

NOTICE OF REGULAR MEETING
MISSION ECONOMIC DEVELOPMENT CORPORATION
APRIL 19, 2022 5:30 PM
CENTER FOR EDUCATION AND ECONOMIC DEVELOPMENT

PRESENT:

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

ABSENT:

Balde Morales
Jose G. Vargas

ALSO PRESENT:

Lee McCormick, President, CDA
Michael McGurk, Walsh McGurk Cordova Nixon,
PLLC
Fatima Garcia, Mission Event Center
Javier Ramon
Gloria Gracia, Mexico Industry News
Dominique Villarreal, Mexico Industry News

STAFF PRESENT:

Daniel Silva, Chief Executive Officer
Joel A. Garza, Chief Operating Officer
Judy Vega, Executive Assistant
Randy Perez, City Manager
Angie Vela, Finance Director
Ezeiza Garcia, Assistant Finance Director
Cristian Garza, Accountant
Jasmine Ramos, MEDC Receptionist
Bertha Ramirez, Administrative Assistant
Joe Salazar, Accountant
Daniel Rivera, Director of Programs & Marketing

1. Call to order

With a quorum being present President S. David Deanda Jr. called the meeting to order at 5:41p.m.

2. Approval of Minutes: Regular meeting of March 15, 2022

There being no corrections or additions Secretary Aissa I. Garza moved for approval of the regular Board meeting minutes of March 15, 2022. Motion was seconded by Treasurer Dr. Sonia Treviño and approved 5-0.

3. Authorization to publish Notice of Intention to Undertake a Project or Projects for FY 2021-2022 and schedule Public Hearing for May 17, 2022 related to MEDC projects for 2021-2022

CEO Daniel Silva is requesting authorization to publish a notice of intention and notice of public hearing for the creation of a Small Business Fund and an Economic Development Small Business Initiative. The Small Business Fund is to assist small area businesses in need and mentioned a few that have requested assistance. The Economic Development Small Business Initiative will involve bringing together CEED tenants, so they get to know each other, bringing in speakers, and organizing quarterly mixers, along with outdoor function participation, and other activities during holidays. Secretary Aissa I. Garza moved for Authorization to publish Notice of Intention to Undertake a Project or Projects for FY 2021-2022 and schedule a Public Hearing for May 17, 2022 related to MEDC projects for 2021-2022, with the following change in the amounts requested as follows: A) Small Business Development Fund, in an amount not to exceed \$40,000; and B) Center for Education and Economic Development Small Business Initiative, in an amount not to exceed

\$10,000. Motion was seconded by Vice President Pete Jaramillo and approved 5-0.

4. Approval of Resolution No. 2022-03, Resolution of the Board of Directors of Mission Economic Development Corporation authorizing the issuance of one or more series of revenue bonds and the loan of the proceeds thereof to Fractal Polymers, LLC; approving documents relating thereto; and approving other matters in connection therewith

Lee McCormick, President with Community Development Associates, introduced this item by saying that this was a final resolution for Fractal Polymers, LLC in an amount not to exceed \$66 million. He said that resolutions for this is the third time that this bond project has been approved by the Board, but that due to changes in the project location, they have been bringing it back. Fractal Polymers is a newly formed entity seeking to build a mixed plastic recycling facility near Houston, TX. The company will recycle plastics, primarily polypropylene and polyethylene, from a niche waste stream and post-industrial scrap. This is a conduit transaction for the MEDC. The borrower/applicant is responsible for repayment of the debt. Approval of this Resolution does not impose any payment or obligation on the Mission Economic Development Corporation or the City of Mission, Texas in connection with the financing. There is potential “reputational risk” if the borrower defaults since the MEDC name is included on the bonds. Assuming a \$66 million transaction, the MEDC is expected to receive approximately \$117,500 for serving as Issuer of the bonds and an initial annual fee of \$16,500 which will reduce annually as the bonds are repaid.

Secretary Aissa I. Garza moved for approval of Resolution No. 2022-03. Motion was seconded by Vice President Pete Jaramillo and approved 5-0.

Resolution No. 2022-03

Resolution of the Board of Directors of Mission Economic Development Corporation authorizing the issuance of one or more series of revenue bonds and the loan of the proceeds thereof to Fractal Polymers, LLC; approving documents relating thereto; and approving other matters in connection therewith

5. Presentation and possible action of marketing package with Mexico Industry News in an amount not to exceed \$14,400

CEO Daniel Silva introduced Gloria Gracia with Mexico Industry News. Ms. Gracia presented her proposal by saying that Mexico Industry is a media corporate group with 25 years of experience promoting and linking with the manufacturing industry in Mexico throughout printed magazines and an upscale digital platform. Ms. Gracia shared a power point presentation with the Board which contained information related to websites, geological tools, search engines used, subscribers, and advantages in publicizing with them. She mentioned that their website has an average of 3.4 million monthly searches according to Google analytics. She also mentioned that their newsletter has 27,000 subscribers. Ms. Gracia's proposal is \$14,400 and includes banners, economic development newsletter notes, maps, and a video.

Mayor Armando O’Caña moved for approval of marketing package with Mexico Industry News, in an amount not to exceed \$14,400. Motion was seconded by Secretary Aissa I. Garza and approved 5-0.

At 6:46 p.m., President S. David Deanda Jr. announced that the Mission Economic Development Board of Directors would be convening into Executive Session. Mayor Armando O’Caña moved to convene. Motion was seconded by Vice President Pete Jaramillo and approved 5-0.

- 6. Executive Session Pursuant to V.T.C.A. Gov. Code Sec. 551.001**
 - Deliberation Regarding Economic Development Negotiations Sec. 551.087**
 - A. Project Pool**
 - B. Project Doors**
 - C. Project Roads**
 - Consultation with Attorney Sec. 551.071**
 - Personnel Matters Sec. 551.074**
 - A. Employee Lease Agreement**
 - B. CEO Employment Agreement**

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

At 7:09 p.m., President S. David Deanda Jr. announced that the MEDC Board would be reconvening into open session. Treasurer Dr. Sonia Treviño moved to reconvene in open session. Motion was seconded by Secretary Aissa I. Garza and approved 5-0.

Deliberation Regarding Economic Development Negotiations Sec. 551.087

Item A: Treasurer Dr. Sonia Treviño moved to authorize CEO Daniel Silva, to continue with economic development negotiations with Project Pool. Motion was seconded by Secretary Aissa I. Garza and approved 5-0.

- Consultation with Attorney Sec. 551.071
 - Personnel Matters Sec. 551.074
 - A. No action.
 - B. No action.

7. President Comments:

None.

8. Adjournment.

Treasurer Dr. Sonia Treviño moved to adjourn the meeting. Motion was seconded by Secretary Aissa I. Garza and approved 5-0. Meeting was adjourned at 7:11 p.m.

S. David Deanda, Jr., President

ATTEST:

Aissa I. Garza, Secretary