



CITY OF LEON VALLEY
SPECIAL CITY COUNCIL MEETING
Leon Valley Conference Center
6421 Evers Road, Leon Valley, Texas 78238
Tuesday, September 29, 2015

AGENDA

1. **6:30 P.M.** Call to order.
2. The City Council shall meet in Executive Session under Texas Government Code §551.071 *Consultation with Attorney* to discuss the following:
 - a) Consultation with Attorney regarding the Town Center Project, and Pending Litigation, Larry Little v. City of Leon Valley Economic Development Corporation Civil Cause No. 2011-C1-17823.
3. Reconvene into Regular Session and take action on issues discussed in Executive Session if necessary.
4. Presentation, Discussion and Approval of a 60-Day FY 2015-2016 Budget for the City of Leon Valley Economic Development Corporation (LVEDC). **M&C #2015-09-29-02 (Stephen Ynostrosa, LVEDC Board President)**
5. Discussion and possible action on the current City of Leon Valley Economic Development Corporation (LVEDC) Board Members and their terms and considering the appointment of a non-resident and how that appointment would be made. **M&C #2015-09-29-03 (Mayor Chris Riley)**
6. Discussion and possible action on Resolution No. 15-034R appointing an additional Council Member to the City of Leon Valley Economic Development Corporation (LVEDC). **M&C #2015-09-29-04 (Council Member David Jordan and Council Member Monica Alcocer)**
7. Adjournment.

Executive Session. The City Council of the City of Leon Valley reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed on the posted agenda, above, as authorized by the Texas Government Code, Sections 551.071 (consultation with attorney), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), 551.074 (personnel matters), 551.076 (deliberations about security devices), and 551.087 (economic development).

Attendance by Other Elected or Appointed Officials: It is anticipated that members other City boards, commissions and/or committees may attend the open meeting in numbers that may constitute a quorum. Notice is hereby given that the meeting, to the extent required by law, is also noticed as a meeting of any other boards, commissions and/or committees of the City, whose members may be in attendance in numbers constituting a quorum. These members of other City boards, commissions, and/or committees may not deliberate or take action on items listed on the agenda. [Attorney General Opinion – No. GA-0957 (2012)].

I hereby certify that the above **NOTICE OF PUBLIC MEETING(S) AND AGENDA OF THE LEON VALLEY CITY COUNCIL** was posted at the Leon Valley Public Library, 6425 Evers Road, Leon Valley, Texas, on September 25, 2015 at 9:15 a.m. and remained posted until after the meeting(s) hereby posted concluded. This notice is posted on the City website at www.leonvalleytexas.gov. This building is wheelchair accessible. Any request for sign interpretive or other services must be made 48 hours in advance of the meeting. To make arrangements, call (210) 684-1391, Extension 216.


SAUNDRA PASSAILAIGUE, TRMC
City Secretary

MAYOR AND COUNCIL COMMUNICATION

DATE: September 29, 2015 M&C # 2015-09-29-02
TO: Mayor and City Council
FROM: Claudia Mora, Economic Development Director
THROUGH: Kelly Kuenstler, City Manager
SUBJECT: Presentation, Discussion and Approval of a 60-Day FY 2015-2016 Budget for the City of Leon Valley Economic Development Corporation (LVEDC)

PURPOSE

The purpose of this M&C is for the presentation, discussion and approval of a 60-day FY 2015-2016 budget for the LVEDC. As directed by City Council, staff is working with the LVEDC Board of Directors to develop metrics or performance measures for the coming fiscal year as part of the adoption and implementation of the FY 2015-2016 budget for the LVEDC.

The LVEDC requests the approval of a 60-day budget to allow time for the LVEDC Board to review the metrics recommended by staff, and have an opportunity to add or modify the metrics proposed.

FISCAL IMPACT

The proposed 60-day LVEDC Fiscal Year 2015-2016 Budget was developed by estimating the expenses for two months. Included in the 60-day budget is the \$100,000 installment payment for LOQ Bandera Road Holdings, LLC due October 1, 2015; this is the final installment of the \$200,000 grant.

The total amount of the 60-day budget is \$186,107.00.

RECOMMENDATION

Staff recommends approval.

S.E.E. IMPACT

Social – N/A

Economic – To provide a diverse and versatile business environment that supports a healthy economy by engaging in open dialogue on issues and matters which affect the conduct of economic development in Leon Valley.

Environmental – N/A

APPROVED: _____ DISAPPROVED: _____

APPROVED WITH THE FOLLOWING AMENDMENTS: _____

ATTEST:

SAUNDRA PASSAILAIGUE, TRMC
City Secretary

APPROVING A 60-DAY BUDGET FOR THE CITY OF LEON VALLEY ECONOMIC DEVELOPMENT CORPORATION (LVEDC) FOR FISCAL YEAR 2015-2016 TO SUPPORT THE LVEDC'S OPERATIONS, PROGRAMS AND PROJECTS.

WHEREAS, the Texas Local Government Code, Chapter 501.051 et. seq., authorized the City of Leon Valley to create a non-profit entity known as an Economic Development Corporation; and

WHEREAS, the City of Leon Valley created the City of Leon Valley Economic Development Corporation in 2009 by filing Articles of Incorporation, as amended thereafter, to receive economic development funds and to prepare a plan and budget for the effective and efficient expenditure thereof in furtherance of the purposes of the Corporation; and

WHEREAS, the citizens of the City of Leon Valley, Texas approved the implementation of a sales tax to fund economic development in the City through the City of Leon Valley Economic Development Corporation ; and

WHEREAS, Texas law authorizes the City Council to approve all programs and expenditures of the City of Leon Valley Economic Development Corporation by approving the annual budget; and

WHEREAS, the City of Leon Valley Economic Development Corporation, at the direction of City Council, must develop and present metrics or performance measures to accompany the proposed budget for Fiscal Year 2015-2016 approved by the LVEDC on September 3, 2015, prior to the City Council approving the proposed budget; and

WHEREAS, the LVEDC requests the Board be allowed time to refine the metrics or performance measures; and

WHEREAS, the fiscal year begins October 1st and the LVEDC has financial obligations to meet beginning October 1st and now submits a 60-day budget to the City Council for approval;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LEON VALLEY, TEXAS:

The 60-Day City of Leon Valley Economic Development Corporation Budget for Fiscal Year 2015-2016, attached as Exhibit "A", is hereby approved.

PASSED, ADOPTED AND APPROVED by the City Council this the 29th day of September, 2015.

A P P R O V E D

CHRIS RILEY, Mayor

Attest: _____
SAUNDRA PASSAILAIGUE, TRMC, City Secretary

Approved as to Form: _____
PATRICK BERNAL, City Attorney

LEON VALLEY ECONOMIC DEVELOPMENT CORPORATION (LVEDC)
Fiscal Year 2016 Budget
60-Day Budget

DEPARTMENTAL EXPENDITURES	2015-2016 PROPOSED	2015-2016 60-DAY
SUPPLIES		
5100-520.01 Office Supplies	300	50
5100-520.02 Operating Supplies	-	-
5100-520.04 Miscellaneous Supplies	200	34
TOTAL SUPPLIES	500	84
CONTRACTUAL SERVICES		
5100-530.01 Professional Services	75,000	12,500
5100-530.02 Contractual Services	46,000	7,666
5100-530.03 Telephone		
5100-530.04 Utilities - Gas, Water, Electricity		
5100-530.05 Printing	-	-
5100-530.06 Advertising	-	-
5100-530.08 Equipment Rental	-	-
5100-530.09 Travel	5,000	875
5100-530.10 Membership	1,500	500
5100-530.15 EDC Project Funding	162,016	162,016
5100-530.XX Miscellaneous	14,800	2,466
TOTAL CONTRACTUAL SERVICES	304,316	186,023
TOTAL BUDGET	304,816	186,107

