

AGREEMENT

By

NEW BRAUNFELS ECONOMIC DEVELOPMENT CORPORATION

And

THE GREATER NEW BRAUNFELS CHAMBER OF COMMERCE, INC.

ECONOMIC DEVELOPMENT

THIS AGREEMENT made and entered into as of the ____ day of October, 2018, by the New Braunfels Economic Development Corporation, hereinafter called "NBEDC", and the Greater New Braunfels Chamber of Commerce, Inc., hereinafter called "CHAMBER".

WITNESSETH:

WHEREAS, CHAMBER is a private non-profit corporation and is eligible to receive funds for the purpose contained herein; and

WHEREAS, NBEDC is an economic development corporation formed by the City of New Braunfels pursuant to the Local Government code, Chapters 501-505 authorized to contract with another existing private corporation to carry out an industrial development program or objective or to assist with the development or operation of an economic development program or objective consistent with the purposes and duties specified in Section 502.051; and

WHEREAS, the parties desire to work together in the common effort of increasing and diversifying economic development in New Braunfels and the surrounding area for the good of the citizens of New Braunfels; and

WHEREAS, NBEDC has decided to contract with an existing private corporation for the purpose of providing professional services to the NBEDC and NBEDC has requested that CHAMBER be that private corporation; and

WHEREAS, the parties desire to set forth the responsibilities and obligations of the parties and the terms and conditions with respect to the use of funds provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

I. TERM.

This agreement will be for a term of twenty-four months commencing October 1, 2018, through September 30, 2020, subject to other termination provisions in this Agreement. The funds allocated by NBEDC to CHAMBER shall be used to reimburse CHAMBER for eligible expenses beginning October 1, 2018. In no event will NBEDC participate in expenses incurred after September 30, 2020 without its written consent.

II. SCOPE OF WORK.

- A. The scope of work for this Agreement will be to assist the NBEDC's mission to promote New Braunfels in order to expand and enhance the economy, and to maintain and improve the current commercial and industrial base of New Braunfels. The CHAMBER will act as the NBEDC's liaison on a day to day basis.
- B. This Agreement will be implemented in cooperation with other members of the area's economic development community. The parties will also work cooperatively with other local, regional, and state entities in the best interest of the citizens of New Braunfels.
- C. Except as otherwise specified in this Agreement, the CHAMBER will provide such services as will be determined by NBEDC. These services will be implemented by CHAMBER with input and counsel from an advisory team consisting of the City Manager, a representative of the NBEDC Board, a representative of the Greater New Braunfels Economic Development Foundation, the CEO of NBU, the County Judge and the Mayor. The Chamber President will share all inquiries with the advisory team.
- D. CHAMBER will seek to accomplish the performance objectives and measurements described in the Appendix. *It is understood that unusual circumstances affecting the economy may impact the achievement of these objectives.*
- E. This contract may be modified by mutual agreement of the parties, to the extent allowed by law. Such changes will be incorporated in written amendments to this Agreement.
- F. CHAMBER will coordinate funding via local entities for the administrative and promotional efforts required for economic development, and the NBEDC will provide partial funding with approval from the New Braunfels City Council in accordance with this Agreement.
- G. CHAMBER staff will act as recording secretary by taking minutes of meetings, and by responding to information requests of NBEDC.

III. MONITORING AND REPORTING REQUIREMENTS.

Chamber will provide NBEDC quarterly written reports due on or before the last day of October, January, April, and July. In May and December, CHAMBER will appear at one regularly scheduled meeting of the City Council to review the reports and present an update. The report will detail the efforts taken by the CHAMBER toward accomplishment of the performance objectives and measurements specified in Appendix, as well as a statement of other efforts and accomplishments within the scope of the Agreement not specifically included with the objectives. Within the same report, CHAMBER will assess the impact their efforts have had on the economic development indicators in the Appendix.

