

RESOLUTION NO. 2020-R \_\_\_\_\_

A RESOLUTION AMENDING THE CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT WITH HD SUPPLY FACILITIES MAINTENANCE, LTD.

WHEREAS, the global pandemic brought about by COVID-19 has resulted in federal, state and local emergency actions that have resulted in significant economic hardship for local businesses; and

WHEREAS, mandatory business closings, social distancing restrictions, and business occupancy restrictions have led to significant business interruptions and decreased revenue for local small businesses; and

WHEREAS, the original Chapter 380 Economic Development Agreement was entered into between the City of New Braunfels ("City") and HD Supply Facilities Maintenance, LTD ("HD Supply"), and was executed on the 5<sup>th</sup> of December, 2006; and

WHEREAS, the Chapter 380 Economic Development Agreement was renewed for an additional ten years in 2015 and will continue to be in effect through December 2026; and

WHEREAS, by this Amendment to the Chapter 380 Economic Development Agreement and the amendment to the Performance Agreement between the New Braunfels Economic Development Corporation ("EDC") and HD Supply, the EDC will assume a portion of the City's obligation to HD Supply under the original Chapter 380 Economic Development Agreement between the City and HD Supply for fiscal years 2020 and 2021, and the EDC will enable the City to fund the proposed COVID-19 Small Business Resource Grant Program; and

WHEREAS, the proposed COVID-19 Small Business Resource Grant Program will serve as a source of capital for New Braunfels small businesses that experienced significant business interruptions due to the COVID-19 pandemic.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NEW BRAUNFELS, TEXAS:

That Section 3 of the Chapter 380 Economic Development Agreement between the City of New Braunfels and HD Supply Facilities Maintenance, LTD, be deleted and replaced with the following:

For fiscal years 2020 and 2021, the City agrees to pay Chapter 380 payments as follows: The City will rebate on a monthly basis and after receiving the Report, confirmation from the State and any State audit adjustments, thirty-three and three-tenths percentage (33.3%) of the sales tax revenue received by the City of New Braunfels from the Comptroller which is verifiably connected to Company's business

activities within the City of New Braunfels described in Paragraph 1 above (the "Rebate").

For fiscal year 2022 through the end of this Contract, the City agrees to pay Chapter 380 payments as follows: The City will rebate, on a monthly basis and after receiving the Report, confirmation from the State and any State audit adjustments, fifty percent (50%) of the sales tax revenue received by the City of New Braunfels from the Comptroller which is verifiably connected to Home Depot's business activities within the City of New Braunfels described in Paragraph 1 above (the "Rebate").

PASSED, ADOPTED AND APPROVED this 10<sup>th</sup> day of August, 2020.

CITY OF NEW BRAUNFELS, TEXAS

By: \_\_\_\_\_  
Rusty Brockman, Mayor

ATTEST:

\_\_\_\_\_  
City Secretary