



**CITY OF NEW BRAUNFELS, TEXAS
ECONOMIC DEVELOPMENT CORPORATION
MEETING
CITY HALL - COUNCIL CHAMBERS
550 LANDA ST.**



**WEDNESDAY, SEPTEMBER 20, 2023 at 5:00
PM**

SPECIAL-CALLED

AGENDA

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF MINUTES

A) Approval of the August 17, 2023 regular meeting minutes [23-1226](#)

4. CITIZEN'S COMMUNICATIONS

This time is for citizens to address the Board on issues and items of concerns not on this agenda. There will be no Board action at this time.

5. TREASURER'S REPORT

A) Presentation and discussion of the September 2023 [23-1227](#)
Treasurer's Report

6. DISCUSSION AND ACTION

A) Presentation and discussion of a proposed project [23-1229](#)
expenditure to the SPARK Small Business Center to
assist with the operation of an economic development
program.

B) Public hearing, discussion, and possible action [23-1146](#)
approving an expenditure of up to \$600,000 to the City of
New Braunfels National Airport for a Texas Department
of Transportation project match for the reconstruction of
the Airport's North Ramp, a project authorized under
505.1561 of the Texas Local Government Code.

7. EXECUTIVE SESSION

In accordance with the Texas Government Code, Section 551.071, the Board reserves the right to retire into executive session concerning the items listed on this agenda to consult with its attorney. In addition, the Board may convene in executive session on any of the following items, with any final action being taken in open session:

A) Deliberate issues regarding economic development [23-1231](#)
negotiations in accordance with Section 551.087 of the
Texas Government Code:

1. Project Camp Unicorn
2. Project Maverick
3. Project Lark
4. Project Care Package
5. Project Lion

Deliberate the pending/contemplated litigation,
settlement offer(s), and matters concerning privileged
and unprivileged client information deemed confidential
by Rule 1.05 of the Texas Disciplinary Rules of
Professional Conduct in accordance with Section
551.071 of the Texas Government Code:

1. Frantic Holdings

8. **ADJOURNMENT**

CERTIFICATION

I hereby certify the above Notice of Meeting was posted on the bulletin board at the New Braunfels City Hall.

Board Liaison

NOTE: Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, or large print, are requested to contact the City Secretary's Office at 221-4010 at least two (2) work days prior to the meeting so that appropriate arrangements can be made.



Economic Development Corporation Agenda Item Report

550 Landa Street
New Braunfels, TX

9/20/2023

Agenda Item No. A)

PRESENTER:

Jeff Jewell, Economic and Community Development Director

SUBJECT:

Approval of the August 17, 2023 regular meeting minutes

DEPARTMENT: Economic and Community Development

**DRAFT - MINUTES
OF THE NEW BRAUNFELS ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING OF THURSDAY, AUGUST 17, 2023**

AGENDA

1. CALL TO ORDER

President Kathy Meurin called the meeting to order at 5:02 PM.

2. ROLL CALL

Present: President Kathy Meurin, Brian Cox, Stuart Hansmann, Larry Hammonds, Kristen Carden, Shane Hines, and Don Austin (5:08 PM).

Also in Attendance: Mayor Neal Linnartz

3. APPROVAL OF MINUTES

**A) Approval of the July 20, 2023 regular meeting minutes
President Meurin introduced this item.**

Director Carden motioned to approve the July 20, 2023 regular meeting minutes. Director Cox seconded the motion which was approved unanimously.

**B) Approval of the August 3, 2023 special-called meeting minutes
President Meurin introduced this item.**

Director Hines motioned to approve the August 3, 2023 special-called meeting minutes. Director Hansmann seconded the motion which was approved unanimously.

4. CITIZEN'S COMMUNICATIONS

This time is for citizens to address the Board on issues and items of concerns not on this agenda. There will be no Board action at this time.

None.

5. TREASURER'S REPORT

**A) Presentation and discussion of the August 2023 Treasurer's Report
President Meurin introduced this item.**

Jared Werner, Assistant City Manager, presented a Powerpoint

addressing the August 2023 Treasurer's Report. Mr. Werner identified an overall sales tax increase of 5.2% for the month of June. June's sales tax revenue is one of the higher months of the fiscal year because of the start of the tourism season. Mr. Werner shared additional graphs and data to show projected fund revenues, current commitment projections, the projected capacity for additional expenditures, and projections for ending fund balance through 2025.

6. DISCUSSION AND ACTION

A) Presentation, discussion, and possible action approving a proposed professional services agreement with the City of New Braunfels

President Meurin introduced this item.

Jeff Jewell, Economic and Community Development Director, presented this item. Mr. Jewell provided the Board a summary of the proposed annual Professional Services Agreement (PSA) to include an increase of \$115,413 to address the full funding of an Assistant Project Manager in the Transportation and Capital Improvements Department (TCI) and funding of the Economic and Community Development Department Administrative Assistant to move from part-time to full-time. The PSA also provides administrative and professional support to the Corporation on behalf of many departments and divisions at the City, to include contract development and management, pay applications, company and incentive auditing services, fiscal impact analysis, record keeping, and the costs for a workforce housing consultant. The Board was provided an initial presentation on this topic at its July 20, 2023 regular meeting.

