



The City of Helotes Economic Development Corporation (EDC) Board of Directors will meet for a Regular Meeting on Wednesday, September 16, 2020 at 7:00 p.m. in the City Hall Council Chambers, 12951 Bandera Road, Helotes, Texas 78023. This is an open meeting, subject to the open meeting laws of the State of Texas.

**SUPPLEMENTAL NOTICE OF PARTICIPATION BY TELEPHONE CONFERENCE**

As a result of COVID-19, the Governor of Texas issued an order on March 16, 2020, suspending various provisions of the Open Meetings Act, which now authorize the participation of a meeting by videoconference and / or teleconference. In order to advance the public health goal of physical distancing, the City of Helotes EDC will conduct this special meeting by telephone conference. No in person input will be allowed. To speak remotely, citizens must register in advance by using the fillable Citizens Comment Form on the EDC or City websites. The comment form is due by 12:00 pm on Wednesday, September 16, 2020. Once the comment form is received, the speaker will receive a confirmation email with the toll-free phone number and access code. Speakers will be placed in a queue until their time to speak. Watch the livestream meeting broadcast on the City's YouTube channel. The digital meeting packet is available on the EDC website.

1. Call to order.

**PUBLIC HEARING:**

2. Public Hearing on proposed Maintenance & Operating, Interest & Sinking, and Capital budgets for Fiscal Year Ending (FYE) 2021. Proposed EDC budgets include economic development "Projects," as defined by Texas Local Govt. Code Chapter 505 *Type B Corporations*. EDC FYE 2021 "Projects" include the following expenditures: Maintenance & Operating; Interest & Sinking (Debt Service); Personnel & Benefits; Office Rental; Memberships; Audit Fees; Conferences, Workshops & Seminars; Legal & Financial Fees; Conceptual Design / Land Use Planning; Marketing & Social Media Campaigns; Special Event Marketing; Website(s) Development & Maintenance; Managed Services Agmt. w/ City; Old Town Helotes Parking Lot Lease Agmt.; Land Acquisition; Ch. 380 Economic Development Agmt. Reimbursements; Google 360 Tours; Small Business Loan & Grant Incentives; City Visitor's & Tourism Center; Splash Pad; and Sidewalks.

**OPEN SESSION:**

3. Citizens to be heard.

*The EDC cannot discuss any presented issue, nor may any action be taken on any issue at this time (Attorney General Opinion JC-0169). Comments are limited to three (3) minutes, and this time is not transferable. Discussion by the EDC of any item not on the Agenda shall be limited to statements of specific factual information given in response to any inquiry, a recitation of existing policy in response to any inquiry, and / or a proposal to place the item on a future EDC Agenda.*

**CONSENT AGENDA (ITEM NOS. 4 – 9):**

***All Consent Agenda items listed below are considered routine by EDC Staff and are intended to be enacted by one motion. There will be no separate discussion of these items, unless a Director requests it, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.***

4. Approval of the minutes of the Regular Meeting dated August 19, 2020. (Staff)
5. Approval of the EDC Fiscal Year Ending (FYE) 2020 Revenue and Expense Report dated September 10, 2020. (Staff)
6. Approval of a Resolution of the Board of Directors of the City of Helotes Economic Development Corporation (EDC) approving an Agreement for Management Services between the City of Helotes and the EDC; authorizing the Executive Director to take all necessary steps to implement the provisions of this Resolution; incorporating recitals; providing for severability; and adopting an effective date. (Staff)
7. Approval of a Resolution of the Board of Directors of the City of Helotes Economic Development Corporation (EDC) approving an Investment Policy and Strategy for public investment purposes; authorizing the Executive Director to take all necessary steps to implement the provisions of this Resolution; incorporating recitals; providing for severability; and adopting an effective date. (Staff)
8. Approval of a Resolution of the Board of Directors of the City of Helotes Economic Development Corporation (EDC) designating Investment Officers for public investment purposes; authorizing the Executive Director to take all necessary steps to implement the provisions of this Resolution; incorporating recitals; providing for severability; and adopting an effective date. (Staff)
9. Approval of a Resolution of the Board of Directors of the City of Helotes Economic Development Corporation (EDC) approving a list of approved brokers / dealers for public investment purposes; authorizing the Executive Director to take all necessary steps to implement the provisions of this Resolution; incorporating recitals; providing for severability; and adopting an effective date. (Staff)

### **ITEMS FOR INDIVIDUAL CONSIDERATION:**

10. Discussion of and action on renewal of a Lease Agreement for EDC office space located at 12682 F.M. 1560 West, Suite 105, Helotes, Texas between the Helotes EDC and E. Douglas Deptuch and Son #1 LLC. (Staff)
11. Discussion of and action on entering into a Sublease Agreement for shared office space located at 12682 F.M. 1560 West, Suite 105, Helotes, Texas with the Helotes Area Chamber of Commerce. (Marian Mendoza, Executive Director)
12. Discussion of and action on a Resolution of the Board of Directors of the City of Helotes Economic Development Corporation (EDC) approving appropriations for the Fiscal Year Ending (FYE) 2021 Maintenance & Operating, Interest & Sinking, and Capital budgets for Fiscal Year Ending (FYE) 2021. Proposed EDC budgets include economic development "Projects," as defined by Texas Local Govt. Code Chapter 505 *Type B Corporations* and authorizing the Executive Director to take all necessary steps to implement the provisions of this Resolution; incorporating recitals; providing for severability; and adopting an effective date. (Staff)
13. Discussion of and direction on creating a policy decision matrix that will be utilized to evaluate projects and expenditures over \$10,000, or another expenditure amount agreed upon by the Board of Directors, to ensure unplanned projects brought to the EDC align with the current Strategic Work Plan. (Matthew McCrossen, Board Member)
14. Discussion of and direction on the purchase of digital billboards to promote Shop Helotes! and local events. (Glenn Goolsby, Assistant Director)
15. Discussion of and direction on sponsoring the Helotes Area Chamber's 0.5K Challenge. – Glenn Goolsby, Assistant Director

### **STAFF REPORT:**

16. Update on the Small Business Grant Program and COVID-19 restrictions. (Marian Mendoza, Executive Director)

### ***Adjourn.***

The EDC Board of Directors reserves the right to adjourn into Closed Session at any time during the course of this meeting to discuss any of the exceptions to the requirement that a meeting be open to the public, in accordance with Texas Government Code, Chapter 551 *Open Meetings*, Subchapter D *Exceptions to Requirement that Meetings be Open*. No action may be taken in Closed Session.

A quorum of the City Council and/or other City Boards, Committees, or Commissions may be present at this meeting. The City Council and/or other City Boards, Committees, or Commissions may not take action regarding public business or policy.

I certify that this Agenda was posted on September 11, 2020 at 7:00 p.m.

*Marian Mendoza*

Marian Mendoza  
Executive Director

**Attest:**

*Glenn Goolsby*  
Glenn Goolsby  
Assistant Director



## REGULAR MEETING MINUTES

The City of Helotes Economic Development Corporation (EDC) Board of Directors met for a Regular Meeting on Wednesday, August 19, 2020 at 7:00 p.m., in the City Hall Council Chambers, 12951 Bandera Road, Helotes, Texas 78023. This was an open meeting, subject to the open meeting laws of the State of Texas.

**Present:**

*Board Members:*      *Ron Lane, Vice-President*      *Kathryn Mitchell, Secretary*  
                                  *Stephanie "Stevie" Seitz*      *Matthew McCrossen*  
                                  *John Kodosky*

*Staff:*      *Marian Mendoza, Executive Director*  
                          *Glenn Goolsby, Assistant Director*

**Absent:**      *Blaine Lopez, President*      *Phyllis Jackson*

**1. Call to Order.**

Vice President, Ron Lane called the meeting to order at 7:01 p.m.

**PUBLIC HEARING:**

- 2. Public Hearing on proposed Maintenance & Operating, Interest & Sinking, and Capital budgets for Fiscal Year Ending (FYE) 2021. Proposed EDC budgets include economic development "Projects," as defined by Texas Local Govt. Code Chapter 505 *Type B Corporations*. EDC FYE 2021 "Projects" include the following expenditures: Maintenance & Operating; Interest & Sinking (Debt Service); Personnel & Benefits; Office Rental; Memberships; Audit Fees; Conferences, Workshops & Seminars; Legal & Financial Fees; Conceptual Design / Land Use Planning; Marketing & Social Media Campaigns; Special Event Marketing; Website(s) Development & Maintenance; Managed Services Agmt. w/ City; Old Town Helotes Parking Lot Lease Agmt.; Land Acquisition; Ch. 380 Economic Development Agmt. Reimbursements; Google 360 Tours; Small Business Loan & Grant Incentives; City Visitor's & Tourism Center; Splash Pad; and Sidewalks.**

Ron Lane opened the public hearing at 7:03 p.m. No one signed up to speak on this item. Mr. Lane closed the public hearing at 7:03 p.m.

**OPEN SESSION:**

**3. Citizens to be heard.**

*The EDC cannot discuss any presented issue, nor may any action be taken on any issue at this time (Attorney General Opinion JC-0169). The EDC will accept comments from citizens of the City of Helotes and its Extraterritorial Jurisdiction (ETJ) only. Comments are limited to three (3) minutes, and this time is not transferable. Discussion by the EDC of any item not on the Agenda shall be limited to statements of specific factual information given in response to any inquiry, a recitation of existing policy in response to any inquiry, and / or a proposal to place the item on a future EDC Agenda.*

No one signed up to speak on this item.

#### **CONSENT AGENDA (ITEM NOS. 4 – 5):**

All items marked with an asterisk (\*) on the consent agenda were voted on as a group. Motion was made by Matthew McCrossen, second by John Kodosky to approve Items 4 & 5 as written. Motion carried unanimously.

4. \*Approval of the minutes of the Regular Meeting dated July 15, 2020 and August 12, 2020.
5. \*Approval of the EDC Fiscal Year Ending (FYE) 2020 Revenue and Expense Report dated August 12, 2020.

#### **ITEMS FOR INDIVIDUAL CONSIDERATION:**

6. **Discussion of and direction on utilizing funds from EDC Operating Account No. 05-510-5211 *Marketing / Tourism* for the purchase of reusable shopping tote bags to promote *Shop Helotes!* (Staff)**

Glenn Goolsby presented the final design options and associated pricing for each.

Motion was made by Stevie Seitz, second by Matthew McCrossen to proceed with option 1, to purchase 1,000 red tote bags with white logo. Motion carried unanimously.

7. **Discussion of and direction on proposed Maintenance & Operating, Interest & Sinking, and Capital budgets for Fiscal Year Ending (FYE) 2021. Proposed EDC budgets include economic development “Projects,” as defined by Texas Local Govt. Code Chapter 505 *Type B Corporations*. (Staff)**

Marian Mendoza presented the revised budget and highlighted two recent changes that included separating the marketing and event account funds and an increase in the managed services agreement between the City of Helotes and Helotes EDC from \$15,000 to \$30,000.

Motion was made by Matthew McCrossen, second by Stevie Seitz to discuss Item 7. Motion carried unanimously.

Matthew requested clarification on the increase in the managed services contract. The consensus was the increase is merited.

**8. Discussion of and direction on creating a policy decision matrix that will be utilized to evaluate projects and expenditures over \$10,000 to ensure the project aligns with current Strategic Work Plan. (Matthew McCrossen)**

Motion was made by Stevie Seitz, second by John Kodosky to discuss Item 8. Motion carried unanimously.

Matthew McCrossen presented why he felt the need for the board to create a process to evaluate future projects that would set a foundation for future board members.

The board consensus was to bring the item back for consideration after members have time to provide additional input.

**Adjourn the regular meeting of the EDC Board of Directors.**

Vice President Lane adjourned the meeting at 8:11 p.m.

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Marian Mendoza  
Executive Director

CITY OF HELOTES  
 REVENUE & EXPENSE REPORT - UNAUDITED  
 AS OF: SEPTEMBER 10TH, 2020

05 -ECONOMIC DEVELOPMENT CORP  
 FINANCIAL SUMMARY

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>					
NON-PROPERTY TAXES	1,475,766.64	0.00	1,470,176.94	5,589.70	99.62
MISCELLANEOUS REVENUE	<u>21,315.10</u>	<u>0.00</u>	<u>13,687.11</u>	<u>7,627.99</u>	<u>64.21</u>
TOTAL REVENUES	<u>1,497,081.74</u>	<u>0.00</u>	<u>1,483,864.05</u>	<u>13,217.69</u>	<u>99.12</u>
<u>EXPENDITURE SUMMARY</u>					
ADMINISTRATION	<u>1,244,126.50</u>	<u>2,988.40</u>	<u>997,639.80</u>	<u>246,486.70</u>	<u>80.19</u>
TOTAL EXPENDITURES	<u>1,244,126.50</u>	<u>2,988.40</u>	<u>997,639.80</u>	<u>246,486.70</u>	<u>80.19</u>
REVENUES OVER/ (UNDER) EXPENDITURES	252,955.24 (	2,988.40)	486,224.25 (	233,269.01)	192.22



CITY OF HELOTES  
 REVENUE & EXPENSE REPORT - UNAUDITED  
 AS OF: SEPTEMBER 10TH, 2020

05 -ECONOMIC DEVELOPMENT CORP  
 REVENUES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>NON-PROPERTY TAXES</u>					
401-3140 SALES TAX	1,465,951.64	0.00	1,462,228.59	3,723.05	99.75
401-3150 MIXED BEVERAGE	9,815.00	0.00	7,948.35	1,866.65	80.98
401-3160 SUBLEASE HELOTES CHAMBER	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL NON-PROPERTY TAXES	1,475,766.64	0.00	1,470,176.94	5,589.70	99.62
<u>MISCELLANEOUS REVENUE</u>					
406-1010 INTEREST	21,315.10	0.00	13,687.11	7,627.99	64.21
406-1060 TRANSFERS IN/OUT	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL MISCELLANEOUS REVENUE	21,315.10	0.00	13,687.11	7,627.99	64.21
TOTAL REVENUES	<u>1,497,081.74</u>	<u>0.00</u>	<u>1,483,864.05</u>	<u>13,217.69</u>	<u>99.12</u>

05 -ECONOMIC DEVELOPMENT CORP  
 ADMINISTRATION  
 EXPENDITURES

	CURRENT BUDGET	CURRENT PERIOD	YEAR TO DATE ACTUAL	BUDGET BALANCE	% OF BUDGET
<u>PERSONNEL</u>					
510-5101 SALARIES	72,544.50	2,742.20	68,180.69	4,363.81	93.98
510-5111 LONGEVITY	1,220.00	0.00	1,220.00	0.00	100.00
510-5113 BENEFITS	<u>18,266.42</u>	<u>421.20</u>	<u>15,911.21</u>	<u>2,355.21</u>	<u>87.11</u>
TOTAL PERSONNEL	92,030.92	3,163.40	85,311.90	6,719.02	92.70
<u>CONTRACTUAL SERVICES</u>					
510-5201 MEMBERSHIPS, DUES & LICENSES	16,000.00	0.00	11,832.80	4,167.20	73.96
510-5202 AUDIT FEES	3,200.00	0.00	3,300.00 (	100.00)	103.13
510-5203 SCHOOLS, SEMINARS, CONFERENCES	3,000.00	0.00	79.00	2,921.00	2.63
510-5204 INTL. CONF. SHOPPING CENTERS	8,915.93	0.00	1,928.04	6,987.89	21.62
510-5205 BANK FEES	500.00	0.00	500.00	0.00	100.00
510-5206 LEGAL FEES / MDD CREATION	5,000.00	0.00	1,385.00	3,615.00	27.70
510-5208 CONC. DESIGN & LAND USE PLANS	15,000.00	0.00	0.00	15,000.00	0.00
510-5210 WORKSHOPS & PROMOTIONS	3,000.00	0.00	0.00	3,000.00	0.00
510-5211 MARKETING / TOURISM	35,000.00	0.00	13,422.30	21,577.70	38.35
510-5212 WEBSITE DEV. & MAINTENANCE	9,790.83	0.00	7,929.09	1,861.74	80.98
510-5214 MANAGED SVCS. AGREEMENT	5,400.00	0.00	15,000.00 (	9,600.00)	277.78
510-5215 DEBT SERVICE	329,210.22	0.00	329,210.22	0.00	100.00
510-5216 SBLAP GRANTS & ADMINISTRATION	0.00	0.00	61,000.00 (	61,000.00)	0.00
510-5224 OFFICE RENTAL	10,800.00 (	300.00)	8,800.00	2,000.00	81.48
510-5225 OTHSD PARKING LOT LEASE	5,520.00	0.00	4,452.96	1,067.04	80.67
510-5227 CAPACITY / GAP ANALYSES	15,000.00	0.00	0.00	15,000.00	0.00
510-5228 VISITOR CENTER	50,000.00	0.00	0.00	50,000.00	0.00
510-5229 GATEWAY SIGNAGE	<u>50,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>50,000.00</u>	<u>0.00</u>
TOTAL CONTRACTUAL SERVICES	565,336.98 (	300.00)	458,839.41	106,497.57	81.16
<u>COMMODITIES</u>					
510-5301 OFFICE SUPPLIES	3,000.00	0.00	222.04	2,777.96	7.40
510-5302 OPERATIONAL EXPENSES	14,361.70	125.00	9,365.23	4,996.47	65.21
510-5305 COMMUNICATION EQUIPMENT	1,231.63	0.00	1,020.36	211.27	82.85
510-5326 EXPENSE REIMBURSEMENT	183.27	0.00	82.23	101.04	44.87
510-5333 380 AGREEMENT REIMBURSEMENTS	<u>567,982.00</u>	<u>0.00</u>	<u>442,798.63</u>	<u>125,183.37</u>	<u>77.96</u>
TOTAL COMMODITIES	586,758.60	125.00	453,488.49	133,270.11	77.29
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TOTAL ADMINISTRATION	1,244,126.50	2,988.40	997,639.80	246,486.70	80.19
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TOTAL EXPENDITURES	1,244,126.50	2,988.40	997,639.80	246,486.70	80.19
=====					
REVENUES OVER/(UNDER) EXPENDITURES	252,955.24 (	2,988.40)	486,224.25 (	233,269.01)	192.22
=====					

\*\*\* END OF REPORT \*\*\*



**City of Helotes EDC**  
**AGENDA ITEM REQUEST FORM**  
**DATE: September 16, 2020**

**Agenda Placement:**  **CONSENT**  
 **INDIVIDUAL**  
 **PRESENTATION**  
 **CLOSED**

**CAPTION:**

Approval of a Resolution of the Board of Directors of the City of Helotes Economic Development Corporation (EDC) approving an Agreement for Management Services between the City of Helotes and the EDC; authorizing the Executive Director to take all necessary steps to implement the provisions of this Resolution; incorporating recitals; providing for severability; and adopting an effective date. (Staff)

**BACKGROUND:**

The City has maintained a Management Services Agreement with the Helotes EDC for a number of years. The amount paid in the agreement varied annually:

- FY12 to FY14 - \$8,000
- FY15 - \$12,000
- FY16 to FY17 - \$15,000
- FY18 to FY19 - \$5,400
- FY20 - \$15,000

During the budget presentation, staff presented the reasons on why it is important to begin considering the cost of the all City's staff time functioning as support staff for HEDC. There are several City staff that provides support to ensure the success of HEDC. The work that is completed by City staff includes, but is not limited to, preparing the agendas, writing reports, reviewing the EDC work plan, website updates, social media promotion, purchasing and payroll.

