

NOTICE OF SPECIAL MEETING & PUBLIC HEARING
MISSION ECONOMIC DEVELOPMENT CORPORATION
MAY 22, 2014 5:30 P.M.
CITY HALL

PRESENT:

S. David Deanda, Jr., President
Polo de Leon, Vice President
Linda Requénez, Treasurer
Catherine Garcia
Richard Hernández
Mayor Norberto Salinas served in the Mayor Position

ABSENT:

Jody Tittle, Secretary

ALSO PRESENT:

Julie Silva, Progress Times
Juan E. Gonzalez

STAFF PRESENT:

Alex Meade, Chief Executive Office
Randy Perez, Assistant Finance Director
Judy Vega, Executive Assistant
Daniel Silva, Chief Operating Officer
Martin Garza, City Manager

1. Call to order

With a quorum being present President S. David Deanda Jr., called the meeting to order at 5:43 p.m.

2. Approval of Minutes – April 17, 2014

There being no corrections or additions Richard Hernandez moved for approval. Motion was seconded by Polo De Leon and approved 5-0.

Linda Requénez joined the meeting at 5:44 p.m.

3. Approval of MEDC Financial Statements for April 2014

Assistant Finance Director Randy Perez presented and recommended approval of the Financial Statement for April 2014.

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

4. Acceptance of Quarterly Report of Investments for the Quarter ending March 31, 2014 and Interest Earned for Six Months ending March 31, 2014

Assistant Finance Director Randy Perez presented and recommended Acceptance of Quarterly Report of Investments for the Quarter ending March 31, 2014 and Interest Earned for Six Months ending March 31, 2013.

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

5. Approval of Budget Amendment to FY 2013-2014 Budget

A. Small Business Program

B. Infrastructure Improvements off of Shary Road & FM 495, Mission, Texas, and off of Bryan Road & Business 83, Mission, Texas

Assistant Finance Director Randy Perez presented and recommended approval of the Budget Amendment, an increase in appropriations for the following project: A) Small Business Program in an amount not to exceed \$70,000; and B) Infrastructure Improvements off of Shary Road & FM 495, Mission, Texas, and off of Bryan Road & Business 83, Mission, Texas in an amount not to exceed \$200,000

Richard Hernandez moved for approval of Budget Amendment to FY 2013-14 Budget. Motion was seconded by Mayor Norberto Salinas and approved 6-0.

The notice of public hearing and notice of intention to amend the budget was published on February 28, 2014 and the 60 day comment period ended on April 30, 2014.

Richard Hernandez moved to remove this item, Item 6 from the table and bring it back to the floor. Motion was seconded by Polo De Leon and approved unanimously 6-0.

At 5:47 p.m., Polo De Leon moved to convene into executive session pursuant to Local Government Code Section 551.072 Deliberations Regarding Real Property. Motion was seconded by Catherine Garcia and approved unanimously 6-0.

6. Executive Session pursuant to V.T.C.A. Gov. Code Sec. 551.001

Deliberations Regarding Real Property Sec. 551.072

A. Purchase of 1 Acre of Land, More or Less, out of Lot 20-10, West Addition to Sharyland Subdivision, Hidalgo County, Texas, and Tract Adjacent to Said Property

The MEDC Board will reconvene in open session to take any actions necessary.

At 5:57 p.m., Polo De Leon moved to reconvene in open session. Motion was seconded by Linda Requénez and approved unanimously 6-0.

Item 6-A: Mayor Norberto Salinas moved to (A) Authorize Alex Meade, Chief Executive Officer, to (1) purchase One Acre of Land, more or less, out of Lot 20-10, West Addition to Sharyland Subdivision, Hidalgo County, Texas, and Tract Adjacent to said property, for \$300,000.00, according to the terms of that certain contract between Lois D. Brooks, a widow, and Elias Randall Brooks, Individually and as Independent Executor of the Estate of George Elias Brooks, IV, deceased, as Seller, and Mission Economic Development Corporation, as Buyer, dated April 30, 2014, and (2) execute all documents incident thereto, and (B) Ratify the execution of said contract. Motion was seconded by Polo De Leon and approved unanimously 6-0.

