



**ECONOMIC DEVELOPMENT
CORPORATION BOARD OF DIRECTORS**

Location:

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

JULY 25, 2023

REGULAR MEETING AGENDA

5:30 PM

1. CALL TO ORDER, ESTABLISH A QUORUM

A. Pledge of Allegiance.

2. CERTIFICATION OF PUBLIC NOTICE

3. DISCLOSURE OF CONFLICT OF INTEREST

4. PUBLIC COMMENTS

A specific portion of the meeting shall be dedicated to allowing Public Comments which will be limited to three(3) minutes. Please note that this public comment period is not interactive. The Edinburg EDC Board may not respond to public comments.

If a resident desires to make a public comment in person, please complete the Public Comments Form which will be located outside of the City Council Chambers and submit the completed form to the Economic Development staff prior to the commencement of the Edinburg EDC Board meeting. We ask for everyone's cooperation in following this procedure.

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.

5. DIRECTOR'S REPORT

A. Economic Development Report

6. REGULAR AGENDA ITEMS

- A. Consider approval of minutes for board meetings on May 30, 2023 and June 5, 2023.
- B. Presentation of year-to-date Financial Report ending on June 31, 2023.
- C. Consider approval of mid-year budget amendment for Fiscal Year 2023.

- D. Consider approval of request from City of Edinburg Library & Cultural Arts to sponsor South Texas International Film Festival.
- E. Consider approval of a sponsorship for the RGV Partnership's RGV Economic Development Summit.
- F. Consider approval of FY 22-23 Semi-Annual Report to City Council from EEDC Board.
- G. Discussion and possible action on a Small Business Assistance Program.
- H. Discussion and review of Edinburg EDC marketing activities.

7. 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 projects and possible action related to projects (§551.087 Deliberation Regarding Economic Development Negotiations; §551.071 Consultation with Attorney; §551.072 Deliberation Regarding Real Property; Closed Meeting)
 - 1. Choo Choo
 - 2. Salad
 - 3. Cold Turkey
 - 4. Sugar Store
 - 5. Smoke
 - 6. Ground Fire
 - 7. Born Again
 - 8. Workforce Resource Center
- B. Discussion and possible action regarding pending litigation. (§551.071. Consultation with Attorney; Closed Meeting)
- C. Discussion and possible action regarding potential litigation. Santana Textiles (§551.071. Consultation with Attorney; Closed Meeting)

8. 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.

9. 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 Friday, July 21, 2023 at 5:00 p.m.

By:/s/ Raudel Garza

Raudel Garza
Executive Director
Edinburg Economic Development Corporation

Edinburg Economic Development Corporation
Meeting Date: July 25, 2023

Economic Development Report

1. Agenda Item:

Economic Development Report

2. Description/Scope:

Raudel Garza, Edinburg EDC Executive Director, will present an update on the EEDC report.

3. Estimated Timeline:

NA

4. Budget:

NA

5. Procurement/Selection Process:

NA

6. Staff's Recommendation:

NA

7. Justification:

NA

/s/ Raudel Garza, EEDC

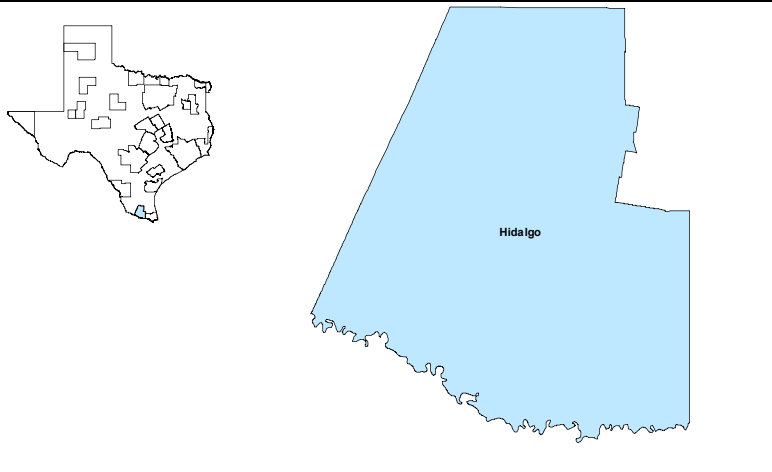
ATTACHMENTS

Attachment A: Department Status Report

Approved:	_____
Not Approved:	_____
Tabled:	_____
No Action:	_____

McAllen-Edinburg-Mission MSA

May 2023

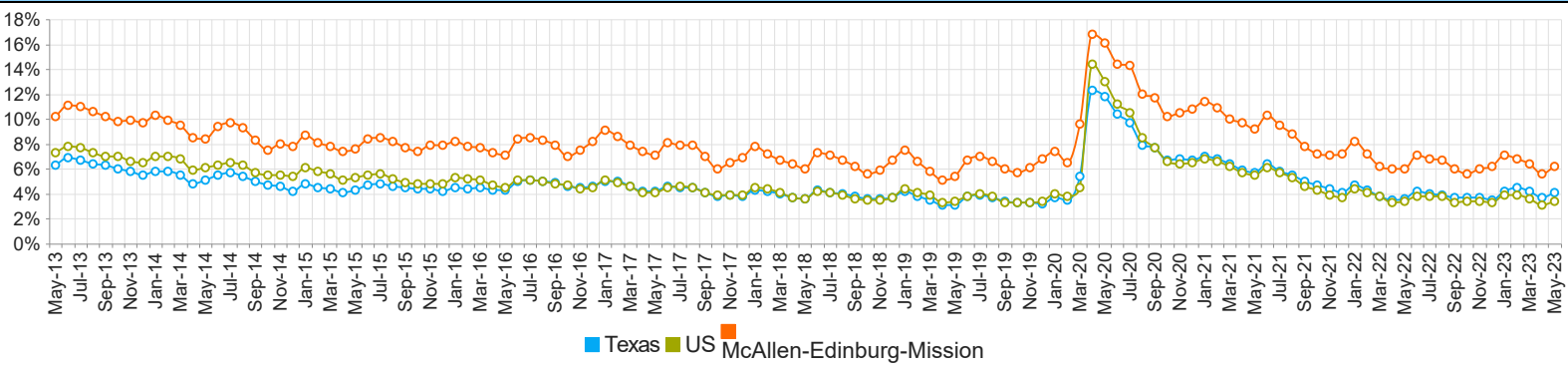


MSA Labor Force Statistics				
	May-23	Apr-23	May-22	Yearly Change
Civilian Labor Force	378,011	380,407	369,861	8,150
Employed	354,724	359,126	347,804	6,920
Unemployed	23,287	21,281	22,057	1,230
Unemployment Rate	6.2%	5.6%	6.0%	0.2%

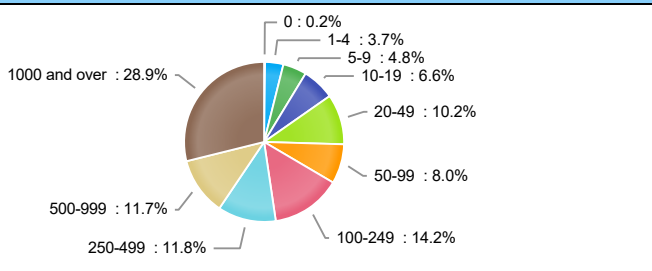
Texas Labor Force Statistics				
	May-23	Apr-23	May-22	Yearly Change
Civilian Labor Force	14,968,635	15,019,920	14,616,414	352,221
Employed	14,354,834	14,468,609	14,085,102	269,732
Unemployed	613,801	551,311	531,312	82,489
Unemployment Rate	4.1%	3.7%	3.6%	0.5%

US Labor Force Statistics				
	May-23	Apr-23	May-22	Yearly Change
Civilian Labor Force	166,702,000	166,221,000	164,157,000	2,545,000
Employed	161,002,000	161,075,000	158,609,000	2,393,000
Unemployed	5,700,000	5,146,000	5,548,000	152,000
Unemployment Rate	3.4%	3.1%	3.4%	0.0%

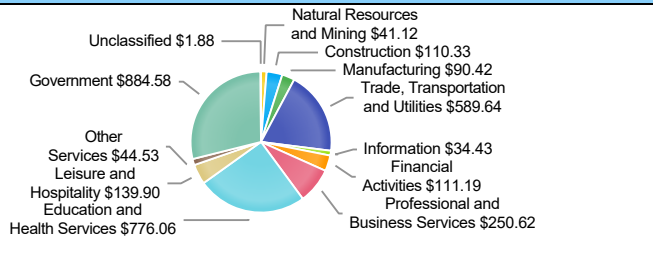
Historical Unemployment Rates



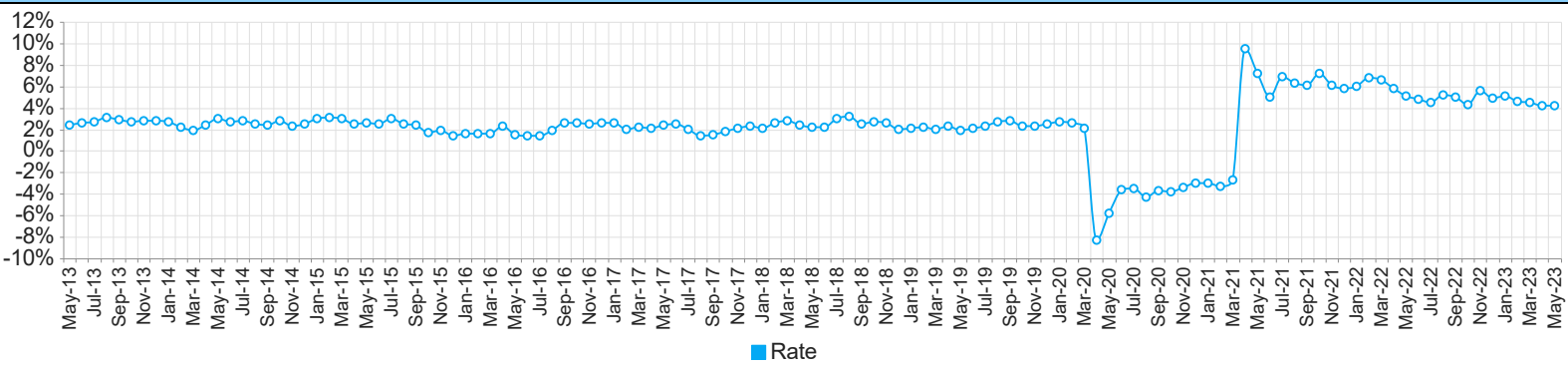
Employment by Size Class (4th Quarter 2022)



Wages by Industry (in millions) (4th Quarter 2022)



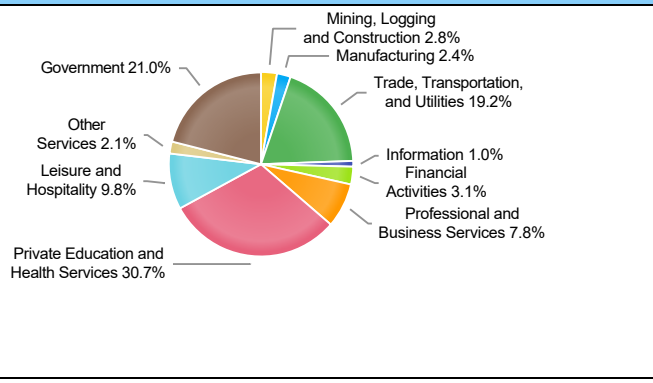
Annual Growth Rate Total Non-agricultural employment



Employment by Industry (May 2023)

Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	299,500	-0.1%	4.2%
Mining, Logging and Construction	8,500	0.0%	0.0%
Manufacturing	7,200	-1.4%	1.4%
Trade, Transportation, and Utilities	57,500	0.2%	2.7%
Information	3,100	3.3%	3.3%
Financial Activities	9,300	1.1%	3.3%
Professional and Business Services	23,500	0.4%	4.4%
Private Education and Health Services	91,800	0.3%	6.5%
Leisure and Hospitality	29,500	0.0%	5.4%
Other Services	6,300	0.0%	3.3%
Government	62,800	-1.3%	2.8%

Employment by Industry (May 2023)





Labor Market Information for Rio Grande Valley & Laredo Areas

NOT SEASONALLY ADJUSTED FIGURES

Geographic Area	May-23			Apr-23	May-22		
	Civilian Labor Force	Unemployed	Rate	Rate	Civilian Labor Force	Unemployed	Rate
USA	166,702,000	5,700,000	3.4%	3.1%	164,157,000	5,548,000	3.4%
Texas	14,968,635	613,801	4.1%	3.7%	14,616,414	531,312	3.6%
Workforce Solutions	409,563	26,125	6.4%	5.8%	401,873	25,140	6.3%
Hidalgo County	378,011	23,287	6.2%	5.6%	369,861	22,057	6.0%
Starr County	24,148	2,235	9.3%	9.2%	24,702	2,470	10.0%
Willacy County	7,404	603	8.1%	7.4%	7,310	613	8.4%
McAllen	71,361	3,233	4.5%	4.1%	69,768	2,969	4.3%
Mission	36,836	1,989	5.4%	5.0%	36,103	1,936	5.4%
Edinburg	50,797	2,427	4.8%	4.3%	49,598	2,172	4.4%
Pharr	33,334	2,187	6.6%	5.8%	32,585	2,045	6.3%
San Juan	16,283	1,112	6.8%	6.2%	15,976	1,101	6.9%
Weslaco	18,065	1,204	6.7%	5.6%	17,582	1,050	6.0%
Workforce Solutions Cameron	180,189	10,330	5.7%	5.2%	176,580	9,401	5.3%
Harlingen	26,521	1,469	5.5%	4.9%	26,008	1,352	5.2%
Brownsville	81,119	4,770	5.9%	5.2%	79,405	4,260	5.4%
San Benito	9,730	581	6.0%	5.4%	9,598	593	6.2%
Workforce Solutions S. Texas	124,907	5,470	4.4%	3.9%	123,666	5,135	4.2%
Webb County	118,672	5,108	4.3%	3.8%	117,504	4,734	4.0%
Laredo	113,818	4,872	4.3%	3.8%	112,702	4,518	4.0%

SEASONALLY ADJUSTED FIGURES

USA	166,818,000	6,097,000	3.7%	3.4%	164,278,000	5,979,000	3.6%
Texas	15,009,265	616,304	4.1%	4.0%	14,670,702	555,317	3.8%

Source: Texas Workforce Commission, Texas Labor Market Review, June 2023 issue.

