THE HONDO ECONOMIC DEVELOPMENT CORPORATION, (HEDC)
Meeting Minutes

Type of Meeting:	Regular Meeting
Date and Time:	Tuesday, August 18th, 2026 7:00 a.m.
Location:	South Texas Regional Airport Board Room
	700 Vandenberg Road, Hondo, TX 78861

1. **Determination of Quorum**

   1.1 Call to Order: Chair J. Gruber, Vice-Chair Ronnie Miller, Secretary Ashley Lowe, Treasurer Brett Riff, Rachel Ramirez, Roger Hernandez & Rose Mary Mares.

   "President J. Gruber called the meeting to order at 7:02 a.m."

2. **Public Forum:** *Upon recognition by the Chair, persons desiring to address the Board may speak on any topic not to exceed three (3) minutes in length. Board Members are prohibited from deliberating on any item presented but may recommend placement on a future agenda for discussion.*

   No comments were made by a visitor.

3. **Consent Agenda:** *All consent items are considered to be routine and will be enacted by one motion. If requested by a Board Member, any item may be taken off the Consent Agenda by the Chair for individual consideration.*

   3.1 Approval of July 16th, 2026 regular meeting minutes.

   "Ronnie Miller made the motion to approve the consent agenda items. Rose Mary Mares seconded the motion. Motion carried 7-0"

4. **Consider Items: Consider and take any action necessary**

   4.1 Presentation and Approval of Q3 Financials – Chris Hill (CFO – City of Hondo)

   Chris Hill, Chief Financial Officer for the City of Hondo, presented the Hondo Economic Development Corporation's third-quarter financial statements, reflecting year-to-date activity through June, or approximately 75% of the fiscal year.

   Hill reported that revenues were tracking at or near budget. Sales tax revenue was consistent with the amended budget, which included an additional $105,000 allocation related to the LiftFund program. Interest income reflected the annual payment received on the airport loan on June 13.

   Personnel expenses were approximately 4%–4.5% below budget. Office supply expenditures totaled approximately $1,000 compared to a full-year budget of $4,000. Travel-related expenditures, including mileage, meals, lodging, and airfare, totaled approximately $11,267 against an annual budget of $12,200. Overall, expenditures remained within budget, with other expenses approximately 4.45% below budget.

Hill noted that the $105,000 LiftFund expenditure was reflected in the contingency line and that the yellow figures in the financial statements represented the mid-year budget amendments. The resulting year-to-date net income was approximately **$(1,600)**, primarily due to the LiftFund expenditure. Without the LiftFund payment, the Corporation would have reported approximately **$103,364** in positive net income.

Hill then reviewed the balance sheet. The Corporation had approximately **$194,000** in operating cash accounts. A **$2.564 million certificate of deposit** matured on July 17 and was renewed for an additional seven months, with the new maturity occurring in February 2027.

Hill also reviewed outstanding debt. The Corporation had approximately **$370,000** in remaining debt. The 2016 bonds have one remaining payment of approximately **$85,000**, scheduled for February 1, 2027, after which the bonds will be fully paid. The 2021 bonds have four remaining payments totaling approximately **$285,000**.

The Board discussed the Corporation's improving debt position and future availability of cash as debt obligations are retired. No additional questions were raised regarding the financial statements.

> ***"Ashley Lowe made the motion to approve the financials as presented. Ronnie Miller seconded the motion. Motion carried 7-0"***

5. **Discussion Items: Discuss with no formal action to be taken**

5.1 Presentation of possible purchase - 1708 Ave M. Hondo, TX 78861 – Sean Patty

Sean Patty presented the Board with information regarding the potential purchase of **1708 Avenue M, Hondo, Texas**, for consideration as a future location for the Hondo Economic Development Corporation (HEDC). Sean emphasized that the presentation was for discussion and consideration only and that **no action or purchase decision was being requested at this meeting**.

