

DEVELOPMENT CORPORATION OF HARLINGEN, INC.
BOARD OF DIRECTORS' REGULAR MEETING
January 23, 2024

Notice is hereby given that the above Board of Directors will hold a Regular Meeting on Tuesday, January 23, 2024, at 5:30 p.m., at **City of Harlingen, Town Hall, 2nd floor, 118 East Tyler Avenue, Harlingen, Texas 78550.**

The Development Corporation of Harlingen, Inc., hereinafter "HEDC," reserves the right to meet in Executive Session on any agenda item should the need arise, and if applicable, pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code. HEDC meetings are available to all persons regardless of disability. If you require special assistance, please contact the **HEDC office at (956) 216-5081 or e-mail us at info@harlingenedc.com at least 24 hours in advance of the meeting.** This is not a Meeting of the Harlingen Elective Commission; however, a quorum of the City Commission may be present.

AGENDA ITEMS

Call Meeting to Order

Roll Call

Pledge of Allegiance

Conflict of Interest

Under State law, a conflict of interest exists if a board member, or certain members of that person's family, has a qualifying financial interest in an agenda item. Members with a conflict of interest cannot participate in the discussion nor vote on the agenda item. Are there any known conflicts of interest to disclose at this time? (Board Attorney)

Public Comments

- 1) Consider approval of the December 19, 2023, regular meeting minutes.
- 2) Consider approval of December 31, 2023, financial reports. (Robert Rodriguez)
- 3) Consider and approve the Equip Harlingen grant program. (Orlando Campos)
- 4) Consider approval of funding for TSTC Goal Line Assistance Program and TSTC CTE Signing Day Scholarship Program for an amount not to exceed \$100,000. (Beverly Loftus)
- 5) Staff Reports
 - a. Marketing Coordinator's Report (Brandie Martinez)
 - b. Business Retention and Expansion Manager's Report (Jane Lozano)
 - c. CEO's Report (Orlando Campos)
- 6) Executive Session pursuant to Government Code Section 551.071 – attorney consultation and contemplated litigation; Section 551.072 – deliberation regarding real estate; and Section 551.087 – economic development relating to the following projects:
 - a) Pan American Hydrogen
 - b) Project Roosevelt
 - c) Project Organic
 - d) Project Alphabet
 - e) Project EDC
 - f) Project Plumber
 - g) Project Breeze
 - h) Project Rambo
 - i) Project VIA
 - j) Project Tennessee

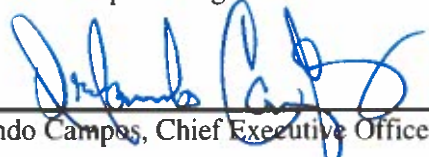
k) Project Tech

l) Project Scale

7) Consider possible action on any agenda item listed above in executive session, if necessary.

8) Adjourn.

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Board of Directors of the above named Corporation is a true and correct copy of said notice posted on the bulletin board at City Hall of said City of Harlingen, Texas in a place convenient and readily accessible to the general public at all times and on the Corporation's Internet Website and said Notice was posted on Friday, January 19, 2024, at or before 5:00 p.m. and remained so posted for at least 72 hours preceding the time of said meeting.



Orlando Campos, Chief Executive Officer

Development Corporation of Harlingen, Inc.
Regular Meeting
December 19, 2023

On December 19, 2023, at 5:30 p.m., the Development Corporation of Harlingen, Inc. Board of Directors held a meeting in accordance with the Texas Open Meetings Act. The following board members were present.

Present

Javier De Leon
Rudy Martinez
Saarang Jay Rama
Dr. Linda Burke

Ex Officio

Commissioner Frank Morales
Commissioner Ford Kinsley

Absent

Tre Peacock
Eric Ziehe
Lizzy de la Garza Putegnath

Staff

Orlando Campos, Beverly Loftus, Jane Lozano,
Brandie Martinez, MaryAnn Villarreal, and Alan Ozuna

Call to Order

President, Javier De Leon called the meeting to order; a quorum was established, and the following proceedings were held.

Roll Call

President, Javier De Leon announced that Rudy Martinez, Saarang Jay Rama, and Dr. Linda Burke were present. Eric Ziehe, Tre Peacock and Lizzy de la Garza Putegnath were absent.

Pledge of Allegiance

President, Javier De Leon led everyone present in the Pledge of Allegiance.

Conflict of Interest

Under State law, a conflict of interest exists if a board member, or certain members of that person's family, has a qualifying financial interest in an agenda item. Members with a conflict of interest cannot participate in the discussion nor vote on the agenda item. Are there any known conflicts of interest to disclose, at this time?

(Board Attorney)

No present board members had a known conflict of interest and answered, no.

Public Comments

None

- 1) Consider approval of the November 28, 2023, regular meeting minutes.

Motion was made by Mr. Saarang Jay Rama and seconded by Mr. Rudy Martinez to approve the November 28, 2023 minutes presented. Motion carried unanimously.

- 2) Consider approval of November 30, 2023, financial reports. (Robert Rodriguez)

Motion was made by Dr. Linda Burke and seconded by Mr. Saarang Jay Rama to approve the November 2023 financial reports as presented. Motion carried unanimously.

- 3) Consider and Adopt HEDC's updated FY 2024-2027 3-year Strategic Plan. (Orlando Campos)

Motion was made by Dr. Linda Burke and seconded by Mr. Rudy Martinez to adopt HEDC's updated FY 2024-2027 3-year Strategic Plan. Motion carried unanimously.

- 4) Staff Reports

- a. Marketing Coordinator's Report (Brandie Martinez)
- b. Business Retention and Expansion Manager's Report (Jane Lozano)
- c. CEO's Report (Orlando Campos)

Staff gave a brief update and the reports were included in the packet.

- 5) A. Executive Session pursuant to Government Code Section 551.071 – attorney consultation; Section 551.072 – deliberation regarding real estate; and Section 551.087 - economic development relating to the following projects:

- a) Pan American Hydrogen
- b) Project Roosevelt
- c) Project Organic
- d) Project Alphabet
- e) Project EDC
- f) Project BH
- g) Project Breeze
- h) Project Bandage
- i) Project Greyhound

At 6:00 p.m., a motion was made by Mr. Saarang Jay Rama and seconded by Mr. Rudy Martinez to enter into executive session. Motion carried unanimously.

