



**ECONOMIC DEVELOPMENT
CORPORATION BOARD OF DIRECTORS**

Location:

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

**JUNE 29, 2021
REGULAR MEETING AGENDA
ANNUAL MEETING**

4:00 PM

- 1. CALL TO ORDER, ESTABLISH A QUORUM**
- 2. CERTIFICATION OF PUBLIC NOTICE**
- 3. PUBLIC COMMENTS**

A specific portion of the meeting shall be dedicated to allowing Public Comments which will be limited to three (3) minutes. In person requests shall be requested by completing the Public Comment Form available at City Council Chambers. Telephone requests shall be completed by (a) sending an email to publiccomment@cityofedinburg.com or (b) calling 956-388-8204.

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

4. DIRECTOR'S REPORT

5. REGULAR AGENDA ITEMS

- A. Consider approval of minutes for board meeting on May 25, 2021.
- B. Consider approval of financial report for May 2021.
- C. Election of Officers: President, Vice President, Secretary, and Treasurer.
- D. Consider approval of sponsorship for the Edinburg Police Department National Night Out event.

- E. Consider awarding Bid #2021-29 for the construction of El Tule Recreation Center to Holchemont, LTD in an amount of \$5,217,000 and authorize the City Manager to enter into a professional services contract Pursuant to the City's Ordinances and Procurement Policies.
- F. Consider approval of sale of real property at 700 Independence Dr - Lot 11, North Industrial Park Edinburg, Hidalgo, County, Texas to Siddons-Martin Emergency Group for the amount of \$175,000.
- G. Consider and approval of a resolution approving the corporation's plan of finance pertaining to the contemplated issuance of obligations to be designated as "Edinburg Economic Development Corporation sales tax revenue refunding bonds, taxable series 2021", "Edinburg Economic Development Corporation sales tax revenue bonds, tax-exempt new series 2021A", and "Edinburg Economic Development Corporation sales tax revenue bonds, taxable new series 2021B"; authorizing the board staff and the board's financial advisors and bond counsel to proceed with this plan of finance; and authorizing other matters related to the foregoing.
- H. Consider and approval of a resolution relating to establishing the corporation's intention to reimburse itself for the prior lawful expenditure of funds relating to constructing various improvements from the proceeds of tax-exempt and taxable obligations to be issued by the corporation for authorized purposes; authorizing other matters incident and related thereto; and providing an effective date.

6. EXECUTIVE SESSION

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

- A. Deliberation regarding economic development negotiations. (§551.087 Deliberation Regarding Economic Development Negotiations; §551.071. Consultation with Attorney; Closed Meeting).
- B. Discussion and possible action regarding the purchase, exchange, lease, or value of real property. (§551.072. Deliberation Regarding Real Property; Closed Meeting).

7. OPEN SESSION

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

8. ADJOURNMENT

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

This notice was posted on 6-25-2021, 2021 at 1:27 am / pm.

By:

Signature:

Name:

City of Edinburg, Texas

Ron Garza, City Manager



Economic Development Status Report

**EDC Board of Directors
Regular Meeting
June 29, 2021**

New Businesses in Edinburg, TX

- **Shake Express** - 931 S McColl Rd. Ste E. Edinburg, TX 78539
- **JuiceUs** - 1703 W Trenton Rd. Ste 114-115. Edinburg, TX 78539
- **Ayusa Marketing Company Inc.** - 4113 S Sugar Rd. Bldg B Ste 9. Edinburg, TX 78539
- **Suiry Aretes y Mas** - 1018 E University Dr. Edinburg, TX 78539
- **Caporal Restaurant** - 2400 E Richardson Rd. Edinburg, TX 78542
- **39 Taqueria** - 2104 S McColl Rd. Ste F. Edinburg, TX 78539

Projects

The City of Edinburg Economic Development has two active projects.

Campos Bros Produce

- 7310 N. Liberty Dr., Edinburg Texas 78541
- Expected Jobs: 15 created
- Capital Investment: \$1,400,000
 - Building and land purchase \$1,200,000
 - Other \$200,000
- Approved by City Council: April 20, 2021
- Expected Closing Date: July 5, 2021

1st Value Produce Cold Storage

- 520 Independence Dr., Edinburg Texas 78541
- Expected Jobs: 80 Total = 30 created & 50 retained
- Capital Investment: \$800,000
 - Land purchase \$177,500
 - Other \$622, 500
- Approved by City Council: June 1, 2021
- Expected Closing Date: August 3, 2021

Prospects

Staff is currently working with 14 prospects in the following business categories:

Expansions

- Full service restaurant
- Snack and nonalcoholic beverage bars
- Lessors of other real estate property
- Fresh Fruit & Vegetable Merchant Wholesalers (2)
- Wood Container and Pallet Manufacturing
- Wireless Telecommunications Carriers (except Satellite)
- Tortilla Manufacturing
- Non Chocolate Confectionery Manufacturing

Relocations

- Large vehicle service center
- Other technical and trade schools
- Fresh Fruit & Vegetable Merchant Wholesalers
- Data Processing, Hosting, and Related Services

New Businesses

- Retail Incubator Shops

Retail Development

Staff continues to communicate with the three potential leads resulting from retail match outreach identified by Buxton Co.

- Full-Service Restaurant
- Other Spectator Sports
- Theaters, amusement games, dining

Staff continues to participate in the Edinburg Chamber of Commerce ribbon cuttings and groundbreakings to connect with small businesses, and continues to visit The Shoppes RGV (TIRZ I) and Arena (TIRZ IV) retailers monthly.

Fortune 500 Businesses

Staff has mailed a congratulatory letter to 49 businesses in Texas that made the 2021 Fortune 500 list. The letter invites businesses to reach out to the City if there is opportunity for expansion or relocation to Edinburg, Texas.

Programs

Business Retention & Expansion

The Business Retention and Expansion (BRE) program is ongoing and the survey is sent to businesses after every meeting. Responses are confidential.

- 121 businesses have been contacted through emails and phone calls.
- 32 businesses have met with staff and received the BRE survey. Staff continues to follow-up to secure responses.

Industries include:

- Manufacturing
- Healthcare
- Education
- Information
- Accommodation and Food Service
- Utilities

Health Science Institute at Renaissance (HSIR)

Four student residents of Edinburg continue to participate in the Medical Assistant program for the summer semester at HSIR. The summer semester began May 10, 2021 and will continue until August 30, 2021. Staff continues to receive attendance reports and final grades confirming participation and good standing.

One student withdrew from the HSIR Medical Assistant program effective June 8, 2021. Staff are working with HSIR to ensure proper closing procedures are followed.

Marketing Services

Development Counsellors International (DCI) continues to work on the development of the Edinburg Economic Development Corporation website. Staff have reviewed website content and video rough cut footage for the homepage marquee and business attraction videos.

Real Estate Services - Coldwell Banker Commercial

Coldwell Banker Commercial RGV has begun real estate services for the City and Edinburg Economic Development Corporation. Marketing for the North Industrial Park has begun mid-June 2021. Real Estate Broker is assisting staff in fielding property inquiries in Edinburg, Texas.

SPARC 3.0

Staff is strategizing and finalizing the planning process of SPARC 3.0, which will provide the eligible business community with grants. The Business grant program is scheduled to begin in July 2021 and the Community to Business gift card program will begin in August 2021.

Economic Development Projects Dashboard

The Economic Development Projects [Dashboard](#) can be found on the City's Economic Development webpage. There are a total of seven projects; three projects have been completed.

- Haidar Properties
- GRH Investments, LLC
- Los Pinos Hardware

Food Truck Park

The City and the EDC present the Food Trucks N' Tunes @ McIntyre Promenade every 1st and 3rd Friday of the month.

There continues to be food trucks and vendors at the park. Three new vendors have joined Food Trucks N' Tunes.

- Chuy's Custom Crafts
- Oh my Clog!
- Root 83 Candle Co.

We have reached an estimated 400 attendees at a food truck park event.

Request for Information (RFI)

Staff has received three qualifiable RFIs from the Office of the Governor.

Project 1 - Auto Parts Inductor

- Submitted on 05/27/2021
- Capital Investment: \$12,000,000
- Job Creation: 30 positions
- Wages: Unknown
- NAICS: 336390 - Other Motor Vehicle Parts Manufacturing
- Proposed Sites:
 - North Industrial Park Lot 1, 601 Independence Dr.
 - Size: 8 acres
 - North Industrial Park Lot 5, 800 Constitution Dr.
 - Size: 3.37 acres

Project Overview:

Automotive parts manufacturer seeking sites in the United States to expand its production capacity. The operation will produce inductors utilized in eco-friendly vehicles for its customers in Indiana and South Carolina.

Project 2 - Carmen SandiTejas

- Submitted on 06/04/2021
- Capital Investment: \$20,000,000 (over three years)
- Job Creation: 119 (over three years)
- Average Wages: \$57,000 annually
- NAICS: 332994 - Small Arms, Ordnance, and Ordnance Accessories Manufacturing
- Proposed Site: North Industrial Park Lot 10, 6401 Republic Dr.
 - Size: 20 acres

Project Overview:

A start-up munitions and rifle company is looking at Texas for their headquarters and a manufacturing facility (distribution, fabrication, and assembly).

Project 3 - Matrix Neo

- Submitted on 06/10/2021
- Capital Investment: \$1,000,000 - \$3,000,000
- Job Creation: 500 positions
- Average Wages: \$148,000 annually
- NAICS: 541690 - Other Scientific and Technical Consulting Services
- Proposed Site: Class A Office space that is 10,000-20,000 square feet.
 - Size: 10,999 SF

Project Overview:

A global technology consulting firm is seeking a regional headquarters and technology center. This center will support the product development and project delivery of the company's technology solutions to public sector and global commercial clients. Real Estate Broker assisted in finding an eligible site for the project.

Edinburg Economic Development Corporation
Meeting Date: June 29, 2021

Consider approval of minutes for board meeting on May 25,
2021.

1. Agenda Item:

Consider approval of minutes for board meeting on May 25, 2021.

2. Description/Scope:

Board meeting minutes are reviewed and approved on a monthly basis.

3. Estimated Timeline:

N/A

4. Budget:

N/A

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

N/A

7. Justification:

N/A

Blanca Davila
Director of Economic Development

ATTACHMENTS

Attachment A: May 25, 2021 Minutes

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



MINUTES OF THE
EDINBURG ECONOMIC DEVELOPMENT
CORPORATION BOARD OF DIRECTORS

LOCATION:

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

**MAY 25, 2021
4:00 PM**

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

ABSENT: None

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

PUBLIC: Gil Hernandez, GRH Investments LLC

1. CALL TO ORDER, ESTABLISH QUORUM

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

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

For record, Secretary Dan Diaz arrived at 4:05 PM.

2. CERTIFICATION OF PUBLIC NOTICE

EDD Director, Blanca Davila, confirmed the public notice was posted in accordance with the Texas Open Meetings Act, on May 21, 2021 at 12:04 PM.

3. PUBLIC COMMENTS

A specific portion of the meeting shall be dedicated to allow Public Comments which will be limited to three (3) minutes. Because of the State of Emergency due to the COVID-19 Pandemic, public comments may be provided in-person abiding to the occupancy limits or by telephone. In-person requests shall be requested by completing the Public Comment Form available at the City Council Chambers.

Telephone requests shall be completed by (a) sending an email to publiccomment@cityofedineburg.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.

No public comments were submitted.

4. DIRECTOR'S REPORT

EDD Director, Blanca Davila, provided an update on new businesses in Edinburg including Gringo Loco and Just A Closet. Economic Development staff is working with the City's Planning & Zoning department in establishing communication when new businesses open in the City.

The projects were presented and it was mentioned the Edinburg Economic Development Corporation has two active projects including Frima Realty LLC and Campos Bros Produce.

An update on prospects was presented and it was mentioned Economic Development staff is working with 12 prospects in either expansions, relocations, and new businesses categories.

The retail development was presented regarding the Buxton outreach. Economic Development staff has reached out to all 40 potential retail matched identified by Buxton Co for Downtown/University, McColl/Trenton, and The Shoppes RGV. There are three potential leads in industries including full service restaurant, other spectator sports, and theaters, amusement games, dining.

The marketing services update was presented and it was mentioned the Edinburg Economic Development Corporation landing page went live on May 17 and the full website will launch July 2021. The landing page and website feature a Spanish translation option which will allow Spanish speaking visitors to view and browse the website.

The update on Economic Development week was presented. Economic Development Week took place May 9, 2021 - May 15, 2021. To participate, several videos were shared on social media that included Board of Directors' introductory interviews. The EDC Board shared their goals and visions for Edinburg's future in Economic Development. The webinar U.S. Small Business Administration Restaurant Revitalization Fund webinar was shared on social media to inform the city's restaurant, food trucks, bars, and related businesses on the recovery funding available and application process. The Texas Economic Development: Starting a Business in Texas webinar was also shared to provide small businesses guidance in starting the entrepreneurial journey.

The update on the Food Truck park was presented. It was stated additional food trucks and vendors were added. On average, there are an estimated 300 visitors attending each event.

Assistant City Manager, Brian Kelsey, provided an update regarding the City's Unified Development Code update process. The first of four stakeholder meetings will be hosted on June 9. The Edinburg Economic Development Corporation will serve as a co-host for the meeting along with the City, Chamber of Commerce, and Society 204. The Board of Directors were invited to attend to meet downtown property owners and businesses.

Director, Raul Resendez, inquired where the meeting will be in person. It was stated the meeting will be hosted in person at Society 204 on June 9 from 5:00 PM – 7:00 PM. Director, Veronica Gonzales, informed she will be unable to attend due to a scheduled commitment.

5. REGULAR AGENDA ITEMS

A. Consider approval of minutes for board meetings on April 27, 2021.

**MOTION TO APPROVE THE
MINUTES FOR BOARD
MEETING ON APRIL 27, 2021
WAS MADE BY DIRECTOR
VERONICA GONZALES AND
SECONDED BY DIRECTOR
SABRINA WALKER
HERNANDEZ. MOTION
CARRIED UNANIMOUSLY.**

B. Consider approval of financial report for April 2021.

Cris Villarreal, CPA, presented the Statement of Cash Receipts, Disbursements, and Cash Balances – Unrestricted Cash for the period ending Fiscal Year 2021. A total of \$510,215 was collected in cash receipts and \$317,921 in cash disbursements. There was a net increase in unrestricted cash of \$192,294. The ending unrestricted cash balance was \$7,399,334.

President, Hiren Govind, inquired the interest rate for the Edinburg Economic Development Corporation bonds. Cris Villarreal, CPA, stated the exact number will be provided and emailed to EDD Director, Blanca Davila.

A comparative monthly sales tax revenues – accrual basis – supplemental information was presented to compare fiscal year ending 2019, 2020, and 2021. It was stated cash is received two months after the performing month. A total of \$3,6252,099 was received from October 2020 through March 2021. A total of \$727,183 was received in March 2020 during the start of the COVID-19 pandemic. Overall, there was a 13% growth when comparing 2021 and 2020. There was a 4% growth when comparing 2020 and 2019.

Secretary, Dan Diaz, questioned whether the March 2021 numbers reflect January sales numbers. Cris Villarreal, CPA, clarified the March 2021 values are true numbers and will be collected in May 2021.

A Statement of Net Assets – Supplemental Information was presented, which included \$40,852,191.54 in total assets and \$28,864,348 in total liabilities, with a net equity of \$13,987,843.54.

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

Director, Veronica Gonzales, questioned whether the Edinburg Economic Development Corporation will continue to accrue the late fees for Santana Textiles. Cris Villarreal, CPA, mentioned Santana Textiles will continue to be invoiced for the interest until it is no longer collectible. The EEDC is a second lien holder.

Director, Veronica Gonzales, mentioned the financial numbers are testament to the growth in Edinburg when comparing 2019, 2020, and 2021 as the numbers have increased every year. It is a positive trend for Edinburg.

**MOTION TO APPROVE
FINANCIAL REPORT FOR
APRIL 2021 WAS MADE BY
SECRETARY DAN DIAZ AND
SECONDED BY TREASURER
AARON RIVERA. MOTION
CARRIED UNANIMOUSLY.**

C. Discussion and possible action regarding real property 520 Independence Dr - Lot 9, North Industrial Park Edinburg, Hidalgo, County, Texas.

EDD Director, Blanca Davila, stated an offer was received from 1st Value Produce & Cold Storage regarding 3.55-acre real property 520 Independence Dr – Lot 9 in the North Industrial Park. 1st Value Produce & Cold Storage's cash offer is \$177,500 and is proposing to build a 10,000 SF cold storage facility on the property. A total of 30 jobs will be created and 50 retained. The capital investment is \$800,000. It was mentioned the property is located between FedEx and the former NuCo Tools property.

Assistant City Manager, Brian Kelsey, clarified the 50 jobs retained will be relocating from San Juan. 1st Value Produce & Cold Storage projects a growth of 30 jobs created in addition to those retained.

President, Hiren Govind, questioned whether the price is at market value. It was confirmed the price is at market place.

Director, Veronica Gonzales, inquired how long the property has been on the market. It was stated all the properties in the North Industrial Park have been on the market for the same amount of time.

Director, Veronica Gonzales, inquired whether there has been much interest on this property. Assistant City Manager, Brian Kelsey, mentioned there was a previous offer on the property but, the buyer submitted an offer on the NuCo property when it became available as it was a preferable site. It was stated 1st Value Produce & Cold Storage is offering the appraised value and Economic Development staff is comfortable with the offer.

Secretary, Dan Diaz, requested an overview of the buyer. Assistant City Manager, Brian Kelsey, referenced the presentation in the offer included in the packet. EDD Director, Blanca Davila, mentioned the company supplements produce to the food banks in Texas and non-profit organizations.

Secretary, Dan Diaz, questioned whether the company is local and how long they have been in business. EDD Director, stated the company has been in operation for five years.

Director, Veronica Gonzales, questioned whether the property is sufficiently large for the company and whether they have expansion plans for the future. Mark Hanna, Hanna Solutions Broker, mentioned the property meets the buyers' needs. The buyer is focused on building the cold storage facility, which will meet their needs for the next 5-10 years.

Director, Raul Resendez, stated it is a great opportunity for Edinburg to create excitement as the buyer plans to create a 20,000 SF building (item cover sheet specified 10,000 SF building). Treasurer, Aaron Rivera, agreed and mentioned it is a good project that can possibly create a ripple effect for other businesses in Edinburg.

Director, Veronica Gonzales, inquired whether the jobs created are low or average paying jobs. Assistant City Manager, Brian Kelsey, mentioned the jobs are on the lower end of the scale. 1st Value Produce & Cold Storage did not request incentives for job grants.

Assistant City Manager, Brian Kelsey, mentioned staff contacted FedEx to inquire whether they had expansion plans. FedEx does not have interest at the time.

**MOTION TO APPROVE SALE
OF REAL PROPERTY 520
INDEPENDENCE DR – LOT 9,
NORTH INDUSTRIAL PARK
EDINBURG, HIDALGO,
COUNTY, TEXAS WAS MADE
BY VICE PRESIDENT ROLAND
GOMEZ AND SECONDED BY
DIRECTOR RAUL RESENDEZ.
MOTION CARRIED
UNANIMOUSLY.**

D. Consider approval of term waiver for final incentive payment to GRH Investments, LLC due to experienced hardship resulting from the COVID-19 pandemic.

EDD Director, Blanca Davila, provided a brief background on GRH Investments and stated their incentive agreement was approved and signed on April 19, 2018 for \$100,000. The first installment of \$50,000 and second installment of \$25,000 were paid. GRH Investments is requesting a waiver for \$25,000 of their final installment. The incentive agreement was for site improvements and leasing of 12 tenants.

GRH Investments had three years to lease all 12 spaces until April 19, 2021. The final tenant lease agreement was signed on April 27, 2021, eight days after the deadline. This delay was due to the continuous hardship of the COVID-19 pandemic and the declared state of disaster.

GRH Investments reached out to Economic Development staff back in August 2020 for a waiver. However, GRH Investments was still within time

to meet the deliverable.

Vice President, Roland Gomez, inquired whether all spaces are 100% leased. EDD Director, Blanca Davila, confirmed all lease spaces are leased and the last tenant, Corn and Flour Tortilla, was leased in April 28, 2021. GRH Investments tenants include Metro PCS, Boost Mobile, Rapido Title Loan, Carmelita's Restaurant, Freeway Insurance, Farmers Insurance, Paris Bakery, D' Nails & Spa, and Suiry Aretes y Mas.

Director, Veronica Gonzales, recognized GRH Investments meeting their deliverable despite the hardships faced because of the COVID-19 pandemic. Treasurer Aaron Rivera, stated he has known Mr. Hernandez, GRH Investments owner for years now, and mentioned he has always had good businesses and hired many people. Treasurer, Aaron Rivera, thanked Mr. Hernandez for his business in Edinburg.

Secretary, Dan Diaz, also thanked Mr. Hernandez and commended him for persevering despite the COVID-19 pandemic. President, Hiren Govind, agreed and mentioned he likes GRH Investments has several local businesses in the Plaza.

**MOTION TO APPROVE TERM
WAIVER FOR FINAL
INCENTIVE PAYMENT TO
GRH INVESTMENTS, LLC DUE
TO EXPERIENCED HARDSHIP
RESULTING FROM THE
COVID-19 PANDEMIC WAS
MADE BY SECRETARY DAN
DIAZ AND SECONDED BY
TREASURER AARON RIVERA.
MOTION CARRIED
UNANIMOUSLY.**

- E. Consider adopting a Resolution conveying property from the Edinburg Economic Development Corporation to the City of Edinburg covering real property described as 10th and McIntyre - Edinburg Original Townsite Lots 13 through 19 BLK 211.**

Economic Development staff recommended moving the item into executive session.

MOTION TO MOVE ITEM E INTO EXECUTIVE SESSION WAS MADE BY DIRECTOR VERONICA GONZALES AND SECONDED BY VICE PRESIDENT ROLAND GOMEZ. MOTION CARRIED UNANIMOUSLY.

6. EXECUTIVE SESSION

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

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

The EDC board entered Executive Session at 4:30 PM.

MOTION TO ENTER EXECUTIVE SESSION WAS MADE BY VERONICA GONZALES AND SECONDED BY TREASURER AARON RIVERA AT 4:30 PM. MOTION CARRIED UNANIMOUSLY.

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

7. OPEN SESSION

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

The EDC board reconvened for open session at 6:42 PM.

**MOTION TO OPEN SESSION
WAS MADE BY DIRECTOR
SABRINA WALKER
HERNANDEZ AND SECONDED
BY SECRETARY DAN DIAZ AT
6:42 PM. MOTION CARRIED
UNANIMOUSLY.**

- A. Consider adopting a Resolution conveying property from the Edinburg Economic Development Corporation to the City of Edinburg covering real property described as 10th and McIntyre - Edinburg Original Townsite Lots 13 through 19 BLK 211.**

**MOTION TO APPROVE
ADOPTING A RESOLUTION
CONVEYING PROPERTY
FROM THE EDINBURG
ECONOMIC DEVELOPMENT
CORPORATION TO THE CITY
OF EDINBURG COVERING
REAL PROPERTY DESCRIBED
AS 10TH AND MCINTYRE –
EDINBURG ORIGINAL
TOWNSITE LOTS 13
THROUGH 19 BLK 211 WAS
MADE BY DIRECTOR
VERONICA GONZALES AND
SECONDED BY SECRETARY
DAN DIAZ. MOTION CARRIED
UNANIMOUSLY.**

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

MOTION TO AUTHORIZE STAFF TO ENTER INTO AN AGREEMENT REGARDING LA SIENNA PROPERTY WAS MADE BY TREASURER AARON RIVERA AND SECONDED BY VICE PRESIDENT ROLAND GOMEZ. MOTION CARRIED UNANIMOUSLY.

8. ADJOURNMENT

There being no further business to consider, the meeting was adjourned at 6:44 PM.

MOTION TO ADJOURN MEETING WAS MADE BY VICE PRESIDENT ROLAND GOMEZ AND SECONDED BY DIRECTOR VERONICA GONZALES AT 6:44 PM. MOTION CARRIED UNANIMOUSLY.

Leticia Pantoja
Digitally signed by Leticia Pantoja
Date: 2021.06.29 09:58:09 -05'00'

Minutes Transcribed by: Leticia Pantoja

Edinburg Economic Development Corporation
Meeting Date: June 29, 2021

Consider approval of financial report for May 2021.

1. Agenda Item:

Consider approval of financial report for May 2021.

2. Description/Scope:

Cris Villarreal, CPA, will provide a financial report for May 2021.

3. Estimated Timeline:

Monthly.

4. Budget:

N/A

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

Staff recommends approval.

