



*SAN BENITO ECONOMIC DEVELOPMENT CORPORATION*  
REGULAR MEETING  
May 18, 2017

On May 18, 2017, the San Benito Economic Development Corporation of the City of San Benito held a Regular Meeting at the San Benito Municipal Building (Cesar Gonzales Meeting Hall), 401 N. Sam Houston at 5:30 p.m. A quorum was present including the following:

*ESTEBAN M. RODRIGUEZ WAS THE PRESIDING OFFICER.*

*EDC BOARD MEMBERS*

Esteban M. Rodriguez	President
Mary Bolado	Vice President
Bill Elliott	Board Member
Mark Moody	Board Member
JD Penny	Board Member
Ben Gomez	Ex-Officio Member

*ADMINISTRATIVE STAFF*

Manuel De La Rosa	City Manager
Lupita Passemment	City Secretary
Rachel Siller	Administrative Assistant
Belen Pena	Finance Director
Ricardo Morado	City/EDC Attorney

*ABSENT*

Orlando Lopez	Board Member
Alfredo Garcia, Jr.	Secretary/Treasurer (arrival: Item 11)

ITEM 1. WELCOME TO VISITORS.

**Esteban M. Rodriguez, President**, welcomed everyone and called the meeting to order at 5:30 p.m. at the Cesar Gonzalez Meeting Hall located at the Municipal Building.

ITEM 2. PLEDGE OF ALLEGIANCE TO THE U S FLAG AND TO THE TEXAS FLAG.

**Mark Moody, Board Member**, led Board Members and audience in reciting the Pledge of Allegiance to the United States and to the Texas Flag.

ITEM 3. INVOCATION.

**Mary Bolado, Vice President**, led the Board Members and audience in prayer.

ITEM 4. PUBLIC COMMENTS.

No one was registered for public comments.

ITEM 5. CONSIDERATION AND POSSIBLE ACTION ON APPROVAL OF THE MINUTES FOR THE REGULAR MEETING OF APRIL 20, 2017.

**Mary Bolado, Vice President**, requested, and **Rachel Siller, Administrative Assistant**, confirmed, receipt and distribution of the corrected financial report from THICA (Texas Heritage Independence Celebration Association). **Mary Bolado** also made note that since the last meeting,

ITEM 5. (CONT.) CONSIDERATION AND POSSIBLE ACTION ON APPROVAL OF THE MINUTES FOR THE REGULAR MEETING OF APRIL 20, 2017.

Ms. Ornelas has made the decision to sell her USDA Small Business Loan collateral, compared to requesting approval of a revised work plan to lease the property. **Mary Bolado, Vice President**, moved to approve the minutes. **Bill Elliott, Board Member**, seconded the motion. Voting Aye: **Esteban M. Rodriguez, President, Mary Bolado, Vice President, Board Members Bill Elliott, Mark Moody, JD Penny.** **MOTION CARRIED TO APPROVE THE MINUTES FOR THE REGULAR MEETING OF APRIL 20, 2017.**

ITEM 6. OPEN PUBLIC HEARING REGARDING ACQUISITION OF 40 ACRE TRACT FROM THE CITY OF SAN BENITO FOR DEVELOPMENT OF AN ELECTRIC UTILITY SERVICE CENTER.

**Esteban Rodriguez, President**, opened the Public Hearing at 5:33 pm. **Manuel De La Rosa, City Manager**, identified the reasoning for the public hearing, including the necessity of a 60 day waiting period for addressing comments regarding the project. **Ricardo Morado, Attorney**, reported receipt of the Title Commitment on the AEP office property. We anticipate closing by the end of May 2017. We are pending receipt of the signed documentation from AEP, which has already been executed by the City Commission and EDC Board. Approximately 30 days remain in the 60 day waiting period. After the 60 days expire, the Promissory Note will be executed. **Mary Bolado, Board Member**, inquired as to whether or not an environmental study had been completed on the 40 acre property. **Manuel De La Rosa** confirmed a study was completed.

ITEM 7. CLOSE PUBLIC HEARING REGARDING ACQUISITION OF 40 ACRE TRACT FROM THE CITY OF SAN BENITO FOR DEVELOPMENT OF AN ELECTRIC UTILITY SERVICE CENTER.

**Esteban Rodriguez, President**, closed the Public Hearing at 5:36 pm after no additional comments were presented.

ITEM 8. UPDATE FROM REYNA NETWORK ON THE USDA SMALL BUSINESS LOAN PROGRAM.

