



SPECIAL MEETING AGENDA

The City of Helotes Economic Development Corporation (EDC) Board of Directors will meet for a Special Meeting on Wednesday, August 12, 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, August 12, 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 Spectrum Government Access Channel 21 or the recording on the City's YouTube channel. The digital meeting packet is available on the EDC website.

1. Call to order.

OPEN SESSION:

2. 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.

ITEMS FOR INDIVIDUAL CONSIDERATION:

3. Discussion of and action on a Resolution of the City of Helotes Economic Development Corporation (EDC) amending Resolution No. 20-001 by converting the Small Business Loan Assistance Program (the "Loan Program") into a Small Business Grants Assistance Program (the "Grants Program"); approving all previously awarded loans be included in the Grants Program; and authorizing the EDC Executive Director to take all necessary steps to implement the provisions of this Resolution. (Staff)

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 August 7, 2020 at 4:00 p.m.

Attest:



Glenn Goolsby
Assistant Executive Director



Marian Mendoza
Executive Director

**CITY OF HELOTES EDC
AGENDA ITEM REQUEST FORM
DATE: August 12, 2020**

AGENDA PLACEMENT: **CONSENT**
 INDIVIDUAL
 PRESENTATION
 CLOSED

CAPTION:

Discussion of and action on a Resolution of the City of Helotes Economic Development Corporation (EDC) amending Resolution No. 20-001 by converting the Small Business Loan Assistance Program (the “Loan Program”) into a Small Business Grants Assistance Program (the “Grants Program”); approving all previously awarded loans be included in the Grants Program; and authorizing the EDC Executive Director to take all necessary steps to implement the provisions of this Resolution. (Staff)

BACKGROUND AND SUMMARY:

On May 13, 2020, the EDC Board of Directors approved the Small Business Loan Assistance Program (the “Loan Program”) to provide up to \$20,000.00 in zero interest loans to each eligible Helotes small business that has been adversely impacted by the COVID-19 pandemic.

Due to continued regulation changes by the Texas Governor, many small businesses are not comfortable applying for long-term loans. In an effort to assist Helotes business’s, Staff has identified a funding program through Bexar County and the Coronavirus Aid, Relief, and Economic Security (CARES) Act. This funding option would allow for the existing Loan Program to be converted into a Grants Program. The program provides grants up to \$10,000.00 to businesses with 5 employees or less and up to \$20,000 to businesses with 6 to 10 employees. The County requires adopting the following minimum eligibility requirements:

- Business who received Bexar County COVID-19 grant funds thru the Lift Fund Small Business Disaster Relief Programs are not eligible for grants offered by the City;
- Industries of professional services such as physicians, clinics, dentists, attorneys, engineers, architects, insurance agencies, vacation and long-term rentals, and sexually oriented businesses are not included; and
- Annual gross revenues of not more than \$1 million from all business activities.

Staff supports converting to a Grants Program due to the continued economic strain COVID-19 has had on the small business community. Many of our businesses have been forced to close or operate at reduced capacities for a prolonged period of time. This has resulted in an inability for some to cover their normal operating cost. A grant program would allow these businesses to focus on rebuilding without the burden of added expenses of debt service. It is staff's belief, in order to be fair to previously approved applicants, that the grant program be retroactive. In addition to the County's eligibility requirements, Staff recommends maintaining the original eligibility requirements as follows:

- Located within the corporate limits of the City of Helotes and will remain in the City;
- Must be in compliance with the Municipal Code of Ordinances, including all applicable zoning and land use ordinances, and have a current Certificate of Occupancy;
- Not a home-based business;
- Must have been in business since May 2019;
- Must be a sales tax producing business;
- Must demonstrate a loss of revenue due to the COVID-19 crisis, beginning March 2020, and use the twelve (12) previous months as a basis;
- Sole proprietors are eligible to apply; and
- Demonstrate a loss of at least 15% of revenue in the period beginning March 2020, or was deemed non-essential and could not operate.