7. Justification:

N/A

Blanca Davila
Director of Economic Development

ATTACHMENTS

Attachment A: Financial Report: May 2021

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

Management Report

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



Prepared on
June 23, 2021

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

	October	November	December	January	February	March	April	May	June	July	August	September	Year-to- Date Actual	Annual Budget	% to Date	Remaining Budget Balance
CASH RECEIPTS:																
1/2 Cent Sales Tax Revenue	\$ -	\$ 1,178,534	\$ 548,456	\$ 566,005	\$ 754,719	\$ 553,863	\$ 501,873	\$ 727,183	\$ -	\$ -	\$ -	\$ -	\$ 4,830,633	\$ 6,500,000	74%	\$ (1,669,367)
Lease Payments	5,286	8,609	8,087	8,486	6,686	8,886	8,086	7,586	-	-	-	-	61,712	48,000	129%	13,712
Sale of Property and Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-
Investment Interest	1,714	1,872	1,573	1,508	505	409	342	351	-	-	-	-	8,274	25,000	33%	(16,726)
Transfer in Restricted Accounts, net	-	-	-	-	1,495,686	-	-	-	-	-	-	-	1,495,686	4,139,638	36%	(2,643,952)
Interest Earned in Restricted Funds	(1,714)	(1,505)	(1,349)	(1,277)	(236)	(166)	(86)	(79)	-	-	-	-	(6,412)	-	0%	(6,412)
TOTAL CASH RECEIPTS	5,286	1,187,510	556,767	574,722	2,257,360	562,992	510,215	735,041	-	-	-	-	6,389,893	10,712,638	60%	(4,322,745)
CASH DISBURSEMENTS																
Personnel Expenses																
Salaries, Benefits & Taxes	-	-	-	250,000	-	-	-	250,000	-	-	-	-	500,000	300,000	167%	200,000
Taxes and Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	80,000	0%	(80,000)
Vehicle Allowance	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000	0%	(5,000)
Total Personnel Expenses	-	-	-	250,000	-	-	-	250,000	-	-	-	-	500,000	385,000	130%	115,000
Contractual & Maintenance Services																
Professional Services	-	100	5,820	-	-	-	-	-	-	-	-	-	5,920	300,000	2%	294,080
Administrative Services FY20	-	-	126,582	-	-	-	-	-	-	-	-	-	126,582	126,582	100%	-
Printing	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000	0%	25,000
Travel, Training, Conference	500	-	-	-	-	-	-	-	-	-	-	-	500	80,000	0%	79,500
Membership Dues/Subscriptions	-	32	100	-	-	-	-	-	-	-	-	-	132	30,000	0%	29,868
File Storage Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	20,000	0%	20,000
Equipment Leasing	(323)	1,355	989	320	320	320	320	320	-	-	-	-	3,621	40,000	9%	36,379
Total Contractual & Maintenance Services	177	1,487	133,491	320	320	320	320	320	-	-	-	-	136,755	621,582	22%	484,827
Supplies																
Office Supplies	-	-	88	-	30	62	-	-	-	-	-	-	180	10,000	2%	9,820
Computer Software Expense	1,559	-	(1,281)	-	-	-	-	-	-	-	-	-	278	15,000	2%	14,722
Continuing Education	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000	0%	30,000
Food	-	-	-	-	-	-	-	-	-	-	-	-	-	15,000	0%	15,000
Office Equipment & Furniture	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000	0%	30,000
Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	20,000	0%	20,000
Total Supplies	1,559	-	(1,193)	-	30	62	-	-	-	-	-	-	458	120,000	0%	119,542
Programs																
Workforce Training	-	-	-	5,258	-	-	-	5,258	-	-	-	-	10,516	200,000	5%	189,484
Marketing	89	178	3,000	178	5,589	589	589	33,700	-	-	-	-	43,912	200,000	22%	156,088
Sponsorship/Donations	-	1,500	25,000	-	-	1,000	-	15,000	-	-	-	-	42,500	75,000	57%	32,500
Legislative	-	-	-	-	-	-	-	-	-	-	-	-	-	90,000	0%	90,000
Research, Feasibility Studies, Reports	-	-	-	40,250	1,000	-	3,750	1,167	-	-	-	-	46,167	100,000	46%	53,833
Small Business Grants Program	-	-	-	-	-	-	-	-	-	-	-	-	-	200,000	0%	200,000
Total Programs	89	1,678	28,000	45,686	6,589	1,589	4,339	55,125	-	-	-	-	143,095	865,000	17%	721,905
Properties																
Property Taxes	-	-	70,541	-	-	2,781	-	-	-	-	-	-	73,322	100,000	73%	26,678
Purchase of Property	-	-	-	-	-	3,000	312,258	10,000	-	-	-	-	325,258	50,000	651%	(275,258)
Utilities	(132)	3,150	1,975	1,179	177	4,468	730	377	-	-	-	-	11,924	25,000	48%	13,076
Existing Buildings - Improvements/Repairs	-	-	-	-	-	-	-	-	-	-	-	-	-	40,000	0%	40,000
Security Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	2,000	0%	2,000
Industrial Park & Property Maintenance	722	995	-	-	548	274	274	445	-	-	-	-	3,258	10,000	33%	6,742
Total Properties	590	4,145	72,516	1,179	725	10,523	313,262	10,822	-	-	-	-	413,762	227,000	182%	(186,762)

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

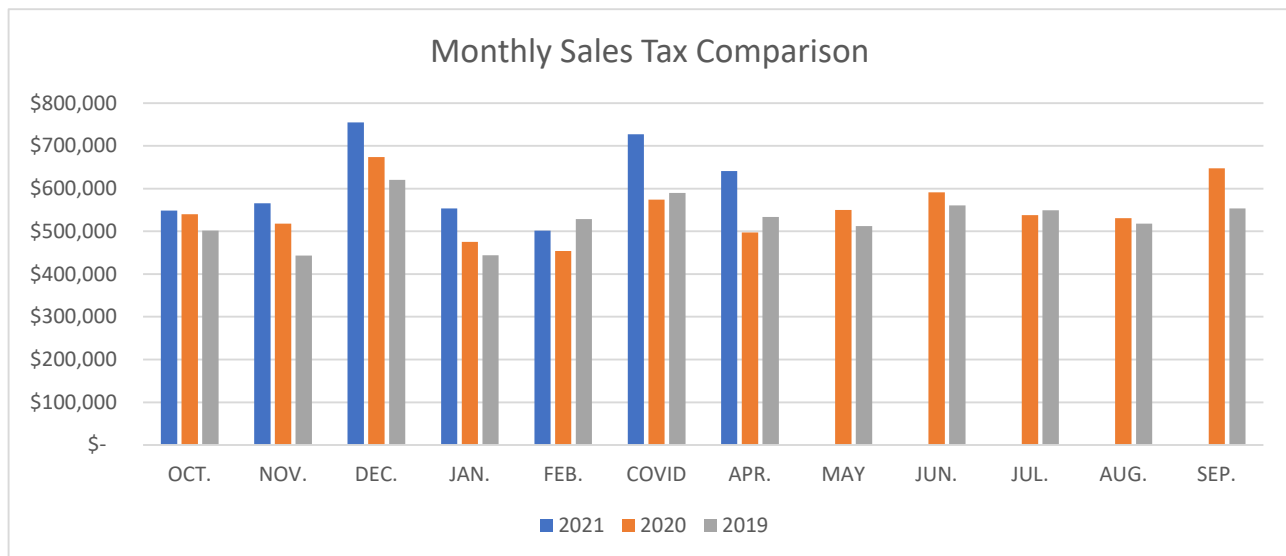
	October	November	December	January	February	March	April	May	June	July	August	September	Year-to- Date Actual	Annual Budget	% to Date	Remaining Budget Balance
Projects																
Economic Development Incentives	-	-	-	-	-	-	-	-	-	-	-	-	-	300,000	0%	300,000
Burns Brothers (La Sienna) 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-
Vantage Ventures (DPS Facility) 2016	-	-	-	-	102,000	-	-	-	-	-	-	-	102,000	102,000	100%	-
Fiesta Nissan 2017	-	-	-	-	-	-	-	-	-	-	-	-	-	500,000	0%	500,000
GRH Investments 2018	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000	0%	25,000
Oceangate Investments (Hilton Hotels) 2018	-	-	-	-	-	-	-	-	-	-	-	-	-	250,000	0%	250,000
Haidar Properties (Walk-Ons) 2018	-	-	-	-	-	50,000	-	-	-	-	-	-	50,000	50,000	100%	-
Auriel Investments (Shops @Tru) 2018	-	-	-	50,000	-	-	-	-	-	-	-	-	50,000	50,000	100%	-
TP UT RGV (Taco Palenque/Palenque Grill) 2019	-	-	-	-	-	50,000	-	-	-	-	-	-	50,000	50,000	100%	-
Los Pinos Hardware 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000	0%	25,000
First Hartford (The Shoppes at RGV) 2019	200,000	-	-	-	-	-	-	-	-	-	-	-	200,000	200,000	100%	-
Bond Projects																
North Park Project	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0%	-
El Tule Center	-	-	-	-	-	-	-	-	-	-	-	-	-	2,487,155	0%	2,487,155
Resource Center	-	-	-	-	-	-	-	-	-	-	-	-	-	370,966	0%	370,966
Capable Kids	-	-	-	-	-	-	-	-	-	-	-	-	-	1,281,517	0%	1,281,517
Total Projects	200,000	-	-	50,000	102,000	100,000	-	-	-	-	-	-	452,000	5,691,638	8%	5,239,638
Debt Service																
Ebony Hills/BBVA	-	-	-	-	255,678	-	-	-	-	-	-	-	255,678	267,612	96%	11,934
Parks & Rec Bond/BBVA	-	-	-	-	505,324	-	-	-	-	-	-	-	505,324	528,428	96%	23,104
Santana Refund Bond/NY Mellon	-	-	-	-	391,616	-	-	-	-	-	-	-	391,616	671,264	58%	279,648
Arena Bond Shortage/Wells Fargo	-	-	-	-	964,212	-	-	-	-	-	-	-	964,212	1,000,000	96%	35,788
New Series 2019 Bonds/NY Mellon	-	-	-	-	246,088	-	-	-	-	-	-	-	246,088	757,175	33%	511,087
Total Debt Service	-	-	-	-	2,362,918	-	-	-	-	-	-	-	2,362,918	3,224,479	73%	861,561
TOTAL CASH DISBURSEMENTS	202,415	7,310	232,814	347,185	2,472,582	112,494	317,921	316,267	-	-	-	-	4,008,988	11,134,699	36%	7,240,711
INCREASE (DECREASE) IN UNRESTRICTED CASH	(197,129)	1,180,200	323,953	227,537	(215,222)	450,498	192,294	418,774	-	-	-	-	2,380,905	(422,061)		
Unrestricted Cash, beginning of period	5,437,203	5,240,074	6,420,274	6,744,227	6,971,764	6,756,542	7,207,040	7,399,334	7,818,108	7,818,108	7,818,108	7,818,108	5,437,203			
Unrestricted Cash, end of period	\$ 5,240,074	\$ 6,420,274	\$ 6,744,227	\$ 6,971,764	\$ 6,756,542	\$ 7,207,040	\$ 7,399,334	\$ 7,818,108	\$ 7,818,108	\$ 7,818,108	\$ 7,818,108	\$ 7,818,108	\$ 7,818,108			
SUPPLEMENTARY																
Cash - Unrestricted																
PCB-Operating: Non-Interest Bearing	\$ 1,000,000	\$ 2,178,534	\$ 1,000,000	\$ 1,556,997	\$ 254,013	\$ 998,156	\$ 1,000,000	\$ 981,008	\$ -	\$ -	\$ -	\$ -				
PCB-Sweep: Interest Bearing	4,240,074	4,241,740	5,744,227	5,414,766	6,502,529	6,208,884	6,399,334	6,837,100	-	-	-	-				
Est. Annual Yield Rate	0.049%	0.049%	0.051%	0.051%	0.046%	0.052%	0.049%	0.051%	0.0000%	0.0000%	0.0000%	0.0000%				
Cash - Restricted																
Non Interest Bearing:																
PCB-New Series 19 Bond Debt Svc Fund	184,958	184,958	184,958	184,958	184,958	184,958	184,958	184,958	-	-	-	-				
PCB-Debt Service	1,276,473	1,276,473	1,276,473	1,276,473	1,276,473	1,276,473	1,276,473	1,276,473	-	-	-	-				
PCB-Revenue Account	549,402	549,402	549,402	549,402	549,402	549,402	549,402	549,402	-	-	-	-				
TX National Bank	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	-	-	-	-				
Interest Bearing:																
Greater State Bank-Construction	1,493,238	1,494,036	1,494,860	1,495,686	-	-	-	-	-	-	-	-				
Est. Annual Yield Rate	0.65%	0.65%	0.65%	0.65%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%				
TexSTAR New Series 2019 Debt Srvs Rsrv Fund	774,877	774,937	774,982	775,020	775,040	775,054	775,061	775,068	-	-	-	-				
Est. Annual Yield Rate	1.3800%	1.1328%	0.81%	0.70%	0.40%	0.26%	0.14%	0.01%	0.00%	0.00%	0.00%	0.00%				
TexSTAR 19 Construction Fund	8,342,447	8,343,094	8,343,573	8,343,986	8,344,200	8,344,353	8,344,430	8,344,502	-	-	-	-				
Est. Annual Yield Rate	1.3800%	1.1328%	0.81%	0.70%	0.40%	0.26%	0.14%	0.01%	0.00%	0.00%	0.00%	0.00%				
Total Cash - Restricted & Unrestricted	\$ 18,661,469	\$ 19,843,174	\$ 20,168,475	\$ 20,397,288	\$ 18,686,615	\$ 19,137,280	\$ 19,329,658	\$ 19,748,511	\$ -	\$ -	\$ -	\$ -				

COMPARATIVE MONTHLY SALES TAX REVENUES - ACCRUAL BASIS - SUPPLMENTAL INFORMATION

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

Month	Oct '20 - Sep '21	Oct '19 - Sep '20	Oct '18 - Sep '19	Difference	
	2021	2020	2019	FY 20/21 - 19/20	
OCT.	\$ 548,456	\$ 539,764	\$ 501,759	8,692	➡ 2%
NOV.	566,005	517,839	443,392	48,166	⬆ 7%
DEC.	754,719	673,924	620,687	80,795	⬆ 17%
JAN.	553,863	475,560	443,892	78,303	⬆ 17%
FEB.	501,873	453,935	528,458	47,938	⬆ 8%
COVID	727,183	574,164	589,833	153,019	⬆ 31%
APR.	641,177	497,295	533,819	143,882	⬆ 26%
MAY		550,235	512,049		
JUN.		591,024	560,920		
JUL.		538,033	549,402		
AUG.		530,880	517,757		
SEP.		647,655	553,771		
TOTAL	\$ 4,293,276	\$ 6,590,308	\$ 6,355,739	560,795	⬆ 17%

Average % of Change YOY ⬆ 17% ➡ 4%



Statement of Net Assets-Supplemental Information

As of May 31, 2021

	Total
ASSETS	
Current Assets	
Bank Accounts	
1000 Operating	
1001 4899-PCB-Operating	981,008.37
1002 8602-PCB-Sweep Account-Int Bearing	6,837,100.01
Total 1000 Operating	7,818,108.38
1005 Restricted	
1004 4700-PCB-New Series 2019 Bond Debt Service Fund	184,957.95
1007 2281-PCB-Debt Service Account	1,276,473.28
1008 9056-PCB-Revenue Account	549,402.12
1010 TX National Bank	800,000.05
1019 TexSTAR New Series 2019 Debt Service Reserve Fund	775,068.04
1020 TexSTAR New Series 2019 Construction Fund	8,344,500.98
Total 1005 Restricted	11,930,402.42
Total Bank Accounts	19,748,510.80
Accounts Receivable	
1200 Accounts Receivable	2,687,879.85
Total Accounts Receivable	2,687,879.85
Total Current Assets	22,436,390.65
Fixed Assets	
1505 Buildings	2,387,618.86
1525 Furniture & Equipment	41,061.96
1545 Land	4,984,282.56
1595 Accumulated Depreciation	-844,811.49
Total Fixed Assets	6,568,151.89
Other Assets	
1610 N/R - Santana \$5MM	4,205,592.73
1620 N/R - Santana \$10MM	9,434,410.73
1630 Allowance for Uncollectibles	-1,556,581.00
1980 Deferred Outflow with Pension	155,775.00
Total Other Assets	12,239,197.46
TOTAL ASSETS	\$41,243,740.00

LIABILITIES AND EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

2113 2014A Ebony Hills Current	245,000.00
2117 2014B Parks & Rec Current	490,000.00
2123 2015 Bonds Current	115,000.00
2135 Series 2019 Bond	265,000.00
2250 Deferred Inflows Related to Pensions	50,496.00

Total Other Current Liabilities	1,165,496.00
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Total Current Liabilities	1,165,496.00
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Long-Term Liabilities

2513 2014A Ebony Hills Long Term	520,000.00
2517 2014B Parks & Rec Long Term	1,030,000.00
2523 2015 Bonds Long Term	13,010,000.00
2530 New Series 2019 Bond	10,445,000.00
2595 Net Pension Liability	584,135.00
2597 Net OPEB Liability	109,717.00

Total Long-Term Liabilities	25,698,852.00
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Total Liabilities	26,864,348.00
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Equity

3005 Net Investment & Capital Assets	4,393,153.80
3100 Fund Balance	-4,245,994.34
3200 Retained Earnings	0.00
3850 Restricted for Capital Acquisition	8,341,632.00
3860 Restricted for Debt Service	3,036,233.00
3890 Restricted for Other Purposes	2,041,816.00
Net Income	812,551.54

Total Equity	14,379,392.00
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TOTAL LIABILITIES AND EQUITY	\$41,243,740.00
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A/R Aging Summary-Supplemental Information

As of May 31, 2021

	Current	1 - 30	31 - 60	61 - 90	91 and over	Total
City of Edinburg	641,176.91					641,176.91
Nu-Co Tool					127,633.60	127,633.60
Santana Textiles						
Santana 10		37,583.82	37,451.18	37,319.01	1,102,721.51	1,215,075.52
Santana 5		16,781.47	16,722.24	16,663.23	499,318.03	549,484.97
Santana Late Fees		4,337.43	4,337.43	4,337.43	141,496.56	154,508.85
Total Santana Textiles		58,702.72	58,510.85	58,319.67	1,743,536.10	1,919,069.34
TOTAL	\$641,176.91	\$58,702.72	\$58,510.85	\$58,319.67	\$1,871,169.70	\$2,687,879.85

Edinburg Economic Development Corporation
Meeting Date: June 29, 2021

Election of Officers: President, Vice President, Secretary, and
Treasurer.

1. Agenda Item:

Election of Officers: President, Vice President, Secretary, and Treasurer.

2. Description/Scope:

The Edinburg Economic Development Corporation (EEDC) bylaws were adopted on May 19, 2020. As per the bylaws, the term of office of the President and Vice President are for a period of one year; provided, however, that the President and Vice President continue to serve until the election of their successors who will be elected by the members of the board.

The Secretary and Treasurer shall be selected by the members of the board and shall hold office for a period of one (1) year; provided, however, that the Secretary and Treasurer shall continue to serve until the election of their successors.

The EEDC board officers were elected on June 30, 2020.

3. Estimated Timeline:

Elections shall be held at the annual meeting of the board.

4. Budget:

N/A

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

N/A

7. Justification:

N/A

Blanca Davila
Director of Economic Development

ATTACHMENTS

Attachment A: Edinburg Economic Development Corporation Bylaws

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

BYLAWS OF EDINBURG ECONOMIC DEVELOPMENT CORPORATION

These Bylaws of Edinburg Economic Development Corporation (the “Bylaws”) govern the affairs of the Edinburg Economic Development Corporation (the “Corporation”), a public instrumentality and a nonprofit corporation created under the Development Corporation Act, Title 12, Subtitle C1, as amended, Texas Local Government Code, starting at section 501.001 *et seq.* (the “Act”), and other applicable laws.

SECTION I RELATIONSHIP WITH THE CITY OF EDINBURG

1.1 Relationship with City Council

The business and affairs of the Corporation and all corporate powers shall be exercised by or under authority of the Board of Directors (the “Board”), as more fully described below. The Board shall determine its policies, directives, and projects within the limitations of the duties herein imposed by applicable laws, the Articles of Incorporation, these Bylaws, contracts entered into with the City, and budget and fiduciary responsibilities and policies. Such policies, directives, and projects shall be subject to approval by the City Council.

1.2 Relationship with Administrative Departments of the City

The Corporation shall, with approval of the City Council regarding specific terms, contract with the City of Edinburg for management services. The Board shall plan and direct its work through a designated employee of the City of Edinburg who will be charged with the responsibility of carrying out the Corporation’s plan and program as adopted by the Board and approved by the City Council.

Pursuant to the terms of such contract, and subject to the authority of the City Manager under the City Charter, the Corporation shall have the right to utilize the services of the City Attorney, the City Secretary, and staff and employees of the Economic Development Department, Finance Department, Human Resources Department, or any other City Department necessary to carry out the Corporation’s responsibilities provided the performance of such services does not materially interfere with other duties of such personnel of the City. City employees performing services for the Corporation remain subject to applicable City policies at all times.

SECTION II OFFICES

2.1 Registered Office and Registered Agent

The Corporation shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Act. The Board of Directors may, from time to time, change the registered agent and/or the address of the registered office, provided that proper notification of such change is given to the

Office of the Secretary of State of Texas.

The registered office of the Corporation is located at 415 W. University Dr., Edinburg, Texas 78539.

2.2 Principal Office

The principal office of the Corporation in the State of Texas shall be located in the City of Edinburg, County of Hidalgo, and it may be, but need not be, identical with the registered office of the Corporation.

SECTION III PURPOSE

3.01 Purposes

The Corporation is a non-profit corporation specifically governed by Section 4A of the Texas Development Corporation Act. Texas Local Government Code § 504.001 *et seq.* The Corporation is organized exclusively for the purpose of benefiting and accomplishing public purposes of the City of Edinburg, Texas, by promoting, encouraging, and enhancing the creation of jobs in the City of Edinburg through projects that assist in the retention of existing businesses and industries and the attraction of new businesses and industries and aid in their development and growth in accordance with the Articles of Incorporation and the Development Corporation Act.

The Corporation shall have no power to take any action that would be inconsistent with the requirements for exemption from federal tax as a non-profit corporation under Section 501(c)(4) of the Internal Revenue Code or such other applicable Section. The Corporation shall not participate in any political campaign on behalf of or in opposition to any candidate for public office.

SECTION IV MEMBERS

4.01 Members

The Corporation shall have no members and is a non-stock corporation.

SECTION V BOARD OF DIRECTORS, EX-OFFICIO MEMBERS, AND ADVISORY MEMBERS

5.1 Board of Directors

The business and affairs of the Corporation and all corporate powers shall be exercised by or under authority of the Board appointed by the City Council and subject to applicable limitations

imposed by the Texas Business Corporation Act, the Development Corporation Act, the Articles of Incorporation, or these Bylaws.

5.2 Number and Qualifications

The City Council shall appoint each Director based on experience, accomplishments, and educational background. All appointed members of the Board shall be residents of the City of Edinburg or a majority owner or executive management of a business or organization with the majority of its operations within the City of Edinburg.

Persons selected shall be serving or have served in a management or otherwise professional capacity within the following categories.

- (a) Four (4) persons representing private sector businesses among the following industries: manufacturing, trade, construction, retail, automotive, food services, lodging, healthcare, financial services, sports, entertainment, transportation, storage, telecommunications, utilities, media, and professional services.
- (b) One (1) person representing education, including public and private institutions, K-12, higher education, and vocational training.
- (c) One (1) person representing small business, as defined by the Small Business Administration, located in the City of Edinburg.
- (d) One (1) person representing public service, community organizations, or the arts.

City employees may not serve as Directors. To promote diversity of industries among the Directors, if any Director represents a single industry, that industry may not be represented solely by another Director. For example, two Directors with management experience in retail businesses, but with no other management or professional experience, may not serve at the same time. However, a Director with management or professional experience in both retail and food services may serve at the same time as a Director with management or professional experience in only retail. The goal and purpose is to have as many industries in the above categories represented at all times among the Directors.

5.3 Ex-Officio Members

All members of the City Council and the City Manager or his or her designee are Ex-Officio Members of the Board of Directors and may attend all meetings of the Board of Directors or Committees, including executive sessions. Ex-Officio Members shall not have the power to vote in the meetings they attend and may not serve as Directors.

5.4 Advisory Members

The Board of Directors, with the approval of the City Council, may appoint Advisory Members representing the following organizations:

- (a) The Edinburg Chamber of Commerce
- (b) Texas Workforce Solutions
- (c) Hidalgo County Office of Economic Development
- (d) Regional Economic Development District
- (e) Other educational institutions not represented by a Director
- (f) Other organization and agency representatives deemed significant to achieve the goals and objectives of economic development for the City of Edinburg.

Advisory Members shall not have the power to vote in the meetings they attend and may not attend executive session, except at the invitation of the Board of Directors.

5.5 Bonds

The President, Vice President, and Treasurer of the Board shall give an official bond in the sum of not less than One Hundred Thousand and no/100 Dollars (\$100,000.00). The bonds referred in this section shall be considered for the faithful accounting of all monies and things of value coming into the hands of such officers. The bonds shall be procured from a regularly accredited surety company authorized to do business in the state. The premiums thereafter shall be paid by the Corporation. A copy of each officer's bond shall be filed with the City Secretary.

