HONDO
ECONOMIC DEVELOPMENT

THE HONDO ECONOMIC DEVELOPMENT CORPORATION, (HEDC)
Meeting Minutes

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

   Treasurer Brett Riff was not present.

   "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 May 21st, 2026 regular meeting minutes.

   "Ronnie Miller made the motion to approve the consent agenda items. Ashley Lowe seconded the motion. Motion carried 6-0"

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

   4.1 Presentation of Retail Recruitment Strategy – Aaron Farmer, Retail Coach (2026-27 Budget)

   Aaron Farmer, of Retail Coach, presented an overview of the firm's retail recruitment services and outlined a proposed retail recruitment strategy for the City of Hondo. He explained that Retail Coach specializes in helping communities identify and recruit retail, restaurant, entertainment, hospitality, and hotel development opportunities. The firm has operated for approximately 26 years and maintains a client retention rate exceeding 92%, having recruited more than six million square feet of retail development over the past five years.

   Mr. Farmer emphasized that Hondo functions as a regional retail market, citing cell phone analytics indicating that approximately 51% of shoppers visiting local businesses originate from outside the Hondo ZIP code. He explained that Retail Coach utilizes mobile device data and retail demand analysis to identify retail gaps, quantify market demand, and develop targeted recruitment strategies for retailers, restaurants, hotels, and developers.

The proposed partnership would include a detailed market assessment, identification of priority retail prospects, property and site evaluations, development of marketing materials, retailer outreach, attendance at industry recruitment conferences, and ongoing prospect tracking through a project management system. Mr. Farmer noted that the firm would work closely with local stakeholders to understand available sites, redevelopment opportunities, and barriers to development in order to package properties effectively for prospective retailers.

Additional services discussed included development of a retail-focused website and marketing platform, customized recruitment packages, site visualization and redevelopment concepts, retailer and developer site tours, and advisory assistance regarding incentive requests and retail recruitment negotiations. Mr. Farmer also highlighted the firm's ability to provide mobile device analytics for community events and tourism-related activities to support future hotel and retail recruitment efforts.

Mr. Farmer concluded by stating that Retail Coach is proposing a one-year partnership to implement the retail recruitment strategy and assist Hondo in attracting new retail, restaurant, and hospitality investment. Total investment of $34,000.

"Roger Hernandez made the motion to approve the one-year partnership as presented. Rachel Ramirez seconded the motion. Motion carried 6-0"

4.2 Funding Request Discussion – Hondo Area Chamber of Commerce (2026-27 Budget)

The Board discussed the Hondo Area Chamber of Commerce's funding request for Fiscal Year 2026-27. Staff reviewed the Chamber's previously submitted request totaling $40,000 and presented a breakdown of eligible expenditures that align with the legal requirements governing Type B Economic Development Corporation funding.

The Executive Director reported that legal counsel had reviewed the Chamber's request and identified tourism promotion, community marketing, branding, website enhancements, ambassador programs, cooperative advertising, Small Business Week activities, tourism promotional materials, and similar economic development-related activities as eligible expenditures. Based on this review, staff recommended funding specific qualifying activities totaling **$26,510** through a performance agreement.

Board members discussed the Chamber's current organizational challenges, including the ongoing search for an Executive Director and the reliance on volunteer leadership to maintain operations and community events. Chamber representatives highlighted the importance of signature events such as Christmas in God's Country and Downtown Dine Out, while also acknowledging efforts to improve financial sustainability and reduce reliance on public funding.

Discussion also included the City's long-term goal of gradually reducing annual Chamber funding while encouraging the organization to become more self-sustaining through fundraising and event revenues. City leadership noted that future funding decisions would continue to focus on measurable tourism and economic development outcomes and the appropriate use of public funds.

The Board reviewed the proposed funding structure and discussed the need for a formal performance agreement outlining eligible expenditures, reporting requirements, and measurable deliverables. It was recommended that the Chamber Board review the agreement prior to execution to ensure alignment with the organization's expectations and obligations.

"Ronnie Miller made the motion to approve budget item as presented. Ashley Lowe seconded the motion. Rose Mary Mares abstained from the vote. Motion carried 5-0"

4.3 Airport Note Forgiveness in Exchange for +/- 26 acres

The Board discussed a proposal to forgive the outstanding airport note in exchange for approximately 26 acres of City-owned property located near the South Texas Regional Airport. Staff reported that the current outstanding balance on the note is approximately $553,840 and that a recent interest payment had been received from the Airport Fund.

The City Manager explained that transferring the property to the Hondo Economic Development Corporation (HEDC) could provide greater flexibility for future development opportunities while relieving the City of the outstanding debt obligation. The property was discussed as a potential long-term economic development asset that could support residential, commercial, or mixed-use development, with housing identified as a significant community need.

Board members discussed the strategic value of the property, potential development opportunities, and the role of HEDC in facilitating future projects. The City Manager noted that HEDC possesses tools and flexibility that could make the property more marketable and attractive to developers than if it remained under City ownership. Staff also shared that preliminary conversations with local builders and developers indicated interest in the site and suggested that development could be financially feasible given the absence of land acquisition costs.

Board members expressed varying perspectives regarding land ownership by HEDC. Some members noted concerns about the organization holding real estate assets and the long-term costs associated with ownership, while others acknowledged that HEDC has historically invested significant resources into community infrastructure projects and that acquiring the property could provide a tangible asset in return. Discussion also included the community's housing shortage, infrastructure considerations, future roadway connections, utility availability, and the potential for phased residential development.

The Executive Director advised that any development of the property would require a structured, phased approach involving engineering, environmental review, planning, and financing assistance. He emphasized that future development decisions would be brought before the Board at each stage for consideration and approval.

Following discussion, the Board agreed that additional evaluation was warranted before taking formal action. ***No action was taken on the item. The matter was tabled and directed to be placed on a future agenda for further discussion.***

4.4 +/- 26 acres Development Discussion – Sean Patty

This item was tabled to a future meeting

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

No items were available for discussion.

6. **Standing Reports**

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

Updates were available in the Board packet; no further discussion was held.

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**

"Roger Hernandez made a motion to adjourn, and Rose Mary Mares seconded. The meeting was adjourned at 8:11 a.m."

ATTEST:

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Ashley Lowe, Board Secretary

On 8/18/26