ECONOMIC DEVELOPMENT
CORPORATION BOARD OF DIRECTORS

Location:
City of Edinburg, City Hall-Council Chambers
415 W. University Drive, Edinburg, Texas

SEPTEMBER 28, 2021
REGULAR MEETING AGENDA
4:00 PM

1. **CALL TO ORDER, ESTABLISH A QUORUM**

2. **CERTIFICATION OF PUBLIC NOTICE**

3. **PUBLIC COMMENTS**

   A specific portion of the meeting shall be dedicated to allowing Public Comments which will be limited to three (3) minutes. Because of the state of emergency due to the COVID-19 pandemic, public comment may be provided in-person abiding to the occupancy limits or by telephone. InÂ person requests shall be requested by completing the Public Comment Form available at City Council Chambers. Telephone requests shall be completed by (a) sending an email to publiccomment@cityofedinburg.com or (b) calling 956-388-8204.

   All requests must be received beginning at 9am and end immediately before the start of the meeting. Your request should include your name, address, and telephone number. We ask for everyone's cooperation in following this procedure.

4. **DIRECTOR'S REPORT**

   A. FY 2021 Annual Report

5. **REGULAR AGENDA ITEMS**

   A. Consider approval of minutes for board meetings July 27, 2021, August 17, 2021, and September 9, 2021.

   B. Consider approval of financial report for July 2021 and August 2021.

   C. Presentation and consideration of letter of support for the Lower Rio Grande Valley Development Council and The University of Texas Rio Grande Valley to regionally apply for FY 2021 American Rescue Plan Act Build Back Better Regional Challenge.

   D. Consider renewal of UTRGV Technical Assistance Contract for Fiscal Year 2022.

   E. Consider approval of lease agreement between the Edinburg EDC and City of Edinburg regarding rental space.

F. Consider approval of Fiscal Year 2022 Budget, Staffing Services and Lease Agreement, and Work Plan.

6. EXECUTIVE SESSION

The EEDC will convene in Executive Session, in accordance with the Texas Open Meetings Act, Vernon's Texas Statutes and Codes Annotated, Government Code, Chapter 551, Subchapter D, Exceptions to Requirement that Meetings be Open. The EEDC May Elect To Go Into Executive Session On Any Item Whether Or Not Such Item Is Posted As An Executive Session Item At Any Time During The Meeting When Authorized By The Provisions Of The Open Meetings Act.

A. Discussion and possible action regarding the purchase, exchange, lease, or value of real property. (§551.072. Deliberation Regarding Real Property; Closed Meeting).

B. Deliberation regarding economic development negotiations. (§551.087 Deliberation Regarding Economic Development Negotiations; §551.071. Consultation with Attorney; Closed Meeting).

7. OPEN SESSION

The EEDC will convene in Open Session to take necessary action, if any, in accordance with Chapter 551, Open meetings, Subchapter E, Procedures Relating to Closed Meeting, §551.102, Requirement to Vote or Take Final Action in Open Meeting.

8. ADJOURNMENT

I hereby certify this Notice of an EEDC Meeting was posted in accordance with the Open Meetings Act, at the City Offices of the City of Edinburg, located at the 415 West University entrance outside bulletin board visible and accessible to the general public during and after regular working hours.

This notice was posted on 9/24/21*, 2021 at* 1:48 *am / pm.*

By:
Signature:
Name: *Ron Garza, City Manager*
City of Edinburg, Texas

Edinburg Economic Development Corporation
Meeting Date:September 28, 2021

FY 2021 Annual Report

1. **Agenda Item:**
   FY 2021 Annual Report
2. **Description/Scope:**
   Director will report on the FY 2021 performance through an annual report.
3. **Estimated Timeline:**
   FY 2021
4. **Budget:**
   N/A
5. **Procurement/Selection Process:**
   N/A
6. **Staff's Recommendation:**
   N/A
7. **Justification:**
   N/A

____
Blanca Davila
Director of Economic Development

ATTACHMENTS
Attachment A: Edinburg Economic Development Annual Report 2020-21

Approved:	________
Not Approved:	________
Tabled:	________
No Action:	

Work Plan FY 2021

Update - completed Activities

Work Plan FY 2021

- Capable Kids Park (2019 Bonds) - started construction ✓
- Beethoven Park (2019 Bonds) - started construction ✓
- El Tule Center (2019 Bonds) - started construction ✓
- Resource (Workforce Training) Center (2019 Bonds) – develop plan and submit funding proposal to EDA ✗
- Published contracts, performance metrics, and payments for incentivized projects on City’s CIP Dashboard ✓
- Approved an incentive policy ✓

Work Plan FY 2021

- Procured agency to develop marketing strategy and materials ✓
- Procured real estate services firm to help develop a plan for industrial park and manage property portfolio ✓
- Implemented a small business development program that addresses lessons learned from SPARC ✓
- Supported City's comprehensive plan update, focusing on pedestrian activity/beautification downtown ✓

Edinburg Economic Development
Annual Report 2020-21

Small Business

Stimulus Program Aimed at Recovery from COVID-19 (SPARC)

- $2,000 grants awarded to 466 local businesses participating in SPARC 2021 (754 businesses total in 2020 and 2021 – unique businesses)
- Approximately $800,000 in gift card sales to SPARC businesses in 2021 (~1.5 million in 2020 and 2021)

Get Digital training program

- 88 local businesses participated in at least one workshop to learn how to use digital marketing tools for marketing and sales

Announced Projects

1. Shea Nate – 20 jobs, $2.75 million in capital investment
2. RGV Tours – 12 jobs, $500,000 in capital investment
3. DHR – 300 jobs, $110 million in capital investment
4. Edinburg Regional Medical Center – $57 million in capital investment
5. 1st Value Produce & Cold Storage – 50 jobs, $800,000 capital investment
6. Campos Bros. Produce – 15 jobs, $2.5 million in capital investment
7. Siddons-Martin Emergency Group – 10 jobs, $2 million in capital investment

Workforce Development

Job Fair

- 28 employers participated
- 178 job seekers attended
- 110 job offers made

Certifications

- Cybersecurity and other technology (6)
- Biomedical equipment maintenance (3)
- Customer service (3)

Business Retention and Expansion

- Created contact database of approximately 2,000 local businesses
- 121 local businesses contacted
- 32 interviews conducted
- 4 potential expansions

Other

- Requests for Information (RFIs) submitted to the Economic Development and Tourism Office of Governor Greg Abbott – 10

Edinburg Economic Development Corporation
Meeting Date:September 28, 2021

Consider approval of minutes for board meetings July 27, 2021, August 17, 2021, and September 9, 2021.

1. **Agenda Item:**
   Consider approval of minutes for board meetings July 27, 2021, August 17, 2021, and September 9, 2021.
2. **Description/Scope:**
   Board meeting minutes are reviewed and approved on a monthly basis.

3. **Estimated Timeline:**
   N/A

4. **Budget:**
   N/A

5. **Procurement/Selection Process:**
   N/A

6. **Staff's Recommendation:**
   N/A

7. **Justification:**
   N/A

____
Blanca Davila
Director of Economic Development

ATTACHMENTS
Attachment A: July 27, 2021 Minutes
Attachment B: August 17, 2021 Minutes
Attachment C: September 9, 2021 Minutes

Approved:	_________
Not Approved:	_________
Tabled:	_________
No Action:	

MINUTES OF THE
EDINBURG ECONOMIC DEVELOPMENT
CORPORATION BOARD OF DIRECTORS

LOCATION:
City of Edinburg, City-Hall Council
Chambers 415 W. University Drive.
Edinburg, Texas

JULY 27, 2021
4:00 PM

PRESENT: Hiren Govind, President
Roland Gomez, Vice President
Daniel "Dan" Diaz, Secretary
Aaron "Ronny" Rivera, Treasurer
Sabrina Walker-Hernandez,
Director Raul Resendez, Director

ABSENT: Veronica Gonzales, Director

STAFF: Ron Garza, City Manager
Brian Kelsey, Assistant City Manager/EDD
Blanca Davila, EDD Director
Omar Ochoa, City Attorney
Leticia Pantoja, EDD Management Analyst
Dagoberto Soto Jr., Finance Director
Cris Villarreal, CPA

PUBLIC: Kelcie Guns, Development Counsellors International
Hector Casas, Shea Nate LLC
Vicente Solar, MVLE Enterprises Inc.
Daniel Galvan, Coldwell Banker Commercial
Mark Moran, Coldwell Banker Commercial
Michael Pacheco, Coldwell Banker Commercial

1. **CALL TO ORDER, ESTABLISH QUORUM**

President, Hiren Govind, called the meeting to order at 4:01 PM.

EDD Director, Blanca Davila, proceeded to roll call and established quorum.

Director, Veronica Gonzales, was absent.

2. **CERTIFICATION OF PUBLIC NOTICE**

EDD Director, Blanca Davila, confirmed the public notice was posted in accordance with the Texas Open Meetings Act, on July 23, 2021 at 12:10 PM.

3. **PUBLIC COMMENTS**

A specific portion of the meeting shall be dedicated to allow Public Comments which will be limited to three (3) minutes. Because of the State of Emergency due to the COVID-19 Pandemic, public comments may be provided in-person abiding to the occupancy limits or by telephone. In person requests shall be requested by completing the Public Comment Form available at the City Council Chambers. Telephone requests shall be completed by (a) sending an email to publiccomment@cityofedinburg.com or (b) calling (956) 388-8204.

All requests must be received beginning at 9am and end immediately before the start of the meeting. Your request should include your name, address, and telephone number. We ask for everyone's cooperation in following this procedure.

There were no public comments.

4. **DIRECTOR'S REPORT**

EDD Director, Blanca Davila, provided an update on SPARC 3.0 and mentioned the program launched Wednesday, July 21, 2021 at 8:00 AM. SPARC 3.0 will close Friday, August 6, 2021 at 5:00 PM. There were over 300 applicants received. City staff continues to receive and review applications.

The projects were presented and it was mentioned the 1st Value Produce Cold Storage and Siddons-Martin Emergency Group projects are ongoing.

Economic Development staff are working with 14 prospects. Economic Development staff continues to communicate and meet with the prospects to either expand, relocate, or create a new business in Edinburg.

The retail development was presented and mentioned Economic Development staff continues to communicate with the three potential leads resulting from retail match outreach identified by Buxton Co. Coldwell Banker Commercial continues to assist with retail development as well.

Development Counsellors International (DCI) will present the EEDC website to the board of directors.

The update on the Food Truck Park was presented. One new food truck, Izzy's BBQ, joined Food Trucks N' Tunes. Food Trucks N' Tunes has reached an estimated 500 attendees at events.

Economic Development staff submitted three Requests for Information (RFI) on behalf of the City of Edinburg to the Office of the Governor's Economic Development & Tourism department for the North Industrial Park.

Secretary, Dan Diaz, inquired on SPARC 3.0 requirements for businesses eligibility. SPARC 3.0 requirements include: business is within Edinburg city limits, currently operating, locally owned, have 50 employees or less, and pays either sales taxes to Texas Comptroller's office, property taxes on non-residential real property used for commercial purposes, or pays property taxes on business personal property. Mr. Diaz mentioned a few businesses have inquired to him on the eligibility criteria as they were told they did not quality for SPARC 3.0 for not having a storefront. Ms. Davila clarified home-based businesses are eligible if they pay sales taxes to Texas Comptroller's Office or pay property taxes on business personal property to Hidalgo County Tax Assessor.

Mr. Diaz questioned whether businesses need to provide proof of sales tax. Businesses need to provide proof of payment of taxes paid. Mr. Diaz also inquired whether businesses need to be current with the Secretary of State Office as certain businesses pay sales taxes at the end of the year due to COVID-19. Economic Development staff is accepting 2020 or 2021 taxes paid as businesses pay sales tax quarterly or on an annual basis.

Mr. Diaz requested an update regarding the three potential leads resulting from Buxton's retail match outreach. An update will be provided to the board in Executive Session.

5. **<u>REGULAR AGENDA ITEMS</u>**

A. Consider approval of minutes for board meetings on June 29, 2021.

MOTION TO APPROVE THE MINUTES FOR BOARD MEETING ON JUNE 29, 2021 WAS MADE BY SECRETARY DAN DIAZ AND SECONDED BY TREASURER AARON RIVERA. MOTION CARRIED UNANIMOUSLY.

B. Consider approval of financial report for June 2021.

Cris Villarreal, CPA, presented the Statement of Cash Receipts, Disbursements, and Cash Balances – Unrestricted Cash for the period ending Fiscal Year 2021. A total of $659,045 was collected in cash receipts and $27,571 in cash disbursements. There was a net increase in unrestricted cash of $418,774. The ending unrestricted cash balance was $7,818,108.

A comparative monthly sales tax revenues – accrual basis – supplemental information was presented to compare fiscal year ending 2019, 2020, and 2021. There was $631,077 collected in May 202, in comparison to $550,235 collected in May 2020, resulting in a 14% increase. A total of $4,924,353 was received from October 2020 through May 2021.

The Statement of Net Assets – Supplemental Information was presented, which included $41,926,078.24 in total assets and $26,864,348.00 in total liabilities, with a net equity of $15,061,730.24.

The Accounts Receivable A/R Aging Summary – Supplemental Information as of June 30, 2021 included the receivables from City of Edinburg half cent sales tax, NUCO tool, and Santana Textiles interest accumulation.

Director, Sabrina Walker Hernandez, inquired on the workforce training line item under projects, and questioned whether there are additional projects coming up with the remaining budget balance. Ms. Davila mentioned the EDC has an agreement with Health Science Institute at Renaissance (HSIR) to train medical assistants. The program will end on December 31, 2021. The Board can consider expanding the program.

President, Hiren Govind, inquired on the number of applicants in the program. Six of the eleven participants were funded through EDC. One student dropped the course, bringing the number down to five.

Mrs. Walker Hernandez questioned whether the $189,484 remaining budget balance will be expensed. The remaining budget balance for workforce training will not be expensed.

MOTION TO APPROVE FINANCIAL REPORT FOR JUNE 2021 WAS MADE BY DIRECTOR SABRINA WALKER HERNANDEZ AND SECONDED BY TREASURER AARON RIVERA. MOTION CARRIED UNANIMOUSLY.

C. Presentation of Edinburg Economic Development Corporation website by Development Counsellors International (DCI).

Ms. Davila stated DCI is presenting the Economic Development Corporation (EDC) website, as per the board's request. DCI will walk the board through the webpages and website highlights.

Kelcie Guns, Marketing Associate for DCI, began the presentation by walking through the branding and strategy for the website. DCI's strategy was rooted in research and consisted of DCI's deep industry knowledge, Edinburg network and target market, and research & data. During the discovery phase, the research & data revealed users were interacting heavily with EDC information, content needed to be strengthened and organized to bring down the bounce rate, a visual sense of place should be created to highlight Edinburg through photos and video, and the SEO needed to be prioritized.

