

STATE OF TEXAS

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**CHAPTER 380 ECONOMIC
DEVELOPMENT AGREEMENT
FOR THE NOLAN STREET
UNDERPASS MURAL PROJECT**

COUNTY OF BEXAR

This Economic Development Agreement (hereinafter referred to as the “Agreement”) is made and entered into by and between the City of San Antonio, a municipal corporation of the State of Texas, (hereinafter referred to as “City”), acting by and through its City Manager or his designee and the Board of Directors (“Board”) for Tax Increment Reinvestment Zone Number Eleven, City of San Antonio, Texas, and together referred to as the “Parties.”

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code, City is authorized to grant municipal funds in furtherance of public purposes for economic development projects; and

WHEREAS, in accordance with City Ordinance No. 100684, the City created an economic development program for the purpose of making such grants available; and

WHEREAS, in partnership with the City of San Antonio’s Council District 2, an opportunity for adding a public art mural on the south side of the Nolan Street underpass between Cherry and Chesnut was identified to complement the existing *Neon Drive* by Iker Muro and *Vortez* by San Anto Cultural Arts on the north side of the Nolan Street underpass. This public art addition also further encourages beautification of District 2, particularly District 2’s street and walkway connection with downtown San Antonio; and

WHEREAS, in August 2024, City of San Antonio’s Department of Arts & Culture (“Arts”) submitted a funding request for Tax Increment Financing funding for Nolan Street Underpass Mural project (“Project”) in the amount of TWO HUNDRED THOUSAND DOLLARS AND NO CENTS (\$200,000.00); and

WHEREAS, on September 12, 2024, the Board adopted Resolution T11 2024-09-12-05R, attached and incorporated into this Agreement as **Attachment A**, authorizing approval of the execution of this Agreement to provide a grant for eligible expenses in an amount not to exceed TWO HUNDRED THOUSAND DOLLARS AND NO CENTS (\$200,000.00) (“Grant”); and

WHEREAS, the City Council has authorized the City Manager or his designee to enter into this Agreement as reflected in Ordinance No. _____, passed and approved on _____ (the “Effective Date”);

NOW THEREFORE:

The Parties hereto severally and collectively agree, and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described:

I. TERM

- 1.1 This Agreement will commence on the Effective Date and terminate upon the completion of all obligations herein contained or December 31, 2026, whichever is sooner.

II. GENERAL RESPONSIBILITIES OF ARTS

- 2.1 Arts agrees by the execution of this Agreement to comply with any and all provisions of this Agreement and accept administrative and fiscal responsibility for the use and documentation of expenditures of funds provided by City.
- 2.2 Arts shall file semiannual reports with the TIF Division beginning six (6) months after the Effective Date setting forth the progress made towards the completion of the Project and the costs incurred to date.
- 2.3 Arts shall return any funds that are not spent as of December 31, 2026, subject to the right of the Director of Neighborhood & Housing Services Department to extend in writing the termination date of the Agreement through December 31, 2027.
- 2.4 The City agrees to monitor activities and provide reasonable oversight of the Project to ensure the Project is substantially completed in accordance with the schedule attached hereto as **Attachment B**. Arts shall be the point of contact on all matters regarding the Project.

III. FUNDING

- 3.1 With funding from the Inner City TIRZ #11 Tax Increment Fund, having been authorized by the Board, a Grant of up to TWO HUNDRED THOUSAND DOLLARS AND NO CENTS (\$200,000.00) to fund the Project.
- 3.2 In no event shall the Inner City TIRZ #11 Tax Increment Fund be liable for any expense of the Project not eligible or allowable under this Agreement and shall not pay more than the maximum amount provided under Section 3.1 for the Project. Expenses exceeding the funding provided under this Agreement shall be the responsibility of City.
- 3.3 The Grant shall be disbursed in two tranches: (a) the amount of \$75,000.00 will be disbursed upon full execution of this Agreement and after City Council Approval, and (b) the amount of \$125,000.00 will be disbursed at the request of Arts, provided Arts submits to the TIF Division a memorandum with supporting documents requesting disbursement. It is estimated that the second tranche will be requested in March of 2025,.
- 3.4 Departments of the City may seek payment for their customary service charges and fees for management of the Project as eligible Project Costs, but only to the extent that payment

of such charges and fees shall not cause the Project to exceed the total maximum payment of TWO HUNDRED THOUSAND DOLLARS AND NO CENTS (\$200,000.00).