Mr. Jewell answered questions from the Board.

Director Cox motioned to approve the proposed PSA with the City of New Braunfels. Director Hansmann seconded the motion which was approved unanimously.

B) Public hearing, discussion, and possible action approving an expenditure of up to \$89,160 to Economic & Planning Systems, Inc., for a planning and feasibility study for a possible public/private partnership, a project authorized under 505.102 of the Texas Local Government Code; and authorizing the President to execute said agreement.

President Meurin introduced this item.

Mr. Jewell presented this item. At the June 16, 2023 NBEDC Workshop, the Board directed staff to move forward and obtain a consultant to address the 16-acre property it owns on Gruene Road. The primary goal of the proposed expenditure is to obtain a planning and feasibility analysis for a potential private/public partnership for the property. This study would be the first step of a three-step process which may result in a request for development proposals. The third step may include a development agreement to execute the NBEDC's vision for the property. The expenditure is for up to \$89,160 and may be completed in 90-120 days. This process would also include workshops with stakeholders such as the NBEDC and the City Council.

Mr. Jewell answered questions from the Board. Mr. Packer provided insight about the value of the property and the importance of obtaining expert guidance and direction.

President Meurin opened the public hearing at 5:20 PM. No comments were made. President Meurin closed the public hearing at 5:20 PM.

Director Hines motioned to approve an expenditure up to \$89,160 to Economic & Planning Systems, Inc., for a planning and feasibility study for a possible public/private partnership. Director Carden seconded the motion which was approved unanimously.

C) Presentation and discussion of a proposed project expenditure for the north ramp reconstruction at the New Braunfels National Airport

President Meurin introduced this item.

Mr. Jewell presented this item. He provided an overview of New Braunfels National Airport (BAZ) and its value as an economic and community development asset. A summary of completed airport projects, a review of the 2019 Airport Master Plan, identification of prior and current funding partners, highlights of NBEDC's prior investments to BAZ for projects, and operational growth and fuel sale graphs were also provided. Mr. Jewell reminded the Board that BAZ operates as an enterprise fund which means it is a self-funding division. Overall, BAZ has 54% in revenue growth since 2018. Mr. Jewell touched on additional financial metrics to include ground and hangar lease space and BAZ's absorption of debt issuance, the evolution of BAZ, and a review of upcoming projects. The proposed project expenditure would address BAZ's largest aircraft parking area

and primary overflow apron. The project would remove and replace all existing pavement which is in varying levels of deterioration which would improve operational safety and continue to support revenue generation. TxDOT has recognized this as an key priority and will cover 90% of the costs and a 10% match is required. The total cost of the project is \$8M. Preliminary engineering for the project is complete. BAZ is able to contribute \$200,000 from operational revenues, however this would drain all reserves. This expenditure will be requested for consideration at an upcoming NBEDC meeting.

Mr. Jewell answered questions from the Board. President Meurin shared her appreciation for Dr. Lee, BAZ's Director.

D) Presentation and discussion on the creation of a Workforce Housing Trust Fund

President Meurin identified that this item will be addressed at a later time.

7. EXECUTIVE SESSION

The Board did not convene into Executive Session.

In accordance with the Texas Government Code, Section 551.071, the Board reserves the right to retire into executive session concerning the items listed on this agenda to consult with its attorney. In addition, the Board may convene in executive session on any of the following items, with any final action being taken in open session:

A) Deliberate issues regarding economic development negotiations in accordance with Section 551.087 of the Texas Government Code:

1. Project Care Package
2. Project Camp Unicorn
3. Project Maverick

Deliberate the pending/contemplated litigation, settlement offer(s), and matters concerning privileged and unprivileged client information deemed confidential by Rule 1.05 of the Texas Disciplinary Rules of Professional Conduct in accordance with Section 551.071 of the Texas Government Code:

1. Frantic Holdings

8. ADJOURNMENT

President Meurin adjourned the meeting at 5:38 PM.

