

**CITY OF EDCOUCH  
ECONOMIC DEVELOPMENT  
CORPORATION**

**AGENDA  
BOARD OF DIRECTORS MEETING  
Monday, October 28, 2019  
Commencing at 5:30 p.m.  
Edcouch City Hall  
211 W. Southern Ave., Edcouch, Texas 78538**

If during the course of the meeting, the Board of Directors should determine that a closed or executive session or meeting is authorized by Sections 551.071 to 551.084 of the Government Code, Vernon's Texas Codes, Annotated, Notice of Closed or Executive Session will be given after the commencement of the meeting covered by this notice pursuant to Section 551.101 of the Local Government Code.

Should any final action, decision, or final vote be required in the opinion of the Board with regard to any item during the meeting, then such final action, decision, or final vote shall be made during the open meeting covered by this notice upon the reconvening of this public meeting.

1. Call Meeting To Order
2. Roll Call/Establishment Quorum
3. Appointment of Officers
  - a. President
  - b. Vice President
  - d. Secretary
  - e. Treasurer
4. Discussion and direction on the Economic Development Corporation needs and functions.
5. Presentation by Kasal Construction LLC. for residential and commercial development on the following properties:
  - A. St. Mary's Property - FM 1015/MI. 3/LLano Grande:  
West Tract - S402.9'-N721.9'- E692.20'  
FT 562 6.0 AC **Appraisal Dist. Property ID 326174**
  - B. Property on North Side of St. Mary's - FM 1015/Mi. 3/LLano Grande:  
West Tract - N317.95'-E392.20' EXC AN IRR TR N187'-E247.70'  
FT 562 4.28 AC GR 4.16 AC Net **Appraisal Dist. Property ID 326171**
  - C. Property at the NE Corner of Santa Rosa Ave (HW 107) and Fredrick Street:
    - a. Original Townsite - Blk. 48, Lot 21-24 (City Property) Across Eagle Ins. Co.
    - b. Original Townsite - Blk. 48, Lot 18-20 (Hid. Co. Property) Old Ambulance Services
    - c. Original Townsite - Bld. 48, Lot 16-17 (City Property) Old Garcia Property
  - D. Property behind Old Mini Mart at S. 112 Llano Grande/FM 1015/Mi. 3:
    - a. Original Townsite - Blk. 17, Lot 13-15 (City Property) Old Judge Gutierrez Property

**6. Discussion and possible action on authorizing the City Manager and City Attorney to engage in a Memo of Understanding (MOU) for residential and commercial properties as follows:**

- A. St. Mary's Property - FM 1015/MI. 3/LLano Grande:  
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- D. Property behind Old Mini Mart at S. 112 Llano Grande/FM 1015/Mi. 3:**
  - a. Original Townsite - Blk. 17, Lot 13-15 (City Property) Across Santiago Garcia Elem.**

**7. Call to Adjourn.**

**I, the undersigned authority, do hereby certify that the above Notice of Said Meeting was posted on the main entrance of the Edcouch City Hall, a place convenient and readily accessible to the general public at all times; that said Notice was posted at 12:00 Noon, on the 25<sup>th</sup> day of October 2019; and that said Notice will remain posted continuously for at least 72 hours preceding the scheduled time of said Meeting, in compliance with Chapter 551 of the Government Code, Vernon's Texas Codes, Annotated, (Open Meetings Act).**

**WITNESS MY HAND, THIS THE 25<sup>th</sup> DAY OF OCTOBER 2019.**

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**Victor H. De La Cruz  
Edcouch City Manager**

**MINUTES**  
**EDCOUCH ECONOMIC  
DEVELOPMENT CORPORATION**

**AGENDA**  
**BOARD OF DIRECTORS MEETING**  
**Monday, October 28, 2019**  
**5:30 p.m. @ Edcouch City Hall**  
**211 W. Southern Ave., Edcouch, Texas 78538**

8. **Call Meeting To Order** Meeting was called to order by Mayor Gonzalez at 5:32 pm
9. **Roll Call/Establishment Quorum** Roll call was called by Mr. Pete De La Cruz.

