

**STATE OF TEXAS §
 §**

**FUNDING AGREEMENT WITH
MEALS ON WHEELS SAN ANTONIO**

COUNTY OF BEXAR §

This Agreement is hereby made and entered into by and between the CITY OF SAN ANTONIO (hereinafter referred to as "City"), a Texas municipal corporation, acting by and through its City Manager pursuant to Ordinance No. _____ dated _____, and Meals on Wheels San Antonio, a Texas non-profit corporation(hereinafter referred to as "Grantee"), acting by and through its officers, hereto duly authorized.

WHEREAS, City held a Bond Election on May 7, 2022 and received approval from the voters to fund a variety of Public Safety Facilities Improvements (Proposition E on the ballot); and

WHEREAS, among the Public Safety Facilities projects approved are those described as “Citywide Public Health and Safety Facility & Resiliency Improvements”, including a project to be completed in accordance with the Scope and Plans attached as Exhibit A and Exhibit B (the “Project”); and

WHEREAS, the official brochure for the Bond Election described this project as follows: “Citywide Public Health and Safety Facility & Resiliency Improvements LF: Improve and rehabilitate public health and safety facilities. Facility upgrades to improve the condition, increase sustainability, and extend the lifecycle of public health and safety facilities and building systems. Facilities may include Eastside Branch Clinic, Northeast Clinic, Buena Vista Clinic, Public Safety and other City facilities, including funding in the amount of \$1 million to Meals on Wheels”; and

WHEREAS, the City is bound to comply with the terms and conditions contained in the official brochure as presented to the voters; and

WHEREAS, the City has identified Grantee as the appropriate party to contract with for the fulfillment of the public purpose identified in the official bond brochure in accordance with all applicable laws of public funding and the authorizing instruments for the public funding; and

WHEREAS, Grantee is the leasehold owner of the real property located at 2718 Danbury Drive and the proposed location of the Project under the terms of that certain Premises Lease dated as of September 29, 2021 (the “Premises Lease”) by and between Grantee and MOWSA Real Estate, a Texas corporation and supporting organization of Grantee (“Fee Owner”); and

WHEREAS, Grantee has entered into a 20 year lease agreement with the City for a portion of the Project upon which Grantee has or will install solar panels and four (4) electric vehicle charging stations (the “Bond Improvements”) as described more fully in the attached and incorporated Exhibit E (“Primary Lease”); and

WHEREAS, the City has found, by resolution adopted by its City Council, that the programs and services offered by Grantee at the hereinafter-defined and to be completed Project accomplish the public purpose of protecting the health, safety and welfare and provision of community services to City residences and, accordingly, the expenditure of proceeds derived from the sale of bonds authorized at the May 7, 2022 City bond election under Proposition E to expand and improve the Project represents a valid expenditure of such bond proceeds; and

WHEREAS, the City’s issuance of bonds (such initially City bonds, as well as any City bonds from time to time issued to refund these initial City bonds, the “City Bonds”) to fund its contribution obligations hereunder is authorized by applicable Texas law, including the City’s Home Rule Charter and the City voters’ approval of Proposition E at the May 7, 2022 City bond election, and such contribution shall satisfy in full the City’s funding obligation for the project identified in Proposition E of the City’s May 7, 2022 bond election as “Citywide Public Health and Safety Facility & Resiliency Improvements LF”; and

NOW THEREFORE, the Parties hereto (the “Parties”) 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

1.01 This Agreement shall commence on the later of (a) the effective date of the Authorizing Ordinance or (b) the later of the signatures of the two Parties. The Term shall expire upon the earlier to occur of: (a) final payment by the City of all funding under this Agreement, or (b) termination of this Agreement as otherwise provided herein. The Director of Public Works may administratively approve extension of agreement term up to an additional year if deemed necessary by City.

II. GENERAL RESPONSIBILITIES OF GRANTEE

2.01 Provided Grantee receives the funding described in Section V of this Agreement, and subject to the other terms and conditions of this Agreement, including, but not limited to, force majeure provisions, Grantee hereby accepts full responsibility for the performance of all services and activities to complete the Project by November 2022, as described in this Agreement.

2.02 The current budget estimates of the Project are approximately \$24,535,135, of which \$1,000,000 is budgeted for the Bond Improvements. Grantee shall provide all necessary funding for the Project beyond the City’s commitment of \$980,000, plus \$20,000

which shall be retained by the City per Section 5.01, for a total of \$1,000,000 for the Bond Improvements. Grantee shall provide evidence to City that all Project funds have been secured prior to the receipt of any funding under this Funding Agreement. In the event that the scope of the Project is adjusted downward, the City shall have the option of adjusting its commitment downward accordingly. City is not responsible for any costs over the estimated amount of the Project or the Bond Improvements unless agreed to in writing in the form of an amendment to this Funding Agreement. The City shall fund its commitment hereunder from proceeds derived from its sale of bonds authorized under Proposition E of the City's May 7, 2022 bond election (such City bonds, as well as any City bonds from time to time issued to refund the same, the "City Bonds").

2.03 Unless written notification by Grantee to the contrary is received and approved by City, Grantee's Chief Executive Officer shall be Grantee's designated representative responsible for the management of this Agreement.

2.04 The Director of Public Works (PW) or designee shall be responsible for the administration of this Agreement on behalf of the City until the completion of the Bond Improvements.

2.05 Communications between City and Grantee shall be directed to the designated representatives of each as set forth in paragraphs numbered 2.03 and 2.04 hereinabove.

2.06 Grantee shall provide to City a narrative Scope for the Project, including a background, project summary and timeline ("Scope") as Exhibit A.

2.07 Grantee shall provide to City its plans and specifications for the Bond Improvements, including a construction schedule, ("Plans") and such Plans shall be subject to the review and approval of City, acting in its capacity as grantor under this Funding Agreement. After approval by City, the Plans shall be attached and incorporated into this Funding Agreement as Exhibit B and Grantee shall not make any substantial changes to the Plans without the prior written approval of City. The approvals given in this Section do not relieve Grantee of the burden of obtaining all necessary governmental approvals, including those provided by City through its relevant development departments and relevant boards and commissions and the State of Texas Commission on Environmental Quality (Article 9102). Nor does City's approval of the Plans release Grantee of the responsibility for the correction of Grantee's mistakes, errors or omissions contained in the Plans, including any mistakes, errors or omissions which may be the result of circumstances unforeseen at the time the Plans were developed or approved.

2.08 Grantee shall provide to City a Budget for the Project and Bond Improvements illustrating where City Bond Funds are to be utilized in accordance with this agreement, as well as illustrating all funding for the entire Project if applicable as Exhibit C.

2.09 City shall have authority to inspect the Bond Improvements throughout the construction process to ensure compliance with the Scope and Plans and to request copies of construction inspections performed by Grantee. Grantee shall cause its design professional to provide periodic certifications of construction certifying that construction has been conducted in compliance with the Plans. Grantee shall submit said certification to the Director of Public Works Department or designee at the completion of the Project construction. Grantee shall notify City and City shall have the right to attend all scheduled construction meetings. Grantee shall provide City with a copy of the Certificate of Occupancy upon completion of the Project

2.10 Beginning on January 31, 2024, and on each succeeding January 31 throughout the Term of the Agreement, Grantee shall provide Director of Public Works Department or designee an annual report (“Annual Report”). The Annual Report shall include the following:

2.10.1 Description of all activities that occurred during the previous calendar year that were available to the general public, including number of meals provided to residents and clients served as well as events held at the facility to include activity dates, estimated attendance, days and hours open to the general public, and the rules and regulations for use.

2.10.2 Evidence of insurance coverage, with City as additional insured, as outlined in Section 12 below.

2.10.3 Description of all maintenance activities, including routine capital and any deferred maintenance, for the previous calendar year and planned maintenance activities for the upcoming calendar year.

2.11 Unless written notification by Grantee to the contrary is received and approved by City, Grantee’s Chief Executive Officer shall be Grantee’s designated representative responsible for the management of this Funding Agreement and the point of contact for City on all matters regarding this Funding Agreement.

III. COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS

3.01 Grantee 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 on the Project.

3.02 As it pertains to the Bond Improvements, Grantee agrees to abide by Chapters 252, and 271 of the Texas Local Government Code, and Chapters 2254 and 2267 of the Texas Government Code or other open competitive contracting processes which are advertised to the public in a legal and appropriate manner.

3.03 Plans for the Bond Improvements must conform to Americans with Disabilities Act requirements and must be approved by the Texas Department of Licensing and Regulation before construction may begin. Inspections and final approval shall be the responsibility of Grantee.

3.04 Prevailing Wage Rate and Labor Standards

A. The requirements of Chapter 2258 of the Texas Government Code, entitled “Prevailing Wage Rates,” shall apply to this Funding Agreement. Grantee agrees that its construction contractor for the Bond Improvements will comply with City Ordinance No. 71312 and its successors such as Ordinance No. 2008-11-20-1045 and will require subcontractors to comply with City Ordinance 71312 and its successors such as Ordinance No. 2008-11-20-1045 and shall not accept affidavits.

B. In accordance with the provisions of Chapter 2258 and Ordinance No. 2008-11-20-1045, Grantee shall request upon advertisement of construction bids, and the City will provide Grantee with the appropriate wage determination which includes the general prevailing rate of per diem wages in this locality for each craft or type of workman needed to perform the construction work. The Grantee is required, and shall require its construction contractor and all subcontractors to comply with each updated schedule of the general prevailing rates in effect at the time the Grantee calls for bids for construction of a given phase of the Bond Improvements. The Grantee is further required to cause the latest prevailing wage determination decision to be included in bids and contracts with the Grantee’s general contractor and all subcontractors for construction of each Phase. Grantee is responsible for and shall collect and monitor weekly certified payrolls and perform site visits to ensure the prevailing wage is being paid to all workmen. City will audit certified payroll records as necessary in accordance with this Funding Agreement.

C. Upon audit of the records and certified payrolls under this section, should the City or its auditors find any violations, the Grantee shall cause its Construction Contractor to forfeit as a penalty to the City \$60.00 for each laborer, workman, or mechanic employed, for each calendar day, or portion thereof, that such laborer, workman or mechanic is paid less than the said stipulated rates for any work done under said contract, by the Contractor or any subcontractor. The establishment of prevailing wage rates in accordance with Chapter 2258, Texas Government Code shall not be construed to relieve the Grantee from its obligation under any federal or state law regarding the wages to be paid to or hours worked by laborers, workmen or mechanics insofar as applicable to the work to be performed under this Funding Agreement.

3.05 Environmental - Construction shall be in accordance with all Federal, State, and local environmental requirements including all City applicable construction and development regulations.

3.06 Small Business Economic Development Advocacy Program - Grantee shall comply with all Small/Minority and Woman Owned Business Terms and Conditions as attached hereto as **Exhibit D** solely with respect to the Bond Improvements.

3.07 Compliance with Bond Covenants – The City’s commitment hereunder is funded with City Bonds, which are obligations the interest on which is excluded from the gross income calculations of the holders thereof for the purpose of determining income tax liability under applicable federal law. Maintaining the eligibility of the City Bonds for this tax treatment requires the City’s compliance with applicable federal tax law and regulations, which includes agreements regarding the use of City Bonds’ proceeds and the use and operation of facilities financed with those proceeds. As the expenditure of the City Bonds’ proceeds once delivered to the Grantee, and the use and operation of the completed Project, is under the control of the Grantee, Grantee agrees that it shall not use, or permit the use of, proceeds of the City Bonds, or earnings thereon, or any other amounts or any property, the acquisition, construction, or improvement of which is to be financed directly or indirectly with proceeds of the City Bonds or earnings thereon, in a manner which, if used or permitted to be used, respectively, would cause the interest on City Bonds to be includable in the gross income of the bond owners for federal income tax purposes. In addition, purposes which are not permissible include, but are not limited to religious activities, restaurants, cafes, and retail stores.

