

SEDC RESOLUTION NO. 2022-11

A RESOLUTION BY THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION, TEXAS AUTHORIZING AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BETWEEN THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION AND SCHERTZ MEDICAL BUILDING, LLC; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City of Schertz Economic Development Corporation (“SEDC”) is a non-profit industrial development corporation duly established under the Development Corporation Act of 1979, as amended (Section 501.001 et seq. Texas Local Government Code, formerly the Development Corporation Act of 1979) (the “Act”);

WHEREAS, all of the powers of the corporation are vested in the SEDC Board of Directors (the “Board”) appointed by the governing body of the corporation’s authorizing unit; and

WHEREAS, the Act authorizes a development corporation to fund certain projects as defined by the Act and request development corporations enter into performance agreements to establish and provide for the direct incentive or make an expenditure on behalf of a business enterprise under a project; and

WHEREAS, Schertz Medical Building, LLC (“Company”) desires to construct and operate a medical office building with an ambulatory surgical center that would be located at 17766 Verde Parkway, Schertz, Guadalupe County, Texas 78154; and

WHEREAS, Company’s Project is expected to result in the creation of 20 new full-time jobs while the project will directly involve a capital investment of \$9,784,585 for land, and construction of the minimum of 50,000 square foot, two-story Facility; and

WHEREAS, Corporation intends to provide an Infrastructure Reimbursement Grant of not more than \$30,000.00 for qualifying costs, payable upon Company receiving a Certificate of Occupancy for the new Facility and written approval from the City of Schertz regarding completion of construction of improvement depicted and situated as represented in Attachment A and any other documentation required by the terms of this Agreement; and

WHEREAS, the location of the Company’s new medical facility, as proposed, will increase available medical office space in Schertz as well as provide greater access and traffic flow in the immediate area of the facility while also creating new jobs and increased employment, promoting and developing expanded business enterprises, increased development, increased real property value and tax revenue for the City of Schertz, and will have both a direct and indirect positive overall improvement/stimulus in the local and state economy;

WHEREAS, the Corporation desires to offer incentives to Company to enable Company

to construct its Facility and expand the workforce pursuant to this Agreement in substantial conformity with the City of Schertz Economic Development Incentive Policy and the Act; and

WHEREAS, Section 501.103 authorizes expenditures for certain infrastructure improvement projects that are found by the board of directors to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises; and

WHEREAS, Section 501.158 of the Act requires an incentive agreement to provide at a minimum for a schedule of additional payroll or jobs to be created or retained and capital investment to be made as consideration for any direct incentives provided or expenditures made by the corporation under the agreement and to specify the terms under which repayment must be made if the business enterprise does not meet the performance requirements specified in the agreement; and

WHEREAS, Section 505.159 of the Act requires that a corporation hold at least one public hearing on the proposed project before spending money to undertake the project, the public hearing was held on August 25, 2022; and

WHEREAS, Section 501.073 of the Act requires the SEDC's authorizing unit to approve all programs and expenditures.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF SCHERTZ ECONOMIC DEVELOPMENT CORPORATION THAT:

Section 1. Subject to the authorization of funds by the City of Schertz City Council, the Board hereby approve the Economic Development Performance Agreement attached hereto as Exhibit A and authorizes the President to execute same in substantially the same form as attached.

Section 2. The Board hereby recommends the City Council for the City of Schertz consider approving a Resolution authorizing the expenditures contemplated herein for the reasons stated in the foregoing recitals.

Section 3. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 4. All resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

Section 5. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 6. 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 board hereby declares that this Resolution would have been enacted without such invalid provision.

Section 7. 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.

Section 8. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

PASSED AND ADOPTED, this 25th day of August 2022.

CITY OF SCHERTZ ECONOMIC
DEVELOPMENT CORPORATION



Paul Macaluso, SEDC Board President

ATTEST:



Sammi Morrill, SEDC Board Secretary

Exhibit A

**ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT
SCHERTZ MEDICAL BUILDING, LLC**

[SEE ATTACHED]