



The City of Helotes Economic Development Corporation (EDC) Board of Directors will meet for a Regular Meeting on Wednesday, March 17, 2021 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 regular 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, March 17, 2021. 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 a proposal for the City of Helotes Economic Development Corporation (HEDC) to fund a Small Business Assistance Program that will offer grants to businesses in the City of Helotes that have been impacted by COVID 19. The program qualifies as an economic development "Project", as defined by Texas Local Govt. Code Chapter 505 Type B Corporations.

**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 – 5):**

***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 March 3, 2021. (Staff)
5. Approval of the EDC Fiscal Year Ending (FYE) 2021 Revenue and Expense Report dated March 12, 2021. (Staff)

**ITEMS FOR INDIVIDUAL CONSIDERATION:**

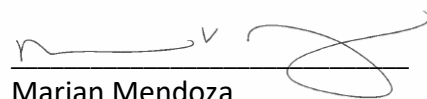
6. Presentation of Comprehensive Annual Financial Report (CAFR) for year ended September 30, 2020 for the City of Helotes Economic Development Corporation (HEDC).
7. Discussion of and action on a Resolution of the City of Helotes Economic Development Corporation (HEDC) approving a project to establish a Small Business Assistance Program that will offer grants to businesses within the corporate limits of Helotes that have been impacted by the coronavirus (COVID-19); and authorizing the HEDC 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.

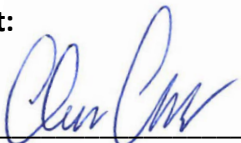
A quorum of the City Council and/or other City Boards, Committees, or Commissions may be present at this meeting. The City Council and/or other City Boards, Committees, or Commissions may not take action regarding public business or policy.

I certify that this Agenda was posted on March 12, 2021 at 5:00 p.m.



Marian Mendoza  
Executive Director

**Attest:**



Glenn Goolsby  
Assistant Director

# Hearst Newspapers, LLC

## Order Confirmation

Item 2

**Ad Order Number**

0034100469

**Sales Rep.**

1202-SAE

**Order Taker**

ccastillo

**Order Source**

Rep

**Customer**

CITY OF HELOTES

**Customer Account**

20000334

**Customer Address**

PO BOX 507  
HELOTES TX 780230507 USA

**Customer Phone**

2106955911

**Payor Customer**

CITY OF HELOTES

**Payor Account**

20000334

**Payor Address**

PO BOX 507  
HELOTES TX 780230507 USA

**Payor Phone**

2106955911

**PO Number**

GLENN GOOLSBY

**Ordered By**

glenn goolsby

**Customer Fax**

**Customer Email**

CITYSEC@HELOTES-TX.GOV

**Special Pricing**

**Tear Sheets**

0

**Proofs**

0

**Affidavits**

1

**Blind Box**

**Promo Type**

**Materials**

**Invoice Text**

GLENN GOOLSBY

**Ad Order Notes**

**Gross Amount**

310.82

**Net Amount**

\$310.82

**Tax Amount**

\$0.00

**Total Amount**

\$310.82

**Payment Method**

Credit Card

**Payment Amount**

\$0.00

**Amount Due**

\$310.82

**Ad Number**

0034100469-01

**Ad Type**

Legal

**Production Method**

AdBooker

**Production Notes**

**External Ad Number**

**Ad Attributes**

**Ad Released**

No

**Pick Up**

**Ad Size**

1 X 18 li

**Color**

**NOTICE OF PUBLIC HEARINGS**

The City of Helotes Economic Development Corporation (EDC) will hold a Public Hearing on March 17, 2021 and City Council will hold a Public Hearing on March 25, 2021 at 7 p.m. in the City Hall Council Chambers, 12951 Bandera Rd., Helotes, TX 78023 on a proposal for the EDC to fund Small Business Assistance Programs that will offer grants to businesses in the City of Helotes that have been impacted by COVID 19.

The proposals constitute economic development "Projects," as defined by Texas Local Govt. Code Chapter 505 Type B Corporations. For more information, visit [www.helotesedc.com](http://www.helotesedc.com).

**Product**

SAE Express-News

**Placement**

Legals

**Position**

Legal Notices

**First Run Date**

Saturday, March 6, 2021

**Last Run Date**

Saturday, March 6, 2021



4. **\*Approval of the EDC Fiscal Year Ending (FYE) 2021 Revenue and Expense Report dated February 09, 2021. (Staff)**
5. **\*Approval of the HEDC Quarterly Investment Report date December 31, 2020. (Staff)**

**ITEMS FOR INDIVIDUAL CONSIDERATION:**

6. **Discussion of and action on adopting the HEDC FYE 2021 Strategic Work Plan. (Staff)**

Motion was made by John Kodosky, second by Melody Cooper to approve the FYE 2021 Strategic Work Plan as written. Motion carried unanimously.

7. **Approval of a Resolution of the Board of Directors of the City of Helotes Economic Development Corporation (EDC) approving Amendment No. 1 to the Agreement for Management Services between the City of Helotes and the EDC. (Staff)**

Marian Mendoza presented a need to amend the Management Services Agreement to include additional digital media responsibilities being handled by the City's Public Relations Specialist.

Motion was made by John Kodosky, second by Greg Hayden to approve the item as written increasing the management service fee by \$6,000.00. Motion carried unanimously.

8. **Discussion of and action on sponsoring the Helotes Area Chamber of Commerce Gift Card Give Back Program. (Staff)**

Glenn Goolsby presented the request from the HACC to assist in funding the Gift Card Give Back Program. The HACC has committed to only utilize any funds approved towards business located within the city limits of Helotes.

Motion was made by John Kodosky, second by Melody Cooper to support the HACC Gift Card Give Back with a \$10,000.00 sponsorship. Motion carried unanimously.

9. **Discussion of and action on contracting with 360 Zone to provide Google 360 Virtual Tours to businesses located within the City of Helotes. (Staff)**

Glenn Goolsby presented the program and prior success since implementing in 2014.

Motion was made by John Kodosky, second by Melody Cooper to approve contracting with 360 Zone to provide Google 360 Virtual Tours. Motion carried unanimously.

10. **Discussion of and action on a Resolution by the Board of Directors postponing the construction of a spray park / splash pad at the Helotes Fitness and Disc Golf Course and sidewalks along Riggs Road and reallocating those funds toward emergency relief efforts to support the Helotes business community. (John Kodosky and Melody Copper)**

John Kodosky stated the reason for bringing this item up for discuss was the need to support struggling businesses in Helotes. Melody Cooper stated she supports the two capital projects, but the EDC could temporally redirect funds to assist businesses and may be able to re-appropriate funds in six to twelve months for the splash-pad and sidewalks.

Motion was made by John Kodosky, second by Melody Cooper to approve the resolution to postpone funding for the construction of a spray park / splash pad at the Helotes Fitness and Disc Golf Course and sidewalks along Riggs Road and reallocate up to \$475,000.00 toward emergency relief efforts to support the Helotes business community. Motion carried unanimously.

**11. Discussion of and direction on developing an Ordinance for the City of Helotes to establish requirements and guidelines for operating food truck parks in Old Town Helotes. (John Kodosky and Melody Copper)**

John Kodosky presented Item 11 to expand the current city ordinance to allow food trucks in Old Town Helotes that could spur additional activity in the area. Melody Cooper agreed that food trucks could draw in more foot traffic for Old Town businesses. Marian Mendoza presented sample ordinances from Fredericksburg, Buda, and Bastrop and stated she would begin developing a new ordinance.

**12. Discussion of and direction on creating an e-commerce grant program for Helotes businesses. (Staff)**

Glenn Goolsby presented two ideas for setting up an e-commerce program. Direction was given to provide individual websites and/or e-commerce sites for qualifying businesses. Staff will develop the program and make another presentation during a subsequent meeting.

**STAFF REPORT:**

**13. Update on new HEDC website design. (Staff)**

Glenn Goolsby presented the new HEDC website and highlighted new features for demographics and property listings.

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

President Lopez adjourned the meeting at 8:53 p.m.