3.08 No Boycotting of Israel. Texas Government Code §2270.002 provides that a governmental entity may not enter into a contract with a company for goods or services, unless the contract contains a written verification from the company that it:

- (1) does not boycott Israel; and
- (2) will not boycott Israel during the term of the contract.

"Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

"Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

By signing this Agreement with the City of San Antonio, Grantee hereby verifies that it does not boycott Israel, and will not boycott Israel during the term of the contract. City’s hereby relies on Grantee’s verification. If found to be false, City may terminate the contract for material breach.

3.09 TEXAS GOVERNMENT CODE § 2252.152
CONTRACTS WITH COMPANIES ENGAGED IN BUSINESS WITH IRAN,
SUDAN, OR FOREIGN TERRORIST ORGANIZATION PROHIBITED

Texas Government Code §2252.152 provides that a governmental entity may not enter into a governmental contract with a company that is identified on a list prepared and maintained under Texas Government Code §2270.0201 or §2252.153 "Listed Companies". Consultant/Contractor hereby certifies that it is not identified on such a list and that it will notify City should it be placed on such a list while under contract with City. City hereby relies on Consultant's/Contractor's certification. If found to be false, or if Consultant/Contractor is identified on such list during the course of its contract with City, City may terminate this Agreement for material breach.

IV. OWNERSHIP, USE OPERATIONS

4.01 Grantee hereby acknowledges that it will construct the Bond Improvements in a manner consistent with use by the general public. Grantee hereby agrees that the operating hours of the Bond Improvements will facilitate use by the general public and that the scheduling of use, rules and regulations, and other operational practices will not unreasonably limit access by the general public to use and enjoy the Bond Improvements. Further, Grantee shall not employ, nor allow others to employ, discriminatory practices in the use of the Bond Improvements, as defined by Section XIII "Nondiscrimination", below. Grantee hereby agrees that the programs and use described herein will continue for the Term of this Funding Agreement.

4.02 Grantee shall be responsible for the operation and maintenance of the Bond Improvements and all associated costs will be the responsibility of Grantee.

4.03 The Bond Improvements shall facilitate the construction of the Meals on Wheels Headquarters in accordance with the Plans and provide for its continued operation during the entire term that the City Bonds issued to finance the City's contribution to Grantee remain outstanding.

4.04 For the entire term that the City Bonds remain outstanding, subject to the terms of the Premises Lease, Grantee shall operate the Bond Improvements continuously and in a manner that accomplishes on the City's behalf the public purposes that form basis for the City's contribution to the Bond Improvements provided, however, that nothing contained herein shall prevent or prohibit Grantee from temporarily closing or not operating the Bond Improvements as a result of casualty, condemnation, force majeure, or other event beyond Grantee's reasonable control and for capital repairs and improvements to the Project or Bond Improvements.

V. FUNDING AND ASSISTANCE BY CITY

5.01 City shall reimburse Grantee for all eligible expenses incurred hereunder. Notwithstanding any other provisions of this Agreement, the total of all payments and other obligations made or incurred by City hereunder shall not exceed the sum of \$980,000.

5.02 City shall not be obligated nor liable under this Agreement to any party, other than Grantee and Public Works (hereinafter referred to as "PW"), for payment of any monies or provision of any goods or services.

5.03 Funding shall consist of reimbursements paid to Grantee for construction cost of the Bond Improvements, not to exceed \$1,000,000, with \$20,000 to be retained by the City, for City's capital administration services associated with the Bond Improvements, for total funding by City of \$980,000. The City funding provided under this Funding Amendment may only be used for the Bond Improvements. No City funds may be used for Grantee's personal office space or other non-public aspects of the Project.

5.04 City Bonds proceeds represent the City's sole source of funding for its financial commitment hereunder. As a result, the City's obligation to fund such financial commitment is expressly contingent on its successful issuance of City Bonds whose proceeds are authorized and permitted to be used by the City for such purpose. Accordingly, it is further expressly understood and agreed by City and Grantee that this Agreement in no way obligates City's General Fund monies or any other monies or credits of City.

5.05 City Funds may only be used for the portions of the Bond Improvements which are dedicated to the public purpose and sustainability program. No City funds may be used for Grantee's personal office space or other non-public aspects of the Project.

VI. RECEIPT, DISBURSEMENT AND ACCOUNT OF FUNDS BY GRANTEE

6.01 Grantee agrees to maintain readily identifiable records that shall provide accurate, current, separate, and complete disclosure of the status of any funds received pursuant to this Agreement. Grantee further agrees:

- (A) 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; and
- (B) That Grantee's record system shall contain sufficient documentation to provide, in detail, full support and justification for each expenditure.

6.02 Grantee 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, including a detailed accounting of the expenditure of amounts received from the City herunder, for so long as the City Bonds

remain outstanding, but not less than four (4) years from the completion of the Bond Improvements.

6.03 City shall reimburse Grantee on a monthly basis upon receipt and approval of an invoice through the City's Project Reporting Information Management Exchange Link (COSA PRIME*link*) within thirty (30) days after receipt of an approved invoice.

6.04 All requests for reimbursement shall be submitted through the COSA PRIME*link*. Grantee shall sign a Business Level Agreement and ensure that all of its employees or representatives utilizing PRIME*link* sign and comply with an Individual User Agreement. Such requests for reimbursement shall be completed on PRIME*link* and/or utilizing forms and instructions approved by Public Works Department. Prior to the initial request for reimbursement, Grantee must submit a schedule of values for payment to be approved by Public Works Department, which approval shall not be unreasonably withheld, conditioned, or delayed. Any changes to the schedule of values once approved shall be processed and approved as task orders through the portal.

6.05 Prior to reimbursement, City shall have the right to inspect work completed to ensure conformance with the approved Plans. Invoices should include all supporting documentation that costs have been incurred, as required by City.

6.06 City agrees to provide Grantee written notice regarding any expenditure for which Grantee has requested reimbursement under this Agreement which the City reasonably determines to be outside the permissible parameters of this Agreement. Said notice shall provide Grantee thirty (30) days from receipt of said notice to cure the deficiency or refund to the City any sum of money paid by City to Grantee determined to:

- (A) Have not been spent by Grantee strictly in accordance with the terms of this Agreement; or
- (B) Not be supported by adequate documentation to fully justify the expenditure.

6.07 Upon termination of this Agreement, should any expense or charge be subsequently disallowed or disapproved using the same criteria as set out in this Section VI as a result of any auditing or monitoring by City, Grantee shall refund such amount to City within thirty (30) working days of City's written request wherein the amount disallowed or disapproved shall be specified.

VII. ALLOWABLE EXPENDITURES

7.01 Upon preparation of a construction plan and budget by Grantee, Grantee shall submit said budget to City for approval of any costs to be paid from funds received hereunder. Costs shall be considered allowable only if so approved in Grantee's construction budget, or otherwise approved in advance by City in writing, and incurred directly and specifically in the performance of and in compliance with this Agreement and with all applicable city, state and federal laws; regulations and ordinances affecting

Grantee's operations hereunder. All funds paid by City shall be for permanent public improvements. Only the following categories of costs shall be considered allowable:

- Construction Solar panels and installation
- Four electric car charging stations and installation

Expenditures of the funds provided under this Agreement shall only be allowed if incurred directly and specifically in the performance of and in compliance with the terms of this Agreement and all applicable city, state and federal laws, regulations and/or ordinances.

7.02 The following shall not be considered allowable costs under this Agreement:

- Personnel costs, salaries or wages paid directly by Grantee or an affiliated organization of Grantee
- Travel and travel-related expenses
- Costs or fees for consultant and/or professional services, except for those directly related to the Project (including but not limited to costs and fees of the Architect)
- Costs or fees associated with attendance of Grantee at meetings, seminars, or conferences
- Costs or fees associated with regular maintenance and operation of Grantee
- Fundraising
- Equipment and Furnishings, except for items of a capital nature which are being provided by Grantee's general contractor and shown on the approved Plans and specifically approved by City (including, without limitation, Citywide Public Health and Safety Facility & Resiliency Improvements which includes solar panels and electric charging station equipment).
- Advertising

7.03 Written requests for prior approval shall be Grantee's responsibility and shall be made thirty (30) days from date necessary to permit a thorough review by City. Procurements and/or purchases which must be approved pursuant to the terms of this Agreement shall be conducted entirely in accordance with all applicable terms, provisions and requirements hereof.

VIII. FURTHER REPRESENTATIONS, WARRANTIES AND COVENANTS

8.01 Grantee further represents and warrants that:

- (A) All information, data or report heretofore or hereafter provided to City is, shall be, and shall remain complete and accurate in all material respects as of the date shown on the information, data, or report, and that since said

date shown, shall not have undergone any significant change without written notice to City.

(B) It is financially stable and capable of fulfilling, and possesses internally or will outsource duties to acquire the sophistication to fulfill its obligations under this Agreement and that Grantee shall provide City immediate written notice of any adverse material change in the financial condition of Grantee that may materially and adversely affect its obligations hereunder.

(C) No litigation or proceedings are presently pending or to Grantee's knowledge, threatened against Grantee.

(D) None of the provisions contained herein contravene or in any way conflict with the authority under which Grantee is doing business or with the provisions of any existing indenture or agreement of Grantee.

(E) It is currently designated as a non-profit organization with tax exempt status granted by the Internal Revenue Service under IRS code section 501(c)(3), and Grantee shall maintain its 501 (c)(3) tax exempt status for the duration of this agreement.

IX. ACCESSIBILITY OF RECORDS

9.01 At any time during normal business hours and as often as City may deem necessary, upon three (3) days written notice, Grantee shall make all of its records pertaining to this Agreement available to City or any of its authorized representatives, and shall permit City or any of its authorized representatives to audit, examine, and make excerpts and/or copies of same.

9.02 Grantee agrees and represents that it shall cooperate with City, at no charge to the City, to satisfy, to the extent required by law, any and all requests for information received by City under the Texas Public Information Act or related laws pertaining to this Agreement. Notwithstanding the foregoing, City shall provide Grantee with a copy of all requests made under the Texas Public Information Act prior to disclosure of the same and to the extent permitted under applicable law, permit Grantee to redact confidential information and protest such disclosure at Grantee's sole cost and expense.

X. MONITORING AND EVALUATION

10.01 Grantee agrees that City may carry out reasonable monitoring and evaluation activities so as to ensure compliance by Grantee with this Agreement, and Grantee shall provide reasonable access to City related to such activities, and to ensure Grantee's compliance with all applicable laws, regulations and ordinances related to the performance hereof.

XI. INDEMNITY

11.01 Grantee covenants and agrees to FULLY INDEMNIFY, DEFEND, and HOLD HARMLESS, the City and the elected officials, employees, officers, directors, volunteers and representatives of the City, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the City directly or indirectly arising out of resulting from or related to Grantee's activities under this Agreement, including any acts or omissions of Grantee, any agent, officer, director, representative, employee, consultant or subcontractor of Grantee, and their respective officers, agents, employees, directors and representatives while in the exercise of performance of the rights or duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of City, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. IN THE EVENT GRANTEE AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

11.02 The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. Grantee shall advise the City in writing within 24 hours of any claim or demand against the City or Grantee known to Grantee related to or arising out of Grantee's activities under this Agreement and shall see to the investigation and defense of such claim or demand at Grantee's cost. The City shall have the right, at its option and at its own expense, to participate in such defense without relieving Grantee of any of its obligations under this paragraph.

