

ORDINANCE 2020-12-10-0909

APPROVING A FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT BETWEEN TPP EPA, LLC, THE HOUSTON STREET TIRZ BOARD OF DIRECTORS, AND THE CITY OF SAN ANTONIO FOR THE TRAVIS GARAGE REHABILITATION PROJECT LOCATED AT 213 EAST TRAVIS STREET AND 711 NAVARRO STREET, WITHIN COUNCIL DISTRICT 1.

* * * * *

WHEREAS, the City of San Antonio (“City”) and the Houston Street TIRZ Board of Directors (“Board”) support programs which allow for economic development within its boundaries; and

WHEREAS, on July 8, 2019, in accordance with Chapter 311 of the Texas Tax Code (the “Act”), the Board and City entered into the Travis Garage Rehabilitation Project Development Agreement with Graystreet Travis Garage, LLC and Graystreet Travis Office, LLC (“Developers”) for the beautification of Travis Park Plaza, an eight-story office building and its garage; and

WHEREAS, the garage was subsequently sold by Developers to TPP EPA, LLC (“TPP”); and

WHEREAS, on October 14, 2020, the Board approved assignment of the rights and obligations of the Development Agreement to TPP and on December 10, 2020, the City Council authorized execution of the consent to the assignment; and

WHEREAS, TPP now requests that the terms and conditions of the Development Agreement be amended to expand the public improvements eligible for reimbursement and to extend the completion date of the Agreement; and

WHEREAS, on October 14, 2020, the Board adopted a resolution approving an amendment to include ADA compliant elevators and artwork improvements as eligible Project Costs and to extend the completion date of the project to December 31, 2021; and

WHEREAS, it is now necessary for the City Council to approve a First Amendment to the Development Agreement for the Travis Garage Rehabilitation Project. **NOW THEREFORE:**

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

SECTION 1. The terms and conditions of a First Amendment to the Development Agreement for the Travis Garage Rehabilitation Project are hereby approved. A copy of the First Amendment is attached to this Ordinance as **Exhibit A**.

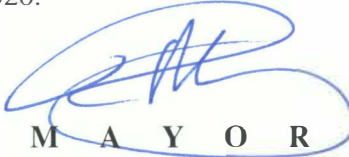
SECTION 2. The City Manager or his designee is hereby authorized to execute a First Amendment to the Development Agreement which has been incorporated into this Ordinance for all purposes.

SECTION 3. TIF Division staff is authorized to make necessary amendments to the Houston Street TIRZ Project and Finance Plan.

CR
12/10/20
Item No. 35B

SECTION 4. This Ordinance shall be effective upon passage by eight affirmative votes; otherwise it shall be effective on the tenth day after passage.

PASSED AND APPROVED this 10th day of December, 2020.




M A Y O R
Ron Nirenberg

ATTEST:



Tina J. Flores, City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney



City of San Antonio

City Council

December 10, 2020

Item: 35B

Enactment Number:

File Number: 20-7168

2020-12-10-0909

Ordinance approving a First Amendment to the Development Agreement between TPP EPA, LLC, Houston Street TIRZ Board of Directors, and City of San Antonio to revise the project completion date and project costs eligible for reimbursement for the Travis Garage Rehabilitation Project located at 213 East Travis and 711 Navarro Street.

Councilmember Jada Andrews-Sullivan made a motion to approve. Councilmember Adriana Rocha Garcia seconded the motion. The motion passed by the following vote:

Aye: 11 Nirenberg, Treviño, Andrews-Sullivan, Viagran, Rocha Garcia, Gonzales, Cabello Havrda, Sandoval, Pelaez, Courage and Perry

CR
12/10/20
Item No. 35B

EXHIBIT A

**FIRST AMENDMENT TO THE TRAVIS GARAGE REHABILITATION
PROJECT DEVELOPMENT AGREEMENT**

FOR VALUE RECEIVED, the receipt and sufficiency of which is acknowledged, this First Amendment to the Travis Garage Rehabilitation Project Development Agreement ("First Amendment") is entered into by and between the City of San Antonio ("City"), a Texas Municipal Corporation, acting by and through its City Manager pursuant to Ordinance 2020-_____, the Board of Directors for the Tax Increment Reinvestment Zone Number Nine City of San Antonio, Texas, known as the Houston Street TIRZ ("Board"), and TPP EPA, LLC ("TPP") together referred as the "Parties."

