# ORDINANCE 2022-02-10-0093

AUTHORIZING STAFF TO NEGOTIATE AND EXECUTE THREE FUNDING AGREEMENTS WITH THE MIDTOWN TIRZ #31 BOARD OF DIRECTORS AND THE CITY OF SAN ANTONIO AND AMENDING THE MIDTOWN TIRZ PROJECT AND FINANCE PLANS. FUNDING AGREEMENT WITH THE WITTE MUSEUM FOR A PRINCIPAL AMOUNT NOT TO EXCEED \$3,000,000.00 PLUS FINANCING COSTS FOR THE RENOVATION AND EXPANSION OF AN EXISTING AUDITORIUM AT THE WITTE MUSEUM. FUNDING AGREEMENT WITH THE SAN ANTONIO ZOOLOGICAL SOCIETY FOR A PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000.00 PLUS FINANCING COSTS FOR THE RENOVATION OF THE UNDERSIZED ZOO ENTRANCE AND THE RENOVATION OF THE RE-IMAGINED GORILLA HABITAT. FUNDING AGREEMENT WITH THE SAN ANTONIO BOTANICAL GARDEN FOR A PRINCIPAL AMOUNT NOT **TO EXCEED \$5,000,000.00 PLUS FINANCING COSTS FOR THE REPAIR** AND REPLACEMENT OF GLASS PANELS ON THE CONSERVATORY STRUCTURES, REPLACEMENT OF THE GREEN HOUSES, LIGHTING IMPROVEMENTS AND THE DEVELOPMENT OF A MASTER PLAN.

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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. 2008-12-11-1134, established Tax Increment Reinvestment Zone Number Thirty-One, known as the Midtown 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 recognize the importance of their continued role in economic development; community development and urban design; and

**WHEREAS**, the focus of the Midtown TIRZ will be on the four-city owned cultural facilities along the Broadway Cultural Corridor: Brackenridge Park, San Antonio Botanical Garden, San Antonio Zoo, and The Witte Museum; and

**WHEREAS**, in January 2022, the City of San Antonio applied for funding from the City's Tax Increment Financing Program ("TIF") to undertake necessary capital and infrastructure improvements at The Witte Museum, 3801 Broadway St, San Antonio, Texas 78209, located within the boundaries of the Midtown TIRZ and City Council District 2; and

**WHEREAS**, the proposed funding will be utilized for public infrastructure, public improvements, and other necessary costs to complete the Witte Museum Project; and

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**WHEREAS**, the cost for capital improvements related to infrastructure upgrades at The Witte Museum is approximately \$6,000,000; and

**WHEREAS**, staff recommends funding to the City of San Antonio and The Witte Museum for up to Three Million Dollars and No Cents (\$3,000,000.00) plus financing costs in TIF funds from the Midtown TIRZ to make the necessary public improvements and/or public infrastructure requirements including the renovation and expansion of the auditorium at the Witte Museum; and

**WHEREAS**, in January 2022, the City of San Antonio applied for funding from the City's TIF Program to undertake necessary capital and infrastructure improvements at the San Antonio Zoo, 3903 N. Saint Mary's St, San Antonio, Texas 78212, located within the boundaries of City Council District 2; and

**WHERAS**, the proposed funding will be utilized for public infrastructure and public improvements including the renovation of the undersized zoo entrance and the renovation of the reimagined gorilla habitat for the San Antonio Zoo Project; and

WHEREAS, the cost for capital improvements related to infrastructure upgrades at the San Antonio Zoo is approximately \$67,000,000; and

**WHEREAS**, the San Antonio Zoo Project resides outside of the Midtown TIRZ; however, in order to maintain the continuity of the improvements within the Midtown TIRZ, which will benefit the Midtown TIRZ, the funding for the full scope of the San Antonio Zoo Project will be made by the Midtown TIRZ; and

**WHEREAS**, staff recommends funding to the San Antonio Zoological Society for up to Ten Million Dollars and No Cents (\$10,000,000.00) plus financing costs in TIF funds from the Midtown TIRZ to make the necessary public improvements and/or public infrastructure requirements including the renovation of the undersized zoo entrance and the renovation of the reimagined gorilla habitat for the San Antonio Zoo Project; and

