

8. Discussion and Action: 17.33 Acre Pricing

Memo

To: DCM Board of Directors

From: Zefra Mascorro, Administrative Coordinator

CC: File

Date: 6/12/2026

Re: 17.33 Acre Pricing

An appraisal report was requested for the 17.33-acre tract. Aguirre and Patterson Inc's analysis estimated the value of the land is \$3,080,000.00.

Recommendation: Market the property for sale.

Aguirre & Patterson, Inc.

REAL ESTATE APPRAISERS
JOE W. PATTERSON, MAI, SRA

JOE W. PATTERSON, MAI, SRA
JOE E. CHEANEY, MNA
CONNIE C. FIELDER, Associate
KELLY PAYNE, Associate

BETO R. AGUIRRE, Associate
KIM E. RANSON, Associate
TISH KEATING, Associate
JAIME J. AGUIRRE, Associate
ELIZABETH RUBIO, Associate
J. WILL PATTERSON, Associate

June 4, 2026

DEVELOPMENT CORPORATION OF MERCEDES, INC.
c/o Ms. Melissa Ramirez, MBA, MS
Executive Director
320 South Ohio Avenue
Mercedes, Texas 78570

RE: An appraisal report of a vacant approximate 17.116 net acre tract located at the southwest corner of Interstate 2 Frontage Road (U.S. Expressway 83 Frontage Road) and Mile 3 East Road, Mercedes, Texas 78570

Dear Ms. Ramirez:

In accordance with your request, we performed an appraisal report of the above referenced property which is legally described on page 14 of the attached report. The intended use of the appraisal is to provide the appraisers' opinion of the market value of the subject property as of the effective date of the appraisal according to the definitions, assumptions and limiting conditions contained herein. This appraisal is intended to comply with minimum reporting requirements set forth in Standards Rule 2-2(a) of the 2024-2025 Edition of the Uniform Standards of Professional Appraisal Practice (USPAP) for an appraisal report which has been extended to December 31, 2027.

As a result of the appraisal and analysis, it is the appraisers' opinion that the market value of the subject property as of June 2, 2026, is estimated as follows:

THREE MILLION EIGHTY THOUSAND DOLLARS
(\$3,080,000.00)

Exposure Period: Based upon the appraisers' analysis of past events assuming a competitive and open market, the appraisers estimate a reasonable exposure period for this type of property at the market value estimated in this report would not have exceeded twelve months.

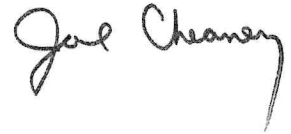
DEVELOPMENT CORPORATION OF MERCEDES, INC.
c/o Ms. Melissa Ramirez, MBA, MS

The supporting data and the analysis and conclusions upon which this value is based are contained in the accompanying report.

Respectfully submitted,



Joe W. Patterson, MAI, SRA
License No.: 1321595-CG



Joe Cheaney, MNAA
License No.: 1322541-CG

9. Discussion and Action: Texas National Bank Interest Buy Down Program-Framework

Memo

To: DCM Board of Directors

From: Zefra Mascorro, Administrative Coordinator

CC: File

Date: 6/12/2026

Re: Texas National Bank Interest Buy Down Program-Framework

The framework for the Texas National Bank Interest Buy Down Program was submitted for the program's initiation.

Recommendation: Will of the board.



COMMERCIAL REAL ESTATE LOANS	
Amount:	Up to \$150,000.00 <i>** Loans greater than \$150,000.00 can be referred to the bank for additional business product opportunities **</i>
Borrower Contributions:	See Matrix Model
EDC Contribution:	\$15,000.00
Rate:	To be determined based on credit profile.
Terms:	Up to 20-year amortization, with a 5-year balloon (with escrow for property taxes and insurance) <i>***After the five-year EDC buy-down, market bank rates apply.***</i>
Fees:	Loan closing costs can include: <ul style="list-style-type: none"> - Applicable Inspection Fee - Applicable Appraisal Fee - Applicable Survey Fee - Applicable Attorney Fees - Bank Fees
Guarantor:	All owners of the entity
Eligibility:	620 Minimum Credit Score 1.30x DSCR Collateral (Commercial Real Estate)
Checklist:	Application Corporate Documents (if applicable) Current Tax Return (Personal and Business, if applicable) Current Financial Statement (Personal and Business, if applicable) Debt Schedule Additional documents may be required depending on loan type
Restrictions:	Exclusion of Gambling Facilities

Matrix Model:				
Loan:	LTV:	Rate:	Buydown Rate	Contributions:
Commercial Real Estate : Purchase	80.00%	8.00%	5.00% Minimum	EDC: \$15,000.00 Borrower: 20.00%
Commercial Real Estate: Refinance	80.00%	8.00%	5.00% Minimum	EDC: \$15,000.00 Borrower: 20.00%
Commercial Real Estate : Cash-Out	70.00%	8.00%	5.00% Minimum	EDC: \$15,000.00 Borrower: 30.00%
<i>** Final Loan to Value (LTV) is subject to appraisal value **</i>				

**10. Discussion and Action: Sheer Skin Spa Signage
Removal Cost**

Memo

To: DCM Board of Directors
From: Melissa Ramirez, Executive Director
CC: File
Date: 6/11/2026
Re: Sheer Skin Spa Removal Cost

A Cost Estimate was requested for Sheer Skin Spa Signage Removal. EZ Signs & Electrical Services provided a quote for removal of sign and all debris for \$450.00.