Leon Valley Economic Development Corporation (LVEDC)

60-Day FY 2015 – 2016 Budget

September 29, 2015

Purpose

- **Allow LVEDC to operate for the first two (2) months of FY 2015-2016**
- **Enable LVEDC to review and finalize measurable objectives drafted by staff**
- **Provide LVEDC with opportunity to develop realized and achievable milestones**

Account Balance

Cash on Hand = \$331,499.27

Reserves = - \$ 26,683.27

FY 2015-2016 Budget = \$304,816.00

As of 09/29/15

Proposed Budget

	2015-2016	2015-2016	2015-2016	2015-2016	%
DEPARTMENTAL EXPENDITURES	PROPOSED	60 Days	October	November	(2 Months)
		PROPOSED	PROPOSED	PROPOSED	
SUPPLIES					
5100-520.01 Office Supplies	300	50	25	25	17%
5100-520.02 Operating Supplies	-	-	-	-	
5100-520.04 Miscellaneous Supplies	200	34	17	17	17%
TOTAL SUPPLIES	500	84	42	42	17%
CONTRACTUAL SERVICES					
5100-530.01 Professional Services	75,000	12,500	6,250	6,250	17%
5100-530.02 Contractual Services	46,000	7,666	3,833	3,833	17%
5100-530.03 Telephone					
5100-530.04 Utilities - Gas, Water, Electricity					
5100-530.05 Printing	-	-	-	-	
5100-530.06 Advertising	-	-	-	-	
5100-530.08 Equipment Rental					
5100-530.09 Travel	5,000	875	875	-	18%
5100-530.10 Membership	1,500	500	125	375	33%
5100-530.15 EDC Project Funding	162,016	162,016	100,000	62,016	100%
5100-530.XX Miscellaneous	14,800	2,466	1,233	1,233	17%
TOTAL CONTRACTUAL SERVICES	304,316	186,023	112,491	73,707	61%
TOTAL BUDGET	304,816	186,107	112,358	73,749	61%

October Expenditures

• Office Supplies =	\$	25.00
• Miscellaneous Supplies =	\$	17.00
• Professional Services =	\$	6,250.00
• Contractual Services =	\$	3,833.00
• Travel =	\$	875.00
• Membership =	\$	125.00
• EDC Project Funding =	\$	100,000.00
• <u>Miscellaneous =</u>	\$	<u>1,233.00</u>
• OCTOBER TOTAL =	\$	\$112,358.00

October Expenditures - Supplemental

- **Professional Services = \$ 6,250.00**
 - General Counsel and Lawsuit Appeal
- **Contractual Services = \$ 3,833.00**
 - Services Agreement with City
- **Travel = \$ 875.00**
 - 5 LVEDC Board Members to Sales Tax Training

October Expenditures - Supplemental

- **Membership = \$ 125.00**
 - 1 TEDC Membership Renewal

- **EDC Project Funding = \$100,000.00**
 - LOQ Bandera Road Holdings, LLC grant payment

- **Miscellaneous = \$ 1,233.00**
 - Leon Valley Community Brochure Development

November Expenditures

• Office Supplies =	\$	25.00
• Miscellaneous Supplies =	\$	17.00
• Professional Services =	\$	6,250.00
• Contractual Services =	\$	3,833.00
• Travel =	\$	0.00
• Membership =	\$	375.00
• EDC Project Funding =	\$	62,016.00
• <u>Miscellaneous =</u>	\$	<u>1,233.00</u>
• NOVEMBER TOTAL =	\$	73,749.00

November Expenditures

- **Professional Services = \$ 6,250.00**
 - General Counsel and Lawsuit Appeal

- **Contractual Services = \$ 3,833.00**
 - Services Agreement with City

- **Membership = \$ 375.00**
 - 3 TEDC Membership Renewal

November Expenditures

- **EDC Project Funding = \$ 62,016.00**
 - National Outdoors
 - S.A. West Loop Investors, Ltd.
 - Tellez Tamales & Barbacoa
 - Ideas Unlimited
 - Jenfield, LLC
 - Bring Your Own Parts
 - Farmers Insurance
 - Leon Valley Area Chamber of Commerce

- **Miscellaneous = \$ 1,233.00**
 - Leon Valley Community Brochure Development

60-Day Budget

Total 60-day FY 2015-2016 Budget =

\$186,107.00

61% of Total FY 2015-2016 Budget

Leon Valley Economic Development Corporation (LVEDC)

60-Day FY 2015 – 2016 Budget

September 29, 2015

ITEM 5

MAYOR AND COUNCIL COMMUNICATION

DATE: September 29, 2015 **M&C # 2015-09-29-03**
TO: Mayor and Council
FROM: Sandra Passailaigue, City Secretary
THROUGH: Kelly Kuentler, City Manager
SUBJECT: Discussion and possible action on the current City of Leon Valley Economic Development Corporation (LVEDC) Board Members and their terms.

PURPOSE

This item was placed on the City Council agenda at the request of Mayor Chris Riley pursuant to Resolution No. 15-012R.

FISCAL IMPACT

APPROVED: _____ DISAPPROVED: _____

APPROVED WITH THE FOLLOWING AMENDMENTS:

ATTEST:

SAUNDRA PASSAILAIGUE, TRMC
City Secretary

**LVEDC Board Appointments
As of August 26, 2015**

LVEDC Board Place	Current Board Member	Officer	Term Start	Term End
1	Joe H. Sanchez, Jr.	Secretary	16-Jun-14	30-Sep-15
2	Rudy L. Garcia	Vice President	May-13	30-Sep-14
3	Patty Manea		18-Aug-15	30-Sep-15
4	Monica Alcocer		15-Sep-15	30-Sep-16
5	Mike McCarley	Treasurer	1-Oct-13	30-Sep-15
6	Stephen Ynostrosa	President	18-Aug-15	30-Sep-16
7	VACANT			

Board Places 1, 3, 5, and 7 have terms which expire September 30, 2015 -- o they are reappointed or replaced.

Board Member Manea was assigned to Place 3 to fill the vacancy created by Mr. Guerra when he resigned - without direction or indication as to which Place Ms. Manea was appointed. If Place 3 is the correct Place, Ms. Manea would need to be reappointed, as Place 3 is an odd-year appointment and the reappointment for that Place would need to occur in 2015.



July 02, 2015

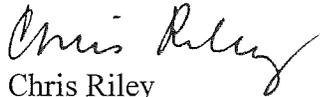
Rudy Garcia
6819 Evening Sun
Leon Valley, TX 78238

Dear Mr. Garcia:

The City Council at our recent retreat generally discussed appointing two City Council members to serve on the LVEDC board to increase communication between the two boards. With that direction, I am recommending Mr. Stephen Ynostrosa, Council members Monica Alcocer and Benny Martinez to serve in the three open positions available at this time.

On behalf of the Leon Valley City Council and citizens, I would like to thank you for your service on the LVEDC board over the last two years. It is very much appreciated

Sincerely,



Chris Riley
Mayor

cc: City Council
Claudia Mora, Staff Liaison
Stephen Ynostrosa, Committee Chair

A RESOLUTION

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY
APPROVING AND ADOPTING THE AMENDED ARTICLES OF
INCORPORATION FOR THE LEON VALLEY ECONOMIC DEVELOPMENT
CORPORATION (LVEDC)**

WHEREAS, City Council approved and adopted Articles of Incorporation of the Leon Valley Economic Development Corporation under Resolution 09-006 on March 3, 2009; and

WHEREAS, the City Council finds it in the best interests of the City to approve the Bylaws approved by of the Leon Valley Economic Development Corporation; and

WHEREAS, the Leon Valley Economic Development Corporation Board approved amendments to the Articles of Incorporation and Bylaws of the Corporation on July 15, 2009.