DCI provided a clear navigation to users seeking Edinburg EDC content, bolstered content and included additional statistics, produced videos showing life in Edinburg, and created content with SEO in mind. DCI strengthened content with new details by providing tab content to include more information about local business and provided data and statistics for industry pages. This decreases any bounce rates as users will be more engaged with website content.

DCI produced two videos highlighting Edinburg. The first video consists of a looping video that auto-plays on the homepage marquee video. The second video is a business feature on one of Edinburg's major employer, Little Bear Produce, featuring owners Jim and Diane Bassetti.

DCI also created content with SEO in mind to ensure google indexes the EDC website properly to direct correct users to the website. Additional website features include ability to show off sites and properties, full Spanish translation, organized news and resources, and featured videos throughout.

The homepage marquee video, interactive embedded google map, key messaging, ranking & fast facts, and the news features were outlined. Webpages include an overview copy, quick links, functionality for videos embedded, and tabbed content including robust information about industries in Edinburg. Any page on the website can be translated to Spanish.

Mr. Diaz requested to view more of the 'Why Edinburg' content tab, and inquired whether anything specifying Edinburg holds the Hidalgo County seat is specified on the website. Mr. Diaz also inquired whether information regarding Edinburg having the largest school district, 18 miles of expressway, North Industrial Park, and an Airport is included on the website as they are what distinguishes Edinburg apart from other cities in the Rio Grande Valley. Ms. Guns stated information is included in the rankings & fast facts on another content page and can be added to the 'Why Edinburg' page. Economic Development staff will review suggestions to ensure information is accurate in the website.

Director, Raul Resendez, questioned how the google map embedded on the website can pinpoint libraries, schools, Airport, and different facilities in Edinburg. DCI web developers will look into pinpointing Edinburg landmarks on the google map.

Vice President, Roland Gomez, suggested incorporating the City's GIS map on the EDC website. This will enable users to zoom in and view Edinburg properties and zonings. Mr. Govind inquired whether the property map only includes available land for sale. Treasurer, Aaron Rivera, questioned whether the City's website includes the features the board members referred to. City Manager, Ron Garza, mentioned the City's website has a functional GIS dashboard that displays City subdivisions, rooftops, and zonings.

Mr. Rivera suggested adding a filter to the map to search for restaurants in Edinburg. Mr. Garza mentioned the City's GIS dashboard has the ability to do so. The map is functional but not appealing. The City's GIS team continues to refine the map.

Mr. Rivera inquired if the changes will be incorporated to the EDC website, and whether it will affect the website launch date. Ms. Guns mentioned it depends on how extensive each of the changes are. The changes suggested may delay website launch date or be completed after the scheduled launch date.

Assistant City Manager, Brian Kelsey, mentioned staff will be able to make content updates as needed. Mr. Garza stated the City's GIS dashboard will be incorporated in a second phase after website launch. The EDC website should go live online for marketing purposes.

Mr. Gomez questioned whether business owners will be able to apply for City incentives through the EEDC website incentives tab. The incentives application is linked under quick links in the incentives webpage.

Mr. Govind asked whether restaurants can be searched on the featured properties map. Ms. Guns mentioned the feature may be added to the homepage google map as the featured properties map is specific to site selectors.

D. Consider request from Shea Nate LLC for $150,000 in incentives for property located at 205 Conquest Blvd. Edinburg, TX 78539

Ms. Davila mentioned this is the first incentive agreement presented to the board. Shea Nate LLC is requesting an amount not to exceed $150,000 in incentives for his property located at 205 Conquest Blvd. Shea Nate LLC will construct 44 retail incubator spaces at the St. Michael Event Gallery. The incentives proposed for consideration include $100,000 for improvements, $30,000 for 50 full-time jobs, and an incentive for operating the project at 50% as a calculation based on property tax paid to City of Edinburg. This equals an estimated $150,000 depending the property evaluation every year.

Hector Casas, Shea Nate LLC, provided a brief overview of the project, and mentioned there will be 10x10 and 10x12 incubators. The project will create a minimum of 50 full-time employees paying at least $15.00 an hour. Shea Nate LLC forecasts between $750,000 to $1,000,000 in sales revenue by next year.

Mr. Rivera questioned whether the businesses leasing the incubators will be new or existing businesses. There will be home-based businesses leasing the incubators. It was mentioned She Nate LLC will cover all insurance costs for the businesses. The businesses will only pay between $650.00 - $900.00 monthly rent. Mr. Casas stated there is a lot of interest from businesses to lease the incubators, and anticipates being at full capacity within six months.

Mr. Resendez inquired how the term "incubator" is being defined. Mr. Casas stated the incubators are not closed in ceiling and will be either 10x10 or 12x12 in size. Mr. Resendez mentioned a true incubator includes networking, access to resources, and capital funding. Mr. Resendez also stated $900.00 is high rent price for a 10x10 incubator space. Mr. Casas added internet, water, and resources will be provided to businesses, which equals an estimated $250.00 per unit space. It was clarified the $250.00 per unit are included within the rent price.

Mr. Govind inquired whether all businesses will each file for their individual sales tax certificate. Mr. Casas confirmed each business will file on its own.

Mr. Rivera asked whether each incubator will have doors. Incubators will have doors and be enclosed. The ceilings will have wired ceilings.

Mr. Diaz questioned whether the construction materials for the incubators is wood or sheetrock. Mr. Casas mentioned the materials will be wood and sheetrock. However, Shea Nate LLC is considering using block.

Mr. Diaz inquired the business hours of operation. The hours of operation will be Monday through Sunday from 10:00 AM to 8:00 PM. Businesses will not be forced to be open all even days of the week.

Mr. Diaz also inquired whether the 50 employees will be employees on Shea Nate LLC's payroll. It was clarified the 50 employees will be the total number of employees combined across all businesses. To ensure the 50 employees are paid $15.00 per hour, Shea Nate LLC will include that as a requisite to lease an incubator space.

Mr. Rivera asked if there will be restaurants at the location. There will be three different types of restaurants with a kitchen, along with five additional vendors including a coffee, Boba tea, pastries, among others. The proposed project will have an indoor food court and an outdoor seating connected to the food court.

Mr. Diaz questioned how long the property has been owned by Shea Nate LLC. Mr. Casas stated the property has been owned since 2002. Mr. Diaz asked whether the property has been developed since. The property has been developed, and currently has one acreage in the front of the proposed project for sale. Mr. Casas stated Shea Nate LLC has paid millions in taxes to the City of Edinburg within the last two decades.

Mr. Rivera inquired how long the project will take to complete. Shea Nate LLC expects project completion to be November or December 2021.

Mrs. Walker Hernandez questioned how businesses are being recruited for the incubators. Mr. Casas clarified businesses are being recruited through outdoor markets, one on one's with businesses, and word of mouth. Shea Nate LLC is working on finalizing plans and contracts for businesses leasing incubators.

Mr. Govind inquired how long the lease terms will be. It was mentioned lease agreements will be three year terms.

MOTION TO MOVE AGENDA ITEM 5D INTO EXECUTIVE SESSION WAS MADE BY DIRECTOR RAUL RESENDEZ AND SECONDED BY TREASURER AARON RIVERA. MOTION CARRIED UNANIMOUSLY.

E. Consider approval of sale of property at 800 Constitution Dr. – Lot 5 North Industrial Park Edinburg, Hidalgo, County Texas to MVLE Enterprises Inc for the amount of $168,500.

Ms. Davila explained MVLE Enterprises Inc. is requesting to purchase lot 5 in the North Industrial Park for the amount of $168,500. MVLE Enterprises Inc. is requesting to purchase lot 5 to relocate their business to Edinburg from Pharr, TX. Lot 5 is the approximately 3.36-acre tract. MVLE Enterprises Inc. intends to create an office, warehouse, and parking space to have bus fleet for RGV Tours.

Vicente Solar, owner of MVLE Enterprises Inc., provided an overview of the proposed project and explained MVLE Enterprises Inc. has been in business for 14 years, which began in McAllen. Seven years ago, MVLE Enterprises proved to Pharr, TX. MVLE Enterprises Inc. is comprised of RGV Tours and The Charter Bus. The Charter Bus has been chartering buses for school districts, church groups, and has been the official transportation company for UTRGV Athletics. RGV Tours offers family vacation tours to San Antonio, Fredericksburg, Dallas (Dallas Cowboys Tours), Louisiana, Florida (Disney World), and the East Coast.

It was mentioned the RGV Tours bus fleet is growing, and the proposed new location will serve as both, office space and parking space for RGV Tours operations and buses.

Daniel Galvan, Coldwell Banker Commercial, mentioned the offer is an initial offer, and there has been no discussion between Coldwell Banker Commercial and EDC regarding counter offering, accepting, or denying the offer. It was stated Lot 5 is one of the smaller lots in the North Industrial Park.

Mr. Govind inquired whether entire RGV Tours operations will be moved to Edinburg. The proposed project will be a consolidation as RGV Tours will move both offices and have storage there. It was stated buses will be parked in this new location and bus maintenance will be done there as well.

Mr. Diaz inquired on the property's appraised value. Mr. Galvan mentioned the offer price is slightly lower than the asking price since the asking price is $185,350, which translates to $55,000 per acre.

Ms. Davila mentioned RGV Tours will be creating 10 jobs and 10 additional jobs in phase two of the proposed project. The offer is in line with the appraised value of the property. Mr. Galvan stated the capital investment is of $500,000, not including the land.

Mrs. Walker Hernandez inquired on the aesthetics of the storage lot. Mr. Galvan mentioned they can request and obtain pictures of the existing facility. Mr. Diaz questioned whether there are any schematics or plans of the building. Mr. Galvan mentioned the building plans and designs can be requested from the buyer and the broker.

Mr. Diaz stated he is fine with the offer but, would like to see plans and designs of the building. Mr. Rivera suggested the be subject to approval of building plans and designs.

Mr. Solar revealed there is a preliminary design of the two buildings he intends to build in proposed location. One will be a maintenance shop with two offices and a shower for the drivers. The second building will have six offices, including a meeting room, and a waiting area. The outside design of the building is still in progress. It was stated MVLE Inc. is willing to comply with any requirements the lot requires.

MOTION TO TABLE ITEM 5E AND PROVIDE ECONOMIC DEVELOPMENT STAFF GUIDANCE ON SCHEMATICS, DESIGN, AND PENDING FINAL REVIEW WAS MADE BY PRESIDENT HIREN GOVIND AND SECONDED BY TREASURER AARON RIVERA. MOTION CARRIED UNANIMOUSLY.

6. EXECUTIVE SESSION

The EEDC will convene in Executive Session, in accordance with the Texas Open Meetings Act Vernon's Texas Statutes and Codes Annotated, Government Code, Chapter 551, Subchapter D, Exceptions to Requirement that Meetings Be Open. The EEDC May Elect to Go into Executive Session On Any Item Whether or Not Such Item Is Posted as an Executive Session Item at Any Time During the Meeting When Authorized by The Provisions of the Open Meetings Act.

A. Deliberation regarding economic development negotiations. (§551.087 Deliberation Regarding Economic Development Negotiations; §551.071. Consultation with Attorney; Closed Meeting)

B. Discussion and possible action regarding the purchase, exchange, lease, or value of real property. (§551.072. Deliberation Regarding Real Property; Closed Meeting)

The EDC board entered Executive Session at 5:12 PM.

MOTION TO ENTER EXECUTIVE SESSION WAS MADE BY DIRECTOR SABRINA WALKER HERNANDEZ AND SECONDED BY SECRETARY DAN DIAZ AT 5:12 PM. MOTION CARRIED UNANIMOUSLY.

During further review of the items in Executive Session, any of the items will be brought back into Open Session if necessary, for open discussion.

7. OPEN SESSION

The EEDC will convene in Open Session to take necessary action, if any, in accordance with Chapter 511, Open meetings, Subchapter E, Procedures Relating to Closed Meeting §551.102, Requirement to Vote or Take Final Action in Open Meeting.

The EDC board reconvened for open session at 6:20 PM.

For record, Vice-President Roland Gomez, left meting right before executive session.

MOTION TO OPEN SESSION WAS MADE BY DIRECTOR SABRINA WALKER HERNANDEZ AND SECONDED BY TREASURER AARON RIVERA AT 6:20 PM. MOTION CARRIED UNANIMOUSLY.

A. Consider request from Shea Nate LLC for $150,000 in incentives for property located at 205 Conquest Blvd. Edinburg, TX 78539

MOTION TO TABLE ITEM 5D AND DIRECT ECONOMIC DEVELOPMENT STAFF TO CONTINUE DISCUSSIONS WAS MADE BY TREASURER AARON RIVERA AND SECONDED BY DIRECTOR RAUL RESENDEZ. MOTION CARRIED UNANIMOUSLY.

8. ADJOURNMENT

There being no further business to consider, the meeting was adjourned at 6:22 PM.

MOTION TO ADJOURN MEETING WAS MADE BY DIRECTOR SABRINA WALKER HERNANDEZ AND SECONDED BY TREASURER AARON RIVERA AT 6:22 PM. MOTION CARRIED UNANIMOUSLY.

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Minutes Transcribed by: Leticia Pantoja

MINUTES OF THE
EDINBURG ECONOMIC DEVELOPMENT
CORPORATION BOARD OF DIRECTORS

LOCATION:
City of Edinburg, City-Hall Council
Chambers 415 W. University Drive.
Edinburg, Texas

AUGUST 17, 2021
4:00 PM

PRESENT:	**Hiren Govind, President**
	Roland Gomez, Vice President
	Daniel "Dan" Diaz, Secretary
	Aaron "Ronny" Rivera, Treasurer
	Veronica Gonzales, Director
	Sabrina Walker-Hernandez, Director
	Raul Resendez, Director
ABSENT:	**None.**
STAFF:	**Ron Garza, City Manager**
	Brian Kelsey, Assistant City Manager/EDD
	Blanca Davila, EDD Director
	Omar Ochoa, City Attorney
	Leticia Pantoja, EDD Management Analyst
	Nidian Elizondo, EDD Coordinator
	Claudette Segura, Management Analyst
	Dagoberto Soto Jr., Finance Director
	Cris Villarreal, CPA
PUBLIC:	**Vinod Kasan, Oceangate Investments LLC**
	Angel Villanueva, Real Estate Agent
	Vicente Solar, MVLE Enterprises Inc.
	Ethan Yoo, MVLE Enterprises Inc. Realtor
	Daniel Galvan, Coldwell Banker Commercial
	Mark Moran, Coldwell Banker Commercial
	Michael Pacheco, Coldwell Banker Commercial
	Andre Ayala, Hilltop Securities
	Cris Vela, Hilltop Securities
	Arnold Cantu, Locke Lord

1. **CALL TO ORDER, ESTABLISH QUORUM**

President, Hiren Govind, called the meeting to order at 4:00 PM.

