

STATE OF TEXAS § INTERLOCAL AGREEMENT FOR NOMINATING  
§ VHS SAN ANTONIO PARTNERS, LLC  
§ (DBA BAPTIST HEALTH SYSTEM, ET AL)  
COUNTY OF BEXAR § TO THE OFFICE OF THE GOVERNOR

**THIS INTERLOCAL AGREEMENT** (hereafter referred to as "the Agreement" or "this Agreement") for nominating **VHS San Antonio Partners, LLC DBA Baptist Health System, et al** ("Baptist Health"), a Delaware Limited Liability Company, authorized to do business in Texas as an Enterprise Project pursuant to nomination and application made by the County of Bexar, Texas, to the Office of the Governor. This Agreement is by and between the **City of San Antonio, Texas**, a Texas Home Rule Municipality (the "**CITY**") and the **County of Bexar**, a political subdivision of the State of Texas (the "**COUNTY**"), acting by and through its officers, hereto duly authorized. CITY and COUNTY singularly or collectively shall be referred to herein as "Party" or "the Parties." This Agreement is entered into by the CITY and the COUNTY pursuant to the authority granted by the provisions of the Interlocal Cooperation Act, Texas Government Code, Chapter 791. This Agreement is intended to further the purpose of the Interlocal Cooperation Act by increasing the efficiency and effectiveness of local governments.

**WITNESSETH**

**WHEREAS**, the Commissioners Court of the COUNTY previously adopted an order after a public hearing held on November 30, 2021, electing to participate in the Texas Enterprise Zone Program, and the local incentives offered under this resolution are the same on this date as were outlined therein; and

**WHEREAS**, the order so adopted was filed with the Bexar County Clerk and can be located at Volume 1277, page 50 therein, a copy of which is attached and incorporated hereto as **Exhibit I**; and

**WHEREAS**, the nominated project or activity will be performed by Baptist Health located at 8811 Village Dr., San Antonio, Bexar County, Texas; and

**WHEREAS**, the COUNTY desires to create the proper economic and social environment to induce the investment of private resources in productive business enterprises and to provide employment to residents of the County; and

**WHEREAS**, pursuant to Chapter 2303, Subchapter F of the Texas Enterprise Zone Act (the "Act"), the nominating county must enter into an interlocal agreement with the municipality that has jurisdiction of the territory in which the nominated project or activity will be located; and

**WHEREAS**, Baptist Health is a "qualified business," as defined in Section 2303.402 of the Act, and meets the criteria for designation as an enterprise project, as set forth in Section 2303 of the Act; and

**WHEREAS**, the CITY has jurisdiction of the territory in which the nominated project will be located and is the governmental body having administration authority under Section 2303.201 of the Act and both Parties approve the nomination; and

**WHEREAS**, the Parties are requesting the Office of the Governor, Economic Development and Tourism through the Economic Development Bank will consider Baptist Health, authorized to do business in Texas, an Enterprise Project pursuant to nomination and application made by the COUNTY;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreement stated herein, the Parties agree as follows:

#### **ARTICLE I. PURPOSE**

- 1.01 The purpose of this Agreement is to comply with the legal requirements of the Act of the Texas Government Code.
- 1.02 The nominated project or activity will be performed by VHS San Antonio Partners, LLC DBA Baptist Health System, et al, located at 8811 Village Dr., San Antonio, Bexar County, Texas.
- 1.03 Both the COUNTY in which the project or activity is located, and the CITY in whose jurisdiction the project or activity is located approve the nomination of Baptist Health pursuant to Section 2303.004(c) of the Act, and said nomination is to be considered a part of COUNTY's allocated Enterprise Project designations; CITY is not utilizing one of its nominations to nominate Baptist Health.
- 1.04 The CITY is the governing body which has the administration authority under Section 2303.201 of the Act, which states that the governing body of an enterprise zone is the governing body of the municipality or county with jurisdiction over the area designated as an enterprise zone.

#### **ARTICLE II. TERM**

- 2.01 Except as otherwise provided herein, this Agreement shall commence upon the execution date of the last signatory party to the Agreement and shall end upon five years from the date Baptist Health is designated as an Enterprise Project.

**ARTICLE III. MULTIPLE COUNTERPARTS**

3.01 This Agreement may be executed in separate identical counterparts by the Parties hereto and each counterpart, when so executed and delivered, shall constitute an original instrument and all such separate identical counterparts shall constitute but one and the same instrument.

