

**CITY OF SANTA FE
ECONOMIC DEVELOPMENT CORPORATION
BUDGET WORKSHOP
JUNE 27, 2023 9:00 A.M.
COUNCIL CHAMBERS
12002 HWY. 6, SANTA FE, TEXAS**

MINUTES

The meeting was called to order at 9:02 a.m. by President Fidencio Leija, Jr.

Roll Call: Present: President Fidencio Leija, Jr.
Vice-President Matt Crable
Secretary/Treasurer Ashley Carner
Director Bob Wylie
Director Gregg Vicknair
Director Tamra Loftin
Director Johnny Helpenstill

Absent: None

The Invocation was given by Vice-President Crable, and President Leija led the Pledge of Allegiance.

IV. Executive Staff Reports

There were no Executive Staff Reports.

V. Citizens' Comments:

There were no citizen comments.

VI. Business:

A. EDC Planning & Organization

1. Discuss with possible action on changes to the processes, procedures, or bylaws of the Santa Fe Economic Development Corporation

President Leija informed the Santa Fe Economic Development Corporation that Director Rudy Zepeda mentioned at the previous meeting that the Santa Fe EDC started the 2016-2017 fiscal year with \$533,000.00 and that its balance has increased each fiscal year. Mr. Zepeda noted that the current year's budget is \$875,000.00, and that the budget for the next fiscal year, 2023-2024, is projected to be \$951,000.00.

President Leija and Mr. Zepeda stated that the Santa Fe EDC focuses on two goals:

1. Programs, which benefit multiple people or entities, i.e., grants, loans, beautification projects, and training; and,
2. Projects, which are a one-time expense, with a start and end date, that focus on a particular purpose, which can a product of a program.

Mr. Zepeda stated that the City is currently trending at 9 - 10% increase in sales tax annually, and that the City would need to maintain this trend if it is to continue to keep property taxes low.

Mr. Zepeda recommended that the Santa Fe EDC consider hiring a full-time EDC Coordinator to engage with the businesses in Santa Fe to help expand and retain businesses. The EDC agreed to seek an EDC Coordinator in the \$75,000.00 - \$85,000.00 per year total compensation, which includes the cost of the employee's benefits.

Director Carner stated that the EDC focusing on infrastructure would help to attract future businesses through the extension of water services throughout the city; specifically, the entirety of FM 1764 and FM 646 N. Vice-President Crable agreed, saying that focusing on infrastructure would be the most impactful, long-term benefit to attracting and retaining businesses, alongside drainage improvements. Mayor Pro Tem Brandon Noto stated that he believes prioritizing the extension of water services down FM 1764 and looping into La Marque's water system would allow each city to use the other's water system as a backup in a water emergency. Mr. Noto added that he believes that FM 1764 has more potential for future commercial use than FM 646 N.

The EDC agreed to commit 75% of the annual budget for projects and 25% for programs and operations for the next three fiscal years: 2023-2024, 2024-2025, and 2025-2026, and to maintain a one-year fund balance for operating expenses, which is approximately \$200,000.00. The EDC discussed incentives for businesses, including workforce grants and new business signage for vacant retail space.

The EDC discussed and decided that all agenda items are to be submitted to the EDC President and Director no later than two weeks before the EDC meetings, with no additions to the agenda after that date. The EDC also agreed that the agenda packets will need to be sent to the EDC Board Members one week prior to the EDC meeting.

At 11:13 a.m., the EDC took a break and reconvened at 11:19 a.m., at which time, each EDC Board Member introduced themselves so that they could get acquainted with the newest EDC Board Member, Johnny Helpenstill, by briefly describing their personal and professional backgrounds as they pertain to the EDC and its duties.

The EDC developed a written funding protocol for all money paid out to projects or requests by submitting press releases to the Galveston County Daily News. President Leija offered to write an opinion piece to the newspaper with EDC updates so that citizens who do not use social media or computers will be kept apprised of EDC business.

B. EDC Budget Workshop:

- 1. Discuss with possible action on the selection of budget expenditures to be included in the final EDC budget to be voted on in the July Regular Meeting**

Mr. Zepeda gave an overview each line item in the Proposed Budget for Fiscal Year 2023-2024. After making the agreed-upon changes, Mr. Zepeda will present the current fiscal year's Amended Budget at the next Regular Meeting, along with the Budget for the upcoming 2023-2024 Fiscal Year.

Vice-President Crable made a motion to utilize what the EDC had set aside to pay the balance of the Gradall. Director Carner seconded the motion and the motion passed unanimously.

President Leija clarified that payment for the Behringer-Tully Field and funding for razing substandard structures is included in the current fiscal year's budget, which increases the budget by approximately \$300,000.00.

VII. Citizens' Comments & Announcements

EDC Director Bob Wylie recommended that future EDC meetings be held at the tables in the back of the Council Chambers now that the audio equipment has been installed in that part of the room, instead of at the dais. The EDC Board members agreed.

VIII. Summary of action from this agenda; Request for future agenda items; Scheduling future meetings

Director Rudy Zepeda reminded the Board members that officers for the next fiscal year will be voted on at the August meeting and wanted to verify that all members wished to return for another term or if there were any who wished to no longer serve. President Leija asked Mr. Zepeda if he could supply the names of those whose terms are up in the Regular Meeting being held this evening, Tuesday, June 27, 2023, at 7:00 p.m. After a brief discussion, it was determined that the terms of President Fidencio Leija, Jr., Secretary/Treasurer Ashley Carner, and Director Bob Wylie will expire in August, 2023.

IX. Adjournment

Vice-President Crable made a motion to adjourn, and Board Member Carner seconded the motion. President Leija adjourned the meeting at 12:00 p.m.



Fidencio Leija, Jr., President

ATTEST:



Rudy Zepeda, Executive Director