- City Administrator – 25%
- Finance Director – 5%
- Purchasing – 5%
- Public Relation – 8%
- City Secretary – 3%
- Human Resources – 1.3%

Total - \$38,176\*

\*Salary only and does not include benefit cost.



**FINANCIAL:**

\$30,000 annually

**ATTACHMENTS:**

Attachment A – Resolution

Exhibit A – Agreement for Management Services

**SUBMITTED BY:** Marian Mendoza, Executive Director

**RESOLUTION NO. \_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION APPROVING AN AGREEMENT FOR MANAGEMENT SERVICES BETWEEN THE CITY OF HELOTES AND THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION; INCORPORATING RECITALS; PROVIDING FOR SEVERABILITY; AND ADOPTING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Helotes Economic Development Corporation (hereinafter referred to as the “Corporation”) is desirous to enter into an agreement providing that certain administrative services of the Corporation will be performed by the City of Helotes, Texas (hereinafter referred to as the “City”); and

**WHEREAS**, the City authorized the creation of the Corporation pursuant to the provisions of Texas Revised Civil Statutes Annotated Article 5190.6, as amended (the “Act”); and

**WHEREAS**, the mission of the Corporation is to promote, encourage, and enhance the creation of new and expanded business enterprises in the City, the creation of jobs in the City, and the expansion of the local sales and property tax base through economic development projects that assist in the retention and expansion of existing employers and which attract new employers and aid in their development, growth, and investment of human and capital resources within the City; and

**WHEREAS**, the Board of Directors believes that an agreement is necessary in order to ensure the most effective operation of the Corporation concerning this matter.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION:**

**Section One. Approval.** The Agreement for Management Services (the “Agreement”) between the City of Helotes and the City of Helotes Economic Development Corporation, attached hereto as Exhibit A, is hereby adopted for one year, beginning October 1, 2020 and expiring on September 30, 2021.

**Section Two. Authorization.** The Executive Director is hereby authorized to take all necessary steps to implement the provisions of this Resolution.

**Section Three. Effective Date.** This Resolution shall take effect immediately upon its adoption.

**Section Four. Recitals.** The Board of Directors finds all the above recitals to be true and correct and incorporates the same in this Resolution as findings of fact.

**Section Five. Severability.** If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held to be unconstitutional or illegal, such decision shall not affect the validity of the remaining sections of this Resolution. The Board of Directors hereby declares that it would have passed this Resolution, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared void.

**PASSED AND APPROVED THIS 16<sup>TH</sup> DAY OF SEPTEMBER 2020.**

**ATTEST:**

\_\_\_\_\_  
Marian Mendoza, EDC Executive Director

\_\_\_\_\_  
Glenn Goolsby, Assistant Director

**AGREEMENT FOR MANAGEMENT SERVICES  
BETWEEN THE CITY OF HELOTES AND  
THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION**

**THIS AGREEMENT**, approved as of the 16<sup>TH</sup> day of September, 2020 by and between the City of Helotes (the “City”), acting by and through its Mayor, Thomas A. Schoolcraft, and the City of Helotes Economic Development Corporation (the “EDC”), acting by and through its Executive Director, Marian Mendoza.

**WITNESSETH:**

**I**

That the City agrees to provide management, administrative, and financial services to the EDC according to the terms of this Agreement. For purposes of this Agreement, the Executive Director shall serve as the designated employee described in Section 3.6 of the EDC Bylaws who shall oversee EDC Staff and its completion of the following activities:

- a) Development of an annual Economic Development Plan, as required by Section 4.1 of the EDC Bylaws. The Economic Development Plan shall be reviewed and approved by the EDC Board of Directors and the City Council.
- b) Reviewing projects and materials and advising the EDC Board of Directors of the tasks and responsibilities of the EDC and its Board of Directors, pursuant to law and the EDC Articles of Incorporation and Bylaws, to ensure that the EDC carries out its duties and requirements imposed on it by law and the EDC Articles of Incorporation and Bylaws.
- c) Preparing all reports and keeping all books and records required by the EDC Articles of Incorporation and Bylaws, unless otherwise stipulated within the EDC Articles of Incorporation and Bylaws.
- d) Administering and monitoring, on the Board of Directors’ behalf, all agreements authorized by Article 4 *Functional Corporate Duties and Requirements* of the EDC Bylaws, and monitoring the progress of and reporting to the EDC and the City Council concerning economic development programs the EDC has expended sales tax monies on, as permitted by the provisions of Texas Revised Civil Statutes Annotated, Article 5190.6, as amended (the “Act”), unless otherwise stipulated within the EDC Articles of Incorporation and Bylaws.
- e) Preparing a budget for the forthcoming year for review and approval by the EDC Board of Directors and the City Council. The budget shall be prepared in accordance with Article 4 *Functional Corporate Duties and Requirements* of the EDC Bylaws.
- f) Providing all necessary accounting and financial management services through the City Treasurer and the City’s Administrative Department. Services shall be provided in accordance with Article 4 *Functional Corporate Duties and Requirements* and Section 3.4 *Treasurer* of the EDC Bylaws.

- g) EDC personnel shall be personnel of the EDC, not the City; however, EDC personnel shall be subject to the City's Personnel Policies and Procedures Manual, except where said Policies and Procedures conflict with the authority conferred by the EDC Articles of Incorporation and Bylaws onto the Executive Director. EDC personnel salaries and benefits shall be paid by the EDC through accounting and financial management services provided by the City Treasurer and the City's Administrative Department.
- h) Ensuring that the appropriate insurance coverages indemnifying the EDC, EDC Board of Directors and Officers and Officials, EDC personnel, City Officials and Officers, and City personnel, individually and in their capacity as Officers, Officials, Directors and staff, are current and fully paid. These coverages shall be for, at a minimum, \$1 million per claim, and the cost of said coverages shall be at the Corporation's expense.
- i) Providing indirect services, including, but not limited to, information technology support, public relations support, financial services to include accounts payable, and other support resources, as needed.

## II

The EDC reserves the right to hire an attorney of its own or utilize the City Attorney at its own expense. Such legal services shall include representation in litigation, legal proceedings, review of documents, contracts, and other legal instruments as to form and legality.

## III

The EDC shall pay a fixed fee for management services provided the EDC by the City, pursuant to this Agreement.

Subject to the City establishing this Agreement with the EDC for management services, the EDC shall pay to the City for management services included within this Agreement the annual sum of \$30,000.00.

In the event of the termination of this Agreement, the EDC will be responsible for paying the City only the portion of the cost allocated to periods prior to the effective date of the termination of the Agreement and any and all continuing costs incurred by the City after Agreement termination associated with City oversight of the EDC, as prescribed by the EDC Articles of Incorporation and Bylaws.

## IV

Nothing in this Agreement shall be construed to divest the EDC Board of Directors of its discretion and policy making functions. As provided by the Act, all of the EDC's "programs and expenditures" must be approved by the City Council.

In accordance with the EDC Articles of Incorporation and Bylaws, the appropriate individuals are hereby given the authority to execute checks in conformity with its rules governing bank signatories, withdrawals, and transfer of funds, provided these funds have been authorized by the EDC and the City and comply with the provisions of the Act. It is understood



and agreed that the requirement that City officials and personnel sign checks drawn on the EDC's account(s) is administrative only to assure against misappropriation and improper use of funds, except that the EDC has to obtain prior approval of the City Council before authorizing disbursement of funds. Authorization of expenditures by the EDC Board of Directors shall be deemed binding upon City signatories, unless otherwise restrained by judicial order.

**V**

Subject to early termination, as provided in Article VI below, this Agreement shall be in effect for a period of one year, commencing October 1, 2020 and ending September 30, 2021, unless otherwise renewed or extended at the discretion of both parties.

**VI**

**TERMINATION**

- a) This Agreement may be terminated by the City or EDC, in whole, or from time to time, in part, upon thirty (30) days notice from the terminating party to the other party; however, any and all continuing costs incurred by the City after Agreement termination associated with City oversight of the EDC, as prescribed by the EDC Articles of Incorporation and Bylaws, shall continue to be compensable by the EDC to the City. Termination shall be effective thirty (30) days after delivery of Notice of Termination specifying to what extent performance or work under the Agreement shall be terminated thirty (30) days after receipt by the notified party.
- b) After receipt of a Notice of Termination the City and the EDC shall:
  - i. Stop work on the date, as specified, in the thirty (30) day Notice of Termination to the extent possible.
  - ii. Place no further orders or subcontracts, except as may be necessary for the completion of work not terminated.
  - iii. Subject to Texas law, terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination in so far as possible.
  - iv. The EDC shall pay all lawfully incurred expenses incurred through the date of termination.

**VII**

**OFFICIALS NOT TO BENEFIT**

No public official of the EDC Board of Directors and/or the City Council who exercises any functions or responsibilities in the review or the approval of the undertaking or carrying out of any project or program hereunder, shall participate in any decision relating to the Agreement





**City of Helotes EDC**  
**AGENDA ITEM REQUEST FORM**  
**DATE: September 16, 2020**

**Agenda Placement:**  **CONSENT**  
 **INDIVIDUAL**  
 **PRESENTATION**  
 **CLOSED**

**CAPTION:**

Approval of a Resolution of the Board of Directors of the City of Helotes Economic Development Corporation (EDC) approving an Investment Policy and Strategy for public investment purposes; authorizing the Executive Director to take all necessary steps to implement the provisions of this Resolution; incorporating recitals; providing for severability; and adopting an effective date.

**BACKGROUND:**

The Public Funds Investment Act requires governmental bodies to annually review and adopt municipal investment policies, strategies, and related documents prior to the commencement of each fiscal year.

The proposed Investment Policy and Strategy for FYE 2021 has not been amended.

**FINANCIAL:** N/A

**ATTACHMENTS:**

Attachment A – Resolution

Attachment B – Investment Policy

**SUBMITTED BY:** Staff

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION (EDC) APPROVING AN INVESTMENT POLICY AND STRATEGY FOR PUBLIC INVESTMENT PURPOSES; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION; INCORPORATING RECITALS; PROVIDING FOR SEVERABILITY; AND ADOPTING AN EFFECTIVE DATE.**

**WHEREAS**, Chapter 2256 of the Government Code, commonly known as the "Public Funds Investment Act," (the "Act") requires the EDC to, at least annually, adopt an Investment Policy by rule, order, ordinance, or resolution; and

**WHEREAS**, the goal of the EDC is to create an Investment Policy to insure the safety of all funds entrusted to the EDC, while making available those funds for the payment of all necessary obligations of the EDC and providing for the investment of funds not immediately required; and

**WHEREAS**, the safety of principal invested shall always be the primary concern of the EDC; and

**WHEREAS**, the attached Investment Policy and incorporated Strategy comply with the Act and authorize the investment of EDC funds in safe and prudent investments; and

**WHEREAS**, the Board of Directors of the EDC has reviewed the current Investment Policy and made the changes summarized below and shown on the attached Policy and does hereby approve the Investment Policy, effective immediately. Changes made were:

- None.

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION THAT:**

**Section One. Approval.** The EDC has complied with the requirements of the Act, and the Investment Policy and Strategy for Fiscal Year Ending 2021, attached hereto, is hereby adopted effective immediately.

**Section Two. Authorization.** The Executive Director is hereby authorized to take all necessary steps to implement the provisions of this Resolution.

**Section Three. Effective Date.** This Resolution shall take effect immediately upon its adoption.

**Section Four. Recitals.** The Board of Directors finds all of the above recitals to be true and correct and incorporates the same in this Resolution as findings of fact.

**Section Five. Severability.** If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held to be unconstitutional or illegal, such decision shall not affect the validity of the remaining sections of this Resolution. The Board of Directors hereby declares that it would have passed this Resolution, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared void.

**PASSED, ADOPTED, AND APPROVED by the Board of Directors of the City of Helotes Economic Development Corporation this the 16<sup>th</sup> day of September 2020.**

**APPROVED:**

---

Marian Mendoza, Executive Director

**ATTEST:**

---

Glenn Goolsby, Asst. Director

**CITY OF HELOTES  
ECONOMIC DEVELOPMENT CORPORATION  
INVESTMENT POLICY AND STRATEGY**

**Adopted September 16, 2020**

**PURPOSE**

The Investment Policy of the City of Helotes Economic Development Corporation (the “EDC”) is established to provide specific policy and strategy guidelines for the investment of the EDC’s funds in order to achieve the EDC’s goals of safety, liquidity, diversification, and yield. Investments shall be made in a manner which will provide for reasonable yield and maximum security, while meeting the daily cash flow demands of the EDC and conforming to all state and local statutes governing the investment of public funds. It sets forth policies and procedures to enhance opportunities for prudent investment of assets. The Policy is undertaken and implemented to assure municipal residents of the EDC’s ability to meet its financial obligations in the near, short, and long term and to assure the public’s trust in the EDC as a steward of its public funds.

This Policy satisfies the statutory requirements of the Texas Government Code, Chapter 2256, the Public Funds Investment Act (the “Act”).

**SCOPE**

The Investment Policy applies to all financial assets and investment transactions of the EDC and all funds under the control of the EDC. These funds are reported in the EDC’s Annual Financial Report (AFR) and include:

Operating Funds;  
Capital Improvement and Bond Funds;  
Debt Service Funds;  
Debt Service Reserve Funds;

and all other funds which may be created are included under this Policy, unless specifically excluded by the Board of Directors.

**OBJECTIVES**

The primary objectives, in priority order, of the EDC’s investment activities are:

1. **Safety.** Preservation and safety of principal is the EDC’s primary objective. Investments shall be made in a manner that seeks to ensure the preservation of capital in the overall portfolio, whether from security defaults or erosion of market value.
2. **Liquidity.** The EDC’s investment portfolio shall remain sufficiently liquid to enable the EDC to meet all operating requirements which might be reasonably anticipated. This shall be achieved by matching investment maturities with forecasted cash flow liabilities

and maintaining additional liquidity for unexpected liabilities.

3. **Diversification.** The portfolio shall be diversified by market sector and maturity in order to avoid market risk.
4. **Yield.** The EDC's investment portfolio will be designed with the objective of attaining a yield commensurate with the EDC's investment risk constraints and the cash flow operating requirements. Yield is of secondary importance to the safety and liquidity objectives described above.

### **BENCHMARK**

The benchmark for the EDC's total portfolio shall be the six-month Treasury Bill, designated for its comparability to the EDC's expected average cash flow pattern. The investment program shall seek to augment returns above this threshold consistent with risk limitations identified herein and prudent investment policies.

### **STANDARD OF CARE**

The standard of care governing the investment process shall be the "prudent person" standard and shall be applied in the context of managing the overall portfolio, rather than a consideration as to the prudence of a single investment:

*Investments will be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence would exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.*

Investment Officers acting in accordance with this Policy and written procedures and exercising due diligence shall be relieved of personal liability for any individual security's credit risk or market price change, provided deviations from expectations are reported in a timely fashion to the Board of Directors and the liquidity and the sale of securities are carried out in accordance with the terms of this Policy.

### **STRATEGY**

The EDC may maintain one commingled portfolio for investment purposes which incorporates the specific investment strategy considerations and the unique characteristics of the fund groups represented in the portfolio.

- A. **Operating Funds.** The investment strategy for the operating (enterprise and special revenue) and special purpose funds has as its primary objective assurance that anticipated liabilities are matched and adequate investment liquidity provided. This may be accomplished by purchasing high quality, short- to medium-term maturity securities (0-2 years) which will complement each other in a laddered maturity structure permitting some extension for yield

enhancement. The dollar weighted average maturity of the portfolio will be calculated using the stated final maturity date of each security.

- B. Capital Projects. The investment strategy for capital project funds will have as its primary objective assurance that anticipated cash flows are matched and provide adequate investment liquidity. At least 10% total liquidity is planned to provide flexibility and for unanticipated project outlays. The stated final maturity dates of securities held may not exceed two years or the estimated project completion date.
- C. Debt Service Funds. The investment strategy for debt service funds shall have as its primary objective the assurance of available funds adequate to fund the debt service obligations on a timely basis. Successive debt service dates will be fully funded before any investment extension. Since payment of debt is one of the highest priorities of the EDC, safety of principal should be of the highest priority when selecting an investment. The stated final maturity dates of securities held may not exceed six months.
- D. Debt Service Reserve Funds. The investment strategy for debt service reserve funds shall have as its primary objective the ability to generate a revenue stream to the debt service funds from high quality securities with a low degree of volatility. Securities should be high credit quality and, except as may be required by the bond ordinance specific to an individual issue, of short to intermediate-term maturities. The stated final maturity dates of securities held may not exceed six months.

The EDC intends to match investments with projected cash flow and liquidity needs of the EDC. In no case will the average weighted maturity of the total portfolio exceed six (6) months. The maximum final stated maturity of any investment shall not exceed two years. The six-month Treasury Bill for the comparable reporting time period will be used as the benchmark for the overall portfolio reflecting the EDC's primary market and the cash flow objectives of the portfolio.

The EDC shall pursue a conservative portfolio management strategy. Securities may be sold before they mature if market conditions present an opportunity for the EDC to benefit from the trade, but the strategy will be primarily buy-and-hold. The Investment Officers will continuously monitor the contents of the portfolio, the available markets, and the relative value of competing instruments to adjust the portfolio in response to market conditions.

## **DELEGATION OF AUTHORITY AND RESPONSIBILITIES**

### **Investment Officers**

Authority to manage the EDC's investment program is derived from state statutes and EDC resolution. The EDC will, by resolution, designate the EDC Executive Director / City Administrator and City Treasurer as the Investment Officers to invest and reinvest funds of the EDC in accordance with the EDC's Investment Policy, the Act, and the Public Funds Collateral Act (Government Code 2257). Responsibility for the operation of the investment program is hereby delegated to the Investment Officers. The EDC Executive Director / City Administrator and City Treasurer shall establish written procedures and controls for the operation of the program and Investment Officers shall act in accordance with the established written procedures



and internal controls.

Investment Officers shall be familiar with this Policy and may not engage in an investment transaction except as provided under the terms of this Policy and the procedures established. The Investment Officers shall be responsible for all transactions undertaken and shall regulate the activities of subordinate officials. Investment Officers will review the Investment Policy annually to suggest any changes necessary to the EDC, will monitor all counterparties, and will prepare quarterly reports for the EDC.

The EDC will provide investment training required by the Act (Sec. 27.56.008) for the EDC's Investment Officers. The Investment Officers shall attend at least one, ten (10) hour training session within twelve months after taking office or assuming duties. Training includes education in investment controls, security risks, strategy risks, market risks, and compliance with the Act. Investment Officers must complete eight (8) hours of investment training in each succeeding two-year period.

