

NOTICE OF REGULAR MEETING & PUBLIC HEARING
MISSION ECONOMIC DEVELOPMENT CORPORATION
JUNE 15, 2021 5:30 P.M.
CENTER FOR EDUCATION AND ECONOMIC DEVELOPMENT

Join Zoom Meeting (by computer or Mobile App)

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Meeting ID: 889 8227 0733, Password: 125036;

Or Dial by telephone: +1 346 248 7799, Meeting ID: 889 8227 0733 , Password: 125036

PRESENT:

S. David Deanda, Jr., President
Dr. Sonia Treviño, Treasurer
Mario Garza
Balde Morales

ABSENT:

Pete Jaramillo, Vice President
Aissa I. Garza, Secretary
Mayor Position

ALSO PRESENT:

STAFF PRESENT:

Daniel Silva, Chief Executive Officer
Joel A. Garza, Chief Operating Officer
Judy Vega, Executive Assistant
Angie Vela, Finance Director
Ezeiza Garcia, Assistant Finance Director
David Gonzales, Accountant
David Flores, Deputy City Manager
Jasmine Ramos, MEDC Receptionist
James Francis Love, Network Support Specialist

1. Call to order

With a quorum being present President S. David Deanda Jr., called the meeting to order at 5:33 p.m.

2. Approval of Minutes: May 18, 2021

There being no corrections or additions Treasurer Dr. Sonia Treviño moved for approval of the regular board meeting minutes of May 18, 2021. Motion was seconded by Balde Morales and approved 4-0.

3. Approval of Adjusted Financial Statement for May 2021

Finance Director Angie Vela presented, and recommended approval of the financial statement for May 2021.

There being no corrections or additions, Balde Morales made a motion to approve the adjusted financial statement for May 2021 as presented. Motion was seconded by Treasurer Dr. Sonia Treviño and approved 4-0.

4. Approval of Budget Amendment to 2020-2021 Budget

Finance Director Angie Vela presented, and recommended approval of the Budget Amendment to 2020-2021 Budget in the amount of \$125,775, for incentive projects approved in May 2021: Belton, LLC in the amount of \$13,275 each year for three years, and Mirabelle Plaza for a total amount of \$112,000.

Mario Garza moved for approval of Budget Amendment to 2020-2021 Budget. Motion was seconded by Balde Morales and approved 4-0.

5. Approval of The Reyna Network LLC invoice totaling \$3,750 related to EDA Project #08-79-05396 for services from May 17, 2021, to June 16, 2021

CEO Daniel Silva presented this item by saying that this was a recurring monthly invoice related to the \$3 million EDA grant for grant administration services. The grant was awarded for the purpose of drainage improvements related to the Shary Village Industrial Park Roadway & Drainage. A progress report on the project is attached for the Board's review. Mr. Silva is requesting approval of the invoice.

Mario Garza moved for approval of The Reyna Network LLC invoice in the amount of \$3,750.00. Motion was seconded by Balde Morales and approved 4-0.

6. Approval of Resolution No. 2021-05, A resolution regarding request of Fractal Polymers, LLC for the issuance of one or more series of revenue bonds; authorizing the filing of an application for allocation of volume cap for private activity bonds with the Texas Bond Review Board; authorizing public hearings regarding the bonds; and authorizing other action related thereto

Lee McCormick, President of Community Development Associates, introduced this item by saying that this was an inducement bond resolution in an amount not to exceed \$150 million. The company plans on building a facility in the Houston area for the purpose of recycling plastics, primarily polypropylene and polyethylene, from a niche waste stream and post-industrial scrap. Fractal Polymers will receive 3,000 tons per month mixed plastic waste that is currently being landfilled, along with 1,000 tons per month post-industrial plastic, sort, and recycle primarily polypropylene and polyethylene. Fractal Polymer's customer base includes large, credit-worthy plastic manufacturers and consumer product companies. Bond and issuer counsel is Bracewell, LLP. Quintana Infrastructure & Development LLC has funded this project, engineering, and development costs of the facility to-date. This is a conduit transaction. The borrower/applicant is responsible for repayment of the debt. Assuming an initial transaction of \$100 million, at closing the MEDC is expected to receive approximately \$186,250 for serving as issuer of the bonds and an annual fee of \$25,000 until maturity. Mr. McCormick recommends approval of the resolution in an amount not to exceed \$150 million of tax-exempt private activity bonds to finance the proposed project.

Treasurer Dr. Sonia Treviño moved for approval of Resolution No. 2021-05. Motion was seconded by Mario Garza and approved 4-0.

Resolution No. 2021-05

A resolution regarding request of Fractal Polymers, LLC for the issuance of one or more series of revenue bonds; authorizing the filing of an application for allocation of volume cap for private activity bonds with the Texas Bond Review Board; authorizing public hearings regarding the bonds; and authorizing other action related thereto

7. Public Hearing: Budget Amendment to FY 2020-2021 Budget: Texas Citrus Fiesta 2020-2021 budget \$35,000; additional funding of \$18,000, amended budget not to exceed \$53,000

S. David Deanda Jr. opened the public hearing at 5:44 p.m. There being no comments, President S. David Deanda Jr., closed the public hearing at 5:45 p.m.

Notice of intention and notice of public hearing was published on May 21, 2021, and public comments end on July 20, 2021.

