of the Budget Amendment, an increase in appropriations for the following projects: (A) Royal Technologies Corporation in an amount not to exceed \$1,300,000; and (B) Offsite Infrastructure Improvements off of Business Park Drive and Frontage Road, Mission, Texas, and a job creation grant in an amount not to exceed \$110,000.

He suggested that motions for the amendment be taken separately.

Mayor Norberto Salinas moved for approval of Budget Amendment to FY 2013-14 Budget for Royal Technologies Corporation in an amount not to exceed \$1,300,000. Motion was seconded by Linda Requénez and approved 4-0.

The notice of intention to undertake the project and notice of public hearing to amend the budget for Royal Technologies Corporation was published on April 25, 2014 and the 60 day comment period ended on June 24th.

Regarding the request for Offsite Infrastructure Improvements off of Business Park Drive and Frontage Road, Mission, Texas, and a job creation grant in an amount not to exceed \$110,000, Catherine Garcia said that because construction had already commenced, she was recommending that it not get approved. Mr. Meade said that construction for South Texas Health System's (STHS) emergency room facility had begun in early July. He introduced and welcomed Doug Matney with STHS to say a few words regarding the project. Mr. Matney thanked the Board for their request consideration. He briefly explained that the contractor had completed another project sooner than expected and as a result STHS made an executive decision to start construction earlier.

Catherine Garcia moved to deny the funding request for Offsite Infrastructure Improvements off Business Park Drive and Frontage Road, Mission, Texas, and a job creation grant in an amount not to exceed \$110,000 to STHS. Motion was seconded by Mayor Norberto Salinas and approved 4-0.

The notice of notice to undertake the project and notice of public hearing to amend the budget for Offsite Infrastructure Improvements off of Business Park Drive and Frontage Road, Mission, Texas, and a job creation grant in an amount not to exceed \$110,000 was published on May 30, 2014 and the 60 day comment period ended July 30, 2014.

5. Public Hearing – MEDC FY 2014-15 Proposed Budget

President S. David Deanda Jr. opened the public hearing at 5:48 p.m. and asked for comments on MEDC's FY 2014-15 proposed budget.

There being no comments, President Deanda declared the public hearing closed at 5:49 p.m.

The notice of public hearing and notice of intention to undertake projects was published on June 27, 2014 and the 60 day comment period will end on August 26, 2014.

6. Workshop – discussion of proposed budget for FY 2014-15

- A. City of Mission**
- B. Texas Citrus Fiesta**
- C. RGV Lead**
- D. Small Business Fund Programs**
- E. Downtown Façade Improvement Fund**

Representatives from each entity appeared before the membership and explained their requests.

- A. City of Mission – City Manager Martin Garza Jr. reported on the infrastructure request of **\$1,000,000**. He reported that, if approved, the funds will be used for three eligible projects in Mission as follows: Inspiration Road expansion (a four lane expansion with a bike lane); Mile 2 North (west of Conway from Hwy 107 all the way to Moorefield and expansion all the way to La Homa on behalf of the County Precinct #3); and Taylor Road expansion project, with Mission, McAllen and Hidalgo County Precinct #3 as participants. The projects are valued at approximately \$45 million once completed. The city’s portion for all projects is approximately \$12 million.
- B. Texas Citrus Fiesta – CEO Alex Meade mentioned that MEDC has funded the Texas Citrus Fiesta before and this year assumed the request was going to be the same as last year’s at **\$60,000**. The entity is actually making a request for an additional \$15,000 to the \$60,000 to use for air conditioners at their existing facility and for some improvements to the Mission Community Center. An authorization request to amend the proposed budget will be presented at next month’s Board meeting.
- C. RGV Lead – Dr. Norma Salaiz with RGV Lead thanked the Board for their continued support. She said that the organization’s goal is to target the main occupations in this region. Eighty percent of their students stay in the Rio Grande Valley and most know what type of education is needed and what type of wages they can earn so that they prepare for those jobs. Dr. Salaiz mentioned that most of this information on targeted occupations is obtained through regional labor market reports. They are currently completing their second year project and are requesting funding of **\$75,000** for a third year. This year they will be adding the new Sharyland High School to the existing one from Sharyland ISD, two from Mission ISD and three from La Joya ISD.
- D. Small Business Fund Programs – Mr. Meade said that MEDC has supported the Ruby Red Ventures project, which has proven to be very successful. He said that another project, Code the Town, will start developing this fall. He is requesting **\$170,000** for these programs of which \$100,000 is intended for Ruby Red Ventures and \$70,000 for Code the Town. Mr. Meade said that Ruby Red Ventures had recently been recognized by the state for the innovative approach this project has taken in teaching small businesses. Code the Town is for the purpose of teaching computer programming and computer science to the community that will benefit the industries we’re recruiting.
- E. Downtown Façade Improvement Fund - Mr. Meade mentioned that this project has been very successful with downtown merchants. We have had many applicants taking advantage of the program and he is requesting **\$100,000** to continue assisting downtown businesses with façade improvements. He said that the Mission Redevelopment Authority has spearheaded the Conway Streetscape Project in downtown Mission and is spending considerably. This fund will encourage downtown merchants to improve the aesthetics of their businesses.

