



MINUTES OF THE CITY OF SAN BENITO REGULAR CITY COMMISSION MEETING

On June 2, 2020 the City Commission met for a Regular Meeting at the San Benito Municipal Building, Cesar Gonzalez Meeting Hall, 401 North Sam Houston Boulevard, San Benito, Texas.

City Commission Members Present: Benjamin Gomez, Mayor ; Antonio Gonzales, Commissioner, Place 1 ; Rene Villafranco, Commissioner, Place 2 ; Mark Sossi, City Attorney.

City Commission Member Absent: Carol Lynn Sanchez, Mayor Pro Tem ; Vacant, Commissioner, Place 3

City Administration Personnel Present: Manuel De La Rosa, City Manager ; Fred Bell, Assistant City Manager ; Ruth McGinnis, City Secretary.

ITEM 1. WELCOME.

Mayor Benjamin Gomez called the meeting to order at 5:30 p.m. confirming a quorum.

ITEM 2. PLEDGE OF ALLEGIANCE TO THE U. S. FLAG AND TO THE TEXAS FLAG.

Miss Hailey L. Rios and Miss Sophia L. Rios led the City Commission and audience in reciting the pledge of allegiance to the U.S. Flag and to the Texas Flag.

ITEM 3. INVOCATION.

Martha McClain, Public Relations Director led the City Commission and audience in prayer.

ITEM 4. ANNOUNCEMENTS: ITEMS OF COMMUNITY INTEREST.

Mayor Benjamin Gomez announced several city events and requested to keep practicing social distancing and face covering due to pandemic.

ITEM 5. PUBLIC COMMENTS. (Speakers/Remarks limited to three minutes. Public Comments limited to forty-five minutes).

Ruth McGinnis, City Secretary announced no public comments.

ITEM 6: CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE MINUTES OF THE MAY 19, 2020 REGULAR CITY COMMISSION MEETING.

Mayor Benjamin Gomez requested a motion. Commissioner Rene Villafranco moved to approved. Mayor Benjamin Gomez seconded the motion. Commissioner Antonio Gonzales abstained due to being absent. Voting Aye: Mayor Benjamin Gomez and Commissioner Rene Villafranco. Motion carried to **APPROVE THE MINUTES OF THE MAY 19, 2020 REGULAR CITY COMMISSION MEETING.**

ITEM 7. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE REVISION OF THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION SMALL BUSINESS INVESTMENT PROGRAM.

Rebeca Castillo, Executive Director, San Benito EDC addressed the City Commission stating last revisions on said program was on May 23, 2019 which City Commission approved on June 2019. The Small Business Program consists of two grants which are the Rent Subsidy Grant and the Commercial Façade Improvement Grant. The revisions presented will be only on May 23 are the language on the program and the application approved to cover three corridors which is the Oscar Williams, Downtown Business, and Business 77. These revisions are not only factored in only for the downtown area. The same amount of funding remains the same at \$76,000.00 for the current fiscal year. New businesses are considered eligible to comply within two years of officially opening their business. The application

now includes a question about square footage and price per square foot. The program for rent continues to offer the fifty percent offer for rent subsidy reimbursement for monthly lease for up to six months, max of \$850.00 per month and not to exceed a total of \$5,000.00. [Commissioner Rene Villafranco](#) referred to the first page, requesting reason for striking out monthly sales report, what are you going to go by then? [Rebeca Castillo](#) advised it is subject to following up, we need the sales tax report, but sometimes it is submitted on quarterly basis so we delete it monthly. We are going to be asking for the sales tax report regardless if it is submitted monthly, periodically, either monthly or quarterly. When the business is submitting their reports they will be submitting a copy. The new language also states the required lease amount would fall under the fair market value and should be disclosed on the lease agreement along with square footage space being leased. The applicant must provide copies to the EDC, a sales tax report submitted to the state, if no sales taxes are report than the business doesn't qualify. It has a non-family member clause in order to avoid a conflict of interest or perception of the property, owner/landlord should not be a family relative to the business owner or tenant that would lease the property. There is a clause for the applicant needing to remain open for business for the remainder of the grant or will need to reimburse the EDC any funds issued and possibly being ineligible for future EDC funding. The sales tax permit is a required document to be included in the application to ensure we are tracking the return of the investment, that there is a good investment and sales taxes received by the business. The façade application, which is part of the program, includes a non-family member clause, including if they don't remain open for the six months they should reimburse the EDC the funding awarded and may possibly not be eligible for future funding of the EDC. We added the sales tax permit as a required document to be included with the application and it remains only for downtown. Those are the revisions approved by the EDC Board on May 13th and we are asking for your consideration to be able to start accepting applications. This is a yearlong, fiscal year long that we have available for businesses in the community. [Mayor Benjamin Gomez](#) requested a motion. [Commissioner Rene Villafranco](#) moved to approved. [Commissioner Antonio Gonzales](#) seconded the motion. Voting Aye: [Mayor Benjamin Gomez](#), [Commissioner Antonio Gonzales](#) and [Commissioner Rene Villafranco](#). Motion carried to [APPROVE THE REVISION OF THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION SMALL BUSINESS INVESTMENT PROGRAM.](#)

ITEM 8. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION 2019-2020 ANNUAL BUDGET AMENDMENT NUMBER 1.