5.6 General Duties of the Board.

The Board is hereby required to perform the following duties:

1. The Board shall develop or cause to be developed, an economic development plan for the City that shall include and set forth short long term goals that the Board deems necessary to accomplish in compliance with its economic development plan. Such plan shall be approved by the City Council of the City of Edinburg. The economic development plan developed by the Board shall be one that includes the following elements:

- a. An economic development strategy to permanently bolster the business climate throughout the city.
- b. Strategizes to fully utilize the assets of the city that enhance economic development.
- c. Identification of strategies to coordinate public, private, and academic resources to develop and enhance business opportunities for all citizens of Edinburg.
- d. Assurance of accountability of all tax moneys and all other funds received and expended by the corporation for its implementation of an economic development plan.
- e. Provisions for identification and implementation of identified strategies for direct economic development as defined in this Section.

f. An annual work plan outlining the anticipated activities, tasks, projects and programs to be undertaken by the Board during the upcoming fiscal year. The annual work plan shall be submitted with the annual budget as outlined in Article 8.02 of these Bylaws.

2. The Board shall review and update its economic development plan once each year to ensure that said plan is up to date with the current economic climate and is capable of meeting Edinburg's current economic development needs.

3. The Board shall expend, in accordance with State law, the tax funds received by it on direct economic development where such expenditures will have a direct benefit to the citizens of Edinburg. As used in this article, "direct economic development" shall mean the expenditure of such tax funds for programs that directly accomplish or aid in the accomplishment of creating identifiable new jobs or retaining identifiable existing jobs including job training and/or planning and research activities necessary to promote said job creation. The Corporation's focus will be primarily in the areas of:

- a. Business Development
- b. Work Force Development
- c. Infrastructure Development
- d. Facility Development
- e. Recreational Facilities but only those authorized by State law and voter approval and directly connected to one of the areas enumerated above

5. The Edinburg Economic Development Corporation shall make reports to the City Council of the City of Edinburg. The Edinburg Economic Development Corporation shall discharge this requirement by reporting to the City Council in the following manner:

a. The Edinburg Economic Development Corporation shall make a detailed report to the City Council once each year, no later than the end of the fiscal year. Such report shall include, but shall not be limited to, the following:

1. A review of all expenditures made by the Board in connection with their activities involving direct economic development as defined in this article, together with a report of all other expenditures made by the Board.

2. A review of the accomplishments of the Board regarding direct economic development.

3. The policies and strategy followed by the Board in relation to direct economic development together with any new or proposed changes in said policies and strategy.

4. A review of the activities of the Board for the budget year addressed in an annual report, together with any proposed change in an activity or activities related to direct economic development.

5. A review of the activities of the Board in areas of endeavor other than direct economic development together with any proposed changes in such activities.

b. The Board shall be regularly accountable to the City Council for all activities undertaken by them or on their behalf, and shall report on all activities of the Board, whether discharged directly by the Board or by any person, firm, corporation, agency, association or other entity on behalf of the Board. A mid-year report covering the period October 1 to March 31 shall be made by the Board to the City Council. The semi-annual report shall be made no later than May 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 emphases 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.

5.7 Duties of Directors

Directors shall exercise ordinary business judgment in managing the affairs of the Corporation. In acting in their official capacity as directors of this Corporation, directors shall act in good faith and take actions they reasonably believe to be in the best interest of the Corporation and that are not unlawful. In all other instances, the Board of Directors shall not take any action that they should reasonably believe would be opposed to the Corporation's best interest or would be unlawful. A director shall not be liable if, in the exercise of ordinary care, the director acts in good faith relying on written financial and legal statements provided by an accountant or attorney retained by the Corporation.

5.8 Terms of Office

The City Council shall appoint the Directors. Directors shall serve for a three (3) year term. No Director shall serve more than two (2) consecutive full terms. Directors may be removed at any time by the City Council, with consultation with the Board, by a majority vote of the City Council.

5.9 Vacancies

Any vacancy occurring shall be filled by appointment by the City Council to serve the remainder of an unexpired term. Appointments to fill unexpired terms shall not be credited against the two-term limit.

5.10 Meetings

The Board of Directors shall meet at least six (6) times annually at a place and time to be determined by the President. All meetings of the Board shall provide notice thereof as provided and set forth in State law. Any member of the Board may request that an item be placed on the agenda by delivering the same in writing to the secretary of the Board no later than ten (10) days prior to the date of the Board meeting. The President of the Board shall set regular meeting dates and times at the beginning of the President's term.

Notice of any meeting shall be given to the public in accordance with the requirements of the Texas Open Meetings Act. The notice shall contain information regarding the particular time, date and location of the meeting and the agenda to be considered. All meetings shall be conducted in accordance with the Texas Open Meetings Act. All meetings shall be held within the City of Edinburg.

The Annual meeting of the Board of Directors shall be held in September of each year. Election of corporate officers shall take place during the annual meeting.

5.11 Special Meetings

Special meetings of the Board of Directors may be called by the President or the City Manager or his/her designee on three days notice to each director, in person, by mail or telephone, or upon written request of two (2) directors. Any notice of a special meeting shall include the purpose of the meeting and the business to be addressed shall be specified in the meeting notice.

5.12 Attendance

Regular attendance of the Board meetings is required of all members. The following number of absences shall constitute the need for replacement of a member: three (3) consecutive absences, or attendance reflecting absences constituting 50% of the meetings over a 12-month period. In the event replacement may be indicated pursuant to the standards set forth in the preceding sentence, the Board may recommend removal to the City Council.

5.13 Other Grounds For Removal

The following conduct shall constitute the need for replacement of a member: any willful or grossly negligent breach of duty under these Bylaws; any misconduct involving the arrest, indictment, or conviction for a crime considered an act of moral turpitude whether or not related to the member's official duties; any willful or grossly negligent misapplication or misuse of public funds or property owned by or entrusted to the City or Corporation; conduct which brings the City and/or Corporation into public disgrace or disrepute. In the event replacement may be indicated

pursuant to the standards set forth in the preceding sentence, the Board may recommend removal to the City Council.

5.14 Quorum

To convene a meeting, a simple majority of the appointed number of appointed Directors then serving on the Board shall constitute a quorum. For purposes of transacting the business of the corporation at any meeting, a simple majority of the appointed Directors shall constitute a quorum. If there is an insufficient number of Directors present to convene the meeting, the directors present thereat may recess the meeting from time to time, without notice other than announced at the meeting, until a quorum shall be present.

5.15 Compensation

THE DULY APPOINTED MEMBERS OF THE BOARD SHALL NOT RECEIVE A SALARY OR COMPENSATION, but shall be reimbursed for actual or commensurate cost of travel, lodging, and incidental expenses while on official business of the Board in accordance with State law.

5.16 Voting; Action of the Board of Directors

Directors must be present to vote at any meeting. Unless otherwise provided in these Bylaws or in the Articles of Incorporation or as required by law, the act of simple majority of the Directors present at any meeting for which a quorum is present shall be the act of the Board of Directors. In the event that a Director is aware of a conflict of interest or potential conflict of interest, with regard to any particular vote, the Director shall bring the same to the attention of the meeting and shall abstain from the vote, unless the Board determines that no conflict of interest exists. Any Director may bring to the attention of the meeting any apparent conflict of interest or potential conflict of interest of any other Director, in which case the Board shall determine whether a true conflict of interest exists before any vote shall be taken regarding that particular matter. The Director as to whom a question of interest has been raised shall refrain from voting regarding the determination as to whether a true conflict exists.

SECTION VI OFFICERS

6.1 Officers of the Corporation

The elected officers of the Corporation shall be elected from the Board of Directors. The officers shall be President, Vice President, Secretary, and Treasurer. The Board may resolve to elect one or more Assistant Secretaries or one or more Assistant Treasurers as it may consider desirable. Such officers shall have the authority and perform the duties of the office as the Board may from time to time prescribe or as the Secretary or Treasurer may from time to time delegate to his or her respective Assistant. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

6.2 Selection of Officers

The term of office of the President and Vice President shall be for a period of one year; provided, however, that the President and Vice President continue to serve until the election of their successors who will be elected by the members of the Board.

The Secretary and Treasurer shall be selected by the members of the Board and shall hold office for a period of one (1) year; provided, however, that the Secretary and Treasurer shall continue to serve until the election of their successors. Elections shall be held at the annual meeting of the Board.

6.3 Vacancies

Vacancies in any office which occur by reason of death, resignation, disqualification, removal, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term of that office, in the same manner as other officers are elected. Any officer elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the entire Board.

6.4 President

In general, the President shall perform all duties incident to the office, and such other duties as may be prescribed by the Board of Directors. The President shall:

1. Preside over all meetings of the Board.
2. Have the right to vote on all matters coming before the Board.
3. Have the authority, upon notice to the members of the Board, to call a special meeting of the Board when in his or her judgment such meeting is required.
4. Have the authority to appoint standing committees to aid and assist the Board in its business undertakings or other matters incidental to the operation and functions of the Board.
5. Have the authority to appoint ad hoc committees which may address issues of a temporary nature of concern or which have a temporary affect on the business of the Board.
6. At his/her discretion cancel a regularly scheduled meeting of the Board when there is no business to discuss provided the President give notice to Board Members and the public of the cancellation no later than 72 hours prior to the regularly scheduled meeting.
7. Sign with the Secretary of the Board any deed, mortgage, bonds, contracts, or other instruments which have been approved in accordance with these bylaws and unless the execution of said document has been expressly delegated to some other officer or agent of the Corporation by appropriate Board resolution, by a specific provision of these Bylaws, or by statute.

6.5 Vice President

In the absence of the President, or in the event of the President's inability to act, the Vice President shall perform the duties of the President. When so acting, the Vice President shall have all power of and be subject to all the same restrictions as upon the President. The Vice President shall also perform other duties as from time to time may be assigned to the Vice President by the President.

6.6 Secretary

The Secretary shall record and keep or cause to be recorded and kept at the registered office a record of the minutes of all meetings of the Board and of any committees of the Board. The Secretary shall also file a copy of said Minutes with the City Secretary and the same to be given, in accordance with the provisions of these Bylaws, or as required by the Texas Open Meetings Act or the Texas Open Records Act or other applicable law. The Secretary shall be custodian of the corporate records and seal of the Corporation, and shall keep a register of the mailing address and street address, if different, of each director.

6.7 Treasurer

The Treasurer shall perform such duties as are usually incumbent upon such office. The Treasurer shall see that proper and accurate accounts are kept of the financial condition of the Corporation and that proper books are maintained for their orderly entry. The Treasurer shall insure that the financial policies adopted by the Board are duly followed and that an independent audit is made of the accounts of the Corporation at the end of each fiscal year. The Treasurer shall report the financial condition of the Corporation at each regular meeting of the Board and City Council from time to time for approval, and shall perform any other duties the President assigns from time to time.

6.8 Assistant Secretaries and Assistant Treasurers

The Assistant Secretaries and Assistant Treasurers, if any, shall in general, perform such duties as may be assigned to them by the Secretary or the Treasurer, or by the President or the Board of Directors.

6.9 Employees

The Corporation shall, with approval of the City Council, contract with the City of Edinburg for such full or part time employees as needed to carry out the programs of the Corporation. These employees shall perform those duties outlined in the contract and assigned to them by the Board.

6.10 Contracts for Services

The Corporation may, with the approval of the City Council, contract with any qualified and appropriate person, association, corporation or governmental entity to perform and discharge designated tasks which will aid or assist the Board in the performance of its duties. However, no such contract shall ever be approved or entered into which seeks or attempts to divest the Board of Directors of its discretion and policymaking functions in discharging the duties herein above set forth in this section.

SECTION VII COMMITTEES

7.1 Committees Authorized

The President shall have the authority to appoint standing and ad hoc committees from time to time. Committee members need not be Directors of the Corporation, unless required by the these Bylaws or Board Resolution.

The designation and appointment of any such committee and delegation to that committee of authority shall not operate to relieve the Board of Directors, or any individual director of any responsibility imposed by the Bylaws or otherwise imposed on it or on him or her by law. No committee shall have independent authority to act or, instead of the Board of Directors, to:

- (a) Amend the articles of incorporation.
- (b) Adopt a plan of merger or plan of consolidation with another corporation.
- (c) Authorize the sale, lease, exchange or mortgage of any of the property and assets of the Corporation.
- (d) Authorize the voluntary dissolution of the Corporation.
- (e) Revoke proceedings for the voluntary dissolution of the Corporation.
- (f) Adopt a plan for the distribution of the assets of the Corporation.
- (g) Amend, alter, or repeal the Bylaws.
- (h) Elect, appoint, or remove a member of a committee or director or officer of the Corporation.
- (i) Approve any transaction to which the Corporation is a party or undertake any action that involves a potential conflict of interest as defined.
- (j) Take any action outside the scope of authority delegated to it by the Board of Directors.
- (k) Take final action on a matter that requires the approval of the Board of Directors.

- (l) Commit Corporation funds without the prior approval of the Board of Directors.
- (m) Undertake any other matters appropriate to the authority of the Board of Directors.

7.2 Term of Office of Committee Members

Each committee member shall serve for a term as determined by the President subject to the approval of the Board of Directors.

SECTION VIII FINANCIAL ADMINISTRATION

The Corporation shall, with approval of the City Council, contract with the City for financial and accounting services including the annual audit as stipulated in Section 8.13. The Corporation's financing and accounting records shall be maintained according to the following guidelines:

8.1 Fiscal Year

The fiscal year of the Corporation shall run concurrently with the City of Edinburg beginning the first day of October and ending the last day in September in each year.

8.2 Budget

At least thirty (30) days prior to the commencement of each fiscal year of the Corporation, the Board of Directors shall adopt a proposed budget of expected revenues and proposed expenditures for the next ensuing fiscal year. The budget shall contain such classifications and shall be in such form as may be prescribed from time to time by the City. The budget shall not be effective until the same has been approved by the City Council.

8.3 Contracts

As provided above, the President and Secretary shall execute any contracts or other instruments which have been duly approved and authorized to be executed in accordance with these Bylaws, provided, however, that the Board may by appropriate resolution, authorize any other officer or officers or any other agent or agents as provided herein to enter into contracts or execute and deliver any instrument in the name of the board on specific instances or defined in general terms.

8.4 Checks and Drafts

All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be approved by the Board, except that the City shall have the authority to execute checks for the daily operation of the Corporation's program without prior board approval in amounts agreed to by the board and on such other terms

and provisions contained in the agreement between the board and the City to provide administrative and financial services. Any checks the City is authorized to sign on behalf of the Corporation must be signed by either the city manager or city finance director as a non-elected official and either the Mayor or Mayor Pro Tem as an elected official.

8.5 Limitation on Expenditures

The Corporation shall not make any commitment for dispersal of any funds for any project without prior approval of the City Council.

8.6 Deposits

All funds of the Edinburg Economic Development Corporation shall be maintained only in accounts, deposits or other investments that are authorized by State law.

8.7 Gifts

The Edinburg Economic Development Corporation may accept on behalf of the Corporation any contribution, gift, bequest, or device for the general purpose or for any special purposes of the Corporation.

8.8 Purchasing

All purchases made and contracts executed by the Corporation shall be made in accordance with the requirements of the Texas Constitution and Statutes of the State of Texas.

8.9 Investments

The Edinburg Economic Development Corporation shall adopt an investment policy, not inconsistent with State law, including the Texas Public Funds Investment Act.

8.10 Bonds

Any bonds issued by the Corporation shall be in accordance with the statute governing this Corporation but in any event, no bonds shall be issued without approval of the Edinburg City Council after review and comment by the City's bond counsel and financial advisor.

8.11 Uncommitted Funds

Any uncommitted funds of the Corporation at the end of the fiscal year shall be considered a part of the Fund Balance. The Undesignated Fund Balance may be committed for any legal purpose provided the Corporation's Board of Directors and the City Council both approve such commitment. This may include the establishment of a Permanent Reserve Fund which shall be accumulated for the purpose of using the interest earnings of such fund to finance the operation of the Corporation.

8.12 Monthly Reports

The City financial office or any other contractual entity providing financial services to the Corporation will provide to the Board of Directors a monthly report of all matters required, permitted, or done pursuant to these Bylaws or as by contract.

8.13 Annual Audit

The City of Edinburg will provide the Board of Directors with an annual audit of financial statement of all funds. The audit is to be conducted by an outside independent certified public accounting firm selected by the City Council. Any such audit shall be performed in accordance with generally accepted auditing procedures (GAAP). Each audit shall be prepared and submitted annually to the City Council of the City of Edinburg, Texas, for approval as soon as practical following the end of each year of the Corporation's fiscal year.

8.14 Potential Conflicts of Interest

The Corporation shall not make a loan to a director or officer of the Corporation. A Director, officer, or committee member of the Corporation may lend money to and otherwise transact business with the Corporation except as otherwise provided by the Bylaws, Articles of Incorporation and all applicable laws. Such a person transacting business with the Corporation has the same rights and obligations relating to those matters as other persons transacting business with the Corporation. The Corporation shall not borrow money from or otherwise transact business with a Director, officer, or committee member of the Corporation unless the transaction is described fully in a legally binding instrument and is in the best interest of the Corporation. THE CORPORATION SHALL NOT BORROW MONEY FROM OR OTHERWISE TRANSACT BUSINESS WITH A DIRECTOR, OFFICER, OR COMMITTEE MEMBER OF THE CORPORATION WITHOUT FULL DISCLOSURE OF ALL RELEVANT FACTS AND WITHOUT THE APPROVAL OF THE BOARD OF DIRECTORS, NOT INCLUDING THE VOTE OF ANY PERSON HAVING PERSONAL INTEREST IN THE TRANSACTION.

8.15 Prohibited Acts

As long as the Corporation is in existence, no director, officer, or committee member of the Corporation shall:

- (a) Do any act in violation of the Bylaws or a binding obligation of the Corporation.
- (b) Do any act with the intention of harming the Corporation or any of its operations.
- (c) Do any act that would make it impossible or unnecessarily difficult to carry on the intended or ordinary business of the Corporation.
- (d) Receive an improper personal or business benefit from the operation of the Corporation.

(e) Use the assets of the Corporation, directly or indirectly, for any purpose other than carrying on the business of the Corporation.

(f) Wrongfully transfer or dispose of Corporation property, including intangible property such as good will.

(g) Use the name of the Corporation (or any substantially similar name) or any trademark or trade name adopted by the Corporation, except on behalf of the Corporation in the ordinary course of the Corporation's business.

(h) Disclose any of the Corporation business practices, trade secrets or any other information not generally known to the business community to any person not authorized to receive it.

(i) Commit Corporation funds without the prior approval of the Board of Directors.

Provided further, however, that the Corporation shall not have the power to own or operate any project as a business other than as lessor, seller, or lender or pursuant to the requirements of any trust agreement securing the credit transaction. In addition, the user pursuant to any lease, sale, or loan agreement relation to a project shall be considered to be the owner of the project for the purposes of the application of any ad valorem, sales, and use taxes or any other taxes levied or imposed by the State of Texas or any political subdivision of the State of Texas. The purchase and holding of mortgages, deeds of trust, or other security interests and contracting for any servicing thereof shall not be deemed the operation of a project.

SECTION IX BOOKS AND RECORDS

9.1 Books and Records

The Corporation shall keep correct and complete books and records of all actions of the Corporation, including books and records of account and the minutes of meetings of the Board of Directors and of any committee having any authority of the Board of Directors and of any committee given any authority of the Board and to the City Council.

9.2 Inspection

Any member of the City Council of Edinburg, Director, or officer of the Corporation may inspect and receive copies of all books and records of the Corporation required to be kept by the Bylaws. Any person entitled to inspect and copy the Corporation's books and records may do so through his or her attorney or other fully authorized representative. The Board of Directors may establish reasonable fees for copying the Corporation's books and records by members. Consistent with the obligations and limitations of the Texas Open Records Act, the Corporation shall provide requested copies of books or records no later than ten (10) working days after the Corporation's receipt of proper written notice.

SECTION X AUTHORIZATION

10.1 Authorization

The Corporation shall carry out its program subject to its Articles of Incorporation, these Bylaws and the Development Corporation Act, and such resolutions as the Board may from time to time authorize.

10.2 Program

The program of the Edinburg Economic Development Corporation shall be to promote, encourage, and enhance economic development in Edinburg, Texas, subject to applicable State and Federal law, these Bylaws, and the Articles of Incorporation.

SECTION XI PARLIAMENTARY AUTHORITY

11.1 Amendments to Bylaws

These Bylaws may be amended or repealed and new Bylaws may be adopted by an affirmative vote of five (5) of the authorized Directors serving on the Board, at a special meeting of the Directors held for such specific purpose and the notice requirements stated hereinabove regarding special meetings shall apply. The Directors of the Corporation present at an annual meeting of the Board may, by a vote of five (5), in accord with the requirements of these Bylaws, amend or repeal and institute new Bylaws, provided that at least ten (10) days prior to the annual meeting, written notice setting forth the proposed action shall have been given to the Directors, and public notice regarding such action given according to the requirements of the Texas Open Meetings Act and Open Records Act.

Notwithstanding with foregoing, no amendment or new Bylaw shall become effective unless the City Council approves the amendment or new Bylaws. In addition, the City Council may at any time amend these Bylaws, with consultation with the Board, by a majority vote.

11.2 Legal Construction

If any Bylaw provision is held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability shall not effect any other provision and the Bylaws shall be construed as if the invalid, illegal or unenforceable provision had not been included in the Bylaws.

11.3 Parliamentary Authority

The procedural rules followed by the Edinburg City Council shall be the parliamentary authority for all matters of procedure not specifically covered by the Bylaws or any specific rules of procedure adopted by this Board.

SECTION XII DISSOLUTION

12.01 Dissolution

On petition of ten (10) percent or more of the registered voters of the City of Edinburg requesting an election on the dissolution of the Corporation, the City of Edinburg shall order an election on the issue. The election must be conducted according to the applicable provision of the Election Code. The ballot for the election shall be printed to provide for or against the proposition:

“Dissolution of the Edinburg Economic Development Corporation”

If a majority of voters voting on the issue approve the dissolution, the Corporation shall continue operations only as necessary to pay the principal of and interest on its bonds and to meet obligations incurred before the date of the election and , to the extent practicable, shall dispose of its assets and apply the proceeds to satisfy those obligations. When the last of the obligations is satisfied, any remaining assets of the Corporation shall be transferred to the City of Edinburg and the Corporation shall be dissolved.

SECTION XIII INDEMNITY

13.01 Indemnity

The Corporation hereby agrees to indemnify and hold harmless each current or former Director or Officer of the Corporation from and against any costs, expenses (including attorney’s fees), fines, settlements, judgments, liabilities and other amounts, actually and reasonably incurred by such person in any action, suit, or proceeding to which he or she is made a party by reason of holding such position as Officer or Director; provided, however, that such Officer or Director shall not receive such indemnification if he or she be finally adjudicated in such instance to liable for gross negligence or intentional misconduct in office. The indemnification herein provided shall also extend to good faith expenditures incurred in anticipation of, or preparation for, threatened or proposed litigation. The Board of Directors may, in proper cases, extend the indemnification to cover the good faith settlement of any such action, suit, or proceedings, whether formally instituted or not.

Furthermore, the Corporation agrees to indemnify and hold harmless and defend the City of Edinburg, its officers, agents, and its employees, from and against liability for any and all claims, liens, suits, demands, and/or actions for damages, injuries to persons (including death), property damage (including loss of use), and expenses, including court costs and attorneys’ fees and other reasonable costs arising out of or resulting from the Corporation’s activities and from any liability arising out of or resulting from the intentional acts or negligence, including all such causes of action based upon common, constitutional, or statutory law, or based in whole or in part upon the negligent or intentional acts or omissions of the Corporation, including but not limited to its officers, agents, employees, licensees, invitees, and other persons.

It is further agreed with respect to the above indemnity, that the Corporation will provide prompt and timely notice of any event covered which in any way, directly or indirectly, contingently or otherwise, affects or might affect the Corporation or the City of Edinburg, and the City of Edinburg shall have the right to compromise and defend the same to the extent of its own interests. It is further agreed this indemnity clause shall be an additional remedy to the City of Edinburg and not an exclusive remedy.

SECTION XIV MISCELLANEOUS

14.01 Relation to Articles of Incorporation

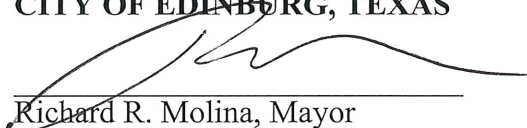
These Bylaws are subject to, and governed by, the Articles of Incorporation and applicable State statutes under which the Corporation was organized.

CERTIFICATE OF ADOPTION

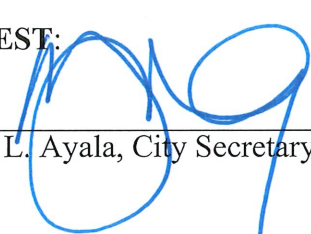
These Bylaws were duly adopted at a meeting of the City Council held on May 19, 2020.

SIGNED this the 20th day of May, 2020.