At 7:04 p.m., President, Javier De Leon announced the board had completed its executive session and declared the meeting open to the public.

- 6) Consider possible action on any agenda item listed above in executive session, if necessary.

Motion was made by Dr. Linda Burke and seconded by Mr. Rudy Martinez to approve Project Alphabet as discussed in executive session. Motion carried unanimously.

- 7) Adjourn.

There being no further business to discuss, President, Javier De Leon adjourned the meeting at 7:06 p.m.

Development Corporation of Harlingen, Inc.

Javier De Leon, President

ATTEST:

Orlando Campos, CEO

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Date: January 24, 2024

**Development Corporation
Executive Summary**

I. Agenda Item: Consider and take action to approve Financial Reports for the period Ending December 31, 2023.

II. Brief Overview:

An analysis of the December 2023 fund balance indicates an unassigned Fund Balance of \$14,014,443, committed fund balance of \$2,000,000 and a non-spendable amount of \$1,832,094. Total assets equal \$19,192,065. Total liabilities equal \$1,345,528, resulting in a Total Fund Balance of \$17,846,537. During the month of December 2023, the cash NOW Account, Plains Capital Sweep Account and the TexPool Account earned 0.070%, 5.081% and 5.462% interest, respectively. From the Statement of Revenues, Expenditures, and Changes in Fund Balance (Page 3), for December, revenues equal \$591,449 and total expenditures equal \$391,948, generating revenues over expenditures in the amount of \$199,501.

For the month of December 2023, EDC Capital Assets, net of depreciation, totaled \$26,783,199 and Long-term Liabilities totaled \$19,255,499, resulting in a net investment in capital assets of \$7,527,700.

Development Corp. Sales tax receipts received from Texas State Comptroller for the month of December 2023 (Page 5) were \$508,964, an increase of \$34,017 or 7.16% from the prior year. In the month of December, Brownsville experienced an 5.11% increase and McAllen experienced a 6.84% increase from the prior year.

III. Budget

Item Budgeted ____ Yes ____ No X N/A. If yes, fund (s) & Amount. If no, Sources of funding, amount requested & funds remaining.

IV. Finance Director Comments: X Approved _____ Disapproved _____ None

VI. Staff Recommendation:

Staff recommends approval of financial reports as presented.



NAME: Kareem Abdullah

DEPARTMENT: Finance

TITLE: Deputy Finance Director

Harlingen Economic Development Corporation

Interim Financial Statements

As of December 31, 2023

Harlingen Economic Development Corporation
BALANCE SHEET - Unaudited
As of December 31, 2023

ASSETS

Cash	\$ 203,459
Certificate of Deposit	-
Investments (Texpool)	15,213,108
Accounts Receivable/Miscellaneous	631,752
Miscellaneous/Notes	1,311,652
Investments (Land)	
FY 15 Projects	555,686
FY 18 Projects	16,212
FY 19 Projects	1,260,196
TOTAL ASSETS	<u><u>\$ 19,192,065</u></u>

LIABILITIES

Other Payable- Rental Deposits	\$ -
Payables	-
83/77 Developer Payable	29,417
Due to City of Harlingen	1,591
Deferred Revenue	
TIFRZ No. 3	16,416
Miscellaneous	1,298,104
TOTAL LIABILITES	<u>1,345,528</u>

FUND BALANCE

Unassigned Fund Balance	14,014,443
Committed (Fund Balance Minimum)	2,000,000
Nonspendable - Land Investments	1,832,094
TOTAL FUND BALANCE	<u>17,846,537</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u><u>\$ 19,192,065</u></u>

Harlingen Economic Development Corporation
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - Unaudited
For the Month Ending December 31, 2023

	Current Month	Current Year to Date	Encumbrances	FY 23-24 Annual Budget	Unrealized Balance	25% of Budget
Revenues						
Taxes	\$ 508,964	\$ 1,562,447	\$ -	\$ 6,394,140	\$ 4,831,693	24%
Charges for Services	2,867	83,620	-	828,201	744,581	10%
Intergovernmental	10,179	31,043	-	956,989	925,946	3%
Interest	69,439	197,265	-	456,545	259,280	43%
Miscellaneous	-	1,609	-	-	(1,609)	0%
Other Financing Sources	-	34,015	-	512,582	478,567	7%
Total Revenues	\$ 591,449	\$ 1,909,999	\$ -	\$ 9,148,457	\$ 7,238,458	21%
Expenditures						
8501 ADMINISTRATION						
Personnel Services	\$ 39,290	\$ 111,161	\$ -	\$ 505,996	394,835	22%
Personnel Benefits	10,598	30,085	-	133,502	103,417	23%
Services & Charges- General	4,404	27,777	-	150,290	122,513	18%
Services & Charges- Maintenance	450	900	-	6,000	5,100	15%
Services & Charges- Miscellaneous	141	422	-	10,000	9,578	4%
Administration- Billboards	-	-	-	50,000	50,000	0%
Administration- Operations	35,142	100,736	379	796,000	694,885	13%
8502 MARKETING						
Services & Charges- Miscellaneous	6,824	7,873	-	20,000	12,127	39%
Marketing	31,290	43,699	-	397,304	353,605	11%
8505 BUSINESS INCENTIVE OTHER						
Direct Business Incentive	7,000	7,000	-	2,343,000	2,336,000	0%
8515 DEVELOPMENT CORP - OTHER						
Services & Charges- Miscellaneous	-	73,124	-	4,376,250	4,303,126	2%
Other	246,266	304,277	-	356,859	52,582	85%
DEBT SERVICES						
Other Financing Uses	10,543	30,103	-	4,473,258	4,443,155	1%
Total Expenditures	391,948	737,157	379	13,618,459	12,880,923	5%
Excess Revenues over Expenditures	\$ 199,501	\$ 1,172,842		\$ (4,470,002)	\$ (5,642,844)	
Fund Balance, Beginning of year		16,673,695		16,673,695		
Fund Balance, Year to Date		<u>\$ 17,846,537</u>		<u>\$ 12,203,693</u>		