[Rebeca Castillo](#), [Executive Director of the San Benito EDC](#) addressed the City Commission stating around mid-year, due to the impact by COVID-19, the EDC has been monitoring the situation and tracking, trying to identify how to assist our business community in this time of need. We identified two programs that we want you to consider tonight. But in order for us to be able to move forward, we will be programming monies into the budget. The main budget changes shown in your packet are mainly for the purpose of two programs. We are looking at COVID-19 Emergency Response Rent Subsidy Program for \$100,000.00 that will be eligible from June 3rd to September 30, 2020. The other one will be for Emergency Small Business, I guess Emergency Assistance Loan in response to COVID-19 that we will also be budgeting \$100,000.00. We are leaving also \$25,000.00 in response to COVID-19 or any other items that may happen until the end of this fiscal year which will be September 30, 2020. We budgeted from the standpoint of some of our board members having an interest to be able to assist in community building. We factored \$45,000.00 pending to coordinate and make available for the City of San Benito for park improvements and \$3,000.00 to invest into Christmas Destination Project with City to supplement the December activities. It will be a project needing to undergo sixty-day comment period. We want to have the conversation with the City of San Benito Administration to use those dollars to supplement the efforts the City is already undergoing during the Christmas time. That is the bulk of 82% of the Amendment we are asking for, the rest of it will be on some of the line items being adjusted; some are in supplies, others are for equipment like printers, as we have the shared space now. And, we'll need to make those available for the people that will be leasing that space. In December my evaluation and contract was renewed with an adjustment to my salary which is factored into this revision including the change in the salary with fringe benefits expenditures the EDC will have subject to that change in salary. For the most part in the highlighted pages, you have the city's budget summary, there

are some excel spreadsheets showing updated line items with increased funding; it's highlighted in yellow totaling \$361,483.00 which we are also requesting to be able to get those monies from the unfund balance which has a bit over \$2 million balance. Are there any questions that I may answer? **Commissioner Rene Villafranco** questioned if the monies are to amend everything you are trying to get. **Rebeca Castillo** confirmed, yes, sir. **Commissioner Rene Villafranco** questioned is that including the whole city or just the downtown area on the rent subsidy? **Rebeca Castillo**, advised, the program is on the next agenda item and we are proposing a temporary program in emergency response but are asking we do assist the Business 77, Oscar Williams and the Downtown Corridor. **Commissioner Rene Villafranco**, asked, the city itself? **Rebeca Castillo** confirmed, yes, in effort because there were some of these businesses that were just starting and they didn't anticipate being in this situation. So, we want to ensure that we are able to assist them to be able to continue moving forward and remain open in our community. And, at the same time, possibly attract new businesses because as we lose some, we have to be able to attract new ones. **Mayor Benjamin Gomez**, requested a motion. **Commissioner Rene Villafranco** moved to approved. **Commissioner Antonio Gonzales** seconded the motion. Voting Aye: **Mayor Benjamin Gomez**, **Commissioner Antonio Gonzales** and **Commissioner Rene Villafranco**. Motion carried to **APPROVE THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION 2019-2020 ANNUAL BUDGET AMENDMENT NUMBER 1.**

ITEM 9. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION'S COVID-19 EMERGENCY RENT SUBSIDY PROGRAM AND APPLICATION.

Rebeca Castillo, Executive Director of the San Benito EDC addressed the City Commission stating this item is in response to the COVID-19 situation impacting us globally. We have been monitoring the situation as to how best we can respond to the situation. One of the biggest things that we could have factored or possibly consider are grants to assist the communities, but, at the same time, as good stewards of our dollars, we need to ensure that those dollars are actually being utilized for the business purposes. So, we thought, and the board was supportive, able to move forward with approving at their level the COVID-19 Rent Subsidy Program and Application. Basically differencing from what a regular one is, which is still open for the applicants to apply for year round, that one requires a two-year lease and it covers fifty percent of rent. Up to fifty percent of rent reimbursement for six months. What we are asking in the Emergency Rent Subsidy Program is to respond to the current crisis and also to the City of San Benito through the EDC, we are asking for your support of these businesses. Yet, strategically ensuring job creation and increase of traffic in major street corridors is constant and positive. The Emergency Rent Subsidy Program provides an opportunity to assist and ensure the funding is directly applied towards the operation of the businesses to positively impact the businesses of the San Benito community in overall. We are asking in this part of the program, differing from the regular one, is for six months of rent subsidy for new businesses that opened between October 1, 2019 until September 30, 2020. We have four or five that started on March 1st, at the beginning of the pandemic and need the assistance. We are also reducing the requirements and asking for a one-year lease. It will cover the downtown corridor, it will cover the Oscar Williams and Business 77. And, in order to be able to assist them and provide them an immediate benefit, we are asking for the six months but for the first three months to be reimbursed, to reimburse their rent at one hundred percent. And then, month four, five and six to be reimbursed at fifty percent. That will be part of the program that we are asking for. It is not unique to San Benito, there are other communities that typically within their regular program, they reimburse up to twelve months at one hundred percent rent subsidy. They have more resources available, but, we are asking for new businesses, is proposing that program but to also immediately impact the existing businesses. The board is also wanting to support businesses we previously supported with rent subsidy from February 2018 to now. Those are approximately fourteen businesses we are asking to be grandfathered onto this program, they still have to undergo a process to apply, to provide all the information required in the application, but they will be able to be eligible for six additional months. Those additional six months we are asking for them to be reimbursed at fifty percent like the norm able program. **Commissioner Rene Villafranco**, asked, so, some of those businesses could already have a grant from us and we are going to help them again? **Rebeca Castillo** confirmed, yes,