EDD Director, Blanca Davila, proceeded to roll call and established quorum.

For record, Director Sabrina Walker Hernandez, arrived 4:12 PM.

2. **CERTIFICATION OF PUBLIC NOTICE**

EDD Director, Blanca Davila, confirmed the public notice was posted in accordance with the Texas Open Meetings Act, on August 13, 2021 at 1:25 PM.

3. **PUBLIC COMMENTS**

A specific portion of the meeting shall be dedicated to allow Public Comments which will be limited to three (3) minutes. Because of the State of Emergency due to the COVID-19 Pandemic, public comments may be provided in-person abiding to the occupancy limits or by telephone. In person requests shall be requested by completing the Public Comment Form available at the City Council Chambers. Telephone requests shall be completed by (a) sending an email to publiccomment@cityofedinburg.com or (b) calling (956) 388-8204.

All requests must be received beginning at 9am and end immediately before the start of the meeting. Your request should include your name, address, and telephone number. We ask for everyone's cooperation in following this procedure.

There were no public comments.

4. **REGULAR AGENDA ITEMS**

A. Consider approval of $500,000 payment to Oceangate Investments, LLC, pursuant to the terms of their development agreement.

For record, President Hiren Govind, recused himself from participating in any discussion or action for this item. Vice President, Roland Gomez, took over and managed the meeting and discussion.

Ms. Davila provided and overview of the agenda item and mentioned Oceangate Investments LLC and the EDC entered into a development agreement in 2018 for the construction of two Hilton-brand hotels located at 407 W. Trenton Road (Tru) and 411 W. Trenton Td (Home 2 Suites), and related site improvements, including signage, parking lot paving, lighting, and landscaping. The development agreement consists of three installments of $250,000 each. It was mentioned no payments have been issued to Oceangate Investments LLC. The request is for $500,000 pursuant to the second and third payment terms in the development agreement. It was mentioned staff recommends approval.

The board invited Mr. Vinod Kasan, Oceangate Investments LLC, to take the podium. Mr. Kasan stated the project was a difficult one as the gas line was not on the property. Mr. Kasan mentioned he worked with various city offices to ensure the project was completed. Mr. Kasan also stated there were results and referenced Walk Ons sales tax receipts from the last 18 months.

Director, Veronica Gonzales, inquired whether both hotels are currently operating. It was confirmed both hotels are open and operating. Mrs. Gonzales inquired on revenue statements for the hotels. Mr. Kasan provided hard copies of statements to Mrs. Gonzales.

Mrs. Gonzales clarified the first agreement term was not met as the first hotel was not completed by May 2019. Mr. Kasan stated the first agreement term was not met as the gas line needed to be moved, taking the project longer for completion. The second and third agreement terms were met.

Secretary, Dan Diaz, requested an overview of the project and agreement terms from Economic Development staff. Assistant City Manager, Brian Kelsey, mentioned the staff recommendation is based on the dates of when the certificates of occupancy were issued. The certificate of occupancy should have been issued on or before May 24, 2019 to meet the first payment term under the agreement. The first payment term was not met as the certificate of occupancy was issued until December 2019, and staff recommended no payment. The second payment term under the agreement was met as the certificate of occupancy for the second hotel was issued by May 24, 2020. Mr. Kelsey mentioned the third payment term, per the contract, has no performance standard as it only states “on or after” May 24, 2021. The request is for payments two and three.

City Attorney, Omar Ochoa, stated he looked into whether the agreement terms are dependent on one another. Mr. Ochoa stated he can provide a legal consolation in executive session.

MOTION TO MOVE AGENDA ITEM A INTO EXECUTIVE SESSION WAS MADE BY TREASURER AARON RIVERA AND SECONDED BY DIRECTOR RAUL RESENDEZ. MOTION CARRIED WITH ONE ABSTENTION FROM PRESIDENT HIREN GOVIND. MOTION CARRIED.

B. **Consider approval of sale of property at 800 Constitution Dr. - Lot 5 North Industrial Park Edinburg, Hidalgo County, Texas, to MVLE Enterprises Inc. for the amount of $168,500.**

Ms. Davila mentioned the item was presented in the previous EDC board meeting. MVLE Enterprises Inc. is asking to purchase property at 800 Constitution Dr. – Lot 5 in the North Industrial Drive for the amount of $168,500. MVLE Enterprises Inc. is relocating its RGV Tours from Pharr to Edinburg, TX. The proposed project is bringing 12 jobs and expects to create 10 new jobs in the future.

Vicente Solar, MVLE Enterprises LLC, provided the rendering of the proposed project as per the board's request. The proposed project will be two phases. Phase one will be the construction of the warehouse with a small office building used for business operations only until phase two is completed. Once phase two of the project is completed, the warehouse with small office building will become the maintenance department.

Mr. Solar stated they are currently in the process of hiring more employees including drivers and mechanical personnel from Edinburg. Mr. Solar also mentioned RGV Tours is the official transportation company for UTRGV, and recently extended their contract for three more years. MVLE Enterprises submitted a bid to do a transportation line from Edinburg to Brownsville.

Mr. Govind inquired on the estimated time frame between phase one and two of the proposed project. The estimated time frame is expected to be less than one year.

Mrs. Gonzales, inquired whether the offer amount is within the appraised value of the property. Ms. Davila stated the offer is in line with the appraised value of property.

MOTION TO APPROVE SALE OF PROPERTY AT 800 CONSTITUTION DR – LOT 5 NORTH INDUDTRIAL PARK EDINBURG, HIDALGO COUNTY, TEXAS, TO MVLE ENTERPRISES INC. WAS MADE BY SECRETARY DAN DIAZ AND SECONDED BY DIRECTOR SABRINA WALKER HERNANDEZ. MOTION CARRIED UNANIMOUSLY.

C. Consider approval of a resolution authorizing the issuance of "Edinburg Economic Development Corporation Sales Tax Revenue Refunding Bonds, Taxable Series 2021"; pledging certain "Pledged Revenues" of the Corporation, including Sales Tax revenues, to the payment of the principal of and interest on the Bonds, prescribing the form, terms, and conditions, and resolving other matters related to the foregoing.

City Manager, Ron Garza, presented agenda items C, D, and E all together. The presentation provided and overview of what the projects are and where the funding is going. The project is a joint partnership between the City of Edinburg and EDC. The City of Edinburg 2021 CO bonds are in the amount of $23,000,000 for general governmental purpose. The EEDC has a 2021A non-taxable sales tax bonds in the amount of $7,000,000 for the multipurpose facility. There is also a 2021B taxable sales tax bonds in the amount of $2,000,000 for the parking garage. The EEDC has the 2021 refunding bonds in the amount of $13,750,000 for debt refinancing. The projects have no recommended increase to ad valorem property tax rate and no recommended increase to utilities or solid waste service rates. All projects will be fully repaid by revenue growth.

A breakdown of the series 2021 bond projects was presented including four different categories: (A) Arts, Cultural, and Events (ACE) Center, (B) parking garage, (C) downtown street, signage & sidewalk improvements, and (D) street expansion right-of-way. Hidalgo County conveyed the property located at the corner of McIntyre and Closner at zero cost to the City of Edinburg for the parking garage.

These downtown revitalization projects will also include an amphitheater, restrooms, water garden feature, and the multi-purpose facility. It was mentioned the entire project will be park green space. Renderings of the projects and footprints of the multipurpose facility were presented. The downtown parking garage will include a three floor structure with more than 250 parking spaces. It was stated the renderings were created in-house by City staff. The City of Edinburg will go out for requests for proposals (RFP) for formal designs of the projects.

Mrs. Gonzales inquired whether the revenues generated from the parking garage will be used to maintain it. Mr. Garza confirmed revenues will be used to maintain the parking garage. Mrs. Gonzales also inquired on the time frame for the projects in comparison with the drainage projects for downtown. The parking garage will more than likely be completed first than the drainage project.

Mr. Gomez inquired on the projects timeline for completion. Mr. Garza mentioned the amphitheater and water gardens feature has already been funded. The construction company is expected to break ground in a month. The greenspace portion will be a 10-month project. The building is in the design phase and will bid out for construction in March 2022. The amphitheater is expected to be completed by May 2022. The multipurpose facility and parking garage are expected to be completed by March 2023.

Andre Ayala, Hilltop Securities, provided a presentation regarding the financials aspect of the projects. The intention was to refinance 100% of the Santana bonds issued back in 2015, issuing roughly $13,500,000 worth of bonds to achieve that. It was stated the final numbers were close and resulted at $13,610,000. There was a budgeted taxable interest rate of 2.13%, and the final numbers resulted in 2.09% taxable fixed until 2035. Therefore, the cash flow savings the EEDC will be saving as a result of the refinancing are $2,293,000. On an average annual savings, there was $162,800,000 budgeted, and the final numbers were $163,800,000.

The bond rating for the senior lien for the EEDC was affirmed as a double A minus by Standard and Poor's. Standard and Poor's upgraded the second lien bond rating from triple B plus to a single A rating. Mr. Ayala congratulated the Economic Development staff and the board.

Mr. Govind inquired whether the total savings over the 15 years will be roughly $2.3M. It was confirmed the EEDC will save roughly $2. 3M with the inclusion of the reserve fund contributed. Mr. Diaz inquired the amount of the reserve fund added. The amount is $1,467,000.

An update regarding the new series 2021A and 2021B bonds was presented. Regarding the new series 2021A, the budgeted bond amount was $7,740,000, and the final par amount was $7,730,000. This is a 25-year bond with the final payment on August of 2046. The final non rated tax exempt interest rate on this bond is 3.44% fixed.

Regarding the taxable new series 2021B, the final amount was $2,250,000, which was $25,000 less than the projected amount. This is a 25-year bond with the final payment on August 2046. The final taxable interest rate is 5.24% fixed.

Mrs. Gonzales whether the bonds' original maturity will remain the same or be extended. The maturity date will stay the same.

MOTION TO APPROVE A RESOLUTION AUTHORIZING THE ISSUANCE OF "EDINBURG ECONOMIC DEVELOPMENT CORPORATION SALES TAX REVENUE REFUNDING BONDS, TAXABLE SERIES 2021"; PLEDGING CERTAIN "PLEDGED REVENUES" OF THE CORPORATION, INCLUDING SALES TAX REVENUES, TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS, PRESCRIBING THE FORM, TERMS, AND CONDITIONS, AND RESOLVING OTHER MATTERS RELATED TO THE FOREGOING WAS MADE BY DIRECTOR SABRINA WALKER HERNANDEZ AND SECONDED BY DIRECTOR VERONICA GONZALES. MOTION CARRIED UNANIMOUSLY.

D. Consider approval of a resolution authorizing the issuance of "Edinburg Economic Development Corporation Sales Tax Revenue Bonds, New Series 2021A"; pledging certain "Pledged Revenues" of the Corporation, including "Gross Sales Tax Revenues", to the payment of the principal of and interest on the Bonds; prescribing the form, terms, conditions, and resolving other matters related to the foregoing.

MOTION TO APPROVE A RESOLUTION AUTHORIZING THE ISSUANCE OF "EDINBURG ECONOMIC DEVELOPMENT CORPORATION SALES TAX REVENUE BONDS, NEW SERIES 2021A"; PLEDGING CERTAIN "PLEDGED REVENUES" OF THE CORPORATION, INCLUDING "GROSS SALES TAX REVENUES", TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS RELATED TO THE FOREGOING WAS MADE BY DIRECTOR VERONICA GONZALES AND SECONDED BY SECRETARY DAN DIAZ. MOTION CARRIED UNANIMOUSLY.

E. Consider approval of a resolution authorizing the issuance of "Edinburg Economic Development Corporation Sales Tax Revenue Bonds, Taxable New Series 2021B"; pledging certain "Pledged Revenues" of the Corporation, including "Gross Sales Tax Revenues", to the payment of the principal of and interest on the Bonds; prescribing the form, terms, conditions, and resolving other matters related to the foregoing.

MOTION TO APPROVE A RESOLUTION AUTHORIZING THE ISSUANCE OF "EDINBURG ECONOMIC DEVELOPMENT CORPORATION SALES TAX REVENUE BONDS, TAXABLE NEW SERIES 2021B"; PLEDGING CERTAIN "PLEDGED REVENUES" OF THE CORPORATION, INCLUDING "GROSS SALES TAX REVENUES", TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS RELATED TO THE FOREGOING WAS MADE BY VICE PRESIDENT ROLAND GOMEZ AND SECONDED BY SECRETARY DAN DIAZ. MOTION CARRIED UNANIMOUSLY.

5. EXECUTIVE SESSION

The EEDC will convene in Executive Session, in accordance with the Texas Open Meetings Act Vernon's Texas Statutes and Codes Annotated, Government Code, Chapter 551, Subchapter D, Exceptions to Requirement that Meetings Be Open. The EEDC May Elect to Go into Executive Session On Any Item Whether or Not Such Item Is Posted as an Executive Session Item at Any Time During the Meeting When Authorized by The Provisions of the Open Meetings Act.

A. Deliberation regarding economic development negotiations. (§551.087 Deliberation Regarding Economic Development Negotiations; §551.071. Consultation with Attorney; Closed Meeting)

B. Discussion and possible action regarding the purchase, exchange, lease, or value of real property. (§551.072. Deliberation Regarding Real Property; Closed Meeting)

The EDC board entered Executive Session at 4:44 PM.

MOTION TO ENTER EXECUTIVE SESSION WAS MADE BY DIRECTOR SABRINA WALKER HERNANDEZ AND SECONDED BY VICE PRESIDENT ROLAND GOMEZ AT 4:44 PM. MOTION CARRIED UNANIMOUSLY.

During further review of the items in Executive Session, any of the items will be brought back into Open Session if necessary, for open discussion.

6. **<u>OPEN SESSION</u>**

The EEDC will convene in Open Session to take necessary action, if any, in accordance with Chapter 511, Open meetings, Subchapter E, Procedures Relating to Closed Meeting §551.102, Requirement to Vote or Take Final Action in Open Meeting.

The EDC board reconvened for open session at 5:09 PM.

Mr. Gomez began the meeting during open session as President Hiren Govind abstained from the item discussion in executive session.

MOTION TO OPEN SESSION WAS MADE BY SECRETARY DAN DIAZ AND SECONDED BY VICE PRESIDENT ROLAND GOMEZ AT 5:09 PM. MOTION CARRIED UNANIMOUSLY.