**Harlingen Economic Development Corporation
Capital Assets & Long-Term Liabilities
Interim Financial Statements**

As of December 31, 2023

Harlingen Economic Development Corporation
Capital Assets & Long-Term Liabilities - Unaudited
As of December 31, 2023

CAPITAL ASSETS

Land	\$ 3,709,507
Building	31,902,903
Improvements Other Than Buildings	4,795,863
Accumulated Depreciation	<u>(13,625,073)</u>
TOTAL ASSETS	<u><u>\$ 26,783,199</u></u>

LONG-TERM LIABILITIES

Accrued Expenses/ Interest Payable	\$ 85,367
Compensated Absences	29,161
Notes Payable/ 77/83 Property BPS Land	2,045,971
2019 A Tax Exempt Bonds	13,955,000
2019 B Taxable Bonds	<u>3,140,000</u>
TOTAL LIABILITIES	<u><u>\$ 19,255,499</u></u>

NET POSITION

Net Investment in Capital Assets	<u><u>\$ 7,527,700</u></u>
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Date Received	Development Corp. (3/8 % Sales Tax)				City of Harlingen (2% Sales Tax)			
	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	Increase (Decrease) %	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	Increase (Decrease) %
October	\$566,792	\$521,402	45,390	8.70%	\$3,022,892	\$2,780,811	242,081	8.70%
November	\$481,084	\$459,597	21,487	4.67%	\$2,565,782	\$2,451,182	114,600	4.67%
December	\$508,964	\$474,947	34,017	7.16%	\$2,714,476	\$2,533,050	181,427	7.16%
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August			0	#DIV/0!			0	#DIV/0!
September			0	#DIV/0!			0	#DIV/0!
	\$1,556,840	\$1,455,945	\$100,895	6.92%	\$8,303,150	\$7,765,042	\$538,108	6.92%

Date Received	City of Brownsville (2% Sales Tax)				City of McAllen (2% Sales Tax)			
	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	Increase (Decrease) %	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	Increase (Decrease) %
October	\$4,908,605	\$4,881,141	27,464	0.56%	\$8,215,455	\$8,192,263	23,192	0.28%
November	\$4,644,386	\$4,521,148	123,238	2.72%	\$7,315,107	\$7,231,946	83,161	1.14%
December	\$5,069,672	\$4,823,060	246,613	5.11%	\$8,526,129	\$7,979,697	546,432	6.84%
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August			0	#DIV/0!			0	#DIV/0!
September			0	#DIV/0!			0	#DIV/0!
	\$14,622,663	\$14,225,348	\$397,314	2.79%	\$24,056,691	\$23,403,906	\$652,785	2.78%

Date Received	City of Weslaco (2% Sales Tax)				City of Edinburg (2% Sales Tax)			
	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	Increase (Decrease) %	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	Increase (Decrease) %
October	\$1,693,309	\$1,640,773	52,535	3.20%	\$3,387,434	\$3,196,479	190,955	5.97%
November	\$1,520,096	\$1,477,257	42,839	2.89%	\$2,807,348	\$2,751,287	56,061	2.03%
December	\$1,652,753	\$1,615,632	37,121	2.29%	\$3,133,932	\$2,962,853	171,079	5.77%
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September			0	#DIV/0!			0	#DIV/0!
	\$4,866,157	\$4,733,662	\$132,495	2.79%	\$9,328,714	\$8,910,619	\$418,095	4.69%

City of Mission (2% Sales Tax)					City of La Feria (2% Sales Tax)				
Date Received	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	% Increase (Decrease)	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	% Increase (Decrease)	
October	\$2,341,316	\$2,088,888	252,429	12.08%	\$223,196	\$195,100	28,096	14.40%	
November	\$2,181,852	\$1,879,092	302,760	16.11%	\$216,687	\$155,370	61,318	39.46%	
December	\$2,286,271	\$1,969,246	317,025	16.09%	\$174,157	\$145,301	28,856	19.85%	
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September			0	#DIV/0!			0	#DIV/0!	
	\$6,809,439	\$5,937,225	\$872,214	14.69%	\$614,041	\$495,771	\$118,270	23.85%	

City of San Benito (2% Sales Tax)					City of Mercedes (2% Sales Tax)				
Date Received	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	% Increase (Decrease)	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	% Increase (Decrease)	
October	\$660,445	\$611,774	48,671	7.95%	\$684,104	\$627,729	56,376	8.98%	
November	\$590,864	\$588,462	2,402	0.40%	\$671,461	\$575,769	95,692	16.61%	
December	\$592,797	\$563,876	28,921	5.12%	\$975,888	\$764,636	211,252	27.62%	
January			0	#DIV/0!			0	#DIV/0!	
February			0	#DIV/0!			0	#DIV/0!	
March			0	#DIV/0!			0	#DIV/0!	
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August			0	#DIV/0!			0	#DIV/0!	
September			0	#DIV/0!			0	#DIV/0!	
	\$1,844,106	\$1,764,112	\$79,994	4.53%	\$2,331,453	\$1,968,133	\$363,320	18.46%	

City of Pharr (2% Sales Tax)					City of South Padre Island (2% Sales Tax)				
Date Received	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	% Increase (Decrease)	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	% Increase (Decrease)	
October	\$2,497,456	\$2,528,733	(31,278)	-1.23%	\$469,488	\$411,221	58,267	14.16%	
November	\$2,342,495	\$2,273,663	68,832	3.02%	\$308,317	\$357,320	(49,003)	-13.71%	
December	\$2,393,045	\$2,369,641	23,404	0.98%	\$260,693	\$321,202	(60,509)	-18.83%	
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July			0	#DIV/0!			0	#DIV/0!	
August			0	#DIV/0!			0	#DIV/0!	
September			0	#DIV/0!			0	#DIV/0!	
	\$7,232,996	\$7,172,038	\$60,958	0.84%	\$1,038,498	\$1,089,743	(\$51,246)	-4.70%	

Date Received	HCIB (1/8 % Sales Tax)				City of Los Fresnos (2% Sales Tax)			
	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	Increase (Decrease) %	Fiscal Year 2023-24	Fiscal Year 2022-23	Increase (Decrease)	Increase (Decrease) %
October	\$188,931	\$173,801	15,130	8.70%	\$226,673	\$188,236	38,437	20.41%
November	\$160,361	\$153,199	7,162	4.67%	\$183,874	\$171,507	12,367	7.21%
December	\$169,655	\$158,316	11,339	7.16%	\$187,742	\$170,949	16,793	9.82%
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September			0	#DIV/0!			0	#DIV/0!
	\$518,947	\$485,315	\$33,632	6.92%	\$598,288	\$530,691	\$67,597	12.73%

PREPARED 01/16/2024, 8:59:09
PROGRAM: GM172L
CITY OF HARLINGEN
BANK: 05 FROST BANK - DEV. CORP.