Unemployment Recap:

- The Texas (seasonally adjusted) unemployment rate increased by (0.1) to 4.1%.
- Hidalgo County's (not seasonally adjusted) unemployment rate increased 0.6% to 6.2%
- Edinburg (not seasonally adjusted) has the second lowest unemployment rate in the RGV at a rate of 4.8%

MONTHLY MARKET UPDATE



July 2023

MARKET OVERVIEW AND HIGHLIGHTS

Rate markets stable with a 95% chance of a 25 bp hike priced into the July 26 meeting

- ▶ The current target range is 5.00% to 5.25%
- ▶ Futures pricing signal a pause for the remainder of the year after the July hike
- ▶ Looking ahead, the bond market is predicting a Fed pivot in 2024, with four (4) rate cuts next year alone

Upward revision for Q1 GDP counters U.S. recession expectations

- ▶ GDP increased at a 2.0% annualized pace for the Jan-Mar period, up from the previous estimate of 1.3%
- ▶ This was the third and final estimate for Q1 GDP, with the growth rate at 2.6% in the fourth quarter

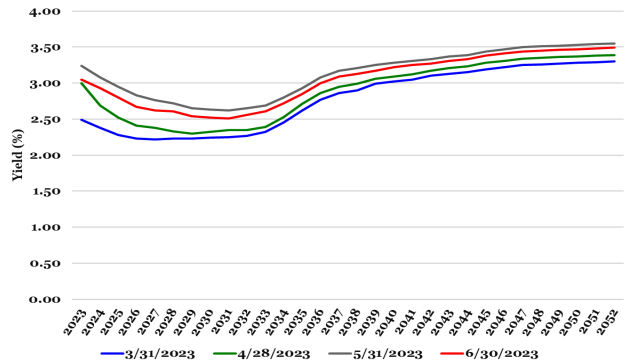
Economic data releases

- ▶ Housing starts for May jumped 21% to a 1.63 million annual pace, this was the largest monthly rise since 2016
- ▶ Single family starts were the highest in 11 months
- ▶ Existing home sales are down 18% YoY, with the median sales price down 3.1%
- ▶ Existing homes for sale is the lowest since 1999

Major equity indexes up in June

- ▶ The Dow ended at 34,407, up 4.4% for the month
- ▶ The S&P ended at 4,450, up 6.1% for the month
- ▶ The Nasdaq ended at 13,787, up 6.2% for the month

"AAA" MMD MUNI YIELD CURVE



MONTHLY CHANGE IN YIELDS

Maturity	Year	Municipal Yields (%)		Treasury Yields (%)	
		6/30/2023	5/31/2023	6/30/2023	5/31/2023
1 Year	2023	3.05	3.24	5.40	5.18
5 Year	2027	2.62	2.76	4.13	3.74
10 Year	2032	2.56	2.65	3.81	3.64
20 Year	2042	3.27	3.33	4.06	4.01
30 Year	2052	3.49	3.55	3.85	3.85

YIELD CHANGE IN WEEKLY INDEXES

	SIFMA Muni Swap Index	BBI 20 Bond GO Index	BBI 25 Bond Rev Index
Current	4.01	3.65	3.93
Last Week	4.18	3.65	3.93
1 Year Ago	0.91	3.54	3.82

TEXAS BOND SALES

Bond Sales	June 2022		June 2023		Year-to-Date		30-Day Forward Calendar	
Negotiated	75	\$ 4,403,511,000	55	\$ 3,540,958,000	239	\$ 22,760,844,000	24	\$ 2,362,955,047
Competitive	47	695,480,000	56	1,522,365,000	284	5,186,510,000	23	314,800,000
Total	122	\$ 5,098,991,000	111	\$ 5,063,323,000	523	\$ 27,947,354,000	47	\$ 2,677,755,047

RECENT FROST BANK TRANSACTIONS

Through June 2023, Frost Bank served as a Senior Manager on **12** transactions totaling **\$297M** in par and as a Co-Manager on **18** transactions totaling **\$2.2B** in par.

- ▶ Frost Bank's underwriting desk also submitted bids on **6** competitive underwriting transactions.



City of Post
\$13,900,000
Co-Manager



Anna ISD
\$60,815,000
Co-Manager



City of Midland
\$23,930,000
Senior Manager

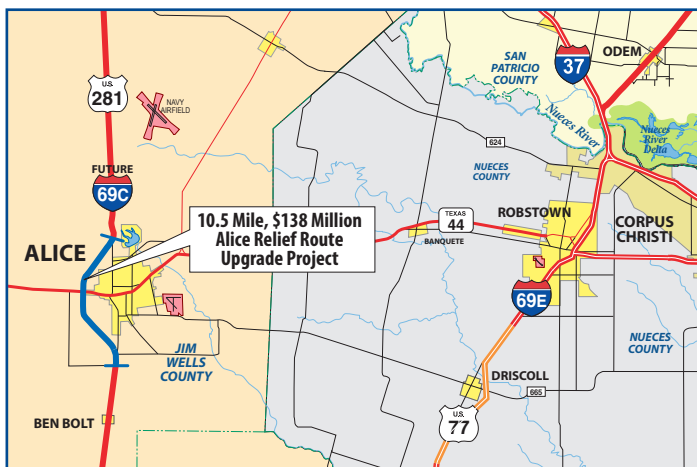


City of El Paso
\$194,795,000
Co-Manager

July 20, 2023

MORE I-69 MOMENTUM IN 2024 UTP – TxDOT’s annual draft Unified Transportation Program (UTP) list of future projects that have been allocated funding is out for public comment. It includes 61 projects on the I-69 System with an estimated combined total cost of \$8.6 billion. The Alliance has identified at least 8 new I-69 projects in the 10-year program including freeway upgrades in Livingston, Wharton County, Laredo and Kenedy County. US 77 in Kenedy County now has five projects covering 23 miles that are fully funded and scheduled for contract award in the next couple of years. These projects will extend existing I-69E northward from the current terminus near the Willacy County line.

The statewide UTP includes more than \$100 billion in projects and when you add in development costs and excluded routine maintenance projects it comes to \$142 billion. The public comment period on the draft UTP runs until August 7th and the Commission vote to adopt is on August 16.



ALICE PROJECT AWARDED – In June the Transportation Commission awarded a \$138.4 million contract to upgrade the US 281 Alice Relief Route. Work on the South Texas relief route began more than a decade ago with construction of a major overpass of SH 44 and the KCS Railway’s mainline. Three other overpasses have been built, one north of the city and two to the south. The new project will complete the process of upgrading the 10.5-mile long relief route to full controlled access interstate standard. To the south at the town of Ben Bolt, TxDOT completed a one-mile grade separation in 2011 as part of the process that has now eliminated all but one of the traffic stoplights on US 281 from the Rio Grande Valley north to George West. The last traffic light is in Premont in southern Jim Wells County. It will no longer be slowing traffic once the new relief route there is complete later this year.

RELIEF ROUTES – With the award of the Alice project there are now I-69 relief routes under construction at Diboll, Corrigan, Driscoll and Premont. More relief route upgrade projects are scheduled in the next few years at Marshall, Wharton and Sinton. Relief routes are a key building block in connecting segments and completing the interstate. At least another 18 will be needed to eliminate the more than 70 stoplights that still exist in towns on the I-69 System in Texas.

BOARD MEETING – The Alliance Board of Directors will hold a quarterly board meeting via Zoom at 9 a.m. on August 7th.

ANNUAL MEETING - Mark your calendar - this year’s Alliance annual meeting will be in Houston on Thursday, Nov. 30th. Transportation Commissioner Alex Meade has accepted our invitation to be the keynote speaker.

FEDERAL REPORT – House and Senate committees are working on federal appropriations bills for the coming year. A House committee has included funding for two future I-69 projects - \$3.6 million for the upgrade of US 59 in El Campo and \$3 million toward reconstruction of the US 59/US 259 interchange on the north side of Nacogdoches. The first request was made by Congressman Troy Nehls on behalf of the City Development Corp. of El Campo and the second was made by Congressman Pete Sessions on behalf of the City of Nacogdoches. The Alliance assisted local communities in identifying potential projects to put forward for congressional earmarks. More action is needed before this funding is confirmed but the Alliance thanks Congressman Nehls and Congressman Sessions for their willingness to make the requests.

LEGISLATIVE SESSION – TxDOT Commissioners applauded the work of the department’s legislative affairs staff during the 2023 legislative session. Lawmakers fully funded TxDOT’s appropriations requests and passed several TxDOT supported bills including strengthening the “Move Over Slow Down” law and authority to set temporarily lower speed limits to improve safety. (See Funding info on Page 2)

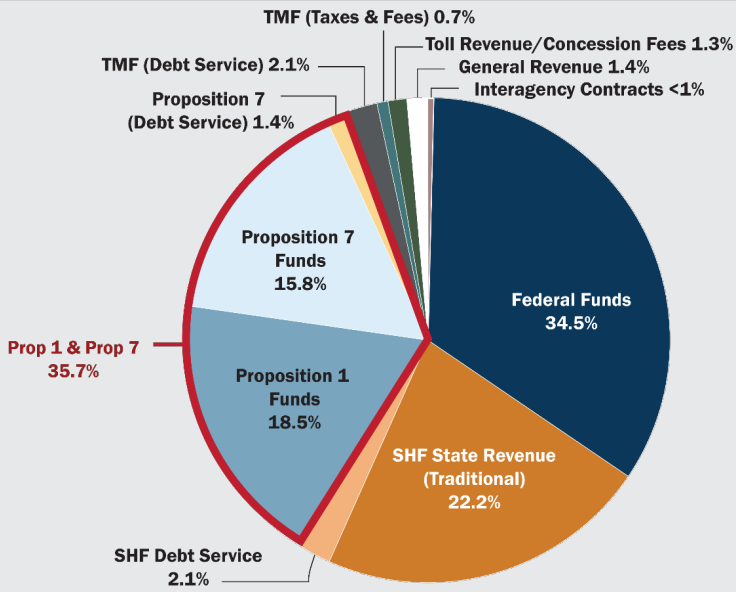
PANOLA COUNTY PROJECT – Work will begin soon on an important Future I-69 safety project in Panola County about halfway between Marshall and Carthage. The \$37 million US 59 project includes construction of an overpass interchange at FM 1794.

NORTH NACOGDOCHES – The TxDOT Lufkin District will hold a public meeting August 3rd to inform the public and seek comments on the upcoming project to upgrade a portion of US 59 and rebuild the US 59/US 259 interchange to interstate standards on the north side of Nacogdoches.

Don Rodman -- I-69 Alliance / Don@TheRodmanCo.com (361) 877-0409

State Transportation Appropriations for FY 24-25

Appendix: House Bill 1 – Funding Sources Fiscal Years 2024-2025

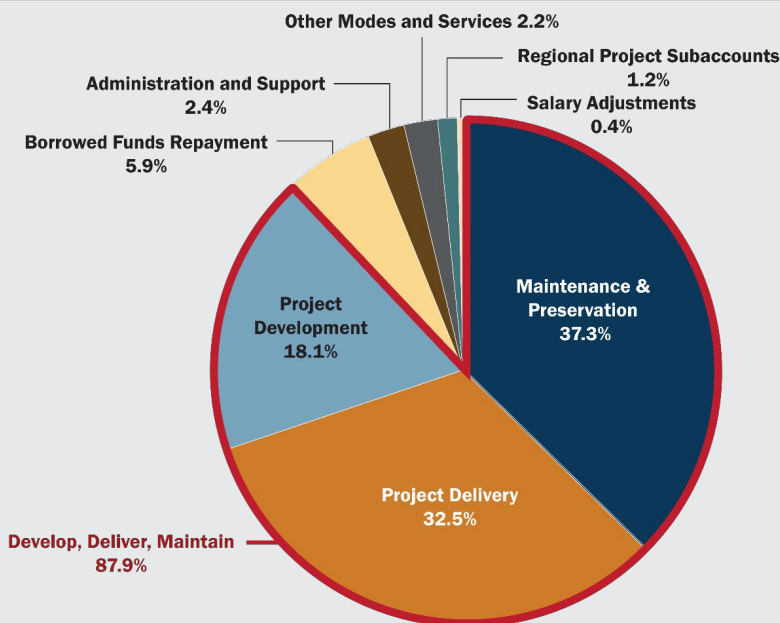


BUDGET SOURCES

Federal Funds	\$12.84 billion
SHF (Traditional)	\$8.27 billion
SHF (Debt Service)	\$0.79 billion
Proposition 1 Funds	\$6.87 billion
Proposition 7 Funds	\$5.90 billion
Proposition 7 (Debt Service)	\$0.53 billion
TMF (Debt Service)	\$0.77 billion
TMF (Taxes & Fees)	\$0.28 billion
Toll Revenue/Concession Fees	\$0.47 billion
General Revenue	\$0.51 billion
Interagency Contracts	\$0.01 billion
Total	\$37.23 billion

*Totals and percentages may not sum due to rounding

Appendix: House Bill 1 – Funding Uses Fiscal Years 2024-2025



BUDGET USES

Maintenance & Preservation	\$13.90 billion
Project Delivery	\$12.10 billion
Project Development	\$6.74 billion
Borrowed Funds Repayment	\$2.20 billion
Administration and Support	\$0.88 billion
Other Modes and Services	\$0.81 billion
Regional Project Subaccounts	\$0.47 billion
Salary Adjustments	\$0.14 billion
Total	\$37.23 billion

*Totals and percentages may not sum due to rounding



Upcoming Conferences

Team Texas Economic Summit

- August 29-30, 2023
- Odessa, TX

TEDC Sales Tax Workshop

- September 8, 2023 @ 8am-4pm
- Location: Edinburg Conference Center at Renaissance
- Registration required*

Upcoming Events

VIDA's "Grant Announcement Luncheon"

- July 27, 2023 at 11am
- Location: Knapp Conference Center

Lift Fund Information Sessions

- August 16, 2023 @ 4-6pm
- Location: COE Chamber

RGV Economic Summit

- August 17, 2023 (Tentative), Time (TBA)
- Location: Bert Ogden Arena

EEDC Board "Budget Workshop"

- August 7th or 14th (suggested dates)

Updates

EEDC new staff members

- Leticia Pantoja – Project Manager
 - lpantoja@edinburgedc.com
 - (956)478-0711
- Carlos Garza – Project Manager
 - chgarza@edinburgedc.com
 - (956)381-2444

Edinburg Economic Development Corporation
Meeting Date: July 25, 2023

Consider approval of minutes for board meetings on May 30,
2023 and June 5, 2023.

