

T30 2023-09-29-02R

RESOLUTION BY THE BOARD OF DIRECTORS OF TAX INCREMENT REINVESTMENT ZONE NUMBER THIRTY, CITY OF SAN ANTONIO, TEXAS, KNOWN AS THE WESTSIDE TAX INCREMENT REINVESTMENT ZONE (“TIRZ”), APPROVING NEW PROJECT COMPLETION DATE FOR THE RINCONCITO DE ESPERANZA PROJECT, AND APPROVAL OF ANY NECESSARY AMENDMENTS TO THE PROJECT AND FINANCE PLAN

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WHEREAS, the City of San Antonio (“City”) and the Westside TIRZ Board of Directors (“Board”) support programs which allow for economic development within its boundaries; and

WHEREAS, in accordance with the Tax Increment Financing Act, Texas Tax Code, Chapter 311 (the “Act”), the City through Ordinance No. 2008-12-11-1173 established Tax Increment Reinvestment Zone Number Thirty, San Antonio, Texas, known as the Westside TIRZ, to promote development and redevelopment which would not otherwise occur solely through private investment in the reasonably foreseeable future and created the Board and authorized the Board to exercise all the rights, powers, and duties as provided to such boards under the Act; and

WHEREAS, in September 2020, Esperanza Peace & Justice Center applied for funding from the City’s Tax Increment Financing (“TIF”) program in order to undertake the oversight and delivery of Phase II of the Rinconcito de Esperanza Project, a two phase, multi-faceted rehabilitation and new construction project benefiting the community of the historic west side in the Westside TIRZ; and

WHEREAS, on February 4, 2021, City Council authorized the execution of the Funding Agreement (the “Agreement”); and

WHEREAS, Esperanza Peace & Justice Center has requested to amend the completion date of the Agreement to December 31, 2024, for the Rinconcito de Esperanza Project; and

WHEREAS, there is no additional funding with this request for a first amendment to the Agreement (“First Amendment”), and all other terms remain the same; 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 reimburse for eligible project costs that benefit the TIRZ; and

WHEREAS, the Board desires to provide financial incentives for development and revitalization projects that benefit the City and the Westside TIRZ, and must now authorize execution of the First Amendment to the Agreement, attached hereto in substantially final form as **Exhibit A**;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TAX INCREMENT REINVESTMENT ZONE NUMBER THIRTY, CITY OF SAN ANTONIO, TEXAS:

SECTION 1. The recitals set out above are adopted in their entirety.

SECTION 2. The Board hereby authorizes the execution of the First Amendment to the Agreement between Esperanza Peace & Justice Center and the Board, attached hereto in substantially final form as **Exhibit A**, to amend the completion date of the Agreement to December 31, 2024, for the Rinconcito de Esperanza Project in San Antonio, Texas, in City Council District 5, and within the boundary of the Westside TIRZ.

SECTION 3. The Board hereby authorizes the City to make necessary amendments to the Project Plan and Finance Plan to include this amendment.

PASSED AND APPROVED this 29th day of September, 2023.



Teri Castillo
Presiding Officer

APPROVED AS TO FORM:



Assistant City Attorney

TR
9/29/23
Item No. 5

EXHIBIT A

FIRST AMENDMENT TO THE RINCONCITO DE ESPERANZA PROJECT FUNDING AGREEMENT

STATE OF TEXAS §
COUNTY OF BEXAR §

FOR VALUE RECEIVED, the receipt and sufficiency of which is acknowledged, this first amendment to the Rinconcito de Esperanza Project Funding Agreement (“First Amendment”) is entered into by and between the City of San Antonio (“City”), a Texas municipal corporation in Bexar County, Texas, acting by and through its City Manager or his designee, the Board of Directors (“Board”) for Tax Increment Reinvestment Zone Number Thirty, City of San Antonio, Texas, and Esperanza Peace & Justice Center, a nonprofit organization registered in the State of Texas (“Developer”). This First Amendment may refer to City, Board, *or* Developer as “Party” and City, Board, *and* Developer as “Parties.”

RECITALS

WHEREAS, City and Developer entered into an agreement (“Agreement”) authorized by City of San Antonio Ordinance No. 2021-02-04-0067, passed and approved on February 4, 2021, and a copy of the Agreement is attached hereto as **Exhibit A**; and

WHEREAS, the Parties now seek to amend the terms and conditions of the Agreement;

NOW THEREFORE, the Parties hereby agree and amend as follows:

A. The Parties mutually agree to amend the following section of the Agreement:

1. **ARTICLE V. THE PROJECT** is amended by the deleting the entirety of subsection 5.1 and substituting the following in its place:

5.1 **PROJECT**. The project consists of two phases. Phase I has been completed and consisted of the restoration of two historic buildings and the construction of the MujerArtes Studio. Phase II consists of several rehabilitation and construction projects. A new 600 square foot adobe (Compressed Earth Block) addition to Ruben's Ice House will be constructed to serve as a Museum Gallery, as well as new mechanical, electrical, and plumbing work. The seven houses located at 812 Colorado will either be demolished or rehabilitated and converted into work and meeting spaces. Phase II also consists of the creation of an outdoor multi-purpose space for performances and events. Phase II will include landscaping, lighting, electrical work, fencing, and restrooms, as well as architectural and engineering fees. The Project is anticipated to begin in February 2021 and is estimated to be completed by December 31, 2024.

2. **ARTICLE VI. DUTIES AND OBLIGATIONS OF DEVELOPER** is amended by the deleting the entirety of subsection 6.7 and substituting the following in its place:

6.7 **DELAYS.** Developer is responsible for the Project's construction, which shall be completed no later than December 31, 2024. If the commencement or completion of the Project is delayed by reason(s) beyond the Developer's control (including, without limitation, events of Force Majeure), then at the reasonable discretion of the Director of the City's Neighborhood & Housing Services (or successor) Department, the commencement and completion deadlines set forth in this Agreement may be extended by no more than twelve (12) months. In the event Developer does not complete the Project substantially in accordance with the Construction Schedule (or extended schedule), then, in accordance with Article XXII Changes and Amendments of this Agreement, the Parties may extend the deadlines in the Construction Schedule, but not past the expiration of the TIRZ. If the parties cannot reasonably reach an agreement on the extension of the Construction Schedule, or if Developer fails to complete the Project in compliance with the revised Construction Schedule, other than as a result of Force Majeure, this constitutes a material breach.

- B. All other terms, conditions, covenants, and provisions of the Agreement are hereby continued and shall remain in effect in their original form except for the provisions expressly modified by this First Amendment.

SIGNATURE PAGE TO FOLLOW

This First Amendment has been fully executed as of the date of signature of the last Party to sign.

CITY OF SAN ANTONIO
a Texas municipal corporation

Erik Walsh
CITY MANAGER
Date: _____

BOARD OF DIRECTORS
Westside TIRZ #30

Teri Castillo
Presiding Officer
Date: _____

**ESPERANZA PEACE & JUSTICE
CENTER**
a Texas nonprofit organization

Graciela I. Sanchez
Director
Date: _____

APPROVED AS TO FORM

Assistant City Attorney