### **Conflicts of Interest**

An Investment Officer who has any personal or business relationship with any entity seeking to sell an investment to the EDC will file a statement disclosing that personal or business interest. The Investment Officer shall file a statement disclosing that relationship, as required by Texas Local Government Code Chapters 171 and 176, as applicable. These statements must be filed with the City Secretary, disclosed to the EDC Board of Directors, and approved by the Board of Directors before any business is transacted with said entity or individual. Investment Officers shall not undertake personal investment transactions with the same individual with which business is conducted on behalf of the EDC.

### **EDC Board of Directors Responsibilities**

The EDC Board of Directors retains ultimate fiduciary responsibility for the investment program. The Board will annually adopt the Investment Policy and Strategy, designate Investment Officers, approve authorized broker/dealers, provide for training, and quarterly receive and review investment reports.

### **INTERNAL CONTROLS**

The Investment Officers are responsible for establishing and maintaining an internal control structure that will be reviewed annually with the EDC's auditor. The internal control structure will be designed to ensure that EDC assets are protected from loss, theft, or misuse and to provide reasonable assurance that these objectives are met. The consent of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by the Investment Officers.

Internal controls will address the following points at a minimum:

- i. Control of collusion;
- ii. Separation of transaction authority from accounting and record keeping;
- iii. Safekeeping;
- iv. Clear delegation of authority; and

- v. Written confirmation of all transactions for investments and wire transfers.

Procedures should be developed to support the internal control objectives and should include: safekeeping, delivery vs. payment, investment accounting, and collateral / depository agreements.

### **Change in Ratings**

The Investment Officer or investment adviser shall monitor, on no less than a weekly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally-recognized rating agency. If any security falls below the minimum rating required by the Policy, the Investment Officer shall notify the EDC Board of Directors of the loss of rating, conditions affecting the rating, and possible loss of principal with liquidation options available, by the next, regularly-scheduled EDC meeting after the loss of the required rating.

### **Monitoring Insurance Coverage**

The Investment Officer or investment advisor shall monitor, on no less than a weekly basis, the status and ownership of all banks issuing brokered certificates of deposit owned by the EDC based upon information from the FDIC / NCUA / SIPC. If any bank has been acquired or merged with another bank in which brokered certificates of deposit are owned, the Investment Officer shall immediately liquidate any brokered certificate of deposit which places the EDC above the FDIC / NCUA / SIPC insurance level.

### **Delivery versus Payment**

All security transactions will be executed on a Delivery versus Payment (DVP) basis which ensures that securities are deposited in safekeeping prior to the release of EDC funds. All securities shall be registered in the name of the EDC, safekept by the EDC's primary depository or an independent custodian approved by the EDC, and evidenced by safekeeping receipts.

### **Cash Flow Analysis**

Cash flow analysis is a control designed to protect and sustain cash flow requirements of the EDC. The Investment Officers will maintain a cash flow analysis process designed to monitor and forecast cash balances for investment purposes.

## **INVESTMENT POLICY CERTIFICATION**

A written copy of the EDC's Investment Policy shall be presented to any pool in which the EDC participates. The authorized representative of the pool seeking to sell an authorized investment shall execute a written instrument substantially to the effect that:

- The pool has received and thoroughly reviewed the Investment Policy of the EDC; and
- Acknowledges that the firm has implemented reasonable procedures and controls in an effort to preclude transactions conducted between the firm and the EDC that are not authorized by the EDC's Investment Policy, except to the extent that authorization is dependent on an analysis of the makeup of the entire portfolio or requires an interpretation of subjective investment standards.

The Investment Officers of the EDC may not use any pool which has not delivered a Policy Certification to the EDC.

### **AUTHORIZED FINANCIAL COUNTERPARTIES AND INSTITUTIONS**

The Investment Officers will provide a list of no less than three brokers / dealers for EDC Board of Directors approval at least annually. Brokers / dealers must be authorized before transactions are made. All brokers / dealers who desire to become qualified for investment transactions will be required to supply the following information which will be maintained by the Investment Officers:

- i. Annual audited financial statements;
- ii. Proof of Financial Industry Regulatory Authority (FINRA) certification;
- iii. FINRA CRD registration number;
- iv. Proof of Texas state registration; and
- v. A completed EDC questionnaire.

The Investment Officers will at least annually review the service, financial condition, and registration of brokers / dealers for recommendations to the Board of Directors.

An expanded list of counterparties, including local government pools and financial institutions authorized to provide investment transactions, will be maintained by the Investment Officers. This list need not be approved by the Board of Directors because of frequency in bank changes resulting from competitive bids. All pools require specific action by the Board for participation.

The EDC is under no obligation to transact business with any financial institution or firm.

### **DEPOSITORIES**

#### **EDC Banking Services Depository**

At least every five years, a EDC banking services depository shall be selected through a competitive request for proposal (RFP) process in accordance with the Texas Government Code 105.017. In selecting this depository, the services, cost of services, credit worthiness, earnings potential, and collateralization by the institution shall be considered. The EDC may utilize a depository outside the EDC limits for this purpose. This primary banking services depository will safe-keep securities owned by the EDC and will not be authorized as a broker for the EDC in order to perfect delivery versus payment settlement.

#### **Additional Depositories**

Time and demand deposits may be purchased from any bank in Texas. Banks seeking to establish eligibility for the EDC's competitive certificate of depository or demand deposit programs shall submit for review annual financial statements, evidence of federal insurance, and other information as required by the Investment Officers. Deposits exceeding FDIC / NCUA insurance coverage will require a written depository agreement and collateralization in accordance with this Policy.

## **COLLATERALIZATION**

### **Time and Demand Bank Deposits – Pledged Collateral**

All time and demand deposits shall be collateralized above FDIC / NCUA coverage in accordance with this Policy. The total of FDIC / NCUA insurance and the market value of collateral must be at least 102% of the total principal and accrued interest on deposit daily. The depository is responsible for monitoring and maintaining margins daily.

All pledged securities must be safekept at an independent institution outside the holding company of the pledging bank. Depository institutions pledging collateral against deposits must, in conjunction with the custodial agent, furnish the necessary collateral before deposits are made and receipts provided within one business day. The EDC's depository will be responsible for monitoring and maintaining collateral levels daily. The independent custodian will provide the EDC with a monthly report on the collateral pledged. EDC representatives will have the right to inspect the records for pledged collateral at any time. Collateral may be substituted; however, any substitution of collateral must be approved in writing by the EDC.

The EDC shall have a depository / collateral contract with each bank and that agreement will comply with the Financial Institutions, Reform, Recovery, and Enforcement Act of 1989 (FIRREA) to ensure that the EDC's security interest in collateral pledged to secure deposits is enforceable against the receiver of a failed financial institution.

### **Collateral Owned under Repurchase Agreements**

Collateral is owned under a repurchase agreement. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on the transaction, and such collateral must be in place before the transaction takes place. The collateral shall be held by an independent third-party financial institution approved by the EDC. The counter-party is liable for monitoring and maintaining the collateral and margin daily. A Bond Market Association Master Repurchase Agreement shall be executed for the transaction.

### **Authorized Collateral**

EDC funds must be secured only by:

- Obligations of the United States Government, its agencies and instrumentalities including mortgage backed securities and CMOs passing the bank test; and
- Obligations issued by any state, its agencies, or political subdivisions rated A or above by two nationally recognized rating agencies.

If a depository offers collateral pooling as collateral for deposits, the Investment Officers will analyze the costs and risks of such program to the EDC. Before entering into a pooled collateral program, the Investment Officers must receive approval from the Board of Directors.

## **SAFEKEEPING**

The laws of Texas, this Policy, and prudent treasury management requires that all securities be settled on a delivery versus payment basis and held in safekeeping by an independent third-party

financial institution approved by the EDC.

All safekeeping arrangements shall be approved by the Investment Officers and an agreement of the terms executed in writing. The third-party safekeeping agent shall be required to issue safekeeping receipts to the EDC clearly indicating the ownership by or pledge to the EDC.

### **AUTHORIZED INVESTMENTS**

EDC funds may be invested only in the following instruments, as further defined by the Act. If changes are made to the authorized investments in the Act, they will not be authorized for EDC use until this Policy is amended and adopted by the EDC Board of Directors.

All investments will be made on a competitive basis. To the extent possible, the EDC will attempt to match its investments with anticipated cash flow requirements. The EDC portfolio will have a maximum weighted average maturity of six (6) months. At all times, liquid funds will represent no less than 10% of the portfolio to meet unanticipated liabilities.

1. Obligation of the United States, its agencies and instrumentalities, excluding mortgage backed securities and with a final stated maturity not to exceed two years.
2. Fully insured or collateralized certificates of deposit or term share certificate of any bank or credit union doing business in Texas with a stated maturity date not to exceed eighteen (18) months. Certificates of deposit may be purchased through the CDARS program with a bank in Texas.
3. AAA-rated, constant dollar local government investment pools which strive to maintain a stable \$1.00 net asset value and comply with SEC Rule 2a-7.
4. Fully collateralized repurchase agreements purchased through a primary government securities dealer, as defined by the Federal Reserve, with a stated maturity not to exceed six (6) months. A “flex” repurchase agreement may be used for bond proceeds beyond six (6) months but must not exceed the expenditure plan of the funds.
5. AAA-rated SEC registered money market mutual funds which strive to maintain a \$1 net asset value and comply with SEC Rule 2a-7.
6. Interest bearing accounts in any bank or credit union in Texas fully insured by FDIC / NCUA or collateralized in accordance with this Policy.
7. Fully FDIC-insured / NCUA-insured brokered certificate of deposit securities from banks in any state within the United States of America delivered versus payment to the EDC’s safekeeping depository, not to exceed one (1) year to maturity. Investment Officers must verify the FDIC / NCUA status of the bank on [www.2fdic.gov/idasp/main\\_bankfind.asp](http://www.2fdic.gov/idasp/main_bankfind.asp) or [www.ncua.gov](http://www.ncua.gov) to assure that the bank is FDIC / NCUA insured.

Any investment that requires a minimum rating by this Policy will not qualify as authorized during the period the investment does not have that minimum rating. Investment Officers shall

inform the Board of Directors and take all prudent measures to liquidate the downgraded investment in a reasonable time period if ratings have dropped.

Any investment purchased when the investment type was authorized by Policy need not be liquidated if the Policy is modified to un-authorize the investment. The Investment Officers will review the investment and act in a reasonable manner for the overall good of the portfolio(s).

### **Diversification**

The EDC's investments shall be diversified to eliminate risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. Maturities shall be staggered to avoid undue concentration of assets in a specific maturity sector and maturities selected shall provide for stability of income and reasonable liquidity. Laddered maturities shall be used based on the anticipated cash flow of funds.

### **INVESTMENT RESTRICTIONS AND PROHIBITED TRANSACTIONS**

To provide for the safety and liquidity of the EDC's funds, the following transactions are not authorized:

- a. Borrowing for re-investment purposes ("Leverage").
- b. Investment in any mortgage backed security, including inverse floaters, principal only securities, interest only securities, and floaters.
- c. Investment in any equity linked securities.
- d. Investment in options, futures, swaps, caps, floors, and collars.
- e. "When-issued" transactions in which securities not yet issued or acquired and sold for speculation purposes.

### **INVESTMENT REPORTING**

No less than quarterly, the Investment Officers shall jointly prepare, sign, and submit to the EDC Board of Directors a written quarterly investment report in accordance with the Act (2256.023). The report must include at a minimum:

- A detailed description of the investment position of the EDC on the date of the report;
- The book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested;
- A summary statement of each portfolio stating:
  - o Beginning and ending market value for the period,
  - o Beginning and ending amortized book value for the period,
  - o Change in market value for the period,
  - o The overall yield of the portfolio and the comparable period yield of the benchmark;
  - o The weighted average maturity, and
  - o The earnings for the period recognizing both accrued interest and net amortization;

- The maturity date of each separately invested asset;
- The maturity date of each separately invested asset that has a maturity date;
- The portfolio/fund for which each individual investment was acquired; and
- A statement of compliance to the Investment Policy and Strategy and the Act.

Market prices will be obtained from independent sources for the reports.

### **AUDIT**

The EDC, in conjunction with its annual financial audit, shall perform a compliance audit of management controls on investments and adherence to the EDC's Investment Policy.

If the EDC has invested in other than money market funds, investment pools, and certificates of deposit, the quarterly investment reports shall be formally reviewed by the EDC's independent auditor. The result of this review shall be submitted to the EDC Board of Directors with the annual financial audit.

### **POLICY ADOPTION**

The EDC Investment Policy and Investment Strategy shall be reviewed and adopted by the EDC Board of Directors no less than annually. Any changes to the Policy or Strategy shall be recorded in the adopting resolution.

**CITY OF HELOTES**  
**ECONOMIC DEVELOPMENT CORPORATION**

**BROKER / DEALER QUESTIONNAIRE**

Name of Firm: \_\_\_\_\_  
CRD #: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Primary Representative on account: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
E-Mail: \_\_\_\_\_  
CRD# \_\_\_\_\_

Backup representative or trading assistant: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
E-mail: \_\_\_\_\_

Branch Manager: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

Is the firm designated as a Primary Dealer by the Federal Reserve?  
Yes \_\_\_\_\_ No \_\_\_\_\_

Is the firm registered with the Texas State Securities Board?  
Yes \_\_\_\_\_ No \_\_\_\_\_

Is the firm and representative registered with FINRA?  
Yes \_\_\_\_\_ No \_\_\_\_\_

How long has the designated representative been an institutional fixed income broker at this firm? \_\_\_\_\_ Years in total? \_\_\_\_\_

What market sectors does the account representative specialize in?  
\_\_\_\_\_  
\_\_\_\_\_

Delivery instructions: \_\_\_\_\_  
\_\_\_\_\_



**All transactions will be completed delivery versus payment.**

BROKER / DEALER QUESTIONNAIRE

*Page 2 – To be completed only by Non-Primary Dealers*

Name of Firm: \_\_\_\_\_  
CRD #: \_\_\_\_\_

Years in business at this location: \_\_\_\_\_  
Total years in business: \_\_\_\_\_

Indicate the approximate sales volume in the following sectors for the previous year:

US Treasuries - \_\_\_\_\_  
Repo - \_\_\_\_\_  
US Agencies - \_\_\_\_\_  
MBS - \_\_\_\_\_  
CP - \_\_\_\_\_  
Other? - \_\_\_\_\_

Has your firm, or this account representative, been subject to a regulatory agency, state of \_\_\_\_\_, or federal investigation for alleged improper, disreputable, unfair, [or] fraudulent activities related to the sale of securities or money market instruments in the past five years? Are there any outstanding claims? If yes, please explain:

Please attach a sample of your standard confirmation to be provided to clients. Please provide the firm's most recent audited financial statements (Required annually).

What portfolio information do you require from your clients?  
\_\_\_\_\_  
\_\_\_\_\_

What research information will you be providing on a regular basis?  
\_\_\_\_\_  
\_\_\_\_\_

Attached is our Investment Policy. The representatives assigned to the account must acknowledge that they have received, read, and understood the Policy by completing the attached Policy Certification form.

**POLICY CERTIFICATION FORM**  
as required by Texas Government Code 2256.005 (k)

**CITY OF HELOTES**  
**ECONOMIC DEVELOPMENT CORPORATION**

\_\_\_\_\_ (the "Firm")

I, as an authorized representative for the Firm named above, hereby certify that I and the broker covering this account, have received and reviewed the Investment Policy of the EDC.

We acknowledge that this firm has implemented reasonable internal procedures and controls in an effort to preclude investment transactions conducted between this Firm and the EDC that are not authorized by the EDC's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the EDC's entire portfolio or requires an interpretation of subjective investment standards.

Firm: \_\_\_\_\_

Signature \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**City of Helotes EDC**  
**AGENDA ITEM REQUEST FORM**  
**DATE: September 16, 2020**

**Agenda Placement:**  **CONSENT**  
 **INDIVIDUAL**  
 **PRESENTATION**  
 **CLOSED**

**CAPTION:**

Approval of a Resolution of the Board of Directors of the City of Helotes Economic Development Corporation (EDC) designating Investment Officers for public investment purposes; authorizing the Executive Director to take all necessary steps to implement the provisions of this Resolution; incorporating recitals; providing for severability; and adopting an effective date. (Staff)

**BACKGROUND:**

The Public Funds Investment Act requires governmental bodies to annually review and adopt municipal investment policies, strategies, and related documents prior to the commencement of each fiscal year.

The City's Investment Policy and Strategy designates that the City Administrator and City Treasurer shall act as the Investment Officers for the City and EDC; however, the Act requires that Investment Officers be appointed by name, as well.

**FINANCIAL:** N/A

**ATTACHMENTS:**

Attachment A – Resolution

**SUBMITTED BY:** Staff

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION (EDC) DESIGNATING INVESTMENT OFFICER(S) FOR PUBLIC INVESTMENT PURPOSES; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION; INCORPORATING RECITALS; PROVIDING FOR SEVERABILITY; AND ADOPTING AN EFFECTIVE DATE.**

**WHEREAS**, the Public Funds Investment Act, codified in the Texas Government Code Chapter 2256, governs local government investment; and

**WHEREAS**, the EDC intends to fulfill the requirements of the Public Funds Investment Act in order to secure the safety of its funds; and

**WHEREAS**, the Public Funds Investment Act (Section 2256.005f) states that:

Each investing entity shall designate, by rule, order, ordinance, or resolution, as appropriate, one or more officers as investment officer(s) to be responsible for the investment of its funds consistent with the adopted Investment Policy and Investment Strategy. Authority granted to a person to invest an entity's funds is effective until rescinded by the Board of Directors or until the expiration of the officer's term or termination of employment.

In the administration of the duties of an Investment Officer, the Officer shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs, but the Board of Directors retains ultimate responsibility as fiduciaries of the assets. The Investment Officer(s) may deposit, withdraw, transfer, or manage the funds in any other manner; and

**WHEREAS**, the Public Funds Investment Act and the EDC's Investment Policy require the Investment Officer(s) to perform certain duties and report regularly to the Board of Directors on the investment program.

**NOW, THEREFORE, BE IT RESOLVED that:**

**Section One. Designation of Investment Officer(s).** The EDC has complied with the requirements of the Public Funds Investment Act and its Investment Policy and designates the following individuals to serve as Investment Officers:

Tabitha "Taby" Durr, City Treasurer

to exercise the judgment and care, under circumstances then prevailing, that a prudent person would exercise in the management of the person's own affairs and to perform all requirements of the Act.

**Section Two. Assignment of Responsibility.** The aforementioned Investment Officer(s) are hereby assigned the responsibility for the investment, management, and safekeeping of all funds, regardless of their source or form, at all times.

**Section Three. Authorization.** The Executive Director is hereby authorized to take all necessary steps to implement the provisions of this Resolution.

**Section Four. Effective Date.** This Resolution shall take effect immediately upon its adoption.

**Section Five. Recitals.** The Board of Directors finds all of the above recitals to be true and correct and incorporates the same in this Resolution as findings of fact.

**Section Six. Severability.** If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held to be unconstitutional or illegal, such decision shall not affect the validity of the remaining sections of this Resolution. The Board of Directors hereby declares that it would have passed this Resolution, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared void.

