

T09 2023-10-30-01R

RESOLUTION BY THE BOARD OF DIRECTORS OF TAX INCREMENT REINVESTMENT ZONE NUMBER NINE, CITY OF SAN ANTONIO, TEXAS, KNOWN AS THE HOUSTON STREET TAX INCREMENT ZONE (“HOUSTON STREET TIRZ”), APPROVING: (A) THE NEGOTIATION AND EXECUTION OF AN ASSIGNMENT OF RIGHTS UNDER GRANT/KRESS BUILDING REHABILITATION PROJECT DEVELOPMENT AGREEMENT FROM GRAYSTREET HOUSTON – E. 305 HOUSTON STREET, LLC, AND GRAYSTREET HOUSTON – E. 315 HOUSTON STREET, LLC, TO SAN ANTONIO AFRICAN AMERICAN COMMUNITY ARCHIVE AND MUSEUM; (B) THE NEGOTIATION AND EXECUTION OF AN AMENDED AND RESTATED GRANT/KRESS BUILDING REHABILITATION PROJECT DEVELOPMENT AGREEMENT TO PROVIDE FUNDING IN AN AMOUNT NOT TO EXCEED \$900,000.00 IN AVAILABLE TAX INCREMENT FOR THE GRANT/KRESS BUILDING REHABILITATION PROJECT; AND (C) THE NEGOTIATION AND EXECUTION OF A LOAN AGREEMENT, REAL ESTATE LIEN NOTE AND DEED OF TRUST TO PROVIDE FUNDING IN AN AMOUNT NOT TO EXCEED \$5,350,000.00 PLUS FINANCIAL COSTS IN AVAILABLE TAX INCREMENT FROM THE TIRZ FUND FOR THE GRANT/KRESS BUILDING REHABILITATION PROJECT IN SAN ANTONIO, TEXAS AND WITHIN THE HOUSTON STREET TIRZ IN CITY COUNCIL DISTRICT 1.

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

WHEREAS, on October 12, 2023, the San Antonio African American Community Archive and Museum (“SAAACAM”) submitted a proposal requesting TIF funding for the acquisition and rehabilitation of the Grant/Kress Building; and

WHEREAS, the proposed funding will be utilized for public infrastructure, public improvement costs, and other necessary costs to acquire and complete the Grant/Kress Building Rehabilitation Project; and

WHEREAS, SAAACAM requested that City Staff approve the Assignment and Assumption of Rights under Grant/Kress Building Rehabilitation Project Development Agreement from GrayStreet Houston – E. 305 Houston Street, LLC, and GrayStreet Houston – E. 315 Houston Street, LLC to SAAACAM; and

WHEREAS, City Staff also recommends entering into an Amended and Restated Grant/Kress Building Rehabilitation Project Development Agreement with SAAACAM in an amount not to exceed

\$900,000.00 in available tax increment from the TIRZ Fund for the Grant/Kress Building Rehabilitation Project located within the Houston Street TIRZ in City Council District 1; and

WHEREAS, City Staff examined the application and recommends funding in an amount not to exceed \$5,350,000.00 in available tax increment plus financial costs from the Houston Street TIRZ Fund for the acquisition of the Grant/Kress Building associated with the Grant/Kress Building Rehabilitation Project located within the Houston Street TIRZ in City Council District 1; 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 fund eligible project costs that benefit the Houston Street TIRZ; and

WHEREAS, the City and the Board recognize the importance of their role in development activities and actively participate in funding of projects that enhance the value of all the taxable real property in the Houston Street TIRZ and benefit the City;

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

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

SECTION 2. The Board hereby consents to the assignment and assumption of rights under Grant/Kress Building Rehabilitation Project Development Agreement from GrayStreet Houston – E. 305 Houston Street, LLC, and GrayStreet Houston – E. 315 Houston Street, LLC to SAAACAM.

SECTION 3. The Board hereby approves the negotiation and execution of an Amended and Restated Grant/Kress Building Rehabilitation Project Development Agreement with SAAACAM for funding of the Grant/Kress Building Rehabilitation Project in an amount not to exceed \$900,000.00 from the City's Houston Street TIRZ fund available tax increment.

SECTION 4. The Board hereby approves the negotiation and execution of a Loan Agreement, Real Estate Lien Note and Deed of Trust with SAAACAM for funding of the acquisition of the Grant/Kress Building in an amount not to exceed \$5,350,000.00 plus financial costs from the City's Houston Street TIRZ fund available tax increment.

SECTION 5. The Board acknowledges that subsequent approval by City Council is required.

SECTION 6. The Board hereby authorizes the City to make necessary amendments to the Project Plan and Finance Plan to add the Grant/Kress Building Rehabilitation Project.

PASSED AND APPROVED this 30th day of October, 2023.

Councilperson Sukh Kaur
Board Chair

APPROVED AS TO FORM:

Thomas Rice
Assistant City Attorney