A. Consider approval of $500,000 payment to Oceangate Investments, LLC, pursuant to the terms of their development agreement.

Mr. Gomez invited Mr. Kasan to take the podium.

Mrs. Gonzales clarified Oceangate Investments LLC is requesting the second and third for $250,000 each, totaling the $500,000. Mrs. Gonzales continued to say this would close the development agreement between Oceangate Investments LLC and the EEDC. Mr. Kasan confirmed by saying that is fair. Mr. Kasan stated Oceangate Investments LLC has paid property taxes to the City of Edinburg and created employment.

Mr. Diaz inquired whether Mr. Kasan owned the hotel properties or purchased them. Mr. Kasan stated the properties were purchased with no incentives. Angel Villanueva, real estate agent, asked to take the podium and the board allowed it. He shared his real estate background and mentioned he assisted Mr. Kasan in finding the properties in Edinburg, Texas. He stated Oceangate Investments LLC has paid over $1M in taxes to the City of Edinburg for the hotels.

MOTION TO AUTHORIZE STAFF TO ENTER INTO THE AGREEMENT CONDITIONED UPON DISCUSSION HELD IN EXECUTIVE SESSION WAS MADE BY DIRECTOR VERONICA GONZALES AND SECONDED BY SECRETARY DAN DIAZ. MOTION CARRIED WITH ONE ABSTENTION FROM PRESIDENT HIREN GOVIND.

7. ADJOURNMENT

There being no further business to consider, the meeting was adjourned at 5:16 PM.

MOTION TO ADJOURN MEETING WAS MADE BY VICE PRESIDENT ROLAND GOMEZ AND SECONDED BY SECRETARY DAN DIAZ AT 5:16 PM. MOTION CARRIED UNANIMOUSLY.

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Minutes Transcribed by: Leticia Pantoja

MINUTES OF THE
EDINBURG ECONOMIC DEVELOPMENT
CORPORATION BOARD OF DIRECTORS

LOCATION:
City of Edinburg, City-Hall Council
Chambers 415 W. University Drive.
Edinburg, Texas

SEPTEMBER 9, 2021
10:00 AM

PRESENT: **Hiren Govind, President**
Roland Gomez, Vice President
Daniel "Dan" Diaz, Secretary
Veronica Gonzales, Director
Sabrina Walker-Hernandez, Director
Raul Resendez, Director

ABSENT: **Aaron "Ronny" Rivera, Treasurer**

STAFF: **Ron Garza, City Manager**
Brian Kelsey, Assistant City Manager/EDD
Blanca Davila, EDD Director
Omar Ochoa, City Attorney
Leticia Pantoja, EDD Management Analyst
Nidian Elizondo, EDD Coordinator
Flor Segura, Assistant City Finance Director
Axel Boyzo, Finance Accountant
Cris Villarreal, CPA

PUBLIC: **Hector Casas, Shea Nate LLC**

1. CALL TO ORDER, ESTABLISH QUORUM

President, Hiren Govind, called the meeting to order at 10:07 AM.

EDD Director, Blanca Davila, proceeded to roll call and established quorum.

Treasurer, Aaron Rivera, was absent.

2. CERTIFICATION OF PUBLIC NOTICE

EDD Director, Blanca Davila, confirmed the public notice was posted in accordance with the Texas Open Meetings Act, on September 3, 2021 at 10:04 AM.

3. PUBLIC COMMENTS

A specific portion of the meeting shall be dedicated to allow Public Comments which will be limited to three (3) minutes. Because of the State of Emergency due to the COVID-19 Pandemic, public comments may be provided in-person abiding to the occupancy limits or by telephone. In person requests shall be requested by completing the Public Comment Form available at the City Council Chambers. Telephone requests shall be completed by (a) sending an email to publiccomment@cityofedinburg.com or (b) calling (956) 388-8204.

All requests must be received beginning at 9am and end immediately before the start of the meeting. Your request should include your name, address, and telephone number. We ask for everyone's cooperation in following this procedure.

There were no public comments.

4. REGULAR AGENDA ITEMS

A. Consider request from Shea Nate LLC for $150,000 in incentives for property located at 205 Conquest Blvd. Edinburg, TX 78539.

EDD Director, Blanca Davila, mentioned the agenda item was presented in the July 27, 2021 board meeting. Shea Nate LLC is requesting $100,000 in incentives for infrastructure and $50,000 in job grants.

Ms. Davila mentioned she met with Mr. Hector Casas, Shea Nate LLC, to clarify questions the board had from the previous board meeting. Ms. Davila and Mr. Casas came to an agreement regarding the incentive. The proposed agreement includes a one-time installment of $150,000, paid upon Shea Nate LLC's documentation of issuance of Certificate of Occupancy, at least 20 retail spaces occupied, and the creation of at least 20 full-time equivalent jobs paid at $15.00 per hour within 24 months from the date of the execution of the incentive agreement.

The rendering of the new design was included in the board packet. Shea Nate LLC updated the design to increase the incubator space sizes as it was a concern for the board. As well, letters of interest were added for Shea Nate LLC's retail incubator tenants. Mr. Casas stated he has 20% of the letters of interest with businesses ready to move into the retail incubator spaces. The letter of interest includes a statement in where the lessee agrees to hire at least one full time employee at the rate of $15.00 per hour.

Director, Veronica Gonzales, inquired whether any training will be provided for the businesses leasing the retail incubators. Shea Nate LLC is exploring the option of possibly offering training and partnering with the City of Edinburg or UTRGV. Mr. Casas mentioned he will continue outdoor markets for every Saturday night beginning October.

Director, Raul Resendez, inquired whether the lease terms will be three years. It was confirmed the lease terms will be for three years. Mr. Resendez suggested to staff that a copy of the executed lease agreements should be provided to ensure the 20 retail spaces are occupied. Mr. Casas stated a copy of the executed lease agreements will be provided to City staff.

Mr. Resendez inquired when the 24-month time frame to complete the agreement term begins. Ms. Davila stated the 24-month time frame begins from the date of the execution of the incentive agreement. Ms. Davila mentioned staff will request documentation as proof that terms are met prior to releasing the incentive.

Mr. Resendez questioned whether the 20 full-time jobs created include other employees, not including the business owners. Mr. Casas mentioned the full-time employee paid at the rate of $15.00 per hour can be the business owner. Shea Nate LLC estimates additional employees to be paid at least $15.00 per hour.

Mr. Resendez questioned whether the businesses will have a DBA, LLC, or single member businesses. Mr. Casas mentioned the majority of the businesses will have a DBA. Vice President, Roland Gomez, stated if businesses obtain a business license or a certificate of occupancy from the City of Edinburg, they are required to submit proof of sales tax, along with DBA or LLC registration with the Secretary of State.

President, Hiren Govind, inquired on the business hours of operations. Shea Nate LLC is looking at Tuesday – Sunday from 10:00 AM to 6:00 PM as required hours. The business employees will work a minimum of 32 hours per week. Shea Nate LLC's tenant Caza Azul is open from 10:00 AM to 8:00 PM.

MOTION TO APPROVE REQUEST FROM SHEA NATE LLC FOR $150,000 IN INCENTIVES FOR PROPERTY LOCATED AT 205 CONQUEST BLVD. EDINBURG, TX 78539 WAS MADE BY DIRECTOR VERONICA GONZALES AND SECONDED BY SECRETARY DAN DIAZ. MOTION CARRIED UNANIMOUSLY.

B. Edinburg Economic Development Corporation budget workshop.

For record, Vice President Roland Gomez, left the meeting at 10:27 AM.

Ms. Davila mentioned the EDC budget is the operations budget comprised of programs, properties, and projects. The budget will also include debt service and bond projects. Hard copies of the presentation were provided to the board.

Regarding the administrative services for FY22, it will be $1M for administrative services under the city staffing agreement. The agreement will be presented to the EDC board in the next board meeting. The presentation outlined the breakdown of services the EDC is receiving from the City per the agreement. In addition, there are other city staff dedicated to Economic Development including: Information Technology, Communications & Media, Engineering, Finance, and Legal. There will be a city accountant dedicated to assisting the Economic Development department. City Manager, Ron Garza, mentioned the city will add one member to the Communications & Media department to assist the Economic Development department with designs and graphics for social media.

Mr. Resendez inquired whether the city staff dedicated to Economic Development are current internal staff or will be recruited for. The Communications & Media department will recruit a graphic designer.

Mrs. Gonzales questioned how the budget was like before when the EDC had its own budget for the type of services the City is now providing. Mr. Garza mentioned the salaries were doubled and the budget's personnel was high.

Mr. Resendez asked whether there is a particular line item that stands out as a big shift from previous EDC budgets. Assistant City Manager, Brian Kelsey, mentioned the year has been different for staff as the pandemic limited in-person conferences and headquarter visits. Mr. Kelsey stated Ms. Davila has a full slate of conferences she will discuss with the board within the next six to nine months.

The EDC has significantly improved transparency and efficiency in following the city's policies and procedures.

Programs

The EDC's operating budget program priorities include a workforce training program, marketing, research, and small business program (American Rescue Act). $865,000 was budgeted for programs in FY21. $650,000 is budgeted for programs in FY22. There was not much activity in the workforce training budget line item due to demand in the current workforce training program agreement. The programs did not see the demand from students.

Mr. Resendez suggested partnering with UTRGV or entities that provide training. Mrs. Gonzales mentioned UTRGV's Continuing Education department provides services in various industries in continuing education or training. It is important to determine where the industry demand is to connect the right people to train the demand. Mrs. Gonzales also suggested apprenticeships or internship programs to provide people with training and learning. Mr. Diaz suggested a program of internships for businesses in efforts to assist the workforce and result a pool of prospect employees. Directors further discussed EDC programs, and it was agreed the EDC should focus on the workforce development area through mentorships and internship partnerships with businesses to provide students a learning opportunity.

Properties

The EDC's operating budget Properties priorities include purchase of property and building improvements, maintenance, and repairs. $227,000 was budgeted for properties in FY21. $1,290,000 is budgeted for properties in FY22. The purchase of property was a clear priority for the board in FY21, and will continue to be priority number one under properties for FY22.

The EDC owns the building located at 1710 S 28th Ave, which includes four tenants that continue to pay rent. The building is in need of improvements, maintenance, and repairs. This is a FY22 priority to ensure the building is repaired, painted, has AC working properly, and roof is fixed. Economic Development staff will revisit lease agreements with the tenants.

Mr. Govind agreed with the priorities for properties and mentioned the EDC should look into purchasing property before private entities do. The EDC should continue to purchase property to develop. Mr. Garza mentioned the purchase of property has to be strategically done as the City cannot afford to take something off property tax rolls and on hold for 20 years. The EDC should strategically continue to purchase property.

Projects

There was $1,552,000 in incentive payments budgeted in FY21 for 9 incentive projects. A few projects have been completed. The EDC will have five active projects in FY22 including Shea Nate LLC. There is $442,000 in existing incentive payments due in FY22 for the five incentive projects. As well, there is $500,000 budgeted for any new projects with job creation. The amount was increased as $300,000 was budgeted for projects with job creation in FY21. Mr. Kelsey mentioned a report of all incentive applications that have been received and screened will be provided to the board to demonstrate the demand for incentives. Businesses are not meeting the job creation standard set forth by the incentive policy.

Mr. Resendez stated it is important for the board to ensure if a project is approved, the job creation criteria is met. Mr. Govind mentioned businesses should be accountable for any parameters set by the board. It was mentioned EDC agreements are kept clear and straightforward. The EDC incentives are on a reimbursement basis and not provided upfront.

Mr. Govind suggested incentives budget line item be reviewed and presented to the board quarterly.

Debt Service

There was a total of $3,188,874 in debt service payments in FY 21. There is $3,673,095 in debt service payments projected for FY22— ~50% debt service to sales tax revenue ratio. There is an increase of $484,221. The 2021 New Series bonds were acquired for the ACE building and parking garage.

Bond Projects

Projects are funded through bonds. The total amount for 2019 bond projects is $8,379,773. These projects include: El Tule Center, Resource Center (Workforce Training), and Capable Kids Park and Beethoven Park. The total amount for 2021 bond projects is $9M. These projects include: ACE Center and Parking Garage (1st floor). The amortization schedules for the bonds will be provided to the board. As a result of bond projects, there is a total of six quality of life projects.

Mr. Diaz mentioned he has received several inquiries regarding the 2021 bond projects. Mr. Diaz stated the 2021 bond projects will not increase property taxes. Mr. Kesley stated the refinancing of the Santana debt resulted in a great outcome as the net increase for the return of the new debt is savings. For a net increase of $400,000, the EDC is getting a lot more projects. Mr. Garza mentioned there will be at least a 13% projected increase in sales tax.

Draft Budget FY22 Summary

The total operating budget for FY22 is set at $7,642,095. The City of Edinburg projects $7.7 million in sales tax revenue (conservative 3% growth for next year). For budgeting purposed, the City conservatively projected a 3% growth in sales tax revenue. However, it is expected to grow more.

The total debt service will be $3,673,095. There is approximately $6 million in unrestricted cash at end of year (projected). The City's Finance director recommends to keep six months at $600,00 of projected sales tax revenue per month under unrestricted cash. The new refinancing of the Santana bonds does not require a reserve account. For best practices, staff recommends creating a one-year of debt service account for the Santana new series 2021 refunding bonds. This would be approximately $1. 3M in the reserve account. Mr. Govind inquired whether the $1. 3M can be placed in an interest bearing CD or money market to generate a return. Economic Development staff will look into Mr. Govind's suggestion.

There will be six bond projects including: El Tule, Capable Kids Park, Beethoven Park, Resource Workforce Center, ACE Center, and Parking Garage
Mr. Kelsey requested feedback from the board regarding keeping the six months at $600,00 of projected sales tax revenue per month under unrestricted cash. Mr. Govind agreed keeping the six months is accurate. Director, Sabrina Walker Hernandez, mentioned six months is the minimum. Mrs. Walker Hernandez stated she tends to double the time for precaution as it may be needed. Mrs. Gonzales mentioned the six months is a reasonable amount of time, and stated the time can be increases as sales tax increases with time. Mr. Govind inquired whether the amount can be adjusted. Mr. Kelsey confirmed the amount can be adjusted.

Ms. Davila mentioned she recommends creating a one-year of debt service account for the Santana new series 2021 refunding bonds as the EDC has a debt service reserve account for all other bonds. This is something the board can consider. Mr. Kelsey mentioned Economic Development staff will begin with six months of sales tax aside and one year of debt service. The board can discuss and decide to make changes when the budget is presented.

Mr. Govind inquired whether it is allowed to invest in neutral funds or stock markets with the reserve money. Mr. Garza stated there are certain restrictions and mentioned staff can research the options.