**IV. RECEIPT, DISBURSEMENT AND ACCOUNT
OF FUNDS BY GRANTEE**

- 4.1 City agrees to maintain readily identifiable records that will provide accurate, current, separate, and complete disclosure of the status of any funds received pursuant to this Agreement. City further agrees:
 - 4.1.1 That maintenance of said records shall be in compliance with all terms, provisions, and requirements of this Agreement and with all generally accepted accounting practices;
 - 4.1.2 That City's record system shall contain sufficient documentation to provide, in detail, full support and justification for each expenditure; and
 - 4.1.3 City shall provide all documentation in support of the Project on a yearly basis.
- 4.2 City agrees to retain all books, records, documents, reports, written accounting policies and procedures and all other relevant materials (hereinafter "records") pertaining to activities pertinent to this Agreement pursuant to Article V. Records Retention, below.

V. RECORDS RETENTION

- 5.1 City and its subcontractors, if any, shall properly, accurately and completely maintain all documents, papers, and records, and other evidence pertaining to the services rendered hereunder (hereafter referred to as "documents"), and shall make such materials available to the TIF Division at their respective offices, at all reasonable times and as often as TIF Division may deem necessary during the Agreement period, including any extension or renewal hereof, and the record retention period established herein, for purposes of audit, inspection, examination, and making excerpts or copies of same by TIF Division and any of its authorized representatives. Records will be retained by the City in an electronic format and City will forward the records to the TIF Division at the end of the four-year period, or earlier if requested by the TIF Division.
- 5.2 City shall retain any and all documents produced as a result of services provided hereunder for a period of four (4) years (hereafter referred to as "retention period") from the date of termination of the Agreement. If, at the end of the retention period, there is litigation or other questions arising from, involving or concerning this documentation or the services provided hereunder, City shall retain the records until the resolution of such litigation or other such questions. City acknowledges and agrees that the TIF Division shall have access to any and all such documents at any and all times, as deemed necessary by the TIF Division, during said retention period. The TIF Division may, at its election, require City

to return the documents to the TIF Division at the City's expense prior to or at the conclusion of the retention period.

VI. TERMINATION

- 6.1 For purposes of this Agreement, "termination" of this Agreement shall mean termination by expiration of the Agreement term as stated in Article I. Term, or earlier termination pursuant to any of the provisions hereof.
- 6.2 Termination Without Cause. This Agreement may be terminated by the TIF Division upon thirty (30) calendar days written notice, which notice shall be provided in accordance with Article VII. Notices.
- 6.3 Termination By Law. If any state or federal law or regulation is enacted or promulgated which prohibits the performance of any of the duties herein, or, if any law is interpreted to prohibit such performance, this Agreement shall automatically terminate as of the effective date of such prohibition.
- 6.4 Regardless of how this Agreement is terminated, City shall affect an orderly transfer to the TIF Division or to such person(s) or firm(s) as the TIF Division may designate, at no additional cost to the TIF Division, all completed or partially completed documents, papers, records, charts, reports, and any other materials or information produced as a result of or pertaining to the services rendered by City, or provided to City, hereunder, regardless of storage medium, if so requested by City, or shall otherwise be retained by Grantee in accordance with Section V. Records Retention. Any record transfer shall be completed within thirty (30) calendar days of a written request by the TIF Division and shall be completed at City's sole cost and expense.

VII. NOTICES

- 7.1 Except where the terms of this Agreement expressly provide otherwise, any election, notice or communication required or permitted to be given under this Agreement shall be in writing and deemed to have been duly given if and when delivered personally (with receipt acknowledged), or three (3) days after depositing same in the U.S. mail, first class, with proper postage prepaid, or upon receipt if sending the same by certified mail, return receipt requested, or upon receipt when sent by a commercial courier service (such as Federal Express or DHL Worldwide Express) for expedited delivery to be confirmed in writing by such courier, at the addresses set forth below or to such other address as either party may from time to time designate in writing.