CITY OF EDINBURG, TEXAS


Richard R. Molina, Mayor

ATTEST:


Myra L. Ayala, City Secretary



APPROVED AS TO FORM:


Omar Ochoa, City Attorney

Edinburg Economic Development Corporation

Meeting Date: June 29, 2021

Consider approval of sponsorship for the Edinburg Police Department National Night Out event.

1. Agenda Item:

Consider approval of sponsorship for the Edinburg Police Department National Night Out event.

2. Description/Scope:

The Edinburg Police Department present the National Night Out event on August 3, 2021 at 6:00 PM at the Edinburg Municipal Park, 714 S Raul Longoria Rd. Edinburg, TX 78542.

National Night Out is an annual community building campaign that promotes police-community partnerships and neighborhood fellowship. The free events are hosted on the first Tuesday of August each year. The event will feature a car show, musical performances, and a 5K run/walk.

3. Estimated Timeline:

August 3, 2021.

4. Budget:

The EDC budget includes a sponsorship line item.

National Night Out Sponsorship: \$1,000.

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

Staff recommends approval.

7. Justification:

National Night Out is a community event and a quality of life experience that will benefit the citizens of Edinburg.

Blanca Davila
Director of Economic Development

ATTACHMENTS

Attachment A: Edinburg Night Out Flyer

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

THE CITY OF
Edinburg
POLICE DEPARTMENT



EDINBURG MUNICIPAL PARK

714 S RAUL LONGORIA RD, EDINBURG, TX 78542

AUG. 3 | 6 P.M. | FREE EVENT

CAR SHOW DIVA

PERFORMANCE BY:

the **dirty**
birdies

OFFICIAL

5K

RUN/ WALK



TO REGISTER FOR THE RUN, GO TO:

[HTTPS://ENDURANCESPLITS.WEBCONNEX.COM/EDINBURGNATIONALNIGHTOUT5KRUN](https://endurancesplits.webconnex.com/edinburgnationalnightout5krun)

Edinburg Economic Development Corporation

Meeting Date: June 29, 2021

Consider awarding Bid #2021-29 for the construction of El Tule Recreation Center to Holchemont, LTD in an amount of \$5,217,000 and authorize the City Manager to enter into a professional services contract Pursuant to the City's Ordinances and Procurement Policies.

1. Agenda Item:

Consider awarding Bid #2021-29 for the construction of El Tule Recreation Center to Holchemont, LTD in an amount of \$5,217,000 and authorize the City Manager to enter into a professional services contract Pursuant to the City's Ordinances and Procurement Policies.

2. Description/Scope:

The City of Edinburg received bids for the construction of the El Tule Recreation Center at 700 S. Veterans Blvd. Edinburg, TX. The intent of this bid is to select a contractor to construct the recreation center. The project consists of three indoor basketball courts with restrooms and concession stand, a 10-ft perimeter walking trail, dog park, and parking lot.

3. Estimated Timeline:

The estimated timeline for a completion of the project is 12 months from issuance of notice to proceed.

- Bid Posted: June 5, 2021
- Bid Opening: June 24, 2021 at 3:00 PM
- Ground Breaking: July 26, 2021 (tentative)

4. Budget:

Funding is available through the Edinburg Economic Development Corporation New Series 2019 Funds.

5. Procurement/Selection Process:

A total of four (4) bids were received and reviewed by city staff and architect. The following firms listed have submitted bids for Bid 2021-29.

Tabulations:

- NM Contracting, LLC - \$4,997,600
- Terra Fuerte Construction, LLC - \$5,735,000
- Holchemont, LTD - \$5,217,000
- RG Enterprises, LLC - \$5,654,961

6. Staff's Recommendation:

Staff recommends approval to award Bid 2021-29 to Holchemont, LTD, as recommended by Architect Milnet Architectural Services. Recommendation letter to be sent by architect.

7. Justification:

This project shall fall within the budget established.

Blanca Davila
Director of Economic Development

ATTACHMENTS

Attachment A: BID 2021-29 El Tule Recreation Center

Attachment B: BID 2021-29 El Tule Recreation Center Bids Submitted & Tabulations

Attachment C: BID 2021-29 El Tule Recreation Center Bid Recommendation Letter & Tabulations

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

BID 2021-29 El Tule Recreation Center:

1. [BID 2021-29 El Tule Recreation Center – Specifications](#)
2. [Plans](#)
3. [Federal Labor Standards Provisions 4010](#)
4. [Addendum 1](#)

BID 2021-29 El Tule Recreation Center

Bids Submitted and Tabulations:

1. [NM Contracting, LLC](#) – \$4,997,600
2. [Terra Fuerte Construction, LLC](#) – \$5,735,000
3. [Holchemont, LTD](#) – \$5,217,000
4. [RG Enterprises, LLC](#) – \$5,654,961



MILNET ARCHITECTURAL SERVICES, PLLC.
608 SOUTH 12TH ST.
McALLEN, TEXAS 78501

June 28, 2021

Mardoqueo Hinojosa, P.E.
City of Edinburg
415 W. University Dr.
Edinburg, TX 78539

Re: El Tule Recreation Center – Bid Recommendation

Mr. Hinojosa,

A total of four (4) bids were received on June 24, 2021 for the above mentioned project.

Our recommendation is to award the project to the second low bidder, Holchemont, Ltd. We have worked with them on previous projects with no issues. They are also below the most recent estimated construction cost estimate we had given to the City of Edinburg.

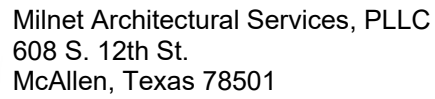
We believe based on our working experience with Holchemont, Ltd. that they are better suited for this type and size of project. Holchemont, Ltd. has shown good organizational skills, subcontractor coordination and efficient project scheduling. This will be critical with the current market conditions that the construction industry is in at the moment.

Enclosed is the Bid Tabulation for your reference.

If you have any questions, please feel free to contact me.

Sincerely,

Rodolfo R. Molina, Jr., AIA
President
Milnet Architectural Services, PLLC



June 24, 2021
MAS Proj. No. 219014

[illegible]

Edinburg Economic Development Corporation

Meeting Date: June 29, 2021

Consider approval of sale of real property at 700
Independence Dr - Lot 11, North Industrial Park Edinburg,
Hidalgo, County, Texas to Siddons-Martin Emergency Group
for the amount of \$175,000.

1. Agenda Item:

Consider approval of sale of real property at 700 Independence Dr - Lot 11, North Industrial Park Edinburg, Hidalgo, County, Texas to Siddons-Martin Emergency Group for the amount of \$175,000.

2. Description/Scope:

Siddons-Martin Emergency Group is a provider of emergency vehicle products and services to customers across Texas, New Mexico, and Louisiana. The company started operating in 1974 and currently has 20 locations.

Siddons-Martin is relocating to Edinburg from Pharr and is requesting to purchase Lot 11 and a portion of Lot 7 (currently being replatted) for a total of 3.5 acres in the North Industrial Park. The cash offer is for \$175,000. The company is proposing to build a 12,000 SF facility on the property, relocate their ten jobs to the new facility, and forecasts hiring an additional ten people. Estimated capital investment is approximately \$1,925,000.

The company is not requesting incentives.

3. Estimated Timeline:

The offer includes a 30-day feasibility period, with a closing date at 30 days after expiration of the feasibility period.

4. Budget:

Property sales are not budgeted. Proceeds would go to unrestricted cash.

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

Staff recommends approval.

7. Justification:

Siddons-Martin Emergency Group is a respected company with a history of providing high-quality vehicles to municipalities in the Rio Grande Valley, including Edinburg. The direct impacts to the local economy would be an estimated 20 jobs and annual sales of approximately \$1,500,000. The proposed purchase price is at the market value, and UTRGV's fiscal impact analysis indicates a positive return on investment to the city.

Blanca Davila
Director of Economic Development

ATTACHMENTS

- Attachment A: Siddons-Martin Emergency Group Company Profile
- Attachment B: Siddons-Martin Emergency Group Offer
- Attachment C: Siddons-Martin Emergency Group Commercial Contract
- Attachment D: Siddons-Martin Emergency Group Incentive Application
- Attachment E: Siddons-Martin Emergency Group Fiscal Impact Analysis

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

Siddons-Martin Emergency Group



COMPANY PROFILE

PREPARED BY
**HANNA
SOLUTIONS**

COMPANY PROFILE www.siddons-martin.com



Siddons-Martin provides the highest quality emergency vehicle products and services to their customers and the communities they serve.



SIDDONS-MARTIN
EMERGENCY GROUP

COMPANY PROFILE

www.siddons-martin.com



 **HANNA
SOLUTIONS**

SIDDONS-MARTIN
EMERGENCY GROUP

SERVICES

Siddons-Martin is the factory authorized warranty service center for every brand we represent and can handle service and repair on every brand of emergency equipment.

Siddons-Martin service technicians are factory trained and ASE / EVT certified. Our technicians undergo continuous training and testing to ensure that the latest technology and innovation is applied to the service of your equipment.

PARTS

- Pierce
- Akron
- Class 1
- Whelen
- Havis Shield
- Leece Neville
- Neihoff
- Waterous
- Will-Burt
- Elkhart
- Command Light
- Hale
- Extenda-Lite

We sell quality from the industry's most trusted brands. Our Parts Department stands ready to assist your order. Our goal is to provide you with top-quality products when you need them. We stock parts and ship from five separate locations to guarantee you get your parts on-time the first time.

APPARATUS SALES

When Siddons-Martin Emergency Group serves you, it's more than business as usual. So the next time you need industry-leading fire apparatus, the rapid intervention of a brush truck, or any style of emergency apparatus, Siddons-Martin will be here for you.

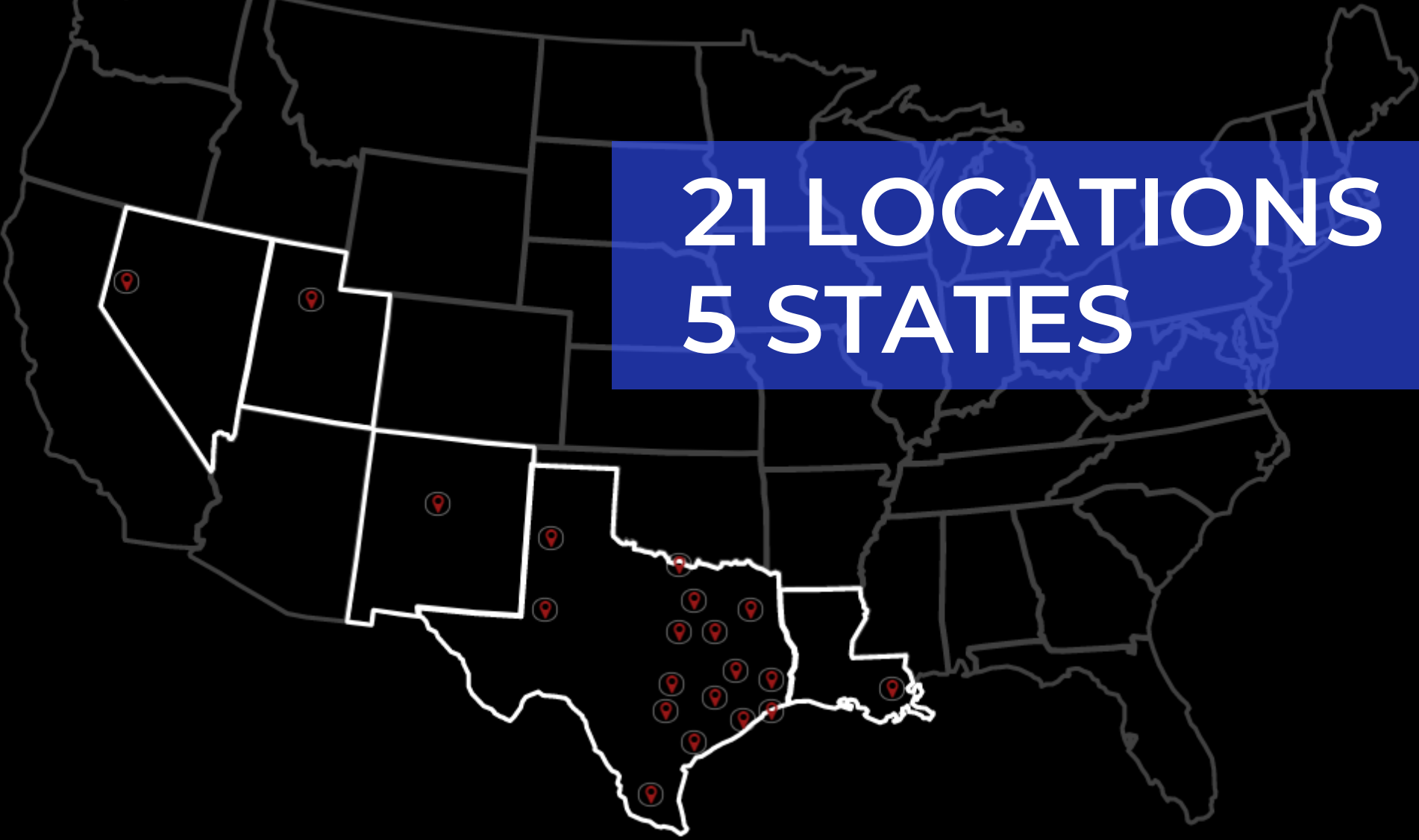
Reach out to us with any questions, our team of experienced product specialists have more than 200 years of combined emergency service experience ready to help get you started in the right direction.



SIDDONS-MARTIN
EMERGENCY GROUP

LOCATIONS

www.siddons-martin.com



**21 LOCATIONS
5 STATES**

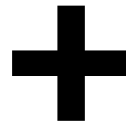


SIDDONS-MARTIN
EMERGENCY GROUP

VALUE BROUGHT



SIDDONS-MARTIN
Emergency Group



PLANNED USAGE

Construction of a
12,000+ SF facility in the
Edinburg N Industrial
Park will serve as
Siddon-Martin's newest
location.

BENEFITS

- 20 employees
- Hourly Positions:
\$15-\$40/hr
- Salary Positions:
\$27,000-\$95,000/yr
- Estimated Annual
Sales: \$1M-\$1.5M



SIDDONS-MARTIN
EMERGENCY GROUP



WE MAKE DEALS HAPPEN





COMING SOON TO EDINBURG, TX

Siddons-Martin
Emergency Group

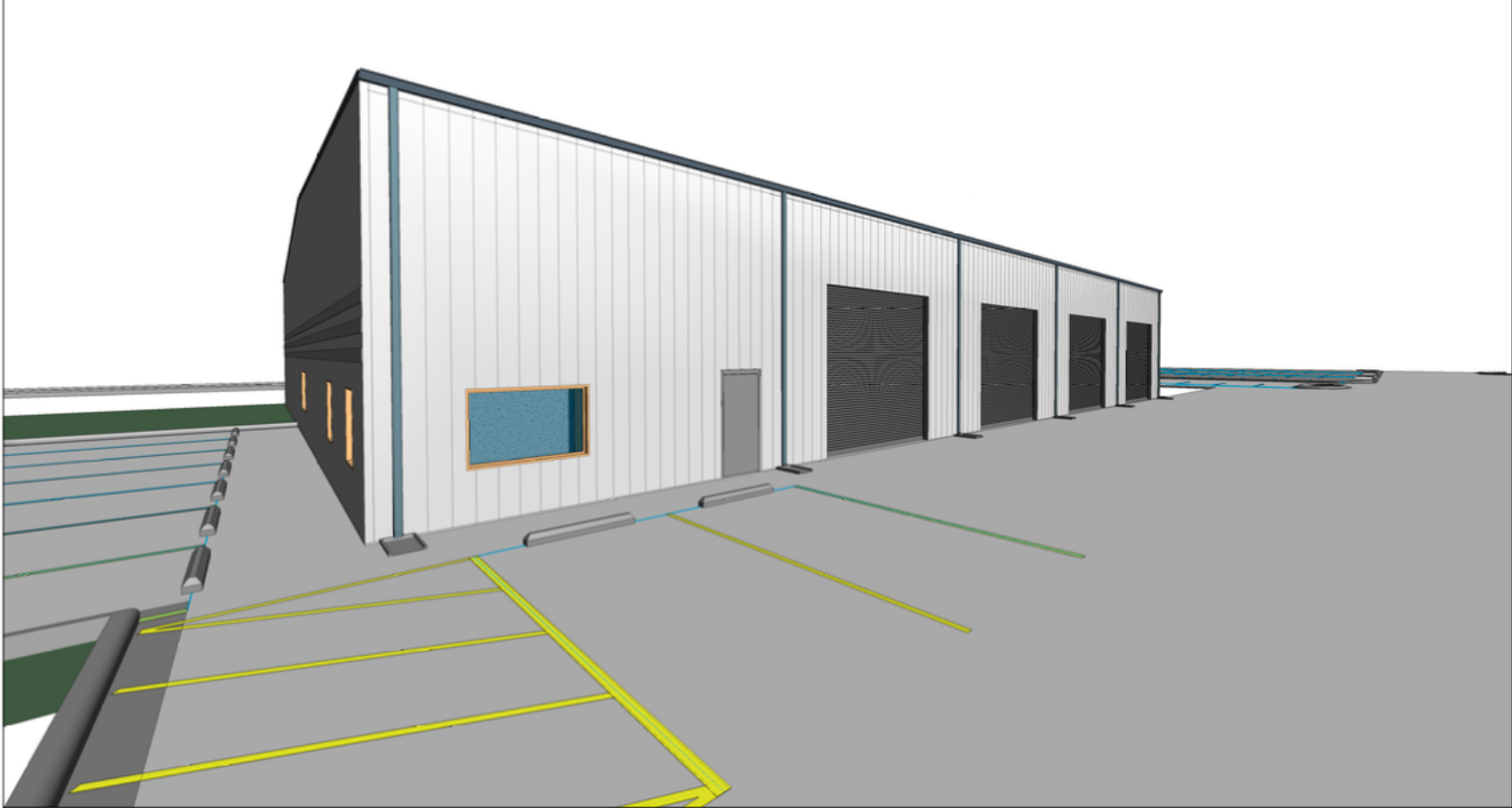
PROPOSED SITE

EDINBURG NORTH INDUSTRIAL PARK



FUTURE CONSTRUCTION

EDINBURG NORTH INDUSTRIAL PARK



APP. 3.5 AC

SIDDONS MARTIN EMERGENCY SERVICES
EDINBURG, TEXAS

OFFER: \$150,000

EDINBURG NORTH INDUSTRIAL PARK

INDEPENDENCE DRIVE

490.00'

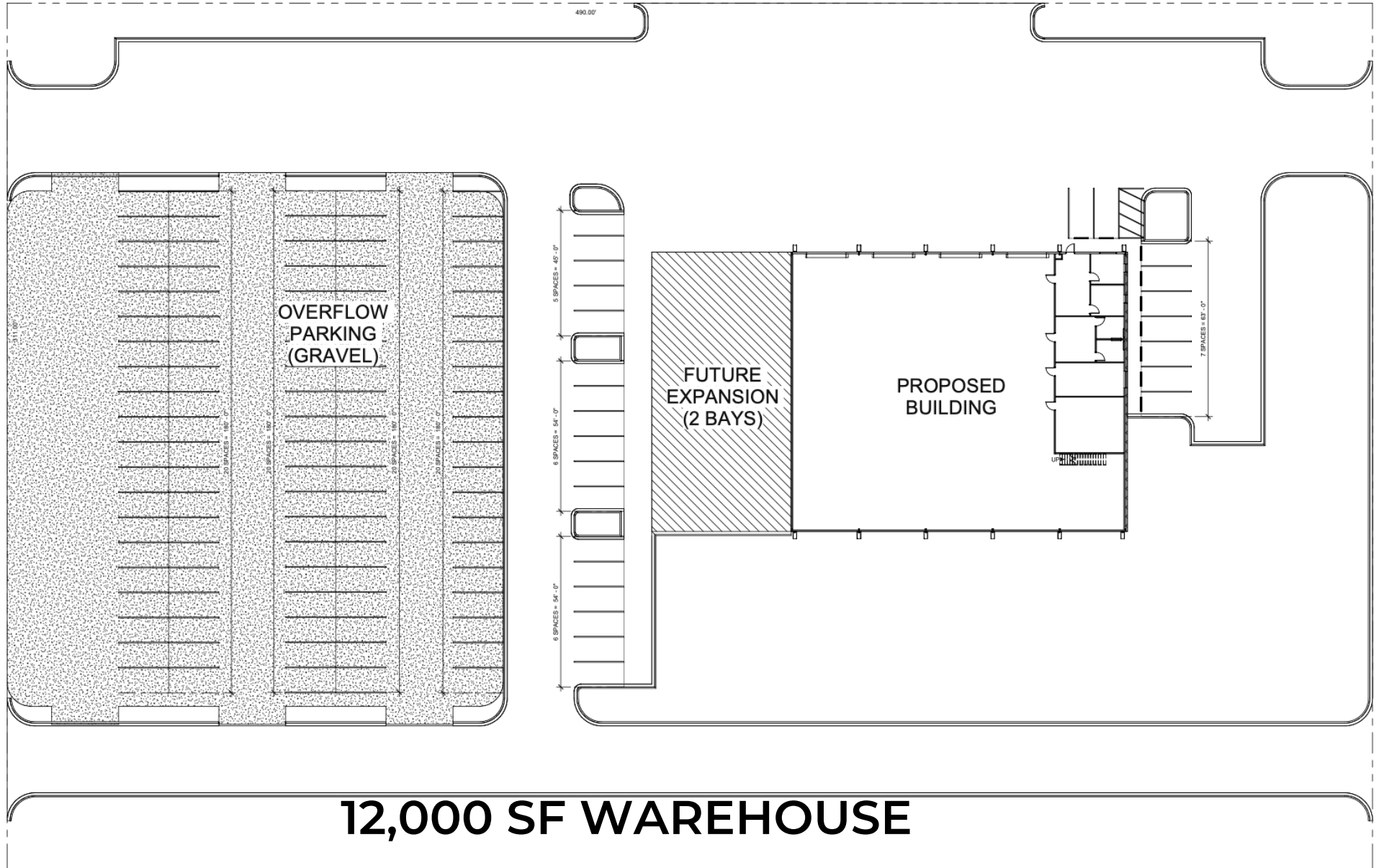
N. DEMOCRACY RD.

OVERFLOW
PARKING
(GRAVEL)

FUTURE
EXPANSION
(2 BAYS)

PROPOSED
BUILDING

12,000 SF WAREHOUSE





WE MAKE DEALS HAPPEN



MARK HANNA
(956) 821-8001
mark@hanna.solutions



COMMERCIAL CONTRACT - UNIMPROVED PROPERTY

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED.
©Texas Association of REALTORS®, Inc. 2018

1. **PARTIES:** Seller agrees to sell and convey to Buyer the Property described in Paragraph 2. Buyer agrees to buy the Property from Seller for the sales price stated in Paragraph 3. The parties to this contract are:

Seller: **EDINBURG ECONOMIC DEVELOPMENT CORP**

Address: **415 W University Dr, Edinburg, TX 78539-4353**

Phone: _____ E-mail: **bdavila@cityofedinburg.com, bkelsey@cityofedinburg.com**

Fax: _____ Other: _____

Buyer: **N. Industrial Development LLC AND/OR Assigns**

Address: _____

Phone: _____ E-mail: _____

Fax: _____ Other: _____

2. PROPERTY:

- A. "Property" means that real property situated in **Hidalgo** County, Texas at **EDINBURG NORTH INDUSTRIAL PARK** (address) and that is legally described on the attached Exhibit **A** or as follows:

- B. Seller will sell and convey the Property together with:

- (1) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, and rights-of-way;
- (2) Seller's interest in all leases, rents, and security deposits for all or part of the Property; and
- (3) Seller's interest in all licenses and permits related to the Property.

(Describe any exceptions, reservations, or restrictions in Paragraph 12 or an addendum.)

(If mineral rights are to be reserved an appropriate addendum should be attached.)

3. SALES PRICE:

- A. At or before closing, Buyer will pay the following sales price for the Property:

(1) Cash portion payable by Buyer at closing \$ **175,000.00**

(2) Sum of all financing described in Paragraph 4 \$ _____

(3) Sales price (sum of 3A(1) and 3A(2)) \$ **175,000.00**

B. Adjustment to Sales Price: (Check (1) or (2) only.)

- ☒ (1) The sales price will not be adjusted based on a survey.
☐ (2) The sales price will be adjusted based on the latest survey obtained under Paragraph 6B.

(a) The sales price is calculated on the basis of \$ N/A per:

- ☐ (i) square foot of ☐ total area ☐ net area.
☐ (ii) acre of ☐ total area ☐ net area.

(b) "Total area" means all land area within the perimeter boundaries of the Property. "Net area" means total area less any area of the Property within:

- ☐ (i) public roadways;
☐ (ii) rights-of-way and easements other than those that directly provide utility services to the Property; and
☐ (iii) N/A

(c) If the sales price is adjusted by more than N/A % of the stated sales price, either party may terminate this contract by providing written notice to the other party within N/A days after the terminating party receives the survey. If neither party terminates this contract or if the variance is less than the stated percentage, the adjustment to the sales price will be made to the cash portion of the sales price payable by Buyer.