7. Authorization to utilize Mission Corridors Fund for Offsite Improvements off of Shary Road

Mr. Meade reminded the Board about the creation of a Mission Corridors Fund, a \$1,000,000 fund created in 2012 for the purpose of improvements on Shary Road and Bryan Road to benefit businesses. Mr. Meade mentioned that four or five retailers were considering locations in that area and a business

looking into constructing a new facility was requesting assistance for improvements on Shary Road and 4th Street. Mr. Meade is requesting to tap into the Mission Corridors Fund for an amount not to exceed \$36,000.

Mayor Norberto Salinas moved for approval of Authorization to utilize Mission Corridors Fund for Offsite Improvements off of Shary Road in the amount not to exceed \$36,000 for improvements on Shary Road and 4th Street. Motion was seconded by Catherine Garcia and approved 4-0.

8. Approval of Resolution No. 2014-04, A Resolution of Mission Economic Development Corporation Regarding Request of CarbonLITE Holdings, LLC for the Issuance of Solid Waste Disposal Revenue Bonds; Authorizing the Filing of A Application for Allocation of Private Activity Bonds with the Texas Bond Revenue Board; and Authorizing Other Action Related Thereto

Mr. Meade said that Mr. Lee McCormick, President with Community Development Associates (CDA), was not able to make it down to Mission to present this item so he was presenting it in his place. He said Mission EDC is the tax conduit for the bond revenue activity bond program where companies may utilize our nonprofit status to issue tax exempt bonds. CarbonLITE Holdings, LLC is planning to issue \$50 million in tax exempt bonds through the Mission EDC to finance a facility in Abilene, Texas.

Mayor Norberto Salinas mentioned the importance of having Mr. McCormick present at the meeting in the event that the Board has any questions related to the project. He requested that Mr. McCormick attend preceding meetings related to any request made on behalf of CDA. Mr. Meade said he will see to it that he is present at any future meetings.

Catherine Garcia moved to approve Resolution No. 2014-04 as presented and subject to having representation from Community Development Associates at any preceding MEDC or City Council meetings. Motion was seconded by Linda Requenez and approved 4-0.

Resolution No. 2014-04

Resolution of Mission Economic Development Corporation Regarding Request of CarbonLITE Holdings, LLC for the Issuance of Solid Waste Disposal Revenue Bonds; Authorizing the Filing of A Application for Allocation of Private Activity Bonds with the Texas Bond Revenue Board; and Authorizing Other Action Related Thereto

9. Approval of Resolution No. 2014-05, A Resolution of Mission Economic Development Corporation Authorizing Issuance of Solid Waste Disposal Revenue Bonds (Fair Energy Operations Project) Series 2014; Authorizing Loan of Bond Proceeds to Fair Energy Operations - Beaumont, LLC and Fair Energy Operations - Angleton, LLC; Approving Documents Relating Thereto; Authorizing Public Hearings and the Appointment of Hearing Officers; and Approving Other Matters in Connection Therewith

As with the previous request, Mr. Meade presented this item by saying that Fair Energy Operations - Beaumont, LLC and Fair Energy Operations – Angleton, LLC, were also requesting the Issuance of Solid Waste Disposal Revenue Bonds through MEDC’s nonprofit tax exempt status for the purpose

of issuing tax exempt bonds.

Catherine Garcia moved to approve Resolution No. 2014-05 as presented and subject to having representation from Community Development Associates at any preceding MEDC or City Council meetings. Motion was seconded by Mayor Norberto Salinas and approved 4-0.

Resolution No. 2014-05

Resolution of Mission Economic Development Corporation Authorizing Issuance of Solid Waste Disposal Revenue Bonds (Fair Energy Operations Project) Series 2014; Authorizing Loan of Bond Proceeds to Fair Energy Operations - Beaumont, LLC and Fair Energy Operations - Angleton, LLC; Approving Documents Relating Thereto; Authorizing Public Hearings and the Appointment of Hearing Officers; and Approving Other Matters in Connection Therewith

10. President's Comments

None.

11. Adjournment

Catherine Garcia moved to adjourn the meeting. Motion was seconded by Linda Requenez and approved 4-0. Meeting was adjourned at 6:04 p.m.

S. David Deanda, Jr., President

ATTEST:

Jody A. Tittle, Secretary