**PASSED, ADOPTED, AND APPROVED** by the EDC Board of Directors this the 16<sup>th</sup> day of September 2020.

**APPROVED:**

\_\_\_\_\_  
Marian Mendoza, Executive Director

**ATTEST:**

\_\_\_\_\_  
Glenn Goolsby, Asst. Director



**City of Helotes EDC**  
**AGENDA ITEM REQUEST FORM**  
**DATE: September 16, 2020**

**Agenda Placement:**  **CONSENT**  
 **INDIVIDUAL**  
 **PRESENTATION**  
 **CLOSED**

**CAPTION:**

Approval of a Resolution of the Board of Directors of the City of Helotes Economic Development Corporation (EDC) approving a list of approved brokers/ dealers for public investment purposes; authorizing the Executive Director to take all necessary steps to implement the provisions of this Resolution; incorporating recitals; providing for severability; and adopting an effective date. (Staff)

**BACKGROUND:**

The Public Funds Investment Act requires governmental bodies to annually review and adopt municipal investment policies, strategies, and related documents prior to the commencement of each fiscal year.

The proposed Authorized Broker / Dealer List Resolution for FYE 2021 has not been amended.

The EDC's Investment Policy requires Investment Officers to annually provide a list of not less than three (3) brokers / dealers for Board approval. Brokers / dealers must be authorized before transactions are made, and all brokers / dealers who desire to become qualified for investment transactions are required to supply the following information:

- i. Annual audited financial statements;
- ii. Proof of Financial Industry Regulatory Authority (FINRA) certification;
- iii. FINRA CRD registration number;
- iv. Proof of Texas state registration; and
- v. A completed EDC questionnaire.

Although the EDC is under no obligation to transact business with any financial institution or firm, the EDC is barred from purchasing securities, such as Treasuries, until the Board of Directors authorizes certain brokers / dealers. Patterson & Associates, the EDC's financial advisor, recommends the following brokers / dealers for Board approval:



- Loop Capital,
- Raymond James,
- Stifel Nicolaus, and
- Wells Fargo.

**FINANCIAL:** N/A

**ATTACHMENTS:**

Attachment A – Resolution

**SUBMITTED BY:** Staff

## RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION (EDC) APPROVING A LIST OF APPROVED BROKERS / DEALERS FOR PUBLIC INVESTMENT PURPOSES; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION; INCORPORATING RECITALS; PROVIDING FOR SEVERABILITY; AND ADOPTING AN EFFECTIVE DATE.**

**WHEREAS**, the Public Funds Investment Act governs local government investments;  
and

**WHEREAS**, the Public Funds Investment Act requires the governing body, no less than annually, to review, revise, and adopt a list of qualified broker/dealers which are authorized to engage in investment transactions with the EDC; and

**WHEREAS**, the following brokers/dealers are recommended for approval and will be sent a copy of the EDC Investment Policy for written certification of their review in accordance with the Act and the Investment Policy.

**NOW, THEREFORE, BE IT RESOLVED that:**

**Section One. Approval.** The following entities are authorized as brokers / dealers for the EDC:

- Loop Capital,
- Stifel Nicolaus, and
- Raymond James,
- Wells Fargo.

**Section Two. Banking Institutions.** In accordance with the EDC Investment Policy, any qualified Texas bank used for time or demand deposits may be approved by the Investment Officers, as identified through the competitive process, without further Board of Directors action.

**Section Three. Compliance.** The EDC has complied with the requirements of the Public Funds Investment Act, and the list of authorized brokers/dealers is hereby adopted.

**Section Four. Authorization.** The Executive Director is hereby authorized to take all necessary steps to implement the provisions of this Resolution.

**Section Five. Effective Date.** This Resolution shall take effect immediately upon its adoption.

**Section Six. Recitals.** The Board of Directors finds all of the above recitals to be true and correct and incorporates the same in this Resolution as findings of fact.



**Section Seven. Severability.** If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held to be unconstitutional or illegal, such decision shall not affect the validity of the remaining sections of this Resolution. The Board of Directors hereby declares that it would have passed this Resolution, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared void.

**PASSED, ADOPTED, AND APPROVED** by the EDC Board of Directors this the 16<sup>th</sup> day of September 2020.

**APPROVED:**

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Marian Mendoza  
Executive Director

**ATTEST:**

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Glenn Goolsby  
Asst. Director



**City of Helotes EDC**  
**AGENDA ITEM REQUEST FORM**  
**DATE: September 16, 2020**

**Agenda Placement:**  **CONSENT**  
 **INDIVIDUAL**  
 **PRESENTATION**  
 **CLOSED**

**CAPTION:**

Discussion of and action on renewal of a Lease Agreement for Helotes Economic Development Corporation (HEDC) office space located at 12682 F.M. 1560 West, Suite 105, Helotes, Texas between the Helotes EDC and E. Deptuch and Son #1 LLC. (Staff)

**BACKGROUND:**

HEDC entered into a lease agreement with E. Deptuch and Son #1 LLC, for the current office space, for a three (3) term commencing on December 1, 2017 and ending on November 30, 2020. The original lease agreement designated the base monthly rental rate at \$700 per month for the first year, \$800 per month for the second year, and \$900 per month for the third year.

A second lease agreement for a three (3) year term has been negotiated with the following rates:

- First year: December 1, 2020 to November 30, 2021 - \$1,000/month
- Second year: December 1, 2021 to November 30, 2022 - \$1,100/month
- Third year: December 1, 2022 to November 30, 2023 - \$1,200/month

**FINANCIAL:**

FYE 2021: \$1,000 per month x 12 = \$12,000 annually

FYE 2022: \$1,100 per month x 12 = \$13,200 annually

FYE 2023: \$1,200 per month x 12 = \$14,400 annually

**ATTACHMENTS:**

Attachment A – Original EDC Shopping Center Lease Agreement

Attachment B – EDC Shopping Center Lease Agreement - Extension

Attachment C - Resolution

**SUBMITTED BY:** Glenn Goolsby, Assistant Director

## Shopping Center Lease

This Lease Agreement (the "Lease") is executed on this 1<sup>st</sup> day of December, 2017 by and between *Douglas B. Deptuch, as Manager for E. Deptuch and Son #1 LLC* (the "Landlord"), and the *City of Helotes Economic Development Corporation* (the "Tenant").

### Section 1

#### Premises

Landlord hereby leases unto Tenant and Tenant hereby leases from Landlord, subject to the terms of this Lease, approximately 1,000 square feet of space (the "Premises") out of 14,000 square feet of total leasable space in the Shopping Center (the "Center"), located at 12682 F.M. 1560 West, Suite 105, Helotes, Texas 78023.

### Section 2

#### Term

21 Commencement. The term of this Lease shall commence upon the earlier of (i) the date on which the Tenant begins occupancy of the Premises, or (ii) three (3) days after notice to the Tenant as to substantial completion of the Premises and leasehold improvements constructed in accordance with the requirements of Section 4 issued by the Landlord (the "Commencement Date"). Tenant shall install all trade fixtures (new or completely reconditioned) and equipment, and open for business within thirty (30) days after the commencement date. Occupancy of all or any part of the Premises by the Tenant shall constitute acceptance of the Premises in all respects.

22 Term. The term of this Lease shall continue for twelve (12) calendar months, plus the first partial calendar month, if any, following the Commencement Date. The Lease Term shall automatically renew for successive twelve (12) calendar months, unless terminated by either Party with ninety (90) days written notice to the other Party.

### Section 3

#### Rent

3.1 Monthly Rent. Following the Commencement Date, Tenant agrees to pay Landlord on or before the first (1<sup>st</sup>) day of every calendar month, without deduction, offset, prior notice, or demand, the amounts designated hereafter as the "Base Monthly Rental":

December, 2017 through November, 2018	\$ 700.00
December, 2018 through November, 2019	\$ 800.00
December, 2019 through November, 2020	\$ 900.00

If the Commencement Date shall be a date other than the first (1<sup>st</sup>) of a calendar month, the rental set forth above shall be prorated to the end of that calendar month, and all succeeding

installments of rent shall be payable on or before the first (1<sup>st</sup>) day of each succeeding calendar month during the demised term.

32 Late Payments. All rents are due and payable on or before the first (1<sup>st</sup>) day of each month. If rent is not paid by the fifth (5<sup>th</sup>) day of the month, Tenant shall pay a late charge in an amount equal to five percent (5%) of the monthly rent, plus an amount equal to one percent (1%) of the monthly rent for each day thereafter until the monthly rent is paid. Tenant shall also pay \$25.00 for each returned check.

33 Advance Retail. Upon the execution of this Lease, Tenant agrees to pay \$0.00, representing the Base Monthly Rent for the first (1<sup>st</sup>) month of the term of this Lease.

34 Security Deposit. Upon the execution of this Lease, Tenant shall make a Security Deposit in an amount equal to the Base Monthly Rent for one (1) month to be held for the performance by Tenant of Tenant's covenants and obligations under this Lease, it being expressly understood that the deposit shall not be considered an advance payment of rent or a measure of Landlord's damage in the event of default by Tenant. Landlord may commingle said deposit with other funds. Upon the occurrence of any event of default by Tenant, or breach of Tenant's covenants under this Lease, Landlord may, from time to time, without prejudice to any other remedy, use the security deposit to the extent necessary to make good any arrears of rent and/or damage, injury, expense, or liability caused to Landlord by the event of default or breach of covenant, any remaining balance of the Security Deposit to be recurred by Landlord to Tenant upon termination of this Lease.

35 Place of Payment. All payments Tenant shall be obligated to make under the terms of this Lease are to be made at the place Landlord may, from time to time, designate. As of the date of this Lease, all such payments shall be made and directed to:

*E. Deptuch and Son #1 LLC  
14903 Circle J Trail  
Helotes, Texas 78023  
(210) 771-3741*

#### **Section 4**

#### **Leasehold Improvements**

In the event Landlord shall, by agreement between the Parties hereto, undertake to construct leasehold improvements within the Premises, such leasehold improvements shall be built in substantial accordance with preliminary plans and specifications to be agreed to by each party, copies of which plans and specifications together with a floor plan showing their approximate location within the Premises, shall then be initialed and considered to be a part of this Lease for all intents and purposes. Such plans and specifications must be agreed to, if at all, prior to commencement of construction of the premises.

## **Section 5**

### **Use**

The Premises are taken by Tenant under the terms of this Lease for use and occupancy as corporate office space. Tenant shall not use the premises for any other purpose, or in any manner that could increase risks covered by insurance or cause cancellation of any insurance, on the Center. Tenant shall comply with all laws, ordinances, orders, rules and regulations relating to the business of Tenant. Tenant agrees to operate its business in an efficient and reputable manner on all days and during all hours established by Landlord, from time to time, as store hours for the Center.

Tenant shall not, without Landlord's prior written consent conduct within the Premises any fire, auction, or bankruptcy sales; nor permit any objectionable or unpleasant odors to emanate from the Premises; nor place or permit any radio, television, other antenna, loud speaker, or amplifier on the roof or outside the premises; nor take any other action which would disturb or endanger other Tenants of the Center or interfere with the use of their respective premises.

Tenant shall take good care of the Premises and keep same free from waste or nuisance at all times. Tenant shall keep the premises, including show windows, signs, sidewalks, service ways, and loading areas adjacent to the Premises neat, clean, and free from dirt and rubbish at all times, and shall store all trash and garbage within the Premises, arranging for the regular pick-up of such trash and garbage at Tenant's expense. Receiving and delivery of goods and merchandise and removal of garbage and trash shall be made only by way of the service entrance, if any, and subject to such rules and regulations as Landlord may, from time to time, prescribe. Tenant shall not operate an incinerator or burn trash or garbage within the center area.

## **Section 6**

### **Utilities**

Tenant shall be responsible for and promptly pay all charges for all utility services to the premise, limited to electricity, telephone, internet, and custodial services. Tenant shall also provide all replacement light bulbs and tubes, and the Tenant shall be responsible for all HVAC maintenance and repair. In no event shall Landlord be liable for any interruption or failure of utility service to the Premises.

## **Section 7**

### **Maintenance**

7.1 Landlord's Obligations. Landlord shall, at its sole expense, maintain the roof, the exterior walls, and the foundation of the Premises, reasonable wear and tear and events covered by the destruction provisions hereof excepted. The term "exterior walls" shall not include windows, glass or plate glass, doors, frames, mullions or gaskets, special storefronts, or signs.

Provided, however, Tenant shall repair or pay for any damages caused by the negligence of Tenant, its employees, contractors, agents, suppliers, customers, or invitees. In the event the Premises shall become in need of repairs required to be made by Landlord, the Landlord shall not be responsible in any way for failure to make any such repairs until a reasonable time shall have elapsed after delivery of such written notice.

72 **Tenant's Obligations.** Tenant shall, at Tenant's sole cost and expense, maintain and repair all other parts of the Premises, excepting only those required to be made by Landlord under the provisions of 7.1 above. Tenant's responsibilities also include the repair and replacement of all lighting, heating, air conditioning, plumbing, and other electrical, mechanical, and electromotive installations, equipment, and fixtures and all utility repairs in ducts, conduits, pipes and wiring, and any sewer stoppage, located in, under, or above the Premises.

If any repairs required to be made by Tenant are not made within fifteen (15) days after written notice delivered by Landlord to Tenant, Landlord may, at its option, make such repairs without its stock or business by reason of such repairs, and Tenant shall pay to Landlord, upon demand, the cost of such repairs, plus interest at the highest rate permitted by law from date of payment by Landlord until repaid by Tenant.

73 **Surrender of Possession.** Upon any termination of this Lease, Tenant shall surrender the Premises in a condition and repair similar to their original condition and repair, reasonable wear and tear and events of destruction excepted, and surrender all keys for the Premises to the Landlord at the place then fixed for the payment of rent.

## **Section 8**

### **Insurance**

8.1 **Tenant Insurance Obligations.** Tenant, at its sole cost and expense, shall be responsible for Worker's Compensation, Fire, and Casualty Insurance on Tenant's property in or about the leased Premises. Tenant, at its sole cost and expense, shall be responsible for Public Liability and Property Damage Insurance with respective limits of \$300,000 and \$50,000 per occurrence. All insurance policies required by Tenant shall be issued by insurance companies certified to do business by the State of Texas and its regulatory bodies, and shall include both Landlord and Tenant as parties insured. Certificates of insurance shall be delivered to Landlord within ten (10) days after the Commencement Date. All policies must provide for twenty (20) days written notice to Landlord prior to cancellation or any changes in coverage.

82 **Indemnification of Landlord.** Tenant agrees to add Landlord as an additional insured for injury to persons or damage to property in, upon, or about the leased Premises.

83 **Indemnification of Tenant.** Landlord agrees to indemnify and hold Tenant harmless for any and all loss, damage, and expense occasioned by or arising out of claims for injury to persons or damage to property in, upon, or about the leased Premises caused by or contributed to by the willful or negligent acts or omissions of Landlord or of any person acting on Landlord's behalf, and to defend on behalf of Tenant any suit brought against Tenant for any

such loss or injury.

84 **Waiver of Subrogation.** Landlord and Tenant each waive any and all right to recover, claim, action, or cause of action against the other, its agents, directors, officers, or employees, for any loss or damage to the Premises, or any improvements thereto, or the Building, or any personal property therein, by reason of fire, the elements, or any other cause which could be insured against under the terms of their policies, regardless of cause or origin, including negligence of the other party, its agents, directors, officers, or employees, and covenants that no insurer shall hold any right of subrogation against such other party. All insurance policies shall include a subrogative endorsement.

## **Section 9**

### **Alterations and Fixtures**

91 **Prior Consent.** Tenant shall not make any alterations, improvements, modifications, or additions to the Premises without the prior written consent of Landlord. Landlord shall have the sole and exclusive right to approve or disapprove proposed plans and specifications for such alterations, improvements, modifications, or additions that the contractor and Tenant proposes to employ. All structural alterations, improvements, modifications, or additions shall become and remain the property of Landlord at the termination of this Lease.

92 **Trade Fixtures.** All trade fixtures and furnishings installed by Tenant may be removed by Tenant, or may be required to be removed by Landlord, prior to the expiration of this Lease. Tenant shall repair, at its sole expense, any damage to the walls, ceilings or other portion of the Premise caused thereby.

93 **Mechanic's Liens.** With respect to any construction, repairs, or maintenance performed by Tenant or its contractors or agents, Tenant agrees to indemnify and hold Landlord harmless from and against any mechanic's, materialman's, or other lien which may at any time be filed or claimed against the Center or Landlord.

## **Section 10**

### **Signs and Graphics**

Landlord shall have the sole and exclusive right to approve or disapprove the color, content, design, size, location, and Tenant's contractor with respect to any and all interior and/or exterior signs, graphics, window advertising, or window covering installed, erected, attached, or maintained on the interior or exterior of the Premises, Center, or Site. Landlord's written approval is required prior to installation.

## **Section 11**

### **Assignment and Subletting**

11.1 **Landlord Rights.** Landlord expressly reserves the right to assign any or all of its interest in this Lease. Tenant agrees to look solely to Landlord's successor in interest.

11.2 **Tenant Rights.** Tenant shall not assign or encumber its interest in this Lease, nor sublet the whole or any part of the Premises, without Landlord's prior written consent. Any attempted assignment, encumbrance, or subletting, without such consent, shall be void and shall, at Landlord's option, terminate this Lease.

## **Section 12**

### **Right of Access**

Landlord, its agents, or representatives, shall have the right to enter the Premises at all reasonable times to examine the same and to make such repairs, alterations, improvements, or additions, as Landlord may deem necessary or desirable, and Landlord shall be allowed to take all materials into and upon the Premises that may be required therefore without the same constituting an eviction of Tenant, actual or constructive, and the rent shall not abate while such repairs, alterations, improvements, or additions are being made.

## **Section 13**

### **Holding Over**

Should Tenant remain in possession of the Premises, or any part thereof, after termination of this Lease (whether by the expiration of the term of this Lease or otherwise) without the execution of a new lease by Landlord and Tenant, Tenant, at the option of Landlord, shall become a tenant from month-to-month of the Premises, or part thereof occupied, at one and one half (1.50) of the current Base Monthly Rent and under all other terms, conditions, provisions, and obligations of this Lease insofar as the same are applicable to a tenancy from month-to-month.

## **Section 14**

### **Landlord's Remedies**

14.1 **Events of Default.** The occurrence of one or more of the following events shall constitute a default pursuant to the terms of this Lease: (i) the failure of Tenant to comply with or to observe any terms, provisions, or conditions of this Lease performable by and obligatory upon Tenant, excluding the rent provisions hereof, within fifteen (15) days after written notice by Landlord; (ii) the failure of Tenant to pay to Landlord any monthly installment of Base Monthly Rent or any other monetary charge due from Tenant hereunder when due; (iii) the assignment of this Lease or subleasing of the Premises by Tenant without the prior written approval of Landlord; (iv) the taking of Tenant's leasehold estate by execution or other process of law; (v)



the judicial declaration of Tenant as bankrupt or insolvent according to law or an assignment of a substantial part of Tenant's property for the benefit of creditors; (vi) the appointment of a receiver, guardian, conservator, or trustee in involuntary reorganization or arrangement or bankruptcy of Tenant pursuant to any provision of the Bankruptcy Act without subsequent dismissal thereof within thirty (30) days; or (viii) the vacating of the Premises by Tenant or a failure by Tenant to operate its business for more than fifteen (15) days for any reason other than destruction or condemnation.