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Marian Mendoza  
Executive Director

CITY OF HELOTES  
 REVENUE & EXPENSE REPORT - UNAUDITED  
 AS OF: MARCH 12TH, 2021

05 -ECONOMIC DEVELOPMENT CORP  
 FINANCIAL SUMMARY

|                                    | CURRENT<br>BUDGET   | CURRENT<br>PERIOD | YEAR TO DATE<br>ACTUAL | BUDGET<br>BALANCE | % OF<br>BUDGET |
|------------------------------------|---------------------|-------------------|------------------------|-------------------|----------------|
| <u>REVENUE SUMMARY</u>             |                     |                   |                        |                   |                |
| NON-PROPERTY TAXES                 | 1,488,182.00        | 0.00              | 831,476.92             | 656,705.08        | 55.87          |
| MISCELLANEOUS REVENUE              | <u>12,000.00</u>    | <u>0.00</u>       | <u>996.65</u>          | <u>11,003.35</u>  | <u>8.31</u>    |
| TOTAL REVENUES                     | 1,500,182.00        | 0.00              | 832,473.57             | 667,708.43        | 55.49          |
|                                    | =====               | =====             | =====                  | =====             | =====          |
| <u>EXPENDITURE SUMMARY</u>         |                     |                   |                        |                   |                |
| ADMINISTRATION                     | <u>1,325,262.39</u> | <u>3,414.31</u>   | <u>832,152.48</u>      | <u>493,109.91</u> | <u>62.79</u>   |
| TOTAL EXPENDITURES                 | 1,325,262.39        | 3,414.31          | 832,152.48             | 493,109.91        | 62.79          |
|                                    | =====               | =====             | =====                  | =====             | =====          |
| REVENUES OVER/(UNDER) EXPENDITURES | 174,919.61          | ( 3,414.31)       | 321.09                 | 174,598.52        | 0.18           |

CITY OF HELOTES  
 REVENUE & EXPENSE REPORT - UNAUDITED  
 AS OF: MARCH 12TH, 2021

05 -ECONOMIC DEVELOPMENT CORP  
 REVENUES

|                                   | CURRENT<br>BUDGET | CURRENT<br>PERIOD | YEAR TO DATE<br>ACTUAL | BUDGET<br>BALANCE | % OF<br>BUDGET |
|-----------------------------------|-------------------|-------------------|------------------------|-------------------|----------------|
| <u>NON-PROPERTY TAXES</u>         |                   |                   |                        |                   |                |
| 401-3140 SALES TAX                | 1,474,767.00      | 0.00              | 829,031.23             | 645,735.77        | 56.21          |
| 401-3150 MIXED BEVERAGE           | 9,815.00          | 0.00              | 1,745.69               | 8,069.31          | 17.79          |
| 401-3160 SUBLEASE HELOTES CHAMBER | <u>3,600.00</u>   | <u>0.00</u>       | <u>700.00</u>          | <u>2,900.00</u>   | <u>19.44</u>   |
| TOTAL NON-PROPERTY TAXES          | 1,488,182.00      | 0.00              | 831,476.92             | 656,705.08        | 55.87          |
| <u>MISCELLANEOUS REVENUE</u>      |                   |                   |                        |                   |                |
| 406-1010 INTEREST                 | <u>12,000.00</u>  | <u>0.00</u>       | <u>996.65</u>          | <u>11,003.35</u>  | <u>8.31</u>    |
| TOTAL MISCELLANEOUS REVENUE       | 12,000.00         | 0.00              | 996.65                 | 11,003.35         | 8.31           |
| TOTAL REVENUES                    | 1,500,182.00      | 0.00              | 832,473.57             | 667,708.43        | 55.49          |
|                                   | =====             | =====             | =====                  | =====             | =====          |



CITY OF HELOTES  
 REVENUE & EXPENSE REPORT - UNAUDITED  
 AS OF: MARCH 12TH, 2021

05 -ECONOMIC DEVELOPMENT CORP  
 ADMINISTRATION  
 EXPENDITURES

|   | CURRENT<br>BUDGET | CURRENT<br>PERIOD | YEAR TO DATE<br>ACTUAL | BUDGET<br>BALANCE | % OF<br>BUDGET |
|---|-------------------|-------------------|------------------------|-------------------|----------------|
| <u>PERSONNEL</u>                        |                   |                   |                        |                   |                |
| 510-5101 SALARIES                       | 74,721.35         | 2,817.04          | 33,729.64              | 40,991.71         | 45.14          |
| 510-5111 LONGEVITY                      | 1,460.00          | 0.00              | 1,340.00               | 120.00            | 91.78          |
| 510-5113 BENEFITS                       | <u>19,360.04</u>  | <u>422.27</u>     | <u>8,108.60</u>        | <u>11,251.44</u>  | <u>41.88</u>   |
| TOTAL PERSONNEL                         | 95,541.39         | 3,239.31          | 43,178.24              | 52,363.15         | 45.19          |
| <u>CONTRACTUAL SERVICES</u>             |                   |                   |                        |                   |                |
| 510-5201 MEMBERSHIPS, DUES & LICENSES   | 15,000.00         | 525.00            | 2,432.68               | 12,567.32         | 16.22          |
| 510-5202 AUDIT FEES                     | 3,400.00          | 0.00              | 1,700.00               | 1,700.00          | 50.00          |
| 510-5203 SCHOOLS, SEMINARS, CONFERENCES | 3,200.00          | 0.00              | 355.00                 | 2,845.00          | 11.09          |
| 510-5204 INTL. CONF. SHOPPING CENTERS   | 3,200.00          | 0.00              | 0.00                   | 3,200.00          | 0.00           |
| 510-5205 BANK FEES                      | 750.00            | 0.00              | 0.00                   | 750.00            | 0.00           |
| 510-5206 LEGAL FEES / MDD CREATION      | 3,000.00          | 0.00              | 76.00                  | 2,924.00          | 2.53           |
| 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            | 30,000.00         | 0.00              | 6,272.88               | 23,727.12         | 20.91          |
| 510-5212 WEBSITE DEV. & MAINTENANCE     | 12,000.00         | 0.00              | 0.00                   | 12,000.00         | 0.00           |
| 510-5214 MANAGED SVCS. AGREEMENT        | 30,000.00         | 0.00              | 30,000.00              | 0.00              | 100.00         |
| 510-5215 DEBT SERVICE                   | 321,669.00        | 0.00              | 321,669.00             | 0.00              | 100.00         |
| 510-5216 SBLAP GRANTS & ADMINISTRATION  | 0.00              | 0.00              | 25,600.00              | ( 25,600.00)      | 0.00           |
| 510-5224 OFFICE RENTAL                  | 12,000.00         | ( 350.00)         | 3,400.00               | 8,600.00          | 28.33          |
| 510-5225 OTHSD PARKING LOT LEASE        | 5,520.00          | 0.00              | 2,162.27               | 3,357.73          | 39.17          |
| 510-5228 VISITOR CENTER                 | 50,000.00         | 0.00              | 0.00                   | 50,000.00         | 0.00           |
| 510-5230 MARKETING/CITY EVENTS          | <u>110,000.00</u> | <u>0.00</u>       | <u>450.00</u>          | <u>109,550.00</u> | <u>0.41</u>    |
| TOTAL CONTRACTUAL SERVICES              | 617,739.00        | 175.00            | 394,117.83             | 223,621.17        | 63.80          |
| <u>COMMODITIES</u>                      |                   |                   |                        |                   |                |
| 510-5301 OFFICE SUPPLIES                | 2,000.00          | 0.00              | 117.06                 | 1,882.94          | 5.85           |
| 510-5302 OPERATIONAL EXPENSES           | 8,500.00          | 0.00              | 3,674.15               | 4,825.85          | 43.23          |
| 510-5305 COMMUNICATION EQUIPMENT        | 1,232.00          | 0.00              | 495.38                 | 736.62            | 40.21          |
| 510-5326 EXPENSE REIMBURSEMENT          | 250.00            | 0.00              | 0.00                   | 250.00            | 0.00           |
| 510-5333 380 AGREEMENT REIMBURSEMENTS   | <u>600,000.00</u> | <u>0.00</u>       | <u>390,569.82</u>      | <u>209,430.18</u> | <u>65.09</u>   |
| TOTAL COMMODITIES                       | 611,982.00        | 0.00              | 394,856.41             | 217,125.59        | 64.52          |
| TOTAL ADMINISTRATION                    | 1,325,262.39      | 3,414.31          | 832,152.48             | 493,109.91        | 62.79          |
| TOTAL EXPENDITURES                      | 1,325,262.39      | 3,414.31          | 832,152.48             | 493,109.91        | 62.79          |
| REVENUES OVER/(UNDER) EXPENDITURES      | 174,919.61        | ( 3,414.31)       | 321.09                 | 174,598.52        | 0.18           |

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



**City of Helotes EDC**  
**AGENDA ITEM REQUEST FORM**  
**DATE: March 17, 2021**

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

**CAPTION:**

Presentation of Comprehensive Annual Financial Report (CAFR) for year ended September 30, 2020 for the City of Helotes Economic Development Corporation (HEDC).