RECITALS

WHEREAS, on July 8, 2019, City, Board, GrayStreet Travis Garage, LLC and GrayStreet Travis Office, LLC entered into a Development Agreement (the "Agreement") authorized by City of San Antonio Ordinance No. 2019-06-13-0521, passed and approved on June 13, 2019, and attached hereto as ATTACHMENT A; and

WHEREAS, on _____, 2020, through City Council Ordinance _____, City approved an Assignment of Rights and Obligations Agreement between GrayStreet Travis Garage, LLC and GrayStreet Travis Office, LLC to TPP; and

WHEREAS, the Parties now seek to amend the terms and conditions of the Agreement to expand the public improvements eligible for reimbursement and to extend the completion date of the Agreement.

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

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

(A) 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 design, construction, installation and implementation of public improvements located at 213 East Travis Street and 711 Navarro Street, namely the construction of streetscape improvements, , as well as the addition of landscaping and canopies surrounding the building. Developers shall construct or cause to be constructed public infrastructure and public improvements associated with the Project to include items such as, without limitation, demolition, geotechnical work and archaeological work, facade and glazing, building canopies, garage lighting, ADA compliant elevators, artwork improvements, landscaping, and paving. The Project is anticipated to commence on December 31, 2019 (provided, however, that Developers may commence sooner), and shall be completed no later than December 31, 2021.

(B) 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 Developers for performance of the obligations under this Agreement. Neither the City nor the Board can guarantee that Available Tax Increment shall completely reimburse Developers. Available Tax Increment shall constitute a source of reimbursement to Developers for construction of the Public Improvements, namely façade and glazing, landscaping, garage lighting, artwork improvements, and ADA compliant elevators at the Project site. Reimbursement for each individual item, such as the artwork, is subject to Developer's receipt of approval by any required City department and/or board or commission. Total reimbursement to Developers from the TIRZ Fund will not exceed ONE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS AND NO CENTS (\$1,250,000.00). Developers are eligible for reimbursement of eligible Project Costs as of the effective date of this Agreement. The Terms by which eligible Project Costs will be reimbursed are further defined in Article VIII. Compensation to Developers and Exhibit G, attached hereto and incorporated herein for all purposes.

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

DELAYS. Developers are responsible for the Project's construction, which shall be completed no later than December 31, 2021. If the commencement or completion of the Project is delayed by reason(s) beyond the Developers' control, 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 Developers do 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 Developers fail to complete the Project in compliance with the revised Construction Schedule, other than as a result of force majeure, this constitutes a material breach.

(D) The document attached hereto as ATTACHMENT B reflects agreed upon revisions to Exhibit G Project Cost Eligible for Reimbursement. All references to Exhibit G in the Agreement shall mean as revised by this First Amendment.

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.

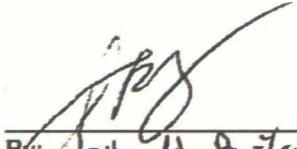
REST OF PAGE LEFT INTENTIONALLY BLANK

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

CITY OF SAN ANTONIO,
a Texas Municipal Corporation

City Manager or his designee
Date: _____

TPP EPA, LLC



By: Joseph Alan Bur-Tashin
Date: 10/30/2020

BOARD OF DIRECTORS
Houston Street TIRZ #9



Roberto Trevino, Board Chair
Date: 11-9-20

ATTEST/SEAL

City Clerk

APPROVED AS TO FORM:

Assistant City Attorney

ATTACHMENT A

ATTACHMENT B

- Landscaping upgrades for building perimeter –based on renderings Perimeter/exterior lighting upgrades
- Office buildings façade upgrades & new canopies
- Garage upgrades -exterior - power wash, paint, signage
- Garage upgrades -interior - paint interior, re-stripe, new signage
- Garage parking equipment replacement (garage and surface lot)
- Garage elevator upgrades including modernization and cosmetic upgrades
- Artwork improvements