

ORDINANCE

AMENDING THE CHAPTER 380 ECONOMIC DEVELOPMENT GRANT AGREEMENT FOR THE MIDCROWN PROJECT WITHIN THE INNER CITY TAX INCREMENT REINVESTMENT ZONE (TIRZ) TO REALLOCATE APPROXIMATELY \$390,017.00 IN UNUSED FUNDS FOR COMMUNITY ENGAGEMENT, DESIGN AND ENVIRONMENTAL REMEDIATION COSTS FOR THE PROJECT SITE. FUNDING IS AVAILABLE THROUGH THE TAX INCREMENT PRODUCED BY THE INNER CITY TIRZ.

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WHEREAS, in accordance with the Tax Increment Financing Act (the “Act”), Chapter 311 of the Texas Tax Code, the City of San Antonio through Council Ordinance No. 93101, established Tax Increment Reinvestment Zone Number Eleven, known as the Inner City TIRZ, and a Board of Directors (“Board”) authorized with all the rights, powers, and duties provided by the Act, in order to promote development and revitalization activities within the TIRZ; and

WHEREAS, in accordance with Chapter 380 of the Local Government Code, and Sections 311.010(b) and 311.010(h) of the Texas Tax Code, the City and Board are authorized to grant funds to promote state and local economic development and to stimulate business and commercial activity in the municipality and TIRZ; and

WHEREAS, on May 16, 2024, the San Antonio Housing Trust Public Facilities Corporation applied for a grant in the amount of Two Million Nine Hundred Sixteen Thousand Dollars and No Cents (\$2,916,000.00) from the City’s Tax Increment Financing (“TIF”) Program in order to undertake the purchase of land for a future affordable housing project at the intersection of Midcrown Dr. and Eisenhower Rd., San Antonio, TX 78218 (the “Property”), located within Council District 2; and

WHEREAS, the funding was utilized to landbank the Property for a future affordable housing project; and

WHEREAS, on June 20, 2024, City Council approved a Chapter 380 Economic Development Grant Agreement (the “Agreement”) with the San Antonio Housing Trust Public Facilities Corporation, pursuant to Ordinance 2024-06-20-0499, to receive funding in the amount of \$2,916,000.00 to undertake the purchase of the Property;

WHEREAS, San Antonio Housing Trust Public Facilities Corporation was able to acquire the Property for less than the amount of the total funding, such that \$390,017.00 was remaining after payment of the purchase price; and

WHEREAS, SAHT seeks to use the remaining funds to undertake public engagement, design, and environmental remediation in connection with the Property; and

WHEREAS, in accordance with Section 311.010(b) of the Act, the Board is authorized to enter into agreements to dedicate revenue from the tax increment fund to pay for eligible project costs related to the construction of public infrastructure and eligible project costs that benefit the TIRZ; and

WHEREAS, on December 2, 2024, the Inner City TIRZ Board approved Resolution T11 2024-12-02-01R authorizing the First Amendment to the Chapter 380 Economic Development Grant Agreement for the Midcrown Project to amend the project completion date to December 31, 2024; and

WHEREAS, the City desires to provide financial incentives for development and revitalization projects that benefit the City and the Inner City TIRZ and must now authorize the negotiation and execution of the First Amendment to the Chapter 380 Economic Development Grant Agreement for the Midcrown Project. **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The terms and conditions of the First Amendment to the Chapter 380 Economic Development Grant Agreement for the Midcrown Project by and between San Antonio Housing Trust Public Facilities Corporation and the Board of Directors of Tax Increment Reinvestment Zone #11, attached hereto as **Exhibit A**, are hereby approved.

SECTION 2. The City Manager or his designee is authorized to execute this Agreement, which has been incorporated into this Ordinance for all purposes.

SECTION 3. TIF Division staff is hereby authorized to amend the Inner City TIRZ Project and Finance Plans to include this Project.

SECTION 4. Funding for any projects through the Inner City TIRZ will be paid from Fund 29086007, Cost Center 0703290001 and General Ledger Account 5201040. Total funding for this amendment should not exceed \$390,017.00 for the duration of this agreement.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 6. This Ordinance is effective immediately upon passage by eight affirmative votes; otherwise, it is effective on the tenth day after passage.

TR
12/19/2024
Item No. 24-204289

PASSED AND APPROVED this 19th day of December, 2024.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney

Exhibit A