**BACKGROUND:**

An audit is required annually of the City and HEDC's basic financial statements. This audit is conducted by Certified Public Accountants selected by the City Council.

The HEDC utilizes Armstrong, Vaughn & Associates, P.C. for audit services of the governmental activities and the major fund. Kimberly J. Roach, CPA, will present the audit. This audit is for year ended September 30, 2020 and was completed February 2021. The independent opinion on the financial statements is "unmodified". An unmodified opinion states that the financial statements are presented fairly and in conformity with the Governmental Accounting Standards Board (GASB). The audited Comprehensive Annual Financial Report (CAFR) will be accessible to the public at City Hall and on the City website.

**FINANCIAL:** N/A.

**ATTACHMENT:**

**SUBMITTED BY:** EDC Staff



Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

February 23, 2021

Board of Directors  
Helotes Economic Development Corporation

We have audited the financial statements of the governmental activities and the major fund of Helotes Economic Development Corporation for the year ended September 30, 2020. Professional standards require that we advise you of the following matters related to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated June 16, 2020, our responsibility as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material aspects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of City of Helotes solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethical Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Corporation are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from management's current judgments. There were no sensitive estimates affecting the financial statements.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The Corporation does not have any sensitive financial statement disclosures.

## **Significant Difficulties Encountered during the Audit**

We encountered no difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all such audit differences.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. Additionally, none of the differences detected as a result of audit procedures were material to the financial statements either individually or in the aggregate.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### **Representations Requested from Management**

We have requested certain representations from management that are included in the management representation letter dated February 23, 2021.

### **Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

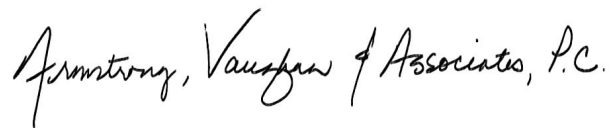
### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with City of Helotes, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as City of Helotes's auditors.

### **Compliance with Public Funds Investment Act**

The Public Funds Investment Act requires that we include, as part of our audit, procedures to determine if the Corporation complied with the provisions of the Act. We found, as a result of our tests, that the Corporation has complied in all material respects, with the provisions of the Act and the Corporation's internal investment policy.

This report is intended solely for the information and use of the board of directors and management of the Helotes Economic Development Corporation and is not intended to be and should not be used by anyone other than these specified parties.



Armstrong, Vaughan & Associates, P.C.

February 23, 2021

**CITY OF HELOTES ECONOMIC  
DEVELOPMENT CORPORATION**

**ANNUAL  
FINANCIAL REPORT**

**FISCAL YEARS ENDED  
SEPTEMBER 30, 2020 AND 2019**



CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

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CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 2020

PRINCIPAL OFFICERS

PRESIDENT .....Blaine Lopez  
VICE PRESIDENT .....Melody Cooper  
SECRETARY ..... Kathryn Mitchell  
BOARD MEMBER ..... Gregory Hayden  
BOARD MEMBER ..... Phyllis Jackson  
BOARD MEMBER ..... John Kodosky  
BOARD MEMBER .....Stephanie “Stevie” Seitz





Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
City of Helotes Economic Development Corporation  
City of Helotes, Texas

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and the major fund of the City of Helotes Economic Development Corporation (a component unit of the City of Helotes) as of and for the years ended September 30, 2020 and 2019, and the related notes to the financial statements which collectively comprise the City of Helotes Economic Development Corporation's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

City of Helotes Economic Development Corporation's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

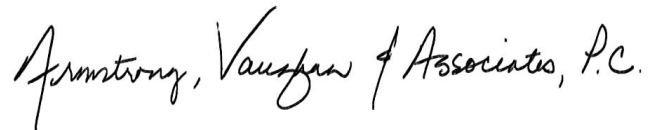
## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of City of Helotes Economic Development Corporation, as of September 30, 2020 and 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Armstrong, Vaughan & Associates, P.C.

February 23, 2021

CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
MANAGEMENT’S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Helotes Economic Development Corporation, a component unit of the City of Helotes, financial performance provides an overview of the Corporation’s financial activity for the fiscal year ended September 30, 2020. It should be read in conjunction with the financial statements.

**Financial Highlights**

- The Corporation’s net position was \$1.8 million at September 30, 2020.
- The Corporation’s total revenues were \$1.1 million while total expenses were \$253,847.
- The Corporation’s net position increased by \$514 thousand after the transfer of pledged revenue to the primary government (City of Helotes).

**Corporation Highlights**

City of Helotes Economic Development Corporation was formed in February 6, 2003 under the Development Corporation Act of 1979, Texas Revised Civil Statutes Annotated, Article 5190.6, Section 4B. It receives all its proceeds from the 1/2 cent sales tax adopted in 2003 for economic development in the City of Helotes.

**Using this Annual Report**

This annual report consists of three parts: Management’s Discussion and Analysis, Financial Statements and Required Supplementary Information. The Statement of Net Position and Activities provides information on the Corporation as a whole. The Corporation’s net position—the difference between assets and liabilities—provides one way to measure financial health or financial position.

**Statement of Net Position**

Table 1 shows all of the assets and liabilities of the Corporation and is presented on the accrual basis. The total net position is \$1.8 million.

**Table 1**  
**City of Helotes Economic Development Corporation**  
**Net Position**

|                                  | 2020                       | 2019                       | 2018                     |
|----------------------------------|----------------------------|----------------------------|--------------------------|
| Cash and Investments             | \$ 1,625,508               | \$ 1,183,747               | \$ 845,279               |
| Accounts Receivable              | 286,862                    | 259,837                    | 221,457                  |
| Due from Primary Government      | 60,000                     | -                          | -                        |
| Land                             | 48,140                     | 48,140                     | 48,140                   |
| <b>Total Assets</b>              | <u>2,020,510</u>           | <u>1,491,724</u>           | <u>1,114,876</u>         |
| Liabilities                      | 188,173                    | 172,892                    | 129,832                  |
| <b>Total Liabilities</b>         | <u>188,173</u>             | <u>172,892</u>             | <u>129,832</u>           |
| Net Investment in Capital Assets | 48,140                     | 48,140                     | 48,140                   |
| Unrestricted                     | 1,784,197                  | 1,270,692                  | 936,904                  |
| <b>Total Net Position</b>        | <u><u>\$ 1,832,337</u></u> | <u><u>\$ 1,318,832</u></u> | <u><u>\$ 985,044</u></u> |

## Statement of Activities

Table 2 shows all of the expenses and revenues of the Corporation and is also presented on the accrual basis. General Revenues consist of the ½ cent sales tax the Corporation receives for economic development.

**Table 2**  
**City of Helotes Economic Development Corporation**  
**Statement of Activities and Changes in Net Position**

|  | 2020              | 2019              | 2018              |
|--|-------------------|-------------------|-------------------|
| Program Revenues                         | \$ 60,000         | \$ -              | \$ -              |
| General Revenues                         | 1,036,562         | 936,899           | 833,225           |
| <b>Total Revenues</b>                    | <u>1,096,562</u>  | <u>936,899</u>    | <u>833,225</u>    |
| <br>                                     |                   |                   |                   |
| Total Expenses                           | (253,847)         | (180,778)         | (200,976)         |
| Transfers In (Out) to Primary Government | (329,210)         | (422,333)         | (490,894)         |
| <b>Total Expenditures</b>                | <u>(583,057)</u>  | <u>(603,111)</u>  | <u>(691,870)</u>  |
| <br>                                     |                   |                   |                   |
| <b>Change in Net Position</b>            | <u>\$ 513,505</u> | <u>\$ 333,788</u> | <u>\$ 141,355</u> |

## Balance Sheet

The Balance Sheet shows the assets, liabilities, and fund balances of the Corporation.