**Thelma Gonzalez, Project Manager with Reyna Network**, briefed the board on the activity report which covers April 17, 2017 through May 12, 2017. Currently the EDC has \$144,000 of IRP funds remaining. The EDC is estimated to have a fund balance of \$305,009.39 (\$160,765.39 and \$144,244.00). The EDC received \$7,070.51 of payments in April. Ms. Veronica Aguilar's loan paperwork is in process for her closing, as most of her liens have been resolved. Mr. Patricio Oseguera, owner of Queso San Miguel, is working on the application and business plan. Ms. Amanda Claudio is interested in applying to use the money toward purchase of ABC Preschool. Ms. Ornelas has decided to sell the property, compared to leasing, and will stay current on loan payments until the property is sold. Mr. Thrailkill is one month behind in payments. **Mark Moody, Board Member**, inquired, and **Thelma Gonzalez** confirmed, that Ms. Ornelas will pay off the loan with proceeds from the sale of the property. **Mary Bolado** inquired as to the status of work at Mr. Garza's car wash. **Thelma Gonzalez** informed the Board that she has witnessed work vehicles on site.

ITEM 9. DISCUSSION WITH REGARD TO THE 2017-2018 DOWNTOWN COMMERCIAL FAÇADE PROGRAM DOCUMENTATION.

**Manuel De La Rosa, City Manager**, briefed the board on the reasoning for discussion of the proposed 2017-2018 Downtown Commercial Façade Program. Discussion ensued between the Board Members and Staff regarding (tax exempt) non-profits and churches potentially using tax dollars (ensure money is utilized to increase economic activity), whom will manage the program (City staff: Economic Development, Finance, etc.), improvements on the Evaluation Sheet to clarify eligible businesses and provide space for notations regarding non-satisfactory evaluation, and identifying the designated area (Downtown District versus Historical District).



ITEM 10. CONSIDERATION AND POSSIBLE ACTION TO FUND \$50,000 FOR FISCAL YEAR 2017-2018 TOWARD THE DOWNTOWN COMMERCIAL FAÇADE PROGRAM.

**Manuel De La Rosa, City Manager**, recommended the item be tabled while we continue to work on the budget process. Today's discussion will allow staff to continue to develop the program. **JD Penny, Board Member**, moved to table the funding request. **Mary Bolado, Vice President**, seconded the motion. Voting Aye: **Esteban M. Rodriguez, President, Mary Bolado, Vice President, Board Members: Bill Elliott, Mark Moody, and JD Penny**. **MOTION CARRIED TO TABLE THE REQUEST TO FUND \$50,000 FOR FISCAL YEAR 2017-2018 TOWARD THE DOWNTOWN COMMERCIAL FAÇADE PROGRAM.**

ITEM 11. DISCUSSION WITH REGARD TO THE 2017-2018 DOWNTOWN RENT SUBSIDY GRANT DOCUMENTATION.

**Manuel De La Rosa, City Manager**, briefed the board on the program proposed by **Bernard Rodriguez, Main Street Coordinator**. **JD Penny, Board Member**, indicated that both programs have been utilized in the past, approximately 5 years ago. He recollects one or two businesses utilizing the façade program, and one business utilizing the rent subsidy. **Ricardo Morado, Attorney**, indicated that the recipients received incentives via performance agreements which were set up as EDC projects. **Mark Moody, Board Member**, requested that the next presentation include the impact that both programs will have on the budget. **JD Penny** inquired, and **Manuel De La Rosa** replied, that each program will be effective for one fiscal year.

ITEM 12. CONSIDERATION AND POSSIBLE ACTION TO FUND \$50,000 FOR FISCAL YEAR 2017-2018 TOWARD THE DOWNTOWN RENT SUBSIDY GRANT PROGRAM.

**Manuel De La Rosa, City Manager**, recommended the item also be tabled. **Bill Elliott, Board Member**, moved to table the funding request. **Mark Moody, Board Member**, seconded the motion. Voting Aye: **Esteban M. Rodriguez, President, Mary Bolado, Vice President, Alfredo Garcia, Secretary/Treasurer, and Board Members: Bill Elliott, Mark Moody, and JD Penny**. **MOTION CARRIED TO TABLE THE REQUEST TO FUND \$50,000 FOR FISCAL YEAR 2017-2018 TOWARD THE DOWNTOWN RENT SUBSIDY GRANT PROGRAM.**

ITEM 13. PRESENTATION OF THE 2017 ROTARY CLUB OF SAN BENITO KAYAK REGATTA EXPENDITURES SPONSORED BY THE SAN BENITO ECONOMIC CORPORATION.

