



MINUTES of an Annual Meeting of the San Benito Economic Development Corporation Board of Directors held on **Monday, November 22, 2021 at 5:30 P.M. at 701 N. Bowie St., San Benito, Cameron County, Texas 78586.**

Board Meeting Presided by Julian Rios, President

Board Member Present:

Mr. Julian Rios, President

Mr. Encarnacion Lopez, Vice-President

*Mr. Adrian Gonzalez, Secretary/Treasurer
Commissioner Rene Garcia, Board
Member*

Mr. Jeremy Maya, Board Member

Mrs. Deborah Morales, Board Member

*Mayor Ricardo Guerra, Ex-Officio Board
Member*

Board Members Absent:

Mr. Mario Silva

EDC Staff Present:

Mrs. Rebeca Castillo, EDC Executive Director

Ms. Katarina Guerra,

Mr. Octavio Rodriguez, EDC Intern

Others Physically Present:

Mr. Mark Sossi, EDC Attorney

Jaime Alardin, VARCO/Origo Works Representative (Remotely)

Jason Rios, VARCO Attorney (Remotely)

Meeting - 5:30 PM

1. Determination of a quorum;

Mr. Julian Rios, EDC President made welcoming remarks. A quorum was determined to be present.

2. Call to Order

Mr. Julian Rios, EDC President called the meeting to order at 5:30 PM.

3. Pledge of Allegiance and Texas Flag Pledge;

Mrs. Rebeca Castillo, EDV Executive Director, led the Pledge of Allegiance and Texas Flag Pledge.

4. Invocation;

Mrs. Rebeca Castillo, EDC Executive Director, led the invocation.

5. Public Comments;

No public comments were submitted.

6. Selection of Officers

A) President

B) Vice-President

C) Treasure/ Secretary

A motion to Reelect [Mr. Julian Rios](#) as President was made by [Mr. Encarnacion Lopez](#). The motion was seconded by [Mr. Adrian Gonzalez](#). The motion passed.

A motion to nominate [Mr. Encarnacion Lopez](#) as Vice-President was made by [Commissioner Rene Garcia](#). The motion was seconded by [Mr. Adrian Gonzalez](#). The motion passed.

A motion to nominate [Mr. Adrian Gonzalez](#) as Secretary was made by [Commissioner Rene Garcia](#). The motion was seconded by [Mr. Encarnacion Lopez](#). The motion passed.

7. Consideration and Action to authorize the issuance of bank signature card and have authority to sign San Benito EDC checks by the San Benito EDC Board Officers;

A motion to authorize the issuance of bank signature card and have authority to sign San Benito EDC checks by the San Benito EDC Board Officers was made by [Mr. Encarnacion Lopez](#). The motion was seconded by [Mr. Adrian Gonzalez](#).

Voting Aye: [Mr. Julian Rios](#)

[Commissioner Rene Garcia](#), [Mr. Jeremy Maya](#), [Mr. Adrian Gonzalez](#), [Mr. Encarnacion Lopez](#), [Mrs. Deborah Morales](#). The motion passed.

8. Presentation and Acknowledgement of the San Benito EDC Financial Statements for the period ending September 30, 2021;

[Mrs. Belen Pena](#), [City of San Benito Finance Director](#), was not available to present the Financial Statements for the period ending Sept. 30, 2021; [Mrs. Rebeca Castillo](#) presented them to the board. [Mr. Julian Rios](#), [President](#), requested that if anyone else other than Mrs. Peña that helps prepare the Financials be present if she is ever unavailable. Mrs. Castillo did mention that the 2021 Sales Tax Allocation reached the \$6 million mark within 11 months & reflects a \$1.4 million dollars increase compared to 2020. [Mr. Julian Rios](#) questioned if there was any changes in State Legislation regarding the allocation of online sales tax to the zip code at which the product was purchased from. [Mrs. Rebeca Castillo](#) responded that there is current legislation in the works to make this option permanently past the pandemic.

A motion to acknowledge the San Benito EDC Financial Statement for the period ending September 30, 2021 was made by [Commissioner Rene Garcia](#). The motion was seconded by [Mr. Encarnacion Lopez](#).