11.03 NOTWITHSTANDING THE FOREGOING, TO THE EXTENT PROVIDED BY LAW, CITY SHALL BE RESPONSIBLE FOR ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION AGAINST CITY ARISING IN FAVOR OF ANY PERSON, BECAUSE OF PERSONAL INJURIES OR DEATH OR DAMAGE TO PROPERTY, OCCURRING, GROWING OUT OF, OR INCIDENT TO, RELATED TO OR RESULTING DIRECTLY OR INDIRECTLY FROM THE OCCURRENCE OF ACTIVITIES OR OMISSION OF ACTIVITIES CONTEMPLATED BY THIS AGREEMENT, CAUSED BY THE NEGLIGENCE OF CITY AND/OR ITS EMPLOYEES.

XII. INSURANCE & BONDS

12.1 Prior to the commencement of any work under this Agreement, Grantee will provide a certificate of insurance to the City's Public Works Department and City Clerk's Office, and which evidences Employee Dishonesty coverage in the amount of \$1,000,000, for each year less a reasonable deductible to be agreed by the City. The City will be added as a loss payee. The original completed Certificate(s) of Insurance to the City's Public Works Department and City Clerk's Office, and which shall be clearly labeled "Meals on Wheels San Antonio Funding Agreement" in the Description of Operations block of the Certificate. The original Certificate(s) shall be completed by an agent authorized to bind the named underwriter(s) and their company to the coverage, limits, and termination provisions shown thereon, containing all required information referenced or indicated thereon. The original certificate(s) or form must have the agent's original signature, including the signer's company affiliation, title and phone number, and be mailed directly from the agent to the City. The City shall have no duty to pay or perform under this Agreement until such certificate shall have been delivered to City's Public Works Department and the Clerk's Office, and no officer or employee, other than the City's Risk Manager, shall have authority to waive this requirement.

12.2 The City reserves the right to review the insurance requirements of this Article during the effective period of this Agreement and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by City's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this Agreement, but in no instance will City allow modification whereupon City may incur increased risk.

12.3 GRANTEE financial integrity is of interest to the City; therefore, subject to GRANTEE'S right to maintain reasonable deductibles in such amounts as are approved by the City, GRANTEE shall obtain and maintain in full force and effect for the duration of this Agreement, and any extension hereof, at GRANTEE'S sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with A.M. Best rating of no less than A- (VII).

GRANTEE SHALL BE INSURED TO THE EXTENT REQUIRED BY STATE LAW

12.4 The City shall be entitled, upon request and without expense, to receive copies of the policies and all endorsements thereto as they apply to the limits required by the City, and may require the deletion, revision, or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). GRANTEE shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to City at the address provided in Section 10.6 herein within 10 days of the requested change. GRANTEE shall pay any costs incurred resulting from said changes.

12.5 When there is a cancellation, non-renewal or material change in coverage which is not made pursuant to a request by City, GRANTEE shall notify the City of such and shall give such notices not less than thirty (30) days prior to the change, if GRANTEE knows of said change in advance, or ten (10) days notice after the change, if the GRANTEE did not know of the change in advance. Such notice must be accompanied by a replacement Certificate of Insurance. All notices shall be given to the City at the following address:

City of San Antonio
Attn: Finance Department
Purchasing Division
P.O. Box 839966
San Antonio, Texas 78283-3966

12.6 If GRANTEE fails to maintain the aforementioned insurance, the City may obtain such insurance, and deduct and retain the amount of the premiums for such insurance from any sums due under the agreement; however, procuring of said insurance by the City is an alternative to other remedies the City may have, and is not the exclusive remedy for failure of GRANTEE to maintain said insurance or secure such endorsement. In addition to any other remedies the City may have upon GRANTEE'S failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order GRANTEE to stop work hereunder, and/or withhold any payment(s) which become due to GRANTEE hereunder until GRANTEE demonstrates compliance with the requirements hereof.

12.7 Nothing herein contained shall be construed as limiting in any way the extent to which GRANTEE may be held responsible for payments of damages to persons or property resulting from GRANTEE'S or its subcontractors' performance of the work covered under this Agreement.

12.8 It is agreed that GRANTEE'S insurance shall be deemed primary with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this Agreement.

12.9 GRANTEE subcontractors will be required to have the same insurance requirement(s) as GRANTEE . GRANTEE will responsible for overseeing their subcontractors insurance requirements. GRANTEE will have the option to provide insurance for all subcontractors providing services under this Agreement by adding an endorsement on their insurance policy naming such subcontractors as additional insureds on GRANTEE insurance policy to the full extent needed to cover the subcontractors for the types and amounts of insurance set out in Article 10.1 above. Subcontractors shall provide GRANTEE with said certificate and endorsement prior to the commencement of any work by the subcontractor. This provision may be modified by City's Risk Manager, without subsequent City Council approval, when deemed necessary and prudent, based upon changes in statutory law, court decisions, or circumstances surrounding this agreement. Such modification may be enacted by letter signed by City's Risk Manager, which shall become a part of the contract for all purposes.

12.10 Performance Bond. Contractor shall provide a performance bond made payable to the City of San Antonio, executed by a corporate surety acceptable to City who is licensed pursuant to the Texas Insurance Code and listed on the United States Department of Treasury's Listing of Approved Sureties (Dept. Circular 570) in the full amount of the contract price. If this is an annual contract with estimated quantities, the bond shall be in the amount of the estimated contract price for a one year period. Said bond must be in a form acceptable to City. Said bond shall further provide that the surety shall indemnify the obligee for all damages or losses resulting from the principal's default. Said bond shall further guarantee the principal's performance of all terms and obligations under this contract. Said bond must have attached thereto a Power of Attorney as evidence: of the authority of the person executing the bond to bind the surety, This bond must be furnished in compliance with the statutory requirements of the Texas Government Code, chapter 2253. This bond must be executed and delivered to City prior to commencement of work under this contract.

XIII. NONDISCRIMINATION

13.01 As a party to this contract, Grantee 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.

XIV. CONFLICT OF INTEREST

14.01 Grantee covenants that neither it nor any member of its governing body or of its staff presently has any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Grantee further covenants that in the performance of this Agreement, no persons having such interest shall be employed or appointed as a member of its governing body or of its staff.

14.02 Grantee further covenants that no member of its governing body or of its staff shall possess any interest in, or use their position for, a purpose that is or gives the appearance of being motivated by desire for private gain for themselves or others, particularly those with which they have family, business, or other ties.

14.03 No member of City's governing body or of its staff who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this Agreement shall:

- (A) Participate in any decision relating to this Agreement which may affect his or her personal interest or the interest of any corporation, partnership, or association in which he or she has a direct or indirect interest;
- (B) Have any direct or indirect interest in this Agreement or the proceeds thereof.

XV. POLITICAL ACTIVITY

15.01 None of the activities performed hereunder shall involve, and no portion of the funds received hereunder shall be used, either directly or indirectly, for any political activity including, but not limited to, an activity to further the election or defeat of any candidate for public office or for any activity undertaken to influence the passage, defeat or final content of local, state or federal legislation.

XVI. RIGHTS TO PROPOSAL AND CONTRACTUAL MATERIAL

16.01 All finished or unfinished reports, documents, data, studies, surveys, charts, drawings, maps, models, photographs, designs, plans, schedules, or other appended documentation to any proposal or contract, and any responses, inquiries, correspondence and related material submitted by Grantee, shall, upon receipt, become the property of City (provided that the Grantee shall be entitled to maintain copies of all of the foregoing materials).

XVII. CONTRACTING

17.01 Any work or services contracted hereunder shall be contracted only by written contract or agreement and, unless specific waiver is granted in writing by City, shall be subject by its terms to each and every provision of this Agreement. Compliance by contractors with this Agreement shall be the responsibility of Grantee. Grantee is responsible to ensure that all local, state and federal permits and approvals required for the activities under this Agreement are obtained.

17.02 City shall in no event be obligated to any third party, including any sub-contractor of Grantee, for performance of or payment for work or services.

XVIII. CHANGES AND AMENDMENTS

18.01 Except when the terms of this Agreement expressly provide otherwise, any alterations, additions, or deletions to the terms hereof shall only be by amendment in writing executed by both City and Grantee under authority granted by formal action of the Parties' respective governing bodies.

18.02 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.

XIX. ASSIGNMENTS

19.01 Grantee shall not transfer, pledge or otherwise assign this Agreement, any interest in and to same, or any claim arising thereunder, without first procuring the written approval of City, which approval shall not be unreasonably withheld or delayed after construction of the Project is completed. Any attempt at transfer, pledge or other assignment shall be void *ab initio* and shall confer no rights upon any third person.

XX. SEVERABILITY OF PROVISIONS

20.01 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.

XXI. NON-WAIVER OF PERFORMANCE

21.01 No waiver by either Party of a breach of any of the terms, conditions, covenants or guarantees of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, condition, covenant or guarantee herein contained. Further, any failure of either Party to insist in any one or more cases upon the strict performance of any of the covenants of this Agreement, or to exercise any option herein contained, shall in no event be construed as a waiver or relinquishment for the future of such covenant or option. In fact, no waiver, change, modification or discharge by either Party hereto of any provision of this Agreement shall be deemed to have been made or shall be effective unless expressed in writing and signed by the Party to be charged.

21.02 No act or omission of either Party shall in any manner impair or prejudice any right, power, privilege, or remedy available to either Party hereunder or by law or in equity, such rights, powers, privileges, or remedies to be always specifically preserved hereby.

21.03 No representative or agent of City may waive the effect of the provisions of this Article without formal action from the City Council.

XXII. ENTIRE AGREEMENT

22.01 This Agreement 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.

XXIII. NOTICES

23.01 For purposes of this Agreement, all official communications and notices among the Parties shall be deemed sufficient if in writing and mailed, registered or certified mail, postage prepaid, to the addresses set forth below:

City: Razi Hosseini, P.E., R.P.L.S., Director, Public Works Department
City of San Antonio
P.O. Box 839966
San Antonio, Texas 78283-3966

And

Grantee: Vinsen Faris CEO
Meals on Wheels
4306 NW Loop 410
San Antonio, Texas 78229

Notice of change of address 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.

XXIV. PARTIES BOUND

24.01 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.

XXV. RELATIONSHIP OF PARTIES

25.01 Nothing contained herein shall be deemed or construed by the Parties hereto, or by any third party, as creating the relationship of principal and agent, partners, joint venturers or any other similar such relationship between the Parties hereto.

XXVI. TEXAS LAW TO APPLY

26.01 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.

XXVII. GENDER

27.01 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.

XVIII. CAPTIONS

28.01 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.

XXIX. DEFAULT

29.01 Upon default by Grantee in the performance of its obligations hereunder, City shall give Grantee notice of the same, and Grantee shall have thirty (30) days following receipt of written notice of default from City (or such reasonably longer time as may be necessary provided Grantee commences the cure within thirty (30) days and continuously and diligently pursues the cure to completion) to cure such default. If Grantee fails to timely cure such default, City may pursue all remedies available in law or at equity and/or other rights City may have in this Agreement; provided that it is expressly agreed that neither Party hereto shall have the right to seek consequential or punitive damages against the other for any default under this Agreement.

