

**NOTICE OF REGULAR MEETING, PUBLIC HEARING & WORKSHOP
MISSION ECONOMIC DEVELOPMENT CORPORATION
JULY 16, 2019 5:30 P.M.
CENTER FOR EDUCATION AND ECONOMIC DEVELOPMENT**

PRESENT:

S. David Deanda, Jr., President
Pete Jaramillo, Vice President
Aissa I. Garza, Secretary
Dr. Sonia Treviño, Treasurer
Balde Morales
Mario Garza
Mayor Armando O’Cana served in the Mayor Position

ABSENT:

ALSO PRESENT:

Lee McCormick, President, CDA (via teleconference)
Jose De Leon, Progress Times
Bob Filut, Texas Citrus Fiesta
Carlos Garcia, Texas Citrus Fiesta
Lisa Rivera, Texas Citrus Fiesta

STAFF PRESENT:

Daniel Silva, Chief Executive Office
Joel A. Garza, Chief Operating Officer
Angie Vela, Finance Director
Ezeiza Garcia, Assistant Finance Director
Judy Vega, Executive Assistant
David Gonzales, Accountant
Randy Perez, City Manager
Jasmine Ramos, MEDC Receptionist
Shaine Mata, Facility Manager
James Francis Love, Network Security Specialist
Bertha Ramirez, Administrative Assistant
Marc Peña, Jr., Accountant

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 – Special Meeting of June 4, 2019.

There being no corrections or additions Mayor Armando O’Cana moved for approval of the regular board meeting minutes of the Special Meeting of June 4, 2019. Motion was seconded by Balde Morales and approved 7-0.

3. Approval of Financial Statement for May, 2019.

Finance Director Angie Vela presented and recommended approval of the financial statement for the month of May, 2019.

There being no corrections or additions, Balde Morales moved to approve the financial statement for the month of May, 2019. Motion was seconded by Mario Garza and approved 7-0.

4. Public Hearing – MEDC FY 2019-2020 Proposed Budget

President S. David Deanda Jr. opened the public hearing at 5:44 p.m. and asked for comments on MEDC’s FY 2019-2020 proposed budget.

There being no comments, President S. David Deanda Jr., declared the public hearing closed at 5:45 p.m.

The notice of public hearing and notice of intention to undertake projects was published on June 7, 2019 and the 60-day comment period will end on August 20, 2019.

5. Workshop – discussion of proposed budget for FY 2019-2020.

- A. City of Mission**
- B. Small Business Fund Programs**
- C. Downtown Façade Improvements Fund**
- D. Rent Subsidy Program**
- E. Texas Citrus Fiesta**

Representatives of each agency appeared before the Board and explained their requests.

- A. 1,000,000 – City of Mission** – The City of Mission’s request of \$1,000,000 is a binding commitment as stipulated in a Nov. 27, 2017 agreement between the City of Mission and the Mission EDC for the purpose of repayment of costs for the Mission Event Center until the service debt is paid off.
- B. \$230,000 – Small Business Fund Programs** – CEO Daniel Silva reported that these funds will be used to continue our Ruby Red Ventures and Code the Town programs, and \$10,000 that will be used for an Arts Program.
- C. \$50,000 – Downtown Façade Improvements Fund** – The CEO said that this is the amount that we use for business owners’ building façade improvements in the downtown area from 1st Street thru 16th Street along Conway Avenue.
- D. \$25,000 – Rent Subsidy Program** – No change from last year.
- E. \$35,000 – Texas Citrus Fiesta** – CEO Daniel Silva mentioned that he has discussed the budget constraints with Lisa Rivera, Director of Texas Citrus Fiesta (TCF). He mentioned that although the funding was being reduced, he offered to assist with other items such as \$18,000 for advertising and about \$7,000 for event sponsorships throughout the year. TCF Director Rivera mentioned that they are coming up with more advanced programs, doing more events, and doing more traveling, which require more funding. Discussion ensued. Board President S. David Deanda Jr. mentioned that he would like to see a list of TCF’s sponsors and where their other sources of revenue come from. If it is from sponsors he would like to see who they are and how much they’re contributing. He mentioned that he would like to assist TCF, but more information is needed to figure out how we can help. Board Secretary Aissa I. Garza clarified that what TCF is doing is providing advertising for sponsors, and what the Board would like to see is how much of their revenue stream come from organizations that pay TCF for advertising at different events. A question was made on whether TCF has an audit they could provide. TCF Director Rivera said they do not and that it has never been audited. CEO Daniel Silva said that he will further discuss with TCF on how we can increase their revenue.

6 Approval of Resolution No. 2019-02, A Resolution of the Mission Economic Development Corporation Regarding Request of Zume, Inc., for the Issuance of 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.

Lee McCormick, President of Community Development Associates, joined the meeting via teleconference at 5:36 p.m. from Rome, Italy. He introduced this item by saying that Zume, Inc., will be building a solid waste recycling facility designed to make the food supply chain smarter and more connected to help brands move food closer to demand, improve efficiency and reduce waste. Their vision is for a sustainable food supply chain that contributes to the reduction of landfill and garbage incineration use while providing residents with a higher quality of life. Mr. McCormick said that this is a conduit transaction for the MEDC and Zume, Inc. is the borrower responsible for repayment of the debt. The facility will be located in Mesquite, Texas, in Dallas County; and/or any other location

in Texas selected by the user. At closing the MEDC is expected to receive approximately \$294,000 for serving as Issuer of the bonds and \$31,750 annually or a lesser amount based on the outstanding balance until maturity. Approval of this Inducement Resolution does not impose any payment or obligation on the Mission EDC or the City of Mission, Texas in connection with the financing. The amount of the bonds is \$300,000,000. Mr. McCormick is requesting approval of the resolution.

Vice President Pete Jaramillo moved for approval of Resolution No. 2019-02 as presented. Motion was seconded by Treasurer Dr. Sonia Treviño and approved 7-0.

Resolution No. 2019-02

Resolution of the Board of Directors of the Mission Economic Development Corporation Regarding Request of Zume, Inc. for the Issuance of 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.

7. President's Comments.

CEO Daniel Silva recapped from last month's Board meeting where we mentioned that MEDC's net position was in the red. He said that next month we will be holding a Mission Economic Development Authority Board (MEDA) meeting where he will be requesting a transfer of funds from the MEDA to the MEDC. He said it won't be in the form of transferring land, but in the form of incentive funds. CEO Silva mentioned that MEDC has picked up on some activities of the MEDA and this will also help with that. He is planning on requesting a transfer of \$275,000, which will take MEDC out of the net red position in our budget for this fiscal year.

8. Adjournment.

Mayor Armando O'Cana moved to adjourn the meeting. Motion was seconded by Vice President Pete Jaramillo and approved 7-0. Meeting was adjourned at 6:22 p.m.

S. David Deanda, Jr., President

ATTEST:

Aissa I. Garza, Secretary