THE CITY

THE BOARD

Department of Arts and Culture
Attn: Krystal Jones, Director
P.O. Box 839966
San Antonio, Texas 78283

Inner City TIRZ #11
Attn: TIF Department
City Tower
100 W. Houston St., 6th Floor
San Antonio, Texas 78205

Notice of change of address or designated representative by either Party must be made in writing and mailed to the other Party's last known address within five (5) business days of such change.

VIII. NONDISCRIMINATION

- 8.1 As a party to this contract, City understands and agrees to comply with the Non-Discrimination Policy of the City of San Antonio contained in Chapter 2, Article X. of the City Code and further, shall not discriminate on the basis of race, color, religion, national origin, sex, sexual orientation, gender identity, veteran status, age or disability, unless exempted by state or federal law, or as otherwise established herein.

IX. CHANGES AND AMENDMENTS

- 9.1 Except when the terms of this Agreement expressly provide otherwise, any alterations, additions, or deletions to the terms hereof shall be effected by amendment, in writing, executed by both City and Board. City Manager, or his/her designee, shall have authority to execute amendments on behalf of the City without further action of City Council. The Board shall have the authority to execute amendments under authority granted by formal action under the governing body.
- 9.2 It is understood and agreed by the Parties hereto that changes in local, state and federal rules, regulations or laws applicable hereto may occur during the term of this Agreement and that any such changes shall be automatically incorporated into this Agreement without written amendment hereto and shall become a part hereof as of the effective date of the rule, regulation or law.

X. SEVERABILITY OF PROVISIONS

- 10.1 If any clause or provision of this Agreement is held invalid, illegal or unenforceable under present or future federal, state or local laws, including but not limited to the City Charter, City Code, or ordinances of the City of San Antonio, Texas, then and in that event it is the intention of the Parties hereto that such invalidity, illegality or unenforceability shall not affect any other clause or provision hereof and that the remainder of this Agreement shall be construed as if such invalid, illegal or unenforceable clause or provision was never contained herein; it is also the intention of the Parties hereto that in lieu of each clause or provision of this Agreement that is invalid, illegal, or unenforceable, there be added as a

part of the Agreement a clause or provision as similar in terms to such invalid, illegal or unenforceable clause or provision as may be possible, legal, valid and enforceable.

XI. INCORPORATION OF ATTACHMENTS

- 11.1 Each of the attachments listed below is an essential part of the Agreement, which governs the rights and duties of the parties, and shall be interpreted in the order of priority as appears below, with this document taking priority over all attachments:

Attachment A: T11 2024-09-12-05R

Attachment B: Project Schedule

XII. COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS

- 12.1 City warrants and represents that it will comply with all Federal, State and Local laws and regulations and will use all reasonable efforts to ensure said compliance by any and all contractors and subcontractors that may work or volunteer under this Agreement.
- 12.2 Work performed under this Agreement must conform to Americans with Disabilities Act requirements.

XIII. LAW APPLICABLE

- 13.1 **THIS AGREEMENT SHALL BE CONSTRUED UNDER AND IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND ALL OBLIGATIONS OF THE PARTIES CREATED HEREUNDER ARE PERFORMABLE IN BEXAR COUNTY, TEXAS.**

XIV. PARTIES BOUND

- 14.1 This Agreement shall be binding on and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns, except as otherwise expressly provided herein.

XV. CAPTIONS

- 15.1 The captions contained in this Agreement are for convenience of reference only, and in no way limit or enlarge the terms and/or conditions of this Agreement.

XVI. GENDER

16.1 Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

XVII. ENTIRE AGREEMENT

17.1 This Agreement, together with its authorizing ordinance and its exhibits, constitutes the final and entire agreement between the Parties hereto and contains all of the terms and conditions agreed upon. No other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the Parties hereto unless same be in writing, dated subsequent to the date hereof and duly executed by the Parties, in accordance with Article IX. Changes and Amendments.

EXECUTED and AGREED as of the dates indicated below.

CITY OF SAN ANTONIO,
a Texas Municipal Corporation

BOARD OF DIRECTORS
Inner City TIRZ #11

Erik Walsh
CITY MANAGER
Date: _____

Councilman Jalen McKee-Rodriguez
BOARD CHAIR
Date: _____

APPROVED AS TO FORM:

Thomas Rice
ASSISTANT CITY ATTORNEY