

**CITY OF LEON VALLEY ECONOMIC DEVELOPMENT CORPORATION
POLICIES AND GUIDELINES FOR FUNDING**

STATEMENT: The City of Leon Valley Economic Development Corporation (LVEDC) may consider providing funds in accordance with the policies, procedures and criteria outlined in these guidelines. The LVEDC may consider funding agreements for new facilities, expansion of existing facilities, and modernization of existing facilities, or the creation or retention of jobs.

NOTHING IN THESE POLICIES AND GUIDELINES OR THE PROJECT APPLICATION SHALL EVER BE CONSTRUED TO IMPLY OR SUGGEST THAT THE LVEDC IS UNDER ANY OBLIGATION TO PROVIDE ANY FUNDING TO ANY APPLICANT.

PRIOR TO ANY PUBLIC EXPRESSION OF A DECISION OR ANY COMMITMENT (LEGAL OR FINANCIAL) TO THE PROPOSAL BY APPLICANT, A COMPLETED ORIGINAL OF THIS APPLICATION, INCLUDING ALL SUPPORTING DOCUMENTATION OF COMPETITIVE SITING, NARRATIVE IMPACT STATEMENT AND A \$50.00 APPLICATION FEE (NON-REFUNDABLE) MUST BE SUBMITTED TO THE CITY OF LEON VALLEY ECONOMIC DEVELOPMENT DIRECTOR, 6400 EL VERDE ROAD, SAN ANTONIO, TEXAS 78238.

All applications must be filed with the LVEDC, in care of the City of Leon Valley. Applications submitted for funding consideration will be determined on a case-by-case basis. All copies of applications submitted shall become the property of the LVEDC and may as provided by law be subject to public disclosure. **NO APPLICANT HAS ANY EXPECTATION OF PRIVACY OF THE CONFIDENTIALITY OF THEIR APPLICATION ONCE SUBMITTED.**

APPLICABILITY: The Policies and Guidelines establish that state statutes and adopted City policies relating to economic development shall govern all funding options, programs, and agreements.

PROCESS: The Economic Development Director of the LVEDC and City of Leon Valley staff, as needed depending on the project, must first review and evaluate any request for LVEDC funds. Staff will provide application information on ALL applicants to the LVEDC Board along with its recommendations. Recommendation for approval depends in part on an evaluation of the completed application (form attached) and all accompanying supporting documents. The LVEDC Board may approve requests for funding under \$10,000 without separate City Council approval. The LVEDC Board may at its discretion submit funding requests to the City Council regardless of the amount. Approved applications will be forwarded to the City Council as required.

The LVEDC Board will generally follow the application process set forth below:

- The completed application is submitted to LVEDC in care of the Economic Development Director, City of Leon Valley;
- A review of the completed application is made by the Economic Development Director and City staff;
- A recommendation by staff is made to the LVEDC Board;
- Approval/Disapproval is made by the LVEDC Board;
- If approved by the LVEDC notice of a public hearing will be published and scheduled for a meeting; if City Council approval is required, two (2) separate readings of the funding request must be conducted during a City Council meeting;
- From the first public notification of the funding request, at least 60 days must pass before any funds may be expended by the LVEDC on the project.

ELIGIBILITY:

1. Any new business planning to locate within Leon Valley, or any business currently located within the city limits, is eligible to apply for this program
2. Improvements to the property must promote new or expanded business development, and generate ad valorem and/or sales tax revenue, and/or the generation of new employment or the retention of existing jobs.
3. All buildings and facilities located within the city limits at the time of application are eligible for this program.
4. "Business" – is defined as an occupation, profession, or trade in the purchase and sale of goods or services by an individual, partnership, corporation or other legally recognized entity.

GUIDELINES:

1. Applicant will submit mandatory proof of the applicant's ownership of the subject facility or facilities, or proof that the owner thereof has approved the submission of the application for LVEDC funding.
2. The owner of a business operating in a leased facility must provide a letter or statement from the property owner, or representative, attesting to the owner's knowledge of the business' application for LVEDC funding. Copies of the lease agreement of the leased facility is required.
3. A letter from a commercial bank, savings and loan institution, credit union, mortgage company, insurance company, or pension fund attesting to the eligibility of the business to secure a loan from their institution may be required.
4. Unless otherwise specified or agreed to, the funding available to any one application, business establishment, or property owner at one physical location (address) will be for no longer than a three (3) year period. The application time-period is determined by the project completion date.

