

RESOLUTION NO. 2020-003

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BANDERA, TEXAS AUTHORIZING ELIGIBLE EXPENDITURES OF THE BANDERA ECONOMIC DEVELOPMENT CORPORATION; MAKING CERTAIN FINDINGS REGARDING ELIGIBLE EXPENDITURES OF THE CORPORATION; AND ESTABLISHING REQUIREMENTS PURSUANT THERETO.

WHEREAS, the Bandera Economic Development Corporation (BEDC) is a Type B Texas Economic Development Corporation operating under the Chapters 501, 502 and 505 of the Texas Local Government Code and Chapter 22 of the Texas Business Organizations Code; and,

WHEREAS, the Texas Local Government Code Chapter Section 505.152 authorizes the expenditure of Corporation funds for a project that the board of directors determines to be suitable; and,

WHEREAS, the BEDC has been asked by the Bandera City Council to develop a project as authorized by sections 501 – 505 of the Texas Local Government Code, authorizing certain financial assistance as a grant, line of credit, or other form of financial assistance to be used for businesses within the City Limits of Bandera, Texas; and,

WHEREAS, BEDC unanimously passed a motion to create a project at its board meeting on April 16, 2020 and requests that the City now pass a Resolution authorizing the project.

WHEREAS, it is hereby officially found and determined that the meeting at which this motion was passed was open to the public, and public notice of the time, place and purpose of both meetings at which it was read, was given in accordance with Chapter 551, Texas Government Code;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BANDERA, TEXAS THAT:

SECTION 1. Findings and Determination

- a. The City Council hereby finds and determines that it is in the best interest of the City to authorize the Corporation to immediately create and act upon the stimulus grant package for businesses within the City Limits of Bandera, Texas.
- b. The City Council hereby finds and determines that Texas Local Government Code Chapter Sections 501 - 505 authorizes the expenditure of BEDC funds for this project because on March 13, 2020, the Governor of The State of Texas declared a state of disaster for all counties in Texas in response to the COVID-19 outbreak.

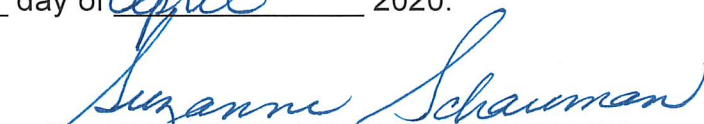
SECTION 2. Authorization of Expenditure

- a. That the foregoing recitals are hereby found to be true and correct findings of the City Council of Bandera and are fully incorporated into the body of this Resolution.
- b. That the City Council of Bandera find and determine that the creation of a program to distribute grants, a line of credit or other form of financial assistance not to exceed **\$100,000.00** as a program with individual amounts not to exceed **\$2500.00** for businesses located within the City of Bandera, Texas, funds are based on utility, mortgage or rent receipts, and is otherwise consistent with Sections 501-505 of the Act.
- c. That the Proposed Project Overview is attached as Exhibit A.

SECTION 3. Approval

- a. That the City Council hereby authorizes the project and authorizes the Mayor to execute this Resolution.
- b. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America
- c. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the City Council hereby declares that this Resolution would have been enacted without such invalid provision.
- d. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, Texas Government Code, as amended.

READ, ADOPTED and effective on the 28th day of April 2020.


Suzanne Schauman, Mayor

ATTEST:


Jill Shelton, City Secretary

Exhibit "A"

Business Stimulus Grant

Overview

A maximum of \$2,500.00 grant offered to non-essential businesses or a maximum of \$1,000.00 for essential business within the City Limits of Bandera, Texas that collect sales tax for the City of Bandera. Funding priorities to be given to those businesses that were deemed non-essential and forced to close or essential. Thereafter to be funded on a first come first served basis. Reimbursement based upon utility, rent and mortgage receipts.

Requirements

Must be current on all sales tax and property tax related to the business.

Must provide documentation for one-year prior **city** sales tax statements, documentation to verify rent, or documentation to verify mortgage, where applicable.

Funding Determination

Three methods for determining funding for a business with a maximum grant amount of \$2,500.00. The largest of the three methods will determine the grant amount.

- a. Total amount paid in **city** sales tax in the past one year not to exceed \$2,500.00; **or**
- b. The sum total of two months of rent not to exceed \$2,500.00; **or**
- c. The sum total of two months mortgage not to exceed \$2,500.00.

Example 1. If a business has paid the **city** sales tax in the last year in the amount of \$1,845.50 and the rent for the business is \$750.00 per month times two equals \$1,500.00, then the business would receive a stimulus grant for the larger amount of \$1,845.50.

Example 2. If a business has paid the **city** sales tax in the last year in the amount of \$685.45 and the rent for the business is \$500.00 per month times two equals \$1000.00, then the business would receive a stimulus grant for the larger amount of \$1,000.00.

Example 3. If a business has paid the **city** sales tax in the last year in the amount of \$2100.45 and the mortgage for the business is \$1,485 per month times two equals \$2970.00, then the business would receive a stimulus grant for the maximum amount of \$2,500.00.

Performance Stipulations and Reporting None.