By: _____
KATHY MEURIN, PRESIDENT



Economic Development Corporation Agenda Item Report

550 Landa Street
New Braunfels, TX

9/20/2023

Agenda Item No. A)

PRESENTER:

Jared Werner, Assistant City Manager

SUBJECT:

Presentation and discussion of the September 2023 Treasurer's Report

DEPARTMENT: Finance

September NBEDC Treasurer's Report

September 20th, 2023

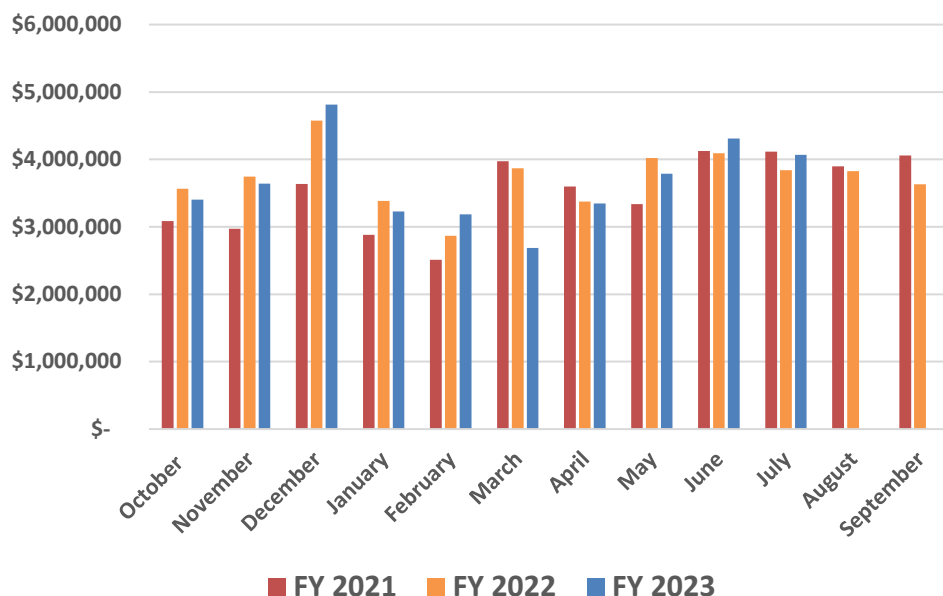
Overview

The Monthly treasurer's report provides updates on sales tax performance, projected revenue streams and projected commitments and timing of expenditures. The financial commitments of the NBEDC typically span multiple fiscal years; therefore, the report is formatted to project the financial position of the NBEDC over the next five years.

Sales Tax

Sales tax collections for the month of July increased by 6.0%. When adjustments are removed, current to current collections increased by 8.7%. These figures exceeded internal projections. Industries such as general Services, food, wholesale and manufacturing experienced double-digit growth for the month of July. Retail, professional services and miscellaneous declined slightly for the month of July.

Gross Sales Tax Collections

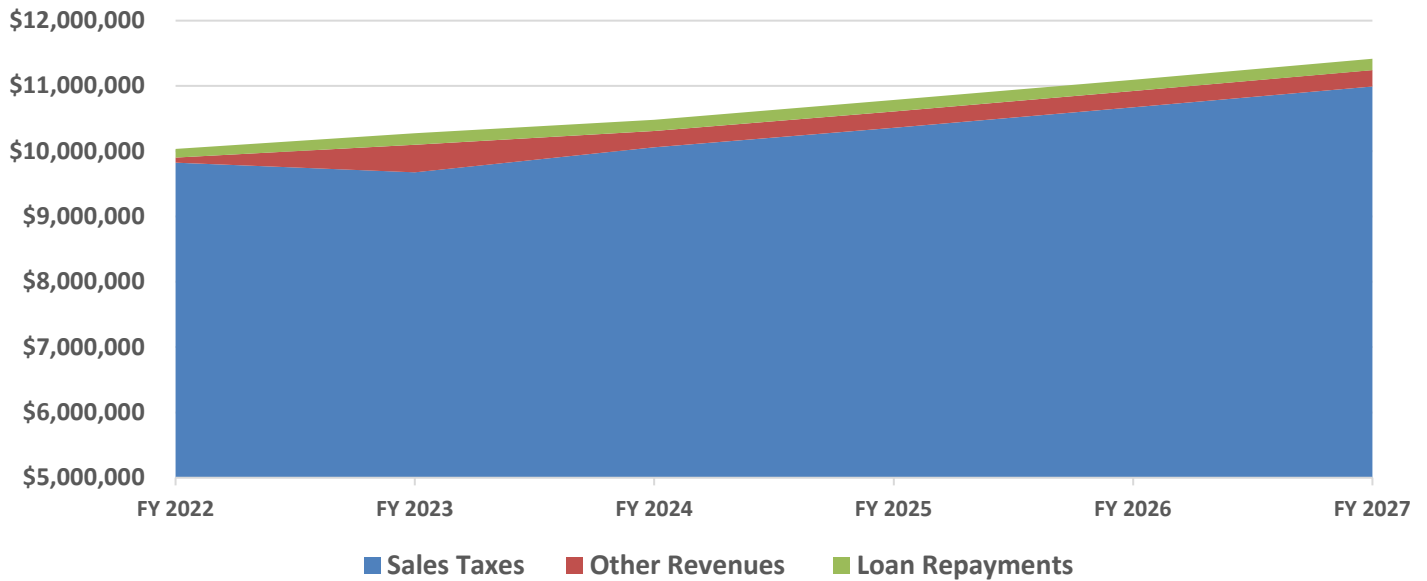


For more information contact:

Jared Werner
Assistant City Manager
jwerner@nbtexas.org
830-221-4385

Revenues

Projected Revenues - FY 2022 to FY 2027



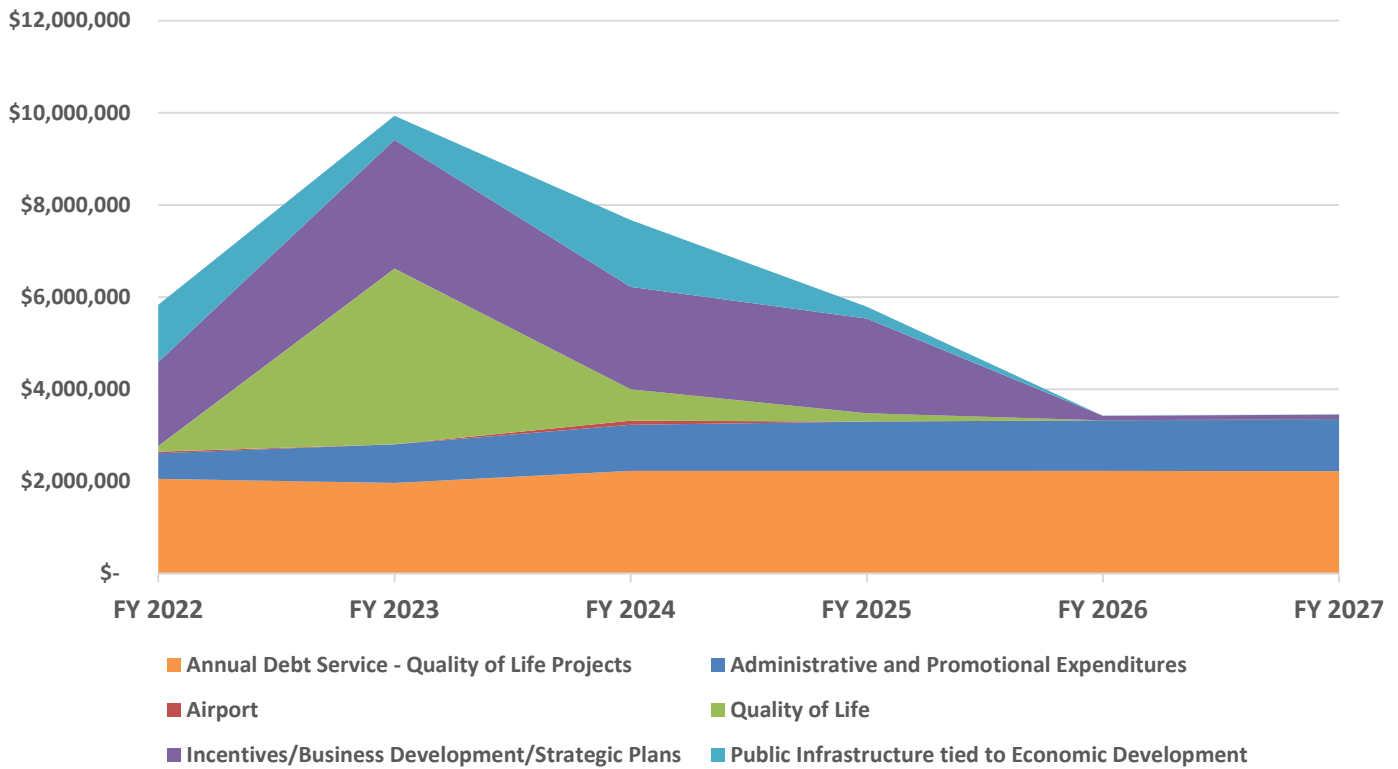
Revenue Projections	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Sales Taxes	\$9,823,778	\$9,676,468	\$10,058,959	\$10,360,727	\$10,671,549	\$10,991,696
Interest Earnings	\$78,713	\$425,000	\$250,000	\$250,625	\$251,252	\$251,880
Loan repayments/reimbursements	\$131,900	\$172,954	\$172,954	\$172,954	\$172,954	\$172,954
Total Revenues	\$10,034,391	\$10,274,422	\$10,481,913	\$10,784,306	\$11,095,755	\$11,416,529

Sales Taxes - the graph and table above reflects the projected sales tax collections through FY 2027. The projections assume conservative growth of 2.5% through FY 2023; 2.5% in FY 2024 and 3% thereafter.

Loan Repayments – The NBEDC began receiving loan repayments from the New Braunfels Regional Airport in FY 2022 (ten year) and ASA properties in FY 2023 (five years with a balloon payment in year six).

