

Comments from Mayor Joe H. Hernandez:

There appears to be some confusion about the power plant issue and how it surfaced.

The project itself, was proposed by the Economic Development Corporation, and was reported to the media by the same entity. The City Commission had very little knowledge of the project, outside of what was presented in the newspaper articles. Discussions about the proposed project were relegated to Economic Development Board closed-door sessions, with no progress reports issued to us as City Commissioners. The project never reached us on a formal or informal level. I do not know why the director chose to release this information, without presenting it to the Commission, and while it still carried an assigned code, rather than project name.

The City owns the old airport land which the director said was the intended site for the power plant. We have had no discussions with the EDC Director or Board about giving, selling or conveying the land to the EDC or to any developer. Due to the lack of communication between the EDC and city staff, the City Manager and Attorney on their own initiative began probing the background of the company to explore its authenticity and credibility, and began to locate information similar in some aspects, to that which was printed in the local newspaper. Typically, this would be the job of the economic development director and staff.

The City of San Benito takes great pride in the creation of sound economic development for our community. It is through the San Benito Economic Development Corporation staff and board that viable developments of interest are to be presented to our elected officials. We, of course, require a professional analysis be performed by our EDC of any business requesting financial incentives or assistance through the execution of routine due diligence efforts.

The City Commission is the duly elected body that appoints members to serve on the Economic Development Corporation's board of directors. As elected officials and professional administrative staff we fully expect all potential economic development projects to pass detailed scrutiny in order to determine that all material information be confirmed prior to entering into an agreement or transaction with any party requesting financial assistance from the City or our Economic Development Corporation.

I do recall entering into a "non-binding letter of intent" with the company to allow the EDC to discuss the airport property. However, the Commission has had no further communication with the company president until we received his letter of intent to terminate their plans in San Benito this past Tuesday.