

ORDINANCE

APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE INNER CITY TIRZ, THE CITY OF SAN ANTONIO, AND GRAYSON HEIGHTS, LLC FOR AN AMOUNT NOT TO EXCEED \$2,100,000 FOR THE GRAYSON HEIGHTS PROJECT, LOCATED AT 1422 AND 1518 E. GRAYSON, 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 of San Antonio 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 the TIRZ; and

WHEREAS, in accordance with Section 311.010(b) of the Texas Tax Code, the City and Board are authorized to grant funds to promote state and local economic development and to stimulate business and commercial activity in the municipality and TIRZ; and

WHEREAS, on May 18, 2021, Grayson Heights, LLC (“Developer”) applied for funding in the amount of Two Million One Hundred Thousand Dollars and No Cents (\$2,100,000.00) from the City’s Tax Increment Financing (“TIF”) Program in order to undertake the oversight and delivery of The Grayson Heights Project located across from Ft. Sam Houston in between Quitman St. and E Carson, within the TIRZ and in Council District 2; and

WHEREAS, the Grayson Heights Project is a mixed-use development, consisting of 281 multi-family units, structured parking, associated amenities, office/retail space, public park, green space, and the necessary infrastructure improvements; and

WHEREAS, Developer has agreed that in connection with the reimbursement of Project Costs, Developer will pay Five Hundred Thousand and No Cents (\$500,000.00) to the City of San Antonio’s Affordable Housing Fund; and

WHEREAS, on May 6, 2022, through Resolution T11 2022-05-06-03R, the Board approved the execution of a Development Agreement for the Project in a cumulative amount not to exceed \$2,100,000; and

WHEREAS, it is now necessary for the City Council to approve a Development Agreement with Grayson Heights, LLC. **NOW THEREFORE**,

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

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

SECTION 2. The terms and conditions of a Development Agreement with Grayson Heights, LLC in an amount not to exceed \$2,100,000 for the Grayson Heights Project are hereby approved. A copy of the agreement, in substantially final form, is attached to this Ordinance as **Exhibit A**.

SECTION 3. The City Manager or his designee is authorized to execute this Agreement, which has been incorporated into this Ordinance for all purposes.

SECTION 4. TIF Division staff is hereby authorized to amend the Inner City TIRZ Project and Finance Plans to include this Project.

SECTION 5. 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 \$2,100,000.00 for the duration of this agreement.

SECTION 6. 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 7. This Ordinance is effective immediately upon passage by eight affirmative votes; otherwise, it is effective on the tenth day after passage.

PASSED AND APPROVED this ____ day of June, 2022.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney

Exhibit A