Total NBEDC Expenditures – Current Commitments

Current Commitment Projections - FY 2022 to FY 2027

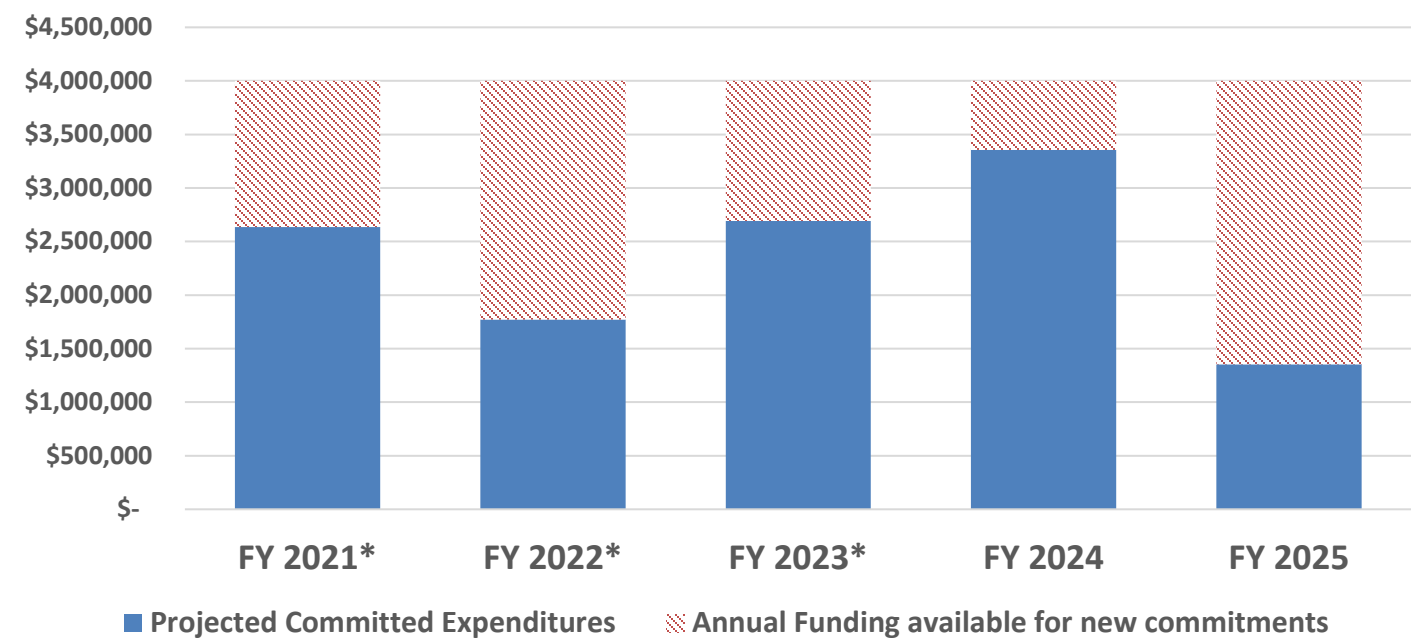


Current Commitments	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Admin/Promotional Expenditures	\$553,319	\$839,996	\$1,005,386	\$1,067,548	\$1,099,574	\$1,132,561
Airport	\$0	\$87,478	\$0	\$0	\$0	\$0
Quality of Life	\$119,342	\$3,807,717	\$681,408	\$185,584	\$0	\$0
Incentive/Business Development/Strategic Plans	\$1,822,272	\$2,796,383	\$2,220,024	\$2,052,766	\$96,576	\$96,146
Public Infrastructure tied to Economic Development	\$1,246,794	\$523,831	\$1,454,754	\$258,404	\$0	\$0
Annual Debt Service	\$2,057,494	\$1,967,856	\$2,226,124	\$2,228,449	\$2,228,624	\$2,224,599
Total Expenditures	\$5,799,221	\$10,023,261	\$7,587,695	\$5,792,750	\$3,424,774	\$3,453,306

Projections above include all current commitments of the NBEDC – including those most recently approved such as the feasibility study with EPS and the Kohlenberg Road professional services contract.