29.02 In no event shall this Agreement or City's use of the Leased Premises be terminated prior to the final payment or discharge of the City Bonds. As long as City Bonds have not been paid, the City's failure to perform any required actions under this Agreement shall give rise to Grantee's right, upon 60 days written notice to City, to undertake to perform any such actions and to receive reimbursement from City for the cost of performing such actions. After the City Bonds have been finally paid, any breach or violation by City to this Agreement of the provisions herein contained shall give rise immediately to the right on the part of Grantee, at its option, upon thirty (30) days' written notice to City, unless such breach or violation is cured prior to the expiration of the notice period, to cancel this Agreement or to seek any remedy which now is or may be provided by law, whether or not stated herein. No waiver by either party of a breach or violation shall be construed or held to be a waiver of any succeeding or preceding breach or violation of the same or any other provision herein contained.

XXX. LEGAL AUTHORITY

30.01 Grantee represents, warrants, assures, and guarantees that it possesses the legal authority, pursuant to any proper, appropriate and official motion, resolution or action

passed or taken, to enter into this Agreement and to perform the responsibilities herein required.

30.02 The signer of this Agreement for Grantee represents, warrants, assures and guarantees that he or she has full legal authority to execute this Agreement on behalf of Grantee and to bind Grantee to all terms, performances and provisions herein contained.

XXXI. FORCE MAJEURE

31.01 If City or Grantee is delayed or prevented from performing any of their respective obligations under this Agreement by reason of strike, labor troubles, or any cause whatsoever beyond such party's reasonable control, the period of such delay or prevention shall be deemed added to the time herein provided for the performance of any such obligation by the delayed party.

XXXII. CONDITIONS TO AGREEMENT

32.01 This Agreement, and all obligations of the parties hereunder, is expressly made conditioned on the mutual final agreement to the terms and conditions of the Funding Agreement attached hereto.

(Signatures Appear on the Following Page)

EXECUTED IN DUPLICATE ORIGINALS, each of which shall have the full force and effect of an original this the ____ day of _____, _____.

CITY OF SAN ANTONIO

By: _____
Roderick Sanchez
Assistant City Manager, City of San Antonio

MEALS ON WHEELS SAN ANTONIO,
a Texas non-profit corporation

By: 
Vinzen Paris CEO

APPROVED AS TO FORM:

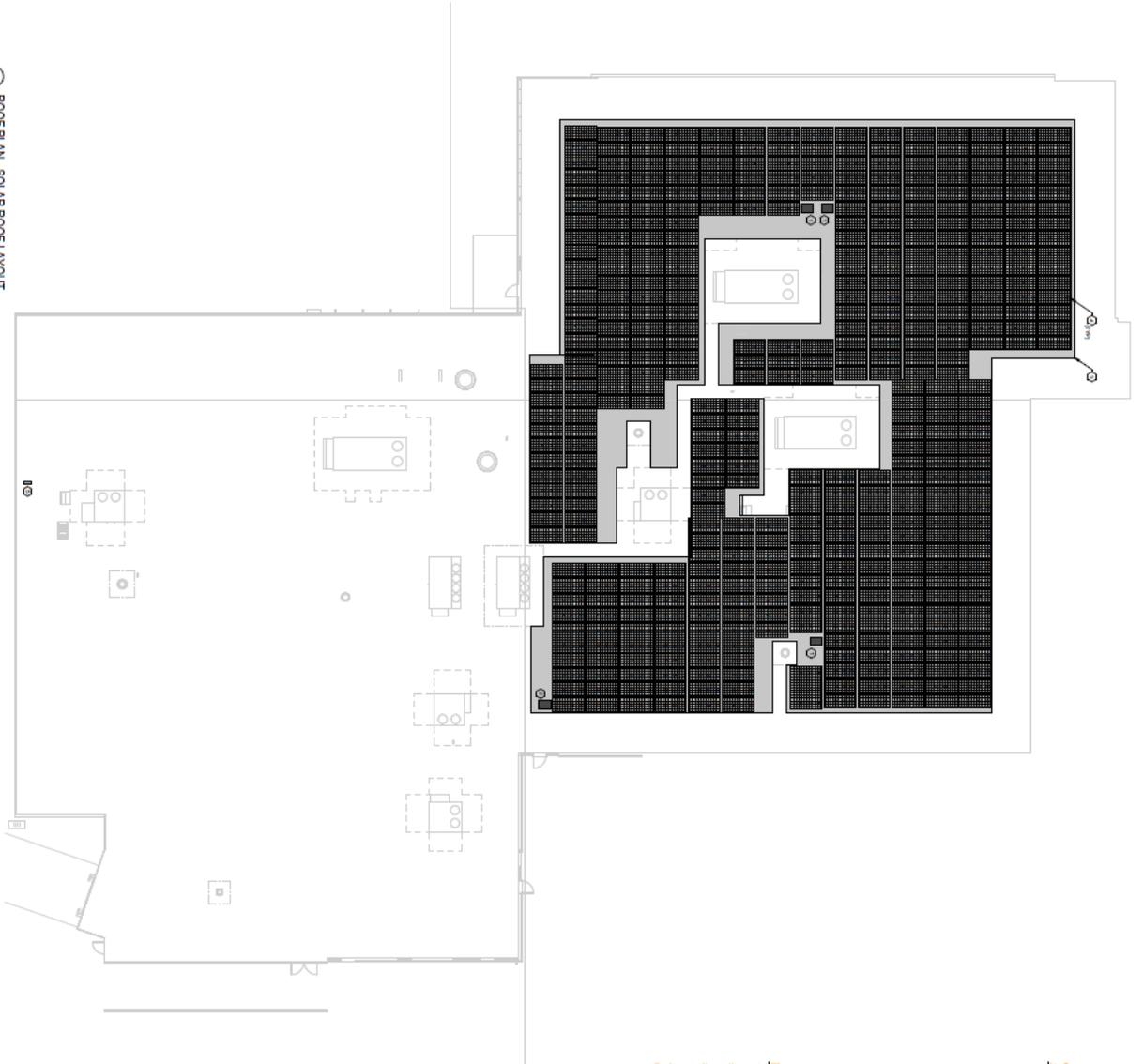
CITY ATTORNEY

EXHIBIT A

SCOPE

The construction of the new Meals on Wheels Headquarters is to be located at the property site of 2718 Danbury Drive. The facility shall include a 44,000 square foot new facility with a kitchen, food preparation space, volunteer training and waiting area, loading dock and an expanded Grace Place Center, increasing meal production to service the growing senior population. City's Bond funds are to be used to facilitate the funding and placement of solar panels on the facility's roof as an investment to meet the energy needs of the building as well as the construction and installation of four electric car charging stations. These improvements increase the sustainability and resiliency of services provided to the San Antonio community residents.

1 ROOF PLAN, SOLAR ROOF LAYOUT
SCALE: 3/32" = 1'-0"



**GENERAL
SOLAR EQUIPMENT NOTES - APPLICABLE TO ALL SHEETS**

1. CONSULT THE GENERAL NOTES FOR THE BUILDING FOR ALL NOTES RELATING TO THE BUILDING AND THE ROOF.
2. CONSULT THE GENERAL NOTES FOR THE BUILDING FOR ALL NOTES RELATING TO THE BUILDING AND THE ROOF.
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KEYED NOTES

1. CONSULT THE GENERAL NOTES FOR THE BUILDING FOR ALL NOTES RELATING TO THE BUILDING AND THE ROOF.
2. CONSULT THE GENERAL NOTES FOR THE BUILDING FOR ALL NOTES RELATING TO THE BUILDING AND THE ROOF.
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4. CONSULT THE GENERAL NOTES FOR THE BUILDING FOR ALL NOTES RELATING TO THE BUILDING AND THE ROOF.
5. CONSULT THE GENERAL NOTES FOR THE BUILDING FOR ALL NOTES RELATING TO THE BUILDING AND THE ROOF.

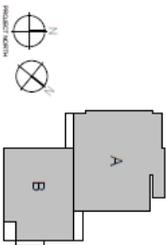


EXHIBIT C
PROJECT BUDGET

EXHIBIT C.1
MEALS ON WHEELS SAN ANTONIO
DANBURY PROJECT BUDGET

Line #	Project Line Items	B Partner/ Agency Funds	C City Funds	D Total Line- Item Cost B+C
1	Construction Project			
2	Land	\$2,137,552		\$2,137,552
3	Building Construction-GMP ¹	\$13,096,124		\$13,096,124
4	Building Construction-other items	\$1,102,900		\$1,102,900
5	Solar, Charging Stations, LID	\$0	\$1,000,000	\$1,000,000
6	FF&E	\$481,972		\$481,972
7	Architects	\$1,031,066		\$1,031,066
8	Engineers and Consultants	\$318,750		\$318,750
9	Project Manager	\$234,000		\$234,000
10	Soft Contingency	\$250,000		\$250,000
11	1 Year's Facility Operational Costs	\$350,000		\$350,000
12	Maintenance Reserve	\$1,000,000		\$1,000,000
13	New Market Tax Credit Costs	\$1,942,771		\$1,942,771
14	Financing Charges	\$40,000		\$40,000
15	Contingencies and Other Expenses	\$550,000		\$550,000
16	<i>Total Construction Project</i>	<i>\$22,535,135</i>	<i>\$1,000,000</i>	<i>\$23,535,135</i>
17	Campaign Costs			
18	Capital Campaign Fundraising	\$550,000		\$550,000
19	Personnel Expense	\$500,000		\$500,000
20	<i>Total Campaign Costs</i>	<i>\$1,050,000</i>	<i>\$0</i>	<i>\$1,050,000</i>
21	Total Project Funds	\$23,585,135	\$1,000,000	\$24,585,135

Note:

1 - Includes kitchen equipment & builder's risk insurance

EXHIBIT D

SBEDA ORDINANCE COMPLIANCE PROVISIONS AND COMMITMENT FORM

A. SBEDA Program

The CITY has adopted a Small Business Economic Development Advocacy Ordinance (Ordinance No. 2016-05-19-0367 and as amended, also referred to as “SBEDA” or “the SBEDA Program”), which is posted on the City’s Economic Development Department (EDD) website page and is also available in hard copy format upon request to the CITY. The SBEDA Ordinance Compliance Provisions contained in this section of the Agreement are governed by the terms of the SBEDA Ordinance, as well as by the terms of the SBEDA Ordinance Policy & Procedure Manual established by the CITY pursuant to this Ordinance, and any subsequent amendments to this referenced SBEDA Ordinance and SBEDA Policy & Procedure Manual that are effective as of the date of the execution of this Agreement. Unless defined in a contrary manner herein, terms used in this section of the Agreement shall be subject to the same expanded definitions and meanings as given those terms in the SBEDA Ordinance and as further interpreted in the SBEDA Policy & Procedure Manual.

B. SBEDA Program Compliance – Affirmative Procurement Initiatives

The CITY has applied the following contract-specific Affirmative Procurement Initiatives to this contract.

None. There are no Affirmative Procurement Initiatives being applied to this contract.

C. Contract Requirements and Commitment

GRANTEE understands and agrees the following provisions shall be requirements of this Funding Agreement and GRANTEE, in acknowledging these requirements, commits to comply with these provisions.

