



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



**WEDNESDAY, SEPTEMBER 21, 2022 at 5:00
PM**

AGENDA

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF MINUTES

- A) Approval of minutes from the August 18, 2022 Workshop [22-1189](#)
and the August 18, 2022 regular meeting.

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) September Fiscal Year 2022 Treasurer's Report [22-1272](#)

6. DISCUSSION AND ACTION

- A) Presentation of the 2022 American Public Works [22-1190](#)
Association Texas Chapter Project of the Year (Less
than \$2 Million) honoring the Elizabeth Avenue
Realignment and Parking Lot Improvement Project.
- B) Public hearing, discussion and possible action approving [22-1193](#)
a project expenditure of up to \$1,500,000 to Detex
Corporation for a project to create and retain primary
jobs.
- C) Discussion and possible action on the appointment of a [22-1191](#)
member of the New Braunfels Economic Development
Corporation to the Workforce Housing Advisory
Committee

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 [22-1194](#)
Negotiations in accordance with Section 551.087 of the
Texas Government Code.

1. Project New
2. Project Spark

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.



**New Braunfels Economic Development Corporation
Agenda Item Report**

550 Landa Street
New Braunfels, TX

9/21/2022

Agenda Item No. A)

**NEW BRAUNFELS
ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING
CITY HALL – COUNCIL CHAMBERS**

AUGUST 18, 2022 - WORKSHOP

MINUTES

1. CALL TO ORDER

The meeting was called to order by President Meurin at 3:37 p.m.

2. ROLL CALL

Present: Chair – Kathy Meurin, Brian Cox, Stuart Hansmann, Neal Linnartz, Jim Poage and Don Austin (4:35 p.m.)

Absent: Kristen Carden

Others: Mayor Rusty Brockman; Lucinda Vela

Staff: Jeff Jewell, Jordan Matney, Garry Ford, Valeria Acevedo, Susie, Kelley; Michele Boggs (Chamber).

3. CITIZENS' 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)

4. DISCUSSION AND ACTION

A) Discussion and possible direction to staff regarding 2023 bond project ranking and prioritization criteria:

Jeff Jewell opened discussion about the ranking process for fourteen preliminarily approved 2023 bond projects that are eligible to receive EDC funding. Mr. Jewell reported that an initial ranking exercise had been completed via Survey Monkey by 6 of 7 directors. He and Garry Ford presented information to the board regarding the remaining ranking process the board will complete in the coming weeks. They discussed two additional considerations for the board to weigh in their final ranking of each eligible project. These are 1) project readiness (presented by Mr. Ford) and 2) leverage of other funding (presented by Mr. Jewell). Scoring methods were discussed for various stages of readiness and funding/leverage. The board agreed that staff will assign scores for each these two components based upon weightings agreed upon at the meeting for each criterion. The proposed criteria and weighting are as follows: Previous Ranking at 10%, Readiness at 50%, Funding Availability at 20% and Complementary Investment at 20%.

The fourteen EDC-eligible preliminarily approved projects were then each presented in detail. Questions and discussion followed. The board decided to remove four projects from its list for consideration during the next phase of project ranking (Guadalupe River Park, Spring Fed Pool Improvements, Northwest Community Park and Callen's Castle) based upon project readiness and currently identifiable funding. history. City staff will compile detailed

information including scores for readiness and funding/leverage for each of the 10 remaining proposed bond projects at a future workshop or meeting.

5. ADJOURNMENT – The meeting was adjourned at 4:47 p.m.

CERTIFICATION

Kathy Meurin
President

ATTEST:

Jim Poage
Secretary

DRAFT

**NEW BRAUNFELS
ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS MEETING
City Hall - Council Chambers**

August 18, 2022 MINUTES

1. CALL TO ORDER

The meeting was called to order by President Meurin at 5:00 p.m.

2. ROLL CALL

Present: Chair, Kathy Meurin, Don Austin, Brian Cox, Stuart Hansmann, Neal Linnartz, Jim Poage. **Also Present:** Mayor Rusty Brockman

Absent: Kristen Carden

Staff: Jeff Jewell, Jared Werner, Valeria Acevedo, Nathan Brown, Jonathan Packer, Michele Boggs, Susie Kelley

Others: Sherman Krause, Kevin Webb and Warren Montague

Chair, Kathy Meurin moved Item 5G, which included the August Treasurer's Report, before the approval of minutes so that Mr. Werner could leave to attend another important meeting.

G) Presentation, discussion and action adopting the August Treasurer's Report and 2022-2023 fiscal year budget. Assistant City Manager Jared Werner noted that the EDC budget does not require action by the board at this time. He reported that the EDC budget will be inserted into the budget that City Council is scheduled to approve at its September 12, regular meeting, thereby including all current EDC commitments at that time, including any expenditures on which action is taken at today's meeting.

3. APPROVAL OF MINUTES

Director Poage motioned to approve the minutes from the July 12, 2022 Budget Workshop, the July 21, 2022 Regular Meeting and the August 3, 2022 Special Called Meeting. Director Cox seconded. Motion carried 6-0-0.

4. CITIZENS' 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. DISCUSSION AND ACTION:

A) Presentation and discussion on the Texas FAME program at Central Texas Technology Center.

Jeff Jewell introduced Jason Dinscore with CMC Steel of the Lonestar Chapter of the Texas Federation for Advanced Manufacturing Education (TXFAME). TXFAME provides the

Advanced Manufacturing Training program and is launching the program at the current CTTC facility in cooperation with Texas State Technical College. The AMT Program is a two-year registered paid apprenticeship program with 24 hours of plant-based work and 16 hours of classroom work per week. The FAME program includes Manufacturing Core Exercises and Professional Behavior training in addition to teaching core competencies. Graduates earn an Associate Degree in Advanced Manufacturing and a Manufacturing Certificate and significant opportunity to advance in high-paying careers. Thirteen local companies have already committed to partnerships, and 30 students have committed to the first cohort class to begin August 2023. Fundraising is underway for special equipment necessary to conduct the program. The Lonestar Chapter has met with area foundations, local governments, Texas Workforce Commission, state and federal grants. The Chapter is committed to raising over \$2.3 million over the first five semesters of the program. A launch event is scheduled for October 6th. Josh Schneuker of the Seguin EDC added that the Seguin EDC has preliminarily agreed to contribute up to \$200,000 in grant matching. Chair Kathy Meurin said that Texas State Technical College is very glad to be in the New Braunfels/Seguin area with this program and noted the strong interest from local manufacturers. Discussion and questions followed. The board requested that staff place the item for action at an upcoming meeting.

