

**SANTA FE ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTOR'S SPECIAL MEETING
APRIL 21, 2020 7:00 PM
SANTA FE CITY HALL COUNCIL CHAMBERS – ZOOM MEETING
12002 HWY. 6 SANTA FE, TEXAS**

MINUTES

1. The meeting was called to order at 7:00 p.m. by Fidencio, Leija, Jr.

2. Roll Call: Fidencio Leija, Jr.
 Matt Crable
 Ashley Carner
 Robert Bracknell
 Greg Vicknair
 Bob Wylie
 Blu Baillio
 Chris Nichols, Attorney
 Stacey Baker, Director

3. The invocation was given by Fidencio Leija, Jr., and the pledge of allegiance was led by Blu Baillio.

4. Citizens Comments and recommendations:

None

5. Reports:

a. Presentation and approval of minutes: February 25, 2020

A motion was made by Matt Crable and seconded by Bob Wylie to approve the minutes as presented. The motion passed unanimously.

6. Business

a. Discussion and possible action: Review and accept the annual financial review provided by Cambiano and Cambiano for year ending September 30, 2019.

Stacey Baker advised that Cambiano and Cambiano has a clean opinion of the audit presented for approval to the EDC board. There were no questions regarding the audit.

A motion was made by Bob Wylie and seconded by Blu Bailio to accept the annual financial review. The motion passed unanimously.

b. Discussion and possible action: Review and approve the financial statements and quarterly investment summary for the quarter ending December 31, 2019.

Stacey Baker advised that an annual investment summary must be provided every quarter and one annual summary at the end of the year. She advised that the total amount in the accounts as of December 31, 2019 was \$3,948,992.44.

A motion was made by Blu Baillio and seconded by Bob Wylie to approve the reports provided. The motion passed unanimously.

c. Discussion and possible action: Establish, review, and approve guidelines, qualifications, the amount a business can qualify for, the application process, and the application to apply for small business financial assistance through the EDC, and forward to City Council for approval.

The board had a discussion on the direction that they wanted to take with financial grant assistance for small businesses if the Governor approves the request submitted. Stacey Baker and Fidencio Leija, Jr., presented the board with examples of other cities guidelines and applications for financial assistance. It was discussed that Santa Fe EDC may create a grant program and to possibly budget \$200,000.00 to \$250,000.00 in assistance funds with certain guidelines and an application to complete. Fidencio Leija, Jr., presented a draft of guidelines and a draft application to the board to review and modify with suggestions to be addressed at the next meeting. Ashley Carner and Matt Crable advised that the application and approval process needed to be the same for everyone and clear requirements. Matt also suggested that we get proof that the applicant did not qualify for the loans available to small businesses. Glen Adams advised that there were businesses such as hair salons and tattoo parlors that advised that they would not qualify for the SBA loans. Fidencio Leija, Jr., advised he thought that up to \$10,000.00 would be adequate to pay for 3 month's rent, utilities, and supplies necessary to restart the business. It was discussed that the applicant should be in good standing with the city, did not qualify for SBA loans, less than 50 employees, sales tax contributors, among other qualifications to be discussed. The applicant can submit the leasing or rental agreement, copies of the utilities, and supply receipts. There was a brief discussion regarding the FM 1764 sewer project being delayed and expected to not be finished for a minimum of 2 years. Robert Bracknell advised he was worried that people may use it for personal reasons or home life. Fidencio advised that we may consider writing the checks to the leasing agencies/utility company to overcome that problem. Stacey Baker and Glen Adams advised that City Council will need information as soon as possible regarding the grant information and that it would be a good idea to schedule a special meeting to further discuss the information City Council is requesting. Glen Adams advised that no surrounding EDC's have received a response from the Governor's office, including us, regarding the requests from EDCs. Ashley Carner advised she would like to discuss at the next meeting the approval process including developing an approval committee. A special meeting should be scheduled for May 4, 2020 to be able to establish information to present to council.

