

**FIRST AMENDMENT
TO FUNDING AGREEMENT**

FOR VALUE RECEIVED, the receipt and sufficiency of which is hereby acknowledged, this First Amendment to the Funding Agreement (“First Amendment”) is entered into by the City of San Antonio (“City”), a Texas Municipal corporation, acting by and through its City Manager pursuant to and duly authorized by Ordinance No. _____, passed and approved on _____, 2015, and the Guadalupe Cultural Arts Center (“Grantee”), a Texas Non-profit Corporation, acting by and through its duly authorized designated officer.

A. City and Grantee entered into the Funding Agreement (“Agreement”) pursuant to City of San Antonio Ordinance No. 2013-09-05-0585, dated September 5, 2013.

B. City and Grantee agree to amend specific provisions of the Agreement as set out in this First Amendment.

1. Section 2.03 shall be deleted in its entirety and replaced with the following:

“