- B) Presentation and discussion of a proposed expenditure to Detex Corporation for the creation and retention of up to 140 jobs.

Jeff Jewell reported that Detex Corporation is planning an expansion locally to add additional manufacturing, warehouse, laboratory and administrative space. This expansion would consolidate efficiencies for increased production and add employment to New Braunfels. Ken Kuehler, Detex's CEO and President, spoke briefly about the 12-14 month project. Jeff Jewell provided information about the proposed incentive of development offsets of up to \$1.5 million delivered over multiple years. The board requested that staff place the item for action at an upcoming meeting. Chair Meurin noted the company's 40-year track record and value to the community.

- C) Public hearing, discussion and possible action approving a project expenditure of up to \$210,000 to the Spark Small Business Center to assist with the operation of an economic development program.

Jeff Jewell reported that the project was first discussed at the May 2022 board meeting. Neal Linnartz noted that a referral list of local New Braunfels professionals is being provided to program participants. Director Linnartz made a motion to approve an expenditure of up to \$210,000; Director Austin seconded the motion. Motion carried 6-0-0.

- D) Public hearing, discussion and possible action approving a project expenditure of up to \$123,200 to Thinksmart Planning, Inc. for the development of a Master Plan for Joint Facilities for the Comal County Junior Livestock Show Association, Comal County Fair Association and the City of New Braunfels.

Jeff Jewell presented information regarding the joint partnership between the Comal County Fair Association, the Comal County Junior Livestock Show Association and the City of New Braunfels to engage in a master planning process for the Fair property. Director Hansmann motioned to approve the expenditure of up to \$123,200 Jim Poage seconded the motion. Motion carried 6-0-0.

- E) Presentation, discussion and possible action approving proposed professional services

agreement with Greater New Braunfels Chamber of Commerce.

Chamber CEO Jonathan Packer presented a verbal summary of the proposed agreement which was included in the agenda packet and posted on the City's website. He noted the partnership aspect of the Confluence Plan in relation to the proposed agreement. Quarterly advisory reports will be provided by the Chamber Advisory Team. Chair Meurin noted that annual contract amounts from 2014 to 2021 ranged from \$410,000 to \$441,000, and last year was \$463,000. Mr. Packer referred the board to the payment schedule in the agreement. The Chamber is seeking 5-year contracts with private sector partners, and a three-year contract with two-year renewal period with the EDC. Director Hansmann motioned to accept the professional services agreement. Director Austin seconded. Motion carried 6-0-0.

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

Jeff Jewell reviewed the professional services agreement previously presented to the board, which includes an increase of \$152,000 to more accurately reflect the actual costs and time for services currently provided by City staff from various departments. The agreement includes \$90,000 for economic and community development services consulting to augment staff capabilities. Mr. Jewell reported that from 2013-2015 the fee agreement was \$100,000 and was increased to \$137,500 in 2016.. Neal Linnartz made a motion to approve the professional services agreement with City of New Braunfels. Don Austin seconded; motion carried 6-0-0.

G) Presentation, discussion and action adopting the August Treasurer's Report and 2022-2023 fiscal year budget.

(This item was moved to beginning of agenda before approval of minutes by Chair).

6. EXECUTIVE SESSION – The board retired to Executive Session at 6:13 p.m.

In accordance with 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 Clean
2. Project Locked

B) Deliberate the purchase, exchange, lease or value of real estate in accordance with Section 551.072 of the Texas Government Code.

1. 766 FM 306

The board returned to open session at 6:34 p.m.

7. ADJOURNMENT – The meeting was adjourned at 6:34 p.m.

(CERTIFICATION ON FOLLOWING PAGE)

CERTIFICATION

Kathy Meurin
President

ATTEST:

Jim Poage
Secretary

DRAFT



**New Braunfels Economic Development Corporation
Agenda Item Report**

550 Landa Street
New Braunfels, TX

9/21/2022

Agenda Item No. A)

PRESENTER:

Jared Werner, Assistant City Manager

SUBJECT:

September Fiscal Year 2022 Treasurer's Report

September NBEDC Treasurer's Report

September 21st , 2022

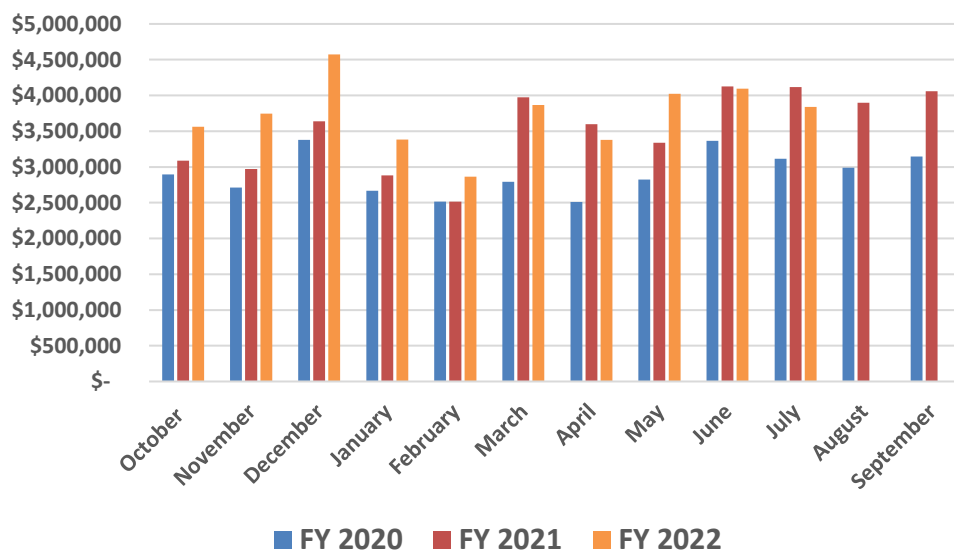
Overview

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 decreased by 6.8%. when the various adjustments from the payment are removed, current to current collections decreased by 7.3%. While the decrease is the largest, we have since the loss of HD supply revenue, the reduction is still within our projections included in the budget and monthly treasurer's report. Fiscal year to date, sales taxes remain 9.0% higher in comparison to the prior year. For the month of July, industries that saw the highest levels of growth included retail services, general services and professional services, with wholesale markets and manufacturing experiencing declines when compared to July of 2021.

