



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** {{item.number}}

**Agenda Date:** November 30, 2023

**In Control:** City Council A Session

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**DEPARTMENT:** Neighborhood and Housing Services

**DEPARTMENT HEAD:** Veronica Garcia, Director

**COUNCIL DISTRICTS IMPACTED:** District 5

**SUBJECT:**

Rinconcito de Esperanza Project Development Agreement

**SUMMARY:**

This item approves the First Amendment to the Development Agreement between the Westside Tax Increment Reinvestment Zone Board of Directors and Esperanza Peace and Justice Center for the Rinconcito de Esperanza Project located in Council District 5 for a new project completion date. There is no additional funding approved by this action.

**BACKGROUND INFORMATION:**

In September 2020, Esperanza Peace & Justice Center applied for funding from the City's Tax Increment Financing ("TIF") Program for the construction and renovation of the buildings and property located at 812 - 820 S. Colorado, in City Council District 5, and within the boundary of the Westside TIRZ. Phase I of the Project consisted of the construction of a new 600 square foot adobe addition to Ruben's Ice House to serve as a Museum Gallery, as well as new mechanical, electrical, and plumbing work. Phase II of the project included the demolition or rehabilitation of the seven houses located at 812 Colorado and the creation of an outdoor multi-purpose space for performances and events and will include landscaping, lighting, electrical work, fencing, and restrooms, as well as architectural and engineering fees.

On December 15, 2020, the Westside TIRZ Board authorized the execution of a funding agreement with Esperanza Peace & Justice Center in an amount not to exceed \$1,500,000.00 for the Rinconcito de Esperanza Project. Under the terms of the funding agreement, the Project was anticipated to begin February 2021 and estimated to be completed by December 31, 2022.

Due to the COVID pandemic, Phase I was not complete in the expected timeframe which pushed back the start of Phase II. Esperanza Peace & Justice Center is now requesting the completion date of the project in the agreement be extended to December 31, 2024.

The Westside TIRZ Board approved the new Project completion date on September 29, 2023.

**ISSUE:**

City Council is required to approve amendments to the development agreement, including extensions to the project timeline and a new project completion date. There is no additional funding approved by this action.

**ALTERNATIVES:**

City Council could decide to not amend the current agreement. This would result in the Project being out of compliance with the terms of the current agreement which may delay or lead to the cancellation of the Project.

**FISCAL IMPACT:**

There is no additional funding approved by this action.

**RECOMMENDATION:**

Staff recommends approval of the First Amendment to the Development Agreement between the Westside Tax Increment Reinvestment Zone Board of Directors and Esperanza Peace and Justice Center for the Rinconcito de Esperanza Project located in Council District 5 for a new project completion date.