The board discussed the small businesses community and their needs. Mr. Garza mentioned the SPARC gift cards program will go live soon. Businesses will begin to see a spike in revenue once the gift cards are distributed. Mr. Kelsey requested ideas from the board on how to celebrate top SPARC gift card businesses performers. Mr. Resendez mentioned small businesses should have posters and flyers for marketing purposes. Mrs. Walker Hernandez suggested a small business summit as it can provide social media engagement, marketing, or business plan development training. Mr. Govind stated the Chamber of Commerce has hosted similar events for the small business community. Ms. Davila mentioned the EDC partnered with UTRGV for the Get Digital series workshops for small businesses. Economic Development staff will meet with UTRGV and the Chamber of Commerce to discuss additional opportunities.

5. EXECUTIVE SESSION

The EEDC will convene in Executive Session, in accordance with the Texas Open Meetings Act Vernon's Texas Statutes and Codes Annotated, Government Code, Chapter 551, Subchapter D, Exceptions to Requirement that Meetings Be Open. The EEDC May Elect to Go into Executive Session On Any Item Whether or Not Such Item Is Posted as an Executive Session Item at Any Time During the Meeting When Authorized by The Provisions of the Open Meetings Act.

A. Deliberation regarding economic development negotiations. (§551.087 Deliberation Regarding Economic Development Negotiations; §551.071. Consultation with Attorney; Closed Meeting)

B. Discussion and possible action regarding the purchase, exchange, lease, or value of real property. (§551.072. Deliberation Regarding Real Property; Closed Meeting)

There was no executive session.

6. **OPEN SESSION**

The EEDC will convene in Open Session to take necessary action, if any, in accordance with Chapter 511, Open meetings, Subchapter E, Procedures Relating to Closed Meeting §551.102, Requirement to Vote or Take Final Action in Open Meeting.

7. **ADJOURNMENT**

There being no further business to consider, the meeting was adjourned at 11:32 AM

MOTION TO ADJOURN MEETING WAS MADE BY SECRETARY DAN DIAZ AND SECONDED BY DIRECTOR VERONICA GONZALES AT 11:32 AM. MOTION CARRIED UNANIMOUSLY.

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Minutes Transcribed by: Leticia Pantoja

Edinburg Economic Development Corporation
Meeting Date:September 28, 2021

Consider approval of financial report for July 2021 and
August 2021.

1. **Agenda Item:**
   Consider approval of financial report for July 2021 and August 2021.
2. **Description/Scope:**
   Cris Villarreal, CPA, will provide a financial report for July 2021 and August 2021.
3. **Estimated Timeline:**
   Monthly.
4. **Budget:**
   N/A
5. **Procurement/Selection Process:**
   N/A
6. **Staff's Recommendation:**
   Staff recommends approval.
7. **Justification:**
   N/A

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Blanca Davila
Director of Economic Development

ATTACHMENTS
Attachment A: Financial Report: July and August 2021

Approved:	_________
Not Approved:	_________
Tabled:	_________
No Action:	

Management Report

Edinburg Economic Development Corporation
For the period ended August 31, 2021

Prepared on
September 24, 2021

No assurance is provided on these financial statements.

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Edinburg Economic Development Corporation
Statement of Cash Receipts, Disbursements, and Cash Balances - Unrestricted Cash
For the Period Ending Fiscal Year 2021

	October	November	December	January	February	March	April	May	June	July	August	September	Year-to-Date Actual	Annual Budget	% to Date	Remaining Budget Balance
CASH RECEIPTS:																
1/2 Cent Sales Tax Revenue	$ -	$ 1,178,534	$ 548,456	$ 566,005	$ 754,719	$ 553,863	$ 501,873	$ 727,183	$ 641,177	$ 633,072	$ 717,109	$ -	$ 6,821,991	$ 6,500,000	105%	$ 321,991
Lease Payments	5,286	8,609	8,087	8,486	6,686	8,886	8,086	7,586	7,586	7,586	7,586	-	84,470	48,000	176%	36,470
Sale of Property and Other Revenue	-	-	-	-	-	-	-	-	10,000	-	-	-	10,000	-	0%	10,000
Investment Interest	1,714	1,872	1,573	1,508	505	409	342	351	357	384	403	-	9,418	25,000	38%	(15,582)
Transfer in Restricted Accounts, net	-	-	-	-	1,495,686	-	-	-	-	(1,495,686)	-	-	-	4,139,638	0%	(4,139,638)
Interest Earned in Restricted Funds	(1,714)	(1,505)	(1,349)	(1,277)	(236)	(166)	(86)	(79)	(75)	(78)	(344)	-	(6,909)	-	0%	(6,909)
TOTAL CASH RECEIPTS	5,286	1,187,510	556,767	574,722	2,257,360	562,992	510,215	735,041	659,045	(854,722)	724,754	-	6,918,970	10,712,638	65%	(3,793,668)
CASH DISBURSEMENTS																
Personnel Expenses																
Salaries, Benefits & Taxes	-	-	-	250,000	-	-	-	250,000	-	250,000	-	-	750,000	300,000	250%	450,000
Taxes and Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	80,000	0%	(80,000)
Vehicle Allowance	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000	0%	(5,000)
Total Personnel Expenses	-	-	-	250,000	-	-	-	250,000	-	250,000	-	-	750,000	385,000	195%	365,000
Contractual & Maintenance Services																
Professional Services	-	100	5,820	-	-	-	-	-	-	-	-	-	5,920	300,000	2%	294,080
Administrative Services FY20	-	-	126,582	-	-	-	-	-	-	-	-	-	126,582	126,582	100%	-
Printing	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000	0%	25,000
Travel,Training, Conference	500	-	-	-	-	-	-	-	-	-	-	-	500	80,000	0%	79,500
Membership Dues/Subscriptions	-	32	100	-	-	-	-	-	-	-	-	-	132	30,000	0%	29,868
File Storage Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	20,000	0%	20,000
Equipment Leasing	(323)	1,355	989	320	320	320	320	320	320	320	320	-	4,581	40,000	11%	35,419
Total Contractual & Maintenance Services	177	1,487	133,491	320	320	320	320	320	320	320	320	-	137,715	621,582	22%	483,867
Supplies																
Office Supplies	-	-	88	-	30	62	-	-	-	-	-	-	180	10,000	2%	9,820
Computer Software Expense	1,559	-	(1,281)	-	-	-	-	-	-	-	-	-	278	15,000	2%	14,722
Continuing Education	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000	0%	30,000
Food	-	-	-	-	-	-	-	-	-	-	-	-	-	15,000	0%	15,000
Ofice Equipment & Furniture	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000	0%	30,000
Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	20,000	0%	20,000
Total Supplies	1,559	-	(1,193)	-	30	62	-	-	-	-	-	-	458	120,000	0%	119,542
Programs																
Workforce Training	-	-	-	5,258	-	-	-	5,258	-	-	(722)	-	9,794	200,000	5%	190,206
Marketing	89	178	3,000	178	5,589	589	589	33,700	10,233	1,046	14,233	-	69,424	200,000	35%	130,576
Sponsorship/Donations	-	1,500	25,000	-	-	1,000	-	15,000	700	10,000	1,000	-	54,200	75,000	72%	20,800
Legislative	-	-	-	-	-	-	-	-	-	-	-	-	-	90,000	0%	90,000
Research, Feasibility Studies, Reports	-	-	-	40,250	1,000	-	3,750	1,167	-	2,000	-	-	48,167	100,000	48%	51,833
Small Business Grants Program	-	-	-	-	-	-	-	-	-	-	-	-	-	200,000	0%	200,000
Total Programs	89	1,678	28,000	45,686	6,589	1,589	4,339	55,125	10,933	13,046	14,511	-	181,585	865,000	21%	683,415
Properties																
Property Taxes	-	-	70,541	-	-	2,781	-	-	-	-	-	-	73,322	100,000	73%	26,678
Purchase of Property	-	-	-	-	-	3,000	312,258	10,000	-	144,327	-	-	469,585	50,000	939%	(419,585)
Utilities	(132)	3,150	1,975	1,179	177	4,468	730	377	503	603	(3,513)	-	9,517	25,000	38%	15,483
Existing Buildings - Improvements/Repairs	-	-	-	-	-	-	-	-	-	-	957	-	957	40,000	2%	39,043
Secruity Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	2,000	0%	2,000
Industrial Park & Property Maintenance	722	995	-	-	548	274	274	445	548	630	1,009	-	5,445	10,000	54%	4,555
Total Properties	590	4,145	72,516	1,179	725	10,523	313,262	10,822	1,051	145,560	(1,547)	-	558,826	227,000	246%	(331,826)

Edinburg Economic Development Corporation
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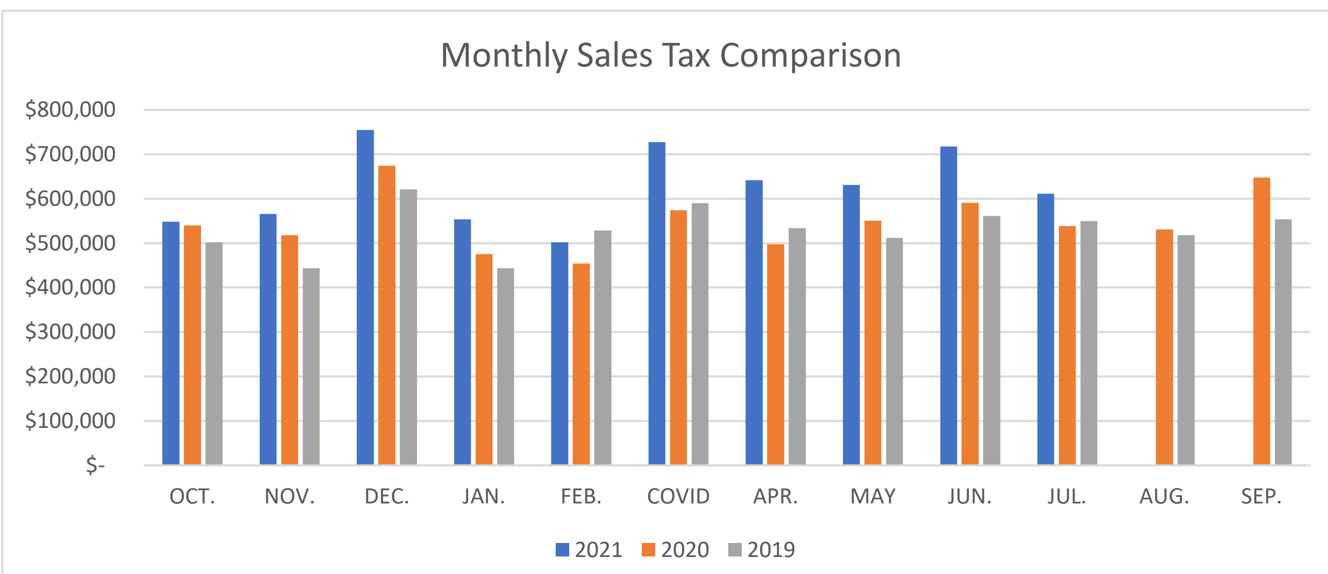
For the Period Ending Fiscal Year 2021

	October	November	December	January	February	March	April	May	June	July	August	September	Year-to-Date Actual	Annual Budget	% to Date	Remaining Budget Balance
Projects																
Economic Development Incentives	-	-	-	-	-	-	-	-	-	-	-	-	-	300,000	0%	300,000
Vantage Ventures (DPS Facility) 2016	-	-	-	-	102,000	-	-	-	-	-	-	-	102,000	102,000	100%	-
Fiesta Nissan 2017	-	-	-	-	-	-	-	-	-	-	-	-	-	500,000	0%	500,000
GRH Investments 2018	-	-	-	-	-	-	-	-	25,000	-	-	-	25,000	25,000	100%	-
Oceangate Investments (Hilton Hotels) 2018	-	-	-	-	-	-	-	-	-	-	-	-	-	250,000	0%	250,000
Haidar Properties (Walk-Ons) 2018	-	-	-	-	-	50,000	-	-	-	-	-	-	50,000	50,000	100%	-
Auriel Investments (Shops @Tru) 2018	-	-	-	50,000	-	-	-	-	-	-	-	-	50,000	50,000	100%	-
TP UT RGV (Taco Palenque/Palenque Grill) 2019	-	-	-	-	-	50,000	-	-	-	-	-	-	50,000	50,000	100%	-
Los Pinos Hardware 2019	-	-	-	-	-	-	-	-	-	25,000	-	-	25,000	25,000	100%	-
First Hartford (The Shoppes at RGV) 2019	200,000	-	-	-	-	-	-	-	-	-	-	-	200,000	200,000	100%	-
Bond Projects																
North Park Project	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-
El Tule Center	-	-	-	-	-	-	-	-	-	51,552	-	-	51,552	2,487,155	2%	2,435,603
Resource Center	-	-	-	-	-	-	-	-	-	-	-	-	-	370,966	0%	370,966
Capable Kids	-	-	-	-	-	-	-	-	-	-	-	-	-	1,281,517	0%	1,281,517
Total Projects	200,000	-	-	50,000	102,000	100,000	-	-	25,000	76,552	-	-	553,552	5,691,638	10%	5,138,086
Debt Service																
Ebony Hills/BBVA	-	-	-	-	255,678	-	-	-	-	-	-	-	255,678	267,612	96%	11,934
Parks & Rec Bond/BBVA	-	-	-	-	505,324	-	-	-	-	-	-	-	505,324	528,428	96%	23,104
Santana Refund Bond/NY Mellon	-	-	-	-	391,616	-	-	-	-	-	-	-	391,616	671,264	58%	279,648
Arena Bond Shortage/Wells Fargo	-	-	-	-	964,212	-	-	-	-	-	-	-	964,212	1,000,000	96%	35,788
New Series 2019 Bonds/NY Mellon	-	-	-	-	246,088	-	-	-	-	-	-	-	246,088	757,175	33%	511,087
Total Debt Service	-	-	-	-	2,362,918	-	-	-	-	-	-	-	2,362,918	3,224,479	73%	861,561
TOTAL CASH DISBURSEMENTS	202,415	7,310	232,814	347,185	2,472,582	112,494	317,921	316,267	37,304	485,478	13,284	-	4,545,054	11,134,699	41%	6,954,645
INCREASE (DECREASE) IN UNRESTRICTED CASH	(197,129)	1,180,200	323,953	227,537	(215,222)	450,498	192,294	418,774	621,741	(1,340,200)	711,470	-	2,373,916	(422,061)		
Unrestricted Cash, beginning of period	5,437,203	5,240,074	6,420,274	6,744,227	6,971,764	6,756,542	7,207,040	7,399,334	7,818,108	8,439,849	7,099,649	7,811,119	5,437,203			
Unrestricted Cash, end of period	$ 5,240,074	$ 6,420,274	$ 6,744,227	$ 6,971,764	$ 6,756,542	$ 7,207,040	$ 7,399,334	$ 7,818,108	$ 8,439,849	$ 7,099,649	$ 7,811,119	$ 7,811,119	$ 7,811,119			
SUPPLEMENTARY																
Cash - Unrestricted																
PCB-Operating: Non-Interest Bearing	$ 1,000,000	$ 2,178,534	$ 1,000,000	$ 1,556,997	$ 254,013	$ 998,156	$ 1,000,000	$ 981,008	$ 1,000,000	$ 1,633,184	$ 1,000,000	$ -				
PCB-Sweep: Interest Bearing	4,240,074	4,241,740	5,744,227	5,414,766	6,502,529	6,208,884	6,399,334	6,837,100	7,449,582	5,466,465	6,810,981	-				
Est. Annual Yield Rate	0.049%	0.049%	0.051%	0.051%	0.046%	0.052%	0.049%	0.051%	*0.05%*	*0.05%*	*0.05%*	*0.0000%*				
Cash - Restricted																
Non Interest Bearing:																
PCB-New Series 19 Bond Debt Svc Fund	184,958	184,958	184,958	184,958	184,958	184,958	184,958	184,958	184,958	184,958	184,958	-				
PCB-Debt Service	1,276,473	1,276,473	1,276,473	1,276,473	1,276,473	1,276,473	1,276,473	1,276,473	1,276,473	1,276,473	1,276,473	-				
PCB-Revenue Account	549,402	549,402	549,402	549,402	549,402	549,402	549,402	549,402	549,402	549,402	549,402	-				
TX National Bank	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	-				
Interest Bearing:																
PCB-Sweep: ICS	-	-	-	-	-	-	-	-	-	1,495,686	1,495,747					
Greater State Bank-Construction	1,493,238	1,494,036	1,494,860	1,495,686	-	-	-	-	-	-	-	-				
Est. Annual Yield Rate	*0.65%*	*0.65%*	*0.65%*	*0.65%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.00%*	*0.05%*	*0.00%*				
TexSTAR New Series 2019 Debt Srvc Rsrv Fund	774,877	774,937	774,982	775,020	775,040	775,054	775,061	775,068	775,074	775,081	775,087	-				
Est. Annual Yield Rate	*1.3800%*	*1.1328%*	*0.81%*	*0.70%*	*0.40%*	*0.26%*	*0.14%*	*0.12%*	*0.12%*	*0.12%*	*0.12%*	*0.00%*				
TexSTAR 19 Construction Fund	8,342,447	8,343,094	8,343,573	8,343,986	8,344,200	8,344,353	8,344,430	8,344,502	8,344,570	8,344,641	8,344,712	-				
Est. Annual Yield Rate	*1.3800%*	*1.1328%*	*0.81%*	*0.70%*	*0.40%*	*0.26%*	*0.14%*	*0.12%*	*0.12%*	*0.12%*	*0.12%*	*0.00%*				
Total Cash - Restricted & Unrestricted	$ 18,661,469	$ 19,843,174	$ 20,168,475	$ 20,397,288	$ 18,686,615	$ 19,137,280	$ 19,329,658	$ 19,748,511	$ 20,380,059	$ 20,525,890	$ 21,237,360	$ -				