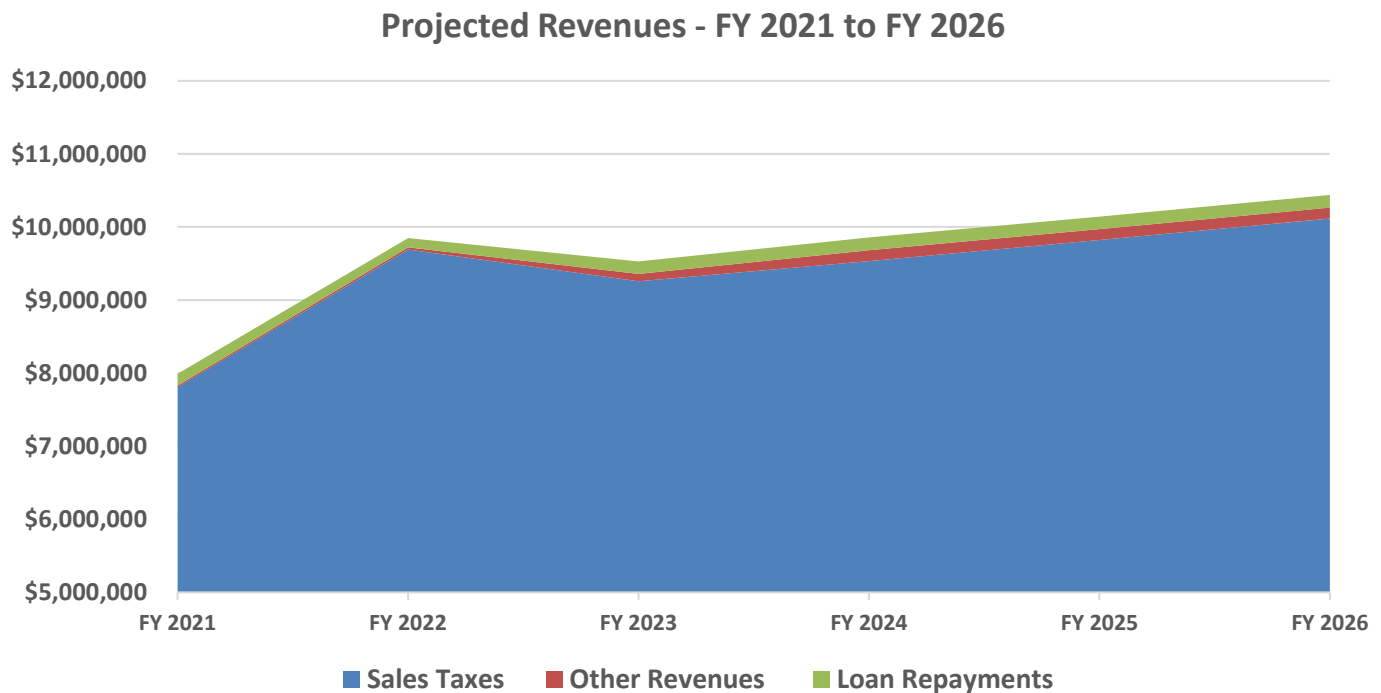
Gross Sales Tax Collections



For more information contact:

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

Revenues



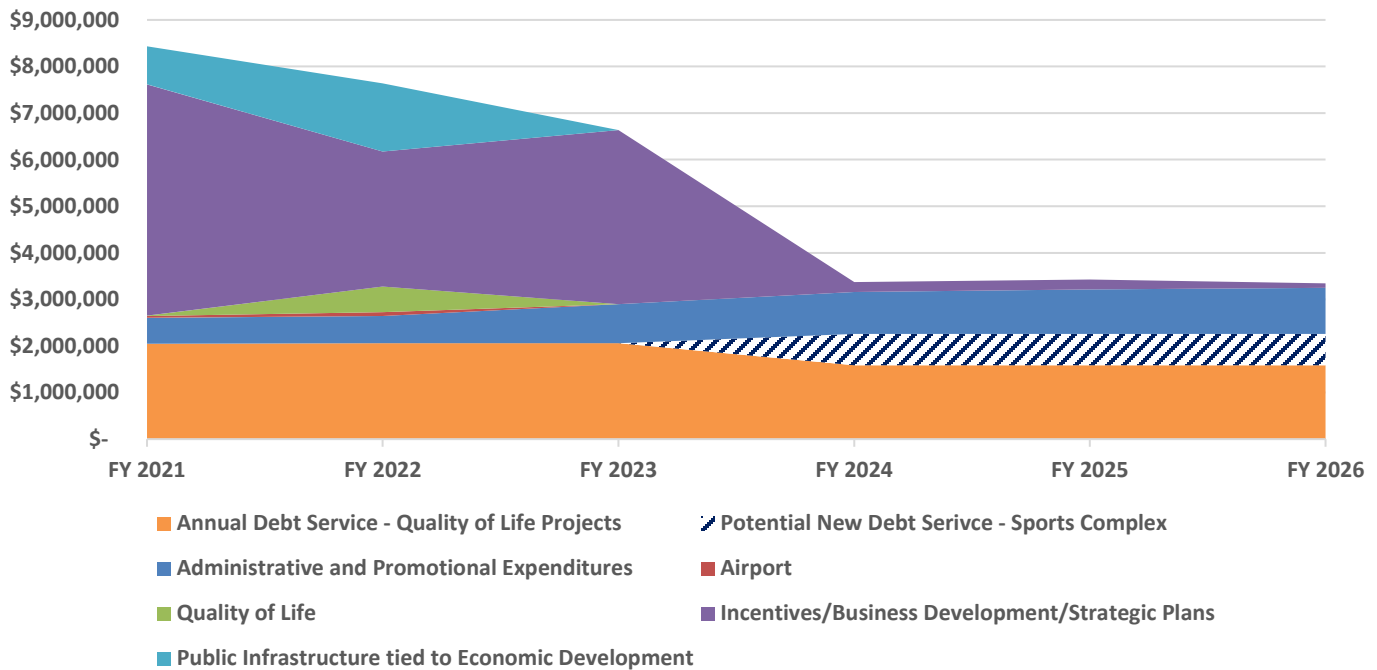
Revenue Projections	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Sales Taxes	\$7,806,626	\$9,738,599	\$9,304,736	\$9,583,878	\$9,871,395	\$10,167,537
Interest Earnings	\$21,931	\$30,000	\$100,000	\$150,000	\$150,375	\$150,751
Loan repayments/reimbursements	\$161,687	\$128,954	\$172,954	\$172,954	\$172,954	\$172,954
Total Revenues	\$7,990,244	\$9,897,533	\$9,577,690	\$9,906,832	\$10,194,724	\$10,491,242