ALL CHECKS REGISTER
SELECTED BY CHECK DATE
FROM: 12/01/2023 TO: 12/31/2023

PAGE 1
ACCOUNTING PERIOD 01/2024
REPORT NUMBER 129

CHECK NO	VENDOR NO	VENDOR NAME	CHECK DATE	CHECK AMOUNT	DATE CLEARED	BANK CODE	STATUS	ORIGINAL AMOUNT
9204	10713	ARCHER BUSINESS SYSTEMS, INC.	12/01/2023	99.00	12/31/2023	05	RECONCILED	
9205	12205	ORLANDO CAMPOS	12/01/2023	127.90	12/31/2023	05	RECONCILED	
9206	2320	FEDEX EXPRESS	12/01/2023	73.82	12/31/2023	05	RECONCILED	
9207	10755	FERRIS, FLINN AND MEDINA LLC	12/01/2023	27,826.58	12/31/2023	05	RECONCILED	
9208	1230	H.E.B.	12/01/2023	159.30	12/31/2023	05	RECONCILED	
9209	12221	INNERCITY FIBERNET, LLC.	12/01/2023	3,080.00	12/31/2023	05	RECONCILED	
9210	12273	LAUREL PARK BISTRO	12/01/2023	560.00	12/31/2023	05	RECONCILED	
9211	11374	LAW OFFICE OF ALAN T. OZUNA, P	12/01/2023	4,192.50	12/31/2023	05	RECONCILED	
9212	11319	BEVERLY TICER LOFTUS	12/01/2023	265.33	12/31/2023	05	RECONCILED	
9213	11458	LONE STAR COLLEGE SYSTEM	12/01/2023	600.00	12/31/2023	05	RECONCILED	
9214	11575	NEXSTAR BROADCASTING DBA/KVEO,	12/01/2023	4,500.00	12/31/2023	05	RECONCILED	
9215	8194	TRE PEACOCK	12/01/2023	481.04	12/31/2023	05	RECONCILED	
9216	1719	TEXAS STATE TECHNICAL COLLEGE	12/01/2023	2,676.00	12/31/2023	05	RECONCILED	
9217	7399	VILLARREAL, MARYANN	12/01/2023	83.38	12/31/2023	05	RECONCILED	
9218	10909	XEROX FINANCIAL SERVICES LLC	12/01/2023	188.43	12/31/2023	05	RECONCILED	
9219	11319	BEVERLY TICER LOFTUS	12/05/2023	180.13	12/31/2023	05	RECONCILED	
9220	11970	JUANITA LOZANO	12/15/2023	166.00	12/31/2023	05	RECONCILED	
9221	3493	PITTMAN & DAVIS, LLC	12/15/2023	1,595.58	12/31/2023	05	RECONCILED	
9222	12267	PLACER LABS, INC.	12/15/2023	30,000.00		05	OUTSTANDING	
9223	9050	RADIO UNITED LLC.	12/15/2023	750.00	12/31/2023	05	RECONCILED	
9224	11961	RESIMPLIFI, INC.	12/15/2023	6,300.00		05	OUTSTANDING	
9225	8384	TONY YZAGUIRRE, JR TAX ASSESSO	12/15/2023	246,265.89		05	OUTSTANDING	
9226	7185	U.S. BANK NATIONAL ASSOCIATION	12/15/2023	1,000.00		05	OUTSTANDING	
9227	12028	ALAMO ARCHITECTS	12/15/2023	31,231.50		05	OUTSTANDING	
9228	12205	ORLANDO CAMPOS	12/15/2023	54.81	12/31/2023	05	RECONCILED	
9229	9241	COSTAR REALTY INFORMATION INC.	12/15/2023	524.44	12/31/2023	05	RECONCILED	
9230	3374	HALFF ASSOCIATES, INC.	12/15/2023	1,201.50	12/31/2023	05	RECONCILED	
9231	10833	HARLINGEN COUNTRY CLUB	12/15/2023	167.15	12/31/2023	05	RECONCILED	
9232	7337	INTERNATIONAL COMMUNITY PUBLIC	12/15/2023	1,300.00	12/31/2023	05	RECONCILED	
9233	1070	ALLEGRA PRINT	12/20/2023	224.11		05	OUTSTANDING	
9234	1872	CITY OF HARLINGEN	12/20/2023	150.00		05	OUTSTANDING	
9235	11794	FNI INVESTMENTS, LLC.	12/20/2023	450.00		05	OUTSTANDING	
9236	12221	INNERCITY FIBERNET, LLC.	12/20/2023	1,540.00		05	OUTSTANDING	
9237	11319	BEVERLY TICER LOFTUS	12/20/2023	105.53		05	OUTSTANDING	
9238	1212	ROUNTREE LAW FIRM	12/20/2023	270.00		05	OUTSTANDING	
9239	12283	SORT-RITE INTERNATIONAL	12/20/2023	7,000.00		05	OUTSTANDING	
9240	1719	TEXAS STATE TECHNICAL COLLEGE	12/20/2023	2,676.00		05	OUTSTANDING	
9241	7399	VILLARREAL, MARYANN	12/20/2023	40.44		05	OUTSTANDING	
9242	10909	XEROX FINANCIAL SERVICES LLC	12/20/2023	188.43		05	OUTSTANDING	

BANK: 05 FROST BANK - DEV. CORP.