Annual Capacity for New Commitments

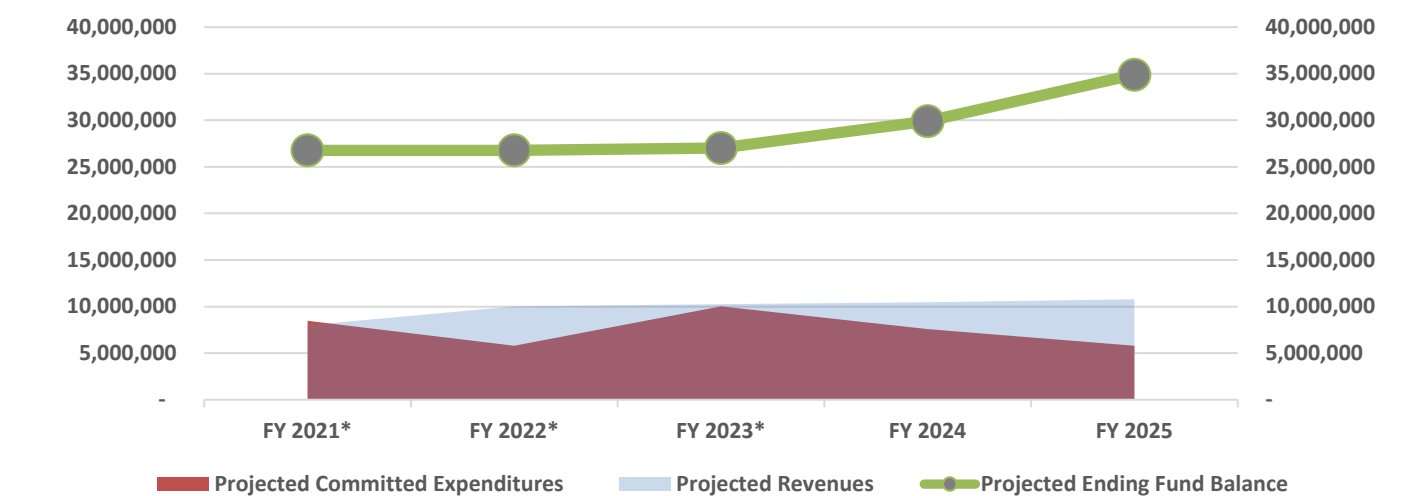
Projected Capacity for Annual Projects Expenditures
Incentives, Professional Services/Studies, Contributions, etc.



*The graph above assumes that the land grant associated with Continental Automotive (FY 2021), Brauntex (FY 2022), Headwaters (FY 2022), Sports Complex supplemental contribution (FY 2023) UPRR (FY 2023) is supported by surplus reserves.

Financial Summary – Revenues, Committed Expenditures, and projected Fund Balance (reserves)

Revenues, Expenditures and Ending Fund Balance



The graph above summarizes estimated revenues, committed expenditures and changes to fund balance/Reserves (only based on current commitments).

9/20/2023

Agenda Item No. A)

PRESENTER:

Ron Richardson, Business Advisor at SPARK Small Business Center

SUBJECT:

Presentation and discussion of a proposed project expenditure to the SPARK Small Business Center to assist with the operation of an economic development program.

DEPARTMENT: Economic and Community Development

COUNCIL DISTRICTS IMPACTED: All

BACKGROUND INFORMATION:

Spark Small Business Center ("SPARK") is a volunteer organization that works to support and further develop the entrepreneurial and small business environment. SPARK primarily focuses on counseling sessions, expanding access to capital, contracting and procurement opportunities and exporting initiatives. In 2011, SPARK (then named the Center for Entrepreneurship) joined with the Small Business Development Center (SBDC) of University of Texas at San Antonio's Institute for Economic Development (UTSA) to establish the Small Business Development satellite center in New Braunfels. The satellite center is staffed by a manager and administrative assistant and offers integrated services to meet the needs of experienced small business owners as well as individuals interested in starting a business.

This presentation will identify a funding request for FY 2024.

9/14/2023

Agenda Item No. B)

PRESENTER:

Jeff Jewell, Economic and Community Development Director

SUBJECT:

Public hearing, discussion, and possible action approving an expenditure of up to \$600,000 to the City of New Braunfels National Airport for a Texas Department of Transportation project match for the reconstruction of the Airport's North Ramp, a project authorized under 505.1561 of the Texas Local Government Code.

DEPARTMENT: Economic and Community Development**COUNCIL DISTRICTS IMPACTED:** 2**BACKGROUND INFORMATION:**

The New Braunfels National Airport has two primary aircraft parking facilities - the apron in front of the existing terminal building and the north side apron. The north side apron is in disrepair and TxDOT Aviation Division has identified its reconstruction as a critical project to undertake to support the airport's continued growth. The proposed north apron reconstruction project will serve as the New Braunfels National Airport's largest aircraft parking apron with fuel facilities and most of the tenant spaces including multiple aviation-related businesses, critical 24/7 air ambulance facilities, corporate hangars, and T-hangars and shed hangars for smaller aircraft storage. The north apron also serves as the Airport's primary overflow parking apron, as the terminal apron frequently exceeds the space available for terminal operations.

The primary improvement of the proposed project is the removal and replacement of most of the existing north apron pavement. In addition to the proposed apron providing new and expanded services, the design of the apron will improve operational and safety challenges in the existing apron layout. The reconstruction of the north apron pavement will mitigate ongoing safety concerns about foreign object debris (FOD) from deteriorating pavement and provide the apron space and connectivity needed to facilitate important revenue-generating operations that support the growth of the New Braunfels National Airport. The project requires the removal of more than 58,000 square yards of asphalt and concrete, along with 58,000 square yards each of subgrade, base and new pavement.