IV. COMPENSATION.

- A. NBEDC will pay CHAMBER for services provided under this Agreement as described in the Appendix "A", reimbursable on a monthly basis following submitted invoices to the City Chief Finance Officer by CHAMBER.
- B. CHAMBER will be responsible for attaining an additional amount of funds from sources other than NBEDC to fund the balance of a comprehensive economic development program.
- C. CHAMBER will permit NBEDC or its representatives to inspect all work, materials, payrolls, and other records with regard to these services, and to audit the books, records and account of CHAMBER with regard to said services. Such records will be retained for this purpose for a period of not less than two years. Subsequent to the close of CHAMBER'S fiscal year for which operating assistance is provided, CHAMBER will furnish a final audit report upon request prepared by an independent public accountant, which will include a minimum a statement of revenue, expense and any changes in financial position for CHAMBER'S fiscal year. CHAMBER will establish and maintain an accounting, record-keeping and reporting system consistent with generally accepted accounting principles.

V. ASSIGNMENT, SUBCONTRACTING OR ACQUISITION OF CONSULTANTS.

This contract may not be assigned or subcontracted without the approval of the NBEDC and the New Braunfels City Council.

VI. CHANGED CONDITIONS AFFECTING PERFORMANCE OR BUDGET.

CHAMBER will immediately notify NBEDC of any change in conditions or of any other event that may significantly affect their ability to execute its performance in accordance with the provisions of this Agreement. CHAMBER and NBEDC acknowledge that

expenditures in Appendix "A" by line item are estimates and may vary. CHAMBER will not exceed the total amount of all items combined in a single fiscal year without prior consent of NBEDC and City Council.

VII. STAFFING.

- A. CHAMBER will pay its employees under this Agreement at least the federal minimum wage.
- B. In carrying out the work of this Agreement, CHAMBER will not discriminate against any employee or applicant for employment because of race, color, religion, creed, gender, national origin, age, disability or any other legally protected status.

VIII. TERMINATION OF AGREEMENT FOR CAUSE.

If, through any cause, CHAMBER fails to fulfill in a timely and proper manner the obligations of this Agreement, or if CHAMBER violates any of the covenants, agreements, or stipulations of this Agreement, NBEDC will thereupon have the right to terminate this Agreement. NBEDC is entitled to terminate this Agreement for cause, as a condition precedent to the exercise of such right the NBEDC will give CHAMBER written notice specifying such default and CHAMBER will have the right to cure the specified default within thirty (30) calendar days after service of such notice. If the default is not cured within that time NBEDC may, upon three (3) days written notice to the other parties, terminate this Agreement on a date certain. All payments by NBEDC owed to CHAMBER will be reimbursed, and CHAMBER will not be entitled to further payment if the Agreement is terminated pursuant to this paragraph if the default is in part caused by CHAMBER.

IX. EXTENSION OF AGREEMENT.

To the extent allowed by law, the parties may extend this Agreement for subsequent years subject to any applicable negotiated changes.

X. OPERATING INFORMATION.

The parties agree to respond to inquiries made by designated representatives of the parties or their designees in a timely fashion. CHAMBER designates the Chamber President as its representative for this Agreement. NBEDC designates the Board President as its representative for this Agreement. *CHAMBER will provide any relevant information requested by NBEDC concerning the economic development program of CHAMBER, including, but not limited to contracts for third party financial arrangements, annual financial statements, and audit reports, schedules and fees.*

XI. ASSURANCES.

CHAMBER hereby assures NBEDC that CHAMBER is legally entitled to funds from NBEDC.

**THE GREATER NEW
BRAUNFELS CHAMBER OF
COMMERCE, INC.**

Michael G. Meek, CEcD
President

ATTEST:

BY: _____
Chair of the Board

**THE NEW BRAUNFELS
ECONOMIC
DEVELOPMENT
CORPORATION**

Stuart Hansmann
President

Jim Poage
Secretary

APPENDIX “A”

PERFORMANCE OBJECTIVES AND MEASUREMENTS

INITIATIVES.