14.2 Remedies. Upon the occurrence of any event of default enumerated in Section 14.1 hereof, Landlord shall have the option of: (i) terminating this Lease by written notice thereof to Tenant, or (ii) continuing this Lease in full force and effect, or (iii) curing the default of Tenant, or (iv) pursuing any other remedy to which it may be entitled by law.

(i) In the event Landlord shall elect to terminate this Lease, upon written notice to Tenant, this Lease shall be ended as to Tenant and all persons holding under Tenant, and all Tenant's rights shall be forfeited and lapsed, as fully as if this Lease had expired by lapse of Time. In such event Tenant shall be required immediately to vacate the Premises. Tenant will be liable for and will pay to Landlord the sum of all rental and other payments owed to Landlord under this Lease accrued to the date of termination, plus as liquidated damages, an amount equal to (i) the present value of the total rental and other payments owed hereunder for the remaining portion of the Term, calculated as if the Term expired on the date set forth in Paragraph 2.2 (as extended, if applicable), less (ii) the present value (determined using a discount rate of eight percent (8%) per annum) of the rental for the Premises for such period.

(ii) In the event that Landlord shall elect to continue this lease in full force and effect, Tenant shall continue to be liable for all rents. Landlord shall nevertheless have all the rights of re-entry upon the Premises without becoming liable for damages, or guilty of trespass and Landlord may re-let the Premises, or any part thereof, to a substitute tenant or tenants, for a period of time equal to or lesser or greater than the remainder of the Lease term on whatever terms and conditions Landlord, at Landlord's sole discretion, deems advisable. Against the rents and sums due from Tenant to Landlord during the remainder of the term, credit shall be given Tenant in the new amount of rent received from the new tenant after deduction by Landlord for: (a) reasonable costs incurred by Landlord in re-letting the Premises (including, without limitation, remodeling costs, brokerage fees, legal fees, and the like), (b) the accrued sums, plus interest, and late charges if in arrears, under the terms of this Lease, (c) Landlord's cost of recovering possession of the Premises, and (d) the cost of storing any of Tenant's property left on the Premises after re-entry. Notwithstanding any provision in this Section 14.2 (ii) to the contrary, upon default of any substitute tenant or upon the expiration of the Lease term hereof, Landlord may, at Landlord's election, either re-let to still another substitute tenant, or terminate this Lease and exercise its rights under Section 14.2 (i) hereof.

(iii) In the event that Landlord shall elect to cure the default of Tenant, all sums expended by Landlord effecting such cure, plus fifteen percent (15%) of such amount to cover overhead, plus interest at the maximum rate then permitted by law, shall be due and payable with the next monthly installment of rent. Such sum shall constitute Additional Rental hereunder, and failure to pay such sums when due shall enable Landlord to exercise all of its remedies under this Lease.

14.3 **Attorney's Fees.** In the event either party defaults in the performance of any of the terms, covenants, agreements, or conditions contained in this Lease and the other party hereto places the enforcement of this Lease, or any part thereof, or the collection of any rent or charge due, or to become due, or the recovery or possession of the Premises, in the hands of attorneys, or files suit upon the same, the parties agree that each shall be responsible for its own attorneys' and legal fees, including court costs.

14.4 **Waiver.** Failure on the part of Landlord to complain of any action or non-action on the part of Tenant, no matter how long the same may continue, shall never be deemed to be a waiver by Landlord of any of his rights hereunder. Further, it is covenanted and agreed that no waiver at any time of any of the provisions hereof by Landlord shall be construed as a waiver of any of the other provisions hereof and that a waiver at any time of any of the provisions hereof shall not be construed as a consent or approval by Landlord to or of any action by Tenant requiring Landlord's consent or approval and shall not be deemed to waive or render unnecessary Landlord's covenant or approval to or of any subsequent similar act by Tenant.

14.5 **Landlord's Lien.** In addition to any statutory Landlord's Lien, Landlord shall have and Tenant hereby grants to Landlord a continuing security interest for all rentals and other monies becoming due hereunder from Tenant, upon all goods, wares, equipment, fixtures, furniture, improvements, and other personal property of Tenant presently or which may hereafter be situated on the Premises, and all proceeds therefrom. Such property shall not be removed therefrom without the consent of Landlord until all arrearages in rent as well as any and all other sums of money then due Landlord hereunder shall first have been paid and discharged and all provisions hereof have been fully complied with and performed by Tenant. In the event of default under this Lease, Landlord shall have, in addition to any other remedies herein or by law, all rights and remedies under the Uniform Commercial Code, including without limitation the right to sell the property described in this paragraph at public or private sale upon five (5) days notice to Tenant. Tenant hereby agrees to execute such financing statements and other instruments necessary or desirable in Landlord's discretion to perfect the security interest hereby created. The statutory lien for rent is not hereby waived, the security interest herein granted being in addition and supplementary thereto.

## **Section 15**

### **Subordination**

15.1 **Subordination.** This Lease shall be subject and subordinate to any mortgages or deeds of trust that may have been placed or may be hereinafter placed upon the Premises by Landlord and to any advances to be made thereunder, and to any interest thereon, and all renewals, replacements and extensions thereof. Provided, however, that any mortgagee or trustee may elect by written notification to give the rights and interests of Tenant under this Lease priority over the lien of its mortgage or deed of trust. In the event of foreclosure of trustee's sale thereunder, the purchaser of Landlord's interest shall become Landlord hereunder. Tenant shall, in the event any proceedings are brought for foreclosure of the Premises, or the power of sale under any mortgage made by Landlord covering the Premises is exercised, attorney

to the purchaser (at the option of said purchaser, and not otherwise) upon any such foreclosure or sale and recognize such purchaser as the Landlord under this Lease. Tenant shall, at Landlord's request, execute an estoppel certificate if required by any mortgagee.

## **Section 16**

### **Sale by Landlord**

Landlord shall have the right to sell, transfer, or assign its interest hereunder or any part thereof without the prior consent of Tenant. After such sale, transfer or assignment, Tenant shall attorn to such purchaser, transferee, or assignee, and Landlord shall be released of all obligations hereunder after the effective date of such sale, transfer or assignment.

## **Section 17**

### **Destruction**

17.1 Landlord's Obligations. (i) In the event the Premises shall be damaged by fire or other casualty, but shall not be rendered un-tenantable in whole or in part, regardless of the time remaining in the term of this Lease, Landlord shall, at its own expense, cause such damage to be repaired, and the rent shall not be abated. (ii) If the Premises shall be rendered partially un-tenantable, unless the damage occurs within the last one (1) year of the term of this Lease, Landlord shall, at its own expense, cause the damage to be repaired, and the Base Monthly Rental shall be abated proportionately as to the portion of the Premises rendered un-tenantable. If, however, the damage occurs within the last one (1) year of the term of this Lease, Landlord may, at its option, cause such damage to be repaired or terminate this Lease by giving Tenant written notice of termination within thirty (30) days from the date of such occurrence, and in the event of such termination, rent shall be adjusted as of the date of such occurrence. (iii) If the Premises shall be rendered wholly un-tenantable by reason of such occurrence, regardless of the time remaining in the term of such Lease, Landlord may at its own cost and expense cause such damage to be required, and the Base Monthly Rental shall abate until the Premises have been restored and rendered tenantable, or Landlord may at its election terminate this Lease by giving Tenant written notice of termination within thirty (30) days from the date of such occurrence, and in the event of such termination, rent shall be adjusted as of the date of such occurrence. (iv) If the Building shall be damaged to such an extent that Landlord shall determine demolition of the Building to be appropriate, or Landlord's mortgagee requires application of the insurance proceeds to any mortgage debt, then notwithstanding anything to the contrary contained above, and whether or not the Premises have been damaged, Landlord may at its election terminate this Lease by giving Tenant written notice of termination, in which event rent shall be adjusted as of the date of termination. Landlord shall not be obligated to commence any repair, restoration, or rebuilding until insurance proceeds are received by Landlord, and Landlord's obligation shall be limited to the proceeds received by Landlord under its insurance policy.

17.2 Tenant's Obligations. Tenant shall give written notice to Landlord of any damage caused to the Premises by fire or other casualty within twenty-four (24) hours after any such occurrence. Tenant agrees to promptly proceed, at Tenant's sole cost and expense, to restore,

repair, and replace all alterations, additions, improvements, fixtures, signs, and equipment installed by Tenant, and promptly reopen for business, after Landlord substantially completes any repairs or restoration undertaken by Landlord.

## **Section 18**

### **Eminent Domain**

18.1 **Total or Substantial Taking.** In the event all or a substantial part of the Premises or Center shall be taken for any public or quasi-public purpose under any law, ordinance, regulation, or by right of eminent domain, or shall be sold to the condemning authority under threat of condemnation, this Lease shall terminate and rent shall abate as of the date the Premises are taken by the condemning authority.

18.2 **Partial Taking.** If less than all or a substantial part of the Premises or Center are taken in the manner prescribed in 18.1, and the remaining portion of the Premises are reasonably suitable for the purposes leased, Landlord shall restore and reconstruct for the building and other improvements at its expense, and the rent payable hereunder shall be adjusted equitably.

18.3 **Awards.** Landlord and Tenant shall each be entitled to receive and retain such separate awards and portion of lump sum awards as may be allocated to their respective interests in any condemnation proceedings.

## **Section 19**

### **Force Majeure**

In the event Landlord shall be delayed, hindered or prevented from the performance of any act required hereunder by reason of acts of God, strikes, lockouts, labor disputes, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war or other cause not within the reasonable control of Landlord, then the performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

## **Section 20**

### **Parking**

Landlord reserves the right, from time to time, to designate parking areas for Tenant and its employees' vehicles, and to change such designated areas, in Landlord's sole discretion, as Landlord deems beneficial to the operation of the Center. Tenant agrees that it will employ its best efforts to prevent parking by Tenant and its employees in non-designated areas. Landlord reserves the right to promulgate rules and regulations for the use of all parking areas at any time during the term of this Lease.

## Section 21

### Interpretive Provision

21.1 Notice. Any notice, request, approval, consent, or other communication required or contemplated by this Lease must be in writing, and may, unless otherwise in this Lease expressly provided, be given or be served by depositing the same in the United States Postal Service, post-paid and certified and addressed to the party to be notified, with return receipt requested, or by delivering the same in person to such party (or, in the case of a corporate party, to an officer of such party), or by prepaid telegram, when appropriate, addressed to the party to be notified. Notice deposited in the mail in the manner here in described shall be effective from and after two (2) days (exclusive of Saturdays, Sundays and postal holidays) after such deposit. Notice given in any other manner shall be effective only if and when delivered to the party to be notified or at such party's address for purposes of notice as set forth herein. For purposes of notice the addresses of the parties shall, until changed as herein provided, be as follows:

For Landlord:            *Douglas B. Deptuch, as Manager for E. Deptuch and Son # 1 LLC*  
                                  *14903 Circle J. Trail*  
                                  *Helotes, Texas 78023*  
                                  *(210) 771-3741*

For Tenant:             *City of Helotes Economic Development Corporation*  
                                  *P.O. Box 507*  
                                  *Helotes, Texas 78023*  
                                  *(210) 695-8877*

However, the parties hereto shall have the right from time to time to change their respective addresses by giving at least fifteen (15) days written notice to the other party.

21.2 Captions. The title captions appearing in this Lease are inserted and included solely for convenience and shall never be considered or given any effect in construing this Lease, or any provision or provisions hereof, or in connection with the duties, obligations or liabilities of the respective parties hereto or in ascertaining intent, if any question of intent exists.

21.3 Entire Contract; Amendment. It is expressly agreed by Tenant, as a material consideration for the execution of this Lease, that this Lease, including written extrinsic documents referred to herein, is the entire agreement of the parties, and that there are, and have been no verbal representations, understandings, stipulations, agreements or promises pertaining to this Lease or the expressly mentioned written extrinsic documents not incorporated in writing in this Lease. It is likewise agreed that this Lease may not be altered, amended or extended except by an instrument in writing signed by both Landlord and Tenant.

21.4 No Personal Liability. Tenant agrees to look solely to Landlord's interest in the Premises for recovery of any judgment from Landlord and in no event shall Landlord ever be personally liable for such judgment.

21.5 Severability. If any term or provision of this Lease, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and enforced to the fullest extent permitted bylaw.

21.6 Successors and Assigns. Subject to the provisions of Section 11 and 16 of this Lease, all covenants and obligations as contained within this Lease shall bind and extend and inure to the benefit of Landlord, its successors and assigns, and shall be binding upon Tenant, its successors and assigns.

21.7 Personal Pronouns. All personal pronouns used in this Lease shall include the other genders, whether used in the masculine or feminine or neuter gender, and the singular shall include the plural (and vice versa) whenever and as often as may be appropriate.

21.8 Short Form. Tenant agrees not to record this Lease, but each party hereto agrees, on request of the other, to execute a Short Form Lease in form recordable and complying with applicable Texas laws. In no event shall such document set forth the rental or other charges payable by Tenant under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the term and conditions of this Lease.

21.9 Legal Interpretation. This Lease and the rights and obligations of the parties hereto shall be interpreted, construed and enforced in accordance with the laws of the State of Texas.

21.10 Acceptance of Payments under Protest. The acceptance by Landlord of payments by Tenant under protest shall not be deemed an acknowledgement by Landlord, or a validation of, any contention or reservation of rights by Tenant.

21.11 Offer. It is understood and agreed between the parties hereto that this proposed Lease Agreement is being submitted by an agent of Landlord with the express understanding that its terms, covenants and conditions are subject to Landlord's review and approval that this Lease shall not become binding upon the Landlord until Landlord has reviewed the Lease and given approval to its terms, covenants and conditions and an executed copy thereof is delivered to the Tenant by the Landlord.

21.12 Renewal Options. Landlord hereby grants Tenant the option to automatically extend the terms of this Lease covering all space leased hereunder for two (2) additional twelve (12) month consecutive periods, subject to the same provisions and conditions as set forth herein (other than base rental), unless terminated by either Party with ninety (90) days written notice to the other Party.

**Executed in Multiple Original Counterparts, which constitutes one and the same instrument, as of the 15<sup>th</sup> day of December, 2017.**

**Landlord:**

**By:**

  
\_\_\_\_\_  
*Douglas B. Deptuch, as Manger for E. Deptuch and Son #1 LLC*

**Tenant:**

**By:**

  
\_\_\_\_\_  
*Rick A. Schroder, as Executive Director for City of Helotes Economic Development Corporation*

**EXTENSION  
SHOPPING CENTER LEASE AGREEMENT**

**SECTION 2. TERM**

2.2 Term. The term of this Lease shall continue for twelve (12) calendar months, following the expiration of the current Lease Term set to expire on November, 2020. The Lease Term shall automatically renew for successive twelve (12) calendar months, unless terminated by either party with ninety (90) days written notice to the other Party.

**SECTION 3. RENT**

3.1 Monthly Rent. Following the Commencement Date, Tenant agrees to pay Landlord on or before the first (1<sup>st</sup>) day of every calendar month, without deduction, offset, prior notice, or demand, the amounts designated hereafter as the "Base Monthly Rental";

December, 2020 through November 2021	\$ 1,000.00
December, 2021 through November 2022	\$ 1,100.00
December, 2022 through November 2023	\$ 1,200.00

EXECUTED and AGREED to as of the dates shown below:

Landlord: \_\_\_\_\_ Date: \_\_\_\_\_

By: Douglas B, Deptuch as Manger for E. Deptuch and Son #1 LLC

Tenant: \_\_\_\_\_ Date: \_\_\_\_\_

By: Marian Mendoza, as Executive Director for the City of Helotes EDC



**RESOLUTION NO. \_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION APPROVING AN AMENDMENT TO A SHOPPING CENTER LEASE AGREEMENT BETWEEN THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION AND DOULAS B. DEPTUCH AND SON #1 LLC FOR APPROXIMATELY 1,000 SQUARE FEET OF OFFICE SPACE LOCATED AT 12682 F.M. 1560 WEST, SUITE 105, HELOTES, TEXAS 78023; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE , NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION; INCORPORATING RECITALS; PROVIDING FOR SEVERABILITY; AND ADOPTING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Helotes Economic Development Corporation (hereinafter referred to as the “Corporation”) is desirous to enter into a lease agreement extension for an additional three years providing office space for the Corporation with Douglas B. Deptuch and Son #1 LLC (hereinafter referred to as the “Landlord”); and

**WHEREAS**, the City authorized the creation of the Corporation pursuant to the provisions of Texas Revised Civil Statutes Annotated Article 5190.6, as amended (the “Act”); and

**WHEREAS**, the mission of the Corporation is to promote, encourage, and enhance the creation of new and expanded business enterprises in the City, the creation of jobs in the City, and the expansion of the local sales and property tax base through economic development projects that assist in the retention and expansion of existing employers and which attract new employers and aid in their development, growth, and investment of human and capital resources within the City; and

**WHEREAS**, as required by the Act, the Board of Directors of the Corporation has published notice of this “project” and the proposed expenditure of sales tax revenues and a public hearing was also held concerning this matter as part of the FYE 2021 Budget process; and

**WHEREAS**, the Corporation believes that an agreement is necessary in order to ensure the most effective operation of the Corporation.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION:**

**Section One.** The Amendment to Shopping Center Lease Agreement (the “Agreement”) between the City of Helotes Economic Development Corporation and Douglas B. Deptuch and Son #1 LLC is hereby adopted for three years, beginning December 1, 2020 and expiring on November 30, 2023.

**Section Two.** The Agreement is attached hereto as Exhibits “A” and is hereby approved by the Board of Directors of the Corporation.

**PASSED AND APPROVED THIS 16<sup>TH</sup> DAY OF SEPTEMBER 2020.**

**ATTEST:**

\_\_\_\_\_  
Marian Mendoza, EDC Executive Director

\_\_\_\_\_  
Glenn Goolsby, Assistant Director



**City of Helotes EDC**  
**AGENDA ITEM REQUEST FORM**  
**DATE: September 12, 2020**

**Agenda Placement:**  CONSENT  
 INDIVIDUAL  
 PRESENTATION  
 CLOSED

**CAPTION:**

Discussion of and action on renewing Sublease Agreement for shared office space located at 12682 F.M 1560 West Suite 105, Helotes, Bexar County, Texas with the Helotes Area Chamber of Commerce.

**BACKGROUND:**

On June 2020 the Helotes Economic Development Corporation (HEDC) executed an sublease agreement with Helotes Area Chamber of Commerce (HACC) shared office space.

This agreement is not an automatic renewal and expires September 2020. The sublease agreement maybe renewed for a continuous and successive twelve (12) month term. The reason that the agreement was only till September 2020 was due to the uncertainty of the HEDC current lease office space lease with Mr. Deptuch at the Shopping Center.

HEDC has renegotiated the lease with Mr. Deptuch for term of three (3) years with an increase of \$100/mth per year. The new sublease with HACC reflects a cost share of the increase.