8. Authorization to publish Notice of Intention to Undertake a Project or Projects for FY 2021-2022 and schedule a public hearing for July 20, 2021 related to MEDC projects for FY 2021-2022

CEO Daniel Silva is requesting authorization to publish a notice of intention to undertake projects for FY 2021-2022 and schedule a public hearing for MEDC's proposed projects for FY 2021-2022. The projects include City of Mission in an amount not to exceed \$1,000,000; Small Business Fund Programs in an amount not to exceed \$266,000; Downtown Façade Improvement Program in an amount not to exceed \$50,000; Rent Subsidy Program in an amount not to exceed \$25,000; and Texas Citrus Fiesta (TCF) in an amount not to exceed \$45,000. Mr. Silva mentioned that last year TCF was funded \$35,000; but that they had requested an additional \$18,000. For FY 2021-2022, the recommended amount to fund TCF is \$45,000.

Mario 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 July 20, 2021 related to MEDC projects for FY 2021-2022. Motion was seconded by Balde Morales and approved 4-0.

9. Sale of 1.63 acres identified as all of Pad Site 8 (APN M0054-00-000-0008-00) and a part of Pad Site 9 (APN M0054-00-000-0009-00) of the Mission Event Center Land, City of Mission, Hidalgo, Texas, and Real Estate Contract between Mission Economic Development Corporation and CAP Storage Development LLC

CEO Daniel Silva introduced this item by saying that MEDC had received a letter of intent for the purchase of a 1.63-acre tract by the Mission Event Center. The proposed use is a three-story drive-thru type storage facility. The Board briefly reviewed renderings of the facility, a proposed real estate contract, and a letter of intent describing the project.

Mario Garza moved to authorize the CEO to sell 1.63 acres identified as all of Pad Site 8 (APN M0054-00-000-0008-00) and a part of Pad Site 9 (APN M0054-00-000-0009-00) of the Mission Event Center Land, City of Mission, Hidalgo, Texas,, CAP Storage Development, LLC, for the sales price of \$915,000.00, payable in full at closing, and to further authorize the CEO to execute whatever documents and pay whatever costs are deemed necessary and reasonable by the CEO in order to consummate this transaction, with the approval of a real estate contract, subject to final

legal counsel Matt Jones's review. Motion was seconded by Balde Morales and approved 4-0.

10. Discussion and possible action of the management of a special Small Business Relief Fund for the City of Mission in the amount not to exceed \$500,000.00, and naming of a Review Committee

CEO Daniel Silva said that the City of Mission had received \$1 million for economic development relief because of COVID-19 pandemic. The city has asked MEDC to create a program and help manage \$500,000.00 of those funds. Mr. Silva is requesting that a Small Business Relief Fund Committee is named to include the following: MEDC Board President S. David Deanda Jr., Mayor Armando O'Caña, MEDC COO Joel A. Garza, MEDC Director of Programs & Marketing Daniel Rivera, and himself. He mentioned that MEDC handled a similar relief fund last year with the COVID-19 Cares grant. The committee will oversee a program designed to assist restaurants (\$415,000) and small businesses needing infrastructure improvements (\$85,000). Finance Director Angie Vela mentioned that guidelines have not been established for this fund; therefore, she is recommending that we wait on its approval and asked that she and the city's grants manager are also included in the committee since they are overseeing the guidelines. Ms. Vela said that although the guidelines are like the COVID-19 Cares Grant's guidelines, and she wants to verify that gathered information is allowable under the U.S. Treasury Guidelines. Deputy City Manager David Flores agreed with Ms. Vela and recommended the item be tabled until a meeting takes place to discuss the information in detail.

Treasurer Dr. Sonia Treviño moved to table this item. Motion was seconded by Balde Morales and approved 4-0.

11. Naming of an Economic Resilience & Recovery Committee

CEO Daniel Silva introduced this item by saying that he was approached by a data financial analyst with Lone Star National Bank who is seeking to do research and pull data from various resources and create models to evaluate the impact the COVID-19 pandemic had in Mission and south Texas. Mr. Silva said he trusts this information will be valuable for area tourism and will also be useful when applying for grants. He also mentioned that the committee will not be representing MEDC or making decisions other than assist on the gathering of data.

President S. David Deanda Jr. said it would be interesting to find out how south Texas was affected by the pandemic, not only from the standpoint of applying for additional funding, but for the purpose of answering a few questions along the line like how did it affect businesses, did local merchants lose business, has or will employment increase or decrease due to online shopping, and will salaries match our cost of living? These are questions he himself has instructed the financial analyst to find out about.

President S. David Deanda Jr. said a representative from each of the following entities will serve on the Economic Resilience & Recovery Committee: The Greater Mission Chamber of Commerce, the Mission Event Center, City Manager's Office, Lone Star National Bank, and Mission EDC. No further comments were made.

12. President Comments

CEO Daniel Silva mentioned that he, COO Joel A. Garza, and Director of Programs & Marketing Daniel Rivera, all attended a Texas Economic Development Council conference last week, and said he was happy that other entities know who we are and that we are recognized for our educational programs.

13. Adjournment.

Treasurer Dr. Sonia Treviño moved to adjourn the meeting. Motion was seconded by Balde Morales and approved 4-0. Meeting was adjourned at 6:02 p.m.

S. David Deanda, Jr., President

ATTEST:

Aissa I. Garza, Secretary