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
LEON VALLEY, TEXAS:**

1. The amended Articles of Incorporation of the Leon Valley Economic Development Corporation, attached hereto as Exhibit A, are hereby approved and adopted.
2. The City Manager is directed to immediately cause the Articles of Incorporation of the Leon Valley Economic Development Corporation to be filed with the Texas Secretary of State.

PASSED and **APPROVED** this 4th day of August 2009.

APPROVED:

Chris Riley
Mayor

ATTEST:

Maria Feunz
City Secretary



**Application for Approval
By
City of Leon Valley
For
City of Leon Valley Economic Development Corporation**

Amendment to Articles of Incorporation

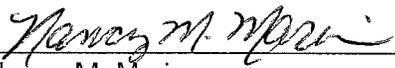
**Submitted for Consideration and Approval
City Council Meeting, August 4, 2009**

At the June 17, 2009 meeting of the City of Leon Valley Economic Development Corporation an amendment to the Leon Valley Economic Development Corporation Articles of Incorporation was adopted by a majority vote of the board of directors. A quorum of the board members was present at this meeting. Under Article Eight (I) of the LVEDC Articles of Incorporation, the members of the Board of Directors shall file with the Council a written application requesting approval of the amendments to the Articles of Incorporation. Exhibit A provides all pertinent information as to the amendment requested for consideration and approval by the City Council.

Sincerely,



Mike Davis
President
City of Leon Valley Economic Development Corporation



Nancy M. Marin
Secretary of the Board
City of Leon Valley Economic Development Corporation
6417 Evers Rd
Leon Valley, TX 78238

Exhibit A
Articles of Amendment
To the Articles of Incorporation

City of Leon Valley Economic Development Corporation

THE STATE OF TEXAS

COUNTY OF BEXAR

Pursuant to the provisions of Section 17(b) of the Development Corporation Act of 1979, (Article 5 190.6, Vernon's Texas Civil Statutes), as amended, (the "Act"), the City Council of the City of Leon Valley, Texas ("the City Council"), the governing body under whose auspices the City of Leon Valley Economic Development Corporation ("the Corporation") was created, adopts the following **Articles of Amendment to the Articles of Incorporation of the Corporation:**

Article I
Name of Corporation

The name of the corporation is the "City of Leon Valley Economic Development Corporation."

Article II
Name of Amendment

The amendment alters or changes Articles Four, Eight and Fifteen of the original Articles of Incorporation to read in its entirety as follows, with new wording indicated by underline.

"Article Four"
Purpose and Limitations

The Corporation is organized exclusively for the purpose of benefitting and accomplishing public purposes of, and to act on behalf of, the City, and the specific purposes for which the Corporation is organized. It may issue bonds, notes, and other forms of debt instruments, and it may acquire, maintain, lease, and sell property, and interests therein, on behalf of the City and the State of Texas in order to support the quality of life improvements and economic development projects as describe in Section 2(11) and Section 4B of the as amended from time to time, including, but not limited to, projects that the Corporation determines will promote new or expanded business enterprises that create or retain primary jobs; primary job training facilities for use by institutions of higher education; projects related to public parks, park facilities and events, and open space improvements; projects related to convention, tourist, and exhibition facilities; projects related to museums and related stores, restaurant, concession, and automobile parking facilities; projects related to research and development facilities; related area transportation facilities; projects related to public safety facilities and related improvements; projects related to demolition of existing structures; and projects related to targeted infrastructure and any other improvements, expenditures, or facilities that are related to any of the above-described projects; and the maintenance and operations expenses for any of

the above-described projects; and including, but not limited to, the following projects to be considered by the Corporation:

Strengthen the Leon Valley business district, including retaining existing businesses and attracting new businesses and redeveloping existing business centers;

Beautify the Leon Valley business district through landscaping, lighting, signage and other methods; and

Develop a more sustainable quality of life by implementing the American Institute of Architects plan, including park development, energy conservation for the benefit of business enterprises in the community, historic preservation, hike and bike trails, mass transit and other means.

The Corporation may finance and undertake any such project, subject to the regulations and limitations set forth in Section 4B of the Act and an election held in the City on November 4, 2008. The Corporation is authorized to issue bonds as permitted by the Act. Further, no project with an initial cost in excess of \$10,000.00 shall commence without specific approval by the Council by resolution or ordinance. The Corporation is a constituted authority and a public instrumentality within the meaning of the Act, the regulations of the United States Treasury Department, and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to sections 103 and 141 of the Internal Revenue Code of 1986, as amended, and the Corporation is authorized to act on behalf of the City as provided in the Act and these Articles of Incorporation.

- (a) In the fulfillment of its corporate purpose, the Corporation shall have and may exercise the powers described in paragraph (a) of this Article, together with all of the other powers granted to corporations that are incorporated under the Act and that are governed by Section 4B thereof, and, to the extent not in conflict with the Act, the Corporation shall additionally have and may exercise all of the rights, powers, privileges, authorities, and functions given by the general laws of the State of Texas to nonprofit corporations under the Texas Nonprofit Corporation Act, as amended (Texas Revised Civil Statutes Article 1396-101, et seq.).
- (b) The Corporation shall have the purposes and powers permitted by the Act pursuant to the authority granted in Article III, Section 52-a of the Texas Constitution, but the Corporation does not have, and shall not exercise the powers of sovereignty of the City, including the power to tax (except for the power to receive and use the sales and use taxes specified in Section 4B of the Act) and the police power, except that the Corporation shall have and may exercise the power of eminent domain when the exercise thereof is approved by the Council. However, for the purposes of the Texas Tort Claims Act, as amended (Subchapter A, Chapter 101, Texas Civil Practice and Remedies Code), the Corporation is a governmental unit, and its actions are governmental functions and as provided under the Act.
- (c) No bonds, notes, or other debt instruments or other obligations, contracts, or agreements of the Corporation are or shall ever be deemed to be or constitute the contracts, agreements, bonds, notes, or other debt instruments or other obligations or the lending of credit, or a grant of the public money or things of value, of, belonging to, or by the State of Texas, the City, or any other political corporation, subdivision or agency of the State of Texas, or a pledge of the faith

and credit of any of them. Any and all of such contracts, agreements, bonds, notes, and other debt instruments and other obligations, contracts and agreements shall be payable solely and exclusively from the revenues and funds receiving by the Corporation from the sources authorized by Section 4B of the Act and from such other sources as may be otherwise lawfully available and belonging to the Corporation from time to time.

“Article Eight” Amendment

These Articles of Incorporation may be amended at any time as provided in the Act, to make any changes and add any provisions which might have been included in the Articles of Incorporation in the first instance or as may be permitted by subsequent changes in the law. Any amendment may be accomplished in either of the following manners:

- (1) The members of the Board of Directors of the Corporation shall file with the Council a written application requesting approval of the amendments to these Articles of Incorporation, specifying in such application the amendments proposed to be made. The Council shall consider such application and, if it shall, by ordinance, duly find and determine that it is advisable that the proposed amendments be made it shall approve the form of the proposed amendments. The Board of Directors of the Corporation may then amend these Articles of Incorporation by adopting such amendment at a meeting of the Board of Directors and delivering such amendments to the Secretary of State; or
- (2) The Council may, at its sole discretion, and at any time, amend these Articles of Incorporation and alter or change the structure, organization, programs, or activities of the Corporation, or terminate or dissolve the Corporation (subject to the provisions of the Act, and subject to any limitation provided by applicable constitutions and laws of the impairment of contracts entered into by the Corporation) by ordinance adopting the amendment to these Articles of Incorporation or articles of dissolution at a meeting of the Council, and delivering articles of amendment or dissolution to the Secretary of State, as provided in the act. Restated Articles of Incorporation may be filed with the Secretary of State as provided in the Act without the consent of the Council.