sir, we are reinstating them into the program for six additional months so they will actually be benefiting from this program for a total of twelve months. **Commissioner Rene Villafranco** asked, but, now you have criteria that you have to follow? **Rebeca Castillo** stated, yes, sir. **Mayor Benjamin Gomez** asked and this is open to the Corridor of 77 which the other one was not, right? **Rebeca Castillo** confirmed, stating correct. **Commissioner Rene Villafranco** asked why were some of the businesses left out, like automobile sales. **Rebeca Castillo** stated the ineligible ones, reason why we did, is we are trying to focus more on businesses that return sales tax dollars and are submitting sales tax reports increasing the sales tax base to the City of San Benito. At the same time, we want to encourage more traffic into the downtown area and into those corridors. So, there is a mix of factors as to why some businesses were included and others are ineligible. **Commissioner Rene Villafranco** stated automobile sales is, I seriously doubt they are going to come in because those are big buck chains that are going to come in but, I just think, to downtown. **Rebeca Castillo** advised we have studied that aspect but my understanding is that we don't receive direct sales tax dollars. There are taxes applicable to the purchases of vehicles but we don't get them directly into sales tax, it doesn't increase our sales tax base. It is bringing in dollars into the community because that business is prospering and doing good but at the same time it's not impacting us directly as a city. We do haven't, again, transferring that question, we are not including non-profit organizations in this because we focus in businesses. But we are monitoring the situation because there has been the need for assistance but there is legislation that is coming in with \$68,000,000.00 to assist non-profits similar to the CARES Act. So, we are monitoring those dollars to see how they are going to come in to our community and if there is a need to supplement that, we'll look into that to see how we can set up our program to assist non-profits as well. **Commissioner Rene Villafranco** asked, in the meantime no non-profit can apply for the EDC money? **Rebeca Castillo**, confirmed, correct. **Commissioner Rene Villafranco** requested clarification, at all? **Rebeca Castillo** confirmed, at all. **Commissioner Rene Villafranco** questioned until the package, if it comes through. **Rebeca Castillo** stated, exactly. **City Manager, Manuel De La Rosa** stated, to have a concern when he sees these applications, and is in the last two pages of your documents, note that it is written and it is an application, and I'll defer to our City Attorney, but, I'm sure that EDC legal counsel has looked at this, but. **Rebeca Castillo** advised, yes, sir. **City Manager Manuel De La Rosa** stated his concern is that if this is an agreement and should their business fail, who are we holding accountable for these public funds, these are sales tax monies, public transit coming into the organization. If on a recent application, signature lines in the application, I don't know how they are gathering who is going to be the obligee, who signs, and then it says, all documents will be kept confidential. I think that sometimes, as it comes through the City Commission, agreements are ratified by this, they are approved there, ratified if you approve all contracts. Is this a contract and does it meet that scope? I don't think, I know the City Attorney is probably the first time that he is kind of seeing some. **City Attorney Mark Sossi** stated, one of the things they talk about in terms of COVID emergency is the promissory note must be executed, that's fine. But a promissory note should be secured, we should be asking for some sort of collateral. We can perfect those through UCC filings. We can ask that not just the corporation sign but if the corporation doesn't have adequate capital and adequate security then that we can personal guarantees. There needs to be a way. **Rebeca Castillo** stated to guarantee. **City Attorney Mark Sossi** stated, to get the money back because the only thing I am reading is the promissory note, you see on a promissory note you are not getting nothing back. **Rebeca Castillo** stated, right. **City Attorney, Mark Sossi**, advised, I would add to that some requirements in terms of collateralization of laws and personal guarantees if the corporations themselves are not credit ready and have assets, or are you just going to get a judgment against the corporation and never get paid back. **Mayor Benjamin Gomez** stated we need a better application and agreement. **City Attorney Mark Sossi** stated, what I would like to do is I'd like to look at this and I'll like to add some requirements to make sure that the City and the EDC are protected in terms of, if we have to bring a lawsuit, we are not suing on just a note, we are suing in a secure note and we have collateral just like a bank. **Mayor Benjamin Gomez** asked for clarification if the City Commission may move to approve with legal condition or table. **City Attorney Mark Sossi** advised, you may move to approve subject to approval of legal counsel of adequate provisions for collateral. **Mayor Benjamin Gomez** requested a motion to approve subject to approval of legal counsel of adequate provisions for collateral. **Commissioner Antonio Gonzales** moved to approve.

Commissioner Rene Villafranco seconded the motion. Voting Aye: Mayor Benjamin Gomez, Commissioner Antonio Gonzales and Commissioner Rene Villafranco. Motion carried to **APPROVE THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION'S COVID-19 EMERGENCY RENT SUBSIDY PROGRAM AND APPLICATION SUBJECT TO APPROVAL OF CITY LEGAL COUNSEL OF ADEQUATE PROVISIONS FOR COLLATERAL.**

ITEM 10. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION COVID-19 EMERGENCY ASSISTANCE LOAN PROGRAM AND APPLICATION.

