

**NOTICE OF REGULAR MEETING
MISSION ECONOMIC DEVELOPMENT CORPORATION
SEPTEMBER 20, 2022 5:30 P.M.
CENTER FOR EDUCATION AND ECONOMIC DEVELOPMENT**

PRESENT:

Richard Hernandez, President
Pete Jaramillo, Vice President
Aissa I. Garza, Secretary
Dr. Sonia Treviño, Treasurer
Balde Morales
Jose G. Vargas
Mayor Norie Gonzalez Garza

ABSENT:

ALSO PRESENT:

Julio Cerda, P.E.
Ricardo Garcia, Consultant
Noel Salinas

STAFF PRESENT:

Joel Garza, Interim Chief Executive Officer
Judy Vega, Executive Assistant
Randy Perez, City Manager
Angie Vela, Finance Director
Ezeiza Garcia, Assistant Finance Director
Jasmine Ramos, MEDC Receptionist
Joe Salazar, Accountant
Shaine Mata, Facility Manager

1. Call to order

With a quorum being present Vice President Pete Jaramillo called the meeting to order at 5:47 PM.

2. Election of Officers

Vice President Pete Jaramillo called nominations from the floor for the position of President of the Mission EDC Board.

Mayor Norie Gonzalez Garza nominated Richard Hernandez for President of the Board. There being no other nominations, Richard Hernandez was elected President by acclamation.

3. Approval of Minutes:

- A. Regular Meeting of August 16, 2022**
- B. Special Meeting of August 24, 2022**
- C. Special Meeting of August 25, 2022**
- D. Special Meeting of August 29, 2022**
- E. Special Meeting of September 7, 2022**

There being no corrections or additions to the minutes, Secretary Aissa I. Garza moved for approval of all meeting minutes as presented. Motion was seconded by Balde Morales and approved 7-0.

4. Approval of Resolution No. 2022-05, Resolution of Mission Economic Development Corporation authorizing the issuance of one or more series of revenue bonds and the loan of the proceeds thereof to Legacy PyOil 1 LLC; approving documents relating thereto; and approving other matters in connection therewith

Lee McCormick, President with Community Development Associates, presented this item by saying that this is a final resolution for Legacy PyOil 1, LLC, dba New Hope Energy for a tax-exempt bond in the amount of \$325 million. A similar resolution was approved by the Board in April 2022 for this same project. New Hope Energy built and presently operates a ten (10) ton per day waste plastic to renewable chemicals plant in Tyler, Texas. The project site is located at 1775 E Duncan Street in Tyler, Texas on a 64-acre site owned by New Hope Energy. The financing that is the subject of this application will increase the plant's present capacity from 10 tons/day up to approximately 1,000 tons per day. 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 EDC or the City of Mission in connection with the financing. There is potential "reputational risk" if the borrower defaults since the Mission EDC name is included on the bonds. At closing the MEDC is expected to receive approximately \$441,250 for serving as Issuer of the bonds and an annual fee of \$81,250 until maturity.

Secretary Aissa I. Garza moved for approval of Resolution No. 2022-05 as presented. Motion was seconded by Jose G. Vargas and approved 7-0.

Resolution No. 2022-05

Resolution of Mission Economic Development Corporation authorizing the issuance of one or more series of revenue bonds and the loan of the proceeds thereof to Legacy PyOil 1 LLC; approving documents relating thereto; and approving other matters in connection therewith

5. Approval of Resolution No. 2022-06, Resolution of Mission Economic Development Corporation regarding the request of Waste Management, Inc. 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 with Community Development Associates, presented this item by saying that this is an inducement resolution for Waste Management, Inc., a Delaware corporation ("WM"), is North America's leading provider of comprehensive waste management environmental services. Based in Houston, WM, through its subsidiaries, provides collection, transfer, recycling and resource recovery, and disposal services and is a leading developer, operator, and owner of landfill gas-to-energy facilities in the United States. The Company is seeking tax-exempt bond financing in an amount not to exceed \$100 million, for certain infrastructure and capital improvements to its solid waste collection and disposal operations.

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 EDC or the City of Mission in connection with the financing. There is potential “reputational risk” if the borrower defaults since the Mission EDC name is included on the bonds. At closing the MEDC is expected to receive approximately \$180,000 for serving as the Issuer of the bonds and an annual fee of \$25,000 until maturity. He is requesting approval of the resolution.

Secretary Aissa I. Garza moved for approval of Resolution No. 2022-06 as presented. Motion was seconded by Jose G. Vargas and approved 7-0.

Resolution No. 2022-06

Resolution of Mission Economic Development Corporation regarding the request of Waste Management, Inc. 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

6. Acceptance of Adjusted Financial Statement for the month of July 2022

Finance Director Angie Vela presented and recommended acceptance of the Adjusted Financial Statement for the month of July 2022.

There being no additions or corrections on the financial statement for the month of July 2022, Secretary Aissa I. Garza moved for acceptance. Motion was seconded by Jose G. Vargas and approved 7-0.