Sales Taxes - the graph and table above reflects the projected impact to sales tax collections from the loss of sales taxes stemming from HD supply, which is scheduled to begin, February 2022. Anecdotally, inflation and other factors impacting the sales tax base seems to be mitigating the majority of those previously mentioned losses. Projections from August to January are still leveraged to incur a larger reduction than what the City has observed since February 2022.

Loan Repayments – The NBEDC is scheduled to begin 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

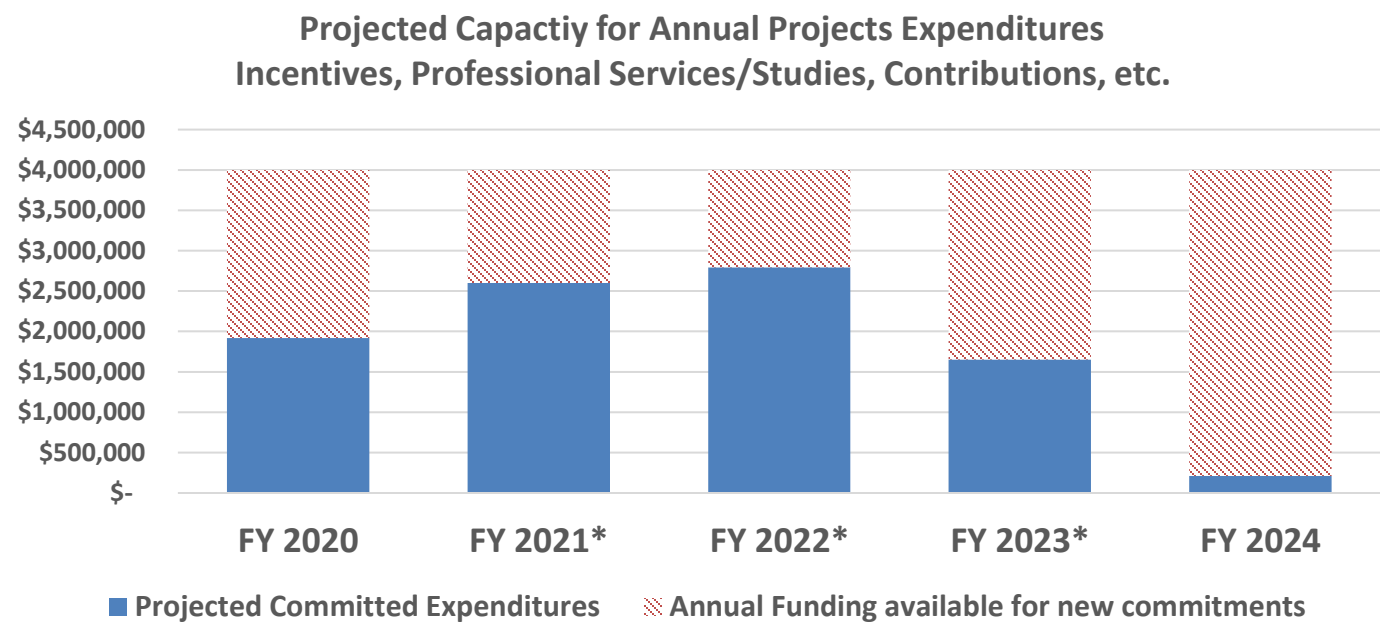
Current Commitment Projections - FY 2021 to FY 2026



Current Commitments	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Admin/Promotional Expenditures	\$557,609	\$584,525	\$840,000	\$898,700	\$957,661	\$986,391
Airport	\$37,405	\$87,478	\$0	\$0	\$0	\$0
Quality of Life	\$9,664	\$546,945	\$0	\$0	\$0	\$0
Incentive/Business Development/Strategic Plans	\$4,962,153	\$2,897,499	\$3,735,726	\$210,576	\$213,576	\$96,576
Public Infrastructure tied to Economic Development	\$818,569	\$1,461,384	\$0	\$0	\$0	\$0
Annual Debt Service	\$2,047,719	\$2,057,494	\$2,060,919	\$1,587,044	\$1,586,294	\$1,588,884
Potential Debt Service				\$672,157	\$672,157	\$672,157
Total Expenditures	\$8,433,119	\$7,635,325	\$6,636,645	\$3,368,477	\$3,429,688	\$3,343,968