4. **FINANCING:** Buyer will finance the portion of the sales price under Paragraph 3A(2) as follows:

- ☐ A. Third Party Financing: One or more third party loans in the total amount of \$ N/A. This contract:
☐ (1) is not contingent upon Buyer obtaining third party financing.
☐ (2) is contingent upon Buyer obtaining third party financing in accordance with the attached Commercial Contract Financing Addendum (TXR-1931).
- ☐ B. Assumption: In accordance with the attached Commercial Contract Financing Addendum (TXR-1931), Buyer will assume the existing promissory note secured by the Property, which balance at closing will be \$ N/A.
- ☐ C. Seller Financing: The delivery of a promissory note and deed of trust to Seller under the terms of the attached Commercial Contract Financing Addendum (TXR-1931) in the amount of \$ N/A.

5. **EARNEST MONEY:**

- A. Not later than 3 days after the effective date, Buyer must deposit \$ \$1,750.00 as earnest money with Edwards Abstract & Title (title company) at 4228 N McColi Rd, McAllen, TX 78504 (address) MARK LEWIS (closer). If Buyer fails to timely deposit the earnest money, Seller may terminate this contract or exercise any of Seller's other remedies under Paragraph 15 by providing written notice to Buyer before Buyer deposits the earnest money.
- B. Buyer will deposit an additional amount of \$ N/A with the title company to be made part of the earnest money on or before:
☐ (i) N/A days after Buyer's right to terminate under Paragraph 7B expires; or
☐ (ii) N/A.
 Buyer will be in default if Buyer fails to deposit the additional amount required by this Paragraph 5B within 3 days after Seller notifies Buyer that Buyer has not timely deposited the additional amount.
- C. Buyer may instruct the title company to deposit the earnest money in an interest-bearing account at a federally insured financial institution and to credit any interest to Buyer.

6. TITLE POLICY AND SURVEY:**A. Title Policy:**

- (1) Seller, at Seller's expense, will furnish Buyer an Owner's Policy of Title Insurance (the title policy) issued by any underwriter of the title company in the amount of the sales price, dated at or after closing, insuring Buyer against loss under the title policy, subject only to:
- (a) those title exceptions permitted by this contract or as may be approved by Buyer in writing; and
 - (b) the standard printed exceptions contained in the promulgated form of title policy unless this contract provides otherwise.
- (2) The standard printed exception as to discrepancies, conflicts, or shortages in area and boundary lines, or any encroachments or protrusions, or any overlapping improvements:
- ☒ (a) will not be amended or deleted from the title policy.
- ☐ (b) will be amended to read "shortages in areas" at the expense of ☐ Buyer ☐ Seller.
- (3) Within 30 days after the effective date, Seller will furnish Buyer a commitment for title insurance (the commitment) including legible copies of recorded documents evidencing title exceptions. Seller authorizes the title company to deliver the commitment and related documents to Buyer at Buyer's address.

B. Survey: Within 30 days after the effective date:

- ☐ (1) Buyer will obtain a survey of the Property at Buyer's expense and deliver a copy of the survey to Seller. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition. Seller will reimburse Buyer N/A (insert amount) of the cost of the survey at closing, if closing occurs.
- ☒ (2) Seller, at Seller's expense, will furnish Buyer a survey of the Property dated after the effective date. The survey must be made in accordance with the: (i) ALTA/NSPS Land Title Survey standards, or (ii) Texas Society of Professional Surveyors' standards for a Category 1A survey under the appropriate condition.
- ☐ (3) Seller will deliver to Buyer and the title company a true and correct copy of Seller's most recent survey of the Property along with an affidavit required by the title company for approval of the existing survey. If the existing survey is not acceptable to the title company, ☐ Seller ☐ Buyer (updating party), will, at the updating party's expense, obtain a new or updated survey acceptable to the title company and deliver the acceptable survey to the other party and the title company within 20 days after the title company notifies the parties that the existing survey is not acceptable to the title company. The closing date will be extended daily up to 20 days if necessary for the updating party to deliver an acceptable survey within the time required. The other party will reimburse the updating party N/A (insert amount or percentage) of the cost of the new or updated survey at closing, if closing occurs.

C. Buyer's Objections to the Commitment and Survey:

- (1) Within 15 days after Buyer receives the last of the commitment, copies of the documents evidencing the title exceptions, and any required survey, Buyer may object in writing to matters disclosed in the items if: (a) the matters disclosed are a restriction upon the Property or constitute a defect or encumbrance to title other than those permitted by this contract or liens that Seller will satisfy at closing or Buyer will assume at closing; or (b) the items show that any part of the Property lies in a special flood hazard area (an "A" or "V" zone as defined by FEMA). If the commitment or survey is revised or any new document evidencing a title exception is delivered, Buyer may object to any new matter revealed in such revision or new document. Buyer's objection must be made within the same number of days stated in this paragraph, beginning when the revision or new

document is delivered to Buyer. If Paragraph 6B(1) applies, Buyer is deemed to receive the survey on the earlier of: (i) the date of Buyer's actual receipt of the survey; or (ii) of the deadline specified in Paragraph 6B.

- (2) Seller may, but is not obligated to, cure Buyer's timely objections within 15 days after Seller receives the objections. The closing date will be extended as necessary to provide such time to cure the objections. If Seller fails to cure the objections by the time required, Buyer may terminate this contract by providing written notice to Seller within 5 days after the time by which Seller must cure the objections. If Buyer terminates, the earnest money, less any independent consideration under Paragraph 7B(1), will be refunded to Buyer.
- (3) Buyer's failure to timely object or terminate under this Paragraph 6C is a waiver of Buyer's right to object except that Buyer will not waive the requirements in Schedule C of the commitment.

7. PROPERTY CONDITION:

- A. Present Condition: Buyer accepts the Property in its present condition except that Seller, at Seller's expense, will complete the following before closing: N/A

- B. Feasibility Period: Buyer may terminate this contract for any reason within 60 days after the effective date (feasibility period) by providing Seller written notice of termination.

(1) Independent Consideration. (Check only one box and insert amounts.)

- ☒ (a) If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer less \$ 500.00 that Seller will retain as independent consideration for Buyer's unrestricted right to terminate. Buyer has tendered the independent consideration to Seller upon payment of the amount specified in Paragraph 5A to the title company. The independent consideration is to be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(1) or if Buyer fails to deposit the earnest money, Buyer will not have the right to terminate under this Paragraph 7B.

- ☐ (b) Not later than 3 days after the effective date, Buyer must pay Seller \$ N/A as independent consideration for Buyer's right to terminate by tendering such amount to Seller or Seller's agent. If Buyer terminates under this Paragraph 7B, the earnest money will be refunded to Buyer and Seller will retain the independent consideration. The independent consideration will be credited to the sales price only upon closing of the sale. If no dollar amount is stated in this Paragraph 7B(2) or if Buyer fails to pay the independent consideration, Buyer will not have the right to terminate under this Paragraph 7B.

- (2) Feasibility Period Extension: Prior to the expiration of the initial feasibility period, Buyer may extend the feasibility period for a single period of an additional N/A days by depositing additional earnest money in the amount of \$ N/A with the title company. If no dollar amount is stated in this Paragraph or if Buyer fails to timely deposit the additional earnest money, the extension of the feasibility period will not be effective.

C. Inspections, Studies, or Assessments:

- (1) During the feasibility period, Buyer, at Buyer's expense, may complete or cause to be completed any and all inspections, studies, or assessments of the Property (including all improvements and fixtures) desired by Buyer.

- (2) Buyer must:
- (a) employ only trained and qualified inspectors and assessors;
 - (b) notify Seller, in advance, of when the inspectors or assessors will be on the Property;
 - (c) abide by any reasonable entry rules or requirements of Seller;
 - (d) not interfere with existing operations or occupants of the Property; and
 - (e) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.
- (3) Except for those matters that arise from the negligence of Seller or Seller's agents, Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from Buyer's inspections, studies, or assessments, including any property damage or personal injury. Buyer will indemnify, hold harmless, and defend Seller and Seller's agents against any claim involving a matter for which Buyer is responsible under this paragraph. This paragraph survives termination of this contract.

D. Property Information:

- (1) Delivery of Property Information: Within N/A days after the effective date, Seller will deliver to Buyer: *(Check all that apply.)*

- ☐ (a) copies of all current leases, including any mineral leases, pertaining to the Property, including any modifications, supplements, or amendments to the leases;
- ☐ (b) copies of all notes and deeds of trust against the Property that Buyer will assume or that Seller will not pay in full on or before closing;
- ☐ (c) copies of all previous environmental assessments, geotechnical reports, studies, or analyses made on or relating to the Property;
- ☐ (d) copies property tax statements for the Property for the previous 2 calendar years;
- ☐ (e) plats of the Property;
- ☐ (f) copies of current utility capacity letters from the Property's water and sewer service provider; and
- ☐ (g) N/A

- (2) Return of Property Information: If this contract terminates for any reason, Buyer will, not later than 10 days after the termination date: *(Check all that apply.)*

- ☒ (a) return to Seller all those items described in Paragraph 7D(1) that Seller delivered to Buyer in other than an electronic format and all copies that Buyer made of those items;
- ☒ (b) delete or destroy all electronic versions of those items described in Paragraph 7D(1) that Seller delivered to Buyer or Buyer copied in any format; and
- ☒ (c) deliver to Seller copies of all inspection and assessment reports related to the Property that Buyer completed or caused to be completed.

This Paragraph 7D(2) survives termination of this contract.

- E. Contracts Affecting Operations: Until closing, Seller: (1) will operate the Property in the same manner as on the effective date under reasonably prudent business standards; and (2) will not transfer or dispose of any part of the Property, any interest or right in the Property, or any of the personal property or other items described in Paragraph 2B or sold under this contract. After the feasibility period ends, Seller may not enter into, amend, or terminate any other contract that affects the operations of the Property without Buyer's written approval.

8. **LEASES:**

- A. Each written lease Seller is to assign to Buyer under this contract must be in full force and effect according to its terms. Seller may not enter into any new lease, fail to comply with any existing lease, or make any amendment or modification to any existing lease without Buyer's written consent. Seller

must disclose, in writing, if any of the following exist at the time Seller provides the leases to the Buyer or subsequently occur before closing:

- (1) any failure by Seller to comply with Seller's obligations under the leases;
- (2) any circumstances under any lease that entitle the tenant to terminate the lease or seek any offsets or damages;
- (3) any advance sums paid by a tenant under any lease;
- (4) any concessions, bonuses, free rents, rebates, brokerage commissions, or other matters that affect any lease; and
- (5) any amounts payable under the leases that have been assigned or encumbered, except as security for loan(s) assumed or taken subject to under this contract.

- B. Estoppel Certificates: Within N/A days after the effective date, Seller will deliver to Buyer estoppel certificates signed not earlier than N/A by each tenant that leases space in the Property. The estoppel certificates must include the certifications contained in the current version of TXR Form 1938 - Commercial Tenant Estoppel Certificate and any additional information requested by a third party lender providing financing under Paragraph 4 if the third party lender requests such additional information at least 10 days prior to the earliest date that Seller may deliver the signed estoppel certificates.

9. BROKERS:

- A. The brokers to this sale are:

Principal Broker: Hanna Solutions

Cooperating Broker: _____

Agent: Mark Hanna

Agent: _____

Address: 611 N. McColl Rd STE

Address: _____

McAllen TX

Phone & Fax: (956)821-8001

Phone & Fax: _____

E-mail: Mark@Hanna.Solutions

E-mail: _____

License No.: 676122

License No.: _____

Principal Broker: (Check only one box)

- ☐ represents Seller only.
☒ represents Buyer only.
☐ is an intermediary between Seller and Buyer.

Cooperating Broker represents Buyer.

- B. Fees: (Check only (1) or (2) below.)

(Complete the Agreement Between Brokers on page 14 only if (1) is selected.)

- ☐ (1) Seller will pay Principal Broker the fee specified by separate written commission agreement between Principal Broker and Seller. Principal Broker will pay Cooperating Broker the fee specified in the Agreement Between Brokers found below the parties' signatures to this contract.

- ☒ (2) At the closing of this sale, Seller will pay:

Principal Broker a total cash fee of:

☒ 6.000 % of the sales price.

☐ _____

Cooperating Broker a total cash fee of:

☐ _____ % of the sales price.

☐ _____

The cash fees will be paid in Hidalgo County, Texas. Seller authorizes the title company to pay the brokers from the Seller's proceeds at closing.

NOTICE: Chapter 62, Texas Property Code, authorizes a broker to secure an earned commission with a lien against the Property.

- C. The parties may not amend this Paragraph 9 without the written consent of the brokers affected by the amendment.

10. CLOSING:

- A. The date of the closing of the sale (closing date) will be on or before the later of:

(1) ☒ 45 days after the expiration of the feasibility period.

☐ _____ (specific date).

☐

(2) 7 days after objections made under Paragraph 6C have been cured or waived.

- B. If either party fails to close by the closing date, the non-defaulting party may exercise the remedies in Paragraph 15.

- C. At closing, Seller will execute and deliver, at Seller's expense, a ☒ general ☐ special warranty deed. The deed must include a vendor's lien if any part of the sales price is financed. The deed must convey good and indefeasible title to the Property and show no exceptions other than those permitted under Paragraph 6 or other provisions of this contract. Seller must convey the Property:

- (1) with no liens, assessments, or other security interests against the Property which will not be satisfied out of the sales price, unless securing loans Buyer assumes;
- (2) without any assumed loans in default; and
- (3) with no persons in possession of any part of the Property as lessees, tenants at sufferance, or trespassers except tenants under the written leases assigned to Buyer under this contract.

- D. At closing, Seller, at Seller's expense, will also deliver to Buyer:

- (1) tax statements showing no delinquent taxes on the Property;
- (2) an assignment of all leases to or on the Property;
- (3) to the extent assignable, an assignment to Buyer of any licenses and permits related to the Property;
- (4) evidence that the person executing this contract is legally capable and authorized to bind Seller;
- (5) an affidavit acceptable to the title company stating that Seller is not a foreign person or, if Seller is a foreign person, a written authorization for the title company to: (i) withhold from Seller's proceeds an amount sufficient to comply with applicable tax law; and (ii) deliver the amount to the Internal Revenue Service (IRS) together with appropriate tax forms; and
- (6) any notices, statements, certificates, affidavits, releases, and other documents required by this contract, the commitment, or law necessary for the closing of the sale and issuance of the title policy, all of which must be completed by Seller as necessary.

- E. At closing, Buyer will:

- (1) pay the sales price in good funds acceptable to the title company;
- (2) deliver evidence that the person executing this contract is legally capable and authorized to bind Buyer;
- (3) sign and send to each tenant in a lease for any part of the Property a written statement that:
 - (a) acknowledges Buyer has received and is responsible for the tenant's security deposit; and
 - (b) specifies the exact dollar amount of the security deposit;
- (4) sign an assumption of all leases then in effect; and
- (5) execute and deliver any notices, statements, certificates, or other documents required by this contract or law necessary to close the sale.

- F. Unless the parties agree otherwise, the closing documents will be as found in the basic forms in the current edition of the State Bar of Texas Real Estate Forms Manual without any additional clauses.

11. POSSESSION: Seller will deliver possession of the Property to Buyer upon closing and funding of this sale in its present condition with any repairs Seller is obligated to complete under this contract, ordinary wear and tear excepted. Any possession by Buyer before closing or by Seller after closing that is not authorized by a separate written lease agreement is a landlord-tenant at sufferance relationship between the parties.

12. SPECIAL PROVISIONS: The following special provisions apply and will control in the event of a conflict with other provisions of this contract. *(If special provisions are contained in an Addendum, identify the Addendum here and reference the Addendum in Paragraph 22D.)*
N/A

13. SALES EXPENSES:

- A. Seller's Expenses: Seller will pay for the following at or before closing:
- (1) releases of existing liens, other than those liens assumed by Buyer, including prepayment penalties and recording fees;
 - (2) release of Seller's loan liability, if applicable;
 - (3) tax statements or certificates;
 - (4) preparation of the deed;
 - (5) one-half of any escrow fee;
 - (6) costs to record any documents to cure title objections that Seller must cure; and
 - (7) other expenses that Seller will pay under other provisions of this contract.
- B. Buyer's Expenses: Buyer will pay for the following at or before closing:
- (1) all loan expenses and fees;
 - (2) preparation of any deed of trust;
 - (3) recording fees for the deed and any deed of trust;
 - (4) premiums for flood insurance as may be required by Buyer's lender;
 - (5) one-half of any escrow fee;
 - (6) other expenses that Buyer will pay under other provisions of this contract.

14. PRORATIONS:

- A. Prorations:
- (1) Interest on any assumed loan, taxes, rents, and any expense reimbursements from tenants will be prorated through the closing date.
 - (2) If the amount of ad valorem taxes for the year in which the sale closes is not available on the closing date, taxes will be prorated on the basis of taxes assessed in the previous year. If the taxes for the year in which the sale closes vary from the amount prorated at closing, the parties will adjust the prorations when the tax statements for the year in which the sale closes become available. This Paragraph 14A(2) survives closing.
 - (3) If Buyer assumes a loan or is taking the Property subject to an existing lien, Seller will transfer all reserve deposits held by the lender for the payment of taxes, insurance premiums, and other charges to Buyer at closing and Buyer will reimburse such amounts to Seller by an appropriate adjustment at closing.
- B. Rollback Taxes: If Seller's use or change in use of the Property before closing results in the assessment of additional taxes, penalties, or interest (assessments) for periods before closing, the assessments will be the obligation of the Seller. If this sale or Buyer's use of the Property after closing results in additional assessments for periods before closing, the assessments will be the obligation of Buyer. This Paragraph 14B survives closing.

- C. Rent and Security Deposits: At closing, Seller will tender to Buyer all security deposits and the following advance payments received by Seller for periods after closing: prepaid expenses, advance rental payments, and other advance payments paid by tenants. Rents prorated to one party but received by the other party will be remitted by the recipient to the party to whom it was prorated within 5 days after the rent is received. This Paragraph 14C survives closing.

15. DEFAULT:

- A. If Buyer fails to comply with this contract, Buyer is in default and Seller, as Seller's sole remedy(ies), may terminate this contract and receive the earnest money, as liquidated damages for Buyer's failure except for any damages resulting from Buyer's inspections, studies or assessments in accordance with Paragraph 7C(3) which Seller may pursue; or
(Check if applicable)
☐ enforce specific performance, or seek such other relief as may be provided by law.
- B. If, without fault, Seller is unable within the time allowed to deliver the estoppel certificates, survey or the commitment, Buyer may:
(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
(2) extend the time for performance up to 15 days and the closing will be extended as necessary.
- C. Except as provided in Paragraph 15B, if Seller fails to comply with this contract, Seller is in default and Buyer may:
(1) terminate this contract and receive the earnest money, less any independent consideration under Paragraph 7B(1), as liquidated damages and as Buyer's sole remedy; or
(2) enforce specific performance, or seek such other relief as may be provided by law, or both.

16. CONDEMNATION: If before closing, condemnation proceedings are commenced against any part of the Property, Buyer may:

- A. terminate this contract by providing written notice to Seller within 15 days after Buyer is advised of the condemnation proceedings and the earnest money, less any independent consideration paid under Paragraph 7B(1), will be refunded to Buyer; or
- B. appear and defend in the condemnation proceedings and any award will, at Buyer's election, belong to:
(1) Seller and the sales price will be reduced by the same amount; or
(2) Buyer and the sales price will not be reduced.

17. ATTORNEY'S FEES: If Buyer, Seller, any broker, or the title company is a prevailing party in any legal proceeding brought under or with relation to this contract or this transaction, such party is entitled to recover from the non-prevailing parties all costs of such proceeding and reasonable attorney's fees. This Paragraph 17 survives termination of this contract.

18. ESCROW:

- A. At closing, the earnest money will be applied first to any cash down payment, then to Buyer's closing costs, and any excess will be refunded to Buyer. If no closing occurs, the title company may require payment of unpaid expenses incurred on behalf of the parties and a written release of liability of the title company from all parties.
- B. If one party makes written demand for the earnest money, the title company will give notice of the demand by providing to the other party a copy of the demand. If the title company does not receive written objection to the demand from the other party within 15 days after the date the title company sent the demand to the other party, the title company may disburse the earnest money to the party making demand, reduced by the amount of unpaid expenses incurred on behalf of the party receiving the earnest money and the title company may pay the same to the creditors.

- C. The title company will deduct any independent consideration under Paragraph 7B(1) before disbursing any earnest money to Buyer and will pay the independent consideration to Seller.
- D. If the title company complies with this Paragraph 18, each party hereby releases the title company from all claims related to the disbursement of the earnest money.
- E. Notices under this Paragraph 18 must be sent by certified mail, return receipt requested. Notices to the title company are effective upon receipt by the title company.
- F. Any party who wrongfully fails or refuses to sign a release acceptable to the title company within 7 days after receipt of the request will be liable to the other party for: (i) damages; (ii) the earnest money; (iii) reasonable attorney's fees; and (iv) all costs of suit.
- G. ☐ Seller ☐ Buyer intend(s) to complete this transaction as a part of an exchange of like-kind properties in accordance with Section 1031 of the Internal Revenue Code, as amended. All expenses in connection with the contemplated exchange will be paid by the exchanging party. The other party will not incur any expense or liability with respect to the exchange. The parties agree to cooperate fully and in good faith to arrange and consummate the exchange so as to comply to the maximum extent feasible with the provisions of Section 1031 of the Internal Revenue Code. The other provisions of this contract will not be affected in the event the contemplated exchange fails to occur.

19. MATERIAL FACTS: To the best of Seller's knowledge and belief: *(Check only one box.)*

- ☐ A. Seller is not aware of any material defects to the Property except as stated in the attached Commercial Property Condition Statement (TXR-1408).
- ☒ B. Except as otherwise provided in this contract, Seller is not aware of:
 - (1) any subsurface: structures, pits, waste, springs, or improvements;
 - (2) any pending or threatened litigation, condemnation, or assessment affecting the Property;
 - (3) any environmental hazards or conditions that materially affect the Property;
 - (4) whether the Property is or has been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
 - (5) whether radon, asbestos containing materials, urea-formaldehyde foam insulation, lead-based paint, toxic mold (to the extent that it adversely affects the health of ordinary occupants), or other pollutants or contaminants of any nature now exist or ever existed on the Property;
 - (6) any wetlands, as defined by federal or state law or regulation, on the Property;
 - (7) any threatened or endangered species or their habitat on the Property;
 - (8) any present or past infestation of wood-destroying insects in the Property's improvements;
 - (9) any contemplated material changes to the Property or surrounding area that would materially and detrimentally affect the ordinary use of the Property;
 - (10) any condition on the Property that violates any law or ordinance.

(Describe any exceptions to (1)-(10) in Paragraph 12 or an addendum.)

20. NOTICES: All notices between the parties under this contract must be in writing and are effective when hand-delivered, mailed by certified mail return receipt requested, or sent by facsimile transmission to the parties addresses or facsimile numbers stated in Paragraph 1. The parties will send copies of any notices to the broker representing the party to whom the notices are sent.

- ☒ A. Seller also consents to receive any notices by e-mail at Seller's e-mail address stated in Paragraph 1.
- ☒ B. Buyer also consents to receive any notices by e-mail at Buyer's e-mail address stated in Paragraph 1.

21. DISPUTE RESOLUTION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this contract that may arise. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation before resorting to arbitration or litigation and will equally share the costs of a mutually acceptable mediator. This paragraph survives termination of this contract. This paragraph does not preclude a party from seeking equitable relief from a court of competent jurisdiction.

22. AGREEMENT OF THE PARTIES:

- A. This contract is binding on the parties, their heirs, executors, representatives, successors, and permitted assigns. This contract is to be construed in accordance with the laws of the State of Texas. If any term or condition of this contract shall be held to be invalid or unenforceable, the remainder of this contract shall not be affected thereby.
- B. This contract contains the entire agreement of the parties and may not be changed except in writing.
- C. If this contract is executed in a number of identical counterparts, each counterpart is an original and all counterparts, collectively, constitute one agreement.
- D. Addenda which are part of this contract are: *(Check all that apply.)*
- ☐ (1) Property Description Exhibit identified in Paragraph 2;
 - ☐ (2) Commercial Contract Financing Addendum (TXR-1931);
 - ☐ (3) Commercial Property Condition Statement (TXR-1408);
 - ☐ (4) Commercial Contract Addendum for Special Provisions (TXR-1940);
 - ☐ (5) Notice to Purchaser of Real Property in a Water District (MUD);
 - ☐ (6) Addendum for Coastal Area Property (TXR-1915);
 - ☐ (7) Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TXR-1916);
 - ☐ (8) Information About Brokerage Services (TXR-2501);
 - ☐ (9) Information About Mineral Clauses in Contract Forms (TXR-2509); and
 - ☒ (10) **EXHIBIT A**

(Note: Counsel for Texas REALTORS® has determined that any of the foregoing addenda which are promulgated by the Texas Real Estate Commission (TREC) or published by Texas REALTORS® are appropriate for use with this form.)