“Article Fifteen” Miscellaneous

- (a) No dividends shall ever be paid by the Corporation, and no part of its net earnings remaining after payment of its expenses and other obligations shall be distributed to or inure to be benefit of its directors or officers, or any individual, private firm, or private corporation or association, except in reasonable amounts for services rendered.
- (b) If, after the close of any fiscal year, the board of directors determines that sufficient provision has been made for the full payment of all current expenses, together with all amounts payable on the contracts, agreements, bonds, notes, and other obligations of the Corporation, and that all of the terms, provisions, and covenants therein have been met, then any net earnings derived from sources other than the sales and use taxes collected for the account of Corporation pursuant to Section 4B of the Act thereafter accruing in connection with projects financed pursuant to

Section 4B of the Act, and lease payments received in connection with projects financed pursuant to Section 4B of the Act shall be used solely for the purposes permitted by Section 4B of the Act and Article 4(a) of these Articles.

- (c) If the Corporation ever should be dissolved when it has, or is entitled to, any interest in any funds or property of any kind, real, personal or mixed, such funds or property or rights thereto shall not be transferred to private ownership, but shall be transferred and delivered to the City after satisfaction of debts and claims.
- (d) No part of the Corporation's activities shall consist of the carrying on of propaganda, or otherwise attempting to influence Federal or State legislation, and the Corporation shall not participate in any political campaign for or in opposition to any candidate for public office.

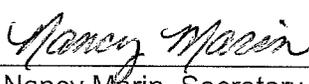
**Article Three
Miscellaneous**

The amendment to the Articles of Incorporation set forth in Article II, above, was adopted by a majority of the members of the City Council of the City of Leon Valley, Texas, at its regular meeting held on July 7, 2009, after duly posting the time, date, place, and subject matter of said meeting in accordance with Chapter 551 of the Texas Government Code, as amended.

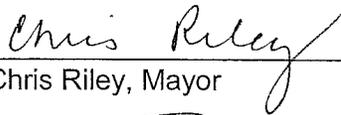
Dated this 4th day of August, 2009.

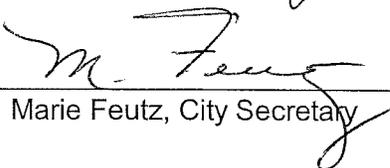
**CITY OF LEON VALLEY ECONOMIC
DEVELOPMENT CORPORATION**

By: 
Mike Davis, President

Attest: 
Nancy Marin, Secretary

CITY OF LEON VALLEY, TEXAS

By: 
Chris Riley, Mayor

Attest: 
Marie Feutz, City Secretary



CERTIFICATE OF FORMATION

OF

CITY OF LEON VALLEY ECONOMIC DEVELOPMENT CORPORATION

Article One Name

The name of the Corporation is the "City of Leon Valley Economic Development Corporation."

Article Two Authorization

The Corporation is a nonprofit corporation and is an industrial development corporation under the Development Corporation Act of 1979, as amended (Texas Revised Civil Statutes Article 5190.6) (the "Act") and shall be governed by Section 4B of the Act, as now existing or as may be amended and an election held in the City on November 4, 2008.

Article Three Duration

Subject to the provisions of Article Thirteen hereof, the period of duration of the Corporation is perpetual.

Article Four Purpose and Limitations

The Corporation is organized exclusively for the purpose of benefiting and accomplishing public purposes of, and to act on behalf of, the City, and the specific purposes for which the Corporation is organized. It may issue bonds, notes, and other forms of debt instruments, and it may acquire, maintain, lease, and sell property, and interests therein, in order to support the quality of life improvements and economic development projects as described in Section 2(11) and Section 4B of the as amended from time to time, including, but not limited to, projects that the Corporation determines will promote new or expanded business enterprises that create or retain primary jobs; primary job training facilities for use by institutions of higher education; projects related to public parks, park facilities and events, and open space improvements; projects related to convention, tourist, and exhibition facilities; projects related to museums and related stores, restaurant, concession, and automobile parking facilities; projects related to research and development facilities; related area transportation facilities; projects related to public safety facilities and related improvements; projects related to demolition of existing structures; and projects related to targeted infrastructure and any other improvements, expenditures, or facilities that are related to any of the above-described projects; and the maintenance and operations expenses for any of the above-described projects; and including, but not limited to, the following projects to be considered by the Corporation:

Strengthen the Leon Valley business district, including retaining existing businesses and attracting new businesses and redeveloping existing business centers;

Beautify the Leon Valley business district through landscaping, lighting, signage and other methods; and

Develop a more sustainable quality of life by implementing the American Institute of Architects plan, including park development, energy conservation for the benefit of business enterprises in the community, historic preservation, hike and bike trails, mass transit and other means.

The Corporation may finance and undertake any such project, subject to the regulations and limitations set forth in Section 4B of the Act and an election held in the City on November 4, 2008. The Corporation is authorized to issue bonds as permitted by the Act. Further, no project with an initial cost in excess of \$10,000.00 shall commence without specific approval by the Council by resolution or ordinance. The Corporation is a constituted authority and a public instrumentality within the meaning of the Act, the regulations of the United States Treasury Department, and the rulings of the Internal Revenue Service prescribed and promulgated pursuant to sections 103 and 141 of the Internal Revenue Code of 1986, as amended, and the Corporation is authorized to act on behalf of the City as provided in the Act and the Articles in this Certificate of Formation.

- (a) In the fulfillment of its corporate purpose, the Corporation shall have and may exercise the powers described in paragraph (a) of this Article, together with all of the other powers granted to corporations that are incorporated under the Act and that are governed by Section 4B thereof, and, to the extent not in conflict with the Act, the Corporation shall additionally have and may exercise all of the rights, powers, privileges, authorities, and functions given by the general laws of the State of Texas to nonprofit corporations under the Texas Nonprofit Corporation Act, as amended (Texas Revised Civil Statutes Article 1396-101, et seq.).
- (b) The Corporation shall have the purposes and powers permitted by the Act pursuant to the authority granted in Article III, Section 52-a of the Texas Constitution, but the Corporation does not have, and shall not exercise the powers of sovereignty of the City, including the power to tax (except for the power to receive and use the sales and use taxes specified in Section 4B of the Act) and the police power, except that the Corporation shall have and may exercise the power of eminent domain when the exercise thereof is approved by the Council. However, for the purposes of the Texas Tort Claims Act, as amended (Subchapter A, Chapter 101, Texas Civil Practice and Remedies Code), the Corporation is a governmental unit, and its actions are governmental functions and as provided under the Act.
- (c) No bonds, notes, or other debt instruments or other obligations, contracts, or agreements of the Corporation are or shall ever be deemed to be or constitute the

contracts, agreements, bonds, notes, or other debt instruments or other obligations or the lending of credit, or a grant of the public money or things of value, of, belonging to, or by the State of Texas, the City, or any other political corporation, subdivision or agency of the State of Texas, or a pledge of the faith and credit of any of them. Any and all of such contracts, agreements, bonds, notes, and other debt instruments and other obligations, contracts and agreements shall be payable solely and exclusively from the revenues and funds receiving by the Corporation from the sources authorized by Section 4B of the Act and from such other sources as may be otherwise lawfully available and belonging to the Corporation from time to time.

Article Five Financing

- (a) In the exercise of the powers of the Corporation, the Corporation may enter into loan, lease, trust, or other agreements as authorized by the Act that are necessary and appropriate to the fulfillment of the public purpose of the Corporation.
- (b) In the exercise of the powers of the Corporation, the Corporation may not enter into any loan, lease, trust, or other agreement the effect of which would grant, convey, transfer, mortgage, encumber, pledge or assign a security interest or any other interest in any property owned by the City. Any agreement entered into by the Corporation shall contain language substantially to the effect that any grant, conveyance, transfer, mortgage, encumbrance, pledge or assignment of property owned by the City is prohibited.

