

**SECOND AMENDMENT TO FUNDING AGREEMENT FOR  
THE STRAY ANIMAL KENNELS PROJECT**

This Second Amendment to the Funding Agreement for the Stray Animal Kennels Project is entered into by and between the City of San Antonio, a Texas Municipal Corporation ("City" or "Grantor") and the Animal Defense League of Texas ("ADL" or "Grantee"), collectively referred to as the "Parties" and individually as a "Party".

**WHEREAS**, pursuant to City Ordinance No. 2013-05-30-0355, the Parties entered into a Funding Agreement ("Agreement") for a 25-year term whereby the City granted ADL an amount not to exceed \$2,200,000.00 for a Stray Animal Kennels Project ("Project") at 11300 Nacogdoches Drive ("Project Site"); and

**WHEREAS**, On March 6, 2020, the Parties entered into the First Amendment, which amended this Agreement to: (1) specify animals eligible for reimbursement to include rescues from local residents and exclude returned animals; (2) set an annual number requirement of animals to be rescued from the City's ACS facility; (3) require City approval and coordination of the animal intake process at the Project Site; (4) provide ADL with an option to defer its animal rescue commitment by one year but not more than five years in order to maximize the number of animals rescued; (5) stipulate that the transfer of ownership of the kennel facility shall be deferred until ADL meets its minimum animal rescue obligations; and (6) provide the City Manager or designee discretion to amend the Funding Agreement to adjust the number of animals required to be rescued directly from the ACS Facility; and

**WHEREAS**, in accordance with Article XVIII. Changes and Amendments of the Agreement, the Parties now wish to amend this Agreement to add yearly compensation per animal pulled from the Animal Care Services shelter; NOW THEREFORE,

I. The Parties agree to amend Section 5.05 of the Agreement as follows:

5.05 Compensation for Rescued Animals

5.05.1 The Grantee shall be compensated for animals rescued under the stated conditions in Section 4.02, at the following amounts rates:

(A) For the period of June 10, 2024 – June 9, 2025, the Grantee is eligible to receive a total compensation amount of up to \$123,000.00 at the following rates per animal:

<b>Number of Animals Rescued</b>	<b>Rate per Animal</b>
0 – 2,000	\$0.00
2,001 – 3,000	\$100.00
3,001 – 3,184	\$125.00

(B) For each additional yearly period (June 10 – June 9) the Grantee is eligible to receive a total compensation amount of up to \$207,200.00 at the following rates per animal:

Number of Animals Rescued	Rate per Animal
0 – 2,000	\$0.00
2,001 – 3,184	\$175.00

5.05.2 In the event Grantee is unable to meet the annual minimum animal rescue commitment as prescribed in Section 4.02 of this Agreement, at any time during its lease term, Grantee shall annually reimburse City in an amount calculated as follows:

$$\text{Reimbursement Amount} = \frac{(3,184) - (\text{\#of actual eligible animals rescued per year})}{3,184} \times \frac{\$2,134,000.00}{25}$$

(A) In the event of a natural disaster or a catastrophic occurrence which is, in the sole determination of the ACS Director, which shall be reasonably exercised, (a) beyond Grantee's control and not due to Grantee's fault or negligence, and (b) which materially adversely affects Grantee's ability to perform animal intake for more than two weeks, the annual animal rescue commitment and thus the reimbursement amount may be adjusted.

(B) Option to Defer, Grantee shall have the option to defer its unmet animal rescue commitment to the following year provided that Grantee is in compliance with Section 4.02 (B) of this Agreement and that Grantee informs City thirty (30) days prior to Annual Report due date, prescribed in Section 2.09 of this Agreement.

- i. If Grantee is unable to meet the Minimum Animal Rescue Obligation prescribed in Section 4.02 of this Agreement or Reimbursement Amount due as provided in Section 5.05 above, this Agreement may extend under mutual agreement by both Parties and, subject to City Council approval under the same terms and conditions for one (1) year, but not more than five (5) years after the initial term.
- ii. In the event, deferred obligations remain outstanding ninety (90) days prior to expiration of the Agreement, Grantee shall pay City for the outstanding unmet animal rescue obligations, at a rate of \$27.00 per animal no later than thirty (30) days prior to the termination of the mutually agreed upon extension period.
- iii. Grantee agrees and understands that the transfer of ownership for the kennel facility shall be deferred until Grantee meets its obligations under this Agreement.
- iv. This section shall not be interpreted to mean that Grantee shall rescue an additional 3,184 animals for each year the Agreement is extended, only that Grantee shall be provided an extension period to rescue animals as part of their deferred obligations from the initial term of this Agreement.

II. All other terms, conditions, covenants and provisions of the Agreement approved through Ordinance No. 2013-05-30-0355, are hereby in effect, renewed and extended, save and except those terms which the Parties have amended.

**EXECUTED** and **AGREED** to as of the dates indicated below.

**CITY OF SAN ANTONIO**  
a Texas Municipal Corporation

**ANIMAL DEFENSE LEAGUE OF  
TEXAS**

\_\_\_\_\_  
Jon Gary, Director  
Animal Care Services Department

\_\_\_\_\_  
Alex Paget, Interim CEO  
Animal Defense League

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM

\_\_\_\_\_  
Assistant City Attorney