Recommendation: Will of the Board.

EZ SIGNS & ELECTRICAL SERVICES

402 S. ILLINOIS AVE.

MERCEDES, TX 78570

OFFICE 956-294-1156 Cell 956-655-9277

email: ezsignservices@aol.com

Bill To:

Sheer Skin Spa
Mercedes, TX 78570

Estimate

Number: E174

Date: June 10, 2026

Ship To:

Store #	Vendor #	Purchase Order #

Description	Quantity/Hours	Price/Rate	Tax	Amount
Removal of sign for Sheer Skin SPA in Mercedes.				
Removal of signs and all debris.				
SERVICE	1.00	450.00		450.00
Sub-Total				\$450.00
State Tax 8.25% on 0.00				0.00
Total				\$450.00

11. Discussion and Action: KRGV Take 5 Program

Memo

To: DCM Board of Directors

From: Mario A. Salinas, Marketing Specialist

CC: File

Date: 6/10/2026

Re: Approval Request - Mercedes Marketing Campaign with KRGV Take 5

Purpose

The purpose of this memo is to seek Board approval for participation in the Mercedes Marketing Campaign through KRGV Channel 5's Take 5 program during June 2026. This campaign is designed to promote local Mercedes businesses while increasing awareness of the City of Mercedes as a destination for shopping, dining, and economic activity.

Campaign Overview

The proposed campaign provides a comprehensive month-long media partnership featuring local merchants and the City of Mercedes across television, digital, and social media platforms.

Participating Businesses

- Cortino's Italian Restaurant
- Formacio Pizzeria
- Garcia Insurance Group
- Bill Bunton Auto Supply
- Phoenix Medical Transport
- Wes-Mer Drive-In Theater
- EMG Luxury Granite

1. Merchant Feature Segments

- Seven (7) Mercedes businesses selected to participate.
- Each business will receive a professionally produced **3-minute feature segment** highlighting its products, services, and contribution to the local economy.
- Segments will air during the Take 5 program on KRGV Channel 5 (Tuesday through Friday, 3:00 p.m. – 4:00 p.m.).
- Each featured merchant segment will air four times during the week in which it is scheduled.
- All segments will include FCC-compliant sponsor identification and merchant branding.
- Segments will also be shared on the KRGV Take 5 Facebook page, which has an audience of approximately 21K followers.

2. Merchant Preview Commercials

- KRGV will produce and air **1-minute promotional commercials** featuring participating merchants.
- Commercials will air on Mondays throughout June to promote the upcoming merchant features for that week.
- Placement includes:
 - Good Morning America (7:00 a.m. – 9:00 a.m.)
 - Channel 5 News at Noon
- Promotional spots will run once per week for three consecutive weeks.

3. Additional Promotional Exposure

The City of Mercedes will receive extensive branding throughout the campaign, including:

- Mention in 30 Take 5 merchant promotional announcements on Channel 5.
- City logo and mention in 75 promotional announcements on NRGV/Somos El Valle.
- City logo and mention in 75 promotional announcements on ORGV/METV.
- City logo included in approximately 1,500 Take 5 promotional pre-roll advertisements on KRGV's digital platforms.

Economic Development Benefits

Participation in this campaign supports the City's economic development objectives by:

- Showcasing Mercedes businesses to a regional audience.
- Increasing awareness of local retail, dining, and service offerings.
- Encouraging consumer visitation and spending within the community.
- Strengthening partnerships between the City, local merchants, and regional media outlets.

- Enhancing the City's brand as a business-friendly destination within the Rio Grande Valley.
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Cost Break-down

Item	Cost
Merchant Participation (7 merchants @ \$500 each)	\$3,500
EDC Contribution (7 merchants @ \$225 each)	\$1,575
Total Campaign Cost	\$5,075

The DCM's contribution of **\$1,575** leverages merchant participation and secures citywide promotional exposure throughout the month-long campaign.

Recommendation: Approve the expenditure of **\$1,575** for the Mercedes Marketing Campaign with KRGV Take 5.

12. Discussion and Action: Tabled Items- Election of Officers

13. Executive Session: Section 551.087: Economic development negotiations with Project A. Gonzalez, Project R. Lozano, Project N. Dosser, Project R30, Project Blue, Project J. San Miguel, Project A. Rosas, Project OG, Project Travel Center, Project Anchor, Project American Legion, Project Hinojosa, Project Trevino, Project Sanchez, Project Bert Ogden, Project Kamel, Project M30, Project Food, Project M. Rivera, Project PE, Project Petro, Project More, Project ZIWA, Project Gomez, Project Stay, Project ASHTI, Project Arts, Project QSR, Project 150, Project M2, Project Cruz, Project RGVLS, Project G. Schwarz, Project Coffee, Project Carwash, Project Rios and Project UT, Section 551.074: Personnel Issues and Section 551.071: pending legal issues, delinquent loans: MD International, Roy G. Gomez and on any regular agenda item requiring confidential, attorney-client advice necessitated by the deliberation or discussion of said item as needed.

14. Discussion and Action: Appoint substitute trustee on deed of trust, Raquel Lopez and Gilbert Gomez

15. Discussion and Action: Item #13