

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

ORDINANCE

AUTHORIZING A CHAPTER 380 ECONOMIC DEVELOPMENT INCENTIVE FUND (EDIF) GRANT AGREEMENT WITH TEXAS RESEARCH AND TECHNOLOGY FOUNDATION IN AN AMOUNT NOT TO EXCEED \$750,000.00 FOR THE FOR THE ESTABLISHMENT OF THE VELOCITYTX BIO AND LIFE SCIENCES INNOVATION CENTER IN COUNCIL DISTRICT 2.

* * * * *

WHEREAS, the Texas Research and Technology Foundation (TRTF) is a non-profit organization founded in 1984 focusing on life science and technology-based economic development in San Antonio, with an emphasis on emerging technologies and commercialization; and

WHEREAS, TRTF established VelocityTX in 2017 as the organization’s innovation, commercialization, and entrepreneurial development-focused subsidiary; and

WHEREAS, TRTF intends to establish the Velocity TX Innovation Center at the Project Site to provide a physical space for life science and technology commercialization support for startup companies to include lab/office/meeting space, mentoring, capital resources, coaching and training, and institutional networking throughout the community and region; and

WHEREAS, TRTF will be required to retain seven (7) jobs at the project site and host a Workforce Development Summit for Eastside businesses and entrepreneurs in partnership with development agencies, area schools, and local universities to help develop capacity in this target industry; and

WHEREAS, this Ordinance will provide a performance-based grant in the amount of up to \$150,000.00 each year for five years in amount up to \$750,000.00 to augment programming and VelocityTX business activities related to startup support; and

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code, the City of San Antonio (the “City”) is authorized to establish and provide for the administration of one or more programs, including programs for making grants of public money to promote state or local economic development and to stimulate business and commercial activity in the municipality; and

WHEREAS, in accordance with City Ordinance No. 100684, the City created an Economic Development Program for the purpose of making grants available for economic development projects that the City finds will accomplish the purpose and goals of Chapter 380; and

KRH
02/____/19
Item No. _____

WHEREAS, the City finds that the goals of Chapter 380 will be met by assisting TRTF in undertaking and completing the project and has identified economic development funds for use in carrying out this purpose; **NOW THEREFORE**:

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

SECTION 1. The City Council hereby approves the terms and conditions of an Economic Development Incentive Fund Grant Agreement with Texas Research and Technology Foundation.

SECTION 2. The City Manager or her designee is authorized to execute an Economic Development Incentive Fund (EDIF) Grant Agreement with Texas Research and Technology Foundation in accordance with this Ordinance. A copy of the Agreement, in substantially final form, is attached to this Ordinance as **Attachment I**. The final agreement shall be filed with this Ordinance upon execution.

SECTION 3. Funding for the Chapter 380 EDIF grant agreement in the amount of \$750,000.00 is available in Fund 29059000, Cost Center 1604010001 and General Ledger 5201040 as part of the Fiscal Year 2019 Budget.

SECTION 4. Payment not to exceed the budgeted amount is authorized to Texas Research and Technology Foundation (TRTF) to support the Merchant's Ice redevelopment and the programmatic and business operations of VelocityTX. Payments will be made over five years and is performance-based within the terms of this agreement.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 6. This Ordinance shall become effective immediately upon its passage by eight (8) votes or more and upon ten (10) days following its passage if approved by fewer than eight (8) votes.

PASSED AND APPROVED this _____ day of February, 2019.

M A Y O R
Ron Nirenberg

KRH
02/____/19
Item No. _____

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek
City Clerk

Andrew Segovia
City Attorney

DRAFT

ATTACHMENT I

DRAFT