

ORDINANCE 2022-01-27-0046

APPROVING A FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT BETWEEN THE INNER CITY TIRZ BOARD OF DIRECTORS, THE CITY OF SAN ANTONIO, AND WILLIAMS HISTORICAL NATIONAL MUSEUM FOR THE WILLIAMS HISTORICAL NATIONAL MUSEUM PROJECT, LOCATED AT 506 MONTANA STREET IN COUNCIL DISTRICT 2.

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WHEREAS, in accordance with the Tax Increment Financing Act (the “Act”), Chapter 311 of the Texas Tax Code, the City through Council Ordinance No. 93101, established Tax Increment Reinvestment Zone Number Eleven, known as the Inner City TIRZ, and a Board of Directors (“Board”) authorized with all the rights, powers, and duties provided by the Act, in order to promote development and revitalization activities within TIRZ; and

WHEREAS, the City and Board recognizes the importance of their continued role in economic development, community development and urban design; and

WHEREAS, this project will convert the historic St. Joseph’s African Methodist Church into an interactive museum that preserves the rich history of local African American leaders of the 20th and 21st century. The museum will introduce visitors to local nationally renowned leaders that brought growth and prosperity to the community. The museum plans on hosting group tours, on-site and on-line sale of artifacts, and host private events; and

WHEREAS, on October 20, 2020, through Ordinance 2020-10-08-0739 City Council approved a Development Agreement between the Inner City TIRZ Board of Directors, the City of San Antonio, and Williams Historical National Museum for an amount not to exceed \$90,000 to convert the historic St. Joseph’s African Methodist Church into an interactive museum. To date Williams Historical National Museum has been reimbursed the full amount of \$90,000; and

WHEREAS, in accordance with Section 311.010(b) of the Act, the Board is authorized to enter into agreements to dedicate revenue from the tax increment fund to pay for eligible project costs related to the construction of public infrastructure and eligible project costs that benefit the TIRZ; and

WHEREAS, on November 19, 2021, the Inner City TIRZ board approved Resolution T11 2021-11-19-06R authorizing a First Amendment to the Development Agreement between the Inner City TIRZ Board of Directors, the City of San Antonio, and the Williams Historical National Museum for an amount not to exceed \$100,000 and increasing the funding to a total amount not to exceed \$190,000; and

WHEREAS, it is now necessary for the City Council to approve the First Amendment to the Development Agreement between Williams Historical National Museum and the Board for the public improvements; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The terms and conditions of the First Amendment to the Development Agreement by and between Williams Historical National Museum and the Board of Directors of Tax Increment Reinvestment Zone #11, attached hereto as **Exhibit A**, are hereby approved.

SECTION 2. The City Manager or his designee is authorized to execute this Agreement, which has been incorporated into this Ordinance for all purposes.

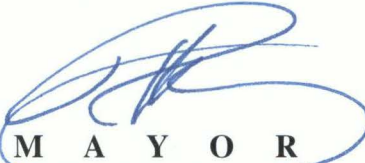
SECTION 3. TIF Department staff is hereby authorized to amend the Inner City TIRZ Project and Finance Plans to include this Project.

SECTION 4. Funding for any projects through the Inner City TIRZ will be paid from Fund 29086007, Cost Center 703290001 and General Ledger 5201040. Total funding should not exceed \$190,000.00 for the duration of this agreement.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 6. This Ordinance shall be effective immediately upon passage by eight affirmative votes; otherwise, it shall be effective on the tenth day after passage.

PASSED AND APPROVED this 27th day of January, 2022.



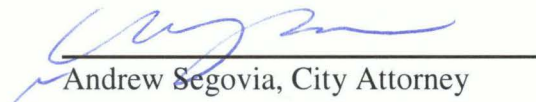
M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:



Debbie Racca-Sittre, Acting City Clerk



Andrew Segovia, City Attorney



City of San Antonio

City Council Meeting January 27, 2022

30.

2022-01-27-0046

Ordinance approving a First Amendment to the Development Agreement between the Inner City TIRZ Board of Directors, the City of San Antonio, and Williams Historical National Museum for the Williams Historical National Museum Project, located at 506 Montana Street in Council District 2. [Lori Houston, Assistant City Manager; Verónica R. Soto, FAICP, Director, Neighborhood and Housing Services]

Councilmember Rocha Garcia moved to Approve on Zoning Consent. Councilmember Courage seconded the motion. The motion carried by the following vote:

Aye: Nirenberg, Bravo, McKee-Rodriguez, Viagran, Rocha Garcia, Castillo, Cabello
Havrda, Sandoval, Pelaez, Courage, Perry

Exhibit A

FIRST AMENDMENT TO THE WILLIAMS HISTORICAL NATIONAL MUSEUM PROJECT DEVELOPMENT AGREEMENT

FOR VALUE RECEIVED, the receipt and sufficiency of which is acknowledged, this First Amendment to the Development Agreement ("First Amendment") is entered into by and between the City of San Antonio ("City"), a Texas Municipal Corporation, the Board of Directors ("Board") for the Tax Increment Reinvestment Zone Number Eleven City of San Antonio, Texas, and Williams Historical National Museum, a for profit organization registered in the State of Texas and referred to herein as ("Developer"), together referred as the "Parties."