NO. OF CHECKS: 39 CHECKS OUTSTANDING 378,294.79 ***
OUTSTANDING CHECKS: 15 RECONCILED CHECKS: 24 VOID CHECKS:
327,441.90 50,852.89 .00

.00

Development Corporation of Harlingen, Inc.
Supplementary Schedules-Total Current Commitments & Contingencies
December 31, 2023

COMMITMENTS:	Total			Estimated Timing of
<u>Purpose</u>	<u>Commitment</u>	<u>Funded</u>	<u>Unfunded</u>	<u>Unfunded Commitment</u>
Strauss GDB	\$ 30,000	\$ -	\$ 30,000	Fiscal Year 2021-2024
Task Us	\$ 1,000,000	\$ 100,000	\$ 900,000	Fiscal Year 2021 - 2025
Little Caesar's	12.5-50% of Sales Tax	\$ -	\$ -	Fiscal Year 2022- 2024
IHOP	12.5-50% of Sales Tax	\$ -	\$ -	Fiscal Year 2023-2027
United Launch Alliance, LLC	\$ 1,500,000	\$ 1,341,000	\$ 159,000	Fiscal Year 2019-2024
Frankie's Flavz	12.5-50% of Sales Tax *	\$ -	\$ -	Fiscal Year 2020-2024
Johnny Rockets	12.5-50% of Sales Tax *	\$ 1,903	\$ -	Fiscal Year 2020-2024
Valley First Development	\$ 200,000	\$ 200,000	\$ -	Fiscal Year 2021-2023
Frontier Network	\$ 600,000	\$ 100,000	\$ 500,000	Fiscal Year 2022-2027
People Fund	\$ 500,000	\$ 500,000	\$ -	Fiscal Year 2023
Revitalize Harlingen	\$ 150,000	\$ -	\$ 150,000	Fiscal Year 2023
Stefano's Brooklyn Pizza, Inc.	\$ 200,000	\$ 200,000	\$ -	Fiscal Year 2023
Total Commitments	<u>\$ 4,180,000</u>	<u>\$ 2,442,903</u>	<u>\$ 1,739,000</u>	

*Reimbursable Up to 2% of Sales Tax

Note Receivable Schedule

<u>Borrower</u>	<u>Date Made</u>	<u>Date Due</u>	<u>Loan Amount</u>	<u>Amount Paid</u>	<u>Current Balance</u>
Pan American Hydrogen	04/21/17	04/21/23	\$33,359	\$3,123	\$30,236
Total			<u>\$33,359</u>	<u>\$3,123</u>	<u>\$30,236</u>

Receivables - TIFRZ No. 3

	<u>Date Made</u>	<u>Date Due</u>	<u>Loan Amount</u>	<u>Amount Paid</u>	<u>Current Balance</u>
TIFRZ No. 3					
Harlingen Ventures No. 2	08/30/07	N/A	\$886,416	\$ 870,000	\$ 16,416



Equip Harlingen - PROGRAM GUIDELINES

Small Business 50/50 Matching Grant Program

Equip Harlingen is a small business matching grant program offered by the Harlingen Economic Development Corporation that provides up to Three Thousand Dollars (\$3,000) for new equipment purchases for businesses that are looking to expand their production capabilities. This grant encourages the retention and creation of jobs for business enterprises in the City of Harlingen to stimulate further economic activity. Applicants must have been in business at least one full year prior to the application date.

The program provides financial assistance to eligible commercial businesses for eligible equipment purchases through August 31, 2024, subject to the terms of the grant and final approval from the EDC Board of Directors and the City Commission. Program eligibility is discretionary and may be discontinued by the Board of Directors at any time, or until annual fund allocation is exhausted. Equipment must be pre-approved by the HEDC prior to the purchase to qualify for this grant.

Application Checklist:

The Harlingen EDC will begin accepting Equip Harlingen grant applications on March 1, 2024 through August 31, 2024 for pre-approval.

Items listed below are to be submitted together to the Harlingen EDC for review. Each document is to be submitted in the order per the list below and must include the applicant's original signature and date. Any documents being prepared on behalf of the applicant must also include an original signature of the person preparing the documents. Incomplete packages will not be reviewed. All application materials should be uploaded with your online application at www.HarlingenEDC.com/EquipHarlingen. Requested information includes the following:

- ✓ Completed online application from business owner.
- ✓ Detailed explanation how equipment purchase will lead to anticipated business growth, job creation, and job retention.
- ✓ Copy of current business tax certificate.
- ✓ Confirmation that mortgage, property insurance and property tax payments are current and in good standing, (receipt copies will be accepted.).
- ✓ Documentation of business ownership.
- ✓ Digital photographs of new equipment proposed to be purchased and name of company that will be utilized for purchase.

Eligible Expenses:

- New equipment that will allow the business to increase production to expand its operations or generate more sales. Equipment must be under warranty when purchased. Such equipment may include: stoves, ovens, refrigerators, lathes, table saws, tooling machines, plastic injection molding machines, etc.
- Equipment essential for the creation of more products.

Ineligible Expenses:

- Replacement of existing equipment.
- Furniture, computers, standard building equipment (such as toilets, grease traps, or sinks) or other products not essential for the increased production of products.

Program Eligibility:

- Eligible businesses must be for-profit entities occupying commercial space.
- Applicants must demonstrate that they have been in business within a commercial space for the previous 12 months of the application date.
- Applicants must be a commercial property owner and/ or an existing for-profit business (tenant) within the city limits of Harlingen, TX with **fewer than 20 employees.**
- National chains (more than three) or franchises are not eligible.

- Establishments with more than two locations are not eligible.
- Only one business per person will be considered.
- All existing business owner applicants must possess a current City of Harlingen Business Tax Receipt, and must generate local sales taxes.
- The business or owner must not be currently recipients of Harlingen EDC incentives or must not have received a Harlingen EDC incentive as of December 31, 2021 including a Revitalize Harlingen Grant.
- All applicants (business and/ property owner) must not have outstanding code enforcement violations or liens (unless related to a change of use).
- All applicants must be current on rental, mortgage and all tax payments if applicable.