**FINANCIAL:** HACC would share in the cost to cover shared office space:

- Year 1 - \$350/mth
- Year 2 - \$400/mth
- Year 3 - \$450/mth

**ATTACHED:**

- Attachment A – Sublease Renewal
- Attachment B – Letter from Chamber

**SUBMITTED BY:** Marian Mendoza, Executive Director

## Sublease Agreement

### Basic Information

**Date:** September 16, 2020

**Tenant:** **CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION**  
12951 Bandera Road  
Helotes, Bexar County, Texas 78023

**Subtenant:** **HELOTES AREA CHAMBER OF COMMERCE**  
12682 F.M. 1560, Ste. #105  
Helotes, Bexar County, Texas 78023

**Subleased Premises:** Approximately 468 square feet out of Tenant’s 1,000 sq. ft. of total leased space located in the Shopping Center at 12682 F.M. 1560 West, Suite 105, Helotes, Bexar County, Texas; and as depicted in floor plan attached as **Exhibit “A”** of this Agreement

**Sublease Commencement Date:** October 1, 2020

**Sublease Term/Expiration Date:** The term of this Sublease shall expire on September 30, 2023.

**Sublease Rent:** Monthly Rent. Following the Commencement Date, Subtenant agrees to pay Tenant on or before the first (1<sup>st</sup>) day of each calendar month, without deduction, offset, prior notice, or demand, the amounts designated hereafter as the “Sublease”:

October, 2020 through September. 2021	\$350.00
October, 2021 through September. 2022	\$400.00
October, 2022 through September. 2023	\$450.00

**Place of Payment:** City of Helotes Economic Development Corporation  
12951 Bandera Road  
Helotes, Texas 78023

**Base Lease:**

Date: December 1, 2017

Landlord: Douglas B. Deptuch, as Manager for E. Deptuch and Son #1, LLC

Tenant: City of Helotes Economic Development Corporation

Premises: Approximately 1,000 square feet of total leasable space in the Shopping Center located at 12682 F.M. 1560 West Suite 105, Helotes, Bexar County, Texas.

**Permitted Sublease Use:**

The Subleased Premises will be used by Subtenant under the terms of this Sublease for use and occupancy as corporate office space to conduct the operations of Subtenant. Subtenant shall not use the Subleased Premises for any other purpose or in any manner that could increase risks covered by insurance or cause cancelation of any insurance as provided under the Base Lease.

Subtenant's use of the Subleased Premises includes the use of the common area for Subtenant's Board of Directors meetings once a month and other Subtenant business (or as required) *provided* that Tenant does not have a need for the space at that time.

The Subleased Premises shall not be used for membership meetings or large functions due to limited parking. Subtenant's Board Members and visitors to the Subleased Premises may park at the Helotes Municipal Complex parking area but are discouraged from parking in any of the six (6) "visitor" spaces directly in front of City Hall.

Subtenant will be provided with one (1) access key to the Subleased Premises. Possession of the access key is limited to a single Subtenant employee so Subtenant's Board Members and general membership will not have access to the Subleased Premises except during regular business hours of Tenant. Subtenant may not make copies of the provided access key so that only the designated Subtenant employee having possession of the access key will be the only person having authorized access to the Subleased Premises during regular business hours or at other times with prior approval from the EDC.

**A. Tenant's Obligations****A.1. Subtenant agrees to—**

*A.1.a.* Sublease the Subleased Premises for the Sublease Term beginning on the Sublease Commencement Date and ending on the Sublease Expiration Date.

*A.1.b.* Pay the Sublease Rent to Tenant in advance of or on the first day of each month. The Sublease Rent is comprised of the following: rent of the office space, quarterly AC service and maintenance, cleaning service, electricity and miscellaneous supplies and services.

If the Sublease Rent is not paid to Tenant by the fifth (5<sup>th</sup>) day of the month, Subtenant will pay a late charge in the amount of \$25.00 plus an amount equal to 5% of the monthly rent for each day thereafter until the monthly rent is paid. Subtenant shall also pay \$25.00 for each returned check.

*A.1.c.* Accept the Subleased Premises in its present condition “AS IS,” the Subleased Premises being currently suitable for the Permitted Use.

*A.1.d.* Obey all laws relating to Subtenant’s use of the Subleased Premises and terms of the Base Lease as they apply to the Subleased Premises.

*A.1.e.* Vacate the Subleased Premises and return all keys to the Subleased Premises on expiration or termination of this sublease.

***A.1.f.* INDEMNIFY, DEFEND, AND HOLD HARMLESS LANDLORD, TENANT AND TENANT’S AGENTS FROM ANY INJURY (AND ANY RESULTING OR RELATED CLAIM, ACTION, LOSS, LIABILITY, OR REASONABLE EXPENSE, INCLUDING ATTORNEY’S FEES AND OTHER FEES AND COURT AND OTHER COSTS) OCCURRING IN ANY PORTION OF THE SUBLEASED PREMISES. THE INDEMNITY CONTAINED IN THIS PARAGRAPH (I) IS INDEPENDENT OF SUBTENANT’S INSURANCE, (II) WILL NOT BE LIMITED BY COMPARATIVE NEGLIGENCE STATUTES OR DAMAGES PAID UNDER THE WORKERS’ COMPENSATION ACT OR SIMILAR EMPLOYEE BENEFIT ACTS, (III) WILL SURVIVE THE END OF THE SUBLEASE TERM, AND (IV) WILL APPLY EVEN IF AN INJURY IS CAUSED IN WHOLE OR IN PART BY THE ORDINARY NEGLIGENCE OR STRICT LIABILITY OF TENANT OR TENANT’S AGENTS, BUT WILL NOT APPLY TO THE EXTENT AN INJURY IS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF TENANT OR TENANT’S AGENTS.**

*A.1.g.* Maintain liability insurance for the Subleased Premises and the conduct of Subtenant’s business, with Tenant named as an additional insured, in the amounts stated in the Base Lease.

*A.1.h.* Maintain insurance on Subtenant’s personal property.

*A.1.i.* Deliver certificates of insurance to Tenant before the Sublease Commencement Date and thereafter when requested.

**A.2. Subtenant agrees not to—**

*A.2.a.* Use the Subleased Premises for any purpose other than the Permitted Sublease Use.

*A.2.b.* Use the Subleased Premises for membership meetings or large functions due to limited parking. Subtenant’s Board Members and visitors to the Subleased Premises may park at the Helotes Municipal Complex parking are discourage from parking in any of six (6) visitor parking spaces directly in front of City Hall.

*A.2.c.* Make duplicate copies of the access key provided to Subtenant by Tenant.

*A.2.d.* Create a nuisance.

*A.2.e.* Interfere with any other Tenant's normal business operations or Tenant's management of the remainder of Tenant's leasehold.

*A.2.f.* Use the Subleased Premises in any way that is hazardous, would increase insurance premiums, and/or would void insurance on the building.

*A.2.g.* Change Tenant's lock system.

*A.2.h.* Alter the Subleased Premises.

*A.2.i.* Allow a lien to be placed on the Subleased Premises.

*A.2.j.* Assign this sublease or sublease any portion of the Subleased Premises.

## **B. Tenant's Obligations**

### **Tenant agrees to—**

*B.1.* Sublease the Subleased Premises to Subtenant for the Sublease Term. Pursuant to Section 11 *Assignment and Subletting* of the Base Lease, Tenant has received prior written consent to sublease the Subleased Premises to Subtenant as reflected in **EXHIBIT A** attached hereto and incorporated herein for all purposes.

*B.2.* Comply with Tenant's obligations under the Base Lease.

*B.3.* Enforce Tenant's obligations under the Base Lease.

*B.4.* Make available to the Subleased Premises all services and rights provided under the Base Lease.

*B.5.* Obey all laws relating to Subtenant's operation of the Subleased Premises.

## **C. General Provisions**

### **Tenant and Subtenant agree to the following:**

*C.1.* Defaults by Subtenant are (a) failing to pay timely Sublease Rent, (b) abandoning or vacating a substantial portion of the Subleased Premises, and (c) failing to comply within ten (10) days after written notice with any provision of the Base Lease or sublease other than the defaults set forth in (a) or (b).

*C.2.* Tenant's remedies for Subtenant's default are to (a) enter and take possession of the Subleased Premises, (b) enter the Subleased Premises and perform Subtenant's obligations, and (c) terminate this sublease by written notice and sue for damages.

*C.3.* Default by Subtenant is failing to comply with any provision of this sublease within thirty (30) days after written notice or for such lesser period provided in the Base Lease.

C.4. Subtenant's remedy for Tenant's default is to sue for damages and, if the default is the failure to enforce Tenant's obligations under the Base Lease to provide services reasonably necessary for Subtenant to occupy the Subleased Premises, terminate the Sublease.

C.5. This sublease is subordinate to the Base Lease, a copy of which Subtenant acknowledges as receipt.

C.6. Tenant may retain, destroy, or dispose of any property left in the Subleased Premises at the end of the Sublease Term.

C.7. Subtenant has all the rights of Tenant under the Base Lease as to Subtenant.

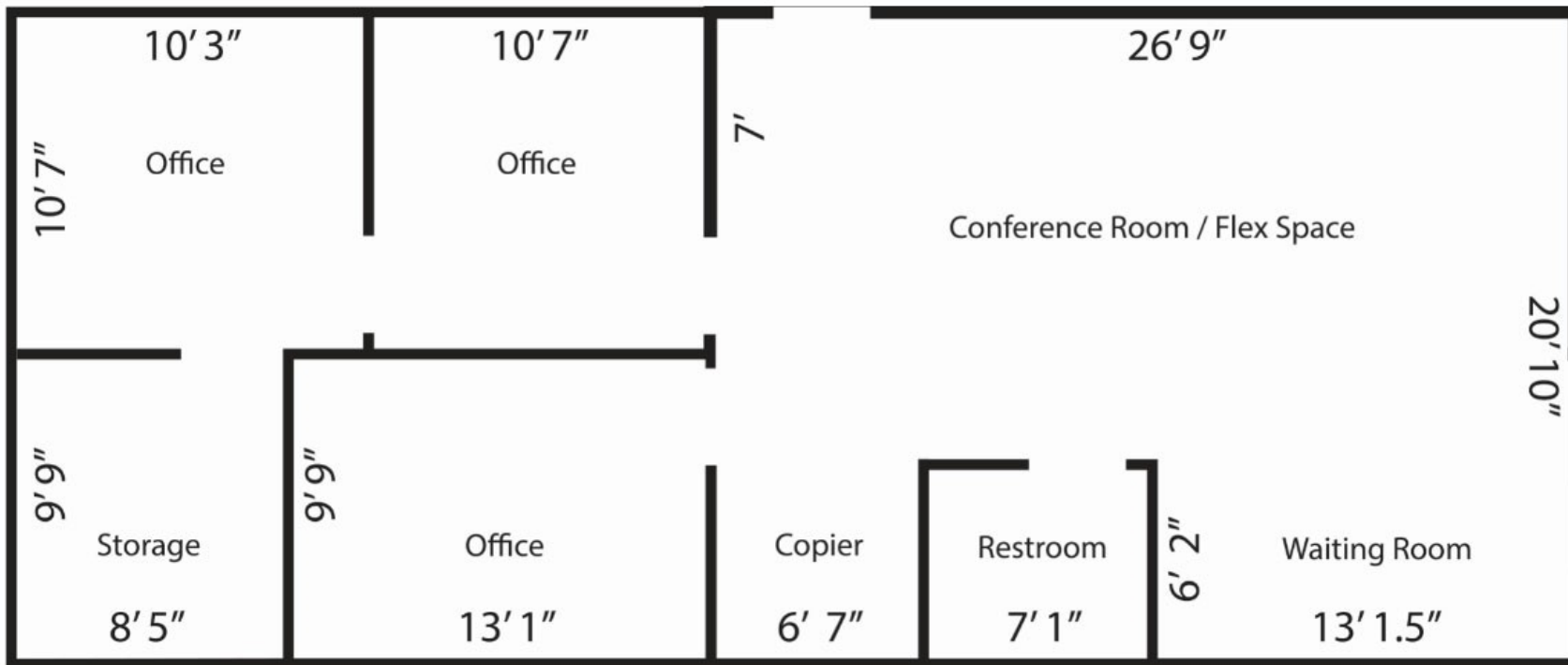
C.8. If either party retains an attorney to enforce this sublease, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court and other costs.

This Lease Agreement EXECUTED on the date(s) indicated below is EFFECTIVE on the Sublease commencement date.

<p><b>TENANT:</b></p> <p>CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION</p> <p>By: _____ Marian Mendoza, Executive Director</p> <p>Date: _____</p>	<p><b>SUBTENANT:</b></p> <p>HELOTES AREA CHAMBER OF COMMERCE</p> <p>By: _____ _____, Chairman</p> <p>Date: _____</p>
--	--



Exhibit A





September 11, 2020

**BOARD OF DIRECTORS**

*Brad Graves*

Chair  
Coldwell Banker

*Melissa Guerrero*

Vice Chair  
Broadway Bank

*Kathy Olivarez*

Secretary  
Old Republic Title Company

*Joel Lutz*

Treasurer  
Lutz Insurance Agency

*Sibonae de la Garza Jones*

Public Relations  
Frost Bank

*Rebecca Becker*

Hill Country Publications

*Bert Buys*

Helotes Festival Association

*Melody Pope Cooper*

Pope Cleaners

*Leah D. Flores*

Phyllis Browning Company

*Katrina Gonzalez*

9Round

*Phyllis Goodson*

DoTerra Essential Oils

*Stan Goodson*

Apple Pest Control

*Glenn Goolsby*

City of Helotes EDC

*Mark Lowry*

Serv-Pro Helotes

*Jeff Marsh*

Hinee Gourmet Coffee

*Lydia McCloskey*

SurGIS of Texas

Dear Marian and the Helotes EDC Board,

The Helotes Area Chamber of Commerce (HACC) would like to thank you for allowing us to use the Helotes Economic Development office for the past 3 months and the previous 3 years. We would not be where we are today without the relationship we have with the EDC and having a place to call home. As a board, we are in the process of working on a Strategic Plan for the upcoming 3 years to be able to better serve our community and we believe it is important to create an agreement between parties to have a sense of stability for upcoming years. We would like to ask the EDC board to consider leasing the office space to the HACC at \$350 per month, locked in for the next 3 years, until October 2023. We have discussed this, looked at what we believe is fair and taken into consideration our budget and what is feasible over the coming years. We still contend the HACC utilizes 153 sq. ft. out of the 1,000 sq. ft. 100% of the time, and only utilize the common area 1-2 times a month for our monthly board meetings that we have not had since January. Considering these factor we believe this is a fair price and respectfully request your consideration. Please keep in mind we are a non-profit organization that dedicates our time to supporting and improving local businesses throughout Helotes, and believe that the Chamber and the Economic Development being located together brings immense value to both the businesses of Helotes and each of our organizations for convenience.

Thank you for your time and consideration,

**Brad Graves**

Board of Directors Chair

Helotes Area Chamber of Commerce



**City of Helotes EDC**  
**AGENDA ITEM REQUEST FORM**  
**DATE: September 16, 2020**

**Agenda Placement:**  **CONSENT**  
 **INDIVIDUAL**  
 **PRESENTATION**  
 **CLOSED**

**CAPTION:**

Discussion of and action on a Resolution of the Board of Directors of the City of Helotes Economic Development Corporation (EDC) approving appropriations for the Fiscal Year Ending (FYE) 2021 Maintenance & Operating, Interest & Sinking, and Capital budgets for Fiscal Year Ending (FYE) 2021. Proposed EDC budgets include economic development "Projects," as defined by Texas Local Govt. Code Chapter 505 Type B Corporations and authorizing the Executive Director to take all necessary steps to implement the provisions of this Resolution; incorporating recitals; providing for severability; and adopting an effective date.

**BACKGROUND:**

The Notice of Public Hearing was published on July 25, 2020 to consider the Proposed FY 2020 - 2021 EDC Operating Budget. The final public hearing and approval of the budget will be held on September 16, 2020. The budget will subsequently be approved on September 24, 2020 by City Council.