Sean noted that the 2024 Texas Downtown Assessment recommended that the EDC consider establishing an office in downtown Hondo to become more directly involved in downtown activity and revitalization efforts. The property at 1708 Avenue M has been on the market for approximately two years and was relisted on June 6 for **$249,000**. The property is located between Hondo Beer Market and La Hacienda and contains approximately **2,300 square feet**.

An appraisal was obtained for the property, which valued it at approximately **$232,000.**

Proposed Hondo Hub Concept

Sean and staff presented a conceptual vision for the property, referred to as the **"Hondo Hub."** The concept would potentially serve four primary purposes:

1. **HEDC Headquarters** – Provide the EDC with a permanent downtown location and a professional space for meetings with businesses, prospects, and community partners.
2. **Community Co-Working Space** – Provide residents and businesses with access to workspace, Wi-Fi, printing, meeting space, and other resources.
3. **Business Incubator** – Create an environment where entrepreneurs and small businesses could work, collaborate, and access resources.
4. **Coffee Shop/Community Gathering Space** – Explore the potential for a coffee operation or similar use that could generate revenue while creating an active, welcoming "third space" in downtown Hondo.

Staff presented conceptual inspiration images showing potential improvements to the existing building, including offices, a conference/boardroom, co-working areas, a potential podcast/recording studio, and a more open community-oriented space. The conceptual design was intended only as an illustration of what the property could potentially become and was not a final architectural plan.

The Board discussed the existing building and its layout, including the existing offices, open areas, and covered parking at the rear of the property. Board members also discussed the potential for the conference room to be made available for community or City use through a reservation system.

Sean explained that the concept would provide the EDC with a permanent downtown presence while also supporting the Corporation's downtown revitalization objectives. The location would allow the EDC to become more directly integrated into downtown activity and provide a visible example of private and public reinvestment in an existing downtown property.

The Board discussed the potential concept and expressed generally favorable reactions to the proposed Hondo Hub. Members particularly liked the combination of an EDC office, community space, and business-oriented co-working area.

The Board raised concerns about the potential coffee shop component. Members noted that the EDC should be careful not to compete directly with existing or future small businesses that the Corporation is attempting to support. The concept of providing courtesy coffee or otherwise structuring the space to complement rather than compete with local businesses was discussed.

Overall, the Board expressed support for continuing to explore the concept. Members noted that reinvesting in an existing downtown property could demonstrate the EDC's commitment to downtown revitalization and provide the community with an example of what could be accomplished through thoughtful redevelopment.

"No action was taken"

5.2 Public Hearing – 1708 Ave M. Hondo, TX 78861

The public hearing regarding the potential purchase of **1708 Avenue M, Hondo, Texas 78861**, was opened by the Board at **7:31 a.m.**

No public comments were received.

The public hearing was closed at **7:32 a.m.**

"No action was taken"

6. Standing Reports

6.1 Executive Director Report – Update on budget, sales tax, marketing & approved programs

Sean Patty, Executive Director, provided updates on the Hondo Economic Development Corporation's budget, sales tax performance, marketing activities, and approved programs.

Board Terms: Sean reported that Roger Hernandez and Ashley Lowe have agreed to continue serving on the HEDC Board. Their reappointments were expected to be considered at the upcoming City Council meeting. Sean also clarified that the Board's current staggered terms remain in place following the Board reorganization.

Sales Tax: Sales tax collections continued to perform strongly, with fiscal year-to-date collections approximately **13.9% higher** than the same period in the prior fiscal year. Sean noted that the Corporation's top taxpayers were generally performing well. The Board also reviewed Hondo's sales tax performance in comparison with surrounding communities.

Retail Recruitment: Sean provided an update on the Corporation's work with The Retail Coach. One retailer has expressed significant interest in Hondo, with continuing discussions. Eleven additional retailers were awaiting responses, while five had indicated that they were not currently interested but remained potential prospects. Sean reported that he would attend Retail Live with The Retail Coach team on September 2nd to meet with retailers and promote Hondo as a potential market.