Rebeca Castillo, Executive Director, San Benito EDC addressed the City Commission stating in response to COVID-19, they created an Emergency Assistance Loan, approved by the EDC Board on May 27th to respond to the current crisis. This is an opportunity for the City of San Benito through the EDC to support these businesses, yet at the same time, ensure that we are maximizing and having to ensure that these monies are used for the operation of the business. We are proposing \$1,000,000.00 for this program as part of the 2019-2020 Annual Budget Amendment. It will be available on the Small Business Loan, we still have to undergo a sixty-day comment period. Subject for consideration today will kick start that process. If it goes through the process, we are looking at accepting applications mid-August and continue receiving them and accepting them thru December 31, 2020. The loans will be awarded until funds are depleted or until December 31, 2020 whichever comes first. In terms of the criteria, we are looking at this as being a last resource opportunity for businesses must have applied and been denied by the Small Business Administration or any COVID-19 related loan application. So, there are a lot of opportunities, the difference in the great opportunity with the SBA is that they may have started an application and received a loan, received it as a loan and been paying interest, set up with interest rate. There is an opportunity of forgiveness, so, if they follow the process, if they pay it, if they start paying it as they are supposed to and they show the documentation and everything, that loan may be forgiven. So, there is opportunity already in place that some of the businesses can take into consideration and utilize but at the same time we do want to have as a last resource and opportunity for those businesses that either couldn't go thru the process, couldn't be accepted thru SBA process. We are looking at the purpose of this program to provide working capital for personnel, personal cost, rent, utilities for existing small business enterprises within the city of San Benito. Applicants must also provide documentation of efforts to apply for other loans by other financial institutions or lenders such as People's Fund or Lift Fund. If they have gone thru the SBA program it should be a quick turnaround. If they have been denied, they should have mostly what we are asking in this application, they should have submitted to the SBA, so, it'll be a quick turnaround for the EDC and the city commission to consider their application and award them if they are eligible. We are looking at a loan at a max of \$10,000.00 with deferred payments for twelve months so when they get awarded they'll be starting to pay a year later and it will a zero interest rate for thirty-six months for the time of the payment of the loan, that is what we are putting into place. We are looking for businesses that must be brick and mortar and must be in compliance with all applicable zoning, land use and other city related ordinances. The business must generate sales tax, contribute to the sales tax base of the city and/or create economic effect such as job creation. Home based businesses or vendors operating inside another business are not eligible for this program. The USDA intermediary revolving loan program recipients are not eligible for this program. We have seven applications, I mean, seven loan recipients under the USDA intermediary loan program and the USDA has awarded them a six-month deferment, so, the board has already approved those deferments and we are looking to bringing them for your consideration at the next city commission meeting. But, those are six businesses that have had an average from \$30,000.00 loan to \$150,000.00 loans. And, they have had an opportunity thru USDA to get a, to defer their payments. So, we think, in that aspect there is some diligence being done to help them. In terms of the application requirements for consideration, again, the majority of the documents that we are asking them for, have been requested as well by the SBA. So, if they've gone thru that process, they will quickly be able to turnaround and produce those documents that the EDC is asking for and the EDC and the city commission can consider them for approval. The submitted application, again, we'll start receiving applications after mid-August and I think the main concern that we are probably are going to be looking

at is what we mentioned about the promissory notes to include language to that effect. **City Attorney Mark Sossi** added, he would like to revisit this issue as well to make sure that there are adequate collateral provisions, otherwise, you are not talking about loans you are talking about gifts. So, we want to make sure that if we are loaning money to people that need it and we can have a program to assist the economic development, we are doing that with the expectation that the City and the EDC get paid back. We need some meaningful collateral provisions so we can enforce it if we have to. **Mayor Benjamin Gomez** questioned if City Commission can make a motion to include his legal recommendation. **City Attorney Mark Sossi** confirmed you can approve it subject to legal counsel approving provisions for collateral. **Rebeca Castillo, Executive Director, San Benito EDC** stated, correct, that will be great. Again, it will be just for you to be aware and consider that this is a program that we are going to implement but it will still have to undergo the sixty-day comment period. It'll be until mid-August that we come back for final approval. **City Attorney Mark Sossi** stated, you can come back to the commission, we just don't want loans coming back to the commission that are under collateralized. **Rebeca Castillo, Executive Director, San Benito EDC**, stated, correct, sir, I agree. **Mayor Benjamin Gomez** requested a motion to approve under the provisions that legal looks at it and establishes something. **Commissioner Antonio Gonzales** moved to approved. **Commissioner Rene Villafranco** seconded the motion. Voting Aye: **Mayor Benjamin Gomez, Commissioner Antonio Gonzales, and Commissioner Rene Villafranco**. Motion carried to **APPROVE THE SAN BENITO ECONOMIC DEVELOPMENT CORPORATION COVID-19 EMERGENCY ASSISTANCE LOAN PROGRAM AND APPLICATION SUBJECT TO CITY LEGAL COUNSEL APPROVING PROVISIONS FOR COLLATERAL.**

ITEM 11. CONSIDERATION AND POSSIBLE ACTION TO APPROVE RESOLUTION NUMBER 2020-0009 AUTHORIZING THE MAYOR OR HIS DESIGNEE TO APPROVE THE APPLICATION AND ACCEPTANCE OF ANY LOCAL BORDER SECURITY PROGRAM (OPSG) GRANT NUMBER 3150904 THAT THE OFFICE OF THE GOVERNOR, HOMELAND SECURITY GRANTS DIVISION, ISSUES FOR THE PERIOD OF PERFORMANCE BEGINNING SEPTEMBER 1, 2020 AND ENDING AUGUST 31, 2021. (BL-21 LOCAL BORDER SECURITY PROGRAM).