- E. Buyer ☒ may ☐ may not assign this contract. If Buyer assigns this contract, Buyer will be relieved of any future liability under this contract only if the assignee assumes, in writing, all obligations and liability of Buyer under this contract.

23. TIME: Time is of the essence in this contract. The parties require strict compliance with the times for performance. If the last day to perform under a provision of this contract falls on a Saturday, Sunday, or legal holiday, the time for performance is extended until the end of the next day which is not a Saturday, Sunday, or legal holiday.

24. EFFECTIVE DATE: The effective date of this contract for the purpose of performance of all obligations is the date the title company receipts this contract after all parties execute this contract.

25. ADDITIONAL NOTICES:

- A. Buyer should have an abstract covering the Property examined by an attorney of Buyer's selection, or Buyer should be furnished with or obtain a title policy.
- B. If the Property is situated in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services, Chapter 49, Texas Water Code, requires Seller to deliver and Buyer to sign the statutory notice relating to the tax rate, bonded indebtedness, or standby fees of the district before final execution of this contract.
- C. Notice Required by §13.257, Water Code: "The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. If your property is located in a certificated area there may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to your property. You are advised to determine if the property is in a certificated area and contact the utility service provider to determine the cost that you

will be required to pay and the period, if any, that is required to provide water or sewer service to your property. The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or before the execution of a binding contract for the purchase of the real property described in the notice or at closing of purchase of the real property." The real property is described in Paragraph 2 of this contract.

- D. If the Property adjoins or shares a common boundary with the tidally influenced submerged lands of the state, §33.135 of the Texas Natural Resources Code requires a notice regarding coastal area property to be included as part of this contract (*the Addendum for Coastal Area Property (TXR-1915) may be used*).
- E. If the Property is located seaward of the Gulf Intracoastal Waterway, §61.025, Texas Natural Resources Code, requires a notice regarding the seaward location of the Property to be included as part of this contract (*the Addendum for Property Located Seaward of the Gulf Intracoastal Waterway (TXR-1916) may be used*).
- F. If the Property is located outside the limits of a municipality, the Property may now or later be included in the extra-territorial jurisdiction (ETJ) of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and ETJ. To determine if the Property is located within a municipality's ETJ, Buyer should contact all municipalities located in the general proximity of the Property for further information.
- G. Brokers are not qualified to perform property inspections, surveys, engineering studies, environmental assessments, or inspections to determine compliance with zoning, governmental regulations, or laws. Buyer should seek experts to perform such services. Buyer should review local building codes, ordinances and other applicable laws to determine their effect on the Property. Selection of experts, inspectors, and repairmen is the responsibility of Buyer and not the brokers. Brokers are not qualified to determine the credit worthiness of the parties.
- H. NOTICE OF WATER LEVEL FLUCTUATIONS: If the Property adjoins an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level, Seller hereby notifies Buyer: "The water level of the impoundment of water adjoining the Property fluctuates for various reasons, including as a result of: (1) an entity lawfully exercising its right to use the water stored in the impoundment; or (2) drought or flood conditions."
- I. LICENSE HOLDER DISCLOSURE: Texas law requires a real estate license holder who is a party to a transaction or acting on behalf of a spouse, parent, child, business entity in which the license holder owns more than 10%, or a trust for which the license holder acts as a trustee or of which the license holder or the license holder's spouse, parent or child is a beneficiary, to notify the other party in writing before entering into a contract of sale. Disclose if applicable: **MARK HANNA IS A LICENSED REAL ESTATE AGENT IN TEXAS**.
- 26. CONTRACT AS OFFER:** The execution of this contract by the first party constitutes an offer to buy or sell the Property. Unless the other party accepts the offer by 5:00 p.m., in the time zone in which the Property is located, on **July 30, 2021**, the offer will lapse and become null and void.

READ THIS CONTRACT CAREFULLY. The brokers and agents make no representation or recommendation as to the legal sufficiency, legal effect, or tax consequences of this document or transaction. **CONSULT** your attorney **BEFORE** signing.

Seller: EDINBURG ECONOMIC DEVELOPMENT CORP

Buyer: N. Industrial Development LLC AND/OR Assigns

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

By: _____
By (signature): _____
Printed Name: _____
Title: _____

AGREEMENT BETWEEN BROKERS

(use only if Paragraph 9B(1) is effective)

Principal Broker agrees to pay _____ (Cooperating Broker) a fee when the Principal Broker's fee is received. The fee to be paid to Cooperating Broker will be:

☐ \$ _____, or
☐ _____ % of the sales price, or
☐ _____ % of the Principal Broker's fee.

The title company is authorized and directed to pay Cooperating Broker from Principal Broker's fee at closing. This Agreement Between Brokers supersedes any prior offers and agreements for compensation between brokers.

Principal Broker: _____ Cooperating Broker: _____

By: _____ By: _____

ATTORNEYS

Seller's attorney: _____ Buyer's attorney: _____

Address: _____ Address: _____

Phone & Fax: _____ Phone & Fax: _____

E-mail: _____ E-mail: _____

Seller's attorney requests copies of documents, notices, and other information:

☐ the title company sends to Seller.
☐ Buyer sends to Seller.

Buyer's attorney requests copies of documents, notices, and other information:

☐ the title company sends to Buyer.
☐ Seller sends to Buyer.

ESCROW RECEIPT

The title company acknowledges receipt of:

☐ A. the contract on this day _____ (effective date);
☐ B. earnest money in the amount of \$ _____ in the form of _____
on _____.

Title company: _____ Address: _____

By: _____ Phone & Fax: _____

Assigned file number (GF#): _____ E-mail: _____

FINAL Incentive Application

Submitted by: Anonymous user

Submitted time: Jun 21, 2021, 1:16:27 PM

General Information

Business name:

Siddons-Martin Emergency Group

Specify industry classification code (NAICS):

423,120

Enter the industry classification description below:

Motor Vehicle Supplies and New Parts Merchant Wholesalers

Business address:

104 Utility Dr.

City

Pharr

State

TX

Zipcode

78577

Point of contact:

Jeffrey Keiser

Phone number:

281-460-8353

Email:

jkeiser@siddons-martin.com

Total number of employees of existing location:

10

Please enter your approximate yearly revenue below:

\$1,500,000

Is this a Minority-Owned Business:

No

Is this a Women-Owned Business:

No

Is this a Veteran-Owned Business:

No

Choose the one that best describes your business:

Business Relocation (Move entire Business to Edinburg)

Project Information

Do you have an address for the project:

Yes

Please enter project address below:

Independence Dr.

City:

Edinburg

State:

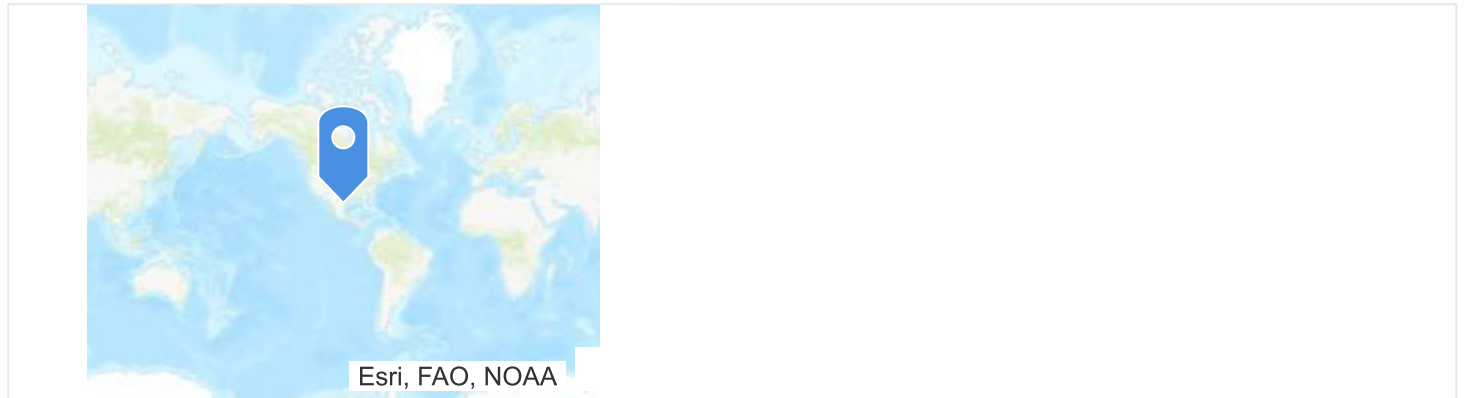
TX

Zipcode

78541

Please map the location for your project:

Lat: 26.30118 Lon: -98.16081



Brief description of project (purpose, timeline, etc.):

Siddon-Martin is planning to construct a 12,000+ SF facility in the Edinburg N Industrial Park which will serve as Siddon-Martin's newest location. Siddons-Martin is relocating to Edinburg from Pharr TX.

What type of jobs are being created?

Full-time

1. Estimated number of Full-Time Jobs Created:

10

2. Estimated number of Full-Time Jobs Retained:

10

3. Estimated hourly pay:

\$15-\$40

Estimated number of jobs created or retained filled by Edinburg residents:

10

Estimated city's property tax roll (real and/or personal property).

NA

Total capital investment:

\$1,925,000

Select all that applies for capital investment.

- **Land**
- **Building**
- **Machinery**

Incentive Request Section:

Incentive Request Selection

- **Purchase,of,property**

Permanent Full-Time

0

Veterans/Special Needs

0

Employer-Sponsor Training

0

Would you like to apply for Property Tax Refund:

No

Would you like to apply for Sales Tax Refund:

No

Will you be requesting EDC and / or City Participation for infrastructure costs?

No

Please indicate and describe any other incentive request:

Siddons-Martin would like to purchase the 3.5 acres located in the North Industrial Park right behind what used to be the Nu-co tool building for an amount of \$175,000.

For all incentives selected, please explain and quantify how it will benefit the community in 250 words or less:

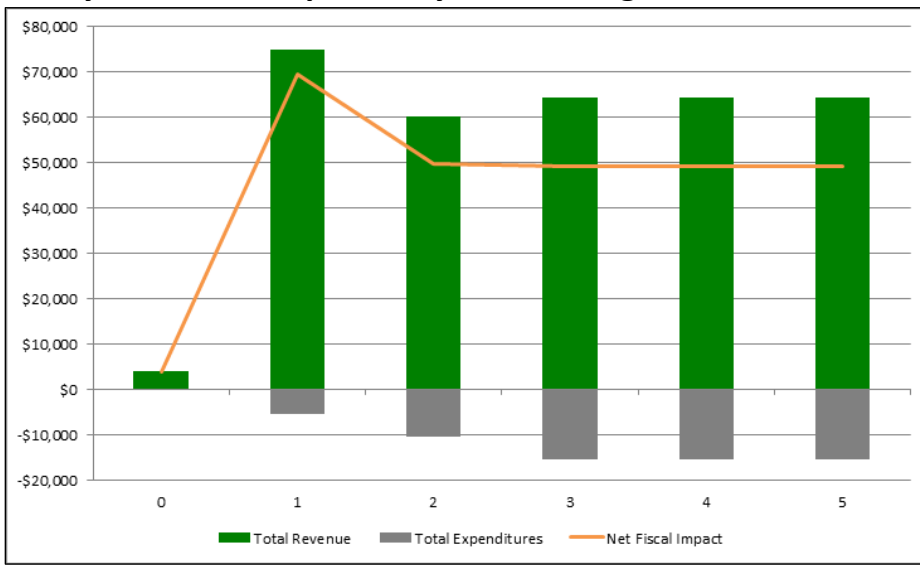
Siddons-Martin will be relocation to Edinburg from Pharr TX., and will be retaining 10 employees and creating 10 additional full-time employees to it's new location. Siddons-Martin will be making significant investment to the city of Edinburg in the amount of \$1,925,000. Siddons-Martin estimate annual sales are \$1,500,000.

Fiscal Impact Report

Siddons-Martin Emergency Group

\$	Capital Investment: \$1,925,000 (land, building, machinery)
👤	Project Created Jobs: 20 Direct (10 new, 10 retained), 19 Indirect and Induced, 39 Total
📈	Estimated Annual Sales: \$1,500,000
🏠	New Households: 6

Yearly Net Fiscal Impact, City of Edinburg



5 Year Fiscal Impact, City of Edinburg

BENEFITS	
Sales Taxes	\$173,825
Property Taxes	\$128,278
Franchise Fees	\$3,247
Business License/Occupation Tax	\$220
Services	\$1,361
Revenues from Fines	\$904
Revenues from Permits	\$452
Miscellaneous Fees	\$1,000
Utility Revenues	\$23,345
TOTAL BENEFITS	\$332,632
COSTS	
Support	\$0
Public Works	\$5,300
Recreation/Libraries	\$5,704
Court System	\$959
General Government	\$13,836
Health Services	\$820
Social Welfare	\$820
Public Safety	\$23,059
Other Costs	\$756
Utility Revenues	\$23,345
TOTAL COSTS	\$61,909
NET BENEFITS	\$270,723
NPV OF BENEFITS	\$270,723

Edinburg Economic Development Corporation

Meeting Date: June 29, 2021

Consider and approval of a resolution approving the corporation's plan of finance pertaining to the contemplated issuance of obligations to be designated as "Edinburg Economic Development Corporation sales tax revenue refunding bonds, taxable series 2021", "Edinburg Economic Development Corporation sales tax revenue bonds, tax-exempt new series 2021A", and "Edinburg Economic Development Corporation sales tax revenue bonds, taxable new series 2021B"; authorizing the board staff and the board's financial advisors and bond counsel to proceed with this plan of finance; and authorizing other matters related to the foregoing.

1. Agenda Item:

Consider and approval of a resolution approving the corporation's plan of finance pertaining to the contemplated issuance of obligations to be designated as 'Edinburg Economic Development Corporation sales tax revenue refunding bonds, taxable series 2021', 'Edinburg Economic Development Corporation sales tax revenue bonds, tax-exempt new series 2021A', and 'Edinburg Economic Development Corporation sales tax revenue bonds, taxable new series 2021B'; authorizing the board staff and the board's financial advisors and bond counsel to proceed with this plan of finance; and authorizing other matters related to the foregoing.

2. Description/Scope:

The EEDC's purpose of refunding certain of the Corporation's outstanding bonds is for debt service savings.

In support of the City of Edinburg's Capital Improvement Program, the EEDC and City have started the initial phase of planning of major projects including:

- (1) A City Multi-Purpose Facility and downtown improvements
- (2) Downtown Area Parking Facilities

3. Estimated Timeline:

Upon approval of resolution.

4. Budget:

- Series 2021 Refunding Bonds - \$13,750,000
- Series 2021A Bonds - \$7,000,000
- Series 2021B Bonds - \$2,000,000

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

Approve resolution approving the Corporation's plan of finance pertaining to the contemplated issuance of obligations to be designated as “Edinburg Economic Development Corporation sales tax revenue refunding bonds, taxable series 2021”, “Edinburg Economic Development Corporation sales tax revenue bonds, tax-exempt new series 2021A”, and “Edinburg Economic Development Corporation sales tax revenue bonds, taxable new series 2021B” authorizing the board staff and the board’s financial advisors and bond counsel to proceed with this plan of finance; and authorizing other matters related to the foregoing.

7. Justification:

The Plan of Finance Resolution memorializes the Corporation's understanding of the plan of finance presented by Hilltop Securities Inc., financial advisor to the Corporation at the Board meeting. This authorizes City staff to work with Hilltop Securities Inc. and Norton Rose Fulbright US LLP, bond counsel to the Corporation, toward the successful completion of the proposed financings contemplated in the plan of finance.

Blanca Davila
Director of Economic Development

ATTACHMENTS

Attachment A: Edinburg EDC Series 2021 Sales Tax Rev Bds Plan of Finance

Attachment B: Plan of Finance Resolution

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



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Vice President
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Dallas, Texas 75201
214.859.1714
Jorge.Delgado@hilltopsecurities.com



Sales Tax Revenue Bonds, Taxable Series 2021 and New Series 2021A & 2021B
Plan of Finance

June 29, 2021

Edinburg Economic Development Corporation

Table of Contents

- **Plan of Finance**
- ***Preliminary* Sources & Uses of Funds and Bond Statistics**
- **Financing Team**
- **Schedule of Events**
- **APPENDIX A – Financial Analysis and Cash Flows**
- **APPENDIX B – Municipal Market Update**

Plan of Finance



Plan of Finance (1 of 5)

- Refinancing of the [Senior Lien] Sales Tax Revenue Refunding Bonds, Taxable Series 2015 (Santana Manufacturing Project Refinancing) for debt service cash flow savings.
- Finance Downtown Revitalization projects:
 - ❑ A portion of a Multi-Purpose Facility (Cultural Arts/Conference/Event Center) - \$6 million
 - ❑ General Downtown Revitalization Projects - \$1 million
 - ❑ Retail Space in Parking Garage Structure - \$2 million (*private use project*)
- Issuance of three series of sales tax revenue bonds for the purposes described above:
 - ❑ Sales Tax Revenue Refunding Bonds, Taxable Series 2021 [senior lien]
 - Refinancing of the Taxable Series 2015 Santana Bonds for debt service cash flow savings
 - ❑ Sales Tax Revenue Bonds, Tax-Exempt New Series 2021A [third lien]
 - Financing of a portion of the Multi-Purpose Facility and the General Downtown Revitalization Projects
 - ❑ Sales Tax Revenue Bonds, Taxable New Series 2021B [third lien]
 - Financing of the portion of the Retail Space in Parking Garage Structure

Plan of Finance (2 of 5)

- Current Edinburg EDC Sales Tax Revenue Bonds and Contract Revenue Bonds Structure
 - ❑ Senior Lien
 - Series 2013A Ebony Hills Golf Course Project Bonds
 - Series 2013B Emergency Shelter/Recreational Facility Project Bonds
 - Taxable Series 2015 Santana Manufacturing Project Refinancing
 - ❑ Second Lien
 - Series 2015A Edinburg Entertainment Center Project
 - Taxable Series 2015B Edinburg Entertainment Center Project
 - ❑ New Series [Third] Lien
 - New Series 2019 Sales Tax Revenue Bonds (Public Facilities and Parks)

Plan of Finance (3 of 5)

▪ Strategic Assumptions and Considerations:

- ❑ Sales Tax Revenue Refunding Bonds, Taxable Series 2021
 - No extension of original maturity (*Final Maturity February 15, 2035*)
 - Cash Flow Savings every single fiscal year (*FYs 2022-2035*)
 - Utilization of Taxable Series 2015 Santana Bonds Debt Service Reserve Fund (\$1,467,450) to pay off existing debt
 - No Debt Service Reserve Fund for the Taxable Series 2021 Refunding Bonds
 - Investment Grade Rated Bonds (*current rating is S&P “AA-”*)

- ❑ Sales Tax Revenue Bonds, Tax-Exempt New Series 2021A and Taxable New Series 2021B
 - 25-Year Repayment (*Final Maturity on August 15, 2046*)
 - Level debt service structure (*uniform payments FYs 2022-2046*)
 - Debt Service Reserve Funds financed with bond proceeds
 - Non-rated bonds
 - Possible utilization of “AA” rated bond insurance if cost effective for the Edinburg EDC (*assuming credit approved, if lower interest payments warrant insurance premium expense*)

- ❑ **Net Annual Budgetary Impact of Refinancing and New Series 2021A and 2021B Bonds = Approx. \$476,000**
 - \$481,963 (New Series 2021A) plus \$156,434 (New Series 2021B) minus \$162,806 (Refunding Savings)

Plan of Finance (4 of 5)

City of Edinburg, Texas

For discussion purposes only

Historical Sales Tax Collections as reported by the Texas Comptroller of Public Accounts

As of June 2021

	As reported by the Texas Comptroller of Public Accounts					
	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
October	\$ 2,123,519	\$ 2,071,027	\$ 1,820,970	\$ 1,657,590	\$ 1,702,562	\$ 1,671,789
November	2,590,619	2,214,683	2,154,846	1,963,990	1,933,809	1,864,641
December	2,193,823	2,159,055	2,007,037	1,624,491	1,644,571	1,568,278
January	2,264,020	2,071,355	1,773,568	1,652,449	1,523,110	1,548,660
February	3,018,875	2,695,698	2,482,750	2,139,029	2,248,781	2,219,179
March	2,215,452	1,902,239	1,775,566	1,719,773	1,573,511	1,516,885
April	2,007,491	1,815,742	2,113,833	1,714,807	1,543,533	1,560,406
May	2,908,731	2,296,654	2,359,333	2,203,439	1,969,548	2,081,110
June	2,564,708	1,989,180	2,135,276	1,770,866	1,612,167	1,631,160
July	-	2,200,941	2,048,194	1,813,133	1,690,753	1,730,441
August	-	2,364,096	2,243,679	2,043,762	1,931,396	2,000,505
September	-	2,152,133	2,197,608	1,754,346	1,595,898	1,601,963
	\$ 21,887,237	\$ 25,932,801	\$ 25,112,662	\$ 22,057,676	\$ 20,969,639	\$ 20,995,017
	11.28%	3.27%	13.85%	5.19%	-0.12%	6.32%
Total (2%)⁽¹⁾	\$ 28,604,407	\$ 25,932,801	\$ 25,112,662	\$ 22,057,676	\$ 20,969,639	\$ 20,995,017
<i>Regular Sales Tax (1%)</i>	<i>\$ 14,302,204</i>	<i>\$ 12,966,400</i>	<i>\$ 12,556,331</i>	<i>\$ 11,028,838</i>	<i>\$ 10,484,820</i>	<i>\$ 10,497,509</i>
<i>Property Tax Relief (0.5%)</i>	<i>\$ 7,151,102</i>	<i>\$ 6,483,200</i>	<i>\$ 6,278,165</i>	<i>\$ 5,514,419</i>	<i>\$ 5,242,410</i>	<i>\$ 5,248,754</i>
EDC (4A) Corp (0.5%)	\$ 7,151,102	\$ 6,483,200	\$ 6,278,165	\$ 5,514,419	\$ 5,242,410	\$ 5,248,754

Notes:

(1) Fiscal year 2021 totals assume the last 12 months of sales tax collections (July 2020 - June 2021).

