

DEVELOPMENT CORPORATION OF MCALLEN, INC.
August 21, 2017

The Development Corporation of McAllen, Inc. convened in a Special Meeting on **Monday, August 21, 2017** at 4:00 p.m. at McAllen City Hall, City Commission Chambers with the following in attendance:

Present:	Veronica Whitacre	President
	Tony Sanchez	Vice-President
	Jose Gonzalez	Director
	Miles Mullin	Director
	Jim Darling	Director

Absent:	Olivia Tamez	Director
	Robert P. Garcia	Director

Staff:

Roy Rodriguez	City Manager
Joe Vera	Assistant City Manager
Michelle Leftwich	Assistant City Manager
Victor Flores	Assistant City Attorney
Susan Lozano	Finance Director
Angie Rodriguez	Budget Director
Carla M. Rodriguez	Grant Administration Director
Piedad Martinez	Community Development Director
Yvette Balderas	Community Development Asst. Director
Claudia Reyna	Compliance Officer, Grant Dept.
Araceli Salas	Administrative Assistant, Grant Dept.

President Veronica Whitacre called the meeting to order at 4:00 p.m.

1. APPROVAL OF MINUTES FOR THE REGULAR MEETING HELD ON MONDAY, JULY 17, 2017 AND THE SPECIAL MEETING HELD ON MONDAY, JULY 24, 2017.

City Manager Rodriguez suggested to table the minutes for the next meeting, Mr. Gonzalez moved to have the minutes tabled, Mayor Darling seconded the motion. Item passed unanimously.

2. RECEIVE AND FILE FINANCIAL REPORT FOR NINE MONTHS ENDING JUNE 30, 2017.

Susan Lozano, Finance Director presented the report.

There were no questions regarding the report. Mayor Darling moved to accept the report as presented. Director Sanchez seconded the motion. The motion was passed, with Director Mullin abstaining from voting.

3. REVIEW AND APPROVE THE QUARTERLY INVESTMENT REPORT FOR PERIOD ENDING MARCH 31, 2017.

Susan Lozano, Finance Director presented the report.

There were no questions regarding the report. Director Gonzalez moved to accept the report as presented. Director Sanchez seconded the motion. The motion passed unanimously.

4. REVIEW AND APPROVE BUDGET FOR FY 2017-2018.

City Manager Rodriguez presented the Budget to the Board. He recommended the Directors forego the Outside Agency business and review the remainder of the budget, as during the previous meeting, the Directors were unable to finalize the Outside Agency allocations. The Board agreed.

The revenues for the 2017-2018 Development Corporation budget represent approximately six percent less than last year. Mr. Rodriguez advised that the City Budget has a smaller amount of decrease since the City adjusts its budget at mid-year. Therefore, the amount that the budget will be decreased next fiscal year will be less than six percent.

The line item for the TAAF Games will be removed from the budget since the City will not hold TAAF for fiscal year 2017-2018.

Director Mullin asked if the Board would be allowed to vote on specific line items. It was clarified that it is allowed.

Mayor Darling stated that the presence of the Development Corporation Board members at City Commission meetings was appropriate. He added that the recommendations of the Board as an entity, and not as an individual member, was the goal of the board.

Mr. Rodriguez stated the City is recommending \$336,804 for City Entryway signs, however, the City Commission advised that these numbers were too steep and will be amending the budget when the new designs and new bids come in.

President Whitacre recused herself from any votes regarding UTRGV.

Mr. Rodriguez recommended an affidavit for President Whitacre regarding the line item for UTRGV.

In reference to the 2016-2017 estimate of \$1 million for UTRGV, Mr. Rodriguez advised that the City Commission will likely not fund the amount. However, the Development Corporation budgeted that amount as of November of 2016, hence it is listed in the budget.

Mayor Darling informed the Board that the City, along with the Chamber, had put together an incentive program for economic development in the areas of 10th Street, 23rd Street, between Expressway and Harvey, and Business 83. These investments were for areas that were blighted and for businesses in need of façade and other such improvements, to encourage infilling and upgrading of the areas. Mayor Darling further stated that the economic development incentive program would be brought back to the Development Corporation Board for approval.

Mr. Rodriguez discussed the "Professional" line item under the McAllen Economic Development Corporation. He advised the City works with a consultant in Austin at the Capitol. The name of the company is McGuire Woods. He requested the Board consider discussion of possibly funding a similar type of consultant in Washington, D.C. and recommended that the Board bring it up to City Commission at their next meeting.

Issues were clarified regarding the Development Corporation management fee and what specific costs the fee covers.

Eligible expenses for the Development Corporation funds were also discussed.

Discussion also ensued regarding how the previous year's budget affects the current budget in reference to revenues over/under expenditures.

Director Sanchez requested clarification regarding the cost for the City Entryway signs and sought discussion for allocation of the funds that are not spent on the entryway signs be reallocated to Comfort House.

President Whitacre commented on the experience of Victor Alvarez with both Easter Seals and Comfort House and the importance of both entities to the community.

Mayor Darling discussed looking forward 15 to 20 years and the possibility of working in conjunction with the surrounding cities for a complimentary transit system.

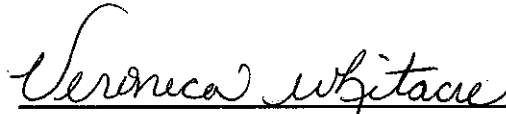
Director of Parks and Recreation Mike Hernandez discussed the conclusion of the renovations of McAllen High School's Tennis Courts. Also discussed were the light fixtures that were added to the Memorial High School Tennis Courts.

No further questions or comments were presented. Mayor Darling motioned to approve the FY 2017-2018 Development Corporation of McAllen, Inc. budget,

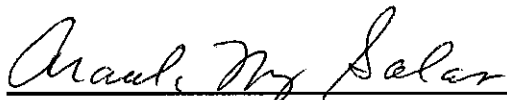
excluding the Outside Agencies. President Whitacre recused herself from line item 21 for UTRGV. Director Mullin seconded the motion, with a statement of the three Outside Agencies that he voted on during the July 24th meeting, be made known to the City Commission. The three agencies Director Mullin voted on at said meeting were Affordable Homes of South Texas, Inc., South Texas College and McAllen Economic Development Corporation.

The motion to pass the budget, with President Whitacre's abstention, passed.

There being no other business to come before the board, the meeting was unanimously adjourned at 4:52 p.m.



Veronica Whitacre, President



Araceli M. Salas, Administrative
Assistant