**Rachel Siller, Administrative Assistant**, presented the EDC expenditures for marketing the 2017 Kayak Regatta. A total of \$9,701.00 was utilized for print, digital, and television advertising. **Mary Bolado, Vice President**, commended **Martha McClain, Director of Public Relations**, for her efforts and indicated her results set a precedence that it is most economical to keep the marketing for funding recipient events in-house, compared to providing the monies to the organizations for marketing, which also provides complete transparency of the expenditures.

ITEM 14. CONSIDERATION AND POSSIBLE ACTION ON APPROVAL OF FUNDING REQUEST FROM THE CITY OF SAN BENITO TO MARKET RESACAFEST 2017.

**Martha McClain, Director of Public Relations**, presented the funding request from the City of San Benito for \$10,000.00 to market ResacaFest 2017, scheduled for July 1, 2017. **Mark Moody, Board Member**, moved to approve funding of up to \$10,000.00 for the City of San Benito to market ResacaFest 2017. **Mary Bolado, Vice President**, seconded the motion. Voting Aye: **Esteban M. Rodriguez, President, Mary Bolado, Vice President, Alfredo Garcia, Secretary/Treasurer, and Board Members Bill Elliott, Mark Moody, and JD Penny**. **MOTION CARRIED TO APPROVE FUNDING OF UP TO \$10,000.00 TO MARKET RESACAFEST 2017.**



ITEM 15. CONSIDERATION AND POSSIBLE ACTION TO AUTHORIZE EXPENSES FOR EDC BOARD MEMBERS TO ATTEND THE BUILDING BLOCKS ECONOMIC DEVELOPMENT WORKSHOP ON MAY 31, 2017 IN WESLACO, TEXAS.

Rachel Siller, Administrative Assistant, presented the opportunity for board members to attend the Building Blocks Economic Development Workshop in Weslaco on Wednesday, May 31, 2017. Bill Elliott, Mark Moody, Alfredo Garcia, and Esteban Rodriguez will attend at their own expense. No action taken to authorize expenses.

ITEM 16. PRESENTATION OF THE CITY OF SAN BENITO, THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION, AND SAN BENITO FIREMAN RELIEF & RETIREMENT FUND COMPREHENSIVE ANNUAL FINANCIAL REPORTS FOR FISCAL YEAR 2015-2016.

Belen Pena, Director of Finance, presented the EDC portion of the annual audit for Fiscal Year 2015-2016. The full report is posted on the City's website. Mark Moody, Board Member, requested clarification of an interest rate in the report. Belen Pena clarified the interest rate is per month, not annual. Mark Moody requested a copy of the amortization of a specific note. Belen Pena will email the information for his review.

ITEM 17. PRESENTATION OF THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION QUARTERLY INVESTMENT UPDATE FOR JANUARY 2017 THROUGH MARCH 2017.

Belen Pena, Director of Finance, presented the investment report for the second quarter. Mark Moody, Board Member, inquired about the \$500,000 difference between 2016 and 2017. Belen Pena stated that we invested \$500,000 in Greenbank. Esteban Rodriguez, President, pointed out that we have already earned \$2,068 in interest on the Greenbank investment.

ITEM 18. PRESENTATION OF THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION FINANCIAL STATEMENTS FOR THE PERIOD ENDED APRIL 30, 2017.

Belen Pena, Finance Director, reviewed the financial statement for April 2017. Bond payments made at the beginning of the Fiscal Year cause the negative year-to-date amount. Mary Bolado, Vice President, noted that the property tax payments also contributed toward the negative year-to-date figure.

ITEM 19. UNDER TEXAS GOVERNMENT CODE:

A) §551.087: To deliberate about information received from Business Prospect 2016-08.

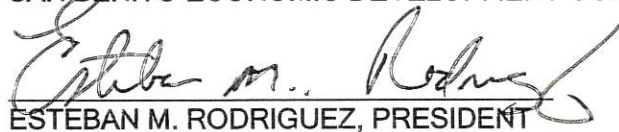
ITEM 20. ACTION, IF ANY, TO BE TAKEN ON ITEMS DISCUSSED IN EXECUTIVE SESSION.

Not applicable. The Board did not convene into executive session.

ITEM 21. ADJOURNMENT

Mary Bolado, Vice President, moved to adjourn. Mark Moody, Board Member, seconded the motion. Esteban M. Rodriguez, President, announced the meeting adjourned at 6:13 pm.

SAN BENITO ECONOMIC DEVELOPMENT CORPORATION

  
ESTEBAN M. RODRIGUEZ, PRESIDENT

ATTEST:



LUPITA PASSEMENT, CITY SECRETARY