D. SBEDA Program Compliance – General Provisions

GRANTEE acknowledges and accepts the terms of City’s SBEDA Ordinance, as amended, together with all requirements, guidelines and procedures set forth in City’s SBEDA Policy & Procedure Manual, are in furtherance of City’s efforts at economic inclusion and, moreover, such terms are part of GRANTEE’s Scope of Work, as referenced in City’s Funding Agreement, forming the basis for a Funding Agreement award and subsequent execution of this Agreement. These SBEDA Ordinance requirements, guidelines and procedures hereby are incorporated by reference into this Agreement and are considered by the Parties hereto to be material terms. GRANTEE’s agreement fully to comply with these SBEDA program terms is a material condition for being awarded this Funding Agreement by City. Without limitation, GRANTEE further agrees to the following terms as part of its contract compliance responsibilities under City’s SBEDA Program:

1. GRANTEE shall cooperate fully with the Small Business Office and other CITY departments in their data collection and monitoring efforts regarding GRANTEE’s utilization and payment of Subcontractors, S/M/WBE firms, and HUBZone firms, as applicable, for their performance of Commercially Useful Functions on this contract including, but not limited to, the timely submission of completed forms and/or documentation promulgated by SBO, through the Originating Department,

pursuant to the SBEDA Policy & Procedure Manual, timely entry of data into monitoring systems, and ensuring the timely compliance of its subcontractors with this term;

2. GRANTEE shall cooperate fully with any CITY or SBO investigation (and shall also respond truthfully and promptly to any CITY or SBO inquiry) regarding possible non-compliance with SBEDA requirements on the part of GRANTEE or its subcontractors or suppliers;
3. GRANTEE shall permit the SBO, upon reasonable notice, to undertake inspections as necessary including, but not limited to, contract-related correspondence, records, documents, payroll records, daily logs, invoices, bills, cancelled checks, and work product, and to interview Subcontractors and workers to determine whether there has been a violation of the terms of this Agreement;
4. GRANTEE shall notify the SBO, in writing on the Change to Utilization Plan form, through the Originating Department, of any proposed changes to GRANTEE's Subcontractor / Supplier Utilization Plan for this contract, with an explanation of the necessity for such proposed changes, including documentation of Good Faith Efforts made by GRANTEE to replace the Subcontractor / Supplier in accordance with the applicable Affirmative Procurement Initiative. All proposed changes to the Subcontractor / Supplier Utilization Plan including, but not limited to, proposed self-performance of work by GRANTEE of work previously designated for performance by Subcontractor or supplier, substitutions of new Subcontractors, terminations of previously designated Subcontractors, or reductions in the scope of work and value of work awarded to Subcontractors or suppliers, shall be subject to advanced written approval by the Originating Department and the SBO.
5. GRANTEE shall immediately notify the Originating Department and SBO of any transfer or assignment of its contract with the CITY, as well as any transfer or change in its ownership or business structure.
6. GRANTEE shall retain all records of its Subcontractor payments for this contract for a minimum of four years or as required by state law, following the conclusion of this contract or, in the event of litigation concerning this contract, for a minimum of four years or as required by state law following the final determination of litigation, whichever is later.
7. In instances wherein the SBO determines that a Commercially Useful Function is not actually being performed by the applicable S/M/WBE or HUBZone firms listed in a GRANTEE's Subcontractor / Supplier Utilization Plan, the GRANTEE shall not be given credit for the participation of its S/M/WBE or HUBZone Subcontractor(s) or joint venture partner(s) toward attainment of S/M/WBE or HUBZone firm utilization goals, and the GRANTEE and its listed S/M/WBE firms or HUBZone firms may be subject to sanctions and penalties in accordance with the SBEDA Ordinance.
8. GRANTEE acknowledges that the CITY will not execute a contract or issue a Notice to proceed for this project until the GRANTEE for this project have registered and/or

maintained active status in the CITY's Centralized Vendor Registration System (CVR), and GRANTEE has represented to CITY which primary commodity codes each Subcontractor will be performing under for this contract. CITY recommends all Subcontractors to be registered in the CVR.

For more information please see link: <http://www.sanantonio.gov/SBO/Compliance>

E. Violations, Sanctions and Penalties

In addition to the above terms, GRANTEE acknowledges and agrees it is a violation of the SBEDA Ordinance and shall be deemed to have committed a material breach of this Agreement if GRANTEE:

1. fraudulently obtains, retains, attempt to obtain, or aids another in fraudulently obtaining, retaining, or attempting to obtain or retain Certification status as an SBE, MBE, WBE, M/WBE, HUBZone firm, Emerging M/WBE, or ESBE for purposes of benefitting from the SBEDA Ordinance;
2. willfully falsifies, conceals or covers up by a trick, scheme or device, a material fact or makes any false, fictitious or fraudulent statements or representations, or makes use of any false writing or document, knowing the same to contain any false, fictitious or fraudulent statements or entries pursuant to the terms of the SBEDA Ordinance;
3. willfully obstructs, impedes or attempts to obstruct or impede any authorized official or employee investigating the qualifications of a business entity which has requested Certification as an S/M/WBE or HUBZone firm;
4. fraudulently obtains, attempts to obtain or aids another person fraudulently obtaining or attempting to obtain public monies to which the person is not entitled under the terms of the SBEDA Ordinance; and
5. makes false statements to any entity that any other entity is or is not certified as an S/M/WBE for purposes of the SBEDA Ordinance.

Any person of entity violating the provisions of this **clause** shall be subject to the provisions of Section III. E. 13. of the SBEDA Ordinance and any other penalties, sanctions and remedies available under law including, but not limited to:

1. Suspension of contract
2. Withholding of funds
3. Rescission of contract based upon a material breach of contract pertaining to S/M/WBE Program compliance
4. Refusal to accept a response or proposal
5. Disqualification of GRANTEE or other business firm from eligibility for providing goods or services to the City for a period not to exceed two years (upon City Council approval).

F. Commercial Nondiscrimination Policy Compliance

As a condition of entering into this Agreement, GRANTEE represents and warrants it has complied with, throughout the course of this solicitation and contract award process and will continue to comply with, City's Commercial Nondiscrimination Policy, as described under Section III. C. 1. of the SBEDA Ordinance. As part of such compliance, GRANTEE shall not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation or, on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring or commercial treatment of Consultant(s), Sub-Consultant(s), Contractor(s), Subcontractor(s), Suppliers vendors or commercial customers, nor shall GRANTEE retaliate against any person for reporting instances of such discrimination. GRANTEE shall provide equal opportunity for Consultant(s), Sub-Consultant(s), Contractor(s), Subcontractor(s), Suppliers

and vendors to participate in all of GRANTEE’s public sector and private sector subcontracting and supply opportunities, provided that nothing contained in this **clause** shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in City’s Relevant Marketplace. GRANTEE understands and agrees a material violation of this **clause** shall be considered a material breach of this Agreement and may result in termination of this Agreement, disqualification of GRANTEE from participating in City contracts or other sanctions. This **clause** is not enforceable by or for the benefit of, and creates no obligation to, any third party. GRANTEE’s certification of its compliance with this Commercial Nondiscrimination Policy, as submitted to City pursuant to the solicitation for this Agreement, hereby is incorporated into the material terms of this Agreement. GRANTEE shall incorporate this Commercial Nondiscrimination Policy clause into each of its Consultant(s), Sub-Consultant(s), Contractor(s) Subcontractor(s) and Supplier agreements entered into pursuant to City contracts.

G. Prompt Payment

Upon execution of this Agreement, GRANTEE shall be required to submit to City accurate progress payment information with each invoice, with regard to each of its Consultant(s), Sub-Consultant(s), Contractor(s), Subcontractor(s) and Suppliers, including HUBZone Consultant(s), Sub-Consultant(s), Contractor(s), Subcontractor(s) and Suppliers, to ensure GRANTEE’s reported subcontract participation is accurate. GRANTEE shall pay its Consultant(s), Sub-Consultant(s), Contractor(s), Subcontractor(s) and Suppliers in compliance with Chapter 2251, Texas Government Code (known as the “Prompt Payment Act”) within ten (10) days of receipt of payment from City. In the event of GRANTEE’s noncompliance with these prompt payment provisions, no new City contracts shall be issued to GRANTEE until City’s audit of previous subcontract payments is complete and payments are verified to be in accordance with the specifications of the Agreement.

H. Definitions

Affirmative Procurement Initiatives (hereafter referred to as “API”) – refers to various Small Business Enterprise, Minority Business Enterprise, and/or Women Business Enterprise (hereafter referred to as “S/M/WBE”) Program tools and Solicitation Incentives that are used to encourage greater prime contract and subcontract participation by S/M/WBE firms, including bonding assistance, evaluation preferences, subcontracting goals and joint venture incentives. (For full descriptions of these and other S/M/WBE program tools, see Section III. D. of Attachment A to the SBEDA Ordinance).

Centralized Vendor Registration System (hereafter referred to as “CVR”) – refers to a mandatory electronic system wherein City requires all prospective Consultants, Sub-Consultants, Contractors and Subcontractors ready, willing and able to sell goods or services to City to register. The CVR system assigns a unique identifier to each registrant that is then required for the purpose of submitting solicitation responses and invoices and for receiving payments from City. The CVR-assigned identifiers also are used by City’s Goal Setting Committee for measuring relative availability and tracking utilization of SBE and M/WBE (as defined herein) firms by Industry or commodity codes and for establishing annual aspirational Goals and contract-by-contract Subcontracting Goals.

Certification or “Certified” – refers to the process by which City’s Small Business Office (hereafter referred to as “SBO”) staff determines a firm to be a bona-fide small, minority-, women-owned or emerging small business enterprise. Emerging Small Business Enterprises (hereafter referred to as “ESBEs”) automatically are eligible for Certification as SBEs. Any firm may apply for multiple Certifications covering each and every status category (e.g., SBE, ESBE, MBE, or WBE) for which it is able to satisfy eligibility standards. The SBO staff may contract these services to a regional Certification agency or other entity. For purposes of Certification, City accepts any firm that is certified by local government entities and/or other organizations identified herein that have adopted Certification standards and procedures similar to those followed by the SBO, provided the prospective firm satisfies the eligibility requirements set forth in this Ordinance in Section III.E.6 of Attachment A.

Commercially Useful Function – means a S/M/WBE firm performs a Commercially Useful Function when it is responsible for execution of a distinct element of the work of the contract and is carrying out its responsibilities by actually performing, staffing, managing and supervising the work involved. To perform a Commercially Useful Function, the S/M/WBE firm also must be responsible, with respect to materials and supplies used on the contract, for negotiating price, determining quantity and quality, ordering the material and installing (where applicable) and paying for the material itself. To determine whether an S/M/WBE firm is performing a Commercially Useful Function, an evaluation must be performed of the amount of work subcontracted, normal industry practices, whether the amount the S/M/WBE firm is to be paid under the contract is commensurate with the work it actually is performing, the S/M/WBE credit claimed for its performance of the work and other relevant factors. Specifically, an S/M/WBE firm does not perform a Commercially Useful Function if its role is limited to that of an extra participant in a transaction, contract or project through which funds are passed in order to obtain the appearance of meaningful and useful S/M/WBE participation when, in similar transactions in which S/M/WBE firms do not participate, there is no such role performed. The use of S/M/WBE firms by GRANTEE to perform such “pass-through” or “conduit” functions that are not commercially useful shall be viewed by City as fraudulent, if GRANTEE attempts to obtain credit for such S/M/WBE participation towards the satisfaction of S/M/WBE participation goals or other API participation requirements. As such, under such circumstances where a commercially useful function is not actually performed by the S/M/WBE firm, GRANTEE shall not be given credit for the participation of its S/M/WBE Consultant(s), Sub-Consultant(s), Contractor(s), Subcontractor(s), Suppliers or joint venture partner towards attainment of S/M/WBE utilization goals, and GRANTEE and S/M/WBE firm may be subject to sanctions and penalties in accordance with the SBEDA Ordinance.