RECITALS

WHEREAS, City and Developer entered into a Development Agreement (the "Agreement") authorized by City of San Antonio Ordinance No. 2020-10-08-0739, passed and approved on October 8, 2020, and attached hereto as EXHIBIT A.

WHEREAS, the Parties now seek to amend the terms and conditions of the Agreement in order to increase the funding commitment for the Project.

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

1. The Parties mutually agree to amend the following sections of the Agreement:

(A) The Introductory Paragraph on Page 1 of the agreement is deleted in its entirety and replaced with the following:

This Development Agreement ("Agreement") is entered into by and between the City of San Antonio ("City"), a Texas municipal corporation in Bexar County, Texas, acting by and through its City Manager pursuant to Ordinance No. 2020-10-08-0739, and subsequently amended pursuant to Ordinance No. _____, the Board of Directors ("Board") for Tax Increment Reinvestment Zone Number Eleven, City of San Antonio, Texas, and Williams Historical National Museum, a for profit organization registered in the State of Texas and referred to herein as ("Developer"). This agreement refers to the City and the Developer collectively as the "Parties" and singularly as the "Party."

(B) The **BACKGROUND** section on Page 1 of the agreement is amended by adding a ninth and tenth paragraph as follows:

WHEREAS, due to the changes in the construction schedule and the cost of materials for the Project, the Developer has requested additional funding for the Project in the amount of One Hundred Thousand Dollars and No Cents (\$100,000.00) in funding for a total of up to One Hundred Ninety Thousand Dollars and No Cents (\$190,000.00).

WHEREAS, on November 19, 2021, the Board approved Resolution T11 2021-11-19-06R authorizing an additional One Hundred Thousand Dollars and No Cents (\$100,000.00)

in funding for the Project for a total of up to One Hundred Ninety Thousand Dollars and No Cents (\$190,000.00).

(C) **ARTICLE V. THE PROJECT** is amended by deleting all of subsection 5.1 and substituting the following in its place:

PROJECT. The Project consists of the renovation of the St. Joseph African Methodist Church to convert the building into a museum showcasing the history of San Antonio's east side. The renovations include exterior restoration, repairing the roof, repairing the stained-glass windows, adding signage, adding a water line, adding fencing, additional public infrastructure, a waste management plan, as well as the new plat, survey, and architectural planning for the building. The Project is anticipated to begin on October 1, 2020 and is estimated to be completed by December 31, 2022, subject to Force Majeure.

(D) **ARTICLE V. THE PROJECT** is amended by deleting all of subsection 5.3 and substituting the following in its place:

REIMBURSEMENT. Reimbursement of TIRZ Funds are subject to availability and priority of payment and are not intended to reimburse all costs incurred in connection with the Project or expenses incurred by Developer for performance of the obligations under this Agreement. Neither the City nor the Board can guarantee that Available Tax Increment shall completely reimburse Developer. Available Tax Increment in TIRZ Fund shall constitute the only source of reimbursement to Developer for construction of eligible Public Improvements, including but not limited to, exterior restoration, roof repairs, signage, fencing, water line, public infrastructure, window replacement, architectural costs, a waste management plan, survey, and other public infrastructure. Total reimbursement to Developer from the TIRZ Fund will not exceed ONE HUNDRED NINETY THOUSAND DOLLARS AND NO CENTS (\$190,000.00) ("Maximum Reimbursement Amount"). The Terms by which eligible Project Costs will be reimbursed are further defined in **Exhibit F**, attached hereto and incorporated herein for all purposes, and Article VIII. Compensation to Developer.

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

DELAYS. Developer is responsible for the Project's construction, which shall be completed no later than December 31, 2022. If the commencement or completion of the Project is delayed by reason(s) beyond the Developer's control (including, without limitation, events of Force Majeure), then at the reasonable discretion of the Director of the City's Neighborhood & Housing Services (or successor) Department, the commencement and completion deadlines set forth in this Agreement may be extended by no more than six (6) months. In the event that Developer does not complete the Project substantially in accordance with the Construction Schedule (or extended schedule), then, in accordance with Article XXII Changes and Amendments of this Agreement, the Parties may extend the deadlines in the Construction Schedule, but not past the expiration of the TIRZ. If the parties cannot reasonably reach an agreement on the extension of the Construction

Schedule, or if Developer fails to complete the Project in compliance with the revised Construction Schedule, other than as a result of Force Majeure, this constitutes a material breach.

(F) **ARTICLE VIII. COMPENSATION TO DEVELOPER** is amended by deleting all of subsection 8.2 and substituting the following in its place:

MAXIMUM REIMBURSEMENT OF DEVELOPER. Following the Board's authorization, Developer shall receive total reimbursements for Public Improvements, as specified in Section 5.3 of this Agreement, of a maximum of One Hundred Ninety Thousand Dollars and No Cents (\$190,000.00) on eligible Project Costs. Developer understands that any amendments to the maximum amount of reimbursement herein are prohibited and any request for further incentives beyond this set amount shall require a new application.

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

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

SIGNATURE PAGE TO FOLLOW

**CITY OF SAN ANTONIO,
a Texas Municipal Corporation**

**BOARD OF DIRECTORS
Inner City TIRZ #11**

City Manager or his designee

Councilman Jalen McKee-Rodriguez
Board Chair

Date: _____

Date: _____

ATTEST/SEAL

APPROVED AS TO FORM:

Debbie Racca-Sittre
Acting City Clerk

Thomas Rice
Assistant City Attorney