The remaining totals are on a fiscal year basis

Plan of Finance (5 of 5)

Edinburg Economic Development Corporation
Assumed Budgeted Fiscal Year 2022 Use of Funds

For discussion purposes only

Gross Sales Tax Revenue (Unaudited Last 12-months through June 2021)	<u>\$7,151,102</u>
EEDC First Lien Direct Debt Service - Sales Tax Revenue Bonds (Senior Lien Debt)	
Ebony Hills Project Bonds (Series 2013A)	\$265,046
Emergency Shelter/Rec Facility Project Bonds (Series 2013B)	\$528,760
Santana Manufacturing Project Refunding Bonds (Taxable Series 2015)	\$672,236
Plus: Proposed Refinancing Savings of Santana Manufacturing Project Refunding Bonds (Taxable Series 2021)	\$162,806
Total EEDC First Lien Direct Debt Service	<u>\$1,303,236</u>
Local Government Finance Corporation Contractual Debt Service - Entertainment Center Bonds (2nd Lien Debt)	\$2,684,975
Credit from TIRZ #1 (FY 2020 unaudited revenue)	\$739,699
Credit from TIRZ #4 (FY 2020 unaudited revenue)	\$280,560
Credit from City Grants (FY 2020 unaudited)	\$754,630
Credit from Base Rent Revenue (Entertainment Center was operational as of FY 2019) - <i>assumes no Base Rent revenue due to COVID-19</i>	\$0
Total NET Contractual Obligation to LGFC for Entertainment Center Bonds	<u>\$910,086</u>
Plus 25% of the Total NET Contractual Obligation to LGFC for Entertainment Center Bonds (EEDC <u>must budget</u> 125% of Net Funds Required)	<u>\$227,522</u>
Outstanding EEDC New Series 2019 (3rd Lien) Direct Debt Service	<u>\$757,238</u>
Proposed EEDC New Series 2021A and New Series 2021B (3rd Lien) Direct Debt Service	<u>\$638,397</u>
TOTAL DEBT SERVICE OBLIGATIONS	<u>\$3,836,478</u>
Sales Tax Revenue Available for Additional Debt Service and Operating, Maintenance, Infrastructure/Incentives and Contractual Expenses	<u>\$3,314,624</u>
Plus: 20% of the Total NET Contractual Obligation to LGFC for Entertainment Center Bonds (EEDC <u>only transfers</u> 105% of Net Funds Required to Trustee)	<u>\$182,017</u>
NET Sales Tax Revenue Available for Additional Debt Service and Operating, Maintenance, Infrastructure/Incentives and Contractual Expenses	<u>\$3,496,641</u>

Preliminary

Sources & Uses of Funds and Bond Statistics



Sales Tax Revenue Refunding Bonds, Taxable Series 2021

Sources of Funds	
Par Amount of Bonds	\$13,580,000
Series 2015 Bonds Debt Service Reserve Fund	\$1,467,450
Total Sources of Funds	\$15,047,450

Uses of Funds	
Deposit to Refunding Escrow Account	\$14,792,812
Budgeted Financing Costs	\$254,638
Total Sources of Funds	\$15,047,450

Refunding Sensitivity - Assuming Current Interest Rates			
Summary Statistics	Aug. 2021	Feb. 2022	Aug. 2022
Cash Flow Savings	\$2,279,282	\$2,407,439	\$2,545,420
Avg. Annual Savings	\$162,806	\$185,188	\$195,802
Present Value Savings	\$476,722	\$605,098	\$738,127
Present Value Savings %	3.63%	4.65%	5.67%
Interest Rate Increase Sensitivity	n/a	0.16%	0.28%

Refunding Sensitivity - August 2021 Refunding			
Summary Statistics	-0.25%	Current Rates	+0.25%
Cash Flow Savings	\$2,573,049	\$2,279,282	\$1,983,349
Avg. Annual Savings	\$183,789	\$162,806	\$141,668
Present Value Savings	\$765,799	\$476,722	\$194,716
Present Value Savings %	5.83%	3.63%	1.48%

Notes:

Based on preliminary bond pricing views (2.26% taxable "AA-" interest rate) as of June 21, 2021. **Subject to change at any time.**

Preliminary budgeted financing costs. **Subject to change.**

"Interest Rate Increase Sensitivity" means how much interest rates could rise in 6 months or a year and achieve the same savings that could be achieved in August 2021 at current interest rates. **Subject to change at any time.**

Sales Tax Revenue Bonds, Tax-Exempt Series 2021A

Sources of Funds	
Par Amount of Bonds	\$7,740,000
Total Sources of Funds	\$7,740,000
Uses of Funds	
Deposit to Project Fund Account	\$7,000,000
Deposit to Debt Service Reserve Fund	\$484,500
<i>Budgeted</i> Financing Costs	\$255,500
Total Sources of Funds	\$7,740,000

Bond Statistics	
Repayment Term	25 Years
Final Maturity	August 15, 2046
Assumed Tax-Exempt Interest Rate (Bond Yield)	3.75%
Average Annual Debt Service	\$481,963
Total Debt Service (net of Debt Service Reserve Fund)	\$11,564,569

Notes:

Based on preliminary bond pricing views (3.75% tax-exempt Non-Rated interest rate) as of June 21, 2021. **Subject to change at any time.**

Preliminary budgeted financing costs. **Subject to change.**

Sales Tax Revenue Bonds, Taxable Series 2021B

Sources of Funds	
Par Amount of Bonds	\$2,275,000
Total Sources of Funds	\$2,275,000
Uses of Funds	
Deposit to Project Fund Account	\$2,000,000
Deposit to Debt Service Reserve Fund	\$158,658
<i>Budgeted</i> Financing Costs	\$116,342
Total Sources of Funds	\$2,275,000

Bond Statistics	
Repayment Term	25 Years
Final Maturity	August 15, 2046
Assumed Taxable Interest Rate (Bond Yield)	4.70%
Average Annual Debt Service	\$156,434
Total Debt Service (net of Debt Service Reserve Fund)	\$3,752,200

Notes:

Based on preliminary bond pricing views (4.70% taxable Non-Rated interest rate) as of June 21, 2021. **Subject to change at any time.**

Preliminary budgeted financing costs. **Subject to change.**

Financing Team



Financing Team

- **Issuer**
Edinburg Economic Development Corporation
- **Financial Advisor**
Hilltop Securities Inc., Rio Grande Valley & Dallas, TX
- **Bond Counsel**
Norton Rose Fulbright US LLP, Austin & San Antonio, TX
- **Paying/Escrow Agent**
The Bank of New York Mellon Trust Company, N.A., Dallas, TX
- **Rating Agency (Senior Lien Refunding Bonds)**
Standard and Poor's, Farmers Branch, TX
- **Underwriter**
Stifel Nicolaus & Company, Inc., San Antonio, TX & St. Louis, MO
- **Underwriter's Counsel**
Winstead PC, San Antonio & Dallas, TX

Schedule of Events



Schedule of Events

- **June 29, 2021**

- Presentation, consideration and approval of Plan of Finance
- Consideration and approval of a Reimbursement Resolution for the Projects

- **July 6, 2021**

- City Council considers and authorizes the EEDC's Plan of Finance and other matters as necessary prior to the issuance of the Taxable Series 2021 Refunding Bonds (Senior Lien), the Tax-Exempt New Series 2021A Bonds and the Taxable New Series 2021B Bonds

- **August 17, 2021**

- EEDC Board Special Meeting – Issuance of Taxable Series 2021 Refunding Bonds (Senior Lien), the Tax-Exempt New Series 2021A Bonds and the Taxable New Series 2021B Bonds
- City Council Meeting – Resolution authorizing the EEDC's issuance of Taxable Series 2021 Refunding Bonds (Senior Lien), the Tax-Exempt New Series 2021A Bonds and the Taxable New Series 2021B Bonds

- **September 14, 2021**

- Closing of bond debt issuance and delivery of funds to the EEDC

Appendix A: Financial Analysis and Cash Flows



EEDC Debt Service Coverage Analysis (without Refinancing of Santana Bonds)

Edinburg Economic Development Corporation
Debt Service Coverage Analysis - Downtown Revitalization Project Financing

For Discussion Purposes Only

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Fiscal Year Ending 30-Sep	Last 12-Months' Sales Tax Revenues ⁽¹⁾	Outstanding EDC (4A) Bonds Debt Service ⁽²⁾	EDC(4A) Bonds Debt Service Coverage Ratio	Less: EEDC Sales Tax Revenues Generated within TIRZ #3	Net Available EEDC Sales Tax Revenues Subordinate Lien Debt ⁽³⁾	Outstanding Series 2015 LGFC Bonds Debt Service ⁽⁴⁾	Subordinate Lien Debt Service Coverage Ratio	Net Available EEDC Sales Tax Revenues for New Series Debt	Outstanding New Series 2019 EEDC Bonds ⁽⁵⁾	Proposed Tax-Exempt New Series 2021A EEDC Bonds ⁽⁶⁾	Proposed Taxable New Series 2021B EEDC Bonds ⁽⁷⁾	TOTAL Projected New Series Debt Service	New Series Debt Service Coverage Ratio	Total Outstanding EDC (4A) Supported Debt Service	ALL-IN Coverage Ratio ⁽⁸⁾
2021	\$ 7,151,102	\$ 1,467,304	4.87x	\$ -	\$ 5,683,798	\$ 2,679,850	2.12x	\$ 3,003,948	\$ 757,175	\$ -	\$ -	\$ 757,175	3.97x	\$ 4,904,329	1.46x
2022	7,151,102	1,466,042	4.88x	-	5,685,060	2,672,975	2.13x	3,012,085	757,238	481,381	158,658	1,397,277	2.16x	5,536,294	1.29x
2023	7,151,102	1,464,001	4.88x	-	5,687,101	2,678,975	2.12x	3,008,126	756,925	482,750	154,340	1,394,015	2.16x	5,536,991	1.29x
2024	7,151,102	1,466,116	4.88x	-	5,684,986	2,672,725	2.13x	3,012,261	756,238	480,250	156,990	1,393,478	2.16x	5,532,319	1.29x
2025	7,151,102	1,465,207	4.88x	-	5,685,895	2,674,225	2.13x	3,011,670	760,175	482,563	154,405	1,397,143	2.16x	5,536,575	1.29x
2026	7,151,102	1,463,440	4.89x	-	5,687,662	2,673,225	2.13x	3,014,437	757,775	479,500	156,820	1,394,095	2.16x	5,530,760	1.29x
2027	7,151,102	1,467,450	4.87x	-	5,683,652	2,674,600	2.13x	3,009,052	759,975	481,250	154,000	1,395,225	2.16x	5,537,275	1.29x
2028	7,151,102	1,464,704	4.88x	-	5,686,398	2,673,625	2.13x	3,012,773	756,575	482,625	156,180	1,395,380	2.16x	5,533,709	1.29x
2029	7,151,102	1,465,204	4.88x	-	5,685,898	2,675,650	2.13x	3,010,248	757,775	483,625	158,125	1,399,525	2.15x	5,540,379	1.29x
2030	7,151,102	1,463,844	4.89x	-	5,687,258	2,675,625	2.13x	3,011,633	758,375	484,250	154,835	1,397,460	2.16x	5,536,929	1.29x
2031	7,151,102	1,463,313	4.89x	-	5,687,789	2,673,550	2.13x	3,014,239	756,500	479,500	156,545	1,392,545	2.16x	5,529,408	1.29x
2032	7,151,102	1,463,300	4.89x	-	5,687,802	2,673,000	2.13x	3,014,802	758,950	479,563	158,020	1,396,533	2.16x	5,532,833	1.29x
2033	7,151,102	1,465,700	4.88x	-	5,685,402	2,678,125	2.12x	3,007,277	760,500	484,250	154,260	1,399,010	2.15x	5,542,835	1.29x
2034	7,151,102	1,465,400	4.88x	-	5,685,702	2,679,500	2.12x	3,006,202	761,150	483,375	155,500	1,400,025	2.15x	5,544,925	1.29x
2035	7,151,102	1,467,288	4.87x	-	5,683,814	2,672,250	2.13x	3,011,564	760,900	482,125	156,505	1,399,530	2.15x	5,539,068	1.29x
2036	7,151,102	-	n/a	-	7,151,102	2,681,000	2.67x	4,470,102	759,750	480,500	157,275	1,397,525	3.20x	4,078,525	1.75x
2037	7,151,102	-	n/a	-	7,151,102	2,675,500	2.67x	4,475,602	760,250	483,500	157,810	1,401,560	3.19x	4,077,060	1.75x
2038	7,151,102	-	n/a	-	7,151,102	2,675,750	2.67x	4,475,352	759,500	480,938	158,110	1,398,548	3.20x	4,074,298	1.76x
2039	7,151,102	-	n/a	-	7,151,102	2,671,500	2.68x	4,479,602	757,500	483,000	158,175	1,398,675	3.20x	4,070,175	1.76x
2040	7,151,102	-	n/a	-	7,151,102	2,672,500	2.68x	4,478,602	759,250	484,500	158,005	1,401,755	3.19x	4,074,255	1.76x
2041	7,151,102	-	n/a	-	7,151,102	2,673,375	2.67x	4,477,727	759,500	480,438	157,600	1,397,538	3.20x	4,070,913	1.76x
2042	7,151,102	-	n/a	-	7,151,102	2,673,875	2.67x	4,477,227	758,250	481,000	156,960	1,396,210	3.21x	4,070,085	1.76x
2043	7,151,102	-	n/a	-	7,151,102	2,673,750	2.67x	4,477,352	760,500	481,000	156,085	1,397,585	3.20x	4,071,335	1.76x
2044	7,151,102	-	n/a	-	7,151,102	2,677,625	2.67x	4,473,477	756,000	480,438	154,975	1,391,413	3.22x	4,069,038	1.76x
2045	7,151,102	-	n/a	-	7,151,102	2,675,250	2.67x	4,475,852	-	484,313	153,630	637,943	7.02x	3,313,193	2.16x
2046	7,151,102	-	n/a	-	7,151,102	-	n/a	7,151,102	-	482,438	157,050	639,488	11.18x	639,488	11.18x
		\$ 21,978,311		\$ -		\$ 66,878,025			\$ 18,206,725	\$ 12,049,069	\$ 3,910,858	\$ 34,166,652		\$ 123,022,988	

Notes:

- (1) 1/2 of 1% of Sales Tax Revenues as reported by the Texas Comptroller of Public Accounts as of June 2021. Does NOT net out sales taxes generated within TIRZ #3 (La Sienna); no sales taxes have been generated within TIRZ #3 as of June 2021. La Sienna is primarily a residential project.
- (2) Includes Sales Tax Revenue Bonds, Series 2013A (Ebony Hills Golf Course), Sales Tax Revenue Bonds, Series 2013B (Emergency Shelter/Rec Facility) & Sales Tax Revenue Refunding Bonds, Taxable Series 2015 (Santana Manufacturing Refinancing).
- (3) "Net Available EEDC Sales Tax Revenues" means Gross EEDC sales tax revenues (plus any interest earnings thereon), less amounts owed to the Texas Comptroller of Public Accounts which are not needed or used to pay debt service on the Senior Lien EEDC Bonds (Series 2013A, Series 2013B and Taxable Series 2015) and which are not generated within TIRZ #3.
- (4) Includes Contract Revenue Bonds, Series 2015A (Edinburg Entertainment Center) & Contract Revenue Bonds, Taxable Series 2015B (Edinburg Entertainment Center).
- (5) Includes the Sales Tax Revenue Bonds, New Series 2019.
- (6) Assumes issuance of \$7,740,000 Sales Tax Revenue Bonds, Tax-Exempt Series 2021A on August 3, 2021 for delivery on August 31, 2021 at an estimated interest rate of 3.75%. Fully funded debt service reserve fund (max P&I).
- (7) Assumes issuance of \$2,275,000 Sales Tax Revenue Bonds, Taxable Series 2021B on August 3, 2021 for delivery on August 31, 2021 at an estimated interest rate of 4.70%. Fully funded debt service reserve fund (max P&I).
- (8) Must not be less than 1.15x.

EEDC Cash Flow Analysis (without Refinancing of Santana Bonds)

Edinburg Economic Development Corporation
Cash Flow Analysis - Downtown Revitalization Project Financing - *Including TIRZ Revenues, City Grants to EEDC and Projected Base Rent to offset the Edinburg LGFC Contract Revenue Bonds Debt Service*

For Discussion Purposes Only

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
Fiscal Year Ending 30-Sep	Last 12-Months' Sales Tax Revenues ⁽¹⁾	Outstanding EDC (4A) Bonds Debt Service ⁽²⁾	Less: EEDC Sales Tax Revenues Generated within TIRZ #3	Net Available EEDC Sales Tax Revenues for LGFC Contract ⁽³⁾	Outstanding Series 2015 LGFC Bonds Debt Service ⁽⁴⁾	Plus: 2020 100% of TIRZ #1 Tax Increment ⁽⁵⁾	Plus: FY 2020 95% of TIRZ #4 Tax Increment ⁽⁵⁾	Plus: FY 2020 City Grants to EEDC Revenue ⁽⁶⁾	Plus: Projected Base Rent Revenue ⁽⁷⁾	NET Series 2015 LGFC Bonds Debt Service	Additional 5% of Net Series 2015 LGFC Bonds Debt Service	TOTAL Projected Subordinate Lien Debt Service	Outstanding New Series Series 2019 EEDC Bonds ⁽⁸⁾	Proposed Tax-Exempt New Series 2021A EEDC Bonds ⁽⁹⁾	Proposed Taxable New Series 2021B EEDC Bonds ⁽¹⁰⁾	TOTAL Projected New Series Debt Service	Total Outstanding EDC (4A) Supported Debt Service	Cash Surplus/ (Deficit) After
2021	\$ 7,151,102	\$ 1,467,304	\$ -	\$ 5,683,798	\$ 2,691,850	\$ 739,699	\$ 280,560	\$ 754,630	\$ -	\$ 916,961	\$ 45,848	\$ 962,809	\$ 757,175	\$ -	\$ -	\$ 757,175	\$ 3,187,288	\$ 3,963,814
2022	7,151,102	1,466,042	-	5,685,060	2,684,975	739,699	280,560	754,630	-	910,086	45,504	955,590	757,238	481,381	158,658	1,397,277	3,818,909	3,332,193
2023	7,151,102	1,464,001	-	5,687,101	2,690,975	739,699	280,560	754,630	200,000	716,086	35,804	751,890	756,925	482,750	154,340	1,394,015	3,609,906	3,541,195
2024	7,151,102	1,466,116	-	5,684,986	2,684,725	739,699	280,560	754,630	200,000	709,836	35,492	745,328	756,238	480,250	156,990	1,393,478	3,604,921	3,546,180
2025	7,151,102	1,465,207	-	5,685,895	2,686,225	739,699	280,560	754,630	200,000	711,336	35,567	746,903	760,175	482,563	154,405	1,397,143	3,609,252	3,541,849
2026	7,151,102	1,463,440	-	5,687,662	2,685,225	739,699	280,560	754,630	200,000	710,336	35,517	745,853	757,775	479,500	156,820	1,394,095	3,603,388	3,547,714
2027	7,151,102	1,467,450	-	5,683,652	2,686,600	739,699	280,560	754,630	200,000	711,711	35,586	747,297	759,975	481,250	154,000	1,395,225	3,609,971	3,541,130
2028	7,151,102	1,464,704	-	5,686,398	2,685,625	739,699	280,560	754,630	200,000	710,736	35,537	746,273	756,575	482,625	156,180	1,395,380	3,606,357	3,544,745
2029	7,151,102	1,465,204	-	5,685,898	2,687,650	739,699	280,560	754,630	200,000	712,761	35,638	748,399	757,775	483,625	158,125	1,399,525	3,613,128	3,537,974
2030	7,151,102	1,463,844	-	5,687,258	2,687,625	739,699	280,560	754,630	200,000	712,736	35,637	748,373	758,375	484,250	154,835	1,397,460	3,609,677	3,541,425
2031	7,151,102	1,463,313	-	5,687,789	2,685,550	739,699	280,560	754,630	200,000	710,661	35,533	746,194	756,500	479,500	156,545	1,392,545	3,602,052	3,549,050
2032	7,151,102	1,463,300	-	5,687,802	2,685,000	739,699	280,560	754,630	200,000	710,111	35,506	745,617	758,590	479,563	158,020	1,396,533	3,605,449	3,545,653
2033	7,151,102	1,465,700	-	5,685,402	2,690,125	739,699	280,560	754,630	200,000	715,236	35,762	750,998	760,500	484,250	154,260	1,399,010	3,615,708	3,535,394
2034	7,151,102	1,465,400	-	5,685,702	2,691,500	739,699	280,560	754,630	200,000	716,611	35,831	752,442	761,150	483,375	155,500	1,400,025	3,617,867	3,533,235
2035	7,151,102	1,467,288	-	5,683,814	2,684,250	739,699	280,560	754,630	200,000	709,361	35,468	744,829	760,900	482,125	156,505	1,399,530	3,611,647	3,539,455
2036	7,151,102	-	-	7,151,102	2,693,000	739,699	280,560	754,630	200,000	718,111	35,906	754,017	759,750	480,500	157,275	1,397,525	2,151,542	4,999,560
2037	7,151,102	-	-	7,151,102	2,687,500	739,699	280,560	754,630	200,000	712,611	35,631	748,242	760,250	483,500	157,810	1,401,560	2,149,802	5,001,300
2038	7,151,102	-	-	7,151,102	2,687,750	739,699	280,560	754,630	200,000	712,861	35,643	748,504	759,500	480,938	158,110	1,398,548	2,147,052	5,004,050
2039	7,151,102	-	-	7,151,102	2,683,500	739,699	280,560	754,630	200,000	708,611	35,431	744,042	757,500	483,000	158,175	1,398,675	2,142,717	5,008,385
2040	7,151,102	-	-	7,151,102	2,684,500	739,699	280,560	754,630	200,000	709,611	35,481	745,092	759,250	484,500	158,005	1,401,755	2,146,847	5,004,255
2041	7,151,102	-	-	7,151,102	2,685,375	739,699	280,560	754,630	200,000	710,486	35,524	746,010	759,500	480,438	157,600	1,397,538	2,143,548	5,007,554
2042	7,151,102	-	-	7,151,102	2,685,875	739,699	280,560	754,630	200,000	710,986	35,549	746,535	758,250	481,000	156,960	1,396,210	2,142,745	5,008,356
2043	7,151,102	-	-	7,151,102	2,685,750	739,699	280,560	754,630	200,000	710,861	35,543	746,404	760,500	481,000	156,085	1,397,585	2,143,989	5,007,113
2044	7,151,102	-	-	7,151,102	2,689,625	739,699	280,560	754,630	200,000	714,736	35,737	750,473	756,000	480,438	154,975	1,391,413	2,141,885	5,009,216
2045	7,151,102	-	-	7,151,102	2,687,250	739,699	280,560	754,630	200,000	712,361	35,618	747,979	-	484,313	153,630	637,943	1,385,922	5,765,180
2046	7,151,102	-	-	7,151,102	-	-	-	-	-	-	-	-	-	482,438	157,050	639,488	639,488	6,511,614
		\$ 21,978,311	\$ -		\$ 67,178,025	\$ 18,492,475	\$ 7,014,000	\$ 18,865,750	\$ 4,600,000	\$ 18,205,800	\$ 910,290	\$ 19,116,090	\$ 18,206,725	\$ 12,049,069	\$ 3,910,858	\$ 34,166,652	\$ 75,261,053	

Notes:

- (1) 1/2 of 1% of Sales Tax Revenues as reported by the Texas Comptroller of Public Accounts as of June 2021. Does NOT net out sales taxes generated within TIRZ #3 (La Sienna); no sales taxes have been generated within TIRZ #3 as of June 2021.
- (2) Includes Sales Tax Revenue Bonds, Series 2013A (Ebony Hills Golf Course), Sales Tax Revenue Bonds, Series 2013B (Emergency Shelter/Rec Facility) & Sales Tax Revenue Refunding Bonds, Taxable Series 2015 (Santana Manufacturing Refinancing).
- (3) Net Available EEDC Sales Tax Revenues means Gross EEDC sales tax revenues (plus any interest earnings thereon), less amounts owed to the Texas Comptroller of Public Accounts which are not needed or used to pay debt service on the Senior Lien EEDC Bonds (Series 2013A, Series 2013B and Taxable Series 2015) and which are not generated within TIRZ #3.
- (4) Includes Contract Revenue Bonds, Series 2015A (Edinburg Entertainment Center) & Contract Revenue Bonds, Taxable Series 2015B (Edinburg Entertainment Center) plus \$12,000 annual trustee fees.
- (5) Unaudited. As reported by the City as of March 30, 2021. Incremental property taxes only from the City and the County as per the respective TIRZ agreements.
- (6) Represents unaudited City transfers to the Trustee from 50% of 1% of City Sales Tax Collections within TIRZ #1 and TIRZ #4 as reported by the City.
- (7) The Entertainment Center Project is assumed to resume Base Rent payments in fiscal year 2023. Only \$200,000 of the total \$350,000 Base Rent payments are available for debt service.
- (8) Includes the Sales Tax Revenue Bonds, New Series 2019.
- (9) Assumes issuance of \$7,740,000 Sales Tax Revenue Bonds, Tax-Exempt Series 2021A on August 3, 2021 for delivery on August 31, 2021 at an estimated interest rate of 3.75%. Fully funded debt service reserve fund (max P&I).
- (10) Assumes issuance of \$2,275,000 Sales Tax Revenue Bonds, Taxable Series 2021B on August 3, 2021 for delivery on August 31, 2021 at an estimated interest rate of 4.70%. Fully funded debt service reserve fund (max P&I).