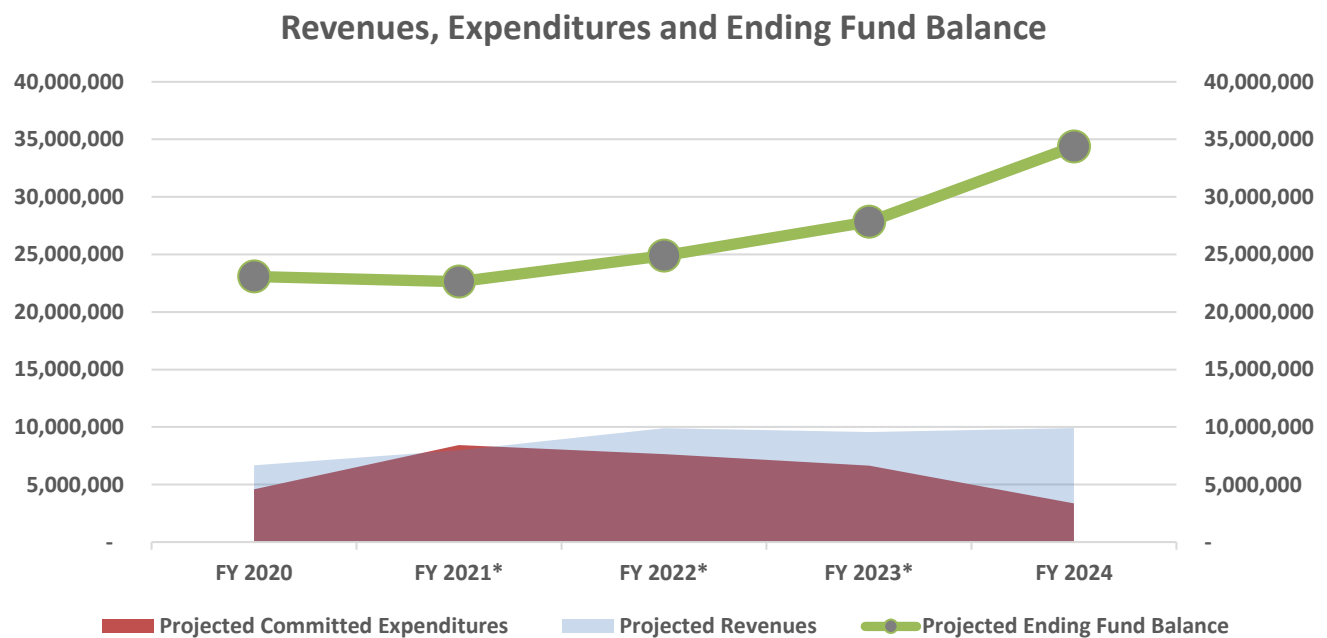
Projections above include all current commitments of the NBEDC – including those most recently approved (SPARK and Fairgrounds Professional Services). The only exception to that is the additional debt service associated with the sports complex. This month's report includes recognition of additional debt service payments to illustrate how that would impact the NBEDC's cash flow if the remaining commitment was funded with debt proceeds (\$10 million)

Annual Capacity for New Commitments



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

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



*The graph above does not include current non-cash assets such as land and equipment

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

9/21/2022

Agenda Item No. A)

PRESENTER:

Garry Ford, Transportation and Capital Improvements Director
Jeff Jewell, Economic and Community Development Director

SUBJECT:

Presentation of the 2022 American Public Works Association Texas Chapter Project of the Year (Less than \$2 Million) honoring the Elizabeth Avenue Realignment and Parking Lot Improvement Project.

DEPARTMENT: Transportation and Capital Improvements, Public Works, Parks and Recreation, and Economic and Community Development

COUNCIL DISTRICTS IMPACTED: All

BACKGROUND INFORMATION:

The Texas Chapter of the American Public Works Association held their annual conference June 13-15, 2022. The City of New Braunfels received the Project of the Year Award (Less than \$2 Million) for the Elizabeth Avenue Realignment and Parking Lot Improvement Project. The award was established to promote excellence in the management and administration of public works projects by recognizing the alliance between the managing agency, the consultant/architect/engineer, and the contractor who, working together, complete public works projects. The City of New Braunfels Transportation & Capital Improvements, Public Works, Parks & Recreation, and Economic & Community Development Departments, New Braunfels Economic Development Corporation, Wurstfest Association, New Braunfels Utilities (NBU), Pape-Dawson Engineering, and Acme Bridge Corporation worked together cohesively to develop and deliver the project.

The project included the realignment of Elizabeth Avenue away from buildings, allowing for improved intersection alignments and visibility. Pedestrian improvements include sidewalks, crosswalks, and access to park areas and the local theatre. The project also relocated an inefficient parking lot adjacent to attractions, improving accessible parking and emergency services during special events. The project included street trees, lighting, and a water quality pond filtering stormwater runoff from the parking lot before entering the Comal River.

The project was funded by the New Braunfels Economic Development Corporation and Edwards Aquifer Habitat Conservation Plan with contributions from NBU and the Public Works Department.

9/21/2022

Agenda Item No. B)

PRESENTER:

Jeff Jewell, Director, Economic and Community Development

SUBJECT:

Public hearing, discussion and possible action approving a project expenditure of up to \$1,500,000 to Detex Corporation for a project to create and retain primary jobs.

DEPARTMENT: Economic and Community Development**COUNCIL DISTRICTS IMPACTED:** 4**BACKGROUND INFORMATION:**

Detex Corporation (Detex) is a New Braunfels-based manufacturer that produces a range of exit and access hardware, control devices and systems. The company works across a wide range of industries and sells its solutions globally. Detex operates approximately 57,000 square feet in two facilities in New Braunfels and maintains an affiliated operation in Bastrop, Texas. The company is looking to consolidate its operations in the two cities into a single facility that will also accommodate the company's anticipated growth. The company currently has approximately 95 employees locally and approximately 120 in its total workforce. Consolidation of all three facilities necessitates the construction of an approximate 103,000 square foot facility and the company is considering sites in New Braunfels and Bastrop. As is the case in Bastrop, the company currently owns property adjacent to the New Braunfels location that would accommodate its proposed facility.

Detex's proposed expansion requires a capital investment of approximately \$16M and would increase the local workforce to approximately 150 employees. These positions would be added in all areas of the company including production, assembly, machining, shipping/receiving, customer service, engineering, marketing, sales, accounting, IT and logistics. More than half of its current employees live in New Braunfels, with another fifth located in Seguin. The company pays above the county average in many of its occupational sets and continues to explore ways to further attract and retain top manufacturing and assembly talent. It provides fringe benefit packages to its full-time employees that include quarterly profit sharing and retirement plan contribution matches.