Housing: Sean reported that the HEDC had received a letter of intent from View Homes, a Hunt Development company, regarding the potential development of the City-owned 26-acre property. Sean emphasized that the proposal remained highly preliminary and that significant additional work would be required. The City Manager had requested that the City Attorney confirm whether the City of Hondo could develop the property.

LiftFund Program: Sean reported that no LiftFund loans closed during July. One business has applied for assistance and is considering moving into a vacant retail location while expanding its operations. The business is currently working through permitting and financing requirements.

Sean noted that the program's goal is to complete eight loans and that four have been completed, with a potential fifth loan in process.

Economic Gardening: Sean provided an update on the Economic Gardening program. The Hondo Aerospace project completed its closeout process, with David Boss providing highly favorable feedback regarding the quality and usefulness of the information provided.

Hondo Railway also completed its closeout process, with Pinsly Railroad representatives expressing strong satisfaction with the program and the value of the data provided. Sean reported that Medina Ag was also scheduled for its closeout call and had expressed strong satisfaction with the information received.

Sean noted that the primary challenge with the program is identifying additional eligible Stage 2 companies. The program goal is to complete five projects, and staff is evaluating potential candidates. The Board discussed the importance of explaining the program to potential participants because of the time commitment required from participating businesses. Sean also confirmed that he intends to continue following up with participating companies to determine how they implement the information and recommendations provided through the program.

Marketing and Social Media: Kaitlynn Jensen provided an update on HEDC's social media and marketing performance. Facebook gained approximately 69 followers during the month, bringing the total to approximately 1,957 followers. Monthly content generated approximately **62,600 views, 1,700 visits, and 1,200 interactions**. Staff noted that follower fluctuations were partially attributable to inactive or non-genuine accounts following and subsequently unfollowing the page.

Video content continued to perform particularly well. Previously recorded videos were being released weekly on LinkedIn and Facebook, with the video featuring Ronnie Miller receiving significant engagement. The month's top-performing posts included the Hondo Hoop program winner announcement, a Medina Electric video, and a video featuring J. Gruber.

LinkedIn performance also increased significantly as a result of the video content, generating nearly **4,000 impressions**, an increase of approximately **374%**. Staff reported that businesses and communities had contacted HEDC seeking information about the video production process.

Newsletter and Events: Staff reported that the most recent HEDC newsletter was the fullest newsletter produced to date, with an increase in subscribers, open rates, and clicks. The most recent Lunch B.I.T.E.S. program, featuring a marketing presentation from Mia Confer in Atlanta, attracted **28 attendees** and received positive feedback. The next Lunch B.I.T.E.S. event was scheduled for October and would feature the owners of Sisters Boutique in Floresville.

The next Morning Sips event was scheduled for September 10 and had already reached a waiting list with **24 registered participants**. The event would feature a hands-on Canva marketing workshop led by HEDC staff. Staff also reported on the recent Chamber event, which attracted approximately 200 adults based on tickets distributed, with generally positive feedback from participating vendors.

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7. **Executive Session:** *As authorized by the Texas Open Meetings Act, Texas Government Code Section 551.001, the Board may enter into a closed Executive Session at any time concerning any and all subjects and for any and all purposes permitted by the Act, including, but not limited to, the following:*
   8.1 Section 551.071 - Consultation with the Board's attorney
   8.2 Section 551.072 - Deliberation regarding the purchase, exchange, lease or value of real property
   8.3 Section 551.074 - Deliberation on personnel matters
   8.4 Section 551.087 - Deliberation regarding economic development negotiations

8. **Actions Resulting from Executive Session**

"No action was taken"

9. **Adjournment**

"Rose Mary Mares made a motion to adjourn, and Roger Hernandez seconded. The meeting was adjourned at 7:52 a.m."

ATTEST:

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Ashley Lowe, Board Secretary

On 9/17/00