1. Agenda Item:

Consider approval of minutes for board meetings on May 30, 2023 and June 5, 2023.

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:

Recommend approval of board meeting minutes for May 30, 2023, and June 5, 2023.

7. Justification:

N/A

ATTACHMENTS

Attachment A: Edinburg EDC Minutes - May 30, 2023

Attachment B: Edinburg EDC Minutes - June 5, 2023

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

MAY 30, 2023

SPECIAL JOINT MEETING

6:00 PM

PRESENT: Veronica Gonzales, President
Roland Gomez, Vice President
Daniel “Dan” Diaz, Councilmember
Aaron “Ronny” Rivera, Treasurer
Raul Resendez, Secretary
Sabrina Walker-Hernandez, Director
Eddie Garza, Director

COUNCIL: Ramiro Garza, Mayor
David White, Mayor Pro Tem
Johnny Garcia, Councilmember
Daniel “Dan” Diaz, Councilmember
Jason De Leon, Councilmember

STAFF: Raudel Garza, Executive Director
Jacqueline Guerra, Administrative Specialist
Myra Ayala, City Manager
Tom Reyna, Assistant City Manager
Clarice Balderas, City Secretary
Omar Ochoa, City Attorney

PUBLIC: Fern McClagherty

1. CALL TO ORDER, ESTABLISH QUORUM

Mayor Ramiro Garza called the meeting to order at 6:00 pm and established quorum for City Council.

President Veronica Gonzalez also called the meeting to order and established quorum for the EEDC.

- A. Prayer by Councilmember, Johnny Garcia.
- B. Pledge of Allegiance by Mayor, Ramiro Garza, Jr.

2. CERTIFICATION OF PUBLIC NOTICE

City Secretary Clarice Balderas confirmed the City Council public notice was posted in accordance with the Texas Open Meetings Act, on May 26, 2023 at 4:45 PM.

Executive Director Raudel Garza confirmed the EEDC public notice was posted in accordance with the Texas Open Meetings Act, on May 26, 2023 at 5:00 PM.

3. DISCLOSURE OF CONFLICT OF INTEREST

City Attorney, Omar Ochoa, stated a conflict of interest exists if a board member or a member of that person’s family has a qualifying financial interest in an agenda item. If there is a conflict of interest, the board director cannot participate in discussion or vote on the agenda item.

No conflict of interests were disclosed.

4. 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.

One public comment by Fern McClagherty regarding Item 5A; Tax Payers Money.

5. REGULAR AGENDA ITEMS

A. Presentation and Possible Action Regarding the Downtown Parking Garage Needs Assessment and Economic Analysis Report by ERO Architects.

Mayor Garza proceeded to give a little bit of background on the Parking Garage and thanked the EEDC for partnering up with the City for this project. He stated that the reason for this joint meeting is to evaluate the possibility of building the Parking Garage bigger than originally planned before the construction starts.

City Manager Myra Ayala stated that the purpose to have City Council and the EEDC Board was so that both can gather and receive the same information and presentation at the same time as well as the public.

Assistant City Manager Tom Reyna introduced himself and stated that a Downtown Parking Garage Analysis was going to be presented by Mr. Brian Godinez from ERO Architects. He added that as a city staff member he is hoping to receive direction to continue to finalize the Parking Garage plans.

Mr. Brian Godinez then proceeded to address the City Council and the EEDC Board and stated that he and his team would explain the study in 4 parts. He then introduced the team members that helped with the various elements of the study.

First, he introduced Mr. Diego Leyva with KCI Inc, one of the leading engineering firms that principally worked on the Demand Analysis for the parking in the downtown area. Second, he introduced Mr. Sai Mullapudi with UTRGV who worked on the Economic Analysis. Thirdly, he introduced Mr. Carlos Marquez with Partners Real Estate who did the Economic Retail study. Lastly, he introduced Mr. Mark Brock with Americas Holdings, one of the leading developers that will do a presentation on a P3 Structured Model.

As the presentations went on with the different team members on this project, some questions and concerns were raised by City Council and the EEDC Board. Depending on the type of question, Mr. Godinez would answer the question or refer it to the team member it pertained.

One of the main questions was by EEDC Secretary Raul Resendez, he asked if the “assessment was truly done for the needs of the County Courthouse”. Mr. Godinez then responded “No. The assessment was done for the needs of the downtown area, it just so happens that a major component of parking needs will come from the Courthouse”.

Mayor Garza then added that there is an agreement in place between the City

and the County Courthouse where it states that the County “deeded” over the property to the City so that they could build a parking garage.

For the second part of the presentation, Mr. Godinez went over an Economic Analysis done by Sai Mullapudi with UTRGV who was joined in the meeting virtually. Mr. Godinez stated that Sai conducted two Economic Analysis based on two different construction costs. One is for \$19.4 million dollars which is the current estimate in the design phase of the project and the second analysis was for \$25 million dollars. He went on to explain the difference in revenues generated, jobs projected, sales and local taxes and the impact on the economy for each estimated analysis over a period of 10 years. Mr. Godinez added that based on the revenues estimated from building the parking garage, this project would pay for itself within five to six years.

For the third part of the presentation, Mr. Godinez had Carlos Marquez with Partners Real Estate, talk about the Economic Retail Lease and Development Analysis. Mr. Marquez went over the 16,850 square feet analysis for this building. It includes food court, tenants, office space and retail commercial services or restaurants.

For the fourth part of the presentation, Mr. Godinez had Mark Brock with Americas Holdings talk about what the Structured Model might look like should the City decide to go with that route. Mr. Brock stated that he used the P3 methodology for this project which means that it is a collaboration between public and private sectors to deliver a project (parking garage) on time and on budget. He went on to explain the value proposition, design & due diligence, procurement, pre-development, finance & legal and construction for this project. Lastly, he explained the benefits that the City would have for a Public-Private Partnership and showed a Financial PR Structure for illustration purposes.

In conclusion, Mr. Godinez went on over a quick run down of all four presentations. Mayor Garza and City Manager Myra Ayala thanked the presenters, City Council and the EEDC for attending the meeting.

Mayor Pro Tem David White made a statement to the public, saying that if they don’t build the parking garage then vehicles will end up parking in their neighborhoods or down the street.

Councilmember Daniel Diaz asked for further clarification whether they can add more floors to the parking garage once it is built. Mr. Eli Ochoa stated that it is a logistical issue. He explained that it is possible to built it for three stories and at a later time add more. The problem is that there are a lot of logistical things that they would have to overcome and that they may not be able to because TxDot will not allow them to do certain things. He advised that his recommendation as an architect and engineer would be to build the parking

garage now rather than later.

Mayor Garza requested to have this item on the Agenda for the next City Council meeting as Possible Action.

EEDC President Veronica Gonzales also requested this item to be added to Executive Session in the next EDC Board meeting.

NO MOTION OR ACTION WAS NEEDED FOR THIS ITEM.

6. ADJOURNMENT

There being no further business to consider, the meeting adjourned at 7:15 PM.

MOTION TO ADJOURN MEETING WAS MADE BY COUNCILMEMBER JASON DE LEON AND SECONDED BY MAYOR PRO TEM DAVID WHITE. MOTION CARRIED UNANIMOUSLY.

MOTION TO ADJOURN MEETING WAS MADE BY DIRECTOR EDDIE GARZA AND SECONDED BY DIRECTOR SABRINA WALKER HERNANDEZ. MOTION CARRIED UNANIMOUSLY.

Minutes Transcribed by:

Jacqueline Guerra, Administrative Specialist, Edinburg Economic Development Corporation

The board of directors approved the meeting minutes on _____, 2023.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION:

Raul Resendez, Edinburg EDC Secretary



MINUTES OF THE
EDINBURG ECONOMIC DEVELOPMENT
CORPORATION BOARD OF DIRECTORS

LOCATION:

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

June 5, 2023
SPECIAL MEETING
5:30 PM

PRESENT: Veronica Gonzales, President
Raul Resendez, Secretary
Daniel “Dan” Diaz, Councilmember
Eddie Garza, Director
Aaron “Ronny” Rivera, Treasurer

LATE: Roland Gomez, Vice President
Sabrina Walker Hernandez, Director

STAFF: Raudel Garza, Executive Director
Jacqueline Guerra, Administrative Specialist
Omar Ochoa, City Attorney

1. CALL TO ORDER, ESTABLISH QUORUM

President, Veronica Gonzales, called the meeting to order at 5:30 PM.

A. Pledge of Allegiance

Raudel Garza, Edinburg EDC Executive Director, proceeded to roll call and established quorum.

For record, at this time, Vice President Roland Gomez and Director Sabrina Walker Hernandez were absent.

2. CERTIFICATION OF PUBLIC NOTICE

The public notice was posted in accordance with the Texas Open Meetings Act, on June 2, 2023 at 5:10 PM.

3. DISCLOSURE OF CONFLICT OF INTEREST

City Attorney, Omar Ochoa, stated a conflict of interest exists if a board member or a member of that person's family has a qualifying financial interest in an agenda item. If there is a conflict of interest, the board director cannot participate in discussion or vote on the agenda item.

There were no conflicts of interest disclosed.

4. PUBLIC COMMENTS

A specific portion of the meeting shall be dedicated to allowing Public Comments which will be limited to three (3) minutes. Please note that this public comment period is not interactive. The Edinburg EDC Board may not respond to public comments. If a resident desires to make a public comment in person, please complete the Public Comments Form, which will be located outside of the City Council Chambers and submit the completed form to the Economic Development staff prior to the commencement of the Edinburg EDC Board meeting. We ask for everyone's cooperation in following this procedure.

There were no public comments.

5. DIRECTOR'S REPORT

Mr. Garza provided an update on Labor Market Report and stated that the Rio Grande Valley's (Hidalgo County*) unemployment rate was 5.6% and that Edinburg continues to have the second lowest unemployment rate at 5.0% (4.3%*).

For Marketing Activities, the EEDC Board and City Council had a strong presence at ICSC. Thirteen meetings were scheduled and EEDC connected with over 70 contacts.

At this time, Director Sabrina Walker Hernandez walked in and joined the Board at 5:32pm.

Other upcoming marketing activities include, RGV Partnership's "RGV 2 DC" trip to Washington DC. EEDC Board member and councilmember Daniel Diaz and Carlos Garza will be attending in representation of the EEDC and the City of Edinburg.

In upcoming conferences, TEDC will be having their Mid-Year Conference at the end of the month. Mr. Garza will be attending June 21-23.

For upcoming Events, Edinburg Chamber of Commerce will be hosting the "Texas Cook'em: High Steaks" event June 30 - July 1st. The EEDC is a sponsor for this event.

Mr. Garza also advised that three EEDC Board members were re-appointed by City Council for another 3-year term. This includes President Veronica Gonzales, Secretary Raul Resendez and Director Eddie Garza.

6. REGULAR AGENDA ITEMS

A. Consider approval of Minutes for the Special Board meeting held on May 1, 2023.

President Veronica Gonzales asked if everyone had the opportunity to review the minutes to which all confirmed.

MOTION TO APPROVE MINUTES WAS MADE BY TREASURER AARON RIVERA AND SECONDED BY COUNCILMEMBER DANIEL DIAZ. MOTION CARRIED UNANIMOUSLY.

B. Discussion and possible action on amending the EEDC Organizational Chart.

Mr. Garza proceeded to inform the board of future amendments to the EEDC's staff organizational chart. These amendments include title and job description changes to best identify with the "Project Manager" position. These changes should not affect the salary already budgeted for fiscal year 2023.

NO MOTION OR ACTION WAS NEEDED FOR THIS ITEM.

7. EXECUTIVE SESSION

The board entered executive session at 5:49 pm.

MOTION TO ENTER EXECUTIVE SESSION WAS MADE BY DIRECTOR EDDIE GARZA AND SECONDED BY COUNCILMEMBER DANIEL DIAZ. MOTION CARRIED UNANIMOUSLY.

The EEDC board convened in executive session, in accordance with the Texas Open Meetings Act, Vernon's Texas Civil Statutes annotated, government code, chapter 551, subchapter D, exceptions to requirements that meetings be open, to deliberate under the following **section:**

- **SECTION 551.071, CONSULTATION WITH ATTORNEY**
- **SECTION 551.072, DELIBERATION REGARDING REAL PROPERTY**

- **SECTION 551.087, DELIBERATION REGARDING ECONOMIC DEVELOPMENT NEGOTIATIONS**

The EEDC board 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 Texas Open Meetings Act. The board will deliberate the following item:

- A. Deliberation and possible action regarding economic development negotiations (Review Economic Development Projects: 25, NIP Tenant, Goliath, Gas, SB Rental, Uno, Sweets, Wilson, Salad, Cook, Loaf, Spring, ICSC Leads/Prospects, Parking Garage). (§551.087 Deliberation Regarding Economic Development Negotiations; §551.072. Deliberation Regarding Real Property; §551.071. Consultation with Attorney; Closed Meeting.)
- B. Discussion and possible action regarding pending litigation (§551.071. Consultation with Attorney; Closed Meeting.)
- C. Discussion and possible action regarding potential litigation. Santana Textiles (§551.071. Consultation with Attorney; Closed Meeting.)

8. OPEN SESSION

The EEDC convened in Open Session to take necessary action, 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 8:29 PM.

For record, Vice President Roland Gomez joined executive session at 6:28 pm.

MOTION TO APPROVE PROJECT “UNO” AND PROJECT “SPRING” AS DISCUSSED IN EXECUTIVE SESSION WAS MADE BY DIRECTOR EDDIE GARZA AND SECONDED BY COUNCILMEMBER DANIEL DIAZ. MOTION CARRIED UNANIMOUSLY.

After the vote President Veronica Gonzales made a statement on behalf of the EEDC Board in regards to the parking garage.

She stated in part, “Unfortunately the EEDC does not have more millions of dollars to spend...therefore the EEDC stands by its commitment to contribute \$2 million dollars towards the parking garage downtown. Should the City wish to explore other means to increase the number of spaces, the EEDC would be supportive but cannot contribute any additional funds”.

9. ADJOURNMENT

There being no further business to consider, the meeting adjourned at 8:33 pm.

**MOTION TO ADJOURN MEETING WAS MADE BY TREASURER AARON RIVERA AND SECONDED BY COUCILMEMBER DANIEL DIAZ.
MOTION CARRIED UNANIMOUSLY.**

Minutes Transcribed by:

Jacqueline Guerra, Administrative Specialist, Edinburg Economic Development Corporation

The board of directors approved the meeting minutes on _____, 2023.