TxDOT Aviation identified this project in its 5-year capital improvement program and is providing funding for 90% of the project. The local sponsor is responsible for identifying the 10% match, which is estimated at \$800,000. Approximately 400 feet of the far west section of the north apron was reconstructed in 2011 with concrete pavement as part of a larger pavement improvements project and is not included in the scope of this project.

The north ramp reconstruction project underwent preliminary engineering during the 2022-2023 and TxDOT is ready to submit the project for funding action by the Texas Transportation Commission but cannot proceed until it receives notice from the airport sponsor (City) that it has identified the 10% match funding.

The Airport is owned by the City of New Braunfels and serves general aviation users from the City, Guadalupe County and surrounding area. Services provided include aircraft parking, hangar leasing, and aircraft maintenance which includes airframe and power plant repair. As of December 2022, the airport featured 133

based fixed-wing single-engine aircraft, 12 based fixed-wing multi-engine aircraft, 13 jets and 2 helicopters. The Airport is a self-sustaining enterprise operation, meaning that the revenue generated by its business activities covers most of its expenses. While there is some ability to contribute to the 10% match, the airport has capital improvement needs that exceed its capacity to finance all of those identified needs. The last time the Airport requested the EDC consider financially supporting a project expenditure was in 2016 for extension of the corporate taxiway. The EDC provided up to \$2.4 million to support that project, which was structured as a 50% grant and 50% loan. The loan terms provide a 10-year term and amortization and 3% interest payment, which the Airport has been repaying since 2021. The Airport can provide \$200,000 of the required \$800,000 match; this leaves \$600,000 as the remaining amount.

The NBEDC received an initial presentation on this matter at its August 17, 2023 regular meeting.

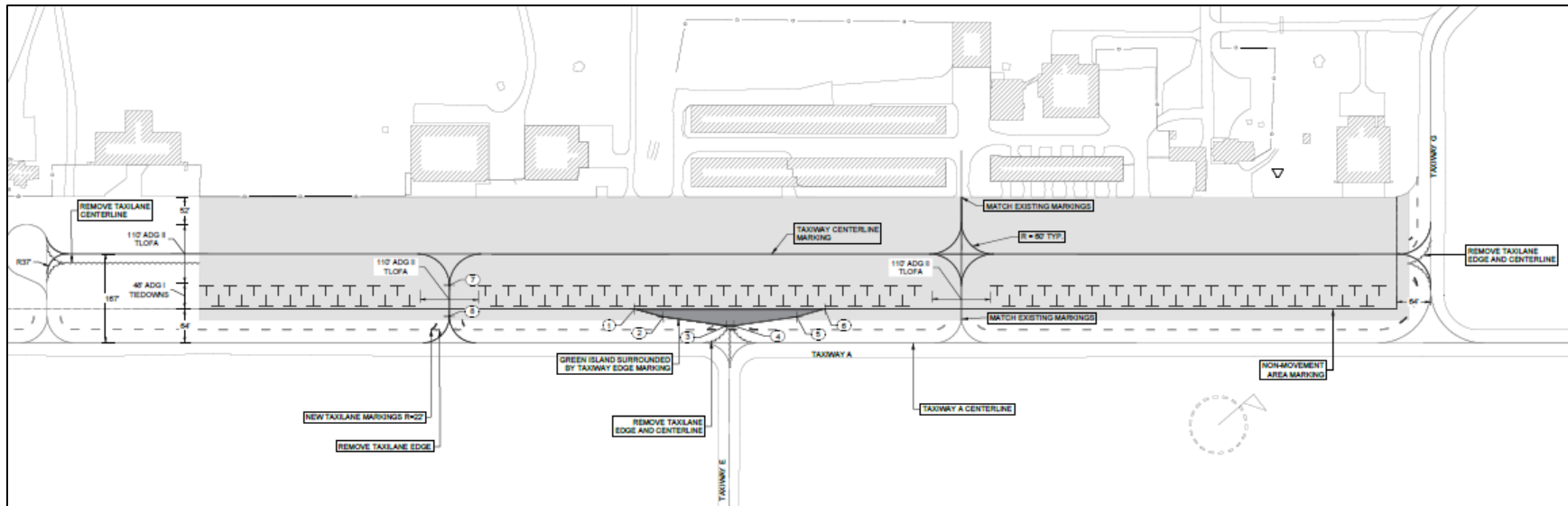
ISSUE:

The north side aircraft parking area, the north side apron, is in disrepair. TxDOT Aviation has identified its reconstruction as a critical project to undertake to support the airport's continued growth.

FISCAL IMPACT:

The City is requesting the NBEDC support the project expenditure of up to \$600,000 to help meet TxDOT's 10% project match requirement.

