



**THE HONDO ECONOMIC DEVELOPMENT CORPORATION, (HEDC)
Meeting Minutes**

Type of Meeting: Regular Meeting
Date and Time: Thursday, January 15th, 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, Roger Hernandez, Rachel Ramirez & Rose Mary Mares.

“President J. Gruber called the meeting to order at 7:00 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 November 20th, 2025 regular meeting minutes.

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

4. Consider Items: Consider and take any action necessary

4.1 Public Hearing - Discuss additional funding of (\$30K) for Façade Improvement Grant program

The Chair opened the public hearing at **7:01 a.m.** to consider discussion and potential action related to the Façade Improvement Grant Program.

Sean Patty reviewed the current status of the program, noting that **\$100,000 was budgeted in the prior fiscal year**, but expenditures were minimal at first due to projects taking time to enter the pipeline and reach completion. Payments began in January of the previous year and increased significantly in October and November as projects were finalized.

For the **current fiscal year, \$30,000** was budgeted for the Façade Improvement Grant Program. Due to delayed completions from the prior year and increased participation following expansion of eligible areas, approximately **\$29,000** has already been paid or committed.



Staff highlighted several complete or nearly completed projects that qualified for reimbursement, including improvements for properties along Avenue K (including the former art gallery), and renovations to The Venue on 18th Street. The program operates as a **50% matching reimbursement**, with all projects reviewed and approved by Development Services prior to payment. Staff noted that the coordination process with the City has improved significantly and is now streamlined, with completed packets and recommended reimbursement amounts submitted directly for processing.

Given the strong participation and additional projects nearing completion, staff requested an **additional \$30,000** to continue funding the program and avoid denying eligible applicants due to lack of available funds. Board members expressed support for the program, noting its visible impact on improving the appearance of the community and aligning with the EDC's mission.

The public hearing was closed at **7:06 a.m.**

“Rose Mary Mares made the motion to approve resolution ED 1-26 in the amount of \$30,000 for additional funding for the Façade Improvement Grant Project. Ashley Lowe seconded the motion. Motion carried 7-0”

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

5.1 Monthly Budget Variance & Sales Tax Report

Sean Patty reported that the **first quarter of the fiscal year has been completed**; however, official Q1 financials are not finalized by the City Finance Department until after the 21st of the following month. As a result, **Chris Hill will present the official Q1 financials at the February meeting**. The information presented reflected current internal tracking and (ENCODE) data showing the Corporation's financial position to date.

Expenses appeared elevated due to the inclusion of **LiftFund program expenditures**, with approximately **\$105,000 budgeted for LiftFund**. Staff noted that a **formal budget amendment will be presented in April**, following City Council approval, to align the budget with these expenditures.

Staff further explained that **October expenditures are typically higher** due to annual software licenses and similar costs that are paid early in the fiscal year. Overall, the budget remains on track.

Regarding sales tax, staff reported strong performance:

- **December sales tax collections increased 4.64% year-over-year.**
- **Fiscal year-to-date sales tax is up 25.9% year-over-year**, reflecting collections from October through December.
- November's increase was driven in part by a **large materials-related payment from a local business.**



Staff noted that the **prior calendar year represented one of the strongest sales tax years in Hondo's history**, excluding an anomaly year with irregular catch-up payments. The Board reviewed information on the **top ten sales tax contributors**, with highlights including:

- Continued growth from major retailers.
- Slight year-over-year decline from the City of Hondo.
- Discussion distinguishing locally owned businesses from national retailers and the importance of growing local businesses to retain and circulate dollars within the community.

Regional comparisons were also discussed, with Castroville showing a notable year-over-year increase and Uvalde's collections closely aligning with Hondo's despite its larger population.

Staff emphasized that, overall, **sales tax performance remains strong and trending positively**. No formal action was required, and staff invited questions from the Board. No further questions were raised.

6. Standing Reports

6.1 Executive Director Report – Sean Patty & Kaitlynn Jensen

Open Rewards Program:

Staff reported that the Open Rewards program has officially concluded for the current cycle, with final payouts nearing completion. The program began in August with approximately **\$157,000 in total economic impact** and concluded as of January 12 with approximately **\$528,000 in total economic impact**. Nearly **\$21,000 was distributed back into the community** through customer rewards. Significant growth was noted in user participation, increasing from approximately **450 users at launch** to **637 users** by the end of the program. The Executive Director thanked the Board for supporting the program, noting its success in reinvesting funds locally. Staff recommended continuing the program in the next budget year, launching again in August and running through December to capture back-to-school and holiday spending. December activity declined as many users had reached the maximum annual reward cap.

Website Enhancements:

Staff reported continued collaboration with Marketing Alliance to enhance the HEDC website, which has evolved into a key resource for businesses and the community. New and expanded features include:

- Business tools for locating, expanding, and starting a business.
- Downloadable information and “Quick Facts About Hondo.”
- Target industry information and available properties.
- A comprehensive **Taxes & Incentives** section, including local incentives, façade grants, PACE financing, LiftFund, Skills Development Fund, Foreign Trade Zones, and historic tax credits, all linked to source agencies.
- Expanded **Data & Demographics** for quick reference.

- A **Business Resources** section with detailed commercial utility rate sheets.
- A robust **Job Center**, regularly updated with local employment opportunities.
- An updated **News Archive** highlighting EDC initiatives and partnerships.

Staff noted the ability to track website traffic and user activity trends to better understand business interest and due diligence behavior. Board members commended the depth and usefulness of the site as a centralized resource.

Tourism Map Initiative:

Kaitlynn Jensen presented a newly developed illustrated tourism map created in partnership with the City and Chamber of Commerce. A professional illustrator was engaged to create a stylized, long-term representation of key community landmarks. The map is intended for broad community use, with applications including print distribution, black-and-white coloring pages for children, stickers, magnets, and other promotional materials. Board members expressed strong support and enthusiasm for the project.

Marketing & Communications:

Staff provided an update on social media and outreach metrics:

- Facebook followers increased significantly, with notable engagement following the “Coffee with the Chamber” event.
- Views increased by over **21%**, interactions rose, and page visits increased approximately **20%**, with follower growth of roughly **40%**.
- LinkedIn followers surpassed **300**, marking a milestone in professional outreach.
- Newsletter engagement increased, with higher open rates and link click-through activity.

Business Engagement & Events:

Staff reported strong demand for the upcoming **Lunch B.I.T.E.S. workshop**, initially capped at 24 attendees. Due to rapid registration and waitlisting, capacity was expanded to 40, and the event is again fully booked with a waitlist. The workshop will focus on marketing and social media strategies for converting online presence into in-person sales.

The **Coffee with the Chamber** event was highlighted as a major success, with an estimated **75 attendees** and participation from numerous home-based small businesses. Eight local vendors participated on a voluntary basis, gaining market exposure. The event generated substantial social media reach, with one post exceeding **5,000 views**.

Overall, the Board expressed appreciation for the continued progress on programs, marketing efforts, and enhanced community engagement tools.

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**

"The Board did not enter into Executive Session."

9. **Adjournment**

"Rose Mary Mares made a motion to adjourn, and Roger Hernandez seconded. The meeting was adjourned at 7:46 a.m."

ATTEST:



Ashley Lowe, Board Secretary

On 2/19/26