ISSUE:

The proposed incentive would provide up to \$1,500,000 to Detex over up to a five-year period. The description of the proposed incentive is below and delivered in three tranches:

1. Up to \$500,000 to be reimbursed to the Company after paying to the City or New Braunfels Utilities

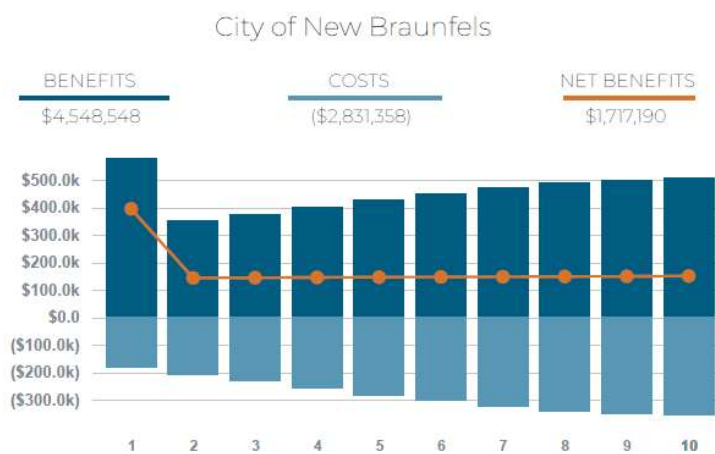
relevant platting, permitting, building, roadway impact, water and/or wastewater impact fees assessed because of the expansion and construction project;

2. Up to \$500,000 paid to Company for the retention of employees up to a total count of 90. Up to \$1,851 per employee annually can be paid to the Company over a three-year period as long as Company maintains at least 90 full-time equivalents;
3. Up to \$500,000 will be provided to the Company if the weighted average compensation of all employees- wages including bonuses and commissions- exceeds \$36,000 at the end of year 1, \$45,000 at the end of year 2 and \$46,500 at the end of year 3. If the Company meets the weighted annual average wage threshold, it is eligible to receive a \$5,000 payment for each employee above the minimum threshold of 90. For example, if the Company has 110 employees at the end of year 1 and the weighted average compensation of the company's payroll is at least \$36,000, the Company is entitled to a \$100,000 performance grant (110 - 90 = 20 multiplied by \$5,000). In year 2, if the Company now has 120 employees and the weighted average compensation is \$45,000, they can receive a \$150,000 payment (120 - 90 = 30 multiplied by \$5,000).

FISCAL IMPACT:

Up to \$1,500,000 from the NBEDC.

If constructed, the project has a net fiscal impact to the City and NBEDC of approximately at \$1.7M over a 10 year period. The rate of return of the proposed incentive is 11.4% with a payback period of under 9 years. The project is anticipated to create 55 new positions at the company and retain the approximate 90 currently employed in New Braunfels. In addition to these full-time positions, the spinoff effects of the expansion project are anticipated to support another 114 positions in and around the community with additional company and employee spending. This brings the total job impacts to over 250 direct and indirect jobs from the retention and expansion project.



RECOMMENDATION:

Staff recommends approval of the project expenditure.



IMPACT REPORT - CURRENT & EXPANSION

PROJECT LOCKED

Expansion Only

Business Retention & Expansion

Advanced Manufacturing

JOBS



264.7 Total

150.0 Direct

114.7 Spin-off

55.0 New Jobs @ \$39,000

95.0 Retained Jobs @ \$39,000

150.0 Direct Jobs @ \$39,000

SALARIES



\$35,314 Avg

\$39,000 Direct

\$30,494 Spin-off

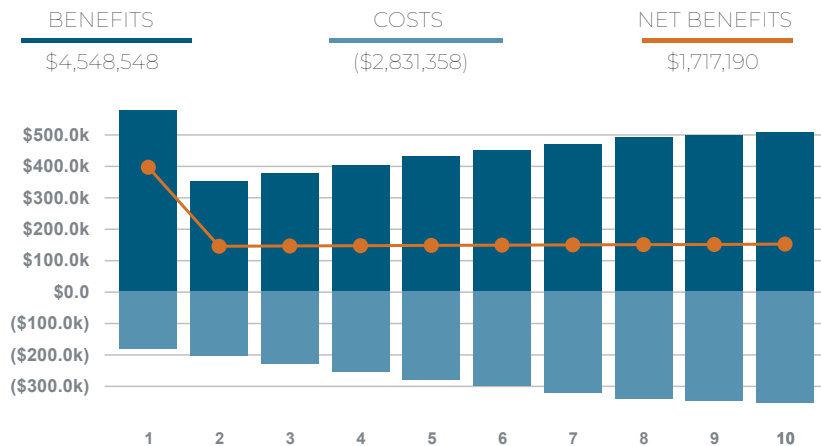
CAPITAL INVEST.



\$12.0M

Buildings + FF&E

City of New Braunfels



NET BENEFITS \$1,717,190

Present Value \$1,368,804

BENEFITS

Sales Taxes	\$531,667
Real Property Taxes	\$683,653
FF&E Property Taxes	\$99,973
Inventory Property Taxes	\$209,577
New Residential Property Taxes	\$10,455
Hotel Occupancy Taxes	\$0
Building Permits and Fees	\$200,000
Utility Revenue	\$2,465,480
Utility Franchise Fees	\$148,338
Miscellaneous Taxes and User Fees	\$199,406
Benefits Subtotal	\$4,548,548

COSTS

Cost of Government Services	(\$441,681)
Cost of Utility Services	(\$2,389,677)
Costs Subtotal	(\$2,831,358)

INCENTIVE ANALYSIS

\$1,500,000

Total Incentive

\$27,273

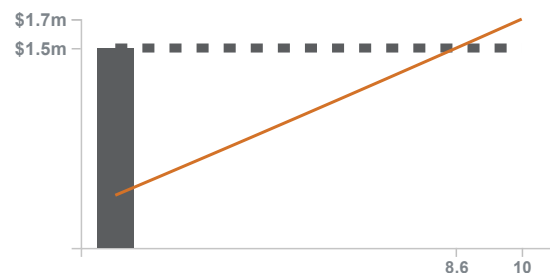
Per New Job

11.4%

Rate of Return

8.6 Yrs

Payback Period



Incentive

Cumulative Net Benefits

NET BENEFITS OVER 10 YEARS

CITY \$1,717,190

COUNTY \$757,244

SCHOOL DISTRICT \$1,572,178

ROAD DISTRICT \$83,819

**CONTRACT BETWEEN THE NEW BRAUNFELS ECONOMIC DEVELOPMENT
CORPORATION AND DETEX**

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

THIS CONTRACTUAL 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 referred to as "EDC", acting by and through its duly authorized officers, and DETEX CORPORATION, hereinafter referred to as "Company", acting by and through its officers.

