

## **ORDINANCE**

### **APPROVING THE TRANSFER OF INCREMENTAL PROPERTY TAX REVENUE RESULTING FROM THE COMPREHENSIVE DEVELOPMENT AGREEMENT (CDA) BY AND BETWEEN THE CITY OF SAN ANTONIO, WESTON URBAN LLC AND FROST BANK CONSISTENT WITH THE FY2022 PROPOSED BUDGET, FOR FY2021 THROUGH AND INCLUDING FY2034 FOR THE PURPOSE OF FUNDING THE CITY TOWER PROJECT LOCATED IN COUNCIL DISTRICT 1.**

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**WHEREAS**, the City of San Antonio (“City”) and the Houston Street TIRZ Board of Directors (“Board”) recognize the importance of their continued role in economic development within the zone; and

**WHEREAS** on June 4, 2015, the City Council of San Antonio approved a Comprehensive Development Agreement (“Agreement”) utilizing a Public-Private Partnership (“P3”) with Weston Urban LLC and Frost Bank which resulted in the construction of the new Frost Tower by Weston Urban as well as the acquisition, ongoing redevelopment and rebranding of the former Frost Bank Building by City, now known as City Tower, which will serve as a consolidated administrative building for the City; and

**WHEREAS**, as a result of this P3 development, several previously City-owned properties will now become taxable and generate tax increment, and the new Frost Tower and associated parking garage is anticipated to also generate more tax increment than the former Frost Bank headquarters building; and

**WHEREAS**, on August 27, 2021, through Resolution T9 2027-08-27-05R, the Board approved the transfer of incremental property tax revenue resulting from the Comprehensive Development Agreement by and among the City of San Antonio, Weston Urban LLC and Frost Bank, consistent with the FY22 Proposed Budget, for FY2021 through and including FY2034 for the purpose of funding the City Tower Project; and

**WHEREAS**, it is now necessary for the City Council to approve a Memorandum of Agreement that sets forth the terms and conditions for the transfer of incremental tax revenue from the TIRZ fund to the City Tower Fund. **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 the Memorandum of Agreement that transfers incremental property tax revenue resulting from the Comprehensive Development Agreement by and among the City of San Antonio, Weston Urban LLC and Frost Bank, consistent with the FY22 Proposed Budget, for FY2021 through and including FY2034 for the purpose of funding the City Tower 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 Memorandum of Agreement, which has been incorporated into this Ordinance for all purposes.

**SECTION 4.** TIF Division staff is hereby authorized to amend the Houston Street TIRZ Project and Finance Plans to include this Project.

**SECTION 5.** Funding for any projects through the Houston Street TIRZ will be paid from Fund 29086006, Cost Center 0703280001 and General Ledger 5201040. Total funding should not exceed \$377,966.00 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:**

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**Debbie Racca-Sittre, City Clerk**

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**Andrew Segovia, City Attorney**

# Exhibit A