1. Provide direct assistance toward creating approximately three hundred and fifty (350) new primary jobs annually as that term is defined in Section 501.101 and 505.155 of the Local Government Code in New Braunfels and its ETJ, through projects as authorized by said code.
 - Provide direct assistance to attract to New Braunfels employers whose salaries and wages are above the average targeted industries average wage rate. Also provide direct assistance to attract to New Braunfels high salary employers.
 - “Direct assistance” is any assistance rendered to a business or industry of which a majority of the products or services of that company are ultimately exported to regional, statewide, national, or international markets infusing new dollars into the local economy and is included in one of the sectors of the North American Industry Classification System (NAICS) listed in Sections 501.101 and 505.155, which has received information about New Braunfels, has indicated some interest in New Braunfels, has requested additional information or is interested in visiting New Braunfels or is currently existing in New Braunfels and contacts the CHAMBER directly or through an economic development ally such as the State of Texas, or any member of the New Braunfels Industrial Development Corporation, real estate agents, or consultants.
 - “Primary Jobs” are those jobs as defined in Sections 501.101 and 505.155 as amended by the Texas Legislature from time to time.
2. Work in partnership with the City staff to accomplish the Economic Development Strategic Plan.
3. Secure, track, document and evaluate visits (including virtual visits) by primary job prospects (i.e., companies) and provide the following:
 - Conduct familiarization tours of New Braunfels for representatives of the Texas Office of Economic Development and Tourism, companies, site location consulting firms, and other appropriate allies.
 - Meet with Advisory Team on a regular basis to review contacts and share information interactively.

- Institute a targeted direct marketing effort to promote New Braunfels as a prime business location. CHAMBER may elect to co-op advertising initiatives with other organizations. CHAMBER agrees to work with other entities to assure that complimentary themes are used in promotions or advertising.
 - Conduct or host prospecting trips or visits to or from companies which would create or retain primary jobs. Such trips may, in order to achieve economies or efficiencies, be associated with participation at appropriate trade shows, supplier events, or other such activities.
 - Conduct regular key staff visits or attend conferences to meet with the Texas Office of Economic Development and Tourism and with legislators.
 - Using professional staff and volunteers, maintain and improve the currently existing primary job creator program. The existing primary job creator program has five objectives: (1) good will (a gesture of appreciation for the company's investment in the community): (2) problem identification (a determination of problems or negative experiences in New Braunfels that can be resolved or overcome with local action or assistance): (3) expansion potential (exploration of new jobs that can be added). (4) Provide technical assistance as requested to existing New Braunfels businesses and to any businesses with start-up potential. (5) Workforce development via the Central Texas Technology Center.
4. Invest in programs and seminars for the benefit of the small business community, utilizing CHAMBER resources.

RESPONSES

1. Respond in a timely fashion to all potential companies inquiring about business opportunities in New Braunfels so long as a majority of the products or services of that company are ultimately exported to regional, statewide, national, or international markets infusing new dollars into the local economy and is included in one of the sectors of the North American Industry Classification System (NAICS) listed in Sections 501.101 and 505.155.
2. Respond to requests from City staff for economic information (pertinent data without name of potential prospect or project) and provide support for the latest city economic development strategic plan goals, objectives, initiatives and tasks assigned to city staff.

MAINTENANCE

1. Using the best data available, maintain a complete inventory of sites and building within the area available for development, sale or lease.
2. Represent the New Braunfels area to all companies interested in expanding or initiating commerce or industry in the area so long as a majority of the products or services of that company are ultimately exported to regional, statewide, national, or international markets infusing new dollars into the local economy and is included in one of the sectors of the North American Industry Classification System (NAICS). This includes advertising, phone, electronic and mail contacts, prospect development trips, developing and maintaining statistics and quality of life information about the area.
3. Work in conjunction with local companies wishing to expand or requesting assistance for specific services so long as a majority of the products or services of the companies are ultimately exported to regional, statewide, national, or international markets infusing new dollars into the local economy and is included in one of the sectors of the North American Industry Classification System (NAICS).
4. Maintain a centralized potential/prospect tracking system.
5. Promote local and regional cooperation and increase public awareness of the importance of economic growth.