W I T N E S S E T H:

WHEREAS, DETEX CORPORATION plans to construct a 50,000 square-foot addition to its current facility in New Braunfels that is anticipated to result in investments in the amount of approximately \$30,000,000 in the first ten years; and

WHEREAS, under the authority granted to the EDC by Texas Local Government Code §505.155 and upon the recommendation of the EDC, which was approved by the EDC on September 21, 2022, the City Council of New Braunfels on October , 2022, authorized payments of up to \$1,500,000 as financial incentives to Company for the retention and creation of jobs and an increase in Total Taxable Assessed Value resulting from the Company's capital investment.

The conditions of said allocation being as follows:

I. COMPANY'S OBLIGATIONS

- a. To demonstrate satisfaction with the employment requirements of this Agreement, the Company will be required to annually certify that the conditions above are being fulfilled. Company shall provide the previous two quarters of quarterly employment taxes paid to the IRS (Form 941) to verify employment and payroll. Company agrees that all records will be subject to inspection and possible audit by the City of New Braunfels (hereinafter "City") on behalf of the EDC with sufficient notice provided.
- b. Company agrees to indemnify, defend, and hold harmless the EDC, and its employees, agents, assigns, representatives, officials and officers (in their capacities as officials and officers), from and against any claims, losses, damages, causes of action, suits and liabilities arising out of any negligent act or omission of Company in its construction and operation of the Facility.
- c. The Company will agree not to knowingly employ any undocumented workers during the term of the Agreement. If the Company is convicted of a violation under 8 U.S.C. Section 1324a(f), the company shall repay the amount of the incentive with WSJ Prime Plus interest, at the rate and according to the other terms provided by an agreement under Section 2264.053, not later than the 120th day after the date the public agency, state or local taxing jurisdiction, or economic development corporation notifies the business of the violation. If convicted, the Company shall repay the amount of all incentive payments for the year(s) in which the violation(s) occurred.

II. INCENTIVES

- a. The EDC shall provide the Company a grant of up to \$500,000 to reimburse Company for applicable building permit, water, wastewater and roadway impact fees assessed through the development process by the City of New Braunfels (hereinafter "City") and New Braunfels Utilities for new construction at the Facility. Payment of the full grant amount will be issued

within 30 days of City or EDC receiving request for repayment from Company.

- b. The EDC shall provide the Company a grant of up to \$500,000 for the retention of 90 full-time employees for a period of three years from the effective date of this Agreement. For each full-time employee retained, up to ninety full-time employees, EDC shall pay Company \$1,851 for each full-time employee for the first three years of this Agreement. Payment of the grant amount will be made upon City or EDC's verification of employment.
- c. For each full-time employee the Company employs in addition to the 90 full-time employees referenced in the preceding section, the EDC shall provide the Company an additional grant of \$5,000 per year of full-time employment during the first three years of this Agreement, up to a total of no more than \$500,000, if Company's weighted average annual compensation, including bonuses and commissions, at Facility exceeds \$36,000 at the end of the first year of this Agreement, \$45,000 at the end of the second year of this Agreement, and \$46,500 at the end of the third year of this Agreement.
- d. In no event shall total reimbursement payments from the EDC to Company pursuant to this Agreement exceed \$1,500,000.
- e. For purposes of this Agreement, the term *full-time employee* means an employee at the Facility who works a minimum of thirty (30) hours per week at the Facility.

III.

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

IV.

All communications between EDC and Company shall be addressed to the:

President
New Braunfels Economic Development Corporation
c/o City of New Braunfels
City Hall
550 Landa Street
New Braunfels, Texas 78130

Any communication to the Company shall be addressed to

_____, (position within company), at the following location:

V.

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.

VI.

This Agreement cannot be assigned by Company without the prior written consent of the EDC, which consent may not be unreasonably denied, delayed, conditioned or withheld (it being understood that reasonable reasons for the EDC to deny such consent include, without limitation, the lack of financial viability of the assignee, the business reputation of the assignee, the assignee's engaging in a type of business that would reflect poorly on the EDC, the assignee's lack of compliance with City ordinances and other state or federal labor laws).

VII.

This Agreement shall be effective on the date of execution by both parties to this Agreement.

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 Company.

IN WITNESS WHEREOF, the parties hereto execute this agreement:

**NEW BRAUNFELS ECONOMIC
DEVELOPMENT CORPORATION**

By: _____
Kathy Meurin, President

By: _____
Jim Poage, Secretary

(SIGNATURES CONTINUE ON FOLLOWING PAGE)

DETEX CORPORATION

By: _____

Name: _____

Title: _____

STATE OF TEXAS

COUNT OF _____

Before me, _____, on this day personally appeared _____, know to me to be the person whose name is he/she executed the same as the act of DETEX CORPORATION, as its President for the purposes and consideration therein expressed.

Subscribed and sworn to before me this _____ day of _____, 2022.

(SEAL)

Notary Public, State of _____

My commission _____

9/21/2022

Agenda Item No. C)

PRESENTER:

Jeff Jewell, Director, Economic and Community Development

SUBJECT:

Discussion and possible action on the appointment of a member of the New Braunfels Economic Development Corporation to the Workforce Housing Advisory Committee

DEPARTMENT: Economic and Community Development

COUNCIL DISTRICTS IMPACTED: All

BACKGROUND INFORMATION:

The NBEDC appoints one of its directors to serve on the Workforce Housing Advisory Committee (WHAC). The appointed NBEDC director must apply for the WHAC through the City's Boards and Commissions applications process. The board meets mon

The purpose of the Workforce Housing Advisory Committee is to address the community's affordable and workforce housing needs. The Committee raises awareness about the challenges of affordable and available workforce housing. The WHAC will advise the City Council on providing solutions for a full range of workforce housing choices for households of all incomes, ages, and abilities. The board currently meets on the third Wednesday of the month starting at 4pm. The meetings typically run from 60 to 90 minutes.