EXECUTED IN TRIPLICATE ORIGINALS, each of which shall have the full force and effect of an original, on this \_\_\_\_ day of \_\_\_\_\_, 2023.

**CITY OF SAN ANTONIO, TEXAS**

By: \_\_\_\_\_  
ERIK WALSH  
City Manager

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
DEBBIE RACCA-SITRE  
City Clerk

**APPROVED AS TO FORM:**

\_\_\_\_\_  
ANDREW SEGOVIA  
City Attorney

**COMMISSIONERS COURT AUTHORIZATION**

This Agreement was approved by Order of the Commissioners Court dated this the \_\_\_\_\_, day of \_\_\_\_\_ 2023 authorizing the County Judge to execute this Agreement on behalf of COUNTY.

IN WITNESS WHEREOF, this Agreement is executed in triplicate originals effective this \_\_\_ day of \_\_\_\_\_, 2023.

**COUNTY OF BEXAR, TEXAS**

By: \_\_\_\_\_  
PETER SAKAI  
County Judge

Date: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_  
LUCY ADAME-CLARK  
County Clerk

**APPROVED AS TO LEGAL FORM:**

Criminal District Attorney  
County of Bexar, Texas

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GERARD A. CALDERON  
Assistant Criminal District Attorney  
Civil Section

**APPROVED AS TO FINANCIAL CONTENT:**

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LEO S. CALDERA, CIA, CGAP  
County Auditor

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DAVID SMITH  
County Manager

**APPROVED:**

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DEBORAH CARTER  
Executive Director  
Economic and Community Development

**EXHIBIT 1**  
**BEXAR COUNTY ORDER**



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**ORDER OF THE COMMISSIONERS COURT OF BEXAR COUNTY, TEXAS  
APPROVING THE COUNTY'S PARTICIPATION IN THE TEXAS  
ENTEPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE,  
PROVIDING TAX INCENTIVES, DESIGNATING A LIASION FOR  
COMMUNICATION WITH INTERESTED PARTIES, AND NOMINATING  
TOYOTETSU TEXAS, INC. ("TTTX") TO THE OFFICE OF THE GOVERNOR  
ECONOMIC DEVELOPMENT & TOURISM THROUGH THE ECONOMIC  
DEVELOPMENT BANK AS AN ENTERPRISE PROJECT**

**WHEREAS**, the County desires to create the proper economic and social environment to induce the investment of private resources in productive business enterprises and to provide employment to residents of the County; and

**WHEREAS**, pursuant to Chapter 2303, Subchapter F of the Texas Enterprise Zone Act (the "Act"), Toyotetsu Texas, Inc. ("TTTX") has approached the County for nomination as an Enterprise Project, to be located at Lone Star Pass building 38, San Antonio, TX 78264; and

**WHEREAS**, the Office of the Governor Economic Development and Tourism ("EDT") through the Economic Development Bank ("Bank") will consider TTTX as an Enterprise Project pursuant to nomination and application made by the County;

**WHEREAS**, TTTX is a "qualified business," as defined in Section 2303.402 of the Act, and meets the criteria for designation as an enterprise project, as set forth in Section 2303, Subchapter F of the Act; and

**WHEREAS**, notice of the required public hearing was published in a newspaper having general circulation prior to the seventh calendar day before the date of the hearing, as required by the Act; and

**WHEREAS**, after proper notice, the public hearing to consider this order electing to participate in the Texas Enterprise Zone Program, and the local incentives offered, was held by the Commissioners Court of Bexar County, Texas ("County") at 9:00 a.m. on November 30, 2021 in the Bexar County Courthouse, 100 Dolorosa, Suite 1.20, San Antonio, Texas 78205.

**NOW THEREFORE IT IS ORDERED BY THE COMMISSIONERS COURT OF BEXAR COUNTY, TEXAS THAT:**

Section 1: The following local incentives, at the election of the County, may be available to the nominated project of the qualified business:

- a) The County may:
  - 1. abate taxes on the increase in value of real property improvements and eligible personal property that locate in a designated enterprise zone. The level of abatement shall be based upon the extent to which the business receiving the abatement creates jobs for qualified employees, in accordance with the Bexar County Tax Abatement Guidelines, and with qualified employee being defined by the Act;
  - 2. exempt from taxation qualified personal property in accordance with Chapter 11 of the Texas Tax Code;
  - 3. participate in a reinvestment zone pursuant to Chapter 311 of the Texas Tax Code;
  - 4. use of Tax Increment Financing to finance public infrastructure improvements;
  - 5. participate in an economic development grant in pursuant to Chapter 381 of the Texas Tax Code; or
  - 6. provide Foreign Trade Zone tax incentives and relief.
  