Voting Aye: [Mr. Julian Rios](#), [Commissioner Rene Garcia](#), [Mr. Jeremy Maya](#), [Mr. Adrian Gonzalez](#), [Mr. Encarnacion Lopez](#), [Mrs. Deborah Morales](#). The motion passed.

9. Presentation and Acknowledgment of the San Benito EDC USDA IRP Reports for the periods ending September 30, 2021 and October 31, 2021;

Mrs. Belen Pena, City of San Benito Finance Director, was not available to present the USDA IRP Reports for the period ending Sept. 30, 2021 and October 31, 2021; Mrs. Rebeca Castillo presented them to the board. She mentioned that no accounts were on default and all payments were up to date. Commissioner Rene Garcia asked for a minor spelling revision on the reports. He also wanted to commend both the City of San Benito and EDC Staff on management of the USDA Loan. Mr. Encarnacion Lopez, Vice-President, asked what efforts are being made to advertise the loan to local business owners. Mrs. Rebeca Castillo explained that the EDC Staff manages the advertising and the process of helping applicants undergo the application. That efforts to promote it and have info session are being worked on.

A motion to acknowledge the San Benito EDC USDA IRP Reports for the periods ending September 30, 2021 and October 31, 2021 was made by Commissioner Rene Garcia. The motion was seconded by Mr. Jeremy Maya.

Voting Aye: Mr. Julian Rios, Commissioner Rene Garcia, Mr. Jeremy Maya, Mr. Adrian Gonzalez, Mr. Encarnacion Lopez, Mrs. Deborah Morales. The motion passed.

10. Consideration and Possible Action on the November 1, 2021 EDC Board of Directors Meeting Minutes;

Ms. Katarina Guerra, Bus. & Downtown Development/Marketing Coordinator presented the November 1, 2021 Meeting Minutes. Mrs. Deborah Morales discussed that she would like to see a more in-depth of what was discussed during the meetings be reflected on the meeting minutes for future reference. There was discussion as to the extent of how in-depth the minutes should be, since in the past they were verbatim. The consensus was that they wanted more details, but not verbatim. Mrs. Rebeca Castillo suggested that the drafted meeting minutes could be sent to the EDC Board prior for review and so that they could provide feedback as to any additional information that needed to be included. Mr. Julian Rios requested that EDC Staff share the drafted meeting minutes with the board for any suggested revisions prior the presentation of them at the board meeting for approval.

A motion to approve the Nov. 1, 2021 Meeting Minutes as presented was made by Mr. Adrian Gonzales. The motion was seconded by Mr. Encarnacion Lopez.

Voting Aye: Mr. Julian Rios, Commissioner Rene Garcia, Mr. Adrian Gonzalez, Mr. Encarnacion Lopez. Voting Nay: Mrs. Deborah Morales. Abstained from voting: Mr. Jeremy Maya. The motion passed.

11. Discussion on Possible Action on the Amendment #3 to the Performance Agreement between VARCO and the San Benito Economic Development Corporation

Mrs. Rebeca Castillo addressed the EDC Board to explain that the agenda item was included with the purpose of including language on the performance agreement as to annual deadline for VARCO to submit payment to the EDC. She mentioned that the document that addresses that deadline is the Lease Agreement that was executed around the same time as the performance agreement. The EDC staff will be implementing that deadline moving forward.

The item was also included to address a request from VARCO to amend the Performance agreement to request an extension on the deadlines of the upcoming phases. The Draft VARCO amendment #3 was handed out the day of the meeting. [Mr. Julian Rios](#) mentioned that such document should have been provided the week before. [Mrs. Castillo](#) acknowledged such and explained that the document was provided the morning of the meeting by VARCO. They could review and take action or table it.

The EDC Board of Directors discussed the request and had several questions that were addressed by VARCO/Origo Works representative [Mr. Jaime Alardin](#). The board asked the reason for the request and [Mr. Alardin](#) explained that to have financial commitment for the project by the financial institution they needed to have tenant occupancy at 80% and they are currently at 47%. [Mr. Alardin](#) mentioned that they were at 47% tenant occupancy and with Frankie Flavez, Cold Stone Creamery they were going to get near 70% and anticipated that with a few more tenants they will be able to reach the 80% that the financial institution is requiring from them. He also mentioned that they projected that they could reach the 80% within six (6) months.