**WHEREAS**, in January 2022, the City of San Antonio applied for funding from the City's TIF Program to undertake necessary capital and infrastructure improvements at the San Antonio Botanical Garden, 555 Funston Place, San Antonio, Texas 78209, located within City Council District 2; and

**WHEREAS**, the proposed funding will be utilized for public infrastructure, public improvements, and other necessary costs to complete the San Antonio Botanical Garden Project; and

**WHEREAS**, the cost for capital improvements related to infrastructure upgrades at the San Antonio Botanical Garden is approximately \$8,300,000; and

**WHEREAS**, staff recommends funding to the City of San Antonio and the San Antonio Botanical Garden for up to Five Million Dollars and No Cents (\$5,000,000.00) plus financing costs in TIF funds from the Midtown TIRZ to make the necessary public improvements and/or public

infrastructure requirements including the repair and replacement of glass panels on the conservatory structures, replacement of the green houses, lighting improvements and the development of a master plan to the San Antonio Botanical Garden Project; and

WHEREAS, the San Antonio Botanical Garden Project resides outside of the Midtown TIRZ; however, in order to maintain the continuity of the improvements within the Midtown TIRZ, which will benefit the Midtown TIRZ, the funding for the full scope of the San Antonio Botanical Garden Project will be made by the Midtown TIRZ; and

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

WHEREAS, it is now necessary for the City Council to approve the financial incentives for development and revitalization projects that benefit the City and the Midtown TIRZ; NOW THEREFORE:

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

**SECTION 1.** The City Manager or his designee is authorized to negotiate and execute an Agreement between The Witte Museum, the City of San Antonio and the Board, as well as and any other ancillary actions necessary to effectuate the intent and purpose of this Ordinance, to provide available tax increment funding in an amount not to exceed THREE MILLION DOLLARS AND NO CENTS (\$3,000,000.00) plus financing costs for eligible project costs for The Witte Museum, 3801 Broadway St, San Antonio, Texas 78209, located within the boundaries of the Midtown TIRZ and City Council District 2.

**SECTION 2.** The City Manager or his designee is authorized to negotiate and execute an Agreement between the San Antonio Zoological Society, the City of San Antonio and the Board, as well as and any other ancillary actions necessary to effectuate the intent and purpose of this Ordinance, to provide available tax increment funding in an amount not to exceed TEN MILLION DOLLARS AND NO CENTS (\$10,000,000.00) plus financing costs for eligible project costs for the San Antonio Zoo, 3903 N. Saint Mary's St, San Antonio, Texas 78212 and within City Council District 2.

**SECTION 3.** The City Manager or his designee is authorized to negotiate and execute an Agreement between the San Antonio Botanical Garden, the City of San Antonio and the Board, as well as and any other ancillary actions necessary to effectuate the intent and purpose of this Ordinance, to provide available tax increment funding in an amount not to exceed FIVE MILLION DOLLARS AND NO CENTS (\$5,000,000.00) plus financing costs for eligible project costs for the San Antonio Botanical Garden, 555 Funston Place, San Antonio, Texas 78209, located within City Council District 2.

**SECTION 4.** The TIF Division staff is authorized to amend the Midtown TIRZ Project and Finance Plans to address the revisions made in this Ordinance.

**SECTION 5.** 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 10<sup>th</sup> day of February, 2022.

Μ R A 0 Ron Nirenberg

**ATTEST:** 

Debbie Racca-Sittre, Acting City Clerk

### **APPROVED AS TO FORM:**

Andrew Segovia, City Attorney



## **City of San Antonio**

### City Council Meeting February 10, 2022

#### 17.

#### 2022-02-10-0093

Ordinance authorizing staff to negotiate and execute a Funding Agreement between the City of San Antonio, the Midtown TIRZ #31 Board of Directors and the Witte Museum for an amount not to exceed \$3,000,000; a Funding Agreement between the City of San Antonio, the Midtown TIRZ #31 Board of Directors and the San Antonio Zoological Society for an amount not to exceed \$10,000,000 and a Funding Agreement between the City of San Antonio, the Midtown TIRZ #31 Board of Directors and the San Antonio Botanical Garden for an amount not to exceed \$5,000,000; and amending the Midtown TIRZ Project and Finance Plans. [Lori Houston, Assistant City Manager; Verónica R. Soto, FAICP, Director, Neighborhood and Housing Services]

Councilmember Viagran moved to Approve on the Consent Agenda. 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

Absent: Perry