EDINBURG ECONOMIC DEVELOPMENT CORPORATION:

Raul Resendez, Edinburg EDC Secretary

Edinburg Economic Development Corporation
Meeting Date: July 25, 2023

Presentation of year-to-date Financial Report ending on June 31, 2023.

- 1. Agenda Item:**
Presentation of year-to-date Financial Report ending on June 31, 2023.
- 2. Description/Scope:**
Asencion Alonzo, Director of Finance, will provide a year-to-date financial report.
- 3. Estimated Timeline:**
Quarterly
- 4. Budget:**
N/A
- 5. Procurement/Selection Process:**
N/A
- 6. Staff's Recommendation:**
N/A
- 7. Justification:**
N/A

/s/ Raudel Garza

ATTACHMENTS

Attachment A: Income Statement

Attachment B: Balance Sheet

Approved:	_____
Not Approved:	_____
Tabled:	_____
No Action:	_____



Edinburg, TX

Income Statement

Account Summary

For Fiscal: 2022-2023 Period Ending: 06/30/2023

		Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
Fund: 450 - EDINBURG EDC						
Revenue						
450-8000-402101	GEN SALES & USE TAX (.5%)	9,000,000.00	9,000,000.00	0.00	5,226,744.03	3,773,255.97
450-8000-425100	SANTANA TEXTILES LOAN REVENUE	0.00	0.00	0.00	248,691.85	-248,691.85
450-8000-451100	INTEREST EARNED	50,000.00	50,000.00	853.03	45,421.54	4,578.46
450-8000-452103	RENTAL INCOME	69,480.00	69,480.00	0.00	17,138.19	52,341.81
450-8000-462100	SALE OF EEDC PROPERTY	0.00	0.00	194,799.22	1,305,379.48	-1,305,379.48
450-8000-499100	TRANSFER IN GENERAL FUND	13,225,173.00	13,225,173.00	0.00	0.00	13,225,173.00
450-9500-454100	MISCELLANEOUS REVENUE	0.00	0.00	0.00	250.00	-250.00
	Revenue Total:	22,344,653.00	22,344,653.00	195,652.25	6,843,625.09	15,501,027.91
Expense						
450-8000-501100	SALARIES	475,000.00	475,000.00	26,980.15	135,204.70	339,795.30
450-8000-501101	LONGEVITY	0.00	0.00	168.00	504.00	-504.00
450-8000-501102	OVERTIME	0.00	0.00	371.98	1,327.46	-1,327.46
450-8000-501106	VEHICLE ALLOWANCE	7,500.00	7,500.00	600.00	3,400.00	4,100.00
450-8000-502100	TAXES	36,338.00	36,338.00	2,101.27	10,374.76	25,963.24
450-8000-502101	RETIREMENT	66,500.00	66,500.00	4,156.16	20,716.88	45,783.12
450-8000-502102	GROUP INSURANCE	40,809.00	40,809.00	1,530.24	10,267.74	30,541.26
450-8000-502103	DISABILITY INSURANCE	12,350.00	12,350.00	73.11	365.12	11,984.88
450-8000-502104	WORKERS COMPENSATION INS	630.00	630.00	0.00	0.00	630.00
450-8000-511200	PROFESSIONAL SERVICES	50,000.00	50,000.00	1,500.00	22,053.86	27,946.14
450-8000-511202	AUDIT / ACCOUNTING	20,000.00	20,000.00	1,500.00	1,560.00	18,440.00
450-8000-511205	MARKETING AND ADVERTISING SERVICES	300,000.00	300,000.00	4,217.84	67,488.09	232,511.91
450-8000-512210	COMMUNICATIONS SERVICE AGREEMENTS	15,000.00	15,000.00	100.58	639.12	14,360.88
450-8000-512220	UTILITIES	5,000.00	5,000.00	0.00	760.93	4,239.07
450-8000-512230	PRINTING	5,000.00	5,000.00	0.00	265.41	4,734.59
450-8000-512240	RENTS & CONTRACTUALS	12,000.00	12,000.00	36.00	11,141.01	858.99
450-8000-512242	OFFICE SPACE LEASE	66,000.00	66,000.00	2,500.00	2,500.00	63,500.00
450-8000-512250	ADMINISTRATION FEE	500,000.00	500,000.00	0.00	250,000.00	250,000.00
450-8000-512251	RESEARCH, STUDIES, OTHER CONTRACTS	65,000.00	65,000.00	0.00	1,590.00	63,410.00
450-8000-513200	TRAVEL, TRAINING, MEETINGS	50,000.00	50,000.00	5,889.68	17,987.81	32,012.19
450-8000-513201	CONTINUING EDUCATION	10,000.00	10,000.00	0.00	0.00	10,000.00
450-8000-513203	CONFERENCES	50,000.00	50,000.00	975.00	13,875.00	36,125.00
450-8000-513210	MEMBERSHIP DUES, SUBSCR	25,000.00	25,000.00	1,458.38	6,612.64	18,387.36
450-8000-513301	OFFICE MAINTENANCE AND CONTRACTUA	5,000.00	5,000.00	0.00	0.00	5,000.00
450-8000-513315	PROPERTY MAINTENANCE	50,000.00	50,000.00	5,535.67	9,385.10	40,614.90
450-8000-514100	BOARD EXPENSES	5,000.00	5,000.00	187.61	1,080.57	3,919.43
450-8000-521300	OFFICE SUPPLIES	10,000.00	10,000.00	92.15	655.63	9,344.37
450-8000-522300	WEARING APPAREL	3,000.00	3,000.00	0.00	786.59	2,213.41
450-8000-522308	OFFICE EQUIP & FURNITURE	5,000.00	5,000.00	0.00	6,165.47	-1,165.47
450-8000-523390	OTHER MATERIALS	10,000.00	10,000.00	0.00	677.03	9,322.97
450-8000-551500	PROPERTY TAXES	50,000.00	50,000.00	0.00	0.00	50,000.00
450-8000-601500	LAND - PURCHASE OF PROPERTY	2,769,758.00	2,769,758.00	0.00	0.00	2,769,758.00
450-8000-607500	OFFICE FURNITURE	30,000.00	30,000.00	0.00	0.00	30,000.00
450-8000-611800	ECONOMIC DEVELOPMENT INCENTIVES	500,000.00	500,000.00	0.00	0.00	500,000.00
450-8000-611809	FIRST HARTFORD REALTY-RESTAURANT PLA	100,000.00	100,000.00	0.00	0.00	100,000.00
450-8000-611812	EL TULE CENTER	0.00	0.00	0.00	2,390.96	-2,390.96
450-8000-611817	SHEA NATE LLC	150,000.00	150,000.00	0.00	0.00	150,000.00
450-8000-611818	DOMAIN DEVELOPMENT CORP (HYDE & BR	400,000.00	400,000.00	0.00	0.00	400,000.00
450-8000-611819	MGEN CAPITAL (JERSAY MIKE'S & DUNKIN	70,000.00	70,000.00	0.00	0.00	70,000.00
450-8000-611820	KAPAL SUPPLIER, LLC	100,000.00	100,000.00	0.00	0.00	100,000.00
450-8000-701700	BOND PRINCIPAL PAYMENT	1,585,000.00	1,585,000.00	0.00	1,025,000.00	560,000.00
450-8000-702701	BOND INTEREST EXPENSE	1,088,095.00	1,088,095.00	0.00	552,746.26	535,348.74

Income Statement

For Fiscal: 2022-2023 Period Ending: 06/30/2023

	Original Total Budget	Current Total Budget	MTD Activity	YTD Activity	Budget Remaining
450-8000-703100 BOND FEES	6,500.00	6,500.00	0.00	1,500.00	5,000.00
450-8000-800401 SPONSORSHIPS	100,000.00	100,000.00	17,500.00	70,000.00	30,000.00
450-8000-800510 JOB TRAINING PROGRAMS	200,000.00	200,000.00	0.00	25,000.00	175,000.00
450-9500-551402 GENERAL INSURANCE	70,000.00	70,000.00	0.00	39,779.27	30,220.73
Expense Total:	9,119,480.00	9,119,480.00	77,473.82	2,313,801.41	6,805,678.59
Fund: 450 - EDINBURG EDC Surplus (Deficit):	13,225,173.00	13,225,173.00	118,178.43	4,529,823.68	
Total Surplus (Deficit):	13,225,173.00	13,225,173.00	118,178.43	4,529,823.68	



Balance Sheet

Account Summary

As Of 06/30/2023

Account	Name	Balance	
Fund: 450 - EDINBURG EDC			
Assets			
450-101100	CLAIM ON OPERATING CASH	-2,522,966.52	
450-103103	A/R OTHER	3,197,767.43	
450-103201	ALLOWANCE UNCOLLECTABLE	-3,221,875.65	
450-103402	SANTANA N/R- \$ 5MM	4,205,592.73	
450-103403	SANTANA N/R- \$10MM	9,434,410.73	
450-110452	DUE FROM EEDC SERIES 2019	67,967.60	
450-151101	CASH IN BANK - TNB 2802 DEBT SERVICE	2,674,675.27	
450-152103	CASH IN BANK - TNB 8281 ARENA SHORT	780,000.05	
450-152105	INVESTMENTS - TXSTAR 0230 SERIES 201	802,200.98	
450-152108	INVESTMENTS - TXSTAR 0210 SERIES 202	456,613.54	
450-152109	INVESTMENTS - TXSTAR 0211 SERIES 202	168,688.12	
450-152110	CASH IN BANK - TNB 2794 OPERATING AC	18,549,459.49	
	Total Assets:	34,592,533.77	<u>34,592,533.77</u>
Liability			
450-200200	ACCOUNTS PAYABLE	5,599.26	
450-210100	DUE TO GENERAL FUND	1,577,746.26	
	Total Liability:	1,583,345.52	
Equity			
450-300301	FUND BALANCE	45,288,226.07	
450-300302	PRIOR PERIOD ADJUSTMENT	-16,808,861.50	
	Total Beginning Equity:	28,479,364.57	
Total Revenue		6,843,625.09	
Total Expense		2,313,801.41	
Revenues Over/Under Expenses		4,529,823.68	
	Total Equity and Current Surplus (Deficit):	33,009,188.25	
	Total Liabilities, Equity and Current Surplus (Deficit):		<u>34,592,533.77</u>

Edinburg Economic Development Corporation
Meeting Date: July 25, 2023

Consider approval of mid-year budget amendment for Fiscal
Year 2023.

1. Agenda Item:

Consider approval of mid-year budget amendment for Fiscal Year 2023.

2. Description/Scope:

Raudel Garza, EEDC Executive Director, will present a proposed mid-year amended budget.

3. Estimated Timeline:

Amendments are based on YTD numbers available to staff at this time. Amendments are effective upon approval by Board and Council.

4. Budget:

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

Staff recommends approval of amendments as presented.

7. Justification:

/s/ Raudel Garza, EEDC
Executive Director

ATTACHMENTS

Attachment A: FY23 Proposed Budget Amendment

Approved:	_____
Not Approved:	_____
Tabled:	_____
No Action:	_____

**Economic Development Budget
Operating Cash**

	FY2023 Approved	Projected Totals	Proposed Amendments	Increase/ (Decrease)	Notes
Revenues					
1/2 Cent Sales Tax Revenue	\$9,000,000	\$8,726,744	\$8,700,000	(300,000)	conservative projection on sales tax revenues for the last quarter of the fiscal year
Interest on Investments	\$50,000	\$68,569	\$65,000	15,000	
Rental Income	\$69,480	\$17,138	\$17,138	(52,342)	rental property was sold in December. No other rents received.
Transfer in TexStar Bond Projects Activity, Net	\$13,225,173	\$13,225,173	\$13,225,173		
Total Revenues	\$22,344,653	\$22,037,624	\$22,007,311	(337,342)	Amending budget to show less revenues.
Administrative Services					
Personnel Expenses					
Salaries	\$475,000	\$252,205	\$300,000	(175,000)	Still have 2 staff positions open and didn't hire PMs till just recently. This impacts all the line items associated with personnel. On the expense side, a negative shows that we are spending less than anticipated in the approved budget.
Longevity	\$0	\$1,704	\$1,800	1,800	
Overtime	\$0	\$2,227	\$2,300	2,300	
Taxes	\$36,338	\$19,618	\$20,000	(16,338)	
Retirement	\$66,500	\$38,969	\$40,000	(26,500)	
Group Insurance	\$40,810	\$20,768	\$22,000	(18,810)	
Disability Insurance	\$12,350	\$915	\$1,000	(11,350)	
Workers Compensation	\$630	\$630	\$630		
Vehicle Allowance	\$7,500	\$5,950	\$6,000	(1,500)	
Total Personnel Expenses	\$639,128	\$342,986	\$393,730	(245,398)	
Contractual Services					
Admin Services	\$500,000	\$500,000	\$500,000		Increase covers anticipated cost for filing federal tax returns as well as the budgeted audit costs
Professional Services	\$50,000	\$47,054	\$50,000		
Audit & CPA Services	\$20,000	\$22,560	\$23,000	3,000	
Finance Services (Bond Fees)	\$6,500	\$6,500	\$6,500		Started paying for office space in June
Rents & Contractuals (Copier Lease)	\$12,000	\$11,745	\$12,000		
Office Space Lease	\$66,000	\$10,000	\$10,000	(56,000)	
Total Contractual Services	\$654,500	\$597,859	\$601,500	(53,000)	
Supplies & Equipment					
Office Supplies	\$10,000	\$2,456	\$10,000		Although additional savings could be realized here, we will not adjust these line items at this time.
Office Supplies - IT	\$5,000	\$0	\$5,000		
Communication Services (Mobile Phone & Landline)	\$15,000	\$6,439	\$15,000		
Office Maintenance & Contractual	\$5,000	\$0	\$5,000		
Other Expense	\$10,000	\$3,877	\$10,000		
Wearing Apparel	\$3,000	\$2,987	\$3,000		
Printing	\$5,000	\$3,265	\$5,000		
Continuing Education	\$10,000	\$2,000	\$2,000	(8,000)	
Office Equipment & Furniture	\$30,000	\$20,665	\$25,000	(5,000)	
Membership Dues/Subscriptions	\$25,000	\$21,613	\$25,000		
Travel, Training, Meetings	\$50,000	\$35,988	\$40,000	(10,000)	Cost savings here are related to less staff traveling at beginning of the fiscal year. Also saved on furniture.
Conferences	\$50,000	\$33,875	\$40,000	(10,000)	
Board Expenses	\$5,000	\$4,581	\$5,000		
Total Supplies & Equipment	\$223,000	\$137,745	\$190,000	(33,000)	
Total Administrative Services	\$1,516,628	\$1,078,590	\$1,185,230	(331,398)	reduction in spending on administrative services is almost equal to reduction in revenues