[Mrs. Deborah Morales](#) asked if VARCO is a major investor/developer wouldn't they have the funding already committed. A clear answer was not provided.

After discussion and still questions, the EDC Board of Directors took action to table the item and requested for VARCO representative (s) attend the next meeting in person so that they could discuss and address the matter.

A motion to table Item 11 was made by [Commissioner Rene Garcia](#). The motion was seconded by [Mrs. Deborah Morales](#).

Voting Aye: [Mr. Julian Rios](#), [Commissioner Rene Garcia](#), [Mr. Jeremy Maya](#), [Mr. Adrian Gonzalez](#), [Mr. Encarnacion Lopez](#), [Mrs. Deborah Morales](#). The motion passed.

12. Consideration and Possible Action on the award of the Small Business Investment Program-Rent Subsidy Grant for Slay Queens Co. Boutique;

[Ms. Katarina Guerra](#) presented the SBIP Rent Subsidy Grant application for Slay Queens Co. Boutique. [Ms. Guerra](#) addressed the board that Slay Queen Co. Boutique is seeking a total of \$2,100.00 from the SBIP Fiscal Year 2021-2022 fund balance. Discussion mostly revolved on getting additional information as to the location of this business. [Mrs. Rebeca Castillo](#) added that it's the first application for the fiscal year, that the beginning balance is \$76,000 for the year and if awarded then the remainder balance will be \$73,900.

A motion to approve the SBIP Application for Slay Queens Co. Boutique was made by [Mr. Adrian Gonzales](#). The motion was seconded by [Mr. Julian Rios](#).

Voting Aye: [Mr. Julian Rios](#), [Commissioner Rene Garcia](#), [Mr. Jeremy Maya](#), [Mr. Adrian Gonzalez](#), [Mr. Encarnacion Lopez](#), [Mrs. Deborah Morales](#). The motion passed.

13. Consideration and Possible Action on the International Council of Shopping Centers (ICSC) annual membership;

Mrs. Rebeca Castillo presented the ICSC membership benefits to the board for their review. Commissioner Rene Garcia, Board Member asked Mrs. Castillo what benefits she saw the EDC receiving by being part of this membership; she discussed how it is an opportunity to meet potential large investors at trade shows and events held by the ICSC and persuade them to invest at San Benito.

A motion to approve the International Council of Shopping Centers (ICSC) annual membership was made by Mr. Adrian Gonzales. The motion was seconded by Commissioner Rene Garcia.

Voting Aye: Mr. Julian Rios, Commissioner Rene Garcia, Mr. Jeremy Maya, Mr. Adrian Gonzalez, Mr. Encarnacion Lopez, Mrs. Deborah Morales. The motion passed.

14. Consideration and Possible Action on the International Economic Development Council (IEDC) annual membership;

Mrs. Rebeca Castillo presented the International membership benefits to the board for their review. Commissioner Rene Garcia asked if the membership was just for each individual or for the whole EDC Organization. Mrs. Castillo explained that it is one membership for the organization to have access to the IEDC resources and registration for webinars. Members receive a discounted fee for conferences and webinars compared to those who are not members. The board discussed that it's important that the EDC take advantage of the membership opportunities to promote the City of San Benito in hopes of creating economic growth.

A motion to approve the International Economic Development Council (IEDC) annual membership was made by Commissioner Rene Garcia. The motion was seconded by Mr. Jeremy Maya, Board Member.

Voting Aye: Mr. Julian Rios, Commissioner. Rene Garcia, Mr. Jeremy Maya, Mr. Adrian Gonzalez, Mr. Encarnacion Lopez, Mrs. Deborah Morales. The motion passed.

15. Consideration and Possible Action on the RGV Partnership annual membership;

Mrs. Rebeca Castillo presented the RGV Partnership membership benefits to the board for their review; she explained how the San Benito EDC has been paying \$2,500 for a Silver Level Membership for the past two years, however after reviewing the benefits of a lower rate membership has decided to recommend to the board that the SBEDC switch to a Business Level membership at a cost of \$500. The value of this membership was discussed. Mrs. Castillo explained the need to be involved at the regional level and the benefit of being on the know in term legislation efforts.