Matters Affecting Eligibility:

- Use of the building must conform to all current codes and ordinances; non-conforming uses of any kind are not allowed.
- All real property taxes must be current and paid in full.
- The following applicants are ineligible: sexually oriented businesses as defined by Chapter 111 of the Code of Ordinances of the City of Harlingen, Texas, gambling establishments however identified including sweepstakes and cyber/internet cafes, new construction projects, businesses operating from residential property or residential uses, property owned by non-profit entities, and any non-conforming uses.
- Eligible businesses must not be considered a “public nuisance” by local law enforcement or code enforcement agencies.
- Qualifying improvements must conform to City of Harlingen current codes and ordinances.

Application and Funding Process:

- Approved projects **MUST** submit final payment requests for matching reimbursement grant by August 31, 2024. Requests for payment following this date will not be processed and company will lose funding.

- Purchase receipts and proof of equipment installation must be provided as part of the final payment request.
- An inter-departmental team of the HEDC staff will review applications and if eligible will bring before the HEDC Board for approval during an HEDC Board meeting.
- Upon approval, the HEDC will disburse the eligible grant funds to the commercial property owner or for-profit business no later than sixty (60) days following approval by the Board of Directors and the City Commission.
- Staff will be permitted to inspect the project to ensure conformance with the grant contract.

Maximum Awards:

Financial assistance to eligible commercial businesses for equipment purchases is fifty percent (50%) of the incurred costs, not to exceed Three Thousand Dollars (\$3,000).

TSTC Goal Line Assistance Program



TSTC Goal Line Assistance

Program criteria include:

- 1.Enrolled full-time (12 or more credit hours), or part-time (3-11 credit hours)
- 2.Enrolled in any TSTC program
- 3.Must have a minimum 2.0 GPA and be in good standing
- 4.Traditional and non-traditional students
- 5.Must be in their final three semesters of study
- 6.Resident of Harlingen

TSTC Enrollment Services will select students who are in need of assistance.

Once students are found eligible, they can use the award money towards tuition, materials, uniforms, tolls, testing fees, and TSTC campus housing.



TSTC Goal Line Assistance

Totals Since Start of Program in 2020

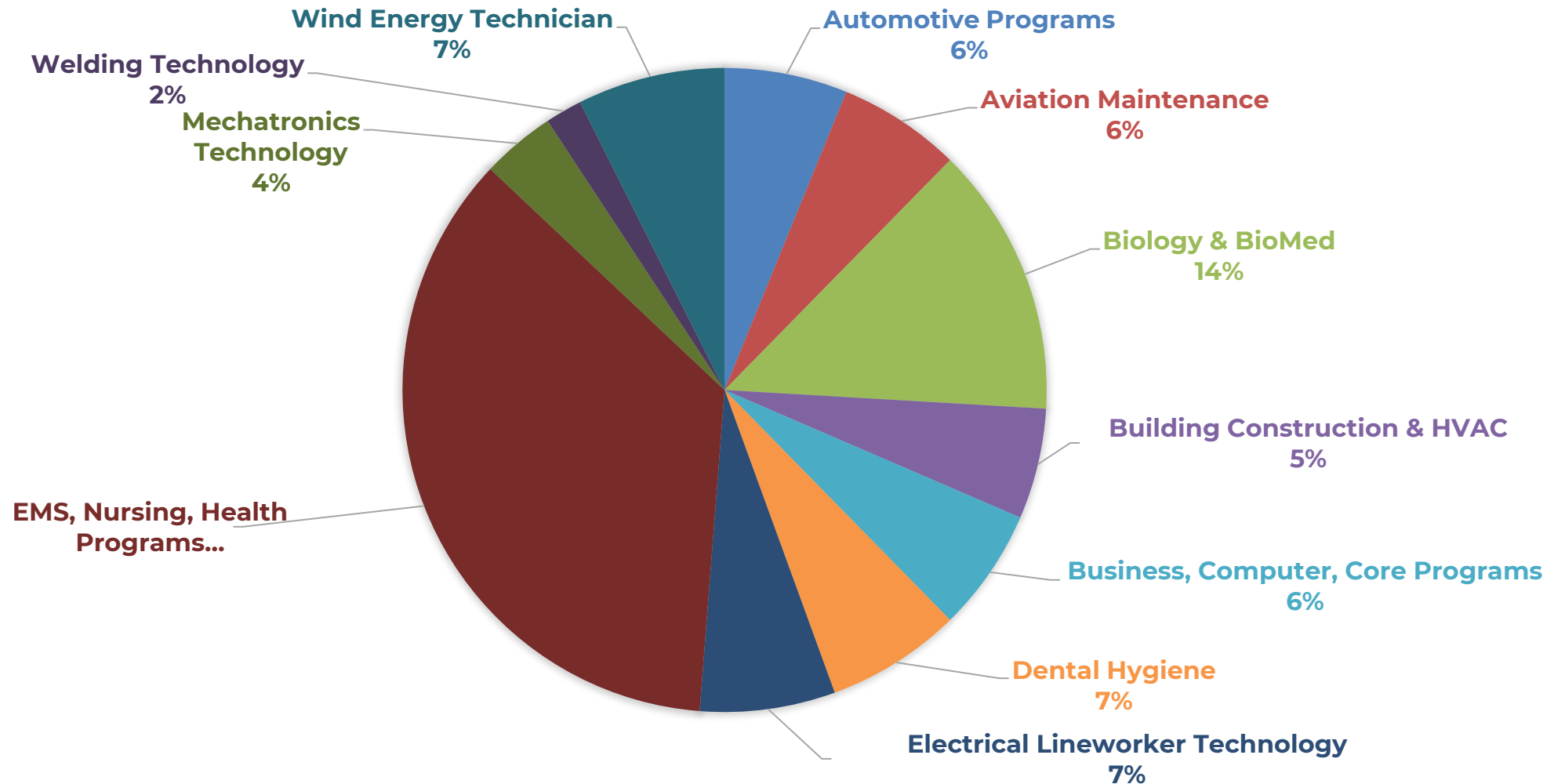
Funded	\$300,000
Awarded	\$275,805
Fund Balance	\$24,195
Students Awarded	250+
Graduates	163

Graduates & Program

1 Architectural Design & Engineering	3 Computer Science
15 Associate Degree Nursing	11 Dental Hygiene
3 Automotive Technology	11 Electrical Lineworker Technology
4 Auto Collision & Management	5 Emergency Medical Services
3 Automotive Technology	1 HVAC Technology
10 Aviation Maintenance	10 Surgical Technology
21 Biology	6 Mechatronics Technology
1 Biomedical Equipment Technology	28 Vocational Nursing
8 Building Construction Technology	3 Welding Technology
2 Business Management Technology	12 Wind Energy Technician
1 Computer Networking & Sys Adm	4 Core Curriculum



Graduate Programs



Request

- Requesting approval to fund \$50,000 to the TSTC Goal Line Assistance Program for the 23/24 fiscal year.
- Funds approved in 23/24 HEDC budget



TSTC CTE Signing Day Scholarship Program



CTE Signing Day

National recognition for high school students pursuing a technical career and making a commitment to technical education.