Good Faith Efforts – means the documentation of GRANTEE’s intent to comply with S/M/WBE Program Goals and procedures including, but are not limited to, the following:

(1) documentation reflecting GRANTEE’s commitment to comply with SBE or M/WBE Program Goals as established by the GSC for a particular contract; or

(2) documentation of efforts made toward achieving the SBE or M/WBE Program Goals (e.g., timely advertisements in appropriate trade publications and publications of wide general circulation; timely posting of SBE or M/WBE subcontract opportunities on the City of San Antonio website; solicitations of bids/proposals/qualification statements from all qualified SBE or M/WBE firms listed in the Small Business Office’s directory of certified SBE or M/WBE firms; correspondence from qualified SBE or M/WBE firms documenting their unavailability to perform SBE or M/WBE contracts; documentation of efforts to subdivide work into smaller quantities for subcontracting purposes, to enhance opportunities for SBE or M/WBE firms; documentation of a Prime Consultant’s posting of a bond covering the work of SBE or M/WBE Consultant(s), Sub-Consultant(s), Contractor(s), Subcontractor(s) and/or Suppliers; documentation of efforts to assist SBE or M/WBE firms with obtaining financing, bonding or insurance required by GRANTEE and the solicitation; and documentation of consultations with trade associations and Consultant(s), Sub-Consultant(s), Contractor(s), Subcontractor(s) and/or Suppliers representing the interests of SBE and/or M/WBEs in order to identify qualified and available SBE or M/WBE Consultant(s), Sub-Consultant(s), Contractor(s), Subcontractor(s) and/or Suppliers). The appropriate form and content of GRANTEE’s Good Faith Efforts documentation shall be in accordance with the SBEDA Ordinance as interpreted in the SBEDA Policy & Procedure Manual.

HUBZone Firm – means a business certified by the U.S. Small Business Administration for participation in the federal HUBZone Program, as established under the 1997 Small Business Reauthorization Act. To qualify as a HUBZone firm, a small business must meet all of the following criteria:

1. The business is owned and Controlled by U.S. citizens;
2. At least thirty five percent (35%) of the business’s employees must reside in a HUBZone; and
3. The business’s Principal Place of Business must be located in a HUBZone within the San Antonio Metropolitan Statistical Area. [See 13 C.F.R. 126.200 (1999).]

Independently Owned and Operated – means the ownership of an SBE firm must be direct, independent and by Individuals only. Ownership of an M/WBE firm may be by Individuals and/or by other businesses provided the ownership interests in the M/WBE firm can satisfy the M/WBE eligibility requirements for ownership and Control as specified herein in Section III.E.6. The M/WBE firm must also be Independently Owned and Operated in the sense that it cannot be the subsidiary of another firm that does not itself (and in combination with the certified M/WBE firm) satisfy the eligibility requirements for M/WBE Certification.

Individual – means an adult person that is of legal majority age.

Industry Categories – means procurement groupings for City inclusive of Construction, Architectural & Engineering (A&E), Professional Services, Other Services and Goods and Supplies (i.e., manufacturing, wholesale and retail distribution of commodities). This term sometimes may be referred to as “business categories.”

Minority/Women Business Enterprise (hereafter referred to as “M/WBE”) – refers to a firm certified as a Small Business Enterprise and also is certified as either a Minority Business Enterprise or as a Women Business Enterprise, is at least fifty-one percent (51%) owned, managed and controlled by one or more Minority Group Members and/or women and is ready, willing and able to sell goods or services to be purchased by City.

M/WBE Directory – refers to a listing of minority- and women-owned businesses certified for participation in City’s M/WBE Program APIs.

Minority Business Enterprise (hereafter referred to as “MBE”) – means any legal entity, except a joint venture, organized to engage in for-profit transactions, certified a Small Business Enterprise and is at least fifty-one percent (51%) owned, managed and controlled by one or more Minority Group Members, as defined below, and is ready, willing and able to sell goods or services to be purchased by City. To qualify as a MBE, the enterprise shall meet the Significant Business Presence requirement defined herein. Unless otherwise stated, the term MBE, as used in City’s Ordinance, is not inclusive of women-owned business enterprises.

Minority Group Members – refers to African-Americans, Hispanic Americans, Asian Americans and Native Americans legally residing in or that are citizens of the United States or its territories, as defined below:

African-Americans: Persons with origins in any of the black racial groups of Africa.

Hispanic-Americans: Persons of Mexican, Puerto Rican, Cuban, Spanish or Central and South American origin.

Asian-Americans: Persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent or the Pacific Islands.

Native Americans: Persons having no less than 1/16th percentage origin in any of the Native American Tribes, as recognized by the U.S. Department of the Interior, Bureau of Indian Affairs and as demonstrated by possession of personal tribal role documents.

Originating Department – refers to a City department or authorized representative of City managing the contract.

Payment – refers to the dollars actually paid to GRANTEE and/or GRANTEE’s Consultant(s), Sub-Consultant(s), Contractor(s), Subcontractor(s), Suppliers and/or vendors for City-contracted goods and/or services.

Prime Consultant – refers to a Consultant, under contract to City, to whom a purchase order or contract is issued by City for the purposes of providing goods or services to City. For purposes of this Agreement, this term refers to GRANTEE.

Relevant Marketplace – means the geographic market area affecting the S/M/WBE Program, as determined for purposes of collecting data for NERA Economic Consulting and for determining eligibility for participation under various programs established by City’s SBEDA Ordinance, defined as the San Antonio Metropolitan Statistical Area (as defined herein), which currently includes the counties of Atascosa, Bandera, Bexar, Comal, Guadalupe, Kendall, Medina and Wilson.

Respondent – refers to an entity submitting a bid, Statement of Qualifications or Proposal in response to a solicitation issued by City. For purposes of this agreement, GRANTEE is Respondent.

Responsible – means a firm capable in all respects fully to perform the contractual requirements outlined in City’s solicitation and has the integrity and reliability to assure good faith performance of all project specifications.

San Antonio Metropolitan Statistical Area (hereafter referred to as “SAMSA”) – also known as the Relevant Marketplace, referring to the geographic market area from which City’s NERA Economic Consulting analyzed contract utilization and availability data for disparity. City’s SAMSA currently including the counties of Atascosa, Bandera, Bexar, Comal, Guadalupe, Kendall, Medina and Wilson.

SBE Directory – refers to a listing of small businesses certified for participation in City's SBE Program APIs.

Significant Business Presence – defined as an established place of business in one or more of the eight (8) counties making up the SAMSA, from which twenty percent (20%) of the entity’s full-time, part-time and contract employees regularly are based, and from which a substantial role in the S/M/WBE's performance of a Commercially Useful Function is conducted. A location utilized solely as a post office box, mail drop or telephone message center or any combination thereof, with no other substantial work function, shall not be construed to constitute a significant business presence. To qualify for this Program, a S/M/WBE must be headquartered or have a *significant business presence* for at least one (1) year within the Relevant Marketplace

Small Business Enterprise (hereafter referred to as “SBE”) – means a corporation, partnership, sole proprietorship or other recognized legal entity existing for the purpose of making a profit, is independently owned and operated by Individuals legally residing in or are citizens of the United States or its territories, meets the U.S. Small Business Administration (hereafter referred to as “SBA”) size standard for a small business in its particular industry(ies) and meets the Significant Business Presence requirements, as defined herein.

Small Business Office (hereafter referred to as “SBO”) – means the office within City’s EDD Department primarily responsible for general oversight and administration of the S/M/WBE Program.

Small Business Office Manager (hereafter referred to as “SBO Manager”) – refers to the Assistant Director of EDD responsible for the management of the SBO and ultimately responsible for oversight, tracking, monitoring, administration, implementation and reporting of the S/M/WBE Program. The SBO Manager also is responsible for enforcement of GRANTEE, Consultant and vendor compliance with contract participation requirements and ensuring that overall SBEDA Program goals and objectives are met.

Small Minority Women Business Enterprise Program (hereafter referred to as “S/M/WBE Program”) – refers to the combination of SBE Program and M/WBE Program features contained in the SBEDA Ordinance.

Sub-Consultant – means any vendor of GRANTEE providing goods or services to GRANTEE in furtherance of GRANTEE’s performance under an agreement, contract or purchase order with City. A copy

of each binding agreement between GRANTEE and its Consultant(s), Sub-Consultant(s), Contractor(s), Subcontractor(s) and Suppliers shall be submitted to City in writing prior to execution of this Agreement and any modification to this Agreement.

Suspension – means the temporary stoppage of a SBE or M/WBE firm’s beneficial participation in City’s S/M/WBE Program for a finite period of time, due to the cumulative contract payments the S/M/WBE firm received during a fiscal year exceeding a certain dollar threshold, as set forth in Section III.E.7 of Attachment A to the SBEDA Ordinance; or the temporary stoppage of GRANTEE’s and/or S/M/WBE firm’s performance and payment under City contracts due to City’s imposition of Penalties and Sanctions, as set forth in Section III.E.13 of Attachment A to the SBEDA Ordinance.

Sub-Consultant/Supplier Utilization Plan – refers to the binding part of this Agreement stating GRANTEE’s commitment for the use of Joint Venture Partners and/or Consultant(s), Sub-Consultant(s), Contractor(s), Subcontractor(s) and/or Suppliers in the performance of this Agreement, stating the name, scope of work and dollar value of work to be performed by each of GRANTEE’s Joint Venture partners and/or Consultant(s), Sub-Consultant(s), Contractor(s), Subcontractor(s) and/or Suppliers in the course of the performance of this Agreement, specifying the S/M/WBE Certification category for each Joint Venture partner and/or Consultant, Sub-Consultant, Contractor, Subcontractor and/or Supplier, as approved by the SBO Manager. Additions, deletions or modifications of the Joint Venture partner or and Consultant, Sub-Consultant, Contractor, Subcontractor and/or Supplier names, scopes of work or dollar values of work to be performed requires an amendment to this Agreement approved by the EDD Manager or his/her designee.

Women Business Enterprises (hereafter referred to as “WBEs”) – refers to any legal entity, except a Joint Venture, organized to engage in for-profit transactions, certified, for purposes of the SBEDA Ordinance, as being a Small Business Enterprise, is at least fifty-one percent (51%) owned, managed and controlled by one or more non-minority women Individuals lawfully residing in or are citizens of the United States or its territories, is ready, willing and able to sell goods or services to be purchased by City and meets the Significant Business Presence requirements, as defined herein. Unless otherwise stated, WBE, as used in this Agreement, is not inclusive of MBEs.



CITY OF SAN ANTONIO

SUBCONTRACTOR/SUPPLIER UTILIZATION PLAN

PROJECT NAME: **Meals on Wheels Funding Agreement**

GRANTEE (PRIME) NAME:

Meals on Wheels

Please review the following information before completing the form:

1. **NO API HAS BEEN APPLIED TO THE PROJECT**
2. Grantee must list **ALL** certified and non-certified Subcontractors/Suppliers that will be utilized for the entire contract period.
3. To be SBEDA eligible, a Prime contractor or Subcontractor must be certified as a Small Business Enterprise (SBE) through the South Central Texas Regional Certification Agency (www.SCTRCA.org) **AND** must be headquartered or have a significant business presence in the San Antonio Metropolitan Statistical Area.

For further clarification, please contact Small Business Office at (210) 207-3922 or refer to the SBEDA language within the solicitation document(s).

ROLE	NAME OF FIRM	SBEDA ELIGIBLE (YES/NO)	DOLLAR AMOUNT BY FIRM	% OF TOTAL CONTRACT VALUE BY FIRM	WORK TO BE PERFORMED (5 DIGIT NIGP CODE)
PRIME CONTRACTOR					
SUB					

I hereby affirm that the information on this form is true and complete to the best of my knowledge and belief. I possess internal documentation from all proposed Subcontractors/Suppliers confirming their intent to perform the scope of work for the price or percentage indicated. I understand and agree that if approved, this document shall be attached thereto and become a binding part of the contract.