**FINANCIAL: N/A**

**ATTACHMENTS:**

Attachment A – FYE 2021 Proposed Budget

Attachment B - Resolution

**SUBMITTED BY:** Marian Mendoza, Executive Director

EDC 05

		2016-2017 ACTUAL	2017-2018 ACTUAL	2018-2019 ACTUAL	2019-2020 CURRENT	Y-T-D ACTUAL	PROJECTED YEAR END	REQUESTED 2020-2021
<b>NON-PROPERTY TAX</b>								
401-3140	SALES TAX	\$ 757,921.00	\$ 1,215,880.00	\$ 1,470,234.00	\$ 1,465,952.00	\$ 1,311,691.75	\$ 1,568,394.00	\$ 1,474,767.00
401-3150	MIXED BEVERAGES	\$ 8,733.00	\$ 9,302.00	\$ 9,815.00	\$ 9,815.00	\$ 7,948.35	\$ 7,600.00	\$ 9,815.00
401-3160	SUBLEASE FROM CHAMBER					\$ -	\$ 900.00	\$ 3,600.00
<b>TOTAL</b>		<b>\$ 766,654.00</b>	<b>\$ 1,225,182.00</b>	<b>\$ 1,480,049.00</b>	<b>\$ 1,475,767.00</b>	<b>\$ 1,319,640.10</b>	<b>\$ 1,576,894.00</b>	<b>\$ 1,488,182.00</b>
<b>MISCELLANEOUS REVENUE</b>								
406-1010	INTEREST	\$ 3,009.00	\$ 9,534.00	\$ 21,643.00	\$ 21,315.00	\$ 13,685.22	\$ 15,630.00	\$ 12,000.00
406-1060	TRANSFERS IN/OUT	\$ (2,520.00)	\$ -	\$ (99,293.00)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MISC REVENUES</b>		<b>\$ 489.00</b>	<b>\$ 9,534.00</b>	<b>\$ (77,650.00)</b>	<b>\$ 21,315.00</b>	<b>\$ 13,685.22</b>	<b>\$ 15,630.00</b>	<b>\$ 12,000.00</b>
<b>PERSONNEL</b>								
510-5101	SALARIES	\$ -	\$ -	\$ 67,679.00	\$ 72,545.00	\$ 62,696.29	\$ 72,545.00	\$ 74,721.35
510-5111	LONGEVITY	\$ 860.00	\$ 980.00	\$ 1,100.00	\$ 1,220.00	\$ 1,220.00	\$ 1,220.00	\$ 1,460.00
510-5113	BENEFITS	\$ -	\$ -	\$ 15,154.00	\$ 18,266.00	\$ 14,594.46	\$ 18,266.00	\$ 19,360.04
<b>PERSONNEL</b>	<b>TOTAL</b>	<b>\$ 860.00</b>	<b>\$ 980.00</b>	<b>\$ 83,933.00</b>	<b>\$ 92,031.00</b>	<b>\$ 78,510.75</b>	<b>\$ 92,031.00</b>	<b>\$ 95,541.39</b>
<b>CONTRACTUAL SERVICES</b>								
510-5201	MEMBERSHIPS, DUES & LICENSES	\$ 5,741.00	\$ 9,419.00	\$ 9,601.00	\$ 16,000.00	\$ 11,832.80	\$ 13,055.00	\$ 15,000.00
510-5202	AUDIT FEES	\$ 3,000.00	\$ 3,100.00	\$ 3,200.00	\$ 3,200.00	\$ 3,300.00	\$ 3,300.00	\$ 3,400.00
510-5203	SCHOOLS, SEMINARS, CONFERENCES	\$ 1,247.00	\$ 1,784.00	\$ 1,034.00	\$ 3,000.00	\$ 79.00	\$ 500.00	\$ 3,200.00
510-5204	INTL. CONF. SHOPPING CENTERS	\$ 7,528.00	\$ 4,664.00	\$ 8,173.00	\$ 8,916.00	\$ 1,928.04	\$ 3,128.00	\$ 3,200.00
510-5205	BANK FEES	\$ -	\$ -	\$ -	\$ 500.00	\$ 500.00	\$ 500.00	\$ 750.00
510-5206	LEGAL FEES	\$ 4,147.00	\$ 2,868.00	\$ 624.00	\$ 5,000.00	\$ 1,385.00	\$ 2,000.00	\$ 3,000.00
510-5208	CONC. DESIGN & LAND USE PLANS	\$ -	\$ 7,300.00	\$ 1,781.00	\$ 15,000.00	\$ -	\$ -	\$ 15,000.00
510-5210	WORKSHOPS & PROMOTIONS	\$ 1,000.00	\$ -	\$ 189.00	\$ 3,000.00	\$ -	\$ -	\$ 3,000.00
510-5211	MARKETING / TOURISM	\$ 28,178.00	\$ 11,099.00	\$ 17,115.00	\$ 35,000.00	\$ 13,107.30	\$ 25,000.00	\$ 30,000.00
	MARKETING /CITY EVENTS							\$ 110,000.00
510-5212	WEBSITE DEV. & MAINTENANCE	\$ 1,050.00	\$ 6,336.00	\$ 9,974.00	\$ 9,791.00	\$ 7,929.09	\$ 9,791.00	\$ 12,000.00
510-5214	MANAGED SVCS. AGREEMENT	\$ 15,000.00	\$ 11,084.00	\$ 5,524.00	\$ 5,400.00	\$ 15,000.00	\$ 15,000.00	\$ 30,000.00
510-5215	DEBT SERVICE	\$ 195,000.00	\$ 200,000.00	\$ 323,040.00	\$ 329,210.00	\$ 329,210.22	\$ 329,210.00	\$ 321,669.00
510-5224	OFFICE RENTAL	\$ -	\$ 17,031.00	\$ 9,500.00	\$ 10,800.00	\$ 8,500.00	\$ 9,700.00	\$ 12,000.00
510-5225	OTHSD PARKING LOT LEASE	\$ -	\$ 162.00	\$ 5,169.00	\$ 5,520.00	\$ 4,000.00	\$ 5,520.00	\$ 5,520.00
510-5227	CAPACITY / GAP ANALYSES	\$ -	\$ -	\$ -	\$ 15,000.00	\$ -	\$ -	\$ -
510-5228	VISITOR CENTER	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -	\$ -	\$ 50,000.00
510-5229	GATEWAY SIGNAGE	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -	\$ -	\$ -
<b>CONTRACTUAL SERVICES</b>	<b>TOTAL</b>	<b>\$ 261,891.00</b>	<b>\$ 274,847.00</b>	<b>\$ 394,924.00</b>	<b>\$ 565,337.00</b>	<b>\$ 396,771.45</b>	<b>\$ 416,704.00</b>	<b>\$ 617,739.00</b>
<b>COMMODITIES</b>								
510-5301	OFFICE SUPPLIES	\$ 957.00	\$ 3,037.00	\$ 392.00	\$ 3,000.00	\$ 222.04	\$ 1,500.00	\$ 2,000.00
510-5302	OPERATIONAL EXPENSES	\$ 1,755.00	\$ 15,703.00	\$ 14,093.00	\$ 14,362.00	\$ 7,728.99	\$ 8,000.00	\$ 8,500.00
510-5305	COMMUNICATION EQUIPMENT	\$ 235.00	\$ 1,362.00	\$ 1,254.00	\$ 1,232.00	\$ 942.57	\$ 1,232.00	\$ 1,232.00
510-5326	EXPENSE REIMBURSEMENT	\$ 129.00	\$ -	\$ 168.00	\$ 183.00	\$ 82.23	\$ 150.00	\$ 250.00
510-5333	380 AGREEMENT REIMBURSEMENTS	\$ -	\$ 421,727.00	\$ 567,982.00	\$ 567,982.00	\$ 442,798.63	\$ 567,982.00	\$ 600,000.00
<b>COMMODITIES</b>	<b>TOTAL</b>	<b>\$ 3,076.00</b>	<b>\$ 441,829.00</b>	<b>\$ 583,889.00</b>	<b>\$ 586,759.00</b>	<b>\$ 451,774.46</b>	<b>\$ 578,864.00</b>	<b>\$ 611,982.00</b>
<b>TOTAL REVENUES</b>		<b>\$ 767,143.00</b>	<b>\$ 1,234,716.00</b>	<b>\$ 1,402,399.00</b>	<b>\$ 1,497,082.00</b>	<b>\$ 1,333,325.32</b>	<b>\$ 1,592,524.00</b>	<b>\$ 1,500,182.00</b>
<b>TOTAL EXPENSES</b>		<b>\$ 265,827.00</b>	<b>\$ 717,656.00</b>	<b>\$ 1,062,746.00</b>	<b>\$ 1,244,127.00</b>	<b>\$ 927,056.66</b>	<b>\$ 1,087,599.00</b>	<b>\$ 1,325,262.39</b>
<b>TOTAL OVER &amp; UNDER</b>		<b>\$ 501,316.00</b>	<b>\$ 517,060.00</b>	<b>\$ 339,653.00</b>	<b>\$ 252,955.00</b>	<b>\$ 406,268.66</b>	<b>\$ 504,925.00</b>	<b>\$ 174,919.61</b>

EDC 05

2016-2017 ACTUAL	2017-2018 ACTUAL	2018-2019 ACTUAL	2019-2020 CURRENT	Y-T-D ACTUAL	PROJECTED YEAR END	REQUESTED 2020-2021
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**Memberships, Dues, & Licenses 510-5201**

TEDC	\$ 1,300.00
IEDC	\$ 455.00
ICSC	\$ 200.00
Business Journal	\$ 100.00
GISPlanning & RealMassive	\$ 10,700.00
Helotes Area Chamber of Commerce	\$ 1,000.00
<b>TOTAL</b>	<b>\$ 13,755.00</b>

**Schools, Seminars, & Conferences 510-5203**

TEDC Workshops	\$ 1,400.00
IEDC Cert Training	\$ 1,800.00
<b>TOTAL</b>	<b>\$ 3,200.00</b>

**Trade Shows 510-5204**

Retail Live Conference	\$ 1,200.00
ICSC Texas Conference	\$ 2,000.00
<b>TOTAL</b>	<b>\$ 3,200.00</b>

**Marketing/Tourism 510-5211**

Marketing	\$ 30,000.00
<b>TOTAL</b>	<b>\$ 1,500,182.00</b>

MarketPlace	\$ 88,000.00
Cornyval Parade	\$ 17,000.00
Christmas Parade	\$ 5,000.00
<b>TOTAL</b>	<b>\$ 110,000.00</b>

<b>FUND BALANCE (10-01-2019)</b>	<b>\$ 1,291,095.68</b>
<b>TOTAL PROJECTED REVENUE</b>	<b>\$ 1,592,524.00</b>
<b>TOTAL PROJECTED EXPENSES</b>	<b>\$ (1,087,599.00)</b>
<b>LIABILITY RESERVES FY20</b>	
SPLASH PAD	\$ (300,000.00)
SIDEWALKS	\$ (175,000.00)
SBLAP	\$ (336,000.00)
<b>TOTAL LIABILITY</b>	<b>\$ (811,000.00)</b>
<b>UNRESERVED BALANCE (09-30-20)</b>	<b>\$ 985,020.68</b>

**RESOLUTION NO. \_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION (EDC) APPROVING APPROPRIATIONS FOR EDC'S FISCAL YEAR ENDING (FYE) 2021 OPERATING AND CAPITAL BUDGETS BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021 TO SUPPORT THE EDC'S PROGRAMS, "PROJECTS," AS DEFINED BY CHAPTERS 501-502 AND CHAPTER 505 OF THE TEXAS LOCAL GOVERNMENT CODE; AUTHORIZING THE EDC EXECUTIVE DIRECTOR TO TAKE ALL NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION; INCORPORATING RECITALS; PROVIDING FOR SEVERABILITY; AND ADOPTING AN EFFECTIVE DATE.**

**WHEREAS**, the mission of the EDC is to promote, encourage, and enhance the creation of jobs and the expansion of the local sales and property tax base through economic development projects that assist in the retention and expansion of existing employers and which attract new employers and aid in their development, growth, and investment of human and capital resources within the City of Helotes; and

**WHEREAS**, the vision of the EDC includes a balance of sales and property taxes that takes into account our town's historic roots and unique environment, resulting in an improved quality-of-life for all Helotes citizens; and

**WHEREAS**, proposed FYE 2021 Operating and Capital Budgets were duly presented to the EDC Board of Directors by the EDC Executive Director and two public hearing were held thereon on August 19, 2020 and September 16, 2020, notice of said hearings having first been duly published in a newspaper of general circulation, on the EDC website, and on the City of Helotes agenda bulletin board; and

**WHEREAS**, the EDC Board of Directors officially finds that all line items outlined within the attached FYE 2021 Operating and Capital Budgets comply with the requirements and purposes of the election authorizing the use of additional sales and use tax monies for economic development purposes and constitute qualified "Projects," as defined by Chapters 501-502 and Chapter 505 of the Texas Local Government Code; and

**WHEREAS**, pursuant to Sec. 505.158 of the Texas Local Government Code, the City Council of the City of Helotes shall adopt a Resolution approving the EDC's appropriations, operating and capital budgets, programs, "Projects," and cooperatives for FYE 2021 beginning October 1, 2020 and ending September 30, 2021 after giving the Resolution at least two separate readings. City Council held two public hearings on this Resolution on August 27, 2020 and September 10, 2020. The City Council will approve the EDC Budgets on September 10, 2020.

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION:**

**SECTION ONE:** That appropriations for the EDC's FYE 2021 Operating and Capital Budgets, beginning October 1, 2020 and ending September 30, 2021, to support the EDC's programs, "Projects," as defined by Chapters 501-502 and Chapter 505 of the Texas Local Government Code, and cooperatives be fixed and determined for said terms in accordance with the expenditures shown in the EDC's FYE 2021 Operating and Capital Budgets, a copy of which is appended hereto as Exhibit A.

**SECTION TWO:** That said appropriations supporting EDC programs, "Projects," and cooperatives are hereby approved in all respects by the Board of Directors of the EDC and adopted as the EDC Operating and Capital Budgets for the fiscal year beginning October 1, 2020 and ending September 30, 2021.

**SECTION THREE:** That the Executive Director is hereby authorized to take all necessary steps to implement the provisions of this Resolution and is given the authority to sign documents authorizing the payment of funds and to expend public monies that have been approved and appropriated within said Budgets.

**SECTION FOUR:** That this Resolution takes effect immediately.

**SECTION FIVE:** That the Board of Directors finds all of the above recitals to be true and correct and incorporates the same in this Resolution as findings of fact.

**SECTION SIX:** That if any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held to be unconstitutional or illegal, such decision shall not affect the validity of the remaining sections of this Resolution. The Board of Directors hereby declares that it would have passed this Resolution, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared void.

**PASSED AND APPROVED THIS 16<sup>th</sup> DAY OF SEPTEMBER 2020.**

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Marian Mendoza  
Executive Director

**ATTEST:**

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Glenn Goolsby  
Assistant Director



**City of Helotes EDC  
AGENDA ITEM REQUEST FORM  
DATE: September 16, 2020**

**Agenda Placement:**  CONSENT  
 INDIVIDUAL  
 PRESENTATION  
 CLOSED

**CAPTION:**

Discussion of and direction on creating a policy decision matrix that will be utilized to evaluate projects and expenditures over \$10,000 or another expenditure amount agreed upon by the Board of Directors, to ensure unplanned projects brought to the EDC align with the current Strategic Work Plan. – Matthew McCrossen

**BACKGROUND:**

Matthew McCrossen presented the item for discussion at the August 19<sup>th</sup> EDC meeting, outlining the benefits of establishing a decision tree matrix.

The main points of discussion were:

- Creating a tool such as a decision tree to assist current and future board members to evaluate projects based not only on legality, but if they align with the goals established in the EDC Strategic Work Plan.
- Implementing such a tool would provide for better continuity and direction for board members.

The consensus was to bring the item back after the Directors had time to evaluate the tool and possible amendments.

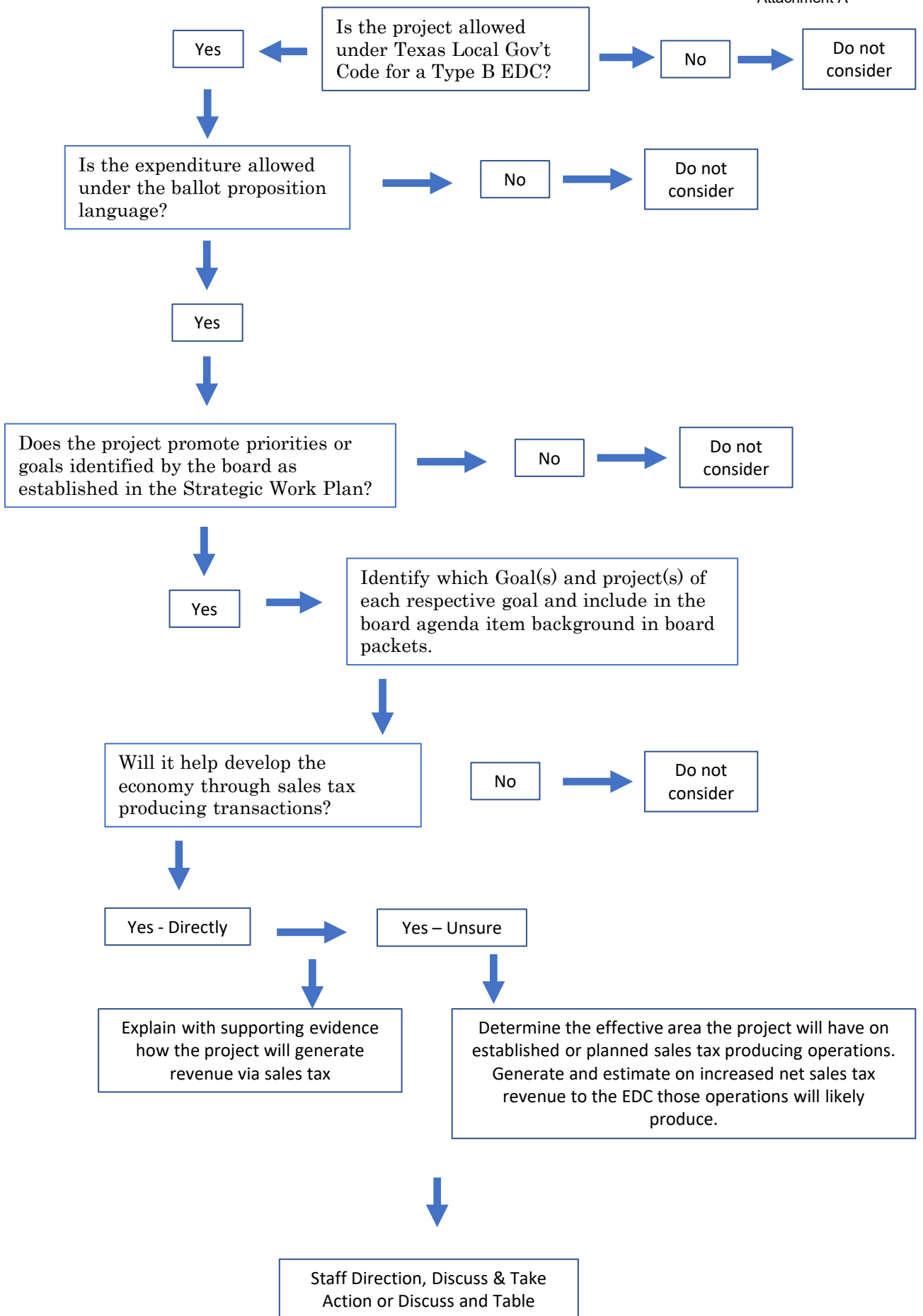
**FINANCIAL:** N/A

**ATTACHMENTS:**

Attachment A – Proposed Decision Tree Matrix

**SUBMITTED BY:** Matthew McCrossen







**City of Helotes EDC  
AGENDA ITEM REQUEST FORM  
DATE: September 16, 2020**

**Agenda Placement:**  CONSENT  
 INDIVIDUAL  
 PRESENTATION  
 CLOSED

**CAPTION:**

Discussion of and direction on the purchase of digital billboards to promote Shop Helotes and local events. – Glenn Goolsby, Assistant Director

**BACKGROUND:**

During the July 15, 2020 EDC Board Meeting, John Kodosky requested information on purchasing ad space on billboards leading to Helotes to reinforce the brand of Shop Helotes / Shop Local. Although published rates are \$3,200 per month, rates can be negotiated based on number of locations and duration of advertising.

Staff has researched the options and believe utilizing digital billboards would provide the greatest versatility with displaying multiple messages. This would allow the EDC to promote a shop local program while highlighting multiple area businesses along with promoting events.

To keep the business selection process fair, staff has discussed creating an application process on a first-come first-served basis or a co-op advertising program. The later would require a small fee from the business owner to incorporate their logo. Staff is recommending a 6 week ad campaign spread over 3 months at 2 locations to include but not limited to Loop 1604 at Braun Road and Loop 1604 at Northwest Military.

**FINANCIAL:**

Not to exceed \$9,600.