## Statement of Revenues, Expenditures, and Changes in Fund Balance

This Statement shows the revenues and expenditures for the Corporation. The largest source of income is from the 1/2 cent sales tax adopted in 2003 for economic development.

## Budget to Actual

The Corporation's total actual expenditures were less than budgeted amounts.

## Description of Current and Expected Conditions

The City of Helotes Economic Development Corporation has experienced steady revenue growth while maintaining expenses. This has allowed the Corporation to complete planned projects and consider several new ones. The following list highlights some of those projects funded:

- Approval of a Small Business Grants Program to assist to small businesses impacted by the COVID-19 pandemic;
- Approval of several marketing initiatives to promote local businesses during the COVID-19 pandemic.

Even though the HEDC has experienced several years of growth, we are continuing monitoring the outbreak of the COVID-19 virus and how it may affect our local business community. We did not see a reduction in sales tax for FYE 2020 and do not anticipate any reduction in FYE2021.

## **Contacting the Corporation's Financial Management**

This financial report is designed to provide a general overview of the Corporation's finances and show the Corporation's accountability to its taxpayers. If you have any questions about this report or need additional financial information, contact the City of Helotes Economic Development Corporation at P.O. Box 507, Helotes, Texas 78023 or at (210) 695-8877.

CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
 COMPARATIVE STATEMENTS OF NET POSITION  
 SEPTEMBER 30, 2020 AND 2019

|                                  | 2020                | 2019                |
|----------------------------------|---------------------|---------------------|
| <b>ASSETS</b>                    |                     |                     |
| Cash and Investments             | \$ 1,625,508        | \$ 1,183,747        |
| Accounts Receivable - State      | 286,862             | 259,837             |
| Due from Primary Government      | 60,000              | -                   |
| Capital Assets:                  |                     |                     |
| Land                             | 48,140              | 48,140              |
| <b>TOTAL ASSETS</b>              | <b>\$ 2,020,510</b> | <b>\$ 1,491,724</b> |
| <br><b>LIABILITIES</b>           |                     |                     |
| <i>Liabilities:</i>              |                     |                     |
| Accounts Payable                 | \$ -                | \$ 383              |
| Accrued Liabilities              | 163,137             | 151,665             |
| Accrued Compensated Absences     | 24,625              | 20,844              |
| Due to Primary Government        | 411                 | -                   |
| <b>TOTAL LIABILITIES</b>         | <b>188,173</b>      | 172,892             |
| <br><b>NET POSITION</b>          |                     |                     |
| Net Investment in Capital Assets | 48,140              | 48,140              |
| Unrestricted                     | 1,784,197           | 1,270,692           |
| <b>TOTAL NET POSITION</b>        | <b>\$ 1,832,337</b> | <b>\$ 1,318,832</b> |

The accompanying notes are an integral part of these statements.

CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
 COMPARATIVE STATEMENTS OF ACTIVITIES  
 FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

|   | 2020                | 2019                |
|---|---------------------|---------------------|
| <b>EXPENSES</b>                                   |                     |                     |
| Personnel   | \$ 93,211           | \$ 91,603           |
| Professional Services                             | 38,185              | 42,058              |
| Office Supplies and Expenses                      | 21,686              | 25,621              |
| Training and Seminars                             | 19,711              | 10,635              |
| Reimbursement to City Administration              | 15,000              | 5,524               |
| Parking Lease Agreement                           | 4,960               | 5,169               |
| Other Expenses                                    | 61,094              | 168                 |
| <b>TOTAL EXPENSES</b>                             | <b>253,847</b>      | <b>180,778</b>      |
| <br><b>REVENUES</b>                               |                     |                     |
| <i>Program Revenues:</i>                          |                     |                     |
| Operating Grants                                  | 60,000              | -                   |
| <i>Total Program Revenues</i>                     | <b>60,000</b>       | -                   |
| <br><i>Net Governmental Activities</i>            | <b>(193,847)</b>    | <b>(180,778)</b>    |
| <br><i>General Revenues:</i>                      |                     |                     |
| Sales Tax   | 1,022,152           | 915,256             |
| Interest  | 14,410              | 21,643              |
| <i>Total General Revenues</i>                     | <b>1,036,562</b>    | <b>936,899</b>      |
| <br><i>Transfers From (To) Primary Government</i> | <b>(329,210)</b>    | <b>(422,333)</b>    |
| <br><i>Change in Net Position</i>                 | <b>513,505</b>      | <b>333,788</b>      |
| <br><b>BEGINNING NET POSITION</b>                 | <b>1,318,832</b>    | <b>985,044</b>      |
| <br><b>ENDING NET POSITION</b>                    | <b>\$ 1,832,337</b> | <b>\$ 1,318,832</b> |

The accompanying notes are an integral part of these statements.

CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
 COMPARATIVE BALANCE SHEETS  
 SEPTEMBER 30, 2020 AND 2019

|   | 2020                | 2019                |
|---|---------------------|---------------------|
| <b>ASSETS</b>   |                     |                     |
| Cash and Investments  | \$ 1,625,508        | \$ 1,183,747        |
| Accounts Receivable - State   | 286,862             | 259,837             |
| Due from Primary Government   | 60,000              | -                   |
| <b>TOTAL ASSETS</b>   | <b>\$ 1,972,370</b> | <b>\$ 1,443,584</b> |
| <b>LIABILITIES AND FUND BALANCE</b>   |                     |                     |
| <i>Liabilities:</i>   |                     |                     |
| Accounts Payable  | \$ -                | \$ 383              |
| Accrued Liabilities   | 163,137             | 151,665             |
| Due to Primary Government   | 411                 | -                   |
| <i>Total Liabilities</i>  | <b>163,548</b>      | 152,048             |
| <i>Fund Balance:</i>  |                     |                     |
| Unassigned  | 1,808,822           | 1,291,536           |
| <i>Total Fund Balance</i>   | <b>1,808,822</b>    | 1,291,536           |
| <b>TOTAL LIABILITIES AND<br/>FUND BALANCE</b>   | <b>\$ 1,972,370</b> | <b>\$ 1,443,584</b> |
| <b>RECONCILIATION OF THE BALANCE SHEETS<br/>TO THE STATEMENTS OF NET POSITION:</b>  |                     |                     |
| <b>TOTAL FUND BALANCES</b>  | <b>\$ 1,808,822</b> | \$ 1,291,536        |
| Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund financial statements | 48,140              | 48,140              |
| Accrued compensated absences are not due and payable from current financial resources and, therefore, are not reported in the governmental funds          | (24,625)            | (20,844)            |
| <b>TOTAL NET POSITION</b>   | <b>\$ 1,832,337</b> | <b>\$ 1,318,832</b> |

The accompanying notes are an integral part of these statements.



CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
 COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE  
 FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

|   | 2020                | 2019                |
|---|---------------------|---------------------|
| <b>REVENUES</b>   |                     |                     |
| Sales Tax   | \$ 1,022,152        | \$ 915,256          |
| Grants and Interlocal Agreements  | 60,000              | -                   |
| Interest  | 14,410              | 21,643              |
| <b>TOTAL REVENUES</b>   | <b>1,096,562</b>    | <b>936,899</b>      |
| <br><b>EXPENDITURES</b>   |                     |                     |
| Personnel   | 89,430              | 83,934              |
| Professional Services   | 38,185              | 42,058              |
| Office Supplies and Expenses  | 21,686              | 25,621              |
| Training and Seminars   | 19,711              | 10,635              |
| Reimbursement to City Administration  | 15,000              | 5,524               |
| Parking Lease Agreement   | 4,960               | 5,169               |
| Other Expenses  | 61,094              | 168                 |
| <b>TOTAL EXPENDITURES</b>   | <b>250,066</b>      | <b>173,109</b>      |
| <br><b>Excess (Deficiency) of Revenues Over<br/>(Under) Expenditures</b>  | <b>846,496</b>      | <b>763,790</b>      |
| <br><b>OTHER FINANCING SOURCES (USES)</b>   |                     |                     |
| Transfer In (Out) to Primary Government   | (329,210)           | (422,333)           |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>   | <b>(329,210)</b>    | <b>(422,333)</b>    |
| <br><b>Net Change in Fund Balance</b>   | <b>517,286</b>      | <b>341,457</b>      |
| <br><b>BEGINNING FUND BALANCE</b>   | <b>1,291,536</b>    | <b>950,079</b>      |
| <br><b>ENDING FUND BALANCE</b>  | <b>\$ 1,808,822</b> | <b>\$ 1,291,536</b> |
| <br><b>RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES<br/>AND CHANGES IN FUND BALANCE TO STATEMENTS OF NET POSITION:</b>  |                     |                     |
| <br><b>NET CHANGE IN FUND BALANCE</b>   | <b>\$ 517,286</b>   | <b>\$ 341,457</b>   |
| <br>Some expenses reported in the Statement of Activities do<br>not require the use of current financial resources and,<br>therefore, are not reported as expenditures in governmental<br>fund financial statements | <b>(3,781)</b>      | <b>(7,669)</b>      |
| <br><b>CHANGE IN NET POSITION</b>   | <b>\$ 513,505</b>   | <b>\$ 333,788</b>   |

The accompanying notes are an integral part of these statements.

CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020 AND 2019

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Financial Reporting Entity

City of Helotes Economic Development Corporation is a nonprofit industrial corporation, with powers of taxation, created pursuant to Section 4B Article 5190.6 of Vernons Texas Civil Statutes (V.T.C.S.), as amended. City of Helotes Economic Development Corporation (hereafter referred to as the Corporation) was created February 6, 2003 to act on behalf of the City for promotion, development, and enhancement of economic development within the City of Helotes. The Corporation is a component unit of the City of Helotes. A component unit is a legally separate corporation for which the elected officials of the governmental unit are financially accountable. The Corporation is presented in the City's financial statements as a blended component unit.

The financial statements of the Corporation have been prepared in conformity with generally accepted accounting principles (GAAP), as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements present the financial position and results of operations of the Corporation only.

2. Basis of Presentation

The government-wide financial statements are presented in accordance with GASB 34, which mandates government-wide financial statements of net position and activities, and are presented on the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of the related cash flows. It also requires that capital assets be recorded at cost less accumulated depreciation.

Governmental funds use the modified accrual basis of accounting. Under this method, revenues are recognized in the accounting period in which they become both available and measurable (flow of current financial resources measurement focus). Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

3. Budgets

The Corporation adopts annual operating (and if necessary capital) budget which is approved by the City Council. Formal budgetary accounting is employed as a management control. The budgets can be amended by the Board of Directors, subject to City Council approval. Actual expenditures cannot legally exceed budgeted appropriations at the fund level. All budgeted appropriations lapse at the end of each fiscal year. The budget is presented on the modified accrual basis of accounting.

4. Cash and Investments

Cash includes cash deposits and investments with maturity dates within three (3) months of the date acquired by the Development Corporation.

CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020 AND 2019

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Cash and Investments (Continued)

The Corporation reports investments at fair value based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

5. Related Party Transactions

During the course of operations, numerous transactions occur between the Corporation and the City. These receivables and payables are classified as "due from primary government" or "due to primary government" on the Balance Sheet and Statement of Net Position. The Corporation reimburses the City for its share of personnel costs and paid an agreed upon rate of \$15,000 for general administrative overhead. The Corporation has also pledged revenue to cover a portion of the City's debt service (see note F).

During the normal course of operations, payables and receivables occur between the Corporation and City based on the timing of transactions between the two entities. These balances are expected to be paid/received in the next fiscal year.

6. Capital Assets

Capital assets, which include land, are capitalized at total acquisition cost or fair market value at the time of donation if donated. Depreciation (where applicable) is recorded on all depreciable capital assets on a straight-line basis over the estimated useful lives. Land held for future development is not depreciated.

7. Sales Tax Revenue

The citizens of the City of Helotes voted to adopt an additional one-half of one percent (1/2 cent or \$0.0050) local sales and use tax to be used by the Corporation for the promotion and development of new and expanded business enterprises and any other purposes authorized by Section 4B, Article 5190.6, V.T.C.S., as amended (the Development Corporation Act of 1979).

8. Fund Balance

Fund Balance is classified as follows:

Nonspendable – Represents amounts that cannot be spent because they are either not spendable form (such as inventory or prepaid items) or legally required to remain intact.

Restricted – Represents amounts that are constrained by external parties, constitutional provisions, or enabling legislation.

CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020 AND 2019

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

8. Fund Balance (Continued)

Committed – Represents amounts that can be used only for the specific purposes determined by a formal action of the government’s highest decision-making authority. The governing board is the highest level of decision-making authority for the corporation that can commit fund balance. Once adopted, the limitation imposed remains in place until a similar action is taken to remove or revise the limitation.

Assigned – Represents amounts which the Corporation intends to use for a specific purpose but does not meet the criteria of restricted or committed. The Board of Directors may make assignments and has chosen not to delegate that authority to any other individuals.

Unassigned - Represents the residual balance that may be spent on any other purpose for the Corporation.

When an expenditure is incurred for a purpose in which multiple classifications are available, the Corporation considers restricted balances spent first, committed second, and assigned third.

9. Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any loans used to purchase, construct, or improve those assets.

10. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B -- DEPOSITS AND INVESTMENTS

1. Deposits

At September 30, 2020 and 2019, the total carrying amount of the Corporation’s deposits were \$139,173 and \$141,688, respectively, and the bank balance was \$320,418 and \$143,287, respectively. All cash deposits were fully collateralized.

CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 SEPTEMBER 30, 2020 AND 2019

NOTE B -- DEPOSITS AND INVESTMENTS (Continued)

2. Investments

As of September 30, 2020, the Corporation had the following investments:

|                          | 2020         | 2019         |
|--------------------------|--------------|--------------|
|                          | Carrying     | Carrying     |
|                          | Value        | Value        |
| <i>Investment Pools:</i> |              |              |
| TexPool                  | \$ 27        | \$ 27        |
| LOGIC                    | 1,486,308    | 1,042,032    |
|                          | \$ 1,486,335 | \$ 1,042,059 |

The net asset value of investments are valued using prices quoted prices in active markets (Level 1) inputs.

*Credit Risk*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At September 30, 2020 and 2019, the City of Helotes Economic Development Corporation was not significantly exposed to credit risk.

*Custodial Credit Risk*

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City of Helotes Economic Development Corporation's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the City of Helotes Economic Development Corporation's name.

At September 30, 2020 and 2019, the City of Helotes Economic Development Corporation was not exposed to custodial credit risk.

*Concentration of Credit Risk*

The risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. As of September 30, 2020 and 2019, the City of Helotes Economic Development Corporation had no exposure to concentration of credit risk.

CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
 SEPTEMBER 30, 2020 AND 2019

NOTE C -- CAPITAL ASSETS

Activity for assets capitalized by the Corporation is summarized below:

|      | Balance<br>10/1/2019 | Additions | Deletions | Balance<br>9/30/2020 |
|------|----------------------|-----------|-----------|----------------------|
| Land | \$ 48,140            | \$ -      | \$ -      | \$ 48,140            |

Land is not depreciated.

NOTE D -- INTERFUND BALANCES

Interfund balances represent reimbursements for expenditures paid or cash received on behalf of other funds and are expected to be liquidated in the next fiscal year. Interfund balances at September 30, 2020, were as follows:

| Due from                          | Due to                            | 2020<br>Amount | 2019<br>Amount | Purpose                      |
|-----------------------------------|-----------------------------------|----------------|----------------|------------------------------|
| EDC                               | Primary Government - General Fund | \$ 60,000      | \$ -           | Reimbursement of Grant funds |
| Primary Government - General Fund | EDC                               | 411            | -              | Reimbursement of expenses    |
|                                   |                                   | \$ 60,411      | \$ -           |                              |

NOTE E -- TRANSFERS

Transfers during the year ended September 30, 2020, were as follows:

| Transfer Out | Transfer In                           | 2020<br>Amount | 2019<br>Amount | Purpose                       |
|--------------|---------------------------------------|----------------|----------------|-------------------------------|
| EDC          | Primary Government - Debt Service     | \$ 329,210     | \$ 319,015     | Pledged revenue               |
| EDC          | Primary Government - Capital Projects | -              | 103,318        | Contributions toward projects |
|              |                                       | \$ 329,210     | \$ 422,333     |                               |

NOTE F -- COMMITMENTS AND CONTINGENCIES

*Litigation*

Management is not aware of any pending or threatened litigation that may have a material impact on the Corporation's financial statements.

CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)  
SEPTEMBER 30, 2020 AND 2019

NOTE F -- COMMITMENTS AND CONTINGENCIES (Continued)

*380 Development Agreement*

The City of Helotes and the Economic Development Corporation have entered into 380 Development agreements to encourage growth within the City. The agreements involve the City and Corporation reimbursing the project costs through refunding a portion of the sales and use taxes generated by the projects up to a maximum amount. No reimbursements have been made as of the date of this report, but the City and Corporation are recording estimated rebate amounts. The terms of the agreements are as follows:

| Development, Date Began                    | Sales Tax Refund Agreement |               | Maximum Grant Amount | Current Year Reductions | Maximum EDC Balance Due | Term     |
|--|----------------------------|---------------|----------------------|-------------------------|-------------------------|----------|
|  | City                       | EDC           |                      |                         |                         |          |
| Bandera Helotes Plaza (2010)               | 50%                        | 50%           | \$ 300,000           | \$ 841                  | \$ 130,949              | 10 years |
| Bluff and Shops at Old Town Helotes (2014) | 50%                        | 50%           | \$ 2,000,000         | \$ -                    | \$ 1,000,000            | 15 years |
| Texas Developers, LLC (2016)               | 75% of excess              | 75% of excess | N/A                  | \$ 617,262              | N/A                     | 20 years |
| CSDRE LLC and Slim Texas LLC (2017)        | 40%                        | 40%           | \$ 600,000           | \$ -                    | \$ 298,684              | 13 years |

*Pledged Revenue*

Through Interlocal Agreements with the City of Helotes, the Economic Development Corporation has pledged a portion of its revenue over the next 20 years to reimburse the City for debt service on multiple bonds issued. The agreements called for reimbursement of \$4,000,000 for the Certificates of Obligation Series 2007 and \$937,480 for the Certificates of Obligation Series 2015 issued by the City. These portions of the debt issuance were used by the Corporation for implementation of The Old Town Helotes Improvements and State Highway 16 & Helotes Linear Creek Development Projects. The Corporation transferred \$329,210 and \$319,015 during the years ended September 30, 2020 and 2019, respectively, for the debt service requirements and is up to date on payments required by the agreement. The Economic Development Corporation's future pledged revenues are as follows:

| Fiscal Year Ending<br>September 30, | Series 2007         | Series 2015       | Total               |
|-------------------------------------|---------------------|-------------------|---------------------|
| 2021                                | \$ 297,203          | \$ 24,466         | \$ 321,669          |
| 2022                                | 297,968             | 24,144            | 322,112             |
| 2023                                | 298,339             | 23,822            | 322,161             |
| 2024                                | 298,318             | 24,028            | 322,346             |
| 2025                                | 297,903             | 23,633            | 321,536             |
| 2026 - 2030                         | 597,892             | 262,348           | 860,240             |
| 2030 - 2035                         | -                   | 162,319           | 162,319             |
|                                     | <u>\$ 2,087,623</u> | <u>\$ 544,760</u> | <u>\$ 2,632,383</u> |

REQUIRED SUPPLEMENTARY INFORMATION



CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

|  | Budgeted Amounts           |                            | Actual<br>2020                    | Variance                   | Actual<br>2019             |
|--|----------------------------|----------------------------|-----------------------------------|----------------------------|----------------------------|
|  | Original                   | Final                      |                                   | Favorable<br>(Unfavorable) |                            |
| <b>REVENUES</b>  |                            |                            |                                   |                            |                            |
| Taxes  | \$ 907,785                 | \$ 907,785                 | <b>\$ 1,022,152</b>               | \$ 114,367                 | \$ 915,256                 |
| Grants and Interlocal Agreements                                     | -                          | -                          | <b>60,000</b>                     | 60,000                     | -                          |
| Interest   | 21,315                     | 21,315                     | <b>14,410</b>                     | (6,905)                    | 21,643                     |
| <b>TOTAL REVENUES</b>  | <u>929,100</u>             | <u>929,100</u>             | <u><b>1,096,562</b></u>           | <u>167,462</u>             | <u>936,899</u>             |
| <b>EXPENDITURES</b>  |                            |                            |                                   |                            |                            |
| Current:   |                            |                            |                                   |                            |                            |
| Personnel  | 92,031                     | 92,031                     | <b>89,430</b>                     | 2,601                      | 83,934                     |
| Professional Services  | 79,907                     | 79,907                     | <b>38,185</b>                     | 41,722                     | 42,058                     |
| Office Supplies and Expenses   | 29,893                     | 29,893                     | <b>21,686</b>                     | 8,207                      | 25,621                     |
| Training and Seminars  | 19,000                     | 19,000                     | <b>19,711</b>                     | (711)                      | 10,635                     |
| City Administration Cost Reimbursement                               | 5,400                      | 5,400                      | <b>15,000</b>                     | (9,600)                    | 5,524                      |
| Parking Lease Agreement  | 5,520                      | 5,520                      | <b>4,960</b>                      | 560                        | 5,169                      |
| Other Expenses   | 115,183                    | 115,183                    | <b>61,094</b>                     | 54,089                     | 168                        |
| <b>TOTAL EXPENDITURES</b>  | <u>346,934</u>             | <u>346,934</u>             | <u><b>250,066</b></u>             | <u>96,868</u>              | <u>173,109</u>             |
| <b>Excess (Deficiency) of Revenues<br/>Over (Under) Expenditures</b> | <u>582,166</u>             | <u>582,166</u>             | <u><b>846,496</b></u>             | <u>264,330</u>             | <u>763,790</u>             |
| <b>OTHER FINANCING<br/>SOURCES (USES)</b>                            |                            |                            |                                   |                            |                            |
| Transfer In (Out) to Primary<br>Government                           | (329,210)                  | (329,210)                  | <b>(329,210)</b>                  | -                          | (422,333)                  |
| <b>TOTAL OTHER FINANCING<br/>SOURCES (USES)</b>                      | <u>(329,210)</u>           | <u>(329,210)</u>           | <u><b>(329,210)</b></u>           | <u>-</u>                   | <u>(422,333)</u>           |
| <b>Net Change in Fund Balance</b>                                    | 252,956                    | 252,956                    | <b>517,286</b>                    | 264,330                    | 341,457                    |
| <b>Fund Balance - October 1</b>                                      | <u>1,291,536</u>           | <u>1,291,536</u>           | <u><b>1,291,536</b></u>           | <u>-</u>                   | <u>950,079</u>             |
| <b>Fund Balance - September 30</b>                                   | <u><u>\$ 1,544,492</u></u> | <u><u>\$ 1,544,492</u></u> | <u><u><b>\$ 1,808,822</b></u></u> | <u><u>\$ 264,330</u></u>   | <u><u>\$ 1,291,536</u></u> |

CITY OF HELOTES ECONOMIC DEVELOPMENT CORPORATION  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2020  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR 2019)

**Budgetary Information** – The budget is prepared in accordance with accounting principles generally accepted in the United States of America. The Corporation maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provision embodied in the annual appropriated budget approved by the City Council and as such is a good management control device. The following are the funds which have legally adopted annual budgets: General Fund.

Budgetary preparation and control is exercised at the department level. Actual expenditures may not legally exceed appropriations at the fund level.





**City of Helotes EDC**  
**AGENDA ITEM REQUEST FORM**  
**DATE: March 17, 2021**

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

**CAPTION:**

Discussion of and action on a Resolution of the City of Helotes Economic Development Corporation (HEDC) approving a project to establish a Small Business Assistance Program that will offer grants to businesses within the corporate limits of Helotes that have been impacted by the Coronavirus (COVID-19); and authorizing the HEDC Executive Director to take all necessary steps to implement the provisions of this Resolution. (Staff)

**BACKGROUND:**

On March 3, 2020 Directors John Kodosky and Melody Cooper presented agenda item to discuss the creation of a second round of grants for small businesses whom have been affected by COVID 19. The HEDC Board of Directors approved publishing a Notice of Public Hearing to consider funding a Small Business Assistance Program that will offer grants to businesses in the City of Helotes that have been impacted by COVID 19 and selected CEN-TEX CDC dba BCL of Texas to administer the loan program in the amount of \$475,000.