Article Six No Members

The Corporation has no members and is a nonstock corporation.

Article Seven Sales Tax

Upon receipt from the City of the proceeds of the sales and use tax imposed under Section 4B of the Act, the Corporation may use the proceeds as permitted by the Act as now existing or as may be amended and the Articles in this Certificate of Formation.

Article Eight Amendment

The Articles in this Certificate of Formation may be amended at any time as provided in the Act, to make any changes and add any provisions which might have been included in the Articles in the first instance or as may be permitted by subsequent changes in the law. Any amendment may be accomplished in either of the following manners:

- (a) The members of the Board of Directors of the Corporation shall file with the Council a written application requesting approval of the amendments to these Articles, specifying in such application the amendments proposed to be made. The Council shall consider such application and, if it shall, by ordinance, duly find and determine that it is advisable that the proposed amendments be made it shall approve the form of the proposed amendments. The Board of Directors of the Corporation may then amend these Articles by adopting such amendment at a meeting of the Board of Directors and delivering such amendments to the Secretary of State; or
- (b) The Council may, at its sole discretion, and at any time, amend these Articles and later or change the structure, organization, programs, or activities of the Corporation, or terminate or dissolve the Corporation (subject to the provisions of the Act, and subject to any limitation provided by applicable constitutions and laws of the impairment of contracts entered into by the Corporation) by ordinance adopting the amendment to these Articles or articles of dissolution at a meeting of the Council, and delivering articles of amendment or dissolution to the Secretary of State, as provided in the act. Restated Articles may be filed with the Secretary of State as provided in the Act without the consent of the Council.

Article Nine
Registered Office and Registered Agent

The street address of the registered office of the Corporation is the same as the City, 6400 El Verde, Leon Valley, Texas 78238, and the name of its registered agent at that address is the City Manager, Lanny S. Lambert.

Article Ten
Board of Directors; Officers

- (a) The affairs of the Corporation shall be managed by a board of directors which shall be composed of seven (7) persons appointed by majority vote of the Council. The terms of the board of directors shall be as follows:
 - (1) The Initial Board of Directors shall be appointed within a reasonable time after filing of this Certificate of Formation with the Secretary of State of the State of Texas, and shall member thereof serve until September 30, 2009.
 - (2) The directors of the first permanent Board of Directors shall be appointed to terms expiring September 30, 2011. Thereafter, the terms of directors shall be two (2) years, expiring on September 30th of odd numbered years. Directors may be appointed to succeed themselves. Each director must be a resident of Bexar County, and at least five (5) directors must be residents of the City. All

directors must have a "significant interest" in the City of Leon Valley business community, as determined by the City Council. No director may be an employee or officer of the City or member of the Council. Four (4) members of the board shall constitute a quorum. The board shall conduct all meetings within the boundaries of the City.

- (b) The names and street addresses of the persons who are to serve as the incorporators of the Corporation are as follows:

<u>Names</u>	<u>Addresses</u>
Mayor Chris Riley	6400 El Verde, Leon Valley, Texas 78238
City Manager Lanny S. Lambert	6400 El Verde, Leon Valley, Texas 78238
City Secretary Marie Feutz	6400 El Verde, Leon Valley, Texas 78238

- (c) The directors shall serve without compensation, but they shall be reimbursed for their actual expenses incurred in the performance of their duties as directors.
- (d) The board of directors shall elect a president, vice president, secretary, and any other officers that the Corporation considers necessary, to serve as executive officers of the Corporation, as more specifically provided in the Corporation's Bylaws. The City Manager, or his designees, shall provide administrative support services for the Corporation. The board of directors may select an Executive Director, who shall not be a member of the board of directors.
- (e) Each director shall serve until a successor is appointed. Directors are removable by the Council at any time with or without cause. Any vacancy occurring on the board of directors (by reason of death, resignation, or otherwise) shall be filled by appointment by the Council of a person who shall hold office until the expiration of the term. The actions of the Council in removal and appointment shall be by majority vote of the members of the Council present and voting.
- (f) Meetings of the board of directors are subject to the Texas Open Meetings Act, as amended (Texas Government Code, Chapter 551), and the Corporation is subject to the Texas Public Information Act, as amended (Texas Government Code, Chapter 552).

Article Eleven Bylaws

The Bylaws of the Corporation, upon adoption by the Corporation's board of directors and approval by the City Council, shall, together with these Articles, govern the and approval by the City Council, shall govern the initial affairs of the Corporation until and unless amended in accordance with the provisions of the Act and the Articles in this Certificate of Formation.

**Article Twelve
Council Approval**

The City has specifically authorized the Corporation by Resolution dated March 3, 2009, to act on its behalf to further the Corporation's public purposes stated in the Articles in this Certificate of Formation, and the City has by Resolution, adopted the Corporation's Certificate of Formation. A copy of the official actions of the City Council and the Resolution are on file among the permanent public records of the City and the Corporation.

**Article Thirteen
Dissolution**

- (a) The Corporation shall not be dissolved, and its business shall not be terminated, by act of the Council or otherwise, so long as the Corporation is obligated to pay any bonds, notes, or other obligations and unless the collection of the sales and use tax authorized by Section 4B of the Act is eligible for termination in accordance with the provisions of Section 4B (i) of the Act.
- (b) No action shall be taken pursuant to paragraph (a) of this Article or pursuant to paragraph (b) of Article Fifteen of these Articles, in any manner or at any time that would impair any contract, lease, right or other obligation theretofore executed, granted or incurred by the Corporation.

**Article Fourteen
Not a Private Foundation**

If the Corporation is ever determined to be a private foundation within the meaning of section 509(a) of the Internal Revenue code of 1986, as amended (the "Code"), the Corporation:

- (a) shall distribute its income for each taxable year at such time and in such manner as not be become subject to the tax on undistributed income imposed by section 4942 of the Code;
- (b) shall not engage in any act of self-dealing as defined in section 4941(d) of the Code;
- (c) shall not retain any excess business holdings as defined in section 4943(c) of the Code;
- (d) shall not make any investments in such manner as to subject it to tax under section 4944 of the Code; and
- (e) shall not make any taxable expenditures as defined in section 4945(d) of the Code.

Article Fifteen

Miscellaneous

- (a) No dividends shall ever be paid by the Corporation, and no part of its net earnings remaining after payment of its expenses and other obligations shall be distributed to or inure to the benefit of its directors or officers, or any individual, private firm, or private corporation or association, except in reasonable amounts for services rendered, and except in strict furtherance of the purposes of the Corporation as set forth in Article Four, Purposes and Limitations.
- (b) If, after the close of any fiscal year, the board of directors determines that sufficient provision has been made for the full payment of all current expenses, together with all amounts payable on the contracts, agreements, bonds, notes, and other obligations of the Corporation, and that all of the terms, provisions, and covenants therein have been met, then any net earnings derived from sources other than the sales and use taxes collected for the account of Corporation pursuant to Section 4B of the Act thereafter accruing in connection with projects financed pursuant to Section 4B of the Act, and lease payments received in connection with projects financed pursuant to Section 4B of the Act shall be used solely for the purposes permitted by Section 4B of the Act and Article 4(a) of these Articles.
- (c) If the Corporation ever should be dissolved when it has, or is entitled to, any interest in any funds or property of any kind, real, personal or mixed, such funds or property or rights thereto shall not be transferred to private ownership, but shall be transferred and delivered to the City after satisfaction of debts and claims.
- (d) No part of the Corporation's activities shall consist of the carrying on of propaganda, or otherwise attempting to influence Federal or State legislation, and the Corporation shall not participate in any political campaign for or in opposition to any candidate for public office.

