

**THIS IS A PROPOSED DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED
ORDINANCE OR RESOLUTION ADOPTED BY CITY COUNCIL.**

ORDINANCE

**AUTHORIZING EXECUTION OF A FUNDING AGREEMENT WITH THE
MIDTOWN BOARD OF DIRECTORS OF REINVESTMENT ZONE #31
AND THE CITY OF SAN ANTONIO, GRANTING UP TO \$39,500,000 FOR
THE OVERSIGHT AND DELIVERY OF THE BROADWAY ST. AND N.
ST. MARY'S STREET CAPITAL PROJETS LOCATED IN COUNCIL
DISTRICT 1; AND AUTHORIZING THE ACCEPTANCE OF THESE
FUNDS AND AMENDING OF THE FY 2020-2025 CAPITAL
IMPROVEMENTS PROGRAM WITH FUNDS IN THE AMOUNT NOT TO
EXCEED \$39,500,000 FROM THE MIDTOWN TAX INCREMENT
REINVESTMENT ZONE (TIRZ) #31 FUND FOR THESE PROJECTS
LOCATED IN DISTRICTS 1 AND 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. 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 recognizes the importance of their continued role in economic development; community development and urban design; and

WHEREAS, in 2011, the Board and City adopted the Midtown-Brackenridge Master Plan, a comprehensive set of recommendations and implementation strategy for development and redevelopment of the are in and around the TIRZ, reflecting community input and professional planning expertise; and

WHEREAS, on August 31, 2021, the Board established a 4-person subcommittee for the purpose of updating the recommendations contained in the Midtown-Brackenridge Master Plan ("the Master Plan"); and

WHEREAS, On September 27 and October 11, 2021, the subcommittee met and proposed that the Board adopt a renewed focus on public infrastructure improvements contained in the Master Plan and commit funding for utility and infrastructure improvements to the Broadway Corridor and North St. Mary' Street that were not covered by the 2017-2022 Bond Program; and

WHEREAS, in November 2021, the City's Public Works Department ("PWD") staff applied for funding from the City's Tax Increment Financing Program (TIF") in order to undertake the

oversight and delivery of joint-bid utilities, street reconstruction, curbs, sidewalks, traffic improvements, drainage, and pedestrian and bike improvements to Upper Segments of Broadway Street Corridor and North St. Mary's Street to be known as the Broadway St. Capital Project and the N. St. Mary's Street Capital Project (together the "Project"), within the boundary of the Midtown TIRZ; and

WHEREAS, the total cost for the Project is approximately \$39.5 million; and

WHEREAS, on November 10, 2021, the Board adopted a resolution authorizing the negotiation and execution of a Funding Agreement with the City in an amount not to exceed Thirty-Nine Million Five Hundred Thousand Dollars and No Cents (\$39,500,000.00) and associated interest in available tax increment from the TIRZ fund to provide reimbursement for eligible public infrastructure improvements for the Project; and

WHEREAS, it is now necessary for the City Council to approve the Funding Agreement between the City and the Board of Directors for TIRZ #31 for the Project, **NOW THEREFORE:**

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

SECTION 1. The terms and conditions of a Funding Agreement with the Board of Directors of Tax Increment Reinvestment Zone #31, attached hereto as **Exhibit A**, are hereby approved.

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

SECTION 3. TIF Division staff is hereby authorized to amend the Midtown TIRZ Project and Finance Plans to include this Project.

SECTION 4. Reimbursement funds not to Exceed \$39,500,000.00 shall be received from Midtown Board of Directors of Tax Increment Reinvestment Zone #31 in accordance with their Funding Agreement with the City of San Antonio.

SECTION 5. The amount of \$37,000,000.00 is appropriated into Fund 29086024 TIRZ Midtown #31, IO# 390000002735, GL account 6102100 Interfund Transfer out entitled Trf fr 29086024 to 23-01561-90-14-03. The amount of \$37,000,000.00 is authorized to be transferred to Fund 45099000.

SECTION 6. The budget in SAP Fund 45099000 GO Capital Projects, Project 23-01561 Broadway Street Corridor (E. Houston to E. Hildebrand), shall be revised by increasing WBS 23-01600-90-14-01 with GL 6101100 by \$37,000,000.00 and by increasing the WBS Elements with GL Accounts in the table below by \$37,000,000.00.

WBS	GL	AMOUNT
23-01561-05-02-08-02	5201140	10,000,000.00
23-01561-05-02-08-03	5201140	10,000,000.00
23-01561-05-02-08-04	5201140	17,000,000.00

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TOTAL		\$34,000,000.00
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SECTION 7. The amount of \$2,500,000.00 is appropriated into Fund 29086024 TIRZ Midtown #31, IO# 390000002733, GL account 6102100 Interfund Transfer out entitled Trf fr 29086024 to 23-01600-90-14-01. The amount of \$2,500,000.00 is authorized to be transferred to Fund 45099000.

SECTION 8. The budget in SAP Fund 45099000 GO Capital Projects, Project 23-01600 N St. Mary's (EMistletoe Ave-W Josephine), shall be revised by increasing WBS 23-01600-90-14-01 with GL 6101100 and WBS 23-01600-05-02-08 with GL 5201140 each by \$2,500,000.00.

SECTION 9. 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 Fund Numbers, Project Definitions, WBS Elements, Internal Orders, Fund Centers, Cost Centers, Functional Areas, Funds Reservation Document Numbers, and GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 10. Payment not to exceed the budgeted amount is authorized to the City of San Antonio's Public Works Department and paid solely from the tax increment.

SECTION 11. 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 16th day of December, 2021.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca-Sittre
Interim City Clerk

Andrew Segovia, City Attorney

DRAFT

Exhibit A