Prime Contractor's Authorized Agent: Sign and Date Name Title

Director or Designee of Economic Development: Sign and Date

APPROVED DENIED

All sections of the following table must be completed for all firms listed. List all *certified or non-certified* Subcontractors/Suppliers that will be utilized for the entire contract period, excluding possible extensions, renewals and/or alternates. Use additional pages if necessary.

ROLE	NAME OF FIRM	SBEDA ELIGIBLE (YES/NO)	DOLLAR AMOUNT BY FIRM	% OF TOTAL CONTRACT VALUE BY FIRM	WORK TO BE PERFORMED (5 DIGIT NIGP CODE)
SUB					

EXHIBIT E
LEASE AGREEMENT (IF APPLICABLE)

Bond Funding Agreement Lease security (Meals on Wheels)

Authorizing Ordinance:

Funding Agreement That certain Bond Funding agreement by and between The City of San Antonio and Meals on Wheels San Antonio coterminous with this Lease agreement.

Bond Improvements Solar panels installed on the roof of the building located within the Premises and four (4) electric vehicle charging spaces.

Landlord: Meals on Wheels San Antonio (hereinafter referred to as “Landlord” or “Grantee”)

Landlord’s Address: 2718 Danbury Drive, San Antonio, TX 78217

Tenant: City of San Antonio (hereinafter referred to as “Tenant” or “City”)

Tenant’s Address: P.O. Box 839966, San Antonio, Texas 78283-3966

Premises: A portion of the Meals on Wheels San Antonio Headquarters Building, 2718 Danbury Drive, San Antonio, Bexar County, Texas located on land more particularly described on **Exhibit A**, which is incorporated herein for all purposes, comprised of the roof of the Building (as defined below) and four (4) pads upon which the Bond Improvements have been constructed.

Permitted Use: The installation, maintenance and operation of the Bond Improvements within the new headquarters facility with a kitchen, food preparation space, volunteer training and waiting area, loading dock and an expanded Grace Place Center, increasing meal production to service the growing senior population to be construed in the Premises (the “Building”).

Lease Commencement Date: The effective date of the Authorizing Ordinance

Initial Term: Until the expiration of 20 years from the Lease Commencement Date (but not while any bonds of the City issued to finance its obligations in

furtherance of the project that is the subject hereof, or any City bonds issued to finance such initial issuance of bonds remain outstanding)

Initial Term Annual Rent: In consideration of Tenants financial support for the construction of the improvements, there will be no rent.

Background:

In 2022, the City of San Antonio (City) held a Bond Election and received voter approval to fund a variety public improvement pursuant to such bonds. Among the projects approved in Proposition E is the “Citywide Public Health and Safety Facility & Resiliency Improvements LF” project, described in the official bond brochure as “Citywide Public Health and Safety Facility & Resiliency Improvements LF: Improve and rehabilitate public health and safety facilities. Facility upgrades to improve the condition, increase sustainability, and extend the lifecycle of public health and safety facilities and building systems. Facilities may include Eastside Branch Clinic, Northeast Clinic, Buena Vista Clinic, Public Safety and other City facilities, including funding in the amount of \$1 million to Meals on Wheels. .:” The City is legally bound to comply with official brochure terms and conditions including fulfillment of a public purpose in accordance with all applicable laws of public funding and authorizing instruments for the public funding. The City has, by resolution of its City Council, identified the project that is the subject as the project that was identified and contemplated in this official brochure and other City documentation relating to this bond election. The purpose of this lease agreement to provide security to the City that the public purposes stated in the bond election and brochure will be carried out.

1. Demise of Premises.

Landlord subleases the Premises to Tenant and Tenant sub-subleases the Premises from Landlord under the terms of this Lease. Tenant is to have and hold the Premises, together with all rights, privileges, easements, appurtenances, and immunities belonging to or in any way appertaining to them. Notwithstanding the preceding, it is the intent of the parties that Tenant will only take possession of the premises in the event that it is necessary for Tenant to take action to ensure the public purposes as stated in the bond Proposition and the bond brochure (“Bond Documents”) are being fully carried out for the life of the City bonds issued by the City to finance its contribution toward the Bond Improvements. Notwithstanding the foregoing, the Landlord and Tenant acknowledge and agree that the subleasehold interest granted from Landlord to Tenant and sub-subleasehold interest granted from Tenant to Landlord herein are subject to the terms and conditions set forth in that certain Premises Lease dated as of September 21, 2021 (the “Premises Lease”) by and between Landlord, as tenant, and MOWSA Real Estate, a Texas corporation and supporting organization of Tenant (the “Fee Owner”). Landlord acknowledges and agrees that this Lease is at all times subordinate to the rights and remedies of Fee Owner under Premises Lease.

2. Lease Term.

2.01. The Term is as stated above.

2.02. *Termination.* This lease terminates without further notice when the Term expires. Tenant's holding over expiration is not a renewal of the lease and does not give Tenant rights under the Lease in or to the Premises.

3. Rent.

3.01. In consideration of Tenants financial support for the construction of the improvements, there is no rent.

4. Taxes.

Payment by Landlord

4.01. Landlord must pay and discharge all taxes, general and special assessments, and other charges of-any kind levied on or assessed against the Premises and all interests in the Premises and all improvements and other property on them during the lease term, whether belonging to Landlord or to Tenant. Landlord must pay all the taxes, charges, and assessments directly to the public officer charged with their collection not fewer than 15 days before delinquency. Landlord hereby indemnifies Tenant and holds it harmless from all loss, cost, liability, or expense arising from or relating to such taxes, charges, and assessments. Landlord may, in good faith at its own expense, contest taxes, charges, and assessments. However, it must pay the contested amount, plus any penalties and interest imposed, if and when finally determined to be due.

5. Utilities.

Landlord must pay or cause to be paid all charges for water, heat, gas, electricity, sewers, and all other utilities used on the Premises throughout the lease term, including any connection fees. Landlord understands and agrees that this provision applies to any existing as well as contemplated facilities.

6. Use of Premises.

Permitted Use of Premises

6.01. The Premises may be used only for the Permitted Use, unless agreed to in writing by Landlord and Tenant. It is the intent of the Parties that Landlord shall have full possession of and use of the Premises throughout the term. Landlord hereby covenants and agrees that it shall use the Premises to provide the public services as stated in the Bond Documents throughout the term of the Lease.

Prohibited Use

6.02. Landlord must not use or permit the Premises to be used:

- a. for any activity violating any applicable local, state, or federal law, rule, or regulation; or
- b. for any activity which shall violate the terms of the bonds used to finance the improvements, including any bond covenants and any applicable federal regulations regarding tax exempt debt.

7. Construction.

7.01. Landlord shall have the right to install the solar panels and four (4) electric vehicle charging stations , including the improvements to be paid for by funds realized by the City through its sale of general obligation bonds in the Summer of 2022.

Specific Conditions: Landlord shall construct a new 44,000 square foot facility which will include the construction and installation of four electric car charging stations as well as solar panels on the facility's roof, the total cost of which is estimated to be \$24,753,135. Landlord has committed to raising its share of the funds necessary to construct the Meals on Wheels Headquarters Building and agreed to fund on-going operations, once completed. This Lease is subject to the Funding Agreement entered into between the parties; provided, however, that the parties acknowledge that this Lease only relates to the Bond Improvements set forth therein and that the subleasehold created herein only relates to the portion of the Project that is comprised of the Bond Improvements..

7.02. Any buildings, improvements, additions, alterations, and fixtures (except furniture and trade fixtures) constructed, placed, or maintained on any part of the Premises during the lease term become part of the real property of the Premises and must remain on the Premises and become Landlord's property when the lease terminates.

8. Assignment.

Neither party shall have the right to assign or sublease any portion of the Premises without the prior written approval of the other party. Any attempted assignment or sublease, including and attempted sale of the Premises by Landlord, shall be void *ab initio*.

Notwithstanding the foregoing, Tenant acknowledges that the Fee Owner has granted a deed of trust encumbering, and a security interest in, the Premises in favor Urban

Development Fund 63, LLC, Catalyst CDE-21, LLC, and CNMC Sub-CDE 186, LLC (collectively, the “Lenders”), in connection with loans in an amount equal to \$20,610,000 made to the Fee Owner (the “Fee Owner Loan”; the documents evidencing or securing the Fee Owner Loan being referred to as the “Fee Owner Loan Documents”). Tenant acknowledges and agrees that (i) the rights of Landlord under this Lease are subject to continued compliance with the terms and conditions Fee Owner Loan Documents, (ii) hereby consents and approves a transfers to the Lenders or their designee, whether voluntary, involuntary, or through a deed-in-lieu of foreclosure, in connection with the enforcement of Fee Owner Loan Documents and to subsequent transfers thereafter, and (iii) acknowledges and agrees that this Lease is at all time subordinate to the rights of the Lender under the terms of the Fee Owner Loan Documents.

9. Repairs, Maintenance, and Restoration.

Landlord’s Duty to Maintain and Repair

9.01. Landlord must keep and maintain all improvements erected on the Premises in a good state of appearance and repair (except for reasonable wear and tear) at Landlord’s own expense.

Damage or Destruction

9.02. If any improvement constructed on the Premises is damaged or destroyed by fire or any other casualty, regardless of the extent of the damage or destruction, Landlord must, within one year from the date of the damage or destruction, begin to repair, reconstruct, or replace the damaged or destroyed building or improvement at its own cost to the extent insurance proceeds are available therefor and subject to the rights of Fee Owner under the Premises Lease and the rights of Lenders under the Fee Owner Loan Documents and other documents evidencing and securing the Fee Owner Loan.

10. Mechanic’s Liens.

Landlord must not cause or permit any mechanic’s or other liens to be filed against the the Premises. If such a lien is recorded, Landlord must either cause it to be removed or bonded in accordance with Chapter 53, Subchapter H of the Texas Property Code, within sixty (60) days of the filing of the same.

11. Condemnation.

Parties’ Interests

11.01. If the Premises or any part of them are taken by condemnation as a result of any action or proceeding in eminent domain, or are transferred in lieu of condemnation to any authority entitled to condemn, this article governs Landlord’s and Tenant’s interests in the award or consideration for the transfer and the effect of the taking or transfer on this lease. Notwithstanding anything contained herein to the contrary, any and all rights in favor of Tenant shall be subject to and subordinate to the interests of Fee Owner under the terms of the Premises Lease and the Lenders under the terms of the Fee Owner Loan Documents.

Total Taking—Termination

11.02. If the entire Premises are taken or so transferred, this lease and all of the rights, titles, and interests under it ceases on the date that title to the Premises vests in the condemning authority. Tenant shall receive a portion of the proceeds of the condemnation award sufficient to repay the pro rata share of the bond funds provided by Tenant for construction of the improvements.

Partial Taking—Termination

11.03. If only part of the Premises is taken or transferred, this lease terminates if, in Tenant's opinion, the remainder of the Premises is in such a location, or is in such form, shape, or reduced size, that Landlord's business cannot be effectively and practicably operated on it. In such case, this lease and all rights, title, and interest under it cease on the date that title vests in the condemning authority. Tenant shall receive a portion of the proceeds of the condemnation award sufficient to repay the pro rata share of the funds of the City's general obligation bonds provided by Tenant for construction of the improvements.