ATTACHMENT:

Attachment A – Resolution

FINANCIAL:

Allocate the remainder of the funding unutilized in the Loan Program to the Grants Program, not to exceed \$300,000.00

SUBMITTED BY: EDC Staff

RESOLUTION NO. 20-002

A RESOLUTION OF THE ECONOMIC DEVELOPMENT CORPORATON (EDC) OF THE CITY OF HELOTES, TEXAS, AMENDING RESOLUTION NO. 20-001 BY CONVERTING THE SMALL BUSINESS LOAN ASSISTANCE PROGRAM (THE “LOAN PROGRAM”) TO A SMALL BUSINESS GRANT ASSISTANCE PROGRAM (THE “GRANTS” PROGRAM); APPROVING ALL PREVIOUSLY AWARDED LOANS TO BE INCLUDED IN THE GRANTS PROGRAM; AUTHORIZING THE EDC EXECUTIVE DIRECTOR TO TAKE ALL NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION; INCORPORATING RECITALS; PROVIDING FOR SEVERABILITY; REPEALING ANY OTHER CODE PROVISIONS, RESOLUTIONS, OR PARTS OF RESOLUTIONS, AND OTHER PROVISIONS IN CONFLICT HEREWITH; AND SETTING AN EFFECTIVE DATE.

WHEREAS, in December 2019, a novel coronavirus, now designated SARS-Co V2 which causes the disease COVID-19, was detected in Wuhan, China; and

WHEREAS, President Donald J. Trump declared a State of National Emergency for the United States of America on March 13, 2020 in response to the spread of COVID-19; and

WHEREAS, on March 13, 2020, Texas Governor Greg Abbott declared a statewide public health disaster; and

WHEREAS, on March 20, 2020, Mayor Thomas A. Schoolcraft issued a declaration of local disaster for public health emergency for the City of Helotes for a period of seven (7) days; and

WHEREAS, on March 26, 2020, the City Council adopted Declaration No. 2020-02, continuing and extending the Mayor’s amended declaration of local disaster for public health emergency for sixty (60) days to help abate the public health threat resulting from the COVID-19 pandemic; and

WHEREAS, the COVID-19 pandemic has caused closures of and limitations on local businesses; and

WHEREAS, some local businesses in the City of Helotes do not currently have an online presence which would enable them to provide services during this state of disaster; and

WHEREAS, Chapter 505 of the Texas Local Government Code allows Economic Development Corporations to establish economic development projects to business enterprises that create or retain primary jobs in the municipality; and

WHEREAS, the EDC approved the creation of the Small Business Loan Assistance Program after noticed had been published on May 2, 2020 and holding a public hearing May 13, 2020; and

WHEREAS, the EDC recognizes the economic strain the COVID-19 pandemic has had on local businesses, and desires to convert the Small Business Loan Assistance Program into a Small Business Grant Assistance Program and approving all previously awarded loans be included in the Grants Program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION THAT:

SECTION 1: The EDC desires to amend the Small Business Loan Assistance Program to the Small Business Grant Assistance Program pursuant to Chapter 505 of the Texas Local Government Code to provide immediate, short-term financial assistance in the form of grants to qualified businesses located within the city limits of the City of Helotes.

SECTION 2: The EDC shall utilize the \$300,000.00 previously approved for the Small Business Loan Assistance Program and will reassign it to the Small Business Grant Assistance Program. The \$300,000.00 shall be reimbursed by the City of Helotes through the Interlocal Grant Agreement between the City and Bexar County, whereas the agreement has provided a mechanism for the City to seek reimbursements for certain COVID-19 expenses and expenditures from funding appropriated under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

SECTION 3: Each qualified small business is eligible to receive a grant from \$10,000 up to \$20,000.

SECTION 4. Authorization. The EDC Executive Director is authorized to amend the contract with CEN-TEX CDC dba BCL of Texas, a Community Development Financial Institution (CDFI) lender, to administer the Small Business Assistance Grant Program, and are authorized to take any and all other actions they deem necessary to administer the program consistent with the program requirements set forth herein.

SECTION 5. Recitals. The HEDC finds all of the above recitals to be true and correct and incorporates the same in this Resolution as findings of fact.

SECTION 6. Severability. If any section, subsection, sentence, clause or phrase of this Resolution be declared unconstitutional and/or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Resolution shall remain in full force and effect. The HEDC hereby declares that it would have passed this Resolution, and each section, subsection, clause and phrase thereof regardless of whether any one or more sections, subsections, sentences, clauses or phrases may be declared unconstitutional and/or invalid.

SECTION 7. Repealer. Resolution No. 20-001 and any other provisions in conflict with this Resolution are hereby repealed.

SECTION 8. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED THIS 12TH DAY OF AUGUST, 2020.

HELOTES ECONOMIC DEVELOPMENT CORPORATION

Blaine Lopez, President

ATTEST:

Glenn Goolsby, Assistant Executive Director