On March 10<sup>th</sup> HEDC Board Directors Kodosky and Cooper meet with staff to review the list of businesses that initially applied, but didn't qualify for the first round of grants. BCL reported receiving 31 applications, but only 15 met the criteria established for the original program. The committee was able to identify several key factors that limited the approval process. Three of which include revenue cap of \$1 million, number of employees under 20, and loss of revenue loss of at least 15% beginning March 1, 2020 resulted in the majority of disqualifications.

After identifying several businesses whom the committee felt were representative of the target audience, they were able to refine some of the eligibility criteria to allow more small businesses to participate. The committee also felt it was important not to exclude area nonprofits that contribute to the local community

and/or provide for tourism through events. The following are recommendations for establishing the eligibility requirements:

- Must meet the definition of eligible small business;
- Located within the corporate city limits of Helotes;
- Must have current Certificate of Occupancy in Helotes;
- Must have been in business prior to February 2020;
- Must have 40 or fewer FTE (full time equivalent) employees;
- Annual gross revenues less than \$4 million;
- Local franchisor may apply with only one franchise location;
- Must demonstrate a loss of 15% or more for any quarter in 2020 compared to 2019;
- Applicant must be willing to maintain current level of employees and remain in business for at least 6 months;
- Non-profits must have a minimum gross annual revenue of \$10,000
- 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 eligible;
- Business who received Bexar County COVID-19 grant funds thru the Lift Fund Small Business Disaster Relief Programs are eligible for reduced grants offered by the HEDC.

**FINANCIAL:** Up to \$475,000.00 to include administration fee

**ATTACHMENT:** Attachment A – Program Guide  
Attachment B – Resolution

**SUBMITTED BY:** EDC Staff



# HELOTES SMALL BUSINESS ASSISTANCE PROGRAM

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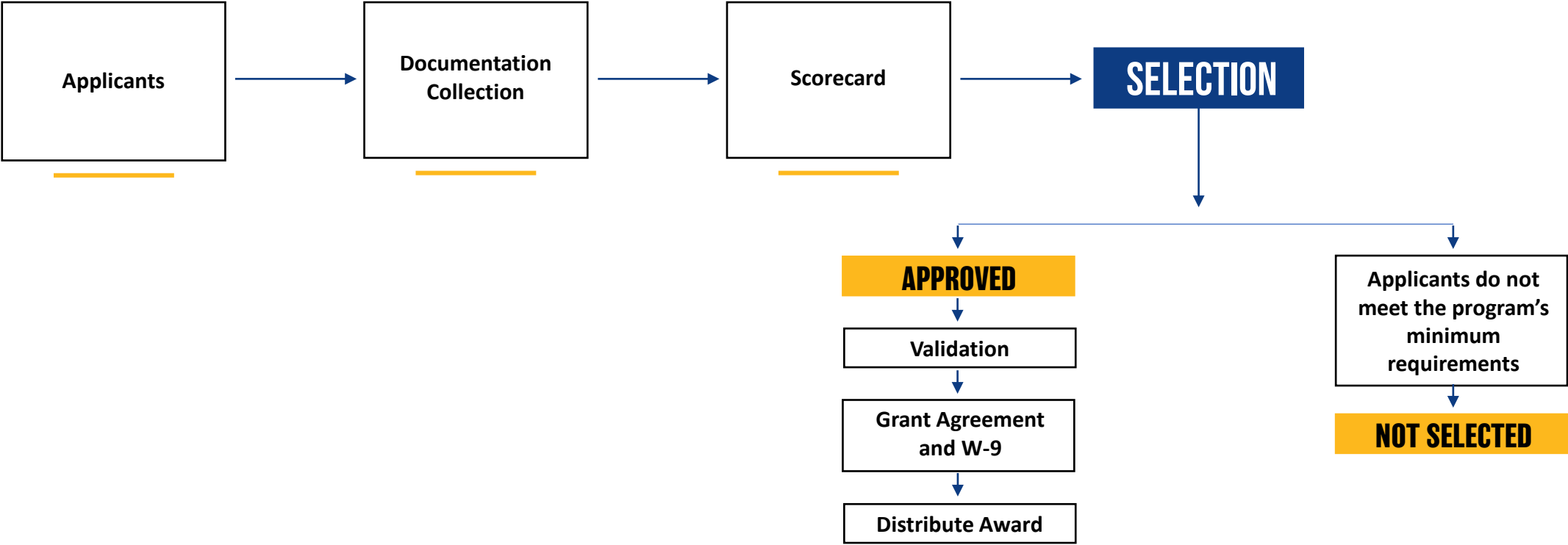
## PROGRAM GUIDELINES (FOR ALL BUSINESSES)



# ABOUT THE PROGRAM

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# SECTION 1: PROCESS OVERVIEW





# SECTION 2: PROGRAM OVERVIEW

- \$475,000 of funding administered by the Helotes Economic Development Corporation with support from BCL of Texas as the Intermediary, known collectively as "Partners."
  - The program is **not** on a "first come, first served" basis.
  - The application portal will open for applicants for a designated period of time determined by the HEDC.
  - Partners will conduct outreach and marketing to ensure small, vulnerable and disadvantaged businesses and nonprofits have access to the grant application platform.
  - Partners will provide technical assistance to business owners and nonprofits (to include translation/interpretation services) during application preparation and online submission.
  - Once applications are received, BCL of Texas will process for eligibility. Once the program closes, grant awards will be distributed based on the program priority factors.
  - Maximum grant amount is \$25,000 per business.
- A committee of internal BCL of Texas team members will confirm the scorecard creation and geographical distribution based on program priority factors, including the COVID health and safety restrictions following Texas Helping Texans, local county status and other factors affecting business operations.
  - If demand for grants from small businesses and nonprofits meeting the prioritization criteria exceeds available funding, priority factors will be assessed.
  - Applications received will be processed in two (2) stages:
    - Stage 1: Applicants upload selected financial documents, identification documents and a business certification regarding accuracy and truthfulness of information submitted.
    - Stage 2: Eligible applicants will be requested to provide additional documentation for grant disbursement.
  - HEDC will distribute grants to approved small businesses and nonprofits.
  - BCL of Texas will arrange to deliver applicable tax forms to grantees.

# SECTION 3: GRANTEE ELIGIBILITY

**Eligible businesses must have a physical address and operate in the City of Helotes.**

A small business or small nonprofit must satisfy the following criteria to be eligible to receive a grant award:

- Must meet the definition of an “eligible small business” (see Definitions and Additional Information)
- Active businesses or nonprofits operating since at least February 2020.
  - Businesses must currently be operating
- Business must be impacted by COVID-19 and the health and safety restrictions such as business interruptions or business closures incurred as a result of the COVID-19 pandemic
- Business must be able to provide organizing documents including 2018 or 2019 tax returns or Form 990s, copy of official filing with the Texas Secretary of State, if applicable, or local municipality for the business such as one of the following: Articles of Incorporation, Certificate of Organization, Fictitious Name of Registration or Government-Issued Business License
- Applicant must be able to provide acceptable form of government-issued photo ID
- Applicants with multiple business entities, franchises, locations, etc. are not eligible for multiple grants and are only allowed to apply once using their eligible small business with the highest revenue.