PERFORMANCE MEASUREMENTS

The following measures will partially assess the impact of this agreement on economic development in the area and will be tracked each year by the CHAMBER for that purpose.

1. Per Capita Income – The growth of per capita income in Comal County and City will be compared to the State of Texas. Ideally, the percentage of growth of per capita income should be greater in Comal County and New Braunfels than in the State of Texas.
2. Announced Capital Investment – The commercial and industrial investment of the City will be tracked and compared to the numbers for the State of Texas, if available. All local investment in the City will be compared to the announced capital investment in the State of Texas or region/MSA for the year.
3. New Employers, New Jobs – A count of new primary employers and new primary jobs brought each year.
4. Assessed Property Valuation – The assessed real property valuation of industrial and commercial property will be compared from year to year and should increase. The

value of residential property should be tracked separately, not as a measure, but as a tool to aid in economic development.

5. Real Estate Development tasks in the latest City economic development strategic plan.
6. Entrepreneurship and Small Business Development tasks in the City economic development strategic plan.
7. Workforce Development tasks in the City economic development strategic plan.

Budget Overview

			FY 2019	FY 2020
Prospecting Missions				
			\$ 22,680	\$ 22,680
			\$ 28,500	\$ 28,500
			\$ 11,120	\$ 11,120
		Subtotal	\$ 62,300	\$ 62,300
Marketing				
			\$ 7,240	\$ 7,240
			\$ 2,288	\$ 2,288
			\$ 31,300	\$ 33,200
			\$ 18,512	\$ 18,512
			\$ 53,400	\$ 60,400
			\$ 18,000	\$ 18,000
		Subtotal	\$ 130,740	\$ 139,640
		#		
Strategic Plan Initiatives				
			\$ 10,000	\$ 10,000
			\$ 7,000	\$ 7,000
			\$ 5,000	\$ 5,000
			\$ 10,500	\$ 13,000
			\$ 17,500	\$ 10,000
		Subtotal	\$ 50,000	\$ 45,000
NBIDC Directed)/Emerging Opportunities				
			\$ 15,000	\$ 15,000
Personnel (3.2) FTEs				
			\$ 175,500	\$ 182,520
		Total	\$ 433,540	\$ 444,460

Domestic	Entity	Mileage	# of days	Airfare	Registration	Meals	Hotel	FY 2019	FY 2020
Economix	Consult Connect	60	3.00	400.00	750.00	200.00	1,000.00	\$ 1,400	\$ 1,400
Mission Trip	Texas One	60	3.00	400.00	750.00	200.00	1,000.00	\$ 1,400	\$ 1,400
Mission Trip	Team Texas	60	3.00	400.00	750.00	200.00	1,000.00	\$ 1,400	\$ 1,400
Mission Trip	Team Texas	60	3.00	400.00	750.00	200.00	1,000.00	\$ 2,410	\$ 2,410
Site Selectors Guild	NB	60	3.00	400.00	950.00	200.00	1,000.00	\$ 2,410	\$ 2,410
TBD Tradeshow	Team Texas	60	3.00	400.00	750.00	200.00	1,000.00	\$ 2,410	\$ 2,410
BIO Conference	Team Texas	60	3.00	400.00	750.00	200.00	1,000.00	\$ 2,410	\$ 2,410
Select USA	New Braunfels	60	3.00	400.00	750.00	200.00	1,000.00	\$ 2,410	\$ 2,410
ICSC Deal Makers*	New Braunfels	60	3.00	200.00	750.00	200.00	400.00	\$ 1,610	\$ 1,610
FDI Conference	Team Texas	60	3.00	400.00	750.00	200.00	1,500.00	\$ 2,910	\$ 2,910
MRO	Team Texas	60	3.00	400.00	750.00	200.00	500.00	\$ 1,910	\$ 1,910
								\$ 22,680	\$ 22,680