Assistant City Manager Fred Bell addressed the City Commission requesting approval of the annual Local Border Security Program Grants Resolution for the Police Department to utilize grant monies to cover overtime for the officers who work the program and their time off. Staff recommends approval. **Mayor Benjamin Gomez** requested a motion. **Commissioner Rene Villafranco** moved to approve. **Commissioner Antonio Gonzales** seconded the motion. Voting Aye: **Mayor Benjamin Gomez, Commissioner Antonio Gonzales and Commissioner Rene Villafranco**. Motion carried to **APPROVE RESOLUTION NUMBER 2020-0009 AUTHORIZING THE MAYOR OR HIS DESIGNEE TO APPROVE THE APPLICATION AND ACCEPTANCE OF ANY LOCAL BORDER SECURITY PROGRAM (OPSG) GRANT NUMBER 3150904 THAT THE OFFICE OF THE GOVERNOR, HOMELAND SECURITY GRANTS DIVISION, ISSUES FOR THE PERIOD OF PERFORMANCE BEGINNING SEPTEMBER 1, 2020 AND ENDING AUGUST 31, 2021. (BL-21 LOCAL BORDER SECURITY PROGRAM).**

ITEM 12. CONSIDER FIRST READING OF ORDINANCE NUMBER 2574 AN ORDINANCE OF THE CITY OF SAN BENITO, TEXAS, REPEALING ORDINANCE NUMBER 2436 AND ABANDONING THE SIXTY (60) FOOT RIGHT OF WAY BEING ON THE NORTH PART OF LOT 15, BLOCK 22 OF SAN BENITO LAND AND WATER COMPANY SUBDIVISION, AS DESCRIBED IN THE TWO EXHIBITS TO ORDINANCE 2436.

Assistant City Manager, Fred Bell addressed the City Commission advising on June 16, 2009 the City Commission adopted Ordinance Number 2436 which relocated a sixty-foot right of way that traverse across the center of the San Benito Memorial Park Cemetery. It relocated it from the center to the norther top part of that plat. A copy of that ordinance is in your packet along with the metes and bounds description and a map of that area for your review. The sixty-foot strip of land across the city property provides access to one lot located on the east side of the city lot. A dedicated sixty-foot road right-of-way is not a necessity for the city as it only provides access to one lot. Additionally, it could be implied that the city would be expected to construct, install or permit installation of asphalt or concrete

roadways, infrastructure or other utilities across city property to the adjacent lot. Contemporary energy standards do not create sixty-foot road right-of-way in order to prevent single lot property from becoming land locked. Smaller access easements are an acceptable solution and an industry standard to address properties that may become land locked. The next agenda item ensures access to the adjacent lot and prevents it from being land locked. No motion carried **FIRST READING.**

ITEM 13. CONSIDERATION AND POSSIBLE ACTION TO APPROVE A TWENTY (20) FOOT ACCESS EASEMENT ON PROPERTY LOCATED AT THE SAN BENITO MEMORIAL PARK IDENTIFIED BY LEGAL DESCRIPTION SAN BENITO LAND AND WATER COMPANY SUBDIVISION, 10.00 ACRES, LOT 15, BLOCK 200 (VOLUME 1 PAGE 6 CCMR) AS DESCRIBED BY METES AND BOUNDS.