- CTE Signing Day is going on it's 3rd year at TSTC.
- Alignment with the NC3 National Signing day on April 20th.
- Over 300 students from across the Valley and their families attended last year.
- TSTC Foundation offered \$1000 scholarships to any student that attended the CTE signing day and enrolled in the fall.
- Over 170 students enrolled and awarded over \$170,000 in scholarships.

This is proving to be a great recruitment tool and along with programs like goal line assistant programs, we are aiming to retain and graduate & place more and more students each year.



Request

- Requesting approval to fund \$50,000 to the TSTC CTE Signing Day Scholarship Program for the 23/24 fiscal year.
- Funds approved in 23/24 HEDC budget
- Scholarships from funding will go toward Harlingen Residents who attend CTE Signing Day and enroll at TSTC in Harlingen.



MARKETING COORDINATOR

RECENT INITIATIVES

- Reviewed marketing/advertising RFP submissions, selected finalists, and scheduled follow-up interviews
- Utilized social media ads to promote Kauffman FastTrac business course
- Highlighted small businesses online through BRE visits
- Met with agency to explore advertising opportunities in Texas airports

HARLINGEN
Economic Development Corporation

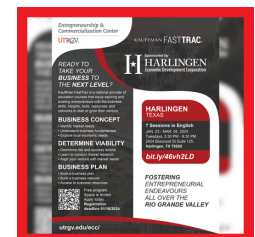
Request for Proposal:
Marketing and Advertising Services

RFP SUBMISSION EVALUATION

Evaluator _____ Company _____

CRITERIA	POINTS
Samples of Work (Up to 40 Points): Submit (2) two examples (if available) of each of the following: creative concepts, brochures, event collateral, posters, magazine advertisements and online/social media advertisements	
References (Up to 30 Points): Three (3) references related to prior marketing and/or advertising services are required in the proposal. This evaluation criterion will assign up to ten (10) points per reference. Special attention will be given to the quality of services provided to past or current customers	
Vendor Questionnaire (Up to 20 Points): This evaluation criterion will consist of verifying that all portions of the vendor questionnaire are accurately completed. In addition, the number of points per question will be based on the relevance of each response to advertising services for the Harlingen EDC	
Average Hourly Cost (Up to 10 Points): The lowest average hourly fee will be awarded all 10 points. All other proposals will receive points based on their ratio to the lowest proposal	
Total Points (0-100):	
Comments:	

Thank you for your time and expertise in reviewing submissions. Your insights are crucial for selecting the best partner for the Harlingen EDC! ★



SOCIAL MEDIA GROWTH

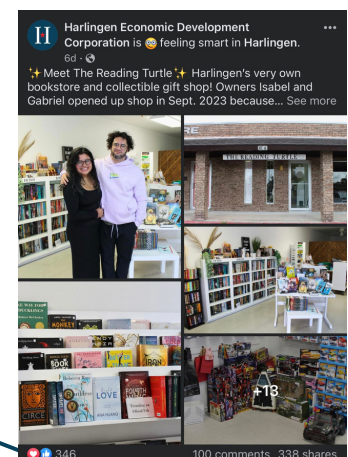
New Followers (December 19, 2023 - January 18, 2024):

- Facebook: +160
- Instagram: +32
- LinkedIn: +27

TOP-PERFORMING POST

"The Reading Turtle" Bookshop Spotlight

346 100 comments 338 shares



Scan QR code to keep up
with the Harlingen EDC!



Jane Lozano, Business Retention & Expansion Manager

BRE Visits for January 2024

	Business	Visit	Purpose/Outcome/Information
	Chloe's Nail Salon	Ribbon Cutting	Networking , Business rebranding
	The Reading Turtle	BRE/ Marketing	Get to know the business, give them information, and market business on
	Salon Suites	Ribbon Cutting	Networking, Supporting Small/local business
	Christians Cookies	BRE	Business Owner with Disability, Meeting to discuss how we can help him and acknowledge him in October

Events/Meetings January 2024

	Event	Purpose	Notes
	Business Over Breakfast	PeopleFund	Informative session on Small Business loans available
	Small Business Advisory Committee Meeting	Meeting /Don Gollitto	Planning Event Let's Get Down to Business
	Small Business Administration	Meeting	Angela Burton's participation in the event Let's Get Down to Business
	Rio Grande Valley Chapter –AG	Meeting	Joey Trevino's participation in the event Let's Get Down to Business
	Women Empowering Women	Luncheon	Networking
	BREP Meeting with Orlando and Beverly	Meeting	Regroup and discuss BRE goals and visits for 2024

REVITALIZE HARLINGEN

Business Name	Business Address	Matching Grant	Total Expense	Project Summary
DAVES BBQ	1714 North Commerce St	\$10,000	\$20,000	New sign, restore the front of business and landscape.
HARLINGEN JIU JITSU CLUB	1207 West Jackson Street	\$10,000	\$41,000	The grant will help assist with the cost of the exterior paintwork (\$11,800), new doors (\$9,338) and awning addition (pending quote), installation of permanent landscape (pending quote), and parking lot resurfacing with striping (\$19,798).
ALMA'S APPLIANCE	1722 N Commerce	\$10,000	\$20,000	A new fence in the front, replace & and paint aluminum siding on the front building, and a new sign near the front entrance.
PREGAME NUTRITION	1548 N 77 Sunshine Strip	\$4,000	\$8,000	Funds will be used to purchase 2 LED signs that will be placed on the exterior top of the store and the other will be placed on a pole. We are also considering painting or using vinyl on our windows.
ALICIAS RESTAURANT	324 North Commerce	\$10,000	\$20,000	Paint, Led Signs, Outdoor lighting, Awning Repair
MONARCH DANCE STUDIO	888 Morgan Blvd	\$10,000	\$20,000	Funds will be used to fix our parking lot, signage up front, landscaping, interior and exterior painting.
MARQUEZ GLASS	801 South F Street	\$10,000	\$20,000	A new sign we also need help with the window glass and exterior doors, and 5 interior Doors.
TOTAL		\$64,000	\$149,000	



CEO Report January 2024

The following is a summary of meetings and projects the Harlingen EDC CEO participated in this past month.