		FY2023 Approved	Projected Totals	Proposed Amendments	Increase/ (Decrease)	Notes
EDC Programs, Properties & Projects						
Programs						
	Small Business Program/Workforce Training	\$200,000	\$50,000	\$450,000	250,000	Money set aside for VIDA (\$50K), and for a SBAP (\$400K)
	Marketing	\$300,000	\$112,488	\$150,000	(150,000)	Less activity in initial months
	Sponsorship / Donations	\$100,000	\$104,500	\$120,000	20,000	Asking for an increase to allow for other sponsorships at the Board's discretion.
	Research	\$65,000	\$51,590	\$55,000	(10,000)	Not expecting to run reports on all projects
	Total Programs	\$665,000	\$318,578	\$775,000	110,000	
Properties						
	Property Taxes	\$50,000	\$10,000	\$20,000	(30,000)	Anticipating less in taxes due to less property owned.
	Purchase of Property	\$2,769,758	\$2,769,758	\$2,769,758		
	Utilities	\$5,000	\$761	\$5,000		
	Improvements, Maintenance & Repairs	\$50,000	\$24,385	\$25,000	(25,000)	Anticipating cost savings
	General Property Insurance	\$70,000	\$69,779	\$70,000		
	Total Properties	\$2,944,758	\$2,874,683	\$2,889,758	(55,000)	
Projects						
	Economic Development Incentives	\$500,000	\$500,000	\$500,000		
	Vantage Ventures (DPS Facility) 2016	\$0				
	Auriel Investments (Shops @ Tru) 2018	\$0				
	TP UT RGV, LLC (Taco Palenque & Palenque Grill) 2019	\$0				
	First Hartford (The Shoppes at RGV) 2019	\$100,000	\$100,000	\$100,000		
	Shea Nate LLC (Shops at St. Michael) 2021	\$150,000	\$0	\$0	(150,000)	Company not likely to comply with terms of agreement and thus no anticipated payout
	Domain Development Corp (Hyde & Brentwood Plaza)	\$400,000	\$0	\$0	(400,000)	Grant will need to rollover to next fiscal year due to timing of the payout
	MGEN Capital (Jersey Mike's & Dunkin Donuts)	\$70,000	\$70,000	\$70,000		
	Kapal Supplier LLC	\$100,000	\$0	\$0	(100,000)	Agreement executed in Sept. 2022. Initial payment isn't expected until completion of the 12 months, thus rolled over to next year
	Total Projects	\$1,320,000	\$670,000	\$670,000	(650,000)	
	Total Revenue Amendments				(337,342)	Reduction in revenues
	Total Expense Amendments				(926,398)	Reduction in expenditures
	Net Change in Budget				(589,056)	Net Savings

Edinburg Economic Development Corporation
Meeting Date: July 25, 2023

Consider approval of request from City of Edinburg Library &
Cultural Arts to sponsor South Texas International Film
Festival.

1. Agenda Item:

Consider approval of request from City of Edinburg Library & Cultural Arts to sponsor South Texas International Film Festival.

2. Description/Scope:

The City of Edinburg Library & Cultural Arts will be hosting the 9th Annual South Texas International Film Festival (STXIFF). They are requesting a \$20,000 sponsorship from the EEDC.

On the July 12, 2023, Special EEDC Board Meeting, the board approved a sponsorship of \$10,000. The EEDC Board requested the item be brought back for reconsideration of additional sponsorship funding, upon the presentation of an Economic Impact Study.

3. Estimated Timeline:

September 14-16th, 2023

4. Budget:

With anticipated amendments to the line item, we should have funds available to cover the request.

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

Staff recommends a sponsorship of \$10,000 as already approved.

7. Justification:

Based on the economic impact analysis conducted by UTRGV, the local spending does not provide a high ROI.

/s/ Raudel Garza

ATTACHMENTS

Attachment A: COE Library & Cultural Sponsorship Request

Attachment B: COE STXIFF Presentation

Attachment C: Sponsorship Expense Report

Attachment D: COE STXIFF Economic Impact Study

Approved:	_____
Not Approved:	_____
Tabled:	_____
No Action:	_____

Good afternoon, Mr. Garza

The City of Edinburg will be hosting the 9th Annual South Texas International Film Festival (STXIFF) on September 14-16th, 2023. Since the film festival's inception, EEDC has been part of the festival's strong foundation, this has allowed us to grow the festival into a well-rounded and highly anticipated event as we strive to promote the growing film industry in South Texas.

Filmmakers are already preparing to join us in Edinburg as we continue to showcase regional, national, and international films. This year, we received 206 submissions representing 19 countries and we have narrowed them down to include the screening of over 50 short and feature-length films, documentaries, music videos, and animations.

As we strive to bring together filmmakers and artists to help connect the South Texas film industry with the world, the festival will include special celebrity guests, workshops, panel discussions, a pitch competition, and an industry expo. Our goal is to encourage cinematic growth and attract potential investors by helping place the City of Edinburg on the industry map and draw future productions into our recognized Film Friendly City.

Currently, we are requesting a \$20,000 donation from EEDC for the South Texas International Film Festival (STXIFF). The festival attracts filmmakers, industry professionals, and visitors, leading to increased patronage of local businesses such as hotels, restaurants, and vendors. This international film festival has brought individuals from all over the United States and Mexico as well as filmmakers from Portugal, Japan, and Germany, and as we rebuild our brand after Covid, we are confident in the festival's ability to continue attracting tourism. This year, we hope to maximize the economic impact by fostering collaborations, attracting talent, such as our celebrity guest for 2023, Lou Diamond Phillips, and showcasing Edinburg as an ideal filming location.

Through the years, STXIFF has become a prominent platform for emerging and established filmmakers to showcase their work and gain recognition in the industry. The festival attracts a diverse audience, including regional, national, and international filmmakers, as well as film students, and community members who get a unique opportunity to enjoy a variety of films.

Your continued support and donation will ensure that our joint efforts continue to make the South Texas International Film Festival a premier event that supports a growing economy in our region.

Thank you,

--



Leticia Leija
Director of Library & Cultural Arts

✉: letty@edinburglibrary.us

☎: (956) 383-6246

📱: (956) 330-1458

🌐: cityofedinburg.com

📍: [1906 S Closner Blvd, Edinburg, TX 78539](https://www.google.com/maps/place/1906+S+Closner+Blvd,+Edinburg,+TX+78539)





EEDC Sponsorship Request Form

Contact Information

1. Name: **Letty Leija**
2. Title: **Director of Library & Cultural Arts**
3. Address: **Dustin M. Sekula Memorial Library
1906 S. Closner Blvd. Edinburg, TX, 78539**
4. Phone: **956-330-1458**
5. Email: **letty@edinburglibrary.us**

Organization Information

1. Name: **City of Edinburg – Library & Cultural Arts Department**
2. Address: **Dustin M. Sekula Memorial Library
1906 S. Closner Blvd. Edinburg, TX, 78539**
3. Tax Identification Number: **74-6000-714-3**
4. Is this organization a nonprofit corporation with a certificate of formation on file with the Texas Secretary of State? **No. it's a department of the City of Edinburg**
5. Is this organization a 501(c)(3) registered with the Internal Revenue Service (IRS)? **No**
6. Does this organization have a 990 Form on file with the IRS?

If yes,

- a. Please attach this organization's most recently filed 990 Form.

Sponsorship or Donation Request

1. **Amount Requested:** \$20,000
2. **Date Needed:** August 2023
3. **Please describe the purpose of your funding request. What will the funding be used for?**

The funding is being requested for the South Texas International Film Festival to be held September 14-16, 2023. Since the film festival's inception, EEDC has been part of the festival's strong foundation, this has allowed us to grow the festival into a well-rounded and highly anticipated event as we strive to promote the growing film industry in South Texas.

This year, once again, filmmakers are preparing to join us in Edinburg as we continue to showcase regional, national, and international films that have a unique voice and style. This year, we received 206 submissions representing 19 countries and we have narrowed them down to include the screening of over 50 short and feature-length films, documentaries, music videos, and animations.

As we strive to bring together filmmakers and artists to help connect the South Texas film industry with the world, the festival will include special celebrity guests, workshops, panel discussions, a pitch competition, and an industry expo. Our goal is to encourage cinematic growth and attract potential investors by helping place the City of Edinburg on the industry map and draw future productions into our recognized Film Friendly City.

4. Explain and provide supporting information regarding how the event, programming, or services being sponsored impact economic development within the City of Edinburg. Examples include the number of attendees, whether attendees will be traveling to the City, the impact on local businesses, etc.

The festival attracts filmmakers, industry professionals, and visitors, leading to increased patronage of local businesses such as hotels, restaurants, and vendors. This international Film Festival has brought individuals from all over the United States and Mexico as well as filmmakers from Portugal, Japan, and Germany, and as we rebuild our brand after Covid, we are confident in the festival's ability to continue attracting tourism.

This year, we hope to maximize the economic impact by fostering collaborations and attracting talent, such as our celebrity guests for 2023, actors Lou Diamond Phillips and Carlos Gallardo, the original main actor in Robert Rodriguez's breakthrough film "El Mariachi", who will be here to celebrate the 30th anniversary of the film. We especially want to showcase the City of Edinburg as an ideal filming location.

Through the years, STXIFF has become a prominent platform for emerging and established filmmakers to showcase their work and gain recognition in the industry. The festival attracts a diverse audience, including regional, national, and international filmmakers, as well as film students, community members, and visitors who get a unique opportunity to enjoy a variety of films.

In past years, on an annual basis, we have had about 1500 attendees that come from surrounding cities, northern Mexico, and throughout the United States for the three-day festival. Some also come to Edinburg, the weekend before, to be part of the festival's 48-hour race, which awards the best 48-hour production filmed in Edinburg.

5. If awarded, what measurable outcomes will be achieved as a result of your program?

- We will provide an attendee count that specifies how many attended the festival.
- We will conduct an economic impact survey during the festival that will later be used to show the actual economic impact of the event.

We are hoping that by planning and implementing a successful film festival, we can attract more people to visit and ultimately film in the City of Edinburg.

How will the community benefit?

- The community benefits by having access to over 50 of the best films submitted to the festival, films that they would not have had an opportunity to see if not for the festival.
- In an effort to support a creative workforce, filmmakers, actors, and the public will have an opportunity to network with others in the film industry and enjoy filmmaker panel discussions, a special effects makeup workshop, celebrity artists Q & As, a workshop on the Texas Film Commission’s incentives as well as an opportunity to witness a live pitch session to a panel of producers and much more.
- Aspiring and emerging filmmakers will benefit from a “Student Day” where student filmmakers from various RGV School districts have an opportunity to bus in students for a special day of film screenings, meeting celebrities, participating in special workshops, and having candid talks with participating mentor filmmakers.
- Actors and filmmakers will have the unique opportunity to spend three days with other filmmakers, where they network and sometimes even collaborate as seen in some of the film submissions.
- Local restaurants, hotels, and businesses will benefit from additional revenue generated by those visiting Edinburg to attend the South Texas International Film Festival.
- The City of Edinburg benefits by not only having STXIFF participants and attendees in Edinburg, but it also showcases Edinburg as an innovative city that values the arts and filmmaking, as well as creates an opportunity to showcase Edinburg to the filmmakers and location scouts.

6. Please attach a budget for your program and indicate what share of the total program cost this request for city funding will cover.

Film Fest Branding	Printing of posters, signage etc...	\$5,000
Venue Services – EEC at R.	AV, linens, custodial, room set up, etc...	\$5,000
Award Ceremony	Stage/Branding	\$2,500
Marketing/Promotion	Print, radio, TV & social media	\$4,000
Guest lodging for Celebrities	Local hotel	\$1,000
Airfare for Celebrities	Echo Travel	\$1,500
Hospitality (food celebrities/presenters)	Local restaurants	\$1,000

The total project cost will be about \$90,000 with this request covering approximately 21% of the project.

Funding History

1. Has this organization received sponsorships or donations in the past from the EEDC and/or the City of Edinburg? **YES**

If yes,

- a. Please list funding amounts awarded per year for the most recent five-year period.**

2022 No requests, coming back from pandemic
2021 Virtual film festival
2020 Virtual film festival
2019 \$20,000 for STXIFF
2018 \$20,000 for STXIFF

- b. Please describe what measurable outcomes were achieved as a result of your programs supported by city funds.**

- 2015 The Film Festival was created.
- 2017 The South Texas International Film Festival was the catalyst for Edinburg to apply to the Film Friendly program.
- 2018 The City of Edinburg received the official designation of a Film Friendly Community from the Texas Film Commission from the Office of the Governor.
- 2020 The Texas Film Commission recognized the South Texas International Film Festival as an “Established” film festival after five years as an “Emerging” film festival.
- The South Texas International Film Festival’s Film Friendly Program continues to attract film productions to Edinburg and has assisted with seven films to date.

- 2. Has this organization received other funding from the EEDC and/or the City of Edinburg (e.g., grants, federal or state pass-through funding, etc.)**

No, it has not.

If yes,

- a. Please list funding sources and amounts awarded per year for the most recent five-year period.**

Exclusions

- Persons seeking financial support for their individual participation in a fundraising effort or event
- Persons requesting funds for their private use, regardless of the intent or need

- Requests that benefit single individuals
- Political causes or candidates
- Organizations that promote the sale or consumption of alcohol, tobacco products or federally illegal drugs
- Promotion of the use or sale of firearms, explosives or other weapons, or the depiction, suggestion, or glorification of violence or acts of a violent nature
- Organizations that promote gambling
- Sexually oriented businesses
- Organizations requesting inappropriate or unlawful expenditures, as determined by the City in its sole discretion

The EEDC has sole discretion to determine whether an event benefits residents of the City of Edinburg and should therefore be a recipient of sponsorship funding or support under this Policy. The EEDC reserves the right to decline any request for EEDC sponsorship if acceptance is deemed not to be in the best interest of the EEDC, or if acceptance would create a conflict of interest for the EEDC.