5. All funding disbursements approved by the LVEDC will be provided on a reimbursement basis. Upon completion of the improvements and the provision to the LVEDC of paid receipts, funds are generally dispersed to the applicant, not to exceed the limits set forth in the performance agreement. In-kind contributions are generally not acceptable as part of the applicant's match. Generally, a cash match of the applicant's expenditures is required. Copies of inspection reports are required for reimbursement along with such other and further documentation as the LVEDC may reasonably require including photographs of the completed work.
6. The applicant is obligated to make all improvements in accordance with the application and performance agreement approved by the LVEDC. All amendments require the written approval of the LVEDC. Failure to obtain written approval prior to making amendments may render the applicant ineligible to receive funding.
7. The applicant shall be responsible for obtaining and paying for all required permits related to the improvement project, and failure to do so will render the applicant ineligible to receive funding.
8. All application improvements must be completed in their entirety. Failure to do so may render the applicant ineligible to receive funding.
9. The applicant shall not begin any improvements submitted for funding prior to receiving written approval of funding from the LVEDC.
10. The applicant must agree to complete the improvement project within six (6) months of receiving written approval of funding from the LVEDC except as otherwise provided in the performance agreement. Failure to complete the improvements within the required time-period shall result in the loss of funds allocated for the project. If extenuating circumstances are present, the applicant may apply for an extension prior to the end of the six-month period. A copy of the Certificate of Occupancy issued by the City of Leon Valley must be submitted to the LVEDC.
11. The applicant must agree to remain in business and not to sell or assign such business to another person or entity for a period of twelve (12) months from the date of approval of his/her application.
12. In accordance with the requirements of the performance agreement, applicant is in default of its obligations and is required to reimburse the LVEDC funds received if the business (applicant) fails to remain open, or the business or property is sold or transferred, within twelve (12) months after the provision of LVEDC funds.
13. Applicant must agree that in the event of default of its obligations, the LVEDC has the right to reimbursement for all LVEDC funding received, and any attorney's fees or costs incurred while seeking reimbursement.
14. The applicant must certify that the applicant does not employ nor will it employ any undocumented workers (an individual who, at the time of employment, is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in that manner in the United States).

15. The LVEDC will generally require that all loans of monies from EDC funds be secured by suitable collateral before approval of a performance agreement.

APPLICATION:

1. Application forms are available at the Leon Valley City Hall and online at the City of Leon Valley website: www.leonvalleytexas.gov. Applications submitted must be on the form provided by the LVEDC.
2. Businesses applying for funds must submit one original application with appropriate attachments and two (2) copies of all application documents.
3. Only complete applications will be considered for funding. The LVEDC Economic Development Director and/or staff will review for completion. Applicants will be given an opportunity to complete and resubmit incomplete submissions.
4. All applications will be filed with the LVEDC in care of the City of Leon Valley Economic Development Director.
5. All applications and attachments including extra copies submitted shall become the property of the LVEDC.
6. Applications submitted for funding consideration will be determined on a case-by-case basis.
7. Applicants must agree that in the event of default, the LVEDC has the right to reimbursement for all LVEDC funding received including attorney's fees or costs incurred while seeking reimbursement.
8. The LVEDC may consider completed applications filed on or before the fourth Wednesday of each month at the next month's meeting. The LVEDC meets on the fourth Wednesday of each month.
9. The LVEDC retains sole discretion to accept or reject the applications it receives without recourse.

APPROVAL

1. The Board of Directors of the LVEDC is solely responsible for the approval or rejection of applications. No application for funding will be sent to the City Council unless first approved by the Board.
2. The LVEDC may notify the applicant in writing of its decision to approve or disapprove the application.
3. The LVEDC may award funds to an applicant, with certain provisions, conditions, or other requirements the LVEDC deems necessary and/or appropriate. The LVEDC retains the right to request more than one (1) bid for the project to be undertaken and to impose such other and further conditions as it in its sole discretion deems necessary to its investment of public monies.
4. If the board does not approve an application, re-application for the same project will not be permitted for a period of twelve (12) months from the

date of disapproval. A business may re-apply once for funding on a disapproved project.

PERFORMANCE AGREEMENT

The LVEDC and awarded business enterprise that it funds directly or makes expenditures that benefit an eligible project must enter into a written performance agreement approved by the Board of Directors. At a minimum, the performance agreement will contain:

- A schedule of additional payroll or jobs to be created or retained;
- The capital investment to be made by the business enterprise;
- The terms for repayment of the EDC's investment if the business fails to meet the performance requirements specified in the agreement; and
- Provide acceptable collateral for all loans of monies.

