

**NOTICE OF REGULAR MEETING**  
**MISSION ECONOMIC DEVELOPMENT CORPORATION**  
**MAY 26, 2011            5:30 PM**  
**CITY HALL**

**PRESENT:**

Cathy Garcia, President  
Polo de Leon, Vice President  
Ricardo Martinez, Treasurer  
S. David Deanda, Jr., Secretary  
Mayor Norberto Salinas  
Jody Tittle

**ABSENT:**

Linda Requenez

**ALSO PRESENT:**

Ricardo Perez, Consultant  
Paul Curtin, Hunt Valley Development  
Sandra Vecchio  
Keith Patridge, McAllen EDC  
Alex Meade, P3 Economics

**STAFF PRESENT:**

Julio Cerda, City Manager  
Sonia Carnes, Deputy City Manager  
Guillermo Seguin, Deputy City Manager  
Anna Carrillo, City Secretary  
Janie Flores, Finance Director  
David Gonzales, Accountant  
Daniel Silva, Project Manager  
Judy Vega, Executive Assistant  
Randy Perez, Assistant Finance Director

**1. Call to order**

With a quorum being present President Cathy Garcia called the meeting to order at 5:37 p.m.

**2. Approval of Minutes – April 14, 2011**

There being no corrections or additions Ricardo Martinez moved for approval. Motion was seconded by Polo de Leon and approved 6-0.

**3. Financial Statements for April 2011**

David Gonzalez, Accountant presented and recommended approval of the financial statement for April 2011.

After some discussion of the April, 2011 financial statements Polo de Leon moved to approve as presented. Motion was seconded by Jody Tittle and approved 6-0.

**4. Budget Amendments: MEDC General Fund, MEDC Debt Service**

Janie Flores Finance Director presented the MEDC General Fund budget amendments to reclassify additional funds to meet end of year expenditures for the Development Section of MEDC and to reclassify funds to meet end of year expenditures for the administrative section of MEDC. The MEDC Debt Service Fund budget amendment was on Increased 2010 Refunding Bond Proceeds to actual received and to increase transfers in MEDC Capital Proceeds to actual received.

David Deanda moved to approve the budget amendments as presented. Motion was seconded by Jody Tittle and approved 6-0.

(Budget Amendments attached to original minutes)

## 5. Adopt Incentive Guidelines for Economic Development

The purpose of the Incentive Guidelines was to attract new investment and enhance or create jobs in the City of Mission. The Incentive Guidelines are as follows:

- **Texas Enterprise Zone Program** – designed to create jobs and induce capital investment in areas of economic distress.
- **Local Sales & Use Tax Refund Program** – designed to assist “Qualified businesses” in an Enterprise Zone, a one-time local sales and use tax refund may be granted on certain expenditures during construction (not to exceed 12 months)
- **Freeport Exemption Program** – This program allows local taxing authorities the option of exempting from ad valorem property taxes all business inventories acquired in or brought into Texas for fabrication, assembling, manufacturing, storage, or processing and then exported outside the state within 175 days. Taxing entities that have allowed the Freeport Exemption are; City of Mission, County of Hidalgo, South Texas College and Mission CISD.
- **Tax Abatement Program** - This incentive may be granted by the discretionary action of the Mission City Council based on varying levels of capital investment and/or job creation/payroll. The minimum number of jobs required to be created is 20 with at least a \$500,000 annual payroll. A minimum capital investment of \$1 million dollars is also required.
- **Job Creation Incentive Program** - MEDC may award up to \$1,000 per eligible job created. A minimum of 10 jobs must be created, wages must be at least 25% higher than the required minimum federal wage rate, and each job position must accumulate at least 1,600 hours annually.
- **Job Training Grant** - There are various sources of training program funds to provide assistance in training.
- **Off-Site Improvement Program** - MEDC may subsidize up to 2% of total infrastructure costs or improvements by a Mission business for an eligible project. Minimum investment amount is \$250,000. Job investment ratio of one new job per \$20,000 invested.
- **Interest Rate Subsidy Program** - MEDC may subsidize interest rates on a bank loan for an eligible project. Maximum amount is \$250,000.
- **Hotel/Motel Attraction Program** - \$1,000 for each room available for overnight occupancy may be granted to a qualified project upon completion. A minimum investment of \$2 million in land, building, furniture, fixtures, equipment and on-site infrastructure improvements must be made.

Polo de Leon moved to approve the Incentive Guidelines for Economic Development as recommended. Motion was seconded by Ricardo Martinez and approved 6-0.

## 6. Discussion and action on presentation by Keith Patridge, regarding future use of rail service between Tamaulipas and Texas

Mr. Keith Patridge gave a presentation regarding the future use of rail service between Tamaulipas and Texas and briefed the board on the International Rail Bridge west of Reynosa in Diaz Ordaz, Mexico which would connect Kansas City Southern with Kansas City Southern Mexico.

David Deanda stepped out of the meeting at 5:59 p.m.

At 6:26 p.m., Mayor Norberto Salinas moved to convene into executive session pursuant to Local Government Code Section 551.071 Consultation with Attorney. Motion was seconded by Polo de Leon and approved unanimously 6-0.

At 7:12 p.m., Polo de Leon moved to reconvene in open session. Motion was seconded by Ricardo Martinez and approved unanimously 5-0. MEDC Board did and thereafter returned to the item in open session.

**7. Discussion and action on report by Alex Meade, P3 Economics**

No action was taken on this item.

Mayor Norberto Salinas stepped out of the meeting at 7:00 p.m.

**8. President's Comments**

None

**9. Adjournment**

Polo de Leon moved to adjourn the meeting. Motion was seconded by Ricardo Martinez and approved 4-0 Meeting was adjourned at 7:14 p.m.

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Cathy Garcia President

ATTEST:

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S. David Deanda Secretary