A motion to approve to approve the Business Level Membership with the RGV Partnership was made by Commissioner Rene Garcia. The motion was seconded by Mr. Encarnacion Lopez.

Voting Aye: Mr. Julian Rios, Commissioner Rene Garcia, Mr. Jeremy Maya, Mr. Adrian Gonzalez, Mr. Encarnacion Lopez, Mrs. Deborah Morales. The motion passed.

16. Consideration and Possible Action on the Lower Valley Chapter Society of HR Management annual membership;

Mrs. Rebeca Castillo presented the Lower Valley Chapter Society of HR Management membership benefits to the board for their review. Mrs. Castillo explained the benefits and that the membership was for the Executive Director, yet that information could be shared with board and other staff.

A motion to approve to approve the Lower Valley Chapter Society of HR Management annual membership was made by Mr. Adrian Gonzalez. The motion was seconded by Mr. Encarnacion Lopez.

Voting Aye: Mr. Julian Rios, Commissioner Rene Garcia, Mr. Jeremy Maya, Mr. Adrian Gonzalez, Mr. Encarnacion Lopez, Mrs. Deborah Morales. The motion passed.

17. Consideration and Possible Action on the Texas Downtown Association annual membership;

Mrs. Rebeca Castillo presented the Texas Downtown Association annual membership benefits to the board for their review. Mr. Adrian Gonzalez asked if we could receive any more benefits if the EDC played for a higher membership. Mrs. Castillo explained that the membership rate is based upon the City's population.

A motion to approve to approve the Texas Downtown Association annual membership was made by Mr. Adrian Gonzalez. The motion was seconded by Mr. Encarnacion Lopez.

Voting Aye: Mr. Julian Rios, Commissioner Rene Garcia, Mr. Jeremy Maya, Mr. Adrian Gonzalez, Mr. Encarnacion Lopez, Mrs. Deborah Morales. The motion passed

18. EXECUTIVE SESSION:

- a. Under Texas Government Code, Section 551.071: consultation with attorney regarding the following: BS RedZone Chill & Grill; (M. Sossi/R. Castillo)
- b. Deliberation pursuant to Texas Government Code 551.074 to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the Executive Director, or to hear a complaint against the Executive Director; (J. Rios)
- c. Discussion pursuant to Texas Government Code 551.087 to deliberate the offer of a financial incentive to a business prospect, and pursuant to Texas Government Code 551.071 regarding consultation with legal counsel regarding the same.

The San Benito EDC Board of Directors convened into Executive Session at 7:09PM and adjourned at 8:21PM.

19. Action, if any to be taken on items discussed in Executive Session;

No action taken.

20. Board Comments: Announcements relating to items of public interest, regarding local or regional civic charitable events, staff recognition, upcoming meetings, informational update on projects, awards acknowledgement of meeting attendees, birthdays, requests for items to be placed on upcoming agendas, and condolences;

[Mr. Adrian Gonzalez](#) made an announcement that the church, Templo El Salvador, will be distributing Thanksgiving plates for families and encouraged anyone available to go out help volunteer or if needed pick up a plate.

[Mrs. Rebeca Castillo](#) mentioned that staff will be working on an EDC Mixer in December to invite business partners and networking purposes.

21. Determination of Date and Time for the next San Benito EDC Board of Directors Meeting
The San Benito EDC Board Directors determined Monday, December 13, 2021 to be the next Regular Scheduled Board Meeting.



22. Meeting Adjournment

Meeting adjourned at 8:39 PM.

A motion to adjourn was made by [Commissioner Rene Garcia](#). The motion was seconded by [Mrs. Deborah Morales](#).

Voting Aye: [Mr. Julian Rios](#), [Commissioner Rene Garcia](#), [Mr. Jeremy Maya](#), [Mr. Adrian Gonzalez](#), [Mr. Encarnacion Lopez](#), [Mrs. Deborah Morales](#). The motion passed.

Approved December 13, 2021 By EDC Board of Directors.

	Julian Rios, EDC President
	Adrian Gonzalez, EDC Treasurer/Secretary