STX 2023
SOUTH TEXAS
INTERNATIONAL
FILM FESTIVAL
EDINBURG, TX

IFF

Connecting South Texas with the World

STX
IFF

SOUTH TEXAS
INTERNATIONAL
FILM FESTIVAL

MISSION

To showcase the work of visionary filmmakers, support the local film industry, attract filmmakers to the RGV, and connect the South Texas Film Industry with the world.



*FILMS THAT
IMPACT*

VISION

Establish Edinburg as a Film Destination

Benefits of a Film Festival to Our City



PROMOTES TOURISM & THE CITY



Film festivals draw in tourists from all over the world. It can also attract media and film fans.

SHOWCASING NEW TALENT

Great opportunity to showcase local talent as well as up and coming film makers & actors that bring attention to the City.



ENCOURAGES COMMUNITY



Provides an opportunity to meet like-minded people and to discuss films.

NETWORKING

Filmmakers have a chance to network with fellow filmmakers, supporters, media representatives and various professionals.



BENEFITS LOCAL MERCHANTS



Tourists spend money. Film festivals attract tourists and during their stay, they visit local stores and restaurants.

Creating an Economic Impact!

Opportunity to Showcase our City





Support The Local Film Industry

Connecting a Creative Workforce

- Workshops & Training
- Mixers that serve as Network Opportunities
- Provide Connections to UTRGV Film Department
- Student Day

- Establishing a Film Industry Directory – ready for local filming

STX
IFF

SOUTH TEXAS
INTERNATIONAL
FILM FESTIVAL

2023

THREE DAYS OF

- FILMS
- PANEL DISCUSSIONS
- WORKSHOPS
- CELEBRITIES
- NETWORKING OPPORTUNITIES
- ...AND MUCH MORE!



*FILMS THAT
IMPACT*

STX IFF

SOUTH TEXAS
INTERNATIONAL
FILM FESTIVAL

2023

FILMS THAT
IMPACT

Edinburg
THE CITY OF
STX 2023
SOUTH TEXAS
INTERNATIONAL
FILM FESTIVAL
EDINBURG, TX
IFF

THANK YOU FOR
SUBMITTING

FILMS FROM
19 DIFFERENT COUNTRIES



Belgium	Ireland	Spain	Germany
Venezuela	Japan	Taiwan	Greece
Brazil	Republic of Korea	Turkey	Poland
Canada	Mexico	United Kingdom	Russian Federation
France	Nepal	United States	

VISIT STXIFF.COM

Numbers Worth Remark



206
Submissions

78
Official
Selections



10
Pitch Finalists
will attend the
Festival

57
RGV Ties



45
Filmed in the
RGV

**16 Produced
in Edinburg**

Projected
Attendance:
1500+

WORKSHOPS

- Filming Incentives in Texas –
TX Film Commission
- Special Effects Makeup –
John Caglione, Jr
- Finance & Distribution-



2023



PANEL DISCUSSIONS/ Q & A

- Filmmaker Panel Discussions
- Celebrity Q & A



Special FX Makeup Workshop

- **John Caglione, Jr.**
Academy Award & Emmy Award Winner



Celebrity Guests

- Lou Diamond Phillips
- Valente Rodriguez

30th Anniversary of the movie that revolutionized movie making



Carlos Gallardo

STXIFF Reviews



"This is probably one of the best festivals I have ever attended! Also, it might be one of the most beneficial festivals for me as a filmmaker. The networking and possible future collaboration I have come away with is amazing. I want to also add that this festival goes beyond everything to take care of the filmmakers as their guest! I will always submit my work to this festival in hopes of getting to experience it again!"

-James Fite



"The networking and possible future collaboration I have come away with is amazing."

Quality



Value



Communication



Hospitality



Networking





2023 Request

\$20,000

• Branding of the Film Festival	Printing	5,000
• Venue Services	ECCR	5,000
• Award Ceremony	Stage/Branding	2,500
• Promotion	Print, Radio & Social Media	4,000
• Lodging Celebrities & Presenters	Local Hotel	1,000
• Airfare	Echo Travel	1,500
• Hospitality Celebrities & Presenters	Food from Edinburg Restaurants	1,000

Monies will support Edinburg businesses!



A Strong Foundation

THE CITY OF
Edinburg


EDINBURG
Economic Development Corporation

Supporting the Film Industry • Promoting Tourism • Creating Economic Impact



Edinburg, TX

Detail Report Account Detail

Date Range: 10/01/2022 - 07/07/2023

Account	Name	Beginning Balance	Total Activity	Total Debits	Total Credits	Ending Balance		
Fund: 450 - EDINBURG EDC								
<u>450-8000-800401</u>	SPONSORSHIPS	0.00	70,000.00	70,000.00	0.00	70,000.00		
Post Date	Packet Number	Source Transaction	Description	Vendor	Project Account	Debits	Credits	Running Balance
10/14/2022	APPKT01912	SPONSORSHIP 072622	SPONSORSHIP FOR UTRGV ATHLETICS	59862 - UTRGV		12,500.00		12,500.00
11/18/2022	APPKT01993	2022 EDBG CARES	FOOD DRIVE SPONSORING 2022 EDBG CARES	02-17050-0 - CITY OF EDBG-PARKS & RECR...		500.00		13,000.00
12/02/2022	APPKT02019	SPONSORSHIP/FIRES...	SPONSORSHIP/FIRESTOPPERS FESTIVAL 12.0...	62210 - EDINBURG FIRE DEPARTMENT		500.00		13,500.00
12/22/2022	APPKT02062	2023-002	STMA JAN SPONSERSHIP	57187 - SOUTH TEXAS MANUFACTURERS A...		5,000.00		18,500.00
01/06/2023	APPKT02080	SPONSORSHIP	SPONSORSHIP FOR RGVP 23RD LEGISLATIVE ...	61238 - RIO GRANDE VALLEY PARTNERSHIP		5,000.00		23,500.00
03/03/2023	APPKT02172	FIESTA EDINBURG 23	SPONSORSHIP FIESTA EDINBURG 2023	02-22390-0 - EDINBURG CHAMBER OF CO...		20,000.00		43,500.00
03/31/2023	APPKT02224	13014	CIVIL LEADER SPONSORSHIP	62609 - RGV HISPANIC CHAMBER OF COM...		1,000.00		44,500.00
03/31/2023	APPKT02224	LUNCHEON	SPONSOR PUBLIC AFFAIRS LUNCHEON GUE...	02-22390-0 - EDINBURG CHAMBER OF CO...		1,000.00		45,500.00
03/31/2023	APPKT02224	SPONSORSHIP	TEXAS LYCEUM FOR THE STATE OF TX WOM...	62610 - THE TEXAS LYCEUM		5,000.00		50,500.00
04/21/2023	APPKT02259	SBA 2301	SPONSORSHIP FOR NSBW LUNCHEON	61238 - RIO GRANDE VALLEY PARTNERSHIP		1,000.00		51,500.00
05/12/2023	APPKT02296	80321	SPONSORSHIP/HCBA LAW DAY GALA	62734 - HIDALGO COUNTY BAR ASSOCIATI...		1,000.00		52,500.00
06/02/2023	APPKT02329	41460	EDBG CHAMB. COMM/TEXAS COOK'EM HIG...	02-22390-0 - EDINBURG CHAMBER OF CO...		15,000.00		67,500.00
06/02/2023	APPKT02329	ICSC 2309	ICSC RECEPTION /LAS VEGAS	61238 - RIO GRANDE VALLEY PARTNERSHIP		1,500.00		69,000.00
06/23/2023	APPKT02368	SPONSORSHIP 08.01....	27TH ANNUAL NATIONAL NIGHT OUT	57436 - EDINBURG POLICE DEPARTMENT		1,000.00		70,000.00

Budget Summary

Original Budget	\$100,000.00
Budget Adjustment	\$0.00
Current Budget	\$100,000.00
Activity	\$70,000.00
Encumbrance	\$0.00
Reserve	\$0.00
Budget Remaining	\$30,000.00
Pending	\$2,000.00
Budget Available	\$28,000.00



Legend:
■ Budget Available
■ Budget Used

Total Fund: 450 - EDINBURG EDC:	0.00	70,000.00	70,000.00	0.00	70,000.00
Grand Totals:	0.00	70,000.00	70,000.00	0.00	70,000.00

July 20, 2023,

Dear Raudel Garza,

South Texas Film Festival will attract visitors (out-of-town and local) who come to attend the festival. Visitors spend money on hotels, transportation, food, shopping, entertainment, and miscellaneous items in Edinburg. STXIFF estimates that it will attract 1,500 (450 out of town + 1,050 local) visitors to the festival. Using visitor data estimates and average expenditure data of Texas visitors from Texas Destinations report, UTRGV DISC estimates that visitors and event management will spend \$379,704 dollars in Edinburg. See Table 1.

Table 1. Visitor and Management Spending	
STXIFF expenditure	\$87,969
Hotels and Motels	\$87,750
Transportation	\$74,910
Food	\$55,238
Shopping	\$40,433
Entertainment	\$24,255
Miscellaneous	\$9,150
Total	\$379,704

Source: STXIFF, EEDC, DISC estimates, Texas Destinations Report, travel stats.


South Texas Film Festival with an estimated \$379,704 in spending will support the creation of 5 jobs, generate \$163,619 in labor income, add \$232,414 to the Texas Gross Domestic Product, and create \$41,767 in state and local taxes, for a total economic output of \$461,973 on the Edinburg region’s economy. See Table 2.

Table 2. Economic Impact – South Texas Film Festival

Impact Type	Employment	Labor Income	Value Added	Output
Direct Impacts	3	\$84,328	\$115,635	\$278,976
Indirect Impacts	1	\$29,224	\$44,142	\$101,648
Induced Impacts	1	\$21,492	\$38,514	\$72,344
Total Impacts	5	\$135,044	\$198,290	\$452,967
Local and State Tax				\$33,139

The study area was Hidalgo County 2023 economic data.

Sincerely,



Sai Mullanpudi
(956) 665-2301

Methodology

The Impact Analysis for Planning (IMPLAN) input-output economic modeling system was used to estimate the economic impact. IMPLAN is a widely-used, nationally renowned, economic modeling system, which consists of regional economic data and software. IMPLAN is an accounting system of economic transactions that take place among industries, businesses and consumers in an economy. When the company spends money in the form of purchases, salaries, capital investment, construction, etc., it is creating an economic impact; some of this money is re-spent one or more times in the local economy, creating additional economic impact, also called the multiplier effect. Multipliers are related to three kinds of effects:

Direct effects are changes in the local economy caused by some economic change in the area. An example would be new construction or a new business moving into the area, which will cause a change in the overall level of economic activity in the area.

Indirect effects are the changes in inter industry purchases as they respond to the new demands of the directly affected industries. An example would be a business buying goods it sells to consumers from a wholesaler or manufacturer. This and the subsequent rounds of purchases are classified as indirect effects.

Induced effects reflect changes in inter industry spending resulting from household spending. This spending comes from household income generated from the direct and indirect effects.

Definitions

Employment—Employment supported in the study area related to the spending generated as a result of the events occurring with the new event. Employment impact is stated in job years.

Labor Income—All forms of employment income, including employee compensation (wages and benefits) and proprietor income.

Value Added—Is the sum of total income and indirect business taxes. Value added is the most commonly used measure of the contribution of a region to the national economy, as it avoids double counting of intermediate sales and captures only the “value added” by the region to final products.

Output—Output represents the value of industry production. In IMPLAN these are annual production estimates for the year of the dataset and are in producer prices. For manufacturers this would be sales plus/minus change in inventory. For service sectors production equals sales. For retail and wholesale trade, output equals gross margin and not gross sales.

Edinburg Economic Development Corporation
Meeting Date: July 25, 2023

Consider approval of a sponsorship for the RGV Partnership's
RGV Economic Development Summit.

1. Agenda Item:

Consider approval of a sponsorship for the RGV Partnership's RGV Economic Development Summit.

2. Description/Scope:

The RGV Partnership is hosting a regional Economic Development Summit in partnership with the City of Edinburg at the Bert Ogden Arena. The event is scheduled to be hosted in August 2023 to accommodate Gov. Greg Abbott's schedule.

3. Estimated Timeline:

August 2023

4. Budget:

With anticipated amendments to the line item, we should have funds available to cover the request.

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

Staff recommends approval of a \$2,500 sponsorship.

7. Justification:

The RGV Economic Development Summit is an opportunity to kick off a collaborative effort with cities across Starr, Hidalgo, Cameron, and Willacy counties.

/s/ Raudel Garza

ATTACHMENTS

Attachment A: Economic Summit Sponsorship Levels

Approved:	_____
Not Approved:	_____
Tabled:	_____

No Action: _____

SAVE THE DATE



*Rio Grande
Valley*

ECONOMIC SUMMIT



FEATURING

SPECIAL GUEST



Join the RGV Partnership as we discuss
strategic alignment for economic
growth across the Rio Grande Valley.

DATE TO BE DETERMINED

FOR AUGUST

BERT OGDEN ARENA,

4900S I-69C, EDINBURG, TX 78539



REGISTRATION IS REQUIRED TO ATTEND

FOR REGISTRATION OR TO SPONSOR, KINDLY REACH OUT TO
FERNANDA SANCHEZ AT FERNANDA@RGVPARTNERSHIP.COM
(956) 293-7581.