**EDC Board Members**

Member: V. Gonzalez	<u>  X  </u>	_____
Member: Rene Flores	<u>  X  </u>	_____
Member: Joel Segura	<u>  X  </u>	_____
Member: Lorenzo Cabrera	<u>  X  </u>	_____
Member: John Chapa	<u>  X  </u>	_____
Attorney: Orlando Jimenez		

**Staff**

Victor H. De La Cruz, City Manager  
Manuel Hernandez, Deputy City Mgr.  
Pete De La Cruz, Fin./Grants

Guest: Imelda Saldivar - Kasal Const.

Mr. Pete De La Cruz, Mayor, we have a quorum.

**10. Appointment of Officers (1:30)**

- a. **President**
- b. **Vice President**
- d. **Secretary**
- e. **Treasurer**

Mayor: Gonzalez - Do you know what is the maximum of members that we can have in our EDC Board? Mr. Jimenez - Six (6) Members is the maximum and the by-laws on the Housing Corporation has six (6). On the EDC (by-laws), we don't have them yet, but the maximum is six (6), normally it's recommended that you have five (5), but you can have up to the maximum of six (6). Mr. Victor H. De La Cruz - On your last particular meeting, you all had mentioned that you would like to keep it at five (5). Mayor: Gonzalez - Ok, for appointment of officers, we need the President, Vice. Chair, Secretary, & Treasurer. Does anybody have any recommendations? Mayor Pro Tem: Flores - I'll make the motion.

A motion to **appoint the officers as follows: President - Mayor V. Gonzalez, Vice President - Joel Segura, Secretary - Lorenzo Cabrera, Treasurer - John Chapa** was made by Mayor Pro Tem: Flores, 2<sup>nd</sup> by Alderman Segura. All Voted Aye. Motion Carried.

- |                          |                              |
|--------------------------|------------------------------|
| a. <b>President</b>      | <b>Virginio Gonzalez Jr.</b> |
| b. <b>Vice President</b> | <b>Joel Segura</b>           |
| d. <b>Secretary</b>      | <b>Lorenzo Cabrera</b>       |
| e. <b>Treasurer</b>      | <b>John Chapa</b>            |

**11. Discussion and direction on the Economic Development Corporation needs & functions. (3:26)**

**Mr. Victor H. De La Cruz** - Mayor, I wanted to talk to you all on what has transpired since we brought up the EDC. Basically, for many years the city has been receiving 4A & 4B funds. The 1% that is supposed to be coming in for sales tax is coming into the 4A & 4B. For many years, the city has been depositing those amounts into the Gen. Fund Account and as per my research, the funding's have been deposited into the General Fund Acct. and have been used to purchase properties. On my last conversation with Mr. Kalahan, stems from the fact that the city had not been placing the funds where they belong and the city being responsible for these funds. I did express to him that the city had purchased some properties and that we do have a number of properties that we could use as assets. Now, what is going on right now, is that our accountant has been contacting Mr. Kalahan, the State Comptroller's Office & all the different entities. For some reason or another, the city is receiving funds, so somewhere on the line, somebody did file for an EDC, but Counsel and I haven't been able to find any by-laws at the state level. So, because we haven't been able to find any by-laws in the state level, Counsel had recommended for us to go forward and establish what we did right now, establish the Board and any other presentation or discussion for action like we did today. Basically, what we can do right now is that we can go ahead and do the presentation and I welcome Ms. Saldivar with Kasal Construction to do her presentation. It's the next item, but when it comes down to do the actual action items, I would recommend that we wait until the next meeting which is this evening at 6:00 and then I'll explain to you what we can do. If that is ok with you all. Now, I did talk to Frank San Martin and Hollis Rutledge, and they do have somebody that is an expert on EDC's, and they are going to start looking at our EDC. They did the same thing for the City of Sullivan whom has an issue just like ours. And it might be as simple as what we just did right now, by creating a Board and then at that point getting Counsel to start working on some by-laws at the state level. If it's that simple, I'll say that within the next month we will be able to establish the EDC properly and be able to help the community a lot more with the EDC. **Mayor: Gonzalez** - So, at this point the EDC is in effect. **Mr. Victor H. De La Cruz** - As of this point, you all have created an EDC Board, the only thing is like Counsel mentioned right now, we don't have any by-laws, therefore we can't take any action. **Mayor: Gonzalez** - Ok, so Item No. 5. (8:00)