Extent of North Apron Reconstruction Project



Sample of Existing Pavement Conditions



**CONTRACT BETWEEN THE NEW BRAUNFELS ECONOMIC DEVELOPMENT
CORPORATION AND THE CITY OF NEW BRAUNFELS, TEXAS**

THE STATE OF TEXAS	§	
	§	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF COMAL	§	

THIS CONTRACTUAL AGREEMENT (the "Agreement") is made and entered into by and between the New Braunfels Economic Development Corporation, a Non-Profit Corporation of the State of Texas, hereinafter called "EDC", acting by and through its duly authorized officers, and the City of New Braunfels, Texas, a Texas municipal corporation, hereinafter called "CITY," acting by and through its officers:

W I T N E S S E T H:

I.

WHEREAS, Texas Local Government Code §501.054 provides the EDC with the powers of non-profit corporations incorporated under the Texas Non-Profit Corporation Act, as amended, and Section Seven of the Bylaws of the EDC allows for the President and Secretary of the EDC to execute any contract which the Board has approved and authorized to be executed; and

II.

NOW THEREFORE, under the authority granted to the EDC by §505.1561 of the Texas Local Government Code and upon the recommendation of the EDC which occurred on September 20, 2023, the City Council of New Braunfels, Texas on _____, 2023 approved the EDC's determination that an amount up to \$600,000 be allocated to the CITY to address the project match request of the Texas Department of Transportation for the reconstruction of the North Ramp. Said funds shall be provided by EDC to the City under the following conditions:

- (1) Up to \$600,000 shall be allocated from sales tax funds by the EDC to CITY to pay towards the 10% project match request of the Texas Department of Transportation for the reconstruction of the North Ramp at the New Braunfels National Airport; and

- (2) The total of \$600,000 of EDC funds, or parts thereof, shall be distributed to CITY within thirty (30) days after receiving an invoice from the CITY; and
- (3) CITY shall at all times comply with the ordinances of City of New Braunfels and the laws of the State of Texas; and
- (4) All funds received by CITY from EDC as herein provided shall be expended solely for the purposes stated herein.

III.

In the performance of this contract, CITY shall not discriminate against any person because of his/her race, color, religion, national origin, sex, disability or ancestry. Breach of this covenant may be regarded as a material breach of the contract causing its termination.

IV.

It is expressly understood and agreed by both parties hereto that each acts independently of each other, and neither has the authority to bind the other or to hold out to a third party that it is the authority for the other. The parties hereto understand and agree that the City shall not be liable for any claims, which may be asserted by any third party occurring in connection with the performance of the EDC.

Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of employer-employee, principal agent, joint ventures or any other similar such relationships, between the parties hereto.

V.

Employment of Undocumented Workers. During the term of this Agreement, CITY agrees not to knowingly employ an undocumented worker and if convicted of a violation of 8 U.S.C. Sec. 1324a(f), the CITY shall repay the amount of the Grant and any other funds received by the CITY from the EDC as of the date of such violation within sixty (60) days after the date the CITY is notified by the EDC of such violation, plus interest at the rate periodically announced by the Wall Street Journal as the prime or base commercial rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the EDC) as its prime or base commercial lending rate, from the date of such notice until paid.

VI.

All communications between EDC and CITY shall be addressed to the President of the New Braunfels Economic Development Corporation, c/o City of New Braunfels, 550 Landa Street, New Braunfels, Texas 78130 with a copy being sent to the President of the EDC at his/her residential or business address. Any communication to the CITY shall be addressed to the City Manager, 550 Landa Street, New Braunfels, Texas 78130.

VII.

It is understood and agreed that in the event any provision of this contract is inconsistent with requirements of law, the requirements of law will control and the parties shall revert to their respective positions, which would otherwise be enjoyed or occupied by the respective parties for the terms of this contract.

VIII.

The foregoing instrument in writing between the parties herein, constitutes the entire agreement between the parties relative to the funds made the basis hereof, and any other written or oral agreement with the EDC being expressly waived by CITY.

IN WITNESS WHEREOF, the parties hereto execute this agreement in duplicate originals on this ____ day of _____, 2023.

CITY OF NEW BRAUNFELS
ECONOMIC DEVELOPMENT CORPORATION

By: _____

Kathy Meurin, *President*

Date: _____

By: _____

Stuart Hansmann, *Corporate Secretary*

Date: _____

CITY OF NEW BRAUNFELS, TEXAS

By: _____
Robert Camareno, *City Manager*

Date: _____

ATTEST:

By: _____
Gayle Wilkinson, *City Secretary*

Date: _____

APPROVED AS TO FORM:

By: _____
Valeria Acevedo, *City Attorney*

Date: _____

9/20/2023

Agenda Item No. A)

SUBJECT:

Deliberate issues regarding economic development negotiations in accordance with Section 551.087 of the Texas Government Code:

1. Project Camp Unicorn
2. Project Maverick
3. Project Lark
4. Project Care Package
5. Project Lion

Deliberate the pending/contemplated litigation, settlement offer(s), and matters concerning privileged and unprivileged client information deemed confidential by Rule 1.05 of the Texas Disciplinary Rules of Professional Conduct in accordance with Section 551.071 of the Texas Government Code:

1. Frantic Holdings