RGV Partnership:

CEO was officially appointed to the board of the RGV Partnership. As such, CEO participated in his first board meeting in late December. The partnership discussed the upcoming ICSC Red River tradeshow in Dallas to promote the region to potential retailers. The group is also hosting a networking reception as part of the event. The HEDC will be participating in ICSC Red River to promote Harlingen.

TRAC V:

CEO joined staff in meeting with Nathan Ramon, the new executive director of the Trauma Regional Advisory Council-V. The Council's mission is to address trauma system development and assist member organizations in attaining trauma designation or re-designation in the Rio Grande Valley. Ramon requested to meet with the HEDC to introduce his organization, learn more about the HEDC, and discuss office expansion plans. The group is based in Harlingen and has a strong interest in remaining in the community. The HEDC provided expansion options in the community, but since the meeting the organization was able to secure office expansion space at their existing building.

Meeting with Insyteful:

CEO and COO met with Ray Methvin, lead consultant with Insyteful. The company was hired by the HEDC to conduct a Target Industry Analysis. Methvin provided an update on preliminary findings of their analysis of Harlingen and the county. The next step will be to dive in deeper into our industrial sector to identify growing sectors that would make sense for the community. Methvin will also be planning trip to Harlingen to meet with key stakeholders to seek input as part of their study.

Meeting with Angela Burton:

HEDC CEO and staff members met with Angela Burton, District Director of the Lower Rio Grande Vally District Office of the US Small Business Administration. Based in Harlingen, Burton provided an overview of several upcoming training programs and more insight into other programs offered. She expressed her willingness to collaborate more with the HEDC. HEDC staff discussed the upcoming "Let's Get Down to Business" event being planned in collaboration with key city departments and stakeholders. Burton committed to participating in the event as well.

Meeting with Ron Garza:

HEDC CEO and COO met with Ron Garza, Sr. Associate Vice President of the Office of Workforce & Economic Development of UTRGV. The meeting focused on completing the entrepreneurship study that was started over a year ago by UTRGV. This study analyzes the local entrepreneurial landscape and ecosystem and would serve as a recommendation on the development of a business incubator for Harlingen. Following the meeting, Garza agreed to regroup with the research team, update the preliminary study, and provide the board with an update and findings of the study at a future meeting.

Workforce Roundtable:

CEO participated in the Workforce Roundtable organized by the HEDC Business Retention & Expansion Manager. CEO provided key stakeholders a presentation of the recently adopted three-year strategic

plan and focused on the goal to “foster a highly skilled local workforce.” CEO reminded the participants of their critical role in participating and supporting this effort. The group discussed how each of their respective organizations could work better to benefit high school and college graduates and local individuals looking for work. They also agreed to participate in industry focused roundtables in the near future to learn of workforce issues amongst local employers and to develop strategies for addressing those issues. Following the industry focused roundtables, the Workforce Roundtable will regroup to develop an actionable plan to move forward to better address the strategic goal.

City Commission Meeting:

HEDC CEO and COO participated in the city commission meeting to seek adoption of the HEDC three-year strategic plan. It was unanimously approved by the city commission. During executive session staff discussed Project Alphabet and updates needed to the incentives grant agreement. Commission provided staff direction to move forward.

RGV Partnership Legislators Reception:

HEDC CEO and staff traveled to McAllen to attend the Legislators Reception hosted by the Rio Grande Valley Partnership. Several local state legislators were present and recognized for their efforts during the last legislative session. Staff was able to network with several participants from other parts of the Rio Grande Valley. The HEDC was also a silver sponsor of the event which allowed for recognition from the podium, an advertisement in the program book and logo displayed in the rotating screen.

Meeting with Valley International Airport:

CEO and COO met with Marv Esterly and Nico Mirman of Valley International Airport. Discussions focused on expanded strategies for promoting the ULA building to other users and on the upcoming MRO Show in Chicago to promote not only the ULA building but the Aerotropolis for aviation-focused industries.

Meeting with Lone Star National Bank:

CEO and COO met with executives of Lone Star National Bank on supporting a potential entrepreneurial accelerator program and pitch competition.

Meeting with Washington Consultant:

HEDC CEO, COO and Board President held a conference call with George Sagalos, Washington Consultant. Discussion focused on local economic development priorities and federal support needed for these efforts.

Project Updates:

- **Marketing RFP:** Following an RFP process that closed December 8, the HEDC received eight proposals from marketing firms interested in bidding for the opportunity to be the agency of record for the HEDC. The committee reviewed the proposals and selected three finalists which will be interviewed. Following the interviews, a finalist will be selected that will be brought to the board for approval.
- **Targeted Industry Cluster Analysis:** Staff had a conference call with Insyteful on the Targeted Industry Analysis currently underway. Consultants provided an overview of their preliminary findings. The next step will be for the consulting company to visit Harlingen for meetings with key stakeholders to gather more data before a semi-final plan is developed.
- **Industrial Park at Roosevelt EDA Infrastructure Grant:** The Economic Development Administration has approved our request to modify the budget for the project by eliminating

the architectural and engineering costs and re-allocating that amount to construction costs. Staff has contracted with Ferris and Flinn Engineering who will assist in developing the RFP for the detention pond, assist in evaluating proposals received and finally assist in evaluating the construction milestones to ensure forward movement of the project.