**12. Presentation by Kasal Construction LLC. for residential and commercial development on the following properties: (8:00)**

- E. St. Mary's Property - FM 1015/MI. 3/LLano Grande:**  
West Tract - S402.9'-N721.9'- E692.20'  
FT 562 6.0 AC **Appraisal Dist. Property ID 326174**
- F. Property on North Side of St. Mary's - FM 1015/Mi. 3/LLano Grande:**  
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- H. Property behind Old Mini Mart at S. 112 Llano Grande/FM 1015/Mi. 3:**
  - a. Original Townsite - Blk. 17, Lot 13-15 (City Property)** Old Judge Gutierrez Property

**Presentation by Ms. Imelda Saldivar, Kasal Construction LLC. (8:20)**

**Ms. Imelda Saldivar** - Presentation on all of Items A., B., C., & D. together.

**Mayor: Gonzalez** - Ms. Saldivar, Welcome.

**Ms. Imelda Saldivar** - Good evening, I am going to go with Property I. D. Numbers. If you can look at Property I.D. No. 326171 and 326174, collectible they are about ten (10) acres for development. They are for development of commercial and residential lots; it will be about six (6) commercial spaces and twenty-four (24 ) residential lots. The estimated value for these properties for 2019 would be \$156,239.00 and at the tax rate of 0.97% the city taxes would be about \$1,513.49. The estimated value for these properties for 2020 would be \$960,000 and at the tax rate of 0.97% the city taxes would be about \$9,299.52. The estimated value for these properties for 2021 would be \$4,800.000 and at the tax rate of 0.97% the city taxes would be about \$46,497.60. For 2020, these calculations are based on residential lots valued at \$40,000. For 2021, these calculations are based on homes valued at \$150,000 and six (6) commercial spaces valued at \$200,000 each. Now I will be going over Property I.D. No. 163725, 163724, 163723, & 163478. Currently city taxes collectively for all these properties is at \$3,734.45. Development and improvements will raise city taxes to an estimated \$55,022.16 (this is an additional \$51,287.24) and will also increase County taxes. Additional benefits are that more jobs will become available, the city won't have to fund or make any expenses, and the development and improvements will be modernly designed while still giving the small town feel to the city.

**After continued discussion by the Council, City Attorney, City Manager, and Ms. Saldivar concerning the Economic Development Corporation by-law, residential and commercial properties, MOU), subdividing of property, what developments are being considered for the commercial properties, project time frame, time frame on completion of corporations, City of Edcouch involvement, etc., Mayor Gonzalez continued with the next item. (25:25)**

**13. Discussion and possible action on authorizing the City Manager & City Attorney to engage in Memo of Understanding (MOU) for residential & commercial properties as follows: (25:29)**

**E. St. Mary's Property - FM 1015/MI. 3/LLano Grande:**

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**FT 562 6.0 AC**

**Appraisal Dist. Property ID 326174**

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**Across Eagle Ins. Co.**

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**Old Ambulance Services**

**c. Original Townsite - Bld. 48, Lot 16-17 (City Property)**

**Old Garcia Property**

**H. Property behind Old Mini Mart at S. 112 Llano Grande/FM 1015/Mi. 3:**

**a. Original Townsite - Blk. 17, Lot 13-15 (City Property)**

**Across Santiago Garcia Elem.**

**Mr. Victor H. De La Cruz** - Mayor, I recommend that we table Items A., B., C. & D. until a later date. **Mayor: Gonzalez** - As per the recommendation of the City Manager, do I hear a motion?

A motion to **table Item A., B., C., & D.** was made by **Alderman: Segura**, 2<sup>nd</sup> by **Mayor Pro Tem: Flores**. All Voted Aye. Motion Carried.

**14. Call to Adjourn (26:13)**

At 5:57 pm a motion to adjourn was made by Mayor Pro Tem: Flores, 2<sup>nd</sup> by Alderman: Cabrera. All Voted Aye. Motion Carried.

Take Notice that this are the true and correct minutes taken of the Economic Development Corporation Meeting held on Monday, October 28, 2019.

Passed and Approved by the Board of Aldermen on this 7<sup>th</sup> day of November 2019.

ATTEST

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**Victor H. De La Cruz**  
Edcouch City Manager