Assistant City Manager, Fred Bell addressed the City Commission stating as indicated in the previous agenda item, the purpose of this item is to create a twenty-foot wide access easement across the north section of the San Benito Memorial Park. If approved, this access easement will ensure accessibility from Sam Houston Boulevard, to the adjacent property thus preventing it from becoming land locked. Additionally, it will be recorded with the District Clerk's Office in order to codify the commission's decision in the event that down the road after we all have gone on to other opportunities, there is a formal filed record of this twenty-foot access easement. **Mayor Benjamin Gomez** stated he thought there was an easement on that property. **Assistant City Manager Fred Bell** advised no just what the previous ordinance what it had set up as the sixty-foot wide, there was no establishment or creation of an actual easement. This will in turn, create a codified twenty-foot access easement across the property. **City Manager Manuel De La Rosa** addressed **Mayor Benjamin Gomez** recommending to table this agenda item until the next reading just to see and make sure that the ordinance is repealed from the first agenda item, the one previous, because, again, we can have an easement and a right-of-way but it doesn't show that purpose. But, should that ordinance in the second reading be approved, this can be voted on at that time. If you wish to make any changes, now is the time to tell us before the next meeting but you can certainly table it until the next meeting when we. **Mayor Benjamin Gomez** requested additional information pertaining to when easement was created. **City Manager Manuel De La Rosa** advised it was a right-of-way. **Assistant City Manager Fred Bell**, confirmed, it was a right-of-way for ordinance 2436, it was actually a road, identified as a road right-of-way. That was a 2009 ordinance which the history of, you are correct, Mayor, that this was discussed actually almost two years ago. I believe all the present commissioners were there. There is an ordinance, it was 2314 which was passed in 2004. It created the sixty-foot right-of-way across the center part and it's pretty much where Freddy Fender is buried right now. In 2009, ordinance 2435 repealed that ordinance and on the same day; ordinance 2436 was adopted by the commission and it basically moved that sixty-foot road right-of-way to the northern part of the property. So, that is the only recorded and any types of documents that we have that was sixty-feet that crosses from Sam Houston Boulevard all the way to the adjacent property. Again, as I stated earlier, industry standards for access easements aren't sixty-foot wide and we don't think it's appropriate for imply or possibly commit the city to have to put infrastructure in for access to one lot. By repealing that ordinance, that takes that sixty-foot road right-of-way and it repeals it, this access easement if adopted or approved creates a twenty-foot access easement across the property which will prevent the adjacent property from being land locked. **City Manager Manuel De La Rosa** advised, this property only serves a single property. There are additional properties on the back side of the El Nopal Cemetery and the San Benito Memorial Park Cemetery that do not have access that are currently land locked, not by us, they've been land locked for years. So, that is why we are kind of going, well, if this roadway would serve all of those lots, well, it makes sense to keep it. It doesn't serve multiple lots, it serves a single lot and just like when you have an access that generally industry standards. **Mayor Benjamin Gomez** questioned if we can do something to serve the other lots because, why do it for one person and not the others. **City Manager Manuel De La Rosa** advised we were just trying to stay whole, the original goes across Freddy Fender Memorial being that is the only reference that one time was to provide access. But it didn't provide access to everybody, so, when it got moved over just to preserve that there is some access in which it was meant the first time across the Freddy Fender Memorial in 2004, that memorial didn't go in until 2008-2010 sometime in

that period, so, was it before? I don't know when Mr. Huerta passed away when it was created. But, it was moved over and still serves, so we said, you know what, rather than have a debate about access, we'll provide an access and hopefully it develops, it gets bought by somebody and come by to the city just like we do developments, we want to build a road, we are going to extend utilities. It should be done at the expense of the developer and not be a burden on the tax payer. We are just trying to keep it whole, currently the other lots may be owned by the irrigation district and they can access it along an easement or land that they own. Not an easement but it's part of the irrigation property. It runs on the south side by El Nopal Cemetery, which is how vandals gain access into the El Nopal Cemetery. They go along that private property belonging to the irrigation district, head across the little open ditch and then get to the back of our cemetery. So, there is access but that is the irrigation district, unless they come back and work something out with that adjacent property and then come out thru this access. And if it develops for some future purpose, and if the commission desires, because you own the land. When these ordinances in 2004 and 2009 dedicated a public road right-of-way by ordinance is not the norm. We generally file by plat just like you read this instrument; Volume 1, Page Six of CCMR. That is like County Clerk records it. These ordinances, if we hadn't looked in our records, we wouldn't know that they existed and we are proposing that we correct it with an easement twenty-feet wide. We kept that property owner whole, intact and we filed these documents for anybody that wishes to know what is there with the county. But, the City of San Benito owns it, it's a lot for non-commercial use and if you damage it you have to repair it because we own it. [Mayor Benjamin Gomez](#) requested be provided minutes and notes. [City Manager Manuel De La Rosa](#) advised there's very few notes but we do have what we have and when it was tabled, we had one of the ordinances that we didn't have a signature. We had to go back into the archives to find that signature. [Mayor Benjamin Gomez](#) requested a motion to table. [Commissioner Rene Villafranco](#) moved to approve to table. [Commissioner Antonio Gonzales](#) seconded the motion. Voting Aye: [Mayor Benjamin Gomez](#), [Commissioner Antonio Gonzales](#) and [Commissioner Rene Villafranco](#). Motion carried to [TABLE THE TWENTY \(20\) FOOT ACCESS EASEMENT ON PROPERTY LOCATED AT THE SAN BENITO MEMORIAL PARK IDENTIFIED BY LEGAL DESCRIPTION SAN BENITO LAND AND WATER COMPANY SUBDIVISION, 10.00 ACRES, LOT 15, BLOCK 200 \(VOLUME 1 PAGE 6 CCMR\) AS DESCRIBED BY METES AND BOUNDS.](#)

ITEM 14. CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE CORONAVIRUS RELIEF FUND GRANT, AND AUTHORIZE THE MAYOR TO SIGN THE CARES ACT CORONAVIRUS RELIEF FUND ELIGIBILITY CERTIFICATION.