Dated this 20th day of March, 2009.

**CITY OF LEON VALLEY ECONOMIC
DEVELOPMENT CORPORATION
INCORPORATORS**



By: Chris Riley
Chris Riley, Mayor

By: Lanny S. Lambert
Lanny S. Lambert, City Manager

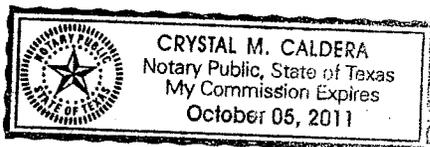
By: Marie Feutz
Marie Feutz, City Secretary

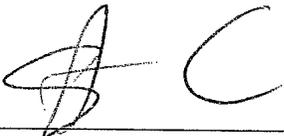
ACKNOWLEDGMENTS

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

On this the 20th day of March, 2009, before, the undersigned Notary Public, personally appeared CHRIS RILEY, and who acknowledged to me that she is one of the Incorporators of the City of Leon Valley's Economic Development Corporation, and that she, in such official capacity, being duly authorized to do so, executed the foregoing Certificate of Formation of the City of Leon Valley Economic Development Corporation by signing her name in such capacity.

IN WITNESS WHEREOF, I have hereon to set my hand and official seal.





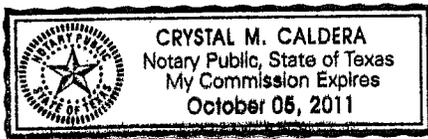
Notary Public of the State of Texas

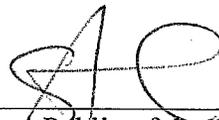
(Notary Seal)

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

On this the 20th day of March, 2009, before, the undersigned Notary Public, personally appeared LANNY S. LAMBERT, and who acknowledged to me that he/is one of the Incorporators of the City of Leon Valley's Economic Development Corporation, and that he, in such official capacity, being duly authorized to do so, executed the foregoing Certificate of Formation of the City of Leon Valley Economic Development Corporation by signing his name in such capacity.

IN WITNESS WHEREOF, I have hereon to set my hand and official seal.





Notary Public of the State of Texas

(Notary Seal)

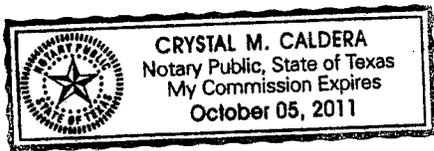
THE STATE OF TEXAS

§
§
§

COUNTY OF BEXAR

On this the 20th day of March, 2009, before, the undersigned Notary Public, personally appeared MARIE FEUTZ, and who acknowledged to me that she is one of the Incorporators of the City of Leon Valley's Economic Development Corporation, and that she, in such official capacity, being duly authorized to do so, executed the foregoing Certificate of Formation of the City of Leon Valley Economic Development Corporation by signing her name in such capacity.

IN WITNESS WHEREOF, I have hereon to set my hand and official seal.



(Notary Seal)

A handwritten signature in cursive script, appearing to read "C. Caldera", written over a horizontal line.

Notary Public of the State of Texas

**CERTIFICATE OF AMENDMENT TO ECONOMIC DEVELOPMENT
CORPORATION'S ARTICLES OF INCORPORATION**

1. Pursuant to Texas Local Government Code Sections 501.302, 501.304, 501.305, and 501.306 the City of Leon Valley hereby submits this Certificate of Amendment.
2. The Name of the corporation is the Leon Valley Economic Development Corporation.
3. Article 10, Section (a)(2) of the Leon Valley Economic Development Corporation's Articles of Incorporation is amended to read as follows:

The directors of the first permanent Board of Directors shall be appointed to terms expiring September 30, 2011. Thereafter, the terms of directors shall be two (2) years, expiring on September 30th of odd numbered years. Directors may be appointed to succeed themselves. Each director must be a resident of Bexar County, and at least five (5) directors must be residents of the city. All directors must have a "significant interest" in the City of Leon Valley business community, as determined by the City Council. No director may be an employee or officer of the City; except that two (2) directors may be members of the City Council. Four (4) members of the board shall constitute a quorum. The board shall conduct all meetings within the boundaries of the City.

4. The amendment was adopted by the City of Leon Valley City Council on July 21, 2015.

Executed on this the 21st day of July, 2015.

By: Chris Riley
Chris Riley, Mayor, City of Leon Valley

By: Sandra Passailaigue
Sandra Passailaigue, TRMC, City Secretary, City of Leon Valley



VERIFICATION

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under the penalty of perjury that the this Certificate of Amendment is true and correct.

By: Chris Riley
Chris Riley, Mayor, City of Leon Valley



Office of the Secretary of State

CERTIFICATE OF FILING OF

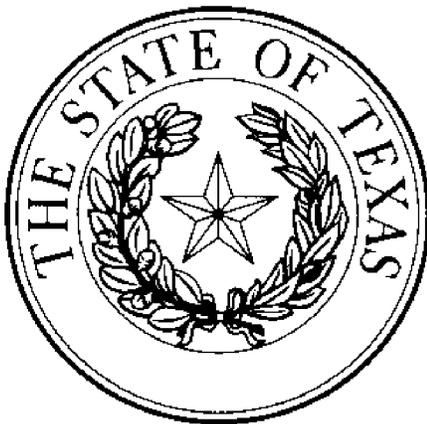
City of Leon Valley Economic Development Corporation
801441404

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Amendment for the above named entity has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

Dated: 08/19/2015

Effective: 08/19/2015



A handwritten signature in black ink, appearing to read "Cascos" followed by a horizontal line.

Carlos H. Cascos
Secretary of State

A RESOLUTION

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY
APPROVING AND ADOPTING THE BYLAWS OF FOR THE LEON VALLEY
ECONOMIC DEVELOPMENT CORPORATION (LVEDC)**

WHEREAS, City Council approved and adopted Articles of Incorporation of the Leon Valley Economic Development Corporation under Resolution 09-006 on March-3, 2009 and approved the Amendment to Articles of Incorporation under Resolution 09-017 on August 4, 2009;

WHEREAS, the City Council finds it in the best interests of the City to approve the Bylaws approved by of the Leon Valley Economic Development Corporation; and

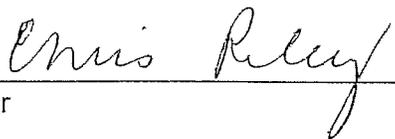
WHEREAS, the Leon Valley Economic Development Corporation Board approved the Bylaws of the Corporation on July 15, 2009 and amendments to the Bylaws on August 11, 2009.

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
LEON VALLEY, TEXAS:**

1. The amended Bylaws of the Leon Valley Economic Development Corporation, attached hereto as Exhibit A, are hereby approved and adopted.
2. The City Manager is directed to immediately cause the Bylaws of the Leon Valley Economic Development Corporation to be filed with the Texas Secretary of State.

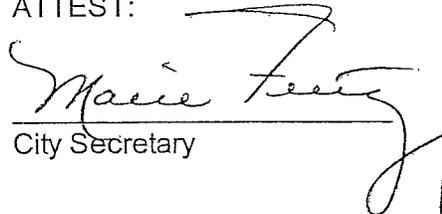
PASSED and **APPROVED** this 18th day of August 2009.

APPROVED:



Mayor

ATTEST:



City Secretary



BYLAWS
OF
CITY OF LEON VALLEY ECONOMIC DEVELOPMENT CORPORATION

ARTICLE I

PURPOSE AND POWERS

Section 1.1. Purpose. The Corporation is incorporated for the purposes set forth in Article Four of its Articles of Incorporation (the "Articles of Incorporation"), the same to be accomplished on behalf of the City of Leon Valley, Texas (the "City") as its duly constituted authority and instrumentality in accordance with the Development Corporation Act of 1979, as amended (Texas Revised Civil Statutes Article 5190.6) (the "Act"), and other applicable laws.