## DEFINITIONS AND ADDITIONAL INFORMATION

- “eligible small business” means small businesses and small nonprofits operating in the City of Helotes
- “small businesses” means sole proprietors, independent contractors, 1099 workers, and/or registered “for-profit” business entities (e.g., C-corporations, S-corporations, limited liability companies, partnerships) that have yearly gross revenue of \$4 million or less based on most recent available tax return (2018 or 2019); must have less than 40 FTE (full time equivalent) employees
- “small nonprofits” means registered 501(c)(3), 501(c)(4), 501(c)(6) or 501(c)(19) nonprofit entities that have yearly gross revenue of \$4 million or less based on most recent available Form 990 (2018 or 2019); must have minimum yearly gross revenue of \$10,000; nonprofit entities types include corporation, limited liability company, or unincorporated association
- Applicants will be required to certify eligibility, including that the grant will be used for the specific applicant and that such applicant is the business with the highest revenue
- Revenue determined based on IRS tax form definition of “Gross Sales” (less any returns and allowances) as reported on Line 1.c. on both the 1120 (corporate return) or 1120S (S-Corp return); Line 3 on IRS Schedule C for single member LLCs and sole proprietorships; Line 1.c on Form 1065, for partnerships; Line 1.c and Line 2 on Schedule F for farming businesses; and Line 12 on Form 990 for non-profits. Schedule E is not eligible.

# SECTION 4: INELIGIBLE BUSINESSES

- Businesses without a physical location in the City of Helotes
- Nonprofit businesses not registered as either a 501(c)(3), 501(c)(4), 501(c)(6) or 501(c)(19)
- Government entities or elected official offices
- Businesses primarily engaged in political or lobbying activities (regardless of whether such entities qualify as an eligible small nonprofit)
- Passive businesses, investment companies and investors who file a Schedule E on their personal tax returns
- Churches and other religious institutions (regardless of whether such entities qualify as an eligible small nonprofit)
- Financial businesses primarily engaged in the business of lending, such as banks, finance companies and factoring companies
- Businesses engaged in any activity that is illegal under federal, state or local law
- Businesses of of professional services such as physicians, clinics, dentists, attorneys, engineers, architects, insurance agencies, vacation and long-term rentals, and sexually oriented businesses
- Businesses engaged in any socially undesirable activity or activity that may be considered predatory in nature such as rent-to-own businesses and check cashing businesses
- Businesses that restrict patronage for any reason other than capacity
- Speculative businesses
- Businesses of which any owner of greater than 20% of the equity interest in it (i) has within the prior three-years been convicted of or had a civil judgment rendered against such owner, or has had commenced any form of parole or probation (including probation before judgment), for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state anti-trust or procurement statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property, or (ii) is presently indicted for or otherwise criminally or civilly charged by a government entity, (federal, state or local) with commission of any of the offenses enumerated in subparagraph (i) above
- “Affiliated” companies (as such term is defined in 13 C.F.R. § 121.103)
- Multiple business entities, franchises, locations, etc. are not eligible for multiple grants and are only allowed to apply once using their eligible small business with the highest revenue
- Business who received \$20,000 or more from Bexar County or Lift Fund COVID-19 grant funds.

# SECTION 5: USES OF FUNDS

## ELIGIBLE USE OF FUNDS

- Only those costs incurred due to the COVID-19 pandemic and the health and safety restrictions such as business interruptions or business closures incurred as a result of the COVID-19 pandemic. The following are the eligible uses of grant funds:
  - All employee expenses including payroll costs, health care benefits, paid sick, medical, or family leave, and insurance premiums
  - Working capital, overhead (including rent, utilities, mortgage principal and interest payments (excluding mortgage prepayments)), debt obligations (principal and interest) incurred before March 1, 2020
  - Costs associated with re-opening business operations after being fully or partially closed due to state-mandated COVID-19 health and safety restrictions and business closures
  - Costs associated with complying with COVID-19 federal, state or local guidelines for reopening with required safety protocols, including but not limited to equipment, plexiglass barriers, outdoor dining, PPE supplies, testing, and employee training expenses
  - Any other COVID-19 related expenses not already covered (for the same period) through grants, forgivable loans or other relief through federal, state, county or city programs

## INELIGIBLE USES OF FUNDS

- Human resource expenses for the State share of Medicaid;
- Employee bonuses or severance pay;
- Taxes;
- Legal settlements;
- Personal expenses or other expenses unrelated to COVID-19 impacts;
- Expenses for repairs from damages already covered by insurance
- Reimbursement to donors for donated items or services.

# SECTION 6: HOW RECIPIENTS WILL BE DETERMINED

## GRANT RECIPIENTS WILL BE DETERMINED BASED ON:

1. Businesses located in areas impacted the most by the effects of COVID-19, based on COVID health and safety restrictions following Texans Helping Texans , local county status, and other factors affecting business operations.
2. Businesses impacted the most financially based on gross revenue losses.
3. Certain impacted industries including retail, food and hospitality, health and wellness, and personal care (beauty/nail salons, spas, and barbershops).
4. “Underserved small business groups” meaning (l) women-owned, Minority/Person of Color-Owned, or veteran-owned businesses where at least 51% of the business is owned and run on a daily basis by said group(s).
  - "Minority/Person of Color-Owned Small Business" means the following racial or ethnic groups (as identified by the applicant): African-American/Black, Asian, Native American or Alaska Native, Native Hawaiian or Pacific Islander, or LatinX/Hispanic.

# SECTION 8: REQUIRED DOCUMENTATION

## STAGE 1

### Application Requirements

Businesses will need to:

1. Complete a grant application (made available through an online portal by BCL of Texas);
2. Upload selected financial and organizational documents; and
3. Self-certify the accuracy of information by signing an Application Certification.

The following information is required from all applicants in Stage 1:

1. A copy of the signed certification form referenced above.
2. Business operating bank statements for 2019 and 2020 in the quarter claiming 15% or more in losses.
3. 2019 Tax return – provided in an electronic form for online upload, such as PDF/JPEG or other approved upload format.
4. An acceptable form of government-issued photo ID, provided in an electronic form for online upload, such as PDF/JPEG or other approved upload format.
5. Acceptable evidence of less than 40 FTE (full time equivalent) employees. Payroll documents with employee listings/count and IRS 941 for 4th quarter.

## STAGE 2

### Additional Requirements for Businesses Determined to be Eligible

Once selected for funding, applicants will be required to provide additional documentation as set forth below and re-certify to the accuracy of information provided.

The following information is required from all applicants in Stage 2:

1. Copy of official filing with the Texas Secretary of State (which must be active), if applicable or local municipality for your business such as one of the following, which must be provided in electronic format for upload, such as PDF/JPEG or other approved upload format:
  - Articles of Incorporation
  - Certificate of Organization
  - Fictitious Name of Registration
  - Government-issued Business License (sole proprietors without fictitious name)
2. For eligible nonprofit entity applicants, a copy of the entity's most recent IRS tax exemption letter.
3. Disclosure of previously awarded grants from federal, state, or local entities funded with CARES Funds. (Such as EIDL, PPP, Bexar County LiftFund, or HEDC Small Business Assistance Grant)

**RESOLUTION NO. 21-004**

**A RESOLUTION OF THE ECONOMIC DEVELOPMENT CORPORATON (EDC) OF THE CITY OF HELOTES, TEXAS, APPROVING A SMALL BUSINESS ASSISTANCE PROGRAM THAT WILL OFFER GRANTS TO BUSINESSES IN THE CITY OF HELOTES THAT HAVE BEEN IMPACTED BY COVID-19 (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 Assistance Grant Program after noticed had been published on March 6, 2021 and holding a public hearing March 17, 2021; and

**WHEREAS**, the EDC recognizes the economic strain the COVID-19 pandemic has had on local businesses, and desires to create another Small Business Assistance Program to offer grants to businesses still impacted by COVID-19.

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

**SECTION 1: *Approval.*** The EDC desires to approve a Small Business 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: *Grant Program Amount.*** The EDC shall utilize up to \$475,000.00 for the Small Business Assistance Grant Program, which was the amount previously approved for the construction of a spray park / splash pad at the Helotes Fitness Park and Disc Golf Course and the construction of new sidewalks along Riggs Rd. from Our Lady of Guadalupe Church (OLG) to F.M. 1560 and along Old F.M. 1560 from F.M. 1560 to Helotes City Hall.

**SECTION 3: *Grantee Eligibility Amount.*** Each qualified small business is eligible to receive a grant up to \$25,000.00.

**SECTION 4. *Authorization.*** The EDC Executive Director is authorized to 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 EDC 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 EDC 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. *Effective Date.*** This Resolution shall take effect immediately upon its adoption.



**PASSED AND APPROVED THIS 17<sup>TH</sup> DAY OF MARCH, 2021.**

**HELOTES ECONOMIC DEVELOPMENT CORPORATION**

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

ATTEST:

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