7. Approval of Budget Amendment to FY 2013-2014 Budget for the purchase of real property

Linda Requénez moved to remove this item from the table and bring it back to the floor. Motion was seconded by Richard Hernandez and approved unanimously 6-0.

Mayor Norberto Salinas moved to authorize a Budget amendment to the FY 2013-2014 Budget in an amount not to exceed \$350,000.00 for the purchase of the property authorized in Item 6 of this agenda and any costs incident thereto. Motion was seconded by Richard Hernandez and approved unanimously 6-0.

8. Public Hearing – Budget Amendment to FY 2013-2014 Budget: (A) Royal Technologies Corporation will have purchased at least 12 acres of property within the Mission EDA industrial park, constructed at least a 350,000 sq. ft. manufacturing facility, made a capital investment of at least \$35 million and created at least 200 jobs, all by December 31, 2017. Should the project meet these performance measures, the MEDC board is proposing incentives in an amount not to exceed \$1,300,000 over a period of five years.

President S. David Deanda Jr. opened the public hearing at 6:02 p.m. and asked for comments on the proposed project consideration for FY 2013-2014.

MEDC CEO Alex Meade mentioned that Royal Technologies Corporation (RTC) has already opened for business. Previously the MEDA and MEDC Boards authorized a combined incentive of approximately 7% based on a \$15 million investment. The company is now at a \$38 million investment and Mr. Meade is requesting that MEDC consider an incentive of \$1.3 million to be paid over the next five years. Mr. Meade said that upon approval of the budget amendment, RTC will receive a \$300,000 payment. The rest will be disbursed over the remaining four years.

There being no further comments, President S. David Deanda Jr. declared the public hearing closed at 6:12 p.m.

The notice of public hearing and notice of intention to undertake the Royal Technologies Corporation project was published on April 25, 2014 and the comment period will end on June 24, 2014.

9. Authorization to Publish Notice of Intention to Authorize a Budget Amendment to the FY 2013-14 Budget and schedule a public hearing for June 17, 2014 related to said authorization

Mr. Meade said he would like the Board's authorization to publish a notice of intention to authorize a Budget Amendment to the FY 2013-2014 Budget and schedule a public hearing on June 17, 2014 for the following project: (A) 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 moved for authorization to publish notice of intention to authorize a Budget Amendment to the FY 2013-2014 Budget and schedule a public hearing for June 17, 2014 related to said authorization. Motion was seconded by Polo De Leon and approved 6-0.

10. Approval of Resolution No. 2014-03, A Resolution of the Mission Economic Development Corporation Regarding Request of Fair Energy Operations – Beaumont, LLC and Fair Energy Operations – Angleton, LLC for the Issuance of Industrial Development Revenue Bonds; Authorizing the Filing of an Application for Allocation of Private Activity Bonds with the Texas Bond Review Board; and Authorizing Other Action Related Thereto

MEDC Alex Meade presented this item by saying that Fair Energy Operations is a company that transforms waste into energy. The company is requesting our tax exemption designation to issue these bonds. MEDC will generate about \$237,000 over a period of 13 years by allowing them to issue these bonds. Lee McCormick, President of Community Development Associates is the project facilitator.

Polo De Leon moved to approve Resolution No. 2014-03 as presented. Motion was seconded by Catherine Garcia and approved 6-0.

RESOLUTION NO. 2014-03

RESOLUTION REGARDING REQUEST OF FAIR ENERGY OPERATIONS – BEAUMONT, LLC AND FAIR ENERGY OPERATIONS – ANGLETON, LLC FOR THE ISSUANCE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS; AUTHORIZING THE FILING OF AN APPLICATION FOR ALLOCATION OF PRIVATE ACTIVITY BONDS WITH THE TEXAS BOND REVIEW BOARD; AND AUTHORIZING OTHER ACTION RELATED THERETO

11. Vice President’s Comments

None.

12. Adjournment

Catherine Garcia moved to adjourn the meeting. Motion was seconded by Richard Hernandez and approved 6-0. Meeting was adjourned at 6:28 p.m.

S. David Deanda, Jr., President

ATTEST:

Jody A. Tittle, Secretary