FUNDING:

1. Upon notification of project completion by the applicant to the LVEDC, an inspection is required by an LVEDC representative or representatives to confirm that such project has been completed in accordance with the application, or any approved modifications thereto. Such notification will include, but not be limited to, documentation of paid receipts for materials, labor, permits, inspection reports, release of contractor liens, and/or any other item that the LVEDC may reasonably deem necessary for determining the project's completion.
 - a. Inspection - Compliance with Agreement - Within thirty (30) days following the inspection required by paragraph 1 hereof, and confirmation of completion of the project in accordance with the application, or any approved modifications, the LVEDC will issue a letter of approval. The applicant will receive a copy of such letter. Funding authorization will take place at a regular LVEDC Board meeting.
 - b. Inspection– Non-Compliance with Agreement - The LVEDC will issue a letter to the applicant indicating all areas of non-compliance within a reasonable time period following the inspection; presentation of receipts as provided in the performance agreement; and after a determination is made that the project was not completed in accordance with the application or any approved modifications. The applicant will be given a reasonable time from the date of such letter to make the modifications necessary to bring the project into compliance. Failure to complete all modifications within said time period will be deemed a default of applicant's obligations under the LVEDC performance agreement.

2. The LVEDC is vested with sole discretion to accept or reject applications without recourse

FAILURE TO MEET PERFORMANCE AGREEMENT REQUIREMENTS

1. If the subject business is closed, abandoned, sold, or transferred within a six (6) month period after the funding amount is paid to recipient or the opening of the business, whichever is later, the applicant may be required to reimburse the LVEDC for the funding received.
2. Loan repayments must be made in full within the period specified by the LVEDC after the date of written notification of default. The form of payment shall be by certified or guaranteed funds, payable to the Leon Valley Economic Development Corporation.

NOTICE:

1. The Leon Valley Economic Development Corporation will deliver a copy of these guidelines to any applicant for his/her review. Delivery hereof does not constitute an offer of a grant or loan to the applicant.
2. The laws of the State of Texas shall govern the interpretation, validity, performance, and enforcement of this funding program. If any provision of this program is invalid or unenforceable, the offending provision will be deleted and the validity and enforceability of the remaining provisions will not be affected. Exclusive venue for any dispute arising from the grant or loan of funds pursuant to these guidelines shall lie in the District Courts of Bexar County, Texas.
3. Applicants may be required to obtain insurance and to indemnify the LVEDC, the City of Leon Valley and their agents, officers & assigns from any and all liability resulting from applicant's negligence and the LVEDC and the City's own negligence arising under the Performance Agreement.
4. **IT IS THE INTENT OF THE OFFICERS OF THE LVEDC TO USE THESE GUIDELINES TO IMPLEMENT A GRANT/LOAN PROGRAM FOR THE PURPOSE OF PROMOTING ECONOMIC DEVELOPMENT AND THE RETENTION AND EXPANSION OF BUSINESS AND JOBS IN LEON VALLEY. ALL APPLICATIONS WILL BE REVIEWED IN COMPLIANCE WITH THESE GUIDELINES. THE LVEDC RESERVES THE RIGHT TO WAIVE OR VARY THE PROVISIONS OF THESE GUIDELINES IN ITS SOLE DISCRETION AND IN THE PUBLIC INTEREST. THE GUIDELINES ARE NOT CONTRACTUAL AND DO NOT IMPOSE A BINDING OBLIGATION OR PROMISE UPON THE LVEDC, THE CITY OF LEON VALLEY, OR THEIR AGENTS AND OFFICERS.**

CITY OF LEON VALLEY ECONOMIC DEVELOPMENT CORPORATION

POLICIES AND GUIDELINES FOR FUNDING

ACKNOWLEDGEMENT OF RECEIPT

APPLICANT:
COMPANY NAME:
ADDRESS:
PHONE NUMBER:

Signature:

APPLICANT:
COMPANY NAME:
ADDRESS:
PHONE NUMBER:

Signature:

PROPERTY OWNER/LANDLORD:
ADDRESS:
PHONE NUMBER:

Signature:

Sign, date and return this acknowledgement page to the LVEDC. Please retain the guidelines and criteria for your records.