A motion was made by Bob Wylie to set the cap at \$250,000.00 total for the entire grant program and maximum of \$10,000.00 per business and move forward with this project. The motion was seconded by Matt Crable and passed unanimously.

d. Public Hearing: In accordance with Sections 505.159 and 505.160 of the Texas Local Government Code, the Santa Fe EDC, a Texas non-profit 4B economic development corporation, will receive public comments related to the following proposed economic development project being considered by the Santa Fe EDC as follows:

- Pursuant to Local Government Code Section 505.158, the Santa Fe EDC proposes to participate in a project generally referred to as a program to assist eligible and qualifying small businesses located in the City of Santa Fe with financial assistance during the COVID19 state of disaster and time of social distancing. The Santa Fe EDC's participation in any such general or specific project or program is subject to the having or otherwise receiving the proper legal authorization to do so.
- Guidelines, qualifications, the amount a business can qualify for, the application process, and the application, must be established and provided to City Council for approval

The public hearing opened at 8:15p.m

Glen Adams advised he thought EDC was on the right track with the grant program and wanted to make sure that no one falls in gaps. Mayor Tabor advised that he wanted EDC to make recommendations to council.

The public hearing closed at 8:16p.m.

7. Discussion and possible action: Discussion of proposed budget amendment for the fiscal year 2019/2020 and adoptions of a resolution approving the budget amendment for year ending September 30, 2020.

Stacey Baker advised that EDC budgeted \$6,000.00 for legal expenses. She advised that the budget was starting to deplete due to the expense of the rushed work Chris Nichols provided to the EDC for the filing of reports to the state that the previous attorney did not do, the review and expansion process of the bylaws to include the election proposition, ballot language and working with the city attorney to provide proper materials to the election division for the May 2020 election. Also, Mr. Nichols was called for an emergency joint meeting to provide to EDC and City Council an agenda and information to assist small businesses with grants, and drafted the letter to the Governor for approval for EDC money to be spent. Stacey advised that she met with Ashley Carner, Secretary/Treasurer, agreed that due to the situation the EDC is in, the unknown of what is going to happen for the election, and the unknown of COVID-19, the budget should be increased by \$12,000.00 for this year. Stacey Baker advised that if the \$12,000.00 did not get spent the budget can be amended to reflect the actual amount spent for legal expenses. Stacey Baker advised this matter will be forwarded to council.

Stacey Baker advised that the City of Santa Fe was purchasing new computer equipment, to include programs to use for public meetings, lap tops for council members, and monitors in the council chambers for the public to interact during meetings and to provide council members with security so they would not be subject to breaking rules regarding the use of their own computers or emails and open records requests or legal issues. She advised that Dell was giving great rates on the computers and this would be a good time for the EDC to purchase computer equipment to be able to be transparent with the community during open meetings and protect EDC board members from using their own computers for EDC work to include emails. She advised that all equipment, programs, and the setup to include email licensing would cost approximately \$15,000.00. Chris Nichols advised that the board could be subject to open records when using personal devices or emails while elected as a board member or official and personal and work info should be segregated and how the EDC chooses to do it is up to the

EDC. The City Manager advised it was a good idea to segregate the work and council was being proactive with updating technology and protecting the city and themselves properly. After discussion, it was determined that this matter was not a priority at this time and that the only money to be budget for technology was for the email licensing. Stacey advised that email licensing estimated cost is approximately \$1440.00 for 3 years for 6 licenses and is subject to change as council members are on the board. The city pays for council members licenses also. At this time we have 1 council member on the board resulting in purchasing 6 licenses.

A motion was made by Fidencio Leija to approve the \$12,000.00 increase in legal expenses and to budget for the estimated cost of \$1440.00 for email licensing and to revise the resolution to reflect these changes and to present to council for approval. The motion was seconded by Ashley Carner and passed unanimously.

8. Adjournment

A motion was made by Ashley Carner and seconded by Bob Wylie to adjourn at 8:44 p.m. The motion passed unanimously.

Fidencio Leija, Jr., President

ATTEST:

Stacey Baker, Administrative Services Director