Appendix B: Municipal Market Update



Market Commentary

Market Observations

Primary Market:

- 30-Day Visible Supply is approximately \$12.26 billion
- Calendar estimated to be \$10.1 billion – approximately \$8.2 billion of negotiated sales and \$1.97 billion of competitive sales
- The largest negotiated deal of the week is the Michigan Strategic Fund issuing \$604 million of revenue bonds

Secondary Market:

- Municipal Bond Funds reported \$1.85 billion in net inflows last week, compared with \$2.5 billion of inflows the prior week
- Weekly trade volume of \$46.16 billion represents a decrease of \$5.03 billion from the previous week's \$51.12 billion

General Market Overview:

- Juneteenth became an official federal holiday and markets will be amending the holiday closure dates for the future
- Wednesday's Fed meeting resulted in rates remaining stable between 0%-0.25% for now, and forecasting at minimum two increased interest rate hikes by the end of 2023
- Dow Jones fell by over 500 points signaling the worst week since October 2020
- Economic Calendar: Existing Home Sales, PMI Composite Flash, New Home Sales, EIA Petroleum Status Report, Durable Goods Orders, GPD, International Trade in Goods (Advance), Jobless Claims, EIA Natural Gas Report, Fed Balance Sheet, Personal Income and Outlays, Consumer Sentiment

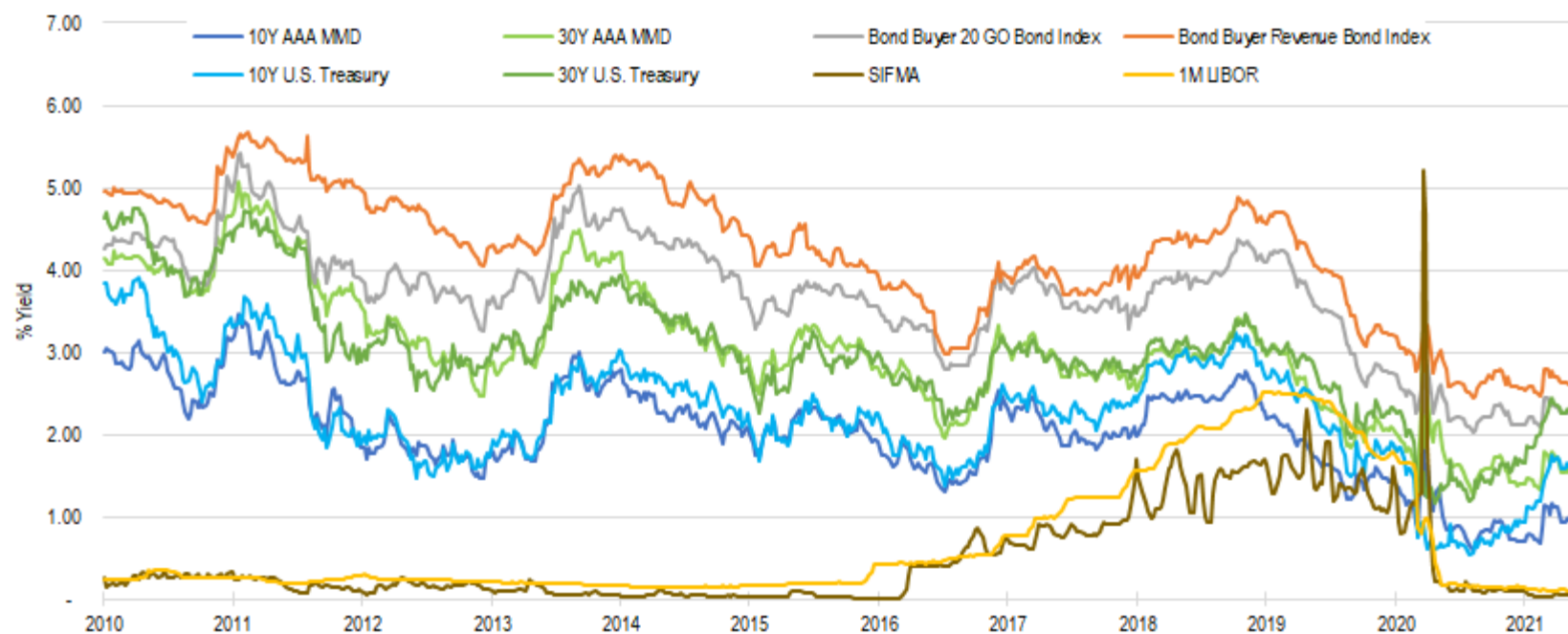
Statistics

	6/18/2021	6/11/2021	Change
5Y MMD	0.50	0.40	0.10 ▲
10Y MMD	0.96	0.89	0.07 ▲
15Y MMD	1.12	1.04	0.08 ▲
20Y MMD	1.27	1.20	0.07 ▲
30Y MMD	1.45	1.39	0.06 ▲
MMD 2/30 Yield Curve Steepness	129	131	(2) ▼
Bond Buyer 11 GO Bond Index	1.62	1.60	0.02 ▲
Bond Buyer 20 GO Bond Index	2.09	2.07	0.02 ▲
Bond Buyer Revenue Bond Index	2.45	2.43	0.02 ▲
1Y UST	0.09	0.05	0.04 ▲
5Y UST	0.89	0.76	0.13 ▲
7Y UST	1.22	1.16	0.06 ▲
10Y UST	1.45	1.47	(0.02) ▼
30Y UST	2.01	2.15	(0.14) ▼
UST 2/30 Yield Curve Steepness	175	199	(24) ▼
10Y MMD/UST Ratio	66	61	5.7 ▲
30Y MMD/UST Ratio	72	65	7.5 ▲
SIFMA	0.03	0.03	- ■
1M LIBOR	0.09	0.07	0.018 ▲
30-Day Negotiated Visible Supply	9,091.6	10,000.6	(909.0) ▼
30-Day Competitive Visible Supply	3,166.2	3,597.7	(431.5) ▼
Lipper Muni Bond Fund Flows	1,850	2,500	(650) ▼

Source: Ipreo, TM3, Bloomberg, BBC, Wall Street Journal, New York Times, The Bond Buyer, Econoday, CNBC

Weekly Benchmark Interest Rates

Benchmark Interest Rates – 1/1/10 to 6/18/21



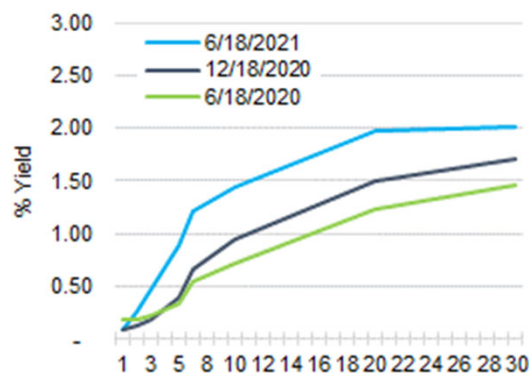
Rates Analysis – 1/1/10 to 6/18/21

	10Y AAA MMD	30Y AAA MMD	Bond Buyer 20 GO Bond Index	Bond Buyer Revenue Bond Index	10Y U.S. Treasury	30Y U.S. Treasury	SIFMA	1M LIBOR
Current	0.96	1.45	2.09	2.45	1.45	2.01	0.03	0.09
Maximum	3.46	5.08	5.41	5.67	3.90	4.75	5.20	2.52
Minimum	0.58	1.27	2.02	2.43	0.55	1.17	0.01	0.07
Average	2.02	3.01	3.69	4.22	2.23	3.00	0.48	0.67
% Time Lower	7.3%	2.7%	0.5%	0.3%	9.0%	8.8%	7.7%	0.5%

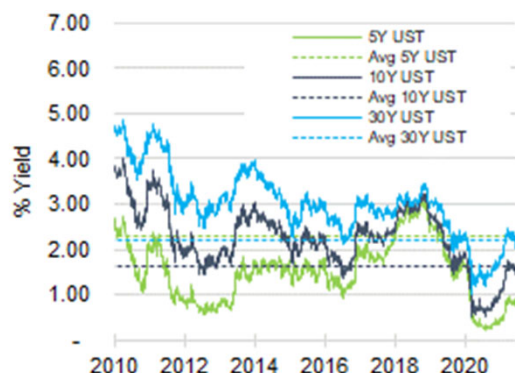
Source: Refinitiv Municipal Market Data, U.S. Treasury and Bloomberg

Taxable Market Overview | U.S. Treasuries

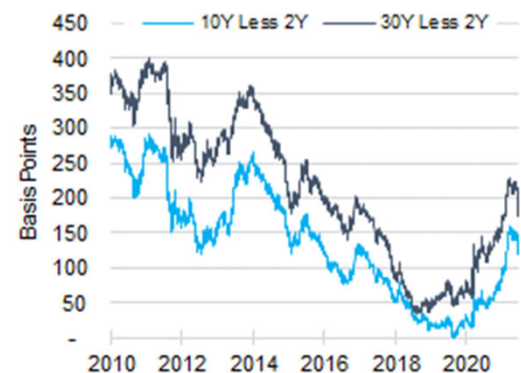
UST Yield Curve Comparison



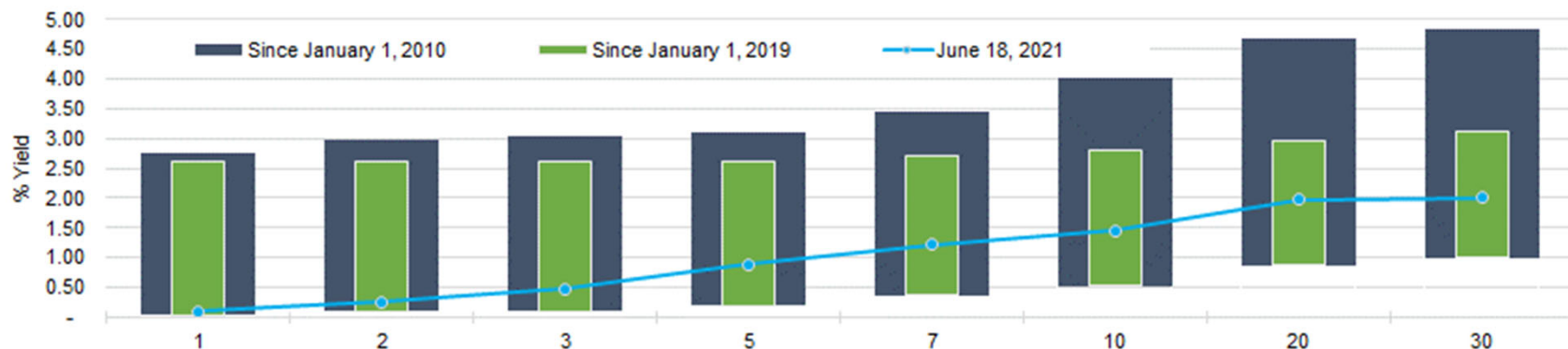
UST Rates – 1/1/10 to 6/18/21



UST Yield Curve Steepness - 1/1/10 to 6/18/21



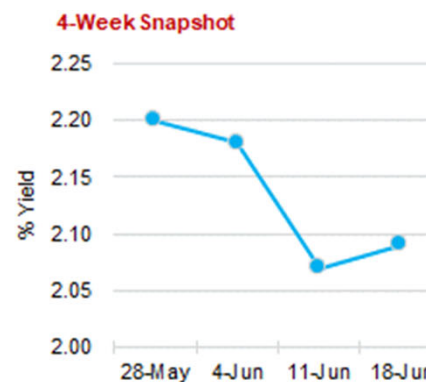
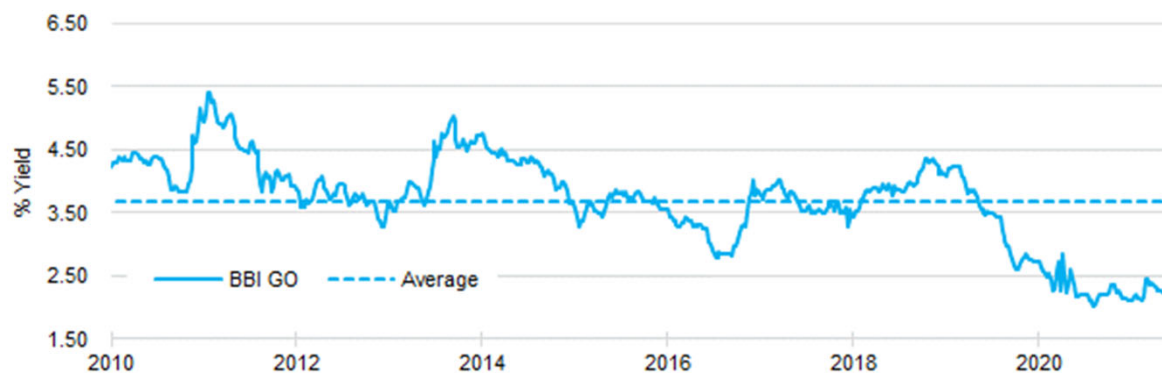
Maximum and Minimum UST Yields



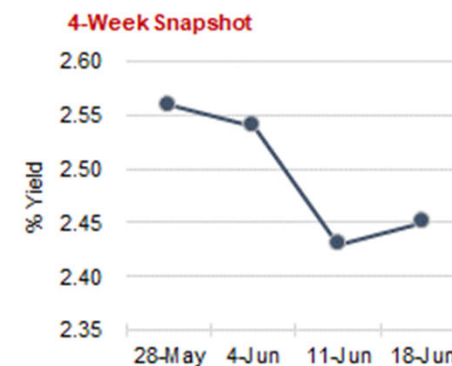
Source: U.S. Treasury Department

Tax-Exempt Market Overview | The Bond Buyer

The Bond Buyer 20-Bond General Obligation Index – 1/1/10 to 6/18/21



The Bond Buyer Revenue Bond Index – 1/1/10 to 6/18/21



Source: The Bond Buyer

RESOLUTION NO.

A RESOLUTION APPROVING THE CORPORATION'S PLAN OF FINANCE PERTAINING TO THE CONTEMPLATED ISSUANCE OF OBLIGATIONS TO BE DESIGNATED AS "EDINBURG ECONOMIC DEVELOPMENT CORPORATION SALES TAX REVENUE REFUNDING BONDS, TAXABLE SERIES 2021", "EDINBURG ECONOMIC DEVELOPMENT CORPORATION SALES TAX REVENUE BONDS, TAX-EXEMPT NEW SERIES 2021A", AND "EDINBURG ECONOMIC DEVELOPMENT CORPORATION SALES TAX REVENUE BONDS, TAXABLE NEW SERIES 2021B"; AUTHORIZING THE BOARD STAFF AND THE BOARD'S FINANCIAL ADVISORS AND BOND COUNSEL TO PROCEED WITH THIS PLAN OF FINANCE; AND AUTHORIZING OTHER MATTERS RELATED TO THE FOREGOING

WHEREAS, the Board of Directors of the Edinburg Economic Development Corporation (the *Corporation*) is authorized and empowered to issue approximately \$13,750,000 in sales tax taxable refunding bonds (the *Series 2021 Refunding Bonds*) for the purpose of (1) refunding certain of the Corporation's outstanding bonds for debt service savings (the *Refunding Obligations*), and (2) the payment of professional services related to the issuance of the refunding bonds all in conformity with the laws of the State of Texas, including Chapters 501 and 504, as amended, Texas Local Government Code, and Chapter 22, as amended, Texas Business and Organizations Code; and

WHEREAS, the Board of Directors of the Corporation is authorized and empowered to issue approximately \$7,000,000 in tax-exempt sales tax bonds (the *Series 2021A Bonds*) for the purpose of (1) constructing, acquiring, purchasing, renovating, enlarging, and improving a City multi-purpose facility (for use as a conference, cultural arts, performances, and events facility and City administrative and departmental offices) and signage, equipment, and furnishings related thereto; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving the greater downtown area parking facilities, street and road improvements (including any necessary traffic signalization), and drainage improvements related thereto; and (3) the payment of professional services related to the issuance of the Series 2021A Bonds all in conformity with the laws of the State of Texas, including Chapters 501 and 504, as amended, Texas Local Government Code, and Chapter 22, as amended, Texas Business and Organizations Code; and

WHEREAS, the Board of Directors of the Corporation is authorized and empowered to issue approximately \$2,000,000 in a second series of taxable sales tax bonds (the *Series 2021B Bonds* and, together with the Series 2021 Refunding Bonds and the Series 2021A Bonds, the *Bonds*) for the purpose of (1) constructing, acquiring, purchasing, renovating, enlarging, and improving the greater downtown area parking facilities; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving the greater downtown area parking facilities, street and road improvements (including any necessary traffic signalization), and drainage improvements related thereto; and (3) the payment of professional services related to the issuance of the Series 2021B Bonds all in conformity with the laws of the State of Texas, including Chapters 501 and 504, as amended, Texas Local Government Code, and Chapter 22, as amended, Texas Business and Organizations Code; and

WHEREAS, the Corporation has previously retained Hilltop Securities Inc., Pharr, Texas (the *Financial Advisor*), and Norton Rose Fulbright US LLP, San Antonio, Texas (the *Bond Counsel*), as its Financial Advisor and Bond Counsel, respectively, relating to the proposed issuance of any debt by the Corporation; and

WHEREAS, on this date the Financial Advisor has presented a plan of finance (the *Plan of Finance*) describing a methodology to refinance the Refunded Obligations, among other matters, and Corporation staff recommends that the Board of Directors authorize the issuance of the Bonds; and

WHEREAS, the Board of Directors hereby finds and determines that the adoption of this Resolution is in the best interests of the residents of the Corporation; now, therefore,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE EDINBURG ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION 1. The Financial Advisor is hereby authorized to coordinate the sale of the Bonds by the Corporation with the Corporation staff and Bond Counsel, to apply for and facilitate the acquisition of a municipal bond insurance policy, if any, concerning the repayment of debt service on the Bonds, to apply for and receive ratings on the Bonds from national rating services, if necessary, and to otherwise coordinate the financial aspects relating to this transaction to ensure that the Corporation's sale of the Bonds is accomplished in the most efficient and advantageous manner available, given then-prevailing market conditions, and to comply with all regulations and rules promulgated by the United States Securities and Exchange Commission and the Municipal Securities Rule Making Board.

SECTION 2. The Financial Advisor and Bond Counsel will assist the Corporation staff in the preparation of any disclosure documents to be used in connection with the negotiated sale, or financial institution competitive private sale, of the Bonds.

SECTION 3. The Financial Advisor will also coordinate the sale of the Bonds and will otherwise coordinate the financial aspects relating to this transaction, including the selection of underwriters, if any, to ensure that the Corporation receives the lowest possible interest rate on the Bonds and complies with all applicable regulations and rules promulgated by the United States Securities and Exchange Commission and the Municipal Securities Rule Making Board.

SECTION 4. The President, Vice President, Secretary, Executive Director, and Corporation Attorney, as appropriate, are authorized to consult and assist the Financial Advisor and Bond Counsel in the preparation of the required financing documents, including a resolution authorizing the issuance of the Bonds, such resolution to be formally approved at a future meeting of the Board of Directors and subsequently approved by the City Council of the City of Edinburg, Texas, as required by applicable law.

SECTION 5. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board of Directors.

SECTION 6. All orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 7. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 8. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Commission hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 9. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 10. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

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PASSED, ADOPTED AND APPROVED on this the 29th day of June, 2021.

EDINBURG ECONOMIC DEVELOPMENT
CORPORATION

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(CORPORATION SEAL)

Edinburg Economic Development Corporation

Meeting Date: June 29, 2021

Consider and approval of a resolution relating to establishing the Corporation's intention to reimburse itself for the prior lawful expenditure of funds relating to constructing various improvements from the proceeds of tax-exempt and taxable obligations to be issued by the corporation for authorized purposes; authorizing other matters incident and related thereto; and providing an effective date.

1. Agenda Item:

Consider and approval of a resolution relating to establishing the Corporation's intention to reimburse itself for the prior lawful expenditure of funds relating to constructing various improvements from the proceeds of tax-exempt and taxable obligations to be issued by the corporation for authorized purposes; authorizing other matters incident and related thereto; and providing an effective date.

2. Description/Scope:

The EEDC Board is considering a resolution to be able to reimburse the EEDC out of upcoming bond proceeds in the event the EEDC spends funds on hand for the projects prior to the receipt of bond funds.

3. Estimated Timeline:

Upon approval of resolution.

4. Budget:

N/A

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

Approve Resolution relating to establishing the Corporation's intention to reimburse itself for the prior lawful expenditure of funds relating to constructing various improvements from the proceeds of tax-exempt and taxable obligations to be issued by the corporation for authorized purposes; authorizing other matters incident and related thereto; and providing an effective date.

7. Justification:

The Reimbursement Resolution memorializes the Corporation's understanding of the ability of reimbursement in the event the EEDC spends funds on hand for the projects prior to the receipt of bond funds.

Blanca Davila
Director of Economic Development

ATTACHMENTS
Attachment A: Reimbursement Resolution

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

RESOLUTION NO. _____

A RESOLUTION RELATING TO ESTABLISHING THE CORPORATION'S INTENTION TO REIMBURSE ITSELF FOR THE PRIOR LAWFUL EXPENDITURE OF FUNDS RELATING TO CONSTRUCTING VARIOUS IMPROVEMENTS FROM THE PROCEEDS OF TAX-EXEMPT AND TAXABLE OBLIGATIONS TO BE ISSUED BY THE CORPORATION FOR AUTHORIZED PURPOSES; AUTHORIZING OTHER MATTERS INCIDENT AND RELATED THERETO; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the Board of Directors (the *Governing Body*) of the Edinburg Economic Development Corporation (the *Issuer*) has entered into or will enter into various contracts pertaining to the expenditure of lawfully available funds of the Issuer to finance the costs associated with (i) (1) constructing, acquiring, purchasing, renovating, enlarging, and improving a City multi-purpose facility (for use as a conference, cultural arts, performances, and events facility and City administrative and departmental offices) and signage, equipment, and furnishings related thereto; (2) constructing, acquiring, purchasing, renovating, enlarging, and improving the greater downtown area parking facilities, street and road improvements (including any necessary traffic signalization), and drainage improvements related thereto; and (3) the purchase of materials, supplies, equipment, digital signage, machinery, landscaping, land, and rights-of-way for authorized needs and purposes relating to the aforementioned capital improvements; (ii) constructing, acquiring, purchasing, renovating, equipping, enlarging, and improving the City's utility system, and the purchase of materials, supplies, equipment, machinery, land, and rights-of-way for authorized needs and purposes relating to the aforementioned improvements (the *Construction Costs*), (iii) the payment of various engineering costs, including design testing, design engineering, and construction inspection related to the Construction Costs (the *Engineering Costs*), (iv) the payment of various architectural costs, including preparation of plans and specifications and various other plans and drawings related to the Construction Costs (the *Architectural Costs*), and (v) the payment of various administrative costs, including the fees of bond counsel, financial advisor, project manager, project consultant, other professionals, and bond printer (the *Administrative Costs*) [the Construction Costs, the Engineering Costs, the Architectural Costs, and the Administrative Costs collectively constitute the costs of the Issuer's projects that are the subject of this Resolution (the *Project*)]; and

WHEREAS, the provisions of Section 1201.042, as amended, Texas Government Code (*Section 1201.042*) provide that the proceeds from the sale of obligations issued to finance the acquisition, construction, equipping, or furnishing of any project or facilities, such as the Project, may be used to reimburse the Issuer for costs attributable to such project or facilities paid or incurred before the date of issuance of such obligations; and

WHEREAS, the United States Department of Treasury (the *Department*) released Regulation Section 1.150-2 (the *Regulations*) which establishes when the proceeds of obligations are spent and therefore are no longer subject to various federal income tax restrictions contained in the Internal Revenue Code of 1986, as amended (the *Code*); and

WHEREAS, the Issuer intends to reimburse itself, within eighteen months from the later of the date of expenditure or the date the property financed is placed in service (but in no event more than three years after the original expenditures are paid), for the prior lawful capital expenditure of funds from the proceeds of one or more series of taxable or tax-exempt obligations (the *Obligations*) that the Issuer currently contemplates issuing in the principal amount of not to exceed \$10,000,000 to finance a portion of the costs of the Project; and

WHEREAS, under the Regulations, to fund such reimbursement with proceeds of the Obligations, the Issuer must declare its expectation ultimately to make such reimbursement before making the expenditures; and

WHEREAS, the Issuer hereby finds and determines that the reimbursement for the prior expenditure of funds of the Issuer is not inconsistent with the Issuer's budgetary and financial circumstances; and

WHEREAS, the Governing Body hereby finds and determines that the adoption of this Resolution is in the best interests of the residents of the Issuer; now, therefore,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE EDINBURG ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION 1. This Resolution is a declaration of intent to establish the Issuer's reasonable, official intent under section 1.150-2 of the Regulations and Section 1201.042 to reimburse itself from certain of the proceeds of the Obligations for any capital expenditures previously incurred (not more than 60 days prior to the date hereof) or to be incurred with respect to the Project from the Issuer's General Fund or other lawfully available funds of the Issuer.

SECTION 2. The Issuer intends to issue the Obligations and allocate within 30 days after the date of issuance of the Obligations the proceeds therefrom to reimburse the Issuer for prior lawful expenditures with respect to the Project in a manner to comply with the Regulations.

SECTION 3. The reimbursed expenditure will be a type properly chargeable to a capital account (or would be so chargeable with a proper election) under general federal income tax principles.

SECTION 4. The Issuer intends to otherwise comply, in addition to those matters addressed within this Resolution, with all the requirements contained in the Regulations.

SECTION 5. This Resolution may be relied upon by the appropriate officials at the Office of the Attorney General for the State of Texas and establishes compliance by the Issuer with the requirements of Texas law and the Regulations.

SECTION 6. With respect to the proceeds of the Obligations allocated to reimburse the Issuer for prior expenditures, the Issuer shall not employ an abusive device under Treasury Regulation Section 1.148-10, including using within one year of the reimbursement allocation, the funds corresponding to the proceeds of the Obligations in a manner that results in the creation of "replacement proceeds", as defined in Treasury Regulation Section 1.148-1, of the Obligations or another issue of tax-exempt obligations.

SECTION 7. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Governing Body.

SECTION 8. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 9. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 10. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Governing Body hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 11. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 12. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

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PASSED, ADOPTED AND APPROVED on this the 29th day of June, 2021.

EDINBURG ECONOMIC
DEVELOPMENT CORPORATION

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(CORPORATION SEAL)

Edinburg Economic Development Corporation

Meeting Date: June 29, 2021

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

1. Agenda Item:

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

2. Description/Scope:

Closed Meeting.

3. Estimated Timeline:

N/A

4. Budget:

N/A

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

Closed Meeting.

7. Justification:

Closed Meeting.

Blanca Davila
Director of Economic Development

ATTACHMENTS

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

Edinburg Economic Development Corporation

Meeting Date: June 29, 2021

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

1. Agenda Item:

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

2. Description/Scope:

Closed Meeting.

3. Estimated Timeline:

Closed Meeting.

4. Budget:

N/A

5. Procurement/Selection Process:

N/A

6. Staff's Recommendation:

Closed Meeting.

7. Justification:

Closed Meeting.

Blanca Davila
Director of Economic Development

ATTACHMENTS

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