ONE REGION, ONE VOICE



2023 RGV ECONOMIC SUMMIT



SPONSORSHIP

LEVELS



Title Sponsor \$6,000

- TABLE OF 8 WITH TITLE SPONSOR PLACING
- OPPORTUNITY TO DISTRIBUTE COMPANY FLYER (PROVIDED BY COMPANY)
- OPPORTUNITY TO PLACE 2 COMPANY ADS ON RGVP SOCIAL MEDIA PAGES (PROVIDED BY COMPANY)
- PRIORITY LOGO PLACEMENT ON THE PROGRAM AS TITLE SPONSOR
- PRIORITY LOGO PLACEMENT ON SOCIAL MEDIA AS TITLE SPONSOR
- PRIORITY LOGO DISPLAYED ON THE RGVP WEB SITE; ROTATING LANDING PAGE FOR 6-MONTHS
- TV LOGO PLACEMENT
- PREMIUM PARKING

Diamond Media Sponsor \$4,500

- TABLE OF 8 WITH DIAMOND SPONSOR PLACING
- OPPORTUNITY TO DISTRIBUTE COMPANY FLYER (PROVIDED BY COMPANY)
- OPPORTUNITY TO PLACE 2 COMPANY ADS ON RGVP SOCIAL MEDIA PAGES (PROVIDED BY COMPANY)
- LOGO PLACEMENT ON THE PROGRAM AS TITLE SPONSOR
- LOGO PLACEMENT ON SOCIAL MEDIA AS TITLE SPONSOR
- LOGO DISPLAYED ON THE RGVP WEB SITE; ROTATING LANDING PAGE FOR 6-MONTHS
- TV LOGO PLACEMENT

ONE REGION, ONE VOICE



2023 RGV ECONOMIC SUMMIT



SPONSORSHIP LEVELS

Platinum Sponsors \$2,500

- TABLE OF 8 WITH PROMINENT PLACING
- OPPORTUNITY TO DISTRIBUTE COMPANY FLYER (PROVIDED BY COMPANY)
- OPPORTUNITY TO PLACE 2 COMPANY ADS ON RGVP SOCIAL MEDIA PAGES (PROVIDED BY COMPANY)
- LOGO PLACEMENT ON THE PROGRAM AS PLATINUM SPONSOR
- LOGO PLACEMENT ON SOCIAL MEDIA AS PLATINUM SPONSOR
- LOGO DISPLAYED ON THE RGVP WEB SITE; ROTATING LANDING PAGE FOR 6-MONTHS

Gold Sponsor \$1000

- TABLE OF 8
- LOGO PLACEMENT ON THE PROGRAM AS GOLD SPONSOR
- LOGO PLACEMENT ON SOCIAL MEDIA AS GOLD SPONSOR

Individual Sponsor \$100

- 1 SEAT AT ASSIGNED TABLE OF 8

PLEASE RSVP WITH FERNANDA@RGVPARTNERSHIP OR 956-293-7581



**To sponsor, please complete the following and
return by mail or email at
Fernanda@rgvpartnership.com**

Company/Organization _____

Contact _____

Billing Address _____

City _____ State _____ ZIP _____

Phone _____

Email _____

Sponsorship Level _____

Payment Types:

Credit Card Check Please Invoice me

Credit Card Number _____

Expiration date _____ ZIP _____ CVV _____

Signature _____

**Checks should be payable to “RGV Partnership” and mailed
to: RGV Partnership | P.O. Box 1499, Weslaco, Tx 78599**

**PLEASE CONTACT FERNANDA SANCHEZ AT 956-968-3141 OR BY EMAIL AT
FERNANDA@RGVPARTNERSHIP.COM FOR ADDITIONAL INFORMATION**

Edinburg Economic Development Corporation
Meeting Date: July 25, 2023

Consider approval of FY 22-23 Semi-Annual Report to City Council from EEDC Board.

1. Agenda Item:

Consider approval of FY 22-23 Semi-Annual Report to City Council from EEDC Board.

2. Description/Scope:

EEDC Executive Director, Raudel Garza, will present the FY 22-23 Semi-Annual Report due to the City Council from EEDC Board. If approved, the Semi-Annual Report will be presented to the City Council at the next meeting.

3. Estimated Timeline:

October 1, 2022 through March 31, 2023.

4. Budget:

N/A

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

Staff recommends Approval.

7. Justification:

The semi-annual report is required per the EEDC bylaws.

/s/ Raudel Garza

ATTACHMENTS

Attachment A: Edinburg EDC FY22-23 Semi-annual Report

Attachment B: Edinburg EDC Incentive Guidelines and Principles

Attachment C: Edinburg EDC Speculative Building Program

Attachment D: Edinburg EDC Commercial Recruitment Program

Approved:	_____
Not Approved:	_____
Tabled:	_____

No Action: _____



2022-2023 Semi-Annual Report
Edinburg Economic Development Corporation

The Bylaws of the Edinburg Economic Development Corporation state that a semi-annual report must be presented to the City Council. The mid-year report should cover the period from October 1 to March 31 and shall include the following:

1. Accomplishments to date as compared with the economic development plan.
2. Anticipated short-term challenges during the next six months reporting period together with recommendations to meet such short-term challenges.
3. Long-term issues to be dealt with over the succeeding twelve-month period or longer period of time, together with recommendations to meet such issues with emphasis to be placed on direct economic development.
4. A recap of all budgeted expenditures for the first six months of the fiscal year, together with a recap of budgeted funds left unexpended and any commitment made on said unexpended funds. The recap of expenditures shall set forth separately those expenditures made in connection with direct economic development and those expenditures made by the Board in the discharge of its other duties.

The following is our report to the City Council of the City of Edinburg, Texas.

It has been a very busy six months for the EEDC. Key accomplishments include:

- 1) The hiring of an Executive Director
- 2) Negotiating the sale of x properties
- 3) Considering and assessing various properties for use as EEDC office space
- 4) The establishment of key guidelines of an incentive policy
- 5) The establishment of a Commercial Recruitment Program
- 6) The establishment of an Industrial Spec Building Program
- 7) Increased marketing in social media and print media
- 8) Upgrading of the EEDC website
- 9) Participation in conferences that have led to leads, increased networking opportunities and have exposed Edinburg to retailers, developers, brokers, lawmakers and others throughout the state and country
- 10) Hosted a Red, White, and You Veterans Job Fair and an Entrepreneurship Bootcamp in partnership with Workforce Solutions
- 11) Increased its participation in small business assistance

Economic Development Plan –

An Economic Development Plan was not adopted during the budgeting process for FY 22-23. The EEDC spent considerable time hiring an EDC Director, which occurred in November 2022, and he had to get familiarized with projects, begin looking for potential office space, advertising for staff and much more. However, based on the information gathered and presented during the budgeting process, the following constitutes the key priorities for a proposed 2023 Work Plan:

- Completion of the 2019 and 2021 Bond projects including:
 - Capable Kids Park
 - El Tule Center
 - Resource (Workforce Training) Center
 - Arts, Culture, and events (ACE) Center
 - Parking Garage
- Revamping the Incentive Policy
- Marketing
- Small Business Assistance
- Airport
- Coordinating with the City's Comprehensive Plan Update, with particular attention paid to pedestrian activity and beautification of downtown
Operational improvements such as a more coordinated approach to real estate management.

ACCOMPLISHMENTS TO DATE AS COMPARED WITH THE ECONOMIC DEVELOPMENT PLAN:

Bond Projects:

Bond projects listed above are in progress or completed. El Tule Center is 95% complete, while the ACE Center is moving along rapidly (28% complete). The Parking Garage project has completed a needs assessment and is also under design. Several options for the development of the Resource Center are being studied keeping in mind the desire to locate it in an area where there is high need for services and not duplicating services that are readily available via other partners.

Revamping Incentive Policy:

The Board adopted a new Incentives Guidelines and Principles document and also approved a Commercial Recruitment Program and an Industrial Spec Building Program to serve as guides for potential projects. The Guidelines, Commercial Recruitment Program, and the Industrial Spec Building Program are attached herein.

Marketing:

EEDC has continued to market Edinburg through traditional channels such as national and international trade publications. We have advertised in Mexico Now, De Shopping en Texas, Mexico Industry, Texas Border Business, Rio Grande Guardian, Trade and Industry Development magazine.

Edinburg is also a participant and member of Team Texas and participated with this statewide organization in marketing at trade shows such as MRO Americas, a large convention focused on aviation

and aeronautical companies seeking to improve efficiencies in Maintenance and Repair Operations or seeking to make connections with suppliers, vendors and others in that arena. Through Team Texas, EEDC will be attending the 2023 Economic Summit in Odessa in August. This Summit gathers site selectors discussing issues impacting economic development.

In April, EEDC was represented at the Site Selectors Guild Spring Forum in San Antonio where over sixty site selectors were present. EEDC met with many of them and promoted Edinburg assets. In May, EEDC staff and board members attended the ICSC Convention in Las Vegas. EEDC featured its assets via maps, a video, print material and giveaways from UTRGV. The booth proved to be very popular and via meetings both at the EEDC booth and at other locations, EEDC made well over 50 new connections with retailers, brokers and developers interested in South Texas.

EEDC continues to update and upgrade its website as that is the first place many site selectors and others go to for information on Edinburg. By contracting with ReSimplifi, we enhanced our property database and immediately increased the number of properties listed on our website from ten to 100+ listings.

EEDC also continues to have a strong presence in social media including Twitter, Facebook, LinkedIn, Instagram and other media.

Because of his standing as a Board member of the Texas Economic Development Council, and member of the Team Texas Advisory Board, EEDC's Executive Director secured TEDC to a Sales Tax Workshop in Edinburg on September 8, 2023.

EEDC has also been active in sponsoring large events that help attract tourists and visitors to the city throughout the year. EEDC has sponsored and participated in:

- Fiesta Edinburg
- Texas Cook 'em
- Santa & Sirens Firestoppers' Festival
- Frida Fest
- Edinburg Cares Food Drive
- Texas Lyceum's State of Texas Women conference
- Legislative Luncheon with Edinburg Chamber of Commerce
- National Night Out for Edinburg Police Department
- Hidalgo County Bar Association Gala
- RGV Hispanic Chamber of Commerce Future of Small Business in Texas Luncheon
- RGV Partnership Legislative Tour
- RGV Partnership ICSC Reception
- RGV Partnership's National Small Business Week Awards Luncheon
- UTRGV Athletics Partnership
- VIDA's 1st Annual Golf Tournament

EEDC continues to foster relationships with existing manufacturers, suppliers, and others in the industrial sector by participating with South Texas Manufacturer's Association, AEM US (Asociacion de Empresarios Mexicanos), the International Chamber of Commerce, and others with strong ties to Mexican companies.

Small Business Assistance:

EEDC and LiftFund began the Interest Buydown Loan Program earlier this year. With \$100,000 committed to the program, LiftFund expects to leverage that investment to about \$600,000 in loans at 2.5% interest.

EEDC also signed a Strategic Alliance Memorandum in January with the US Small Business Administration to provide access to a variety of programs and services such as SCORE, WBC, and SBDC. SBA will also make available speakers for training events to be held throughout the year.

Airport:

In addition to the MRO Americas trade show with Team Texas, EEDC staff continues to work with Airport staff to market available land at South Texas International Airport.

Coordinating with the City's Comprehensive Plan Update, with particular attention to pedestrian activity and beautification of downtown

The City's Comprehensive Plan Update has not begun. The EEDC intends to work on a strategic plan within the next 90 days.

EEDC actively participates in the Edinburg 2040 Economic Development/Innovation/Entrepreneurship/Workforce committee meetings to collaborate and contribute with organizations to promote economic growth, a skilled workforce, and create quality and educational career and business opportunities.

Operational improvements to produce a more coordinated approach to real estate management.

Over the past few months, staff has begun to streamline the land purchasing process/procedures. As the EEDC hires staff, it will continue refining land transactions are coordinated. EEDC has been asking surveyors to produce surveys for each property that we have for sale to shorten the time necessary for feasibility, and has been working through development issues so that buyers can be made aware of them during the shorter feasibility or escrow periods.

Additionally, EEDC is working on maximizing use of our online property database to promote real estate that is available for sale or lease, whether owned by EEDC or others in the private sector. ReSimplifi is a platform that has helped us increase tenfold the number of properties listed on our database.

ANTICIPATED SHORT-TERM CHALLENGES DURING THE NEXT SIX MONTHS REPORTING PERIOD TOGETHER WITH RECOMMENDATIONS TO MEET SUCH SHORT-TERM CHALLENGES

1. Staffing – EEDC Board hired an Executive Director in November 2022. With all the different projects and new inquiries coming in, the ED has been working with City Manager Ayala and her staff to keep things moving forward. Additional staff has come on board but two positions remain unfilled. The EDC anticipates being fully-staffed by the end of the calendar year, but the lack of office space may create an additional challenge.
2. Office Space – At the beginning of the fiscal year, EEDC Board considered purchasing a property to be used by EEDC and City Staff and potentially as part of the Workforce Resource Center for which the EEDC has issued bonds. However, those plans changed and EEDC is now working towards finishing out the space at the Transit Center to house EEDC staff. While others have asked EEDC to consider purchasing property that may also fill the needs of a growing City staff and provide for a one-stop shop for development services, the EEDC believes that the Transit Center space is the best option as it is near City Hall and the Mid-Town Development District. EEDC remains open to other alternatives, but will move forward in the short-term to establish a presence at the transit center. EEDC has relocated to a new space for a one-year lease, as we work on finalizing transit center space use.
3. North Industrial Park development – EEDC has three lots under contract at this time. Closing on those three lots should happen by end of August or sooner. Considering the demand for additional industrial land and current negotiations with companies, EEDC will potentially sell out of property by the end of the calendar year. There is also a large demand for smaller lots from smaller companies seeking to establish a presence in Edinburg. The cost of development along with the cost of raw land in more desirable locations makes for a big challenge. In order for Edinburg to continue to be competitive in the attraction of industrial companies, we must acquire more property and develop that land as soon as possible. We will also look at options for development of the airport property. We need to engage in the services of a good land planner to review the potential lot layouts for airport land.
4. Mid-Town Development District – the district was created and a board formed to help guide communication between the City, ECISD, UTRGV and the EEDC. The board has been inactive for a while. EEDC recommends that the MTDD Board reconvene and review status of the various projects within the District, and create a plan of action to move this project forward.
5. Workforce Development – Edinburg continues to be in the top 2 in terms of Valley cities with lowest unemployment rates. However, we still have over 2500 people in the city who are unemployed and actively looking for work. Based on the last job fair, we have many job openings, but we need to match the job-seekers to those openings. EEDC recommends continuing to hold job fairs and expos on a more regular basis and also have staff work with

Workforce Solutions to create a more user-friendly job board. Additional resources to promote the job openings and businesses seeking to fill positions should also be allocated.

6. Workforce Resource Center – Along with the office space and workforce development challenges, we have bond monies available to finish the potential center. There are several real estate options, but we have to also work on programming and establishing space requirements in order to make this center viable for the community. EEDC recommends that we (City and EEDC) spend time outlining basic programming and assessing the demand for this type of space to help identify the real estate options.
7. Professional services – EEDC has used several different engineering firms, surveyors, and planners/architects for various projects. Spreading the work around may seem fair to the service providers, but it doesn't always help EEDC meet its needs on a timely basis. EEDC recommends selecting one firm for each of those disciplines and working with them on a consistent basis to plan, design, and construct the improvements necessary to develop projects in a more efficient manner. Additionally, a good planner can help create the marketing materials needed and demanded by potential buyers and users of space.