International	Entity	Mileage	# of days	Airfare	Registration	Meals	Hotel	FY 2019	FY 2020
TBD International	10/35 EDA	60	3.00	2,000.00	1,500.00	500.00	1,500.00	\$ 5,560	\$ 5,560
Hannover	Team Texas	60	3.00	2,000.00	1,500.00	500.00	1,500.00	\$ 5,560	\$ 5,560
								\$ 11,120	\$ 11,120

Prospect Hosting	FY 2019	FY 2020
ROI Appointment Setting	\$25,000.00	\$25,000.00
Meals (prospect) hotel, airfare, gifts for visiting prospects	\$ 3,500	\$ 3,500
	\$ 28,500	\$ 28,500

Advertising	FY 2019	FY 2020
San Antonio Business Journal Best in Commercial Real Estate	\$ 5,000	\$ 5,000
Directory Listings		
Subtotal		
Eco-Dev Directory	\$ 350	\$ 350
Texas Manufacturer Register	\$ 295	\$ 295
Corporate Location Directory	\$ 295	\$ 295
Texas Real Estate Directory	\$ 200	\$ 200
Site Selection Network	\$ 1,100	\$ 1,100
Subtotal	\$ 2,240	\$ 2,240
Total	\$ 7,240	\$ 7,240

Business, Retention & Expansion (BRE) Program	FY 2019	FY 2020
Gift Supplies	\$ 1,000	\$ 1,000
Brochure	\$	\$
Promotional Product	\$ 1,000	\$ 1,000
NBMA Lunch dues	\$ 288	\$ 288
	\$ 2,288	\$ 2,288

Conferences/Prof. Org/Training	FY 2019	FY 2020
Conferences - registration/expenses		
TEDC/Sponsorships	\$ 8,100	\$ 10,000
IAMC	\$ 5,000	\$ 5,000
Sales tax training	\$ 600	\$ 600
IEDC	\$ 4,000	\$ 4,000
Subtotal	\$ 17,700	\$ 19,600
Professional Organizations - Dues		
Austin San Antonio Corridor	\$ 300	\$ 300
IAMC	\$ 1,600	\$ 1,600
ICSC	\$ 200	\$ 200
IEDC- EDRP	\$ 5,000	\$ 5,000
TEDC	\$ 1,500	\$ 1,500
Texas Healthcare & Bioscience Institute	\$ 2,500	\$ 2,500
Texas One (co-op)*	\$ 2,500	\$ 2,500
Subtotal	\$ 13,600	\$ 13,600
Total	\$ 31,300	\$ 33,200

Data/Trend Reports	FY 2019	FY 2020
Apartment Quarterly Trend Report	\$ 400	\$ 400
Beverage Sales - Retail	\$ 80	\$ 80
Costar	\$ 4,000	\$ 4,000
EMSI	\$ 3,500	\$ 3,500
Hoovers	\$ 5,500	\$ 5,500
Sales Force	\$ 832	\$ 832
TBD NB Prospector Property Feed	\$ 4,200	\$ 4,200
Total	\$ 18,512	\$ 18,512

Marketing/Materials	FY 2019	FY 2020
marketing campaigns	\$ 7,000	\$ 7,000
Tradeshow Banners	\$ 200	\$ 200
tradeshow materials	\$ 200	\$ 200
promotional products	\$ 3,000	\$ 3,000
Aerial Map		\$ 7,000
Benchmark Study	\$ 3,000	\$ 3,000
Demographic Profile	\$ 3,000	\$ 3,000
Incentive Form	\$ 600	\$ 600
Entry Fees - TEDC/IEDC Awards	\$ 200	\$ 200
Stock Photography	\$ 400	\$ 400
Video Footage	\$ 9,500	\$ 9,500
plaques	\$ 100	\$ 100
Special Paper	\$ 100	\$ 100
shirts	\$ 2,000	\$ 2,000
EDF Luncheon Tables	\$ 1,000	\$ 1,000
Team Texas Marketing	\$ 10,500	\$ 10,500
Website	\$ 12,200	\$ 12,200
Social Media	\$ 400	\$ 400
Total	\$ 53,400	\$ 60,400