[Assistant City Manager, Fred Bell](#) and [Christina Sanchez, Municipal Court Administrator and EMC Administrator Assistant](#) addressed the City Commission stating, joining me today is Court Administrator, Christina Sanchez who also serves as the Lead Administrative Assistant for the Office of Emergency Management. She has the task of reporting and tracking COVID-19 related expenses. This agenda item pertains to the Coronavirus Aid Relief and Economic Security or CARES Act passed by the federal government. Within that act, the Coronavirus Relief Fund or CRF was created to provide financial resources to state and local governments. On May 11, 2020, Governor Abbott through the Texas Division of Mercy Management issued the CRF terms of conditions packet to counties and cities across the state. A copy of that packet is in your yellow folder. The purpose of these funds is to reimburse states, counties and cities for expenses that have resulted from response to COVID-19. Reimbursement costs can be back dated to March 1, 2020 and will be eligible until December 30, 2020. These expenses cannot be part of routine operational expenses; for example, if the city has historical purchased \$1,000.00 worth of cleaning supplies per month, these funds cannot be used to off-set that cost. However, if the city purchased \$2,000.00 in cleaning supplies in order to provide more sanitizing due to COVID-19, \$1,000.00 can be subject to reimbursement. In preparation of the recent coming state facilitated COVID-19 testing dates at the San Benito Fairgrounds, city staff diligently worked on preparing the grounds and restrooms of the Neuman Building and I wish to thank them for their great work. State and county officials praised how San Benito rolled the red carpet for them and they were very satisfied that is why they want to come back this Friday. The cost associated for that work which include regular labor hours and equipment use are eligible for reimbursement. So the question, how do we get started for the reimbursements? Allocated funds are based on city and county populations which

is why it is imperative that our residents participate in the Census. The higher the population, the higher the funds are allocated. Because of San Benito's reported population, the city has been allocated up to \$1,355,200.00. In order for the City of San Benito to access these funds, the Mayor's signature is required on the certification pages which are included in your binders. Once the pages are signed, submitted to the state and approved, the city will receive an automatic direct deposit of twenty percent of the total allocation which is \$271,040.00. Once received, the city can immediately begin reimbursement for city expenses due to the response of COVID-19 pandemic. It will be the responsibility of the office of emergency management to review, track, monitor and submit for reimbursement all COVID-19 related expenses. Staff is recommending approval and we are available to answer any questions. [Mayor Benjamin Gomez](#) requested a motion. [Commissioner Rene Villafranco](#) moved to approve. [Commissioner Antonio Gonzales](#) seconded the motion. Voting Aye: [Mayor Benjamin Gomez](#), [Commissioner Antonio Gonzales](#) and [Commissioner Rene Villafranco](#). Motion carried to [APPROVE THE CORONAVIRUS RELIEF FUND GRANT, AND AUTHORIZE THE MAYOR TO SIGN THE CARES ACT CORONAVIRUS RELIEF FUND ELIGIBILITY CERTIFICATION.](#)

ITEM 15. CONSIDERATION AND POSSIBLE ACTION TO APPROVE AN ARTWORK LOAN AGREEMENT FOR EXHIBITION PREOCCUPATIONS BY PAUL VALADEZ BEGINNING JUNE 8, 2020 THROUGH AUGUST 14, 2020 AT THE SAN BENITO CULTURAL HERITAGE MUSEUM.

[Luis Contreras, Cultural Arts Director](#) addressed the City Commission advising the San Benito Cultural Arts Department continues to plan exhibitions and programs for 2020 and on into 2021 and through this Artwork Loan Agreement, artist Paul Valadez agrees to the terms and conditions to be featured as a short-termed art exhibitor at the San Benito Cultural Heritage Museum. Staff recommends approval. [Mayor Benjamin Gomez](#) requested a motion. [Commissioner Antonio Gonzales](#) moved to approve. [Commissioner Rene Villafranco](#) seconded the motion. Voting Aye: [Mayor Benjamin Gomez](#), [Commissioner Antonio Gonzales](#) and [Commissioner Rene Villafranco](#). Motion carried to [APPROVE AN ARTWORK LOAN AGREEMENT FOR EXHIBITION PREOCCUPATIONS BY PAUL VALADEZ BEGINNING JUNE 8, 2020 THROUGH AUGUST 14, 2020 AT THE SAN BENITO CULTURAL HERITAGE MUSEUM.](#)

ITEM 16. CONSIDERATION AND POSSIBLE ACTION TO APPROVE AN IRREVOCABLE LETTER OF CREDIT TO PROVIDE A ONE-YEAR WARRANTY FOR ROAD WAY IMPROVEMENTS PERTAINING TO DALE SHINE CAR WASH DEVELOPMENT.

[Bernard Rodriguez, Planning and Development Director](#) addressed the City Commission advising the Irrevocable Letter of Credit provides a one-year warranty for street improvement on a public right-of-way at El Camino Real Roadway. This is a requirement for the City of San Benito Ordinance Chapter 10 guarantees and performance. Staff recommend acceptance of the Irrevocable Letter of Credit in the amount of \$467.87. Basically, any time a contractor does infrastructure improvement on the city utility or right-of-way, they have to put a one-year warranty five percent of the total cost. In case that something happens in the future, we have access to these funds to repair that type of development. [Mayor Benjamin Gomez](#), requested a motion. [Commissioner Rene Villafranco](#) moved to approve. [Commissioner Antonio Gonzales](#) seconded the motion. Voting Aye: [Mayor Benjamin Gomez](#), [Commissioner Antonio Gonzales](#) and [Commissioner Rene Villafranco](#). Motion carried to [APPROVE AN IRREVOCABLE LETTER OF CREDIT TO PROVIDE A ONE-YEAR WARRANTY FOR ROAD WAY IMPROVEMENTS PERTAINING TO DALE SHINE CAR WASH DEVELOPMENT.](#)

ITEM 17. CONSIDERATION AND POSSIBLE ACTION TO APPROVE A MAINTENANCE BOND TO PROVIDE A ONE-YEAR WARRANTY FOR SUBDIVISION IMPROVEMENTS PERTAINING BROADWAY PLACE SUBDIVISION, PHASE III DEVELOPMENT.