**ATTACHMENTS:**

Attachment A – Proposal

Attachment B – Locations

Attachment C – Sample Mockup

**SUBMITTED BY:** Glenn Goolsby, Assistant Director

**ESPECIALLY PREPARED FOR**  
**DIGITAL INVENTORY**

**Digital Bulletins**

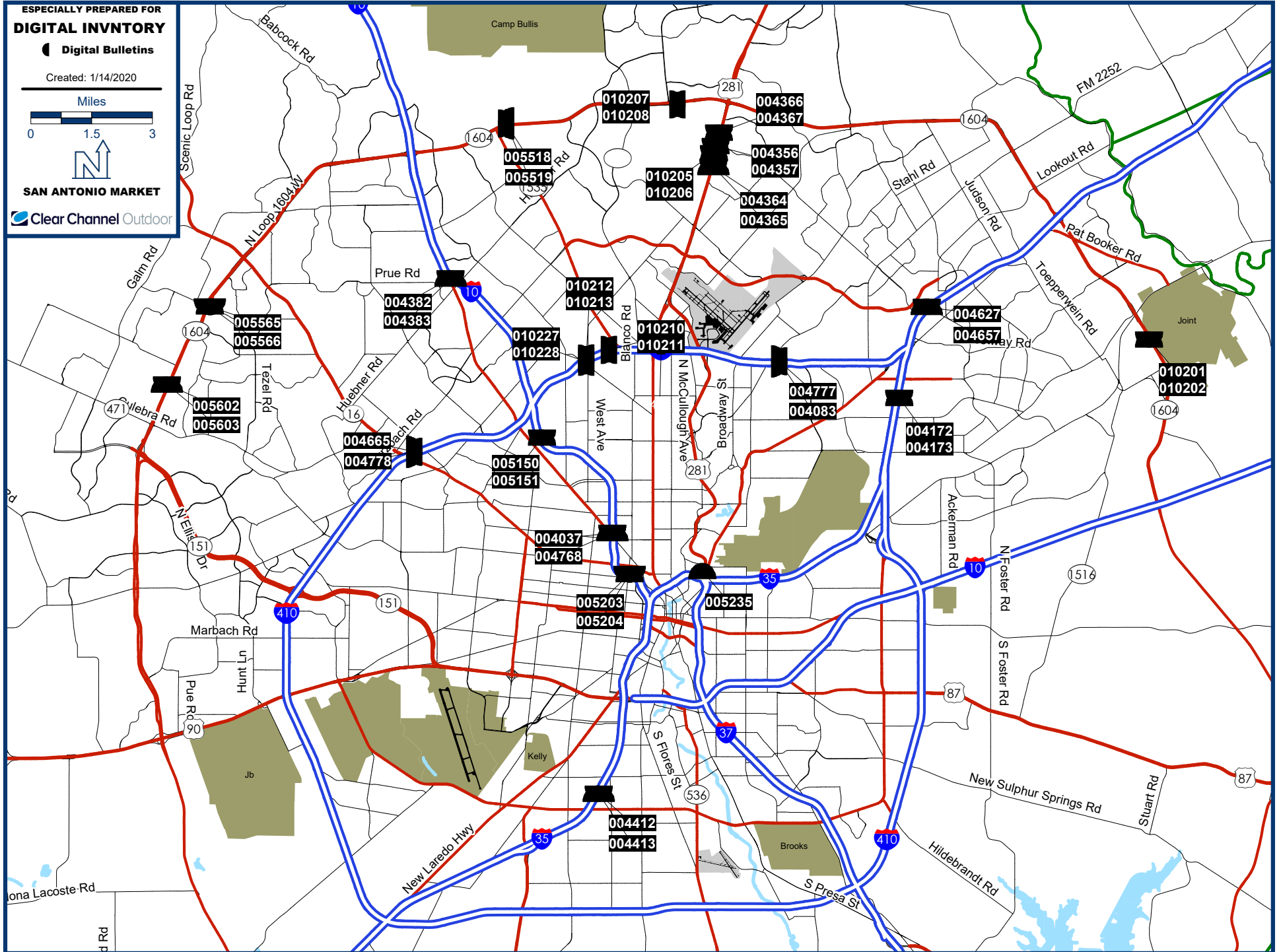
Created: 1/14/2020

Miles



**SAN ANTONIO MARKET**

**Clear Channel Outdoor**



GET SEEN. BE LOVED.



 Clear Channel Outdoor

SAN ANTONIO DIGITAL UNITS

1



I-10 NW WS 500 ft N/O Fredericksburg F/S  
4037 – Total A18+ IMPS 1,351,791

2



Loop 410 NS 0.3 mi E/O Nacogdoches F/E  
4083 – Total A18+ IMPS 1,344,892

3



I-35 N ES 0.5 mi N/O Eisenhower F/S  
4172 – Total A18+ IMPS 1,195,784

4



I-35 N ES 0.5 mi N/O Eisenhower F/N  
4173 – Total A18+ IMPS 867,940

5



US 281 N WS 0.1 mi N/O Thousand Oaks F/N  
4356 – Total A18+ IMPS 817,492

6



US 281 N WS 0.1 mi N/O Thousand Oaks F/S  
4357 – Total A18+ IMPS 623,232



7



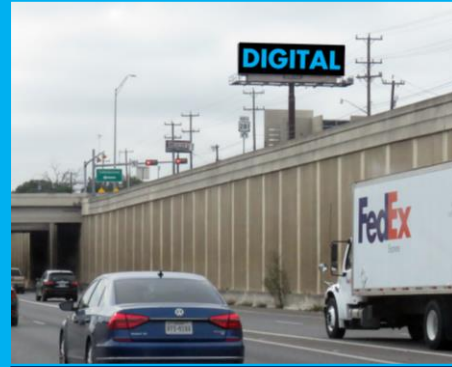
US 281 N ES 0.2 mi N/O Paso Del Norte F/S  
4364 – Total A18+ IMPS 1,049,033

8



US 281 N ES 0.2 mi N/O Paso Del Norte F/N  
4365 – Total A18+ IMPS 798,260

9



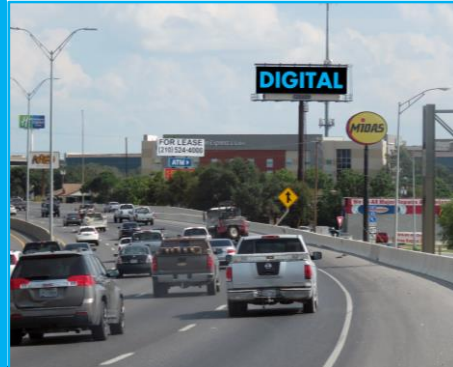
US 281 N 150 ft S/O Donella WS F/N  
4366 – Total A18+ IMPS 805,376

10



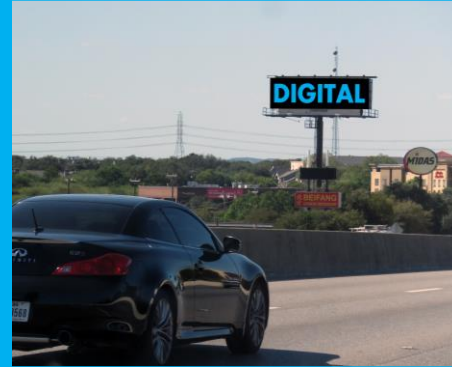
US 281 N 150 ft S/O Donella WS F/S  
4367 – Total A18+ IMPS 614,088

11



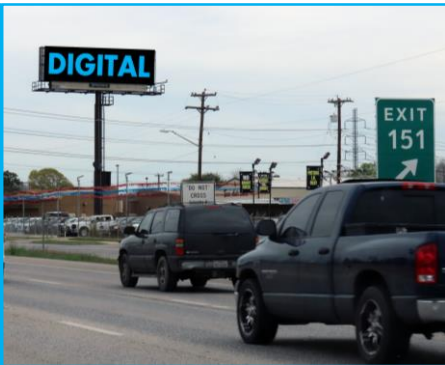
I-10 NW WS 0.2 mi N/O Huebner F/N  
4382 – Total A18+ IMPS 1,519,924

12



I-10 NW WS 0.2 mi N/O Huebner F/N  
4383 – Total A18+ IMPS 1,204,520

13



I-35 S ES 0.3 mi N/O SW Military F/S  
4412 – Total A18+ IMPS 730,670

14



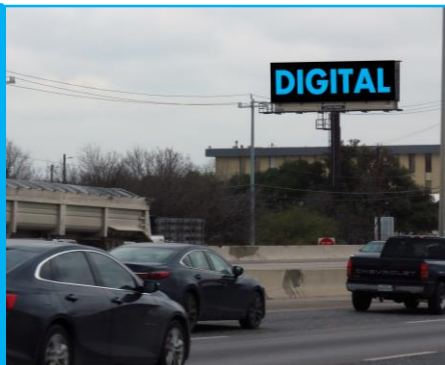
I-35 S ES 0.3 mi N/O SW Military F/N  
4413 – Total A18+ IMPS 521,492

15



I-35 N WS 0.5 mi S/O Weidner F/N  
4627 – Total A18+ IMPS 1,405,936

16



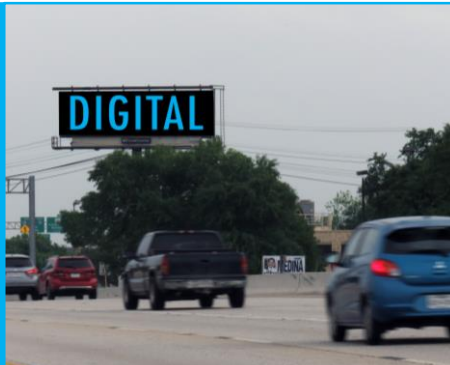
I-35 N WS 0.5 mi S/O Weidner F/S  
4657 – Total A18+ IMPS 1,093,763

17



Loop 410 NS 1000 ft E/O Bandera F/W  
4665 – Total A18+ IMPS 1,009,954

18



I-10 NW WS 500 ft N/O Fredericksburg F/N  
4768 – Total A18+ IMPS 1,662,592

COMING SOON



19

Loop 410 NS 0.3 mi E/O Nacogdoches F/W  
4777 – Total A18+ IMPS 1,080,341



20

Loop 410 NS 1000 ft E/O Bandera F/E  
4778 – Total A18+ IMPS 1,222,768



21

I-10 NW ES 0.1 mi S/O Crossroads F/N  
5150 – Total A18+ IMPS 1,042,728



22

I-10 NW ES 0.1 mi S/O Crossroads F/S  
5151 – Total A18+ IMPS 1,379,644



23

I-10 NW ES 50 ft S/O Colorado F/N  
5203 – Total A18+ IMPS 1,000,043



24

I-10 NW ES 50 ft S/O Colorado F/S  
5204 – Total A18+ IMPS 1,221,908



25



McAllister Frwy WS 50 ft S/O Pearl Pkwy F/S  
5235 – Total A18+ IMPS 998,604

26



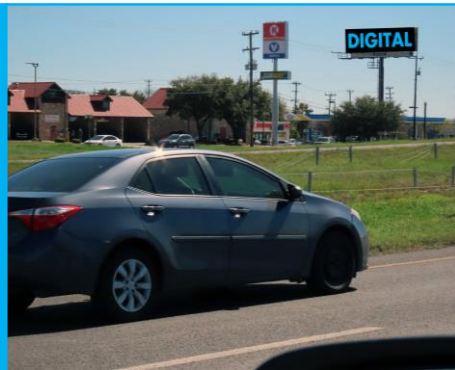
Loop 1604 NS 800 ft E/O NW Military F/W  
5518 – Total A18+ IMPS 422,088

27



Loop 1604 NS 800 ft E/O NW Military F/E  
5519 – Total A18+ IMPS 608,794

28



Loop 1604 ES 50 ft N/O Braun F/N  
5565 – Total A18+ IMPS 1,148,384

29



Loop 1604 ES 50 ft N/O Braun F/S  
5566 – Total A18+ IMPS 833,304

30



Loop 1604 WS 0.5 mi S/O Shaenfield F/N  
5602 – Total A18+ IMPS 213,936



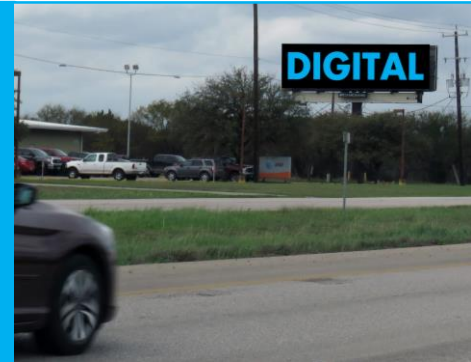
31

Loop 1604 WS 0.5 mi S/O Shaenfield F/S  
5603 – Total A18+ IMPS 187,623



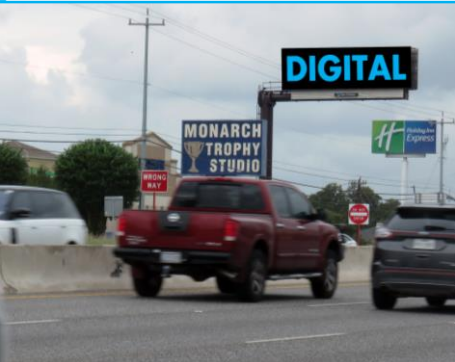
32

Loop 1604 E 0.7 mi S/O Highway 78 F/N  
10201 – Total A18+ IMPS 192,332



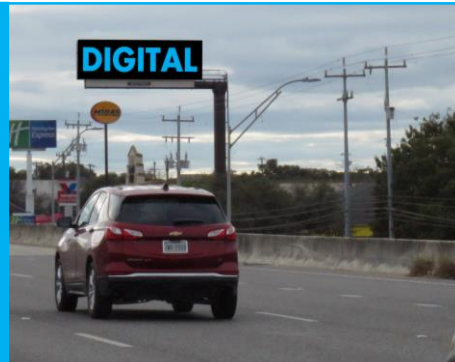
33

Loop 1604 E 0.7 mi S/O Highway 78 F/S  
10202 – Total A18+ IMPS 161,184



34

US 281 N 700 ft S/O Thousand Oaks F/S  
10205 – Total A18+ IMPS 1,076,988



35

US 281 N 700 ft S/O Thousand Oaks F/N  
10206 – Total A18+ IMPS 1,076,988



36

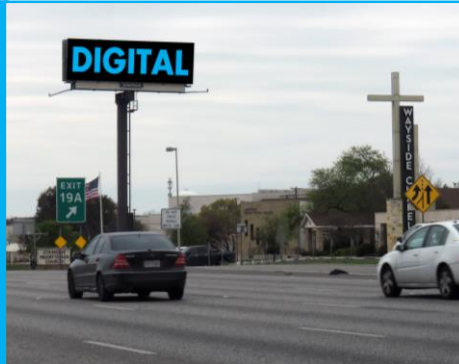
Loop 1604 2 mi E/O Stone Oak Pkwy F/W  
10207 – Total A18+ IMPS 813,756

37



Loop 1604 2 mi E/O Stone Oak Pkwy F/E  
10208 – Total A18+ IMPS 785,068

38



Loop 410 NS 1000 ft W/O NW Military F/E  
10210 – Total A18+ IMPS 2,258,048

39



Loop 410 NS 1000 ft W/O NW Military F/W  
10211 – Total A18+ IMPS 1,768,276

40



Loop 410 NS 300 ft W/O West Ave F/E  
10212 – Total A18+ IMPS 1,766,748

41



Loop 410 NS 300 ft W/O West Ave F/W  
10213 – Total A18+ IMPS 1,768,276

42



Loop 410 SS 150 ft W/O West Ave F/E  
10227 – Total A18+ IMPS 1,857,328

43



Loop 410 SS 150 ft W/O West Ave F/W  
10228 – Total A18+ IMPS 2,300,936



**Clear Channel Outdoor**  
clearchanneloutdoor.com

Designed by: \_\_\_Luis C. \_\_\_

Date: \_\_\_/\_\_\_/\_\_\_

**14'x48' Bulletin**

1/2" = 1'

Critical elements: 6.5" x 23.5" (13.6"h x 47"w)

Live area: 7" x 24" (14'h x 48'w)

Bleed: 7.5" x 24.5" (15'h x 49'w)

Maximum extension: 5' top / 2' bottom (extension requirements may vary by market)

**INITIAL DESIGN\***



**Creative Services Guidelines:**

Clear Channel Outdoor provides creative services to its clients, by skilled outdoor design specialists.

There is no fee for creative development.

Complimentary service includes:

- Initial layout(s) for approval
- Up to 3 revisions
- After 3 revisions, additional revisions may incur additional charges at \$100/hr based on the request

Approved by: \_\_\_\_\_ Date: \_\_\_/\_\_\_/\_\_\_

Please review the document thoroughly before approving. The specifications detailed here are for our standard national bulletins only. Due to structure variations and local ordinances, size and extension requirements may vary by market. This design has been created by Clear Channel Outdoor. Reproduction of this display in whole or part, without permission, is prohibited.



**City of Helotes EDC**  
**AGENDA ITEM REQUEST FORM**  
**DATE: September 16, 2020**

**Agenda Placement:**  **CONSENT**  
 **INDIVIDUAL**  
 **PRESENTATION**  
 **CLOSED**

**CAPTION:**

Discussion of and direction on sponsoring the Helotes Area Chamber's 0.5K Challenge. – Glenn Goolsby, Assistant Director

**BACKGROUND:**

Mark Lowry with the Helotes Area Chamber of Commerce has requested the HEDC consider sponsoring the 2020 Helotes 0.5K Challenge. This annual event is being held virtually this year, due to the regulations on hosting large events. The HEDC did sponsor in 2019 and provided drawstring backpacks for all the runners. Funds raised from this event benefit the Chamber's Foundation that provides scholarships to local graduating seniors. This year a portion of ticket sales will also be benefiting the Helotes Humane Society.

**FINANCIAL:** To be determined

**ATTACHMENTS:**

Attachment A – Sponsorship Levels

**SUBMITTED BY:** Glenn Goolsby, Assistant Director

# HELOTES 0.5K CHALLENGE

A RACE FOR THE REST OF US

Sponsorship Opportunities	Ultimate Procrastinator \$3,500	Lollygagger \$2,000	Couch Potato \$1,000	Straggler \$500	Loafer \$250
# Of Free Race Entries	15	10	5	2	1
<b>Pre-Event Recognition</b>					
Social Media Promotion (Facebook, Twitter, Instagram)	●	●	●	●	●
Website Presence (Logo and hyperlink)	●	●	●	●	●
Email Blasts (30,000+ contacts)	●	●	●	●	●
Logo on Race Advertisements	●	●	●	●	●
Logo on Event Flyer	●	●	●	●	●
Name Included in Press Release	●	●	●	●	●
<b>Race Day Recognition</b>					
Logo on Race Bib	●	●	●	●	●
Logo on Race Lanyard	●	●	●	●	●
Logo on Race Medal	●	●	●	●	●
Sponsor of Virtual Challenges	●	●	●	●	●
Logo on back of Event T-Shirt	●	●	●	●	●
Logo at Virtual After-Party	●	●	●	●	●
Corporate Item in Goody Bags	●	●	●	●	●
<b>Post-Event Recognition</b>					
Outgoing Press Releases	●	●	●	●	●
Logo in Chamber Newsletter	●	●	●	●	●
Thank you Email Blast	●	●	●	●	●



Supporting



Helotes Humane Society  
A Home For Every One



## Individual Tickets

Early Registration \$25

Registration \$35

Includes a Finisher Medal, T-shirt, Race Decal, 1 Beer Token, and Swag.

## VIP Tickets

Add \$25 per ticket

Includes a Limited Edition Race Medal, Membership in the "Society of Lazy and Carefree Runners," T-shirt, Race Decal, 2 Beer Token, Extra Swag, and other Valuable Offers.

## Other Sponsorships

Have another idea?

Please reach out to us at,  
[info@heloteschamber.com](mailto:info@heloteschamber.com).

**Contact Info:** Rachel Barringer cell: 210-931-0683 or email: [rbarringer@heloteschamber.com](mailto:rbarringer@heloteschamber.com)

October 24, 2020

• Virtual Race & Challenges

• Virtual After Party 5 pm