Section 1.2. Power. In the fulfillment of its corporate purposes, the Corporation shall be governed by Section 4B of the Act and an election held in the City on November 4, 2008 (the "Election"), and shall have all the powers set forth and conferred in its Articles of Incorporation, in the Act, and in other applicable law, subject to the limitations prescribed therein and herein and to the provisions thereof and hereof.

ARTICLE II

BOARD OF DIRECTORS

Section 2.1. Powers, Number and Term of Office.

- (a) The property and affairs of the Corporation shall be managed and controlled by a Board of Directors (the "Board"), subject to the restrictions imposed by law, by the Articles of Incorporation and by these Bylaws (these "Bylaws"). The Board shall exercise all of the powers of the Corporation.
- (b) The Board shall consist of seven (7) directors, each of whom shall be appointed by majority vote of the Council. No director may be an employee or officer of the City or member of the Council.
- (c) The Corporation has been incorporated by three Incorporators, who are named in the Articles of Incorporation. The initial directors constituting the Board and all successor directors shall have the qualifications, shall be of the classes of directors, and shall be appointed to the terms set forth in the Articles of Incorporation.
- (d) Any director may be removed from office by the Council at will, by majority vote of the members of the Council present and voting

Section 2.2 Meetings of Directors.

- (a) The directors may hold their meetings at such place or places in the City as the Board may from time to time determine; provided, however, in the absence of any such determination by the Board, the meetings shall be held at the Kinman

House, 6417 Evers Rd. Leon Valley, TX 78238. Regular meetings of the Board shall be held without the necessity of notice to directors at such times and places as shall be designated from time to time by the Board. Special meetings of the Board shall be held whenever called by the president or by a majority of the directors.

- (b) The secretary shall give notice to each director of each special meeting in person or by mail, electronic mail (email) or telephone, in accordance with the requirements of the Texas Open Meetings Act, as amended. Unless otherwise indicated in the notice thereof, any and all matters pertaining to the purposes of the Corporation may be considered and acted upon at a special meeting.

Section 2.3 Open Meetings Act. All meetings and deliberations of the Board shall be called, convened, held, and conducted, and notice shall be given to the public, in accordance with the Texas Open Meetings Act, as amended (Chapter 551, Texas Government Code).

Section 2.4 Quorum. Four (4) members of the Board shall constitute a quorum to conduct official business of the Corporation. The act of a majority of the Board of Directors present at a meeting at which a quorum is in attendance shall constitute the act of the Board and of the Corporation, unless the act of a greater number is required by law.

Section 2.5. Conduct of Business.

- (a) At the meetings of the Board, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the Board.
- (b) The president shall preside at all meetings of the Board. In the absence of the president, the vice president shall preside.
- (c) The president shall be a voting member of the Board.
- (d) The secretary of the Corporation shall act as secretary of all meetings of the Board, but in the absence of the secretary, the presiding officer may appoint any person to act as secretary of the meeting. The treasurer and any assistant secretary may, at the option of the Board, be employees of the City and each member of the Board with the exception of the president, vice president, or secretary, may be appointed as assistant secretaries.

Section 2.6. Committees of the Board. The Board may designate two (2) or more directors or other persons to constitute a committee (including an advisory committee) of the Board to exercise such authority, as approved by resolution of the Board; provided, however, that all final, official actions of the Corporation may be exercised only by the Board. Each committee so designated shall keep regular minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the office of the Corporation located at the Kinman House, 6417 Evers Rd. Leon Valley, TX 78238; and any such meetings must be conducted in accordance with the provisions of the Texas Open Meetings Act, as amended (Chapter 551, Texas Government Code), if applicable.

Section 2.7. Compensation of Directors. Directors shall not receive any salary or compensation for their services as directors. However, they shall be reimbursed for their actual expenses incurred in the performance of their official duties as directors.

ARTICLE III OFFICERS

Section 3.1 Titles and Terms of Office.

- (a) The board of directors shall elect a president, a vice president, a secretary, and a treasurer, and such other officers as the Board may elect from time to time. One person may hold more than one office, except that the president shall not hold the office of secretary. Terms of office shall be for two (2) years, except when prohibited by term of appointment, with the term of office expiring on September 30th of each year. Upon the expiration of the terms, each officer shall be eligible to be reappointed or reelected.
- (b) All officers shall be subject to removal from office at any time by a vote of a majority of the Council.
- (c) A vacancy in the office of any director shall be filled by a vote of a majority of the members of the Council present and voting. The remaining directors may recommend to the Council a person to be named to fill any such vacancy.

Section 3.2. Powers and Duties of the President. The president shall be the chief operating executive officer of the Corporation, and, subject to the authority of the Board, the president shall be in general charge of the properties and affairs of the Corporation and execute all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes and other instruments in the name of the Corporation. The president shall preside over the meetings of the Corporation.

Section 3.3. Vice President. The vice president shall have such powers and duties as may be prescribed by the Board and shall exercise the powers of the president during that officer's absence or inability to act. Any action taken by the vice president in the performance of the duties of the president shall be conclusive evidence of the absence or inability to act of the president at the time such action was taken.

Section 3.4. Treasurer. The treasurer shall be the chief fiscal officer of the Corporation, and shall have the responsibility to see to the handling, custody, and security of all funds and securities of the Corporation in accordance with these Bylaws. When necessary or proper, the treasurer may endorse and sign, on behalf of the Corporation, for collection or issuance, checks, notes, and other obligations in or drawn upon such bank, banks, or depositories, as shall be designated by the Board consistent with these Bylaws. The treasurer shall see to the entry in the books of the Corporation full and accurate accounts of all money received and paid out on account of the Corporation. The treasurer shall, at the expense of the Corporation, give such bond for the faithful discharge of his/her duties in such form, and amount as the Board or the Council may require. All check writing authority will follow all applicable City policies concerning authorizations, signatures and disbursements.

Section 3.5. Secretary. The secretary shall keep the minutes of all meetings of the Board and books provided for that purpose, shall give and serve all notices, may sign with the president in the name of the Corporation, and/or attest the signature thereto, all contracts, conveyances, franchises, bonds, deeds, assignments, mortgages, notes, and other instruments of the Corporation, shall have charge of the corporate books, records, documents, and instruments, except the books of account and financial records and securities, and such other books and papers as the Board may direct, all of which shall at all reasonable times be open to public inspection upon application at the principal office of the Corporation during business

hours, and shall in general perform all duties incident to the office of secretary subject to the control of the Board.

Section 3.6. Executive Director. The board of directors may select an Executive Director, who shall not be a member of the board of directors.

Section 3.7. General. The president, vice president, and the secretary shall be named from among the members of the Board. The treasurer and any assistant secretary may, at the option of the Board, be employees of the City. To the extent that the treasurer or any assistant secretary are employees of the City, they shall not be members of the Board. The City Manager, or his designees, shall provide administrative support services for the Corporation. The Executive Director shall retain legal counsel and financial advisors for the Corporation, subject to the approval of the majority of the Board.

Section 3.8. Compensation. Officers who are members of the Board shall not receive any salary or compensation for their services, except that they shall be reimbursed for the actual expenses incurred in the performance of their official duties as officers.

ARTICLE IV FUNCTIONAL CORPORATE DUTIES AND REQUIREMENTS

Section 4.1. City of Leon Valley Economic Development Corporation Plan.

- (a) It shall be the duty and obligation of the Board to develop, finance and implement the City of Leon Valley Economic Development Corporation Plan, subject to approval or disapproval by Council.
- (b) In carrying out its obligations under subsection (a), the Corporation shall be authorized to exercise all rights and powers granted under the Act, including, but not limited to Section 4B.
- (c) The Board shall at least annually submit reports to the Council as to the status of its activities in carrying out its obligations under this Section.
- (d) Any and all agreements between the Corporation and other parties shall be authorized, executed, and approved, and delivered in accordance with applicable law.