[Bernard Rodriguez, Planning and Development Director](#) addressed the City Commission stating agenda item also falls under Chapter 10, guarantees and performances being an irrevocable letter of credit that provides a one-year warranty for street improvements in a public right-of-way, water distribution, sanitary sewer and storm drainage for Broadway Place Subdivision Phase III. Staff recommends acceptance of the maintenance bond in the amount of \$49,040.40. [Mayor Benjamin](#)

Gomez, requested a motion. Commissioner Rene Villafranco moved to approve. Commissioner Antonio Gonzales seconded the motion. Voting Aye: Mayor Benjamin Gomez, Commissioner Antonio Gonzales and Commissioner Rene Villafranco. Motion carried to **APPROVE A MAINTENANCE BOND TO PROVIDE A ONE-YEAR WARRANTY FOR SUBDIVISION IMPROVEMENTS PERTAINING BROADWAY PLACE SUBDIVISION, PHASE III DEVELOPMENT.**

ITEM 18. DISCUSSION AND POSSIBLE ACTION TO APPROVE THE SECOND SUPPLEMENTAL TO ORDER 2020-04.

City Manager, Manuel De La Rosa addressed the City Commission advising the Second Supplemental is back before you from a month ago and we are again recommending the walking trails be opened, referring to all walking trails, or designated trails, being there are two or three around town. Everyone knows the Heavin Trail which is the most commonly used. It is noted under Section Nine, Roman Numeral Section IX, the City Parks are still being proposed to be completely shut down to include all playground equipment, no basketball court, and no volleyball court at this time. I also provided you Governor Abbott's most recent Executive Order, GA23, dated May 18th which contains some regulations about this expanded opening. As you are aware, some of the state parks have opened. I am not here to debate whether it is right or wrong, it's just that many of the parks are closed and we continue to believe that due to public safety or public health more specifically, that the parks should continue to be closed. However, we received some requests and there is debate whether the trails should be opened or not opened. Again, this is before you, it is your decision and that is the only change to this, for the parks continue to be closed with the exclusion of possibly the walking trails. Mayor Benjamin Gomez expressed his reluctance to open the walking trails due to the ongoing pandemic as the numbers are not declining, and there is no leveling out the numbers. His concern is for the well-being of the citizens and their health. He sees people are walking the trails in groups, not wearing a face mask, and not practicing social distance. He expressed his disappointment with the police department manner of not keeping people off the walking trail by telling them to walk on the side of the trail, instead of keeping people off the trail. He recommended to keep the walking trail closed for another month or until the next city commission meeting to see what the numbers are. Mayor Benjamin Gomez requested a motion. Commissioner Rene Villafranco moved to approve to open the walking trails only, not the parks. Commissioner Antonio Gonzales seconded the motion. Voting Nay: Mayor Benjamin Gomez. Voting Aye: Commissioner Antonio Gonzales and Commissioner Rene Villafranco. Mayor Benjamin Gomez announced the walking trails will be opened effective immediately. Motion carried to **APPROVE THE SECOND SUPPLEMENTAL TO ORDER 2020-04 EFFECTIVE IMMEDIATELY.**

ITEM 19. PRESENTATION OF THE CITY OF SAN BENITO FINANCIAL STATEMENTS FOR THE PERIOD ENDED APRIL 30, 2020.

Belen Pena, Finance Director addressed the City Commission presenting the City's Financial Reports for the month of April 2020. In the first page you are going to find the General Fund Balance Sheet showing Assets of \$12,540,711.00 ; Liabilities of \$2,479,727.00, with a Fund Balance of \$10,060,984.00. The second page is the Statement of Revenues and Expenditures, for the month of April, we show Revenues of \$740,320.00; Expenditures of \$840,489, which gives us Revenues under Expenditures of \$100,169.00. Year-to-date, we have Revenues of \$9,235,187.00, Expenditures of \$6,483,311.00, which gives us Revenues over Expenditures of \$2,751,875.00. The percentage for revenues, the target is 58.33, we reached 69.83%. The target for expenditures is the same, 58.33, we have expenditures of 50.15%, so, we are under on expenditures and high on revenues. No motion carried **PRESENTATION ONLY.**

ITEM 20. ADJOURNMENT.

Mayor Benjamin Gomez requested a motion to adjourn. Commissioner Rene Villafranco moved to approve. Commissioner Antonio Gonzales seconded the motion. Voting Aye: Mayor Benjamin Gomez, Commissioner Antonio Gonzales and Commissioner Rene Villafranco. Motion carried to **ADJOURN AT 6: 51 P.M.**

Note: The City of San Benito does not discriminate on the basis of disability in the admission of, access to, treatment of, or employment in its programs, activities, or public meetings. Any individual with a disability in need of an accommodation is encouraged to contact the City Secretary at (956) 361-3800, Extension 103, by Monday, no later than 5:00 P.M., to make proper arrangements.

CITY OF SAN BENITO

**BENJAMIN "BEN" GOMEZ
MAYOR**

ATTEST:

**RUTH MCGINNIS
CITY SECRETARY**