Partial Taking

11.04. If part of the Premises is taken or transferred and, in Landlord's opinion, the remainder of the Premises is in such that Landlord's business can be effectively and practicably operated on the remaining Premises, this Lease terminates only as to the portion of the Premises taken or transferred. The termination is as of the date title vests in the condemning authority. The Lease continues as to the portion not taken or transferred all proceeds of condemnation are Landlord's.

12. Insurance

12.01. Prior to the commencement of any work under this Agreement, Grantee shall furnish copies of all required endorsements and completed Certificate(s) of Insurance to the City's Public Works (PW) Department, which shall be clearly labeled "Meals on Wheels Headquarters Building" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The City shall not accept a Memorandum of Insurance or Binder as proof of insurance. The certificate(s) must have the agent's signature and phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the City. The City shall have no duty to pay or perform under this Agreement until such certificate and endorsements have been received and approved by the City's PW Department. No officer or employee, other than the City's Risk Manager, shall have authority to waive this requirement.

12.02. The City reserves the right to review the insurance requirements of this Article during the effective period of this Agreement and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by City's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this Agreement. In no instance shall City allow modification whereby City may incur increased risk.

12.03. Landlord's financial integrity is of interest to the City; therefore, subject to Landlord's right to maintain reasonable deductibles in such amounts as are approved by the City, Landlord shall obtain and maintain in full force and effect for the duration of this Agreement, and any extension hereof, at Landlord's sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M. Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below:

<u>TYPE</u>	<u>AMOUNTS</u>
1. Workers' Compensation 2. Employers' Liability	Statutory \$1,000,000/\$1,000,000/\$1,000,000
3. Broad form Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations *b. Independent Contractors c. Products/Completed Operations d. Personal/Advertising Injury e. Contractual Liability *f. Damage to property rented by Landlord	For <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence; \$2,000,000 General Aggregate, or its equivalent in Umbrella or Excess Liability Coverage f. \$300,000
4. Business Automobile Liability a. Owned/leased vehicles b. Non-owned vehicles c. Hired Vehicles	<u>Combined Single Limit</u> for <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence
*6. First Party Crime Coverage, to include Third Party Crime Coverage Endorsement a. Blanket Crime Coverage	\$1,000,000 Per Claim on First Party Coverage \$2,000,000 Per Claim on Third Party Coverage
*if applicable	

12.04. Landlord agrees to require, by written contract, that all subcontractors providing goods or services hereunder obtain the same insurance coverages required of Landlord herein, and provide a certificate of insurance and endorsement that names the Landlord and the City as additional insureds. Landlord shall provide the City with said certificate and endorsement prior to the commencement of any work by the subcontractor. This provision may be modified by City's Risk Manager, without subsequent City Council approval, when deemed necessary and prudent, based upon changes in statutory law, court decisions, or

circumstances surrounding this agreement. Such modification may be enacted by letter signed by City's Risk Manager, which shall become a part of the contract for all purposes.

12.05. As they apply to the limits required by the City, the City shall be entitled, upon request and without expense, to receive copies of the policies, declaration page, and all endorsements thereto and may require the deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). Landlord shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Landlord shall pay any costs incurred resulting from said changes.

City of San Antonio
Attn: Finance Department
Purchasing Division
P.O. Box 839966
San Antonio, Texas 78283-3966

12.06. Landlord agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:

- Name the City, its officers, officials, employees, volunteers, and elected representatives as additional insureds by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation and professional liability policies;
- Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the City is an additional insured shown on the policy;
- Workers' compensation, employers' liability, general liability and automobile liability policies shall provide a waiver of subrogation in favor of the City.
- Provide advance written notice directly to City of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.

12.07. Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, Landlord shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Landlord's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this Agreement.

12.08. In addition to any other remedies the City may have upon Landlord's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Landlord to stop work hereunder, and/or withhold any payment(s) which become due to Landlord hereunder until Landlord demonstrates compliance with the requirements hereof.

12.09. Nothing herein contained shall be construed as limiting in any way the extent to which Landlord may be held responsible for payments of damages to persons or property resulting from Landlord's or its subcontractors' performance of the work covered under this Agreement.

12.10. It is agreed that Landlord's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this Agreement.

12.11. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this Agreement and that no claim or action by or on behalf of the City shall be limited to insurance coverage provided..

12.12. Landlord and any Subcontractors are responsible for all damage to their own equipment and/or property.

12.13. Landlord shall ensure that its general contractor complies with Texas Government Code Chapter 2253 provisions regarding performance and payment bonds on certain Public Works contracts (copies of required bonds must be provided to City prior to the start of construction).

13. Indemnity.

13.01. Grantee covenants and agrees to FULLY INDEMNIFY, DEFEND, and HOLD HARMLESS, the City and the elected officials, employees, officers, directors, volunteers and representatives of the City, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the City directly or indirectly arising out of resulting from or related to Grantee's activities under this Agreement, including any acts or omissions of Grantee, any agent, officer, director, representative, employee, consultant or subcontractor of Grantee, and their respective officers, agents, employees, directors and representatives while in the exercise of performance of the rights or duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of City, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. IN THE EVENT GRANTEE AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE

APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

13.02. The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. Grantee shall advise the City in writing within 24 hours of any claim or demand against the City or Grantee known to Grantee related to or arising out of Grantee's activities under this Agreement and shall see to the investigation and defense of such claim or demand at Grantee's cost. The City shall have the right, at its option and at its own expense, to participate in such defense without relieving Grantee of any of its obligations under this paragraph.

13.03. NOTWITHSTANDING THE FOREGOING, TO THE EXTENT PROVIDED BY LAW, CITY SHALL BE RESPONSIBLE FOR ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION AGAINST CITY ARISING IN FAVOR OF ANY PERSON, BECAUSE OF PERSONAL INJURIES OR DEATH OR DAMAGE TO PROPERTY, OCCURRING, GROWING OUT OF, OR INCIDENT TO, RELATED TO OR RESULTING DIRECTLY OR INDIRECTLY FROM THE OCCURRENCE OF ACTIVITIES OR OMISSION OF ACTIVITIES CONTEMPLATED BY THIS AGREEMENT, CAUSED BY THE NEGLIGENCE OF CITY AND/OR ITS EMPLOYEES.

14. Default and Remedies.

Termination on Default

14.01. Except in connection with the termination of this Lease as a result of (i) termination of the Premises Lease or (ii) conveyance, transfer, whether voluntary or involuntary, of the Fee Owner's fee simple interest to Fee Owner in connection with the enforcement of remedies by Fee Lender under the Fee Loan Documents, Landlord may not terminate this lease during any period in which there is outstanding debt owed by Tenant for bonds issued for the financing or refinancing of the construction of improvements on the Premises.

14.02. Landlord understands and agrees that the public services required by the Bond Documents must be provided throughout the term of this Lease. Therefore, if Landlord defaults in performing any obligation arising out of this lease and does not correct the default within 60 days after receipt of written notice to Landlord (or default is not susceptible to cure within a 60-day period, such longer period of time as is necessary to cure such default so long as Landlord is diligently pursuing such cure), Tenant may then take possession of the Premises for purposes of fulfilling the public purposes stated in the Bond Documents.

A. The provisions of this Section shall be enforceable by a court order of specific performance. Landlord waives its right to object to an injunction to specifically

enforce Tenant taking possession of the Premises or for the necessity on the part of Tenant to prove irreparable harm or to post a bond in any such action.

- B. Landlord hereby waives any objection to Tenant seeking out and employing Landlord's employees in an effort to continue uninterrupted service. Landlord shall make no claim against Tenant for contractual interference caused by this action.

14.03. Termination of this lease does not relieve either party from paying (A) money owing under the lease at the time of termination, or (B) any claim for damages against under this lease. Either party may pursue any or all such remedies or any other remedy or relief provided by law, whether or not stated in this lease. No waiver by either party of a breach of any covenant or condition of this lease is a waiver of any succeeding or preceding breach of the same or any other covenant or condition of this lease.

15. General Protective Provisions.

Right of Entry and Inspection

15.01. Landlord must permit Tenant or its agents, representatives, or employees to enter the Premises to inspect and determine whether Landlord is complying with this lease.

No Partnership or Joint Venture

15.02. The relationship between Landlord and Tenant is at all times solely that of landlord and tenant, not that of partners or joint venturers.

16. Prohibited Interests in Contracts

Prohibited Interest

16.01. The Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as defined in Section 2-52 of the Ethics Code, from having a financial interest in any contract with the City or any City agency such as city owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale:

- (i) a City officer or employee;
- (ii) his parent, child or spouse;
- (iii) a business entity in which the officer or employee, or his parent, child or spouse owns (i) 10% or more of the voting stock or shares of the business entity, or (ii) 10% or more of the fair market value of the business entity;
- (iv) a business entity in which any individual or entity above listed is a (i) subcontractor on a City contract, (ii) a partner, or (iii) a parent or subsidiary business entity.

Landlord's Warranties

16.02. Landlord warrants and certifies as follows:

- (i) Landlord and its officers, employees and agents are neither officers nor employees of the City.
- (ii) Landlord has tendered to the City a Discretionary Contracts Disclosure Statement in compliance with the City's Ethics Code.

17. Miscellaneous.

Rights and Remedies Cumulative

17.01. The rights and remedies under agreement are cumulative, and either party's using any right or remedy does not preclude or waive its right to use any other remedy. The rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

Time of Essence

17.02. Time is of the essence under this agreement.

Applicable Law

17.03. This Agreement is entered into in San Antonio, Bexar County, State of Texas. **The Construction of this Agreement and the rights, remedies, and obligations arising hereunder are governed by the laws of the State of Texas.** But the Texas conflicts of law rules must not cause the application of the laws of a jurisdiction other than Texas. The obligations performable hereunder by both parties are performable in San Antonio, Bexar County, Texas.

Severability

17.04. If any portion hereof is determined to be invalid or unenforceable, the determination does not affect the remainder hereof.

Successors

17.05. This Agreement inures to the benefit of and binds the heirs, representatives, successors, and permitted assigns of each party. This clause does not authorize any assignment not otherwise authorized.

Integration

17.06. **This written agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no oral agreements between the parties.**

Notices

17.07. Any notice provided for or permitted hereunder must be in writing and by certified mail, return receipt requested, addressed to the parties at their respective addresses set forth in the preamble. If the addressee is a corporation, notices must be addressed to the attention of its President. Notice is complete three days after deposit, properly addressed and postage prepaid, with the United States Postal Service. Failure to use certified mail does

not defeat the effectiveness of notice actually received, but such notice is effective only on actual receipt. Address for notice may be changed by giving notice hereunder.

Further Assurances

17.08. The parties must execute and deliver such additional documents and instruments as may be required to effect fully the provisions hereof. No such additional document(s), however, may alter the rights or obligations of the parties as contained in this agreement

In Witness Whereof, the parties have hereunto caused their representatives to set their hands.

City of San Antonio, a Texas
municipal corporation

Meals on Wheels San Antonio, a
Texas non-profit corporation

Signature: _____

DocuSigned by:
Signature: Vinsen Faris
F3A4CBA124154D2...

Printed
Name: _____

Printed
Name: Vinsen Faris

Title: _____

Title: Chief Executive Officer

Date: _____

Date: 10/28/2022

Approved as to Form:

Assistant City Attorney

Exhibit A

EXHIBIT A

LEGAL DESCRIPTION

LOT 21, NEW CITY BLOCK 12104, REPLAT AND SUBDIVISION PLAT ESTABLISHING MEALS ON WHEELS, IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 20002, PAGE 793, PLAT RECORDS, BEXAR COUNTY, TEXAS.