

RESOLUTION NO. 2019-R _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEW BRAUNFELS, TEXAS, APPROVING A RECOMMENDATION OF THE NEW BRAUNFELS ECONOMIC DEVELOPMENT CORPORATION TO APPROVE THE SECOND AMENDMENT TO THE PERFORMANCE AGREEMENT WITH CBE COMPANIES, INC.; AND DECLARING AN EFFECTIVE DATE.

WHEREAS, on July 31, 2014, the City of New Braunfels Economic Development Corporation ("EDC") Board of Directors held a public hearing and approved a project expenditure of up to \$400,000 to CBE Companies, Inc. ("Company") for the purchase and installation of an electrical generator, uninterruptible power supply and other building modifications and up to \$250,000 in economic development funds to be provided if the Company meets certain performance conditions; and

WHEREAS, the Company agreed to employ at least 500 full time employees by December 31, 2017; and

WHEREAS, on May 18, 2017, following a public hearing, the Board approved the First Amendment to the original agreement that required at least 400 employees by December 31, 2017, and 500 employees by December 31, 2018; and

WHEREAS, on February 21, 2019, the Board approved the Company's request for a Second Amendment to the Performance Agreement that reduces the number of full time employees from 500 to 446 by December 31, 2018, and requires that CBE renew the lease at the current facility located at 607 South Business IH 35, Suite 105, effective August 1, 2019 until July 31, 2021; and

WHEREAS, the NBIDC will not provide more than \$225,000 instead of the original \$250,000, in total reimbursement to the Company; and

WHEREAS, the NBIDC and/or its agents are permitted to audit the employment records prior to any payment made to the Company and the Company is required to submit to an annual audit by the City to verify the employment records and history of the Company; and

WHEREAS, all other terms and conditions in the original Performance Agreement shall remain the same.

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

SECTION 1: That the recommendation of the New Braunfels Economic Development Corporation to enter into the Second Amendment to the Performance Agreement with CBE Companies, Inc. is hereby approved.

SECTION 2: That this Resolution shall become effective from and after the date of its passage.

PASSED, ADOPTED AND APPROVED this _____ day of _____, 2019.

CITY OF NEW BRAUNFELS, TEXAS

By: _____
Barron Casteel, Mayor

ATTEST:

Patrick D. Aten, City Secretary