7. Approval of Second Amendment to Real Estate Contract between Mission EDC and CAP Storage Development LLC related to the sale Lot 8, Mission Event Center Land, City of Mission, Hidalgo County, Texas

Interim CEO Joel Garza presented this item by saying that Centennial American Properties, developer for CAP Storage Development, LLC made a request for an extension of the Real Estate Contract review period related to the sale of Lot 8, Mission Event Center Land, City of Mission, Hidalgo, County. The company is negotiating pricing with their General Contractor. They are requesting a 30-day extension, or until October 20, 2022. If approved, an additional 30 days for closing will apply, which will be by no later than November 20, 2022.

Secretary Aissa I. Garza moved for approval of the Second Amendment to Real Estate Contract between Mission EDC and CAP Storage Development LLC related to the sale Lot 8, Mission Event Center Land, City of Mission, Hidalgo County, Texas. Motion was seconded by Balde Morales and approved 7-0.

8. Approval of a six-month extension to the Cyber Mission Program

Interim CEO Joel Garza presented this item by saying that staff is requesting acceptance of an extension of six months to allow additional time for measuring outcome of the Cyber Mission Program. Outcomes are completion of the program, obtaining a certification, and obtaining

employment. A fourth cohort was added to the program to meet enrollment goal of 130 participants. The Cyber Mission Program is part of the Wagner-Peyser Grant of \$482,800 that was awarded to Mission EDC. The MEDC Board accepted the 3rd Texas Talent Connection grant at their January 19, 2021 Board meeting. This is the second extension. The first extension was requested to accommodate the extra time required for competitive procurement. This is the final year of a three-year eligibility.

Vice President Pete Jaramillo moved for approval of a six-month extension to the Cyber Mission Program. Motion was seconded by Treasurer Dr. Sonia Trevino and approved 7-0.

At 6:10 PM, Secretary Aissa I. Garza moved to convene in executive session. Motion was seconded by Jose G. Vargas and approved 7-0.

**9. Executive Session Pursuant to V.T.C.A. Gov. Code Sec. 551.001
Deliberation Regarding Economic Development Negotiations Sec. 551.087**

- A. Project Smiley**
- B. Project Sit Down**
- C. Project Pack**
- D. Project More Doors**
- E. M.E.D.C. Properties**

Personnel Matters Sec. 551.074

- A. MEDC Staff**
- B. Finance Position**
- C. M.E.D.C. Properties**

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

At 7:30 PM, Secretary Aissa I. Garza moved to convene in open session. Motion was seconded by Treasurer Dr. Sonia Trevino and approved 7-0.

On Economic Development Negotiations:

- A. Project Smiley – Secretary Aissa I. Garza moved to authorize a notice of intention to undertake Project Smiley in an amount not to exceed \$100,000 over a period of five (5) years, conditioned on a receipt of a Certificate of Occupancy. Motion was seconded by Treasurer Sonia Trevino and approved 7-0.
- B. Project Sit Down - Secretary Aissa I. Garza moved to authorize a notice of intention to undertake Project Sit Down in an amount not to exceed a total cap amount of \$500,000 over a period of 30 years of an amount equal to 1.5% of sales tax. Motion was seconded by Balde Morales and approved 7-0.
- C. Project Pack - Secretary Aissa I. Garza moved to authorize a notice of intention to undertake Project Pack as follows: Incentivize an amount not to exceed \$390,000 over a period of five (5) years conditioned on a Certificate of Occupancy. Project Pack must also continue full dedication of Mayberry Road. A job creation grant will also be granted at \$1,000 per job for a period of three (3) years upon each anniversary of a Certificate of Occupancy. Motion was seconded by Treasurer Dr. Sonia Trevino and approved 7-0.

- D. Project More Doors – Secretary Aissa I. Garza moved to authorize Interim CEO to continue economic negotiations related to Project Doors. Motion was seconded by Jose G. Vargas and approved 7-0.
- E. M.E.D.C. Properties – No action.

On Personnel Matters:

- A. MEDC Staff – No action.
- B. Finance Position – No action.
- C. CEO Position – No action.

10. Authorization to publish Notice of Intention to Undertake a Project or Projects for FY 2022-2023 and schedule a Public Hearing for October 18, 2022 related to MEDC projects for FY 2022-2023

Secretary Aissa I. Garza moved to authorize the publication of a Notice of Intention to Undertake a Project or Projects for FY 2022-2023 and schedule a Public Hearing for October 18, 2022 related to MEDC projects for FY 2022-2023, as discussed in Item 10, for projects A-C, of this agenda. Motion was seconded by Balde Morales and approved 7-0.

11. President Comments

President Richard Hernandez thanked everyone for their time and staff for preparation of this meeting.

12. Adjournment.

Mayor Norie Gonzalez Garza moved to adjourn the meeting. Motion was seconded by Balde Morales and approved 7-0. Meeting was adjourned at 7:38 PM.

Richard Hernandez, President

ATTEST:

Aissa I. Garza, Secretary