LONG-TERM ISSUES TO BE DEALT WITH OVER THE SUCCEEDING TWELVE-MONTH PERIOD OR LONGER PERIOD OF TIME, TOGETHER WITH RECOMMENDATIONS TO MEET SUCH ISSUES WITH EMPHASIS TO BE PLACED ON DIRECT ECONOMIC DEVELOPMENT

1. Strategic Planning – The lack of a strategic plan could pose problems in the future as we work through projects and activities. We need that sense of a solid direction to hold us accountable for our decision-making process. The City of Edinburg should be initiating an update of their Comprehensive Plan soon, and our long-term strategic plan should be a part of that overall effort. However, we should also have a three to five-year plan which addresses more immediate needs. EEDC recommends that this short-term plan begin in the next 30 to 60 days and that we set aside resources for a facilitator along with a couple of days for a board retreat to work on the plan.
2. Infrastructure needs continue to create challenges for this growing community. EEDC should, in its strategic planning strategy, identify how, where and when we can help with enhancements that lead to retain, attract and help expand manufacturing operations.
3. Education – There is a difference between community development and economic development. There are also statutes that govern the use of our local economic development sales tax revenues. As an organization, the board members and staff of the EEDC should participate in workshops and other educational forums to help us better understand those nuances, and thus help us make better decisions for our community. EEDC should also encourage City Council and key City staff to participate in the upcoming TEDC Sales Tax Workshop to be held here in Edinburg on September 8th.

4. Marketing – The number one source for information for many site selectors and real estate directors searching for information about Edinburg is our website. Although we have lots of information on the site, we need to consider upgrading and updating the website. This process can take months as information needs to be gathered and the right developers must be chosen. It is certainly a worthwhile endeavor as Edinburg wishes to be at the forefront of our competition.

A RECAP OF ALL BUDGETED EXPENDITURES FOR THE FIRST SIX MONTHS OF THE FISCAL YEAR, TOGETHER WITH A RECAP OF BUDGETED FUNDS LEFT UNEXPENDED AND ANY COMMITMENT MADE ON SAID UNEXPENDED FUNDS. THE RECAP OF EXPENDITURES SHALL SET FORTH SEPARATELY THOSE EXPENDITURES MADE IN CONNECTION WITH DIRECT ECONOMIC DEVELOPMENT AND THOSE EXPENDITURES MADE BY THE BOARD IN THE DISCHARGE OF ITS OTHER DUTIES.

Financial Statement for the first six months of fiscal year 2022-23 are attached.

Edinburg Economic Development Corporation Incentives Guidelines and Principles

The mission of the Edinburg Economic Development Corporation is to create an environment that leads to increased private capital investment and creation of new high-paying jobs and retention of existing jobs. Economic development as used here is the process that helps influence the creation of wealth and production of new job opportunities for our citizens.

The EEDC is a Type A economic development corporation and as such has a main focus of helping create primary jobs in the community. “A primary job is one at a company that exports a majority of its product or services to markets outside the local region, infusing new dollars into the local economy.”¹ Primary jobs are limited to specific industry sectors as outlined in the Local Government Code, Chapter 501.

A secondary focus of the EEDC is to improve the quality of life of its citizens by helping to attract unique retail experiences and other entertainment venues that help entice further investment in the community. This effort to improve the quality of life, and quality of place, also allows for the investment of EEDC funds in certain infrastructure projects.

All requests for financial assistance from the EEDC will be reviewed on a case-by-case basis, and the adoption of a program or programs shall in no way limit the EEDC Board from approving a financial incentive package that may be unique to one business, subject to existing statutes and approval from the Edinburg City Council.

The types of incentives that may be approved can include, but are not limited to:

1. Reimbursement of infrastructure improvements
2. Job creation grants
3. Rent subsidies
4. Reduced land cost (for land owned by the EEDC)
5. Loans
6. Interest rate buy-down programs
7. Sales tax rebate programs
8. Facade improvement grants
9. And other programs devised to encourage growth, subject to existing statutes or ordinances.

A performance agreement will be drafted by EEDC legal counsel and will be the controlling document outlining responsibilities and expectations from the parties to the agreement. Some of the criteria used to evaluate the eligibility of the business or applicant for financial incentives include, but are not necessarily limited to, the following:

- The business/applicant must be in good standing with the state and local entities in terms of the various taxes due.

¹ [Type A and B Economic Development Corporations Overview \(texas.gov\)](https://www.texas.gov)

- The business/applicant will provide EEDC with the necessary documentation for EEDC to properly evaluate the project and the request for assistance.
- Unless the business/applicant is an existing business in Edinburg, the applicant must not have made a location decision prior to submitting a request for assistance. This means that if the applicant has already signed a lease or closed on a property, or given any other indication that it has already made a location decision before reaching out to EEDC, that applicant will not be eligible as a new business and thus may be ineligible for incentives. Businesses/applicants considering Edinburg as a location for their new project are encouraged to contact EEDC as early in the process as possible.
- Past performance and experience will also be evaluated.
- Unless otherwise noted in a program, preference will be given to applicants generating fifty (50) or more full-time jobs earning a minimum of at least \$15.00 per hour with a benefits package being offered by the business/applicant.
- Preference will be given to the primary job creator versus the landlord/developer in the granting of financial assistance.

The existence of a program or programs and these guidelines do NOT in any way create an obligation to provide incentives to any business/applicant. As stated earlier, requests for financial incentives will be evaluated on a case-by-case basis and approval of one incentive does not create a “precedent” for future applicants.

A limiting factor in all incentives, aside from existing statutes, is the allocation of funding. EEDC, with City Council approval, will review and allocate funding as they see fit to accomplish their goals for that specific year.

Industrial Spec Building Program

To induce private investment in Class A industrial space in Edinburg, the Edinburg Economic Development Corporation has developed a program to help mitigate the risk of building a speculative industrial facility. The program is as follows:

Developer obligations:

1. The developer must show that they can complete a speculative industrial facility of at least 100,000 square feet. This includes the financial resources and expertise required to construct, maintain, and own such facilities.
2. The developer must construct a minimum of 100,000 square feet of Class A industrial space on land currently owned by the Edinburg Economic Development Corporation, or other land approved by EEDC. The price for EEDC land will be Fair Market Value unless otherwise negotiated by Developer and EEDC Board of Directors.
3. The developer must complete the construction of such facility within 24 months from the issuance of a building permit from the City of Edinburg.
4. Initially, the developer must provide EEDC with a term sheet from the proposed lender if the development is to be financed with 3rd party resources. Before construction begins, the developer must provide EEDC with a copy of the note and other documents providing evidence of available resources and the terms indicated in the construction loan agreements.
5. Developer must provide construction drawings including proposed site drawings prior to EEDC entering an agreement to make this program available to developer.
6. Developer will make good faith efforts to market the building.

EEDC obligations:

1. EEDC shall enter into a development agreement with developer for the construction of a class A industrial facility.
2. EEDC will reimburse the developer 50% of the interest paid on an acceptable construction loan for a period of 2 years. Initial payment to be negotiated based on the terms of the construction loan.
3. The EEDC interest payment to developer assumes that 100% of the facility is unencumbered by a lease. At any time that the developer executes a lease for all or a portion of the facility, the interest reimbursement from EEDC to the developer will be reduced on a pro rata basis of the total square footage leased. As an example, if 50% of the building is leased during or before the completion of the building, then the EEDC's portion of the interest payments will be reduced by 50% from that point forward.
4. EEDC will make good faith efforts to market the building.
5. Notwithstanding any of the above, no deal, transaction, or negotiation is valid unless in writing and approved by the EEDC Board of Directors and the Elective Commission of the City of Edinburg.

Commercial Recruitment Program:

The City of Edinburg and the Edinburg Economic Development Corporation (EEDC) continue to encourage new and/or existing commercial enterprises to locate or expand in Edinburg. Retail activity along the US-Mexico border is a basic economic driver which attracts, promotes, develops, and supports new commercial facilities and job growth and the retention of existing jobs in Edinburg. Some of these new and/or existing retail enterprises may qualify for assistance from EEDC based on the number and types of jobs newly-created or retained and the type of commercial entity. Applicants must qualify under the provisions of the Development Corporation Act (“Act”). Developers may apply on behalf of their tenants/retailers, but are not eligible to be the recipient of the grants without the full knowledge and consent of the retailer and approval from the EEDC Board and City Commission.

To encourage new retail development, the EEDC may pay an incentive amount equal to a portion of the local sales tax revenues generated by qualifying projects for a period of up to five years, an in an amount not to exceed half of the city tax revenue generated by that retailer in that location annually, or \$100,000, whichever is less. Amounts greater than \$100,000 per year will not carry forward to the next year.

A retailer and/or developer will be evaluated and graded on criteria established by the EEDC annually. The term granted and incentive amount is subject to the score generated by the retailer’s information, and subject to a written performance agreement and proper governmental approval. The **basic scoring criteria** is below:

# of FT employees	5 to 25	26-50	51+	Points Awarded
Points	10	20	30	
# of PT employees	10-100	101-200	201+	
Points	5	10	20	
Capital Investment	\$250,000 - \$1M	\$1M-\$5M	\$5M+	
Points	5	10	15	
Taxable Retail Sales	\$100,000 - \$1M	\$1M - \$5M	\$5M+	
Points	5	10	15	



Location	Points	Points Awarded
Opportunity Zones	10	
Downtown District	10	
University Corridor	5	
Trenton Corridor	5	
Monte Cristo Corridor	5	
East side along University Dr	20	
North I-69C Corridor	20	

Community Involvement	Points	Points Awarded
Chamber member	3	
Boys & Girls Club Supporter	3	
Leadership Edinburg	3	
UTRGV Foundation	3	
Other non-profits organizations	Range from 1 to 5	

Upon submission of a letter of interest and other information as outlined below by the applicant, staff will determine if the applicant qualifies under the Act and will grade the project and present findings to the EEDC Board of Directors for consideration.



The incentive amount for this program will, in part, be determined based on the following:

If scores is:	Then, rebate will be equal to:	Total Points
70 or higher	50% of the city sales tax revenue generated and paid by the applicant	
50 - 69	37.5% of the city sales tax revenue generated and paid by the applicant	
35 - 49	25% of the city sales tax revenue generated and paid by the applicant	
25 - 35	12.5% of the city sales tax revenue generated and paid by the applicant	

In order to be considered, the applicant must submit a letter of interest outlining the project. Plans (site, floor, utility, off-site and on-site improvements) and cost estimates must also be submitted. Other restrictions may apply, and this document serves only as a guide for the EEDC. Financial and proformas for the project, for the retailer, and for the developer should be included in the applicant's package. A definitive performance agreement will be drafted by EEDC legal counsel, and would need to be reviewed and approved by EEDC Board of Directors and City Council before any incentive is considered officially adopted. The program is subject to change and cancellation at any time by the EEDC Board, and can be modified at their discretion.



Edinburg Economic Development Corporation
Meeting Date: July 25, 2023

Discussion and possible action on a Small Business Assistance Program.

1. Agenda Item:

Discussion and possible action on a Small Business Assistance Program.

2. Description/Scope:

Raudel Garza will review a proposed small business assistance program with the Board. Subject to approval of the program and a budget amendment to cover the costs anticipated for the program, EEDC would be able to assist small businesses in some of their efforts to enhance their properties.

3. Estimated Timeline:

Current budget year and FY 2023-2024

4. Budget:

City of Edinburg ARPA funds may not be available. The Edinburg EDC has a budget line item for Small Business Program and Workforce Training which could be supplemented.

5. Procurement/Selection Process:

As discussed and outlined in the program.

6. Staff's Recommendation:

Staff recommends approval of the program and line item budget amendment to fund up to \$400,000 in the next twelve months.

7. Justification:

Improvements to facades, parking lots, signage, landscaping and more can lead to increased sales and beautification of small businesses. The program also helps show community support for small businesses.

/s/ Raudel Garza

ATTACHMENTS

Attachment A: EEDC Small Business Program Draft

Approved: _____

Not Approved:	_____
Tabled:	_____
No Action:	_____

Small Business Assistance Program

Our small businesses have been through quite a bit of turmoil in the last few years. From the pandemic, to high inflation, to actual weather storms that have wreaked havoc on our local economy. Some of these storms have damaged signs, awnings, facades, parking lots, and much more. Our current program _____ is designed to help alleviate some of those damages.

PROGRAM: The EEDC will provide up to \$10,000 in matching grants to a qualifying small business to help with repairs to existing parking lots, signage or facades. EEDC will have \$100,000 per quarter available for ten qualifying small businesses (\$10,000 each).

QUALIFICATIONS: The awards will be based on need/annual revenue, geographic location, number of employees, years in business. Points will be awarded in each category and will be reviewed by EEDC staff upon completion of the application by the small business. The ten qualifying businesses with the most points in that quarter will be eligible for the grant awards.

POINT SYSTEM:

Annual Revenue	\$100,000 or less	\$100,001 to \$250,000	\$250,001 to \$500,000	\$500,001 to \$1M	\$1M or greater	Total Points
	25	20	15	10	5	
Location	East University Corridor	East of I-69 or along Clossner	Monte Cristo Corridor	Downtown or Mid-town	All other locations	
	25	20	15	10	5	
FTEs	1-3	4-6	6-9	10-15	16+	
	25	20	15	10	5	
Years in Business	10+	7 to 9	4 to 6	2 to 3	1 or less	
	25	20	15	10	5	

ELIGIBLE EXPENSES:

Subject to review and approval by the EEDC Board and any applicable laws or codes and program rules, any hard costs associated with the renovation of exterior portions of property owned or leased by the qualifying small business can be reimbursed by this program.

RESTRICTIONS:

- Home Based Businesses are not eligible to apply
- Nonprofits are not eligible
- One Grant per business owner

The EEDC reserves the right to deny any category or business type ineligible including those businesses that are prohibited by federal or state law, businesses soliciting or promoting activities such as gambling, lobbying, and/or sexually-oriented activity, and those subject to indictment, arraignment, or other formal criminal charges.

DRAFT

Edinburg Economic Development Corporation
Meeting Date: July 25, 2023

Discussion and review of Edinburg EDC marketing activities.

1. Agenda Item:

Discussion and review of current marketing activities and potential new activity

2. Description/Scope:

Staff will review current marketing activities with Board and discuss potential new marketing initiatives.

3. Estimated Timeline:

Immediate

4. Budget:

Marketing line item in budget has funding available for current and new programs.

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

N/A

7. Justification:

/s/ Raudel Garza _____

ATTACHMENTS

Approved:	_____
Not Approved:	_____
Tabled:	_____
No Action:	_____