Section 4.2. Annual Corporate Budget. Prior to the commencement of each fiscal year of the Corporation, the Board shall adopt a proposed budget of expected revenues from sources set out in Section 4.5 of this Article and proposed expenditures for the next ensuing fiscal year. The budget shall contain such classifications and shall be in such form as may be prescribed from time to time by the Council. The budget shall not be effective until the same has been approved by the Council.

Section 4.3 Books, Records, Audits.

- (a) The Corporation shall keep and properly maintain in accordance with generally accepting accounting principles, complete books, records, accounts, and financial statements pertaining to its corporate funds, activities and affairs.

- (b) At the direction of the Council, the books, records, accounts, and financial statements of the Corporation may be maintained for the Corporation by the accountants, staff and personnel of the City.
- (e) The Corporation, or the city if the option of subsection (b) is selected, shall cause its books, records, accounts, and financial statements to be studied at least once each fiscal year by an outside, independent auditing and accounting firm selected by Council and approved by the Board. Such an audit shall be at the expense of the Corporation.

Section 4.4. Deposit and Investment of Corporate Funds.

- (a) All proceeds from loans or from the issuance of bonds, notes, or other debt instruments ("Obligations") issued by the Corporation shall be deposited and invested as provided in the resolution, order, indenture, or other documents authorizing or relating to their executive or issuance.
- (b) Subject to the requirements of contracts, loan agreements, indentures, or other agreements securing Obligations, all other money of the Corporation, if any, shall be deposited, secured, and/or invested in the manner provided for the deposit, security, and/or investment of the public funds of the City. The Board shall designate the accounts and depositories to be created and designated for such purposes, and the methods of withdrawal of funds therefrom for use by and for the purposes of the Corporation upon the signature of its treasurer and such other persons as the Board designates. The accounts, reconciliation, and investment of such funds and accounts shall be performed by the City Manager of the City, or his designee.

Section 4.5. Expenditure of Corporate Money. The sales and use taxes collected pursuant to Section 4B of the Act and the proceeds from the investment of funds of the Corporation, the proceeds from the sale of property, revenues generated by any Projects as defined in Section 4B of the Act and payable to the Corporation or any other source of revenues that are payable to the Corporation for any of the purposes authorized by the Act, and the Election, subject to the following limitations:

- (a) Expenditures that may be made from a fund created with the proceeds of Obligations, and expenditures of money derived from sources other than the proceeds of Obligations may be used for the purpose of financing or otherwise providing one or more Projects, as defined in Section 4B of the Act and in accordance with the Election;
- (b) All other proposed expenditures shall be made in accordance with and shall be set forth in the annual budget required by Section 4.2 or in contracts meeting the requirements of Section 4.1(d) of this Article.
- (c) No project which requires an expenditure in excess of \$10,000.00 shall commence without Council approval by resolution authorizing the project after giving the resolution at least two separate readings and two public hearings.

**ARTICLE V
MISCELLANEOUS PROVISIONS**

Section 5.1. Principal Office.

- (a) The principal office and the registered office of the Corporation shall be the registered office of the Corporation specified in the Articles of Incorporation.
- (b) The Corporation shall have and shall continually designate a registered agent at its office, as required by the Act.

Section 5.2. Fiscal Year. The fiscal year of the Corporation shall be the same as the fiscal year of the City.

Section 5.3. Seal. The seal of the Corporation shall be determined by the Board.

Section 5.4. Resignations. Any director or officer may resign at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time is specified, at the time of its receipt by the president or secretary. The acceptance of resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5.5. Approval or Advice and Consent of the Council. To the extent that these Bylaws refer to any approval by the City or refer to advice and consent by the Council, such advice and consent shall be evidenced by a certified copy of a resolution, ordinance, or motion duly adopted by the Council.

Section 5.6. Services of City Staff and Officers. All requests by the Corporation for staff time or inquiries of staff will be requested through the City Manager's Office.

Section 5.7. Indemnification of Directors, Officers and Employees.

- (a) As provided in the Act, the Corporation is, for the purposes of the Texas Tort Claims Act, as amended (Subchapter A, Chapter 101, Texas Civil Practices and Remedies Code), a governmental unit and its actions are governmental functions.
- (b) The Corporation shall indemnify each and every member of the Board, its officers and its employees and each member of the Council and each employee of the City, to the fullest extent permitted by law, against any and all liability or expense, including attorney's fees, incurred by and of such persons by reason of any actions or omissions that may arise out of the sanctions and activities of the Corporation. The legal counsel for the Corporation is authorized to provide a defense for members of the Board, officers, and employees of the Corporation.

ARTICLE VI EFFECTIVE DATE, AMENDMENTS

Section 6.1 Effective Date. These Bylaws shall become effective upon the adoption of these Bylaws by the Board of Directors of the Corporation and approval by the City Council.

Section 6.2. Amendments to Articles of Incorporation and Bylaws. The Articles of Incorporation of the Corporation and these Bylaws may be amended only in the manner provided in the Articles of Incorporation and the Act.

Adopted: 18 August, 2009.

CITY OF LEON VALLEY ECONOMIC
DEVELOPMENT CORPORATION

By: [Signature]
President

ATTEST:

By: [Signature]
Secretary

CITY OF LEON VALLEY, TEXAS

By: [Signature]
Mayor

ATTEST:

By: [Signature]
City Secretary



MAYOR AND COUNCIL COMMUNICATION

DATE: September 29, 2015 **M&C # 2015-09-29-04**

TO: Mayor and Council

FROM: Sandra Passailaigue, City Secretary

THROUGH: Kelly Kuentler, City Manager

SUBJECT: Discussion and possible action on Resolution No. 15-034R appointing an additional Council Member to the City of Leon Valley Economic Development Corporation (LVEDC).

PURPOSE

This item was placed on the City Council agenda at the request of Mayor Chris Riley pursuant to Resolution No. 15-012R.

FISCAL IMPACT

APPROVED: _____ DISAPPROVED: _____

APPROVED WITH THE FOLLOWING AMENDMENTS:

ATTEST:

SAUNDRA PASSAILAIGUE, TRMC
City Secretary

RESOLUTION No. 15-034R

A RESOLUTION OF THE CITY OF LEON VALLEY CITY COUNCIL APPOINTING MEMBERS TO THE CITY OF LEON VALLEY ECONOMIC DEVELOPMENT CORPORATION.

WHEREAS, The City of Leon Valley deemed it necessary to create boards, commissions and committees composed of volunteers from the community to perform specific functions for the City.

WHEREAS, these boards, commissions and committees are invaluable to the City Council for their expertise, insight, and dedication to the City of Leon Valley.

WHEREAS, the City Council of Leon Valley empowers these boards, commissions and committees to make decisions affecting the citizens and the future of the City.

WHEREAS, the individuals currently filling the boards, commissions and committees have performed admirably and honestly for the benefit of the City of Leon Valley and its citizens.

WHEREAS, the City Council formally appoints and sets the term for the following individuals to their respected board or commission:

City of Leon Valley Economic Development – Council Member Benny Martinez – Place

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF LEON VALLEY, TEXAS:

That the appointment of the aforementioned individual to their respected board, commission or committee and term for each individual become effective immediately.

PASSED, ADOPTED AND APPROVED by the City Council of the City of Leon Valley this the 29th day of September, 2015.

APPROVED

CHRIS RILEY
MAYOR

Attest: _____
SAUNDRA PASSAILAIGUE, TRMC
City Secretary

Approved as to Form: _____
PATRICK BERNAL
City Attorney