- b) The County may provide enhanced services to businesses, including:
  - 1. improved police and fire protection;
  - 2. institution of community crime prevention programs;
  - 3. problem resolution center;
  - 4. Special Public Transportation Routes or Reduced Fares
  - 5. Transfer Abandoned Housing to Individuals or Community Groups
  - 6. Use of Surplus School Buildings for Incubators; or
  - 7. Provision of Publicly Owned Land for Development Purposes
  
- c) The County may provide improvements in community facilities, including:
  - 1. capital improvements in water and sewer facilities;
  - 2. road repair;
  - 3. creation or improvement of parks;
  - 4. Zoning Changes / Variances;
  - 5. Building Code Exemptions; or
  - 6. Impact / Inspection Fee Exemptions
  
- d) The County may provide business and development services, including
  - 1. low-interest loans or grants for businesses;
  - 2. promotion and marketing services; or
  - 3. streamlined permitting
  
- e) The County, through its funding and other agencies, may provide job training and employment services to business including:
  - 1. retraining programs;
  - 2. literacy and employment skills programs;
  - 3. vocational education; or
  - 4. customized job training

Section 2: The enterprise zone areas within the County are reinvestment zones in accordance with the Texas Tax Code, Chapter 312.

Section 3: The County directs and designates its Economic Development Department Executive Director as the County's liaison to communicate and negotiate with the EDT through the Bank and enterprise project(s) and to oversee activities and communications with qualified businesses and other entities affected by the enterprise project.

Section 4: The County finds that TTTX meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

- a) TTTX is a "qualified business" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site within the governing body's jurisdiction located outside of an enterprise zone and at least twenty-five percent (25.0%) of the business' new employees will be residents of an enterprise zone or economically disadvantaged individuals;
- b) There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities in the area; and
- c) The designation of TTTX as an enterprise project will contribute significantly to the achievement of the plans of the County for development and revitalization of the area.

Section 5: The County finds that:

- a) TTTX meets the criteria for tax relief and other incentives adopted by the County on the grounds that it will be located at the qualified business site, may create a higher level of employment, economic activity and stability; and
- b) it is in the best interest of the County to nominate TTTX as an Enterprise Project pursuant to the Act.

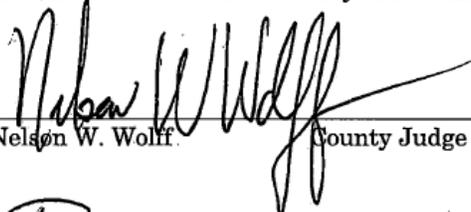
Section 6: The County nominates TTTX for Enterprise Project status.

Section 7: The enterprise project shall take effect on the date of designation of the enterprise project by EDT and terminate five years from the date of designation.

Section 8: This order shall take effect from and after its passage.

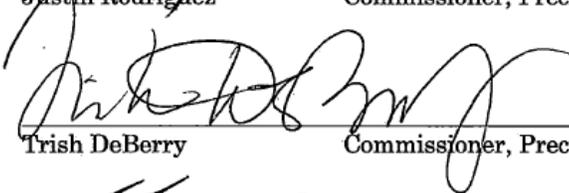
PASSED, ADOPTED, ORDERED AND EFFECTIVE this 30<sup>th</sup> day of November, 2021.

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\_\_\_\_\_  
Nelson W. Wolff County Judge

  
\_\_\_\_\_  
Rebeca Clay-Flores Commissioner, Precinct 1

  
\_\_\_\_\_  
Justin Rodriguez Commissioner, Precinct 2

  
\_\_\_\_\_  
Trish DeBerry Commissioner, Precinct 3

  
\_\_\_\_\_  
Tommy Calvert Commissioner, Precinct 4

ATTEST:

  
\_\_\_\_\_  
Lucy Adame-Clark, County Clerk