COMPARATIVE MONTHLY SALES TAX REVENUES - ACCRUAL BASIS - SUPPLMENTAL INFORMATION

******CASH IS RECEIVED TWO (2) MONTHS AFTER THE PERFORMING MONTH******

Month	Oct '20 - Sep '21 2021	Oct '19 - Sep '20 2020	Oct '18 - Sep '19 2019	Difference FY 20/21 - 19/20	
OCT.	$ 548,456	$ 539,764	$ 501,759	8,692	2%
NOV.	566,005	517,839	443,392	48,166	7%
DEC.	754,719	673,924	620,687	80,795	17%
JAN.	553,863	475,560	443,892	78,303	17%
FEB.	501,873	453,935	528,458	47,938	8%
COVID	727,183	574,164	589,833	153,019	31%
APR.	641,177	497,295	533,819	143,882	26%
MAY	631,077	550,235	512,049	80,842	14%
JUN.	717,109	591,024	560,920	126,085	23%
JUL.	611,295	538,033	549,402	73,262	14%
AUG.		530,880	517,757		
SEP.		647,655	553,771		
TOTAL	$ 6,252,757	$ 6,590,308	$ 6,355,739	840,984	26%
Average % of Change YOY	26%	4%			



Statement of Net Assets-Supplemental Information

As of August 31, 2021

	Total
ASSETS	
Current Assets	
Bank Accounts	
1000 Operating	
1001 4899-PCB-Operating	1,000,000.00
1002 8602-PCB-Sweep Account-Int Bearing	6,810,980.86
Total 1000 Operating	**7,810,980.86**
1005 Restricted	
1003 9407 PCB Sweep ICS	1,495,746.99
1004 4700-PCB-New Series 2019 Bond Debt Service Fund	184,957.95
1007 2281-PCB-Debt Service Account	1,276,473.28
1008 9056-PCB-Revenue Account	549,402.12
1010 TX National Bank	800,000.05
1019 TexSTAR New Series 2019 Debt Service Reserve Fund	775,087.48
1020 TexSTAR New Series 2019 Construction Fund	8,344,711.53
Total 1005 Restricted	**13,426,379.40**
Total Bank Accounts	**21,237,360.26**
Accounts Receivable	
1200 Accounts Receivable	2,835,264.19
Total Accounts Receivable	**2,835,264.19**
Total Current Assets	**24,072,624.45**
Fixed Assets	
1505 Buildings	2,387,618.86
1525 Furniture & Equipment	41,061.96
1545 Land	4,984,282.56
1595 Accumulated Depreciation	-844,811.49
Total Fixed Assets	**6,568,151.89**
Other Assets	
1610 N/R - Santana $5MM	4,205,592.73
1620 N/R - Santana $10MM	9,434,410.73
1630 Allowance for Uncollectibles	-1,556,581.00
1980 Deferred Outflow with Pension	155,775.00
Total Other Assets	**12,239,197.46**
TOTAL ASSETS	**$42,879,973.80**

	Total
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2113 2014A Ebony Hills Current	245,000.00
2117 2014B Parks & Rec Current	490,000.00
2123 2015 Bonds Current	115,000.00
2135 Series 2019 Bond	265,000.00
2250 Deferred Inflows Related to Pensions	50,496.00
Total Other Current Liabilities	**1,165,496.00**
Total Current Liabilities	**1,165,496.00**
Long-Term Liabilities	
2513 2014A Ebony Hills Long Term	520,000.00
2517 2014B Parks & Rec Long Term	1,030,000.00
2523 2015 Bonds Long Term	13,010,000.00
2530 New Series 2019 Bond	10,445,000.00
2595 Net Pension Liability	584,135.00
2597 Net OPEB Liability	109,717.00
Total Long-Term Liabilities	**25,698,852.00**
Total Liabilities	**26,864,348.00**
Equity	
3005 Net Investment & Capital Assets	4,393,153.80
3100 Fund Balance	-4,245,994.34
3200 Retained Earnings	
3850 Restricted for Capital Acquisition	8,341,632.00
3860 Restricted for Debt Service	3,036,233.00
3890 Restricted for Other Purposes	2,041,816.00
Net Income	2,448,785.34
Total Equity	**16,015,625.80**
TOTAL LIABILITIES AND EQUITY	**$42,879,973.80**

A/R Aging Summary-Supplemental Information

As of August 31, 2021

	Current	1 - 30	31 - 60	61 - 90	91 and over	Total
City of Edinburg	611,295.10					611,295.10
Nu-Co Tool					127,633.60	127,633.60
Santana Textiles						0.00
Santana 10		37,984.57	37,850.51	37,716.93	1,215,075.52	1,328,627.53
Santana 5		16,960.40	16,900.55	16,840.90	549,484.97	600,186.82
Santana Late Fees		4,337.43	4,337.43	4,337.43	154,508.85	167,521.14
Total Santana Textiles		**59,282.40**	**59,088.49**	**58,895.26**	**1,919,069.34**	**2,096,335.49**
TOTAL	**$611,295.10**	**$59,282.40**	**$59,088.49**	**$58,895.26**	**$2,046,702.94**	**$2,835,264.19**

Edinburg Economic Development Corporation
Meeting Date:September 28, 2021

Presentation and consideration of letter of support for the Lower Rio Grande Valley Development Council and The University of Texas Rio Grande Valley to regionally apply for FY 2021 American Rescue Plan Act Build Back Better Regional Challenge.

1. **Agenda Item:**
   Presentation and consideration of letter of support for the Lower Rio Grande Valley Development Council and The University of Texas Rio Grande Valley to regionally apply for FY 2021 American Rescue Plan Act Build Back Better Regional Challenge.
2. **Description/Scope:**

The Lower Rio Grande Valley Development Council and The University of Texas Rio Grande Valley will partner with key cities to build regional cluster-focused entrepreneurial centers in collaboration with Rio Grande Valley EDC's to apply for the Build Back Better Regional Challenge EDA grant.

UTRGV will conduct a feasibility study in the City of Edinburg to identify the needs of our small business community, our startup community and our sole entrepreneurs to develop and offer programs that will ignite change.

UTRGV Entrepreneurship & Commercialization Center has identified potential emerging industries in the City of Edinburg such as small business manufacturing, international soft landings, and food commercialization. The center will serve as a bridge to create businesses that can scale and move into spaces available in areas identified by the Edinburg Economic Development.

Phase 1:

- 50-60 regional coalitions of partnering entities will be awarded ~$500,000 in technical assistance funds to develop and support three to eight projects to grow a regional growth cluster.
- Deadline: October 19, 2021
- Awarded by: December 2021
- No match required

Phase 2:

- EDA will award 20-30 regional coalitions $25 million to $75 million, and up to $100 million.
- Deadline: March 15, 2022
- Awarded by: September 2022
- 20:80 match is required

3. **Estimated Timeline:**
   Phase 1 deadline: October 19, 2021

4. **Budget:**
   Phase 1: No match

   Phase 2: 20% match

5. **Procurement/Selection Process:**
   N/A

6. **Staff's Recommendation:**
Staff recommends approval.

7. **Justification:**
The City of Edinburg supports emerging industries in the RGV that will have a scalable economic impact. This effort will assist with the creation of jobs, startups, and business expansions within the City.

____
Blanca Davila
Director of Economic Development

ATTACHMENTS
Attachment A: EDA Build Back Better Regional Challenge
Attachment B: EDA Build Back Better Regional Challenge Letter of Support

Approved:	________
Not Approved:	________
Tabled:	________
No Action:	

E.D.A. BUILD BACK BETTER REGIONAL CHALLENGE

Linda I. Ufland
Director of Entrepreneurship, Innovation and Commercialization
Entrepreneurship and Commercialization Center

WHAT IS BBRC…

Under the American Rescue Plan, EDA allocated $3 Billion in funding (divided into 6 challenges) to assist communities nationwide to accelerating the economic recovery from the COVID-19 pandemic.

BBCR is designed as a two-phase competition to **(1)** help regions develop transformational economic development strategies and **(2)** fund the implementation of those strategies that will create and grow regional growth clusters.

Designed to support **clusters** in transforming their **regional** economy through groups of complementary, aligned construction and non-construction projects. The projects should be organized under a singular vision to support industry growth across the region.

UTRGV ENTREPRENEURSHIP & COMMERCIALIZATION CENTER

Our mission is to enhance the economic landscape in the Rio Grande Valley by bringing together university and industry; fostering entrepreneurship, innovation, commercialization, and collaboration to leverage opportunities for entrepreneurs & enterprises.

&

Our vision is to build a regional network that supports entrepreneurs and communities by developing knowledge, cultivating partnerships & supporting global initiatives.

- The Entrepreneurship and Commercialization Center (ECC) provides the assistance necessary, for new and growing businesses, to introduce their products and services into the market.
  - Through specialized business development trainings and workshops &
  - Business advising

UTRGV/LRGVDC GRANT CONCEPT

- To build regional cluster-focused entrepreneurial centers in collaboration with Rio Grande Valley EDC's.
- To form a coalition of sites that will share services and space to accommodate RGV entrepreneurs and small business owners.
- To foster emerging industries in the RGV that will have a scalable economic impact
- To service the real needs of our entrepreneurs by developing customize, in-house training and workshops based on feedback and studies in our region.
- To provide all the economic development resources and UTRGV partners from entrepreneurship to workforce development to innovation to our small business community
- To create jobs, to create startups, to expand businesses and to grow our economic region from within.

UTRGV/LRGVDC – EDINBURG EDC

- To create a space in Edinburg that provides local, regional and international entrepreneurs the resources necessary to create, grow or land their venture
- UTRGV will conduct a feasibility study in the City of Edinburg to identify the needs of our small business community, our startup community and our sole entrepreneurs to develop and offer programs that will ignite change
- UTRGV ECC has identified potential emerging industries such as **small business manufacturing, international soft landings** and **food commercialization**
- Other areas of interest include: technology development, computer science and logistics
- UTRGV ECC will provide oversight and management of programming and staff for the space with the support of the EDC
- Space will serve as a bridge to create businesses that can scale and move into spaces available in areas identified by the EDC
- Expand Startup Texas to create seed funding for our entrepreneurs
- Hold competitions and networking events
- Identified anchored tenants that will provide a sustainable operation for the site

UTRGV™

GRANT COMPONENTS…

- **Phase 1:**
  - 50-60 regional coalitions of partnering entities will be awarded ~$500,000 in technical assistance funds to develop and support three to eight projects to grow a regional growth cluster.
  - **Deadline: October 19, 2021, to be awarded by December 2021.**
  - **<u>No match</u> is required for phase 1.**
- **Phase 2:**
  - EDA will award 20-30 regional coalitions $25 million to $75 million, and up to $100 million, to implement those projects.
  - **Deadline: March 15, 2022, to be awarded by September 2022.**
  - **<u>20:80 match</u> is required for phase 2.**

UTRGV

Letter of Support

September 27, 2021

U.S. Economic Development Administration
Austin Regional Office
903 San Jacinto, Suite 206
Austin, TX 78701

RE: Build Back Better Regional Challenge

Dear EDA Selection Review Committee,

I, Blanca Davila, Director of Economic Development with the City of Edinburg, am writing this letter as a Coalition Member in support to build regional cluster-focused entrepreneurial centers in collaboration with Rio Grande Valley EDC's. The Lower Rio Grande Valley Development Council (LRGVDC) will be the Lead Institution partnering with the University of Texas Rio Grande Valley (UTRGV) for the Build Back Better Regional Challenge EDA grant.