ISSUE:

The current NBEDC appointee to the Workforce Housing Advisory Committee's terms on both the NBEDC and WHAC will expire in November 2022. The City's Boards and Commissions application process is currently underway. The deadline to submit this year's applications for both the New Braunfels Economic Development Corporation Board of Directors and the Workforce Housing Advisory Committee is September 30, 2022.

FISCAL IMPACT:

N/A

RECOMMENDATION:

Action approving a representative to the Workforce Housing Advisory Committee.

**BYLAWS
OF THE
WORKFORCE HOUSING ADVISORY COMMITTEE**

**ARTICLE I
Name**

The name of this organization shall be the Workforce Housing Advisory Committee (WHAC).

**ARTICLE II
Purpose**

The purpose of the Workforce Housing Advisory Committee is to address the community's affordable and workforce housing needs. The Committee will raise awareness about the challenges of affordable and available workforce housing. The WHAC will advise the City Council on providing solutions for a full range of workforce housing choices for households of all incomes, ages, and abilities.

**ARTICLE III
Membership, Terms, Attendance**

3.01 MEMBERSHIP AND APPOINTMENTS

The WHAC shall be comprised of eleven (11) members who shall be appointed by the City Council. Members shall be appointed, to the extent available in the community, as described in Section 3.02. City Council will consider nominations from the qualified applicants.

3.02 QUALIFICATIONS

Applicants to the WHAC shall be residents of New Braunfels and demonstrate qualifications for the WHAC to the City Secretary via their application prior to appointment. If a member does not retain the said qualification during his or her term, such failure shall constitute a resignation from the Committee.

By filing an application for the WHAC, each applicant agrees to abide by these bylaws, ordinances, rules, and regulations of the City of New Braunfels (including its Code of Ethics) and county, state and federal laws, rules and regulations related to the activities of the WHAC and further agrees to participate in committee work, required trainings, special called meetings and volunteer activities of the WHAC.

The committee shall be composed of one representative each from the following:

- a) Planning Commission, Greater New Braunfels Chamber of Commerce, New Braunfels Economic Development Corporation, New Braunfels Housing Authority, New

Braunfels Utilities, and Habitat for Humanity. Each organization shall designate an applicant for these positions and provide written notice to the City Secretary upon the organization's designation of the applicant.

- b) Up to five (5) at-large members selected from within the New Braunfels city limits or extra-territorial jurisdiction with preference given to designated representatives from the following organizations: Community Development Advisory Committee, Four Rivers Association of Realtors, GNB Home Builders Association, McKenna Foundation, local banking or mortgage industry, and New Braunfels Housing Partners.
- c) If applicants from the above preferred categories 3.01b are not available, City Council may appoint additional at-large committee members.
- d) A City staff member, designated by the City Manager, will serve as staff liaison to the Workforce Housing Advisory Committee but will not be a voting member.

3.03 TERMS

The initial term for each Committee member shall be for staggered terms of three (3) years. At the first meeting of the Committee, the members shall draw for terms so that eight (8) members shall serve an initial two-year term, and seven (7) shall serve an initial three-year term. Thereafter, any member appointed or reappointed to the Committee shall serve a three-year term unless the appointment is to fulfill an unexpired vacant term.

3.04 ATTENDANCE

A member of the Committee shall assume to have resigned his or her position as a member of the WHAC thereby forfeiting his or her unexpired term of office if he or she accrues three (3) consecutive absences or a total of any four (4) absences during a calendar year. This provision can be waived upon a finding by a quorum of the Committee that one or more absences should be excused.

Special called meetings do not count against a member for attendance and absence purposes.

3.05 REMOVAL

Each Committee member serves at the pleasure of the City Council and may be removed at the discretion of the City Council.

3.06 RESIGNATION

Any member resigning from the committee shall submit their resignation in writing to the City Secretary and/or the staff liaison for the committee.

3.07 VACANCIES

When vacancies occur on the WHAC, the City Council shall appoint, by majority vote, a replacement to serve out the remainder of the vacant term.

ARTICLE IV
Officers

4.01 ELECTION OF OFFICERS

The City Council will appoint the Chair of the Committee by a majority vote of the City Council. The Committee may hold an election of the full Committee for a Vice Chair. The Chair will serve until and unless the City Council appoints a new Chair of the committee.

The Committee shall accept nominations for the Chair position and put forward the candidate(s) for the City Council's consideration.

4.02 DUTIES OF OFFICERS

4.02.1 Chair

The Chair shall preside and participate at all meetings of the WHAC and shall have voting power.

4.02.2 Vice-Chair

The Vice-Chair shall assist the Chair as needed and shall serve as the presiding officer in the absence of the Chair. The Vice-Chair shall have voting power.

4.0.3 VACANCIES

Vacancies will be filled by the City Council.

ARTICLE V
Meetings

5.01 DATE, TIME, PLACE

The regularly scheduled meetings are held the third Wednesday of every month at 4:00 pm at City Hall, unless otherwise noted.

5.02 OPEN MEETINGS

All meetings shall be held in accordance with the Texas Open Meetings Act.

5.03 QUORUM

A majority of the members of the WHAC shall constitute a quorum.

5.04 PARLIAMENTARY AUTHORITY

The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the WHAC in all cases in which they are applicable and in which they are not inconsistent with these bylaws. The WHAC shall conduct themselves in accordance with the City Charter of the City of New Braunfels and the Laws of the State of Texas.



New Braunfels Economic Development Corporation Agenda Item Report

550 Landa Street
New Braunfels, TX

9/21/2022

Agenda Item No. A)

Deliberate Issues Regarding Economic Development Negotiations in accordance with Section 551.087 of the Texas Government Code.

1. Project New
2. Project Spark