This Letter of Support will serve as:

- Documentation evidencing the Edinburg Economic Development Corporation has read the Notice of Funding Opportunity.

- Commitment to executing the proposed component project of the regional growth cluster.

- Phase 2 commitment of 20% matching funds, whether cash or in-kind.

Sincerely,

Blanca Davila
Director of Economic Development
City of Edinburg
415 W University Dr.
Edinburg, TX 78539
bdavila@cityofedinburg.com

Edinburg Economic Development Corporation
Meeting Date:September 28, 2021

Consider renewal of UTRGV Technical Assistance Contract
for Fiscal Year 2022.

1. **Agenda Item:**
   Consider renewal of UTRGV Technical Assistance Contract for Fiscal Year 2022.
2. **Description/Scope:**
   UTRGV's Data and Information Systems Center has been under contract with the EDC for the last several years to provide technical assistance with data analysis, economic impact studies, market research, and related information needs. This proposed renewal of that agreement is for $15,000, which provides the EDC with 30 hours of assistance per quarter. Additional hours are billed separately at $125 per hour.

3. **Estimated Timeline:**
   October 1, 2021 to September 30, 2022

4. **Budget:**
   The contract amount is for $15,000.

5. **Procurement/Selection Process:**
   Contract renewal.

6. **Staff's Recommendation:**
   Staff recommends approval.

7. **Justification:**
   UTRGV has continued to consistently demonstrate value in performing research tasks for the EDC, in many cases, on very short notice. It is a valued partnership and their work is high-quality. Staff has budgeted for this amount in the FY 2022.

____
Blanca Davila
Director of Economic Development

ATTACHMENTS
Attachment A: UTRGV Technical Assistance Contract for FY 2022

Approved: ________
Not Approved: ________

Tabled:	
No Action:	

UTRGV Contract #

CONTRACT FOR
TECHNICAL ASSISTANCE

THIS AGREEMENT, entered into this ___ day of September 2021 by and between the Edinburg Economic Development Corporation, a non-profit Development Corporation (hereinafter the "EEDC" or "Contractor") created under the Texas Development Corporation Act, Texas Local Government Code Section 501 et seq., as amended (hereinafter the "Act") and The University of Texas Rio Grande Valley, Department of Economic Development (hereinafter referred to as the "University").

WITNESSETH:

WHEREAS, the EEDC is interested in providing for the continued development of the community of Edinburg; and

WHEREAS, the University desires to involve the institution in the community by providing services and expertise to the community-at-large; and

WHEREAS, the EEDC desires to engage the University to provide technical assistance services in connection with economic development and information technology; and

WHEREAS, the University has personnel and experience to provide the technical assistance in accordance with the terms of this contract;

NOW THEREFORE, the parties do mutually agree as follows:

SECTION I
SCOPE OF SERVICES

TECHNICAL ASSISTANCE (30 hours a quarter to be provided by University staff; hours above the 30 hours a quarter will be billed separately at $125 an hour; University staff will ask the EEDC in writing for approval for hours over 30 hours a quarter, prior to commencing work).

1. Assist the EEDC with economic impact analysis; fiscal impact analysis; site location/ring analysis; community analysis; demographic, housing, income, expenditure, and business data and reports; market research; business and resident surveys; web-based dashboards; and economic data through the University's Data and Information Systems Center.

SECTION II
PAYMENTS

The EEDC agrees to pay the University the sum of Fifteen Thousand Dollars ($15,000) for the services to be rendered under this contract in quarterly installments to be invoiced at $3,750 each quarter for the term of this contract.

SECTION III
TERM

This agreement will commence on October 1, 2021, and continue through September 30, 2022.

SECTION IV
TERMINATION

The EEDC and the University shall have the right to terminate this agreement. Any notice of termination must be in writing and sent by certified mail not less than thirty (30) days prior to the effective date of such termination. Upon termination the University shall be paid for all services rendered to date on the same basis as above provided. However, termination of this agreement by either party not at fault because of breach of the agreement by the other party shall be effective upon mailing of the notice of termination.

SECTION V
SUCCESSORS AND ASSIGNS

The EEDC and the University each bind themselves and their successors and assigns with respect to all agreements herein. Neither the EEDC nor the University shall assign or transfer their interest in this Agreement without the prior written consent of the other.

SECTION VI
BREACH OF CONTRACT CLAIMS

To the extent that Chapter 2260, *Texas Government Code*, is applicable to the Agreement and is not preempted by other applicable law, the dispute resolution process provided for in Chapter 2260 and the related rules adopted by the Texas Attorney General pursuant to Chapter 2260, will be used by University and EEDC to attempt to resolve any claim for breach of contract made by EEDC that cannot be resolved in the ordinary course of business. The chief business officer of University will examine EEDC's claim and any counterclaim and negotiate with EEDC in an effort to resolve such claims. The parties specifically agree that (i) neither the execution of the Agreement by University nor any other conduct, action or inaction of any representative of University relating to the Agreement constitutes or is intended to constitute a waiver of University’s or the state's sovereign immunity to suit; and (ii) University has not waived its right to seek redress in the courts.

SECTION VII

GENERAL TERMS

A. Assignment. The parties shall not assign this Agreement without the written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed.

B. Successor and Assigns. This Agreement shall bind and inure to the benefit of their respective parties and their respective permitted successors and assigns.

C. Entire Agreement; Modifications. The Agreement supersedes all prior agreements, written or oral, between EEDC and University and shall constitute the entire Agreement and understanding between the parties with respect to the subject matter hereof. The Agreement and each of its provisions shall be binding upon the parties and may not be waived, modified, amended or altered except by a writing signed by University and EEDC.

D. Invalidity. If any term or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of this Agreement shall remain in full force and effect and shall in no way by affected, impaired, or invalidated.

E. Further Assurances. The parties shall execute, acknowledge and deliver any and all such further agreements and instruments as the other party may reasonably request from time to time in order to give full effect to this Agreement.

F. Venue; Governing Law. Hidalgo County, Texas, shall be the proper place of venue for suit on or in respect of the Agreement. The Agreement and all of the rights and obligations of the parties hereto and all of the terms and conditions hereof shall be construed, interpreted and applied in accordance with and governed by and enforced under the laws of the State of Texas.

G. Notices. Except as otherwise provided by this Section, all notices, consents, approvals, demands, requests or other communications provided for or permitted to be given under any of the provisions of the Agreement will be in writing and will be sent via certified mail, hand delivery, overnight courier, facsimile transmission (to the extent a facsimile number is set forth below), or email (to the extent an email address is set forth below) as provided below, and notice will be deemed given (i) if delivered by certified mailed, when deposited, postage prepaid, in the United States mail, or (ii) if delivered by hand, overnight courier, facsimile (to the extent a facsimile number is set forth below) or email (to the extent an email address is set forth below), when received:

If to University: The University of Texas Rio Grande Valley
1201 W. University Dr.
Edinburg, TX 78539
Attention: Karen Martirosyan, Ph.D.
Associate VP for Research Enhancement
sponpro@utrgv.edu

with copy to: The University of Texas Rio Grande Valley
1201 W. University Dr., EINNV 1.1
Edinburg, TX 78539
Attention: Stephanie Vasquez
Research Services Coordinator
Stephanie Vasquez
stephanie.vasquez01@utrgv.edu;
sponpro@utrgv.edu

If to Contractor: City of Edinburg
415 West University Drive
Edinburg, TX 78540
Attention: Blanca Davila
Director of Economic Development
bdavila@cityofedinburg.com

or other person or address as may be given in writing by either party to the other in accordance with this Section.

Notwithstanding any other requirements for notices given by a party under the Agreement, if Contractor intends to deliver written notice to University pursuant to Section 2251.054, *Texas Government Code*, then Contractor will send that notice to University as follows:

The University of Texas Rio Grande Valley
1201 W. University Dr.
Edinburg, TX 78539
Phone: (956) 665-3002 | Email: sponpro@utrgv.edu
Attention: Office of Sponsored Programs

H. Waiver. The waiver by either party of a breach of any provision of this Agreement shall not operate or be construed as a continuing waiver of any subsequent breach by either party. No waiver by either party of any provision or condition to be performed shall be deemed a waiver of similar or dissimilar provisions or conditions at the same time or any prior or subsequent time.

I. Governing Law and Exclusive Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas without giving effect to such State's conflicts of laws provisions. Venue for any dispute arising out of or concerning this Agreement shall lie exclusively in a court of competent jurisdiction in Hidalgo County, Texas.

J. Severability. Whenever possible, each provision and term of this Agreement will be interpreted in a manner to be effective and valid, but if any provision or term of this Agreement is held to be prohibited by law or invalid, then such provision or term will be ineffective only to the extent of such prohibition or invalidity without invalidating or affecting in any manner whatsoever the remainder of such provision or term or the remaining provisions or terms of this Agreement.

K. Counterparts. This Agreement may be executed simultaneously in one or more original, digitally imaged or facsimile counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

L. Representations and Warranties by EEDC. If EEDC is a corporation or a limited liability company, EEDC warrants, represents, covenants, and agrees that it is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization and is duly authorized and in good standing to conduct business in the State of Texas, that it has all necessary power and has received all necessary approvals to execute and deliver the Agreement, and the individual executing the Agreement on behalf of EEDC has been duly authorized to act for and bind EEDC.

M. Limitations. The parties hereto are aware of the possibility that there are or could be constitutional and statutory limitations on the ability of the University, a state agency, to enter into certain terms and conditions of this Agreement, including, but not limited to, those relating to warranties, limitations of damages, limitations of periods to bring legal action, waivers of remedies, dispute resolution, indemnities, and confidentiality. In any event, all of the provisions of this Agreement shall be enforceable to the full extent authorized by law. Neither the execution of this Agreement by the University nor any other conduct, action or inaction of any representative of the University constitutes or is intended to constitute a waiver of the University’s or the state's sovereign immunity to suit.

N. Damage or Injury. EEDC shall be solely responsible for any damage or injury to the University’s facilities, property (tangible or intangible), or personnel that results from the acts or omissions of EEDC or of EEDC’s personnel, agents, or subcontractors.

O. DISCLAIMER. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, THE UNIVERSITY PROVIDES ALL GOODS, EQUIPMENT, MATERIALS, SERVICES, PERSONNEL, FACILITIES, AND OTHER ITEMS TO EEDC UNDER THIS AGREEMENT “AS IS”, WITHOUT WARRANTIES, GUARANTEES, CERTIFICATIONS, OR REPRESENTATIONS OF ANY KIND. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT:

(1) THE UNIVERSITY EXPRESSLY AND SPECIFICALLY DISCLAIMS ANY WARRANTIES OF TITLE, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, AS WELL AS ALL IMPLIED WARRANTIES,

INCLUDING ANY IMPLIED WARRANTIES ARISING FROM A COURSE OF DEALING OR PERFORMANCE OR USAGE OF TRADE,

(2) THE UNIVERSITY'S MAXIMUM AGGREGATE LIABILITY UNDER THIS AGREEMENT SHALL NOT EXCEED THE AMOUNTS PAID BY EEDC TO THE UNIVERSITY DURING THE IMMEDIATELY PRECEDING CONTIGUOUS TWELVE (12) MONTH PERIOD DURING THE TERM OF THIS AGREEMENT, AND

(3) THE UNIVERSITY SHALL NOT BE RESPONSIBLE OR LIABLE TO EEDC OR TO ANY PERSON OR ENTITY CLAIMING THROUGH EEDC FOR SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST OR ANTICIPATED PROFITS, REVENUES, OR SAVINGS, EVEN IF THE UNIVERSITY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

City of Edinburg	The University of Texas Rio Grande Valley
By:________________________	DocuSigned by: Karen Martirosyan 0F0614C45C50416... By:________________________
Blanca Davila Director of Economic Development	Karen Martirosyan, Ph.D. Associate VP for Research
Date:____________________	Date: 9/21/2021

Edinburg Economic Development Corporation
Meeting Date:September 28, 2021

Consider approval of lease agreement between the Edinburg
EDC and City of Edinburg regarding rental space.

1. **Agenda Item:**
   Consider approval of lease agreement between the Edinburg EDC and City of Edinburg regarding rental space.
2. **Description/Scope:**
   The EEDC owns the property at McIntyre Street and 7th Street within the City of Edinburg known as the McIntyre Promenade Courtyard. The EEDC and the City desire to allow the public to use the McIntyre Promenade Courtyard for a rental rate, determining that such use will benefit the general community.

3. **Estimated Timeline:**
   Agreement is in effect after EEDC and City Council approval.

4. **Budget:**
   N/A

5. **Procurement/Selection Process:**
   N/A

6. **Staff's Recommendation:**
   Staff recommends approval.

7. **Justification:**
   The City currently provides for and administers rental for City parks and facilities and possesses the staff and administrative capability to provide rental services for the McIntyre Promenade Courtyard.

____
Blanca Davila
Director of Economic Development

ATTACHMENTS
Attachment A: McIntyre Promenade Courtyard Rentals Agreement

Approved:	________
Not Approved:	________
Tabled:	________
No Action:	

AGREEMENT BETWEEN THE
EDINBURG ECONOMIC DEVELOPMENT CORPORATION
AND CITY OF EDINBURG, TEXAS
REGARDING MCINTYRE PROMENADE COURTYARD RENTALS

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

This Agreement is made and entered into by and between the City of Edinburg, Texas (the "City") and the Edinburg Economic Development Corporation ("EEDC").

WHEREAS, the EEDC owns the property at Mcintyre Street and 7th Street within the City of Edinburg known as the McIntyre Promenade Courtyard; and

WHEREAS, the EEDC and the City jointly developed the McIntyre Promenade Courtyard and split the development cost; and

WHEREAS, the City and the EEDC host certain events at the McIntyre Promenade Courtyard, such as Food Truck N' Tunes, for the benefit and enjoyment of the community; and

WHEREAS, the EEDC and the City desire to allow the public to use the McIntyre Promenade Courtyard for a rental rate, determining that such use will benefit the general community; and

WHEREAS, the City currently provides for and administers rental for City parks and facilities and possesses the staff and administrative capability to provide rental services for the McIntyre Promenade Courtyard; and

WHEREAS, the City and the EEDC acknowledge that the exchange of functions or services results in an exchange that fairly compensates the performing parties for the services or functions performed under this Agreement.

NOW, THEREFORE, the City and the EEDC, in consideration of the mutual covenants expressed hereinafter, agree as follows:

A. **Mutual Promises**

1. The EEDC shall make the McIntyre Promenade Courtyard available for rental by the general public and grants the City of Edinburg the exclusive ability to rent the McIntyre Promenade Courtyard to the general public.

2. The City Manager for the City or his or her designee is authorized to enter into agreements with groups, individuals, and organizations for the use of the McIntyre Promenade Courtyard.

3. The City shall operate rentals of the McIntyre Promenade Courtyard in accordance with all laws, ordinances, policies, and procedures applicable to the rental of City facilities. Specifically, City Ordinances regarding the Fees and Rental of Public Facilities under Section 97 shall apply to the rental of the McIntyre Promenade Courtyard. In the absence of a rate proscribed by City Ordinance, the City shall charge a reasonable rental fee that covers expected administrative and maintenance costs, taking into account that the goal and purpose of this Agreement is not to profit from a rental fee.

B. **Miscellaneous**

1. **Indemnification.** The City will defend, indemnify and hold harmless the EEDC from all damages, costs, expenses, and attorney's fees for all claims and suits, including claims and suits for death, personal injury and property damage, arising out of, or in connection with the use of the McIntyre Promenade Courtyard during such rental activities.

2. **Insurance.** The City agrees to carry sufficient liability insurance at statutorily required limits, pursuant to the Texas Tort Claims Act.

3. **Conflict of Applicable Law.** Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of their Agreement and any present or future law, ordinance, or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision(s) of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

4. **No Waiver**. No waiver by any party hereto of any breach of any provision of the Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

5. **Superseding Agreement**. This Agreement supersedes all previous agreements related to the joint use and development of the McIntyre Promenade Courtyard between the City and the EEDC.

6. **Entire Agreement**. This Agreement contains the entire contract between the parties hereto. Each party acknowledges that neither has made (either directly or through any agent or representative) any representation or agreement in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by the EEDC and City, and not otherwise.

7. **Term**. This Agreement shall be in full force and effect beginning the first day preceding its approval by both governing bodies.

8. **Termination**. This Agreement may be terminated by either party by giving one year's notice of termination to the other party.

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized officers of the City of Edinburg, Texas and the Edinburg Economic Development Corporation, as of ________________, 2021.

CITY OF EDINBURG:

BY: ____________________________________
Ron Garza, City Manager
City of Edinburg
415 W. University Dr.
P.O. Box 1079
Edinburg, Texas 78540
Phone: (956)383-5661
Fax: (956)383-7111

ATTEST:

BY: ____________________________________
Myra L. Ayala, City Secretary

APPROVED AS TO FORM:

OMAR OCHOA LAW FIRM, P.C.

BY: ___________________________
Omar Ochoa, City Attorney

EDINBURG ECONOMIC DEVELOPMENT CORPORATION:

BY: ____________________________________
________________, President

ATTEST:

BY: ____________________________________
_______________, Secretary
Board of Directors

Edinburg Economic Development Corporation
Meeting Date:September 28, 2021

Consider approval of Fiscal Year 2022 Budget, Staffing Services and Lease Agreement, and Work Plan.

1. **Agenda Item:**
   Consider approval of Fiscal Year 2022 Budget, Staffing Services and Lease Agreement, and Work Plan.
2. **Description/Scope:**
   The Budget, Staffing Services and Lease Agreement, and Work Plan must be approved annually by the Board and submitted to City Council for consideration. Staff is proposing FY 2022 budget with projected sales tax revenue of $7,730,000 (conservative 3% growth for next year), and $1,000,000 in administrative services under the City-EDC agreement. The total proposed operating budget is $8,742,095.

   Other highlights:

   - Administrative Services Agreement: $1,000,000 (no change from FY 2021)
   - Savings: ~$5,000,000 = one year of debt service and one year operating (i.e. admin service agreement).

   Updates on the 2019 and 2021 bond projects will be provided quarterly.

3. **Estimated Timeline:**
   Fiscal Year 2022

4. **Budget:**
   The proposed FY 2022 Budget is $8,742,095.

5. **Procurement/Selection Process:**
   N/A

6. **Staff's Recommendation:**
   Staff recommends approval.

7. **Justification:**
   As per the bylaws, a yearly budget and work plan need to be presented to, reviewed, and considered by the Edinburg EDC board.

Blanca Davila
Director of Economic Development

ATTACHMENTS

Attachment A: FY 2022 Budget and Work Plan
Attachment B: FY 2022 Budget
Attachment C: City - EDC Services Agreement FY 2022

Approved:	________
Not Approved:	________
Tabled:	________
No Action:	

Edinburg Economic Development Corporation (EDC)

Budget and Work Plan FY 2022

Budget FY 2022

Budget FY 2022 – Highlights

- Budget - $8,742,095

- Projected Sales Tax Revenue - $7,730,000 (3% growth)

- Administrative Services agreement - $1,000,000 (no change)

Budget FY 2022 – Highlights (cont'd)

- Property - $2,000,000
- Incentives - $442,000 existing; $500,000 new projects
- Debt Service - $3,673,095
- Savings - ~$5,000,000 = one year of debt service and one year operating (i.e. admin service agreement)
- Bond Projects –
  - $8,152,983 for 2019 Bonds projects: El Tule Center, Resource Center (Workforce Training), and Capable Kids Park & Beethoven Park
  - $9,000,000 for 2021 Bond Projects: ACE Center and Parking Garage

Budget FY 2022 – Admin Services

Contractual & Maintenance Services	
Admin Services	1,000,000
Professional Services	10,000
Audit	15,000
CPA Services	7,000
Finance Services	55,000
Total Contractual & Maintenance	1,087,000
Total Administrative Services	**1,087,000**

Fiscal Year 21/22
EEDC Admin Services Allocation
Adopted Budget

Department	Allocation Type	Allocation Amt	Budget
City Manager's	Fixed	$200,000	$ 200,000
Legal	Percentage	5%	33,000
Finance	Percentage	5%	83,000
Human Resources	Percentage	5%	56,000
Engineering	Percentage	5%	60,000
Information Technology	Percentage	5%	82,000
Communication & Media	Percentage	5%	41,000
Econominc Development	Percentage	100%	513,150
		Total	**$ 1,068,150**

Budget Breakdown

- Programs
- Property
- Projects

Work Plan FY 2022

Work Plan FY 2022 – Key Priorities

- Capable Kids Park (2019 Bonds)
- El Tule Center (2019 Bonds)
- Resource (Workforce Training) Center (2019 Bonds)
- Arts, Culture, and Events (ACE) Center (2021 Bonds)
- Parking Garage (2021 Bonds)

Work Plan FY 2022 – Key Priorities

- SPARC completion
- Small Business Improvements (façade, amenities, etc.)
- Airport - EDA Grant
- Industrial Park Site Plan and Recruitment
- Retail Development
- Student Internship Program
- Incubator – Partnership with LRGVDC & UTRGV

	Economic Development Budget Operating Cash		FY2022 Proposed
Revenues			
	1/2 Cent Sales Tax Revenue		7,730,000
	Interest on Investments		10,000
	Lease Payments		91,032
	Total Revenues		**7,831,032**
Administrative Services			
	Contractual & Maintenance Services		
	Admin Services		1,000,000
	Professional Services		10,000
	Audit		15,000
	CPA Services		7,000
	Finance Services		55,000
	Total Contractual & Maintenance		1,087,000
	Total Administrative Services		**1,087,000**
EDC Programs, Properties & Projects			
	Programs		
	Sutdent Internship Program		200,000
	Marketing		300,000
	Sponsorship / Donations		50,000
	Research		100,000
	Total Programs		650,000
	Properties		
	Property Taxes		100,000
	Purchase of Property		2,000,000
	Utilities		20,000
	Improvements, Maintenance & Repairs		200,000
	General Property Insurance		70,000
	Total Properties		2,390,000
	Projects		
	Economic Development Incentives		500,000
	Vantage Ventures (DPS Facility) 2016		92,000
	Auriel Investments (Shops @ Tru) 2018		50,000
	TP UT RGV, LLC (Taco Palenque & Palenque Grill) 2019		50,000
	First Hartford (The Shoppes at RGV) 2019		100,000
	Shea Nate LLC (Shops at St. Michael) 2021		150,000
	Total Projects		942,000

	Total EDC Programs, Properties & Projects		**3,982,000**
Debt Service			
	Bond Principal Payment		1,585,000
	Bond Interest		1,088,095
	Arena Bond Shortage		1,000,000
	Total Debt Service		**3,673,095**
	Total Disbursements		**$ 8,742,095**
	Total Receipts Over Disbursements		$ (911,063) *

*Transfer $1,000,000 from unrestricted cash

STAFFING SERVICES AND LEASE AGREEMENT
EDINBURG ECONOMIC DEVELOPMENT CORPORATION
AND CITY OF EDINBURG, TEXAS FY 2022

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

This Staffing Services Agreement ("Agreement") is made and entered into by and between the City of Edinburg, Texas (the "City") and the Edinburg Economic Development Corporation ("EDC").

WHEREAS, pursuant to The Texas Development Corporation Act, Texas Local Government Code Chapters 501, 502 and 505 (the "Act"), the City created the EDC and collects, on behalf of the EDC, an additional sales and use tax of which a portion may be used by the EDC to pay certain administrative costs; and

WHEREAS, the EDC desires to utilize the services and support of City staff in furtherance of its work and the projects it undertakes to eliminate duplication and to promote economy and efficiency in the use of the additional sales tax revenues it receives; and

WHEREAS, the City has determined that providing personnel and services to the EDC will be mutually beneficial to the City and the EDC, will promote local economic development, and stimulate business and commercial activity within the City, all in furtherance of the purposes of the EDC; now, therefore,

FOR AND IN CONSIDERATION of the mutual covenants, agreements, and benefits accruing herein to each party, the City and the EDC hereby agree as follows:

1. **Services**

The EDC shall utilize City employees to perform the following services for and on behalf of the EDC:

a. Accounting and financial services;
b. Professional contract administration services;
c. Administrative/secretarial support;
d. Construction contract administration services;
e. Marketing services;
f. Director – Economic Development (1);
g. Coordinator – Economic Development (2);
h. Management Analyst – Economic Development (1);
i. GIS / Data services;

j. Legal services;

k. Property maintenance;

l. Information technology and communications services;

m. Any other reasonable services in furtherance of the purposes of the EDC and authorized by the Act.

2. **Responsibility Conflicts**

The City and EDC acknowledge that from time to time conflicts between a city employee's primary responsibilities to the City and requests for services from the EDC may arise. Subject to the authority of the City Manager, the performance of City services shall have priority. The City and the EDC encourage employees to bring conflicts to the attention of the City Manager, who shall consult with the EDC President as necessary to prioritize demands and resolve any conflicts. City employees performing services for the EDC are subject to applicable City policies at all times.

3. Facilities and Equipment

The City shall provide facilities and equipment for the EDC's use, including administrative offices and meeting space. The City Manager shall consult with the EDC President as necessary to assign and schedule such facilities and equipment.

4. Consideration

The EDC agrees to pay a sum of $1,000,000 for services to be performed for FY 2022. This amount is based on the City's reasonable estimate for the amount of time City employees are anticipated to spend performing services on behalf of the EDC and the EDC's use of City facilities and equipment during the term of this Agreement. City shall submit invoices quarterly to the EDC and reimbursement shall be due within 30 days.

5. Term

The term of this Agreement shall be October 1, 2021, to September 30, 2022.

6. Right to Hire Third Parties

Subject to the Bylaws and approval of the City Council, the EDC may hire third parties to perform any or all of the services described herein.

7. Notice

All notices and communications regarding the term of this Agreement to any party shall be in writing. If mailed, any notice or communication shall be deemed to have been received three (3) days after the date of its deposit into the United States mail, first class, postage prepaid. Unless otherwise provided in this Agreement, all notices shall be delivered to the following address:

City of Edinburg
Attention: City Manager
415 W. University Drive
Edinburg, Texas 78539

Edinburg Economic Development Corporation
Attention: President, Board of Directors
415 W. University Drive

Edinburg, Texas 78539

8. Parties in Interest

This Agreement shall be for the sole and exclusive benefit of the City and the EDC and shall not be construed to confer any benefit or right upon any other parties.

9. Severability

In the event any clause, phrase, provision, sentence, or part of this Agreement shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Agreement as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional.

10. Entire Agreement

This Agreement contains the entire agreement between the parties and supersedes all other negotiations and agreements with respect to the matters addressed herein, whether written or oral.

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized officers of the City of Edinburg, Texas and the Edinburg Economic Development Corporation, as of ________________, 2021.

CITY OF EDINBURG:

BY: ____________________________________

Ron Garza, City Manager
City of Edinburg
415 W. University Dr.
P.O. Box 1079
Edinburg, Texas 78540
Phone: (956)383-5661
Fax: (956)383-7111

ATTEST:

BY: ____________________________________

Myra L. Ayala, City Secretary

APPROVED AS TO FORM:

OMAR OCHOA LAW FIRM, P.C.

BY: __________________________

Omar Ochoa, City Attorney

EDINBURG ECONOMIC DEVELOPMENT CORPORATION:

BY: ______________________________________

________________, President

ATTEST:

BY: ______________________________________

_______________, Secretary
Board of Directors

Edinburg Economic Development Corporation
Meeting Date:September 28, 2021

Discussion and possible action regarding the purchase, exchange, lease, or value of real property. (§551.072. Deliberation Regarding Real Property; Closed Meeting).

1. **Agenda Item:**
   Discussion and possible action regarding the purchase, exchange, lease, or value of real property. (SS551.072. Deliberation Regarding Real Property; Closed Meeting).
2. **Description/Scope:**
   Closed Meeting.
3. **Estimated Timeline:**
   Closed Meeting.
4. **Budget:**
   N/A
5. **Procurement/Selection Process:**
   N/A
6. **Staff's Recommendation:**
   Closed Meeting.
7. **Justification:**
   Closed Meeting.

____
Blanca Davila
Director of Economic Development

ATTACHMENTS

Approved:	________
Not Approved:	________
Tabled:	________
No Action:	

Edinburg Economic Development Corporation
Meeting Date:September 28, 2021

Deliberation regarding economic development negotiations. (§551.087 Deliberation Regarding Economic Development Negotiations; §551.071. Consultation with Attorney; Closed Meeting).

1. **Agenda Item:**
   Deliberation regarding economic development negotiations. (SS551.087 Deliberation Regarding Economic Development Negotiations; SS551.071. Consultation with Attorney; Closed Meeting).
2. **Description/Scope:**
   Closed Meeting.
3. **Estimated Timeline:**
   N/A
4. **Budget:**
   N/A
5. **Procurement/Selection Process:**
   N/A
6. **Staff's Recommendation:**
   Closed Meeting.
7. **Justification:**
   Closed Meeting.

____
Blanca Davila
Director of Economic Development

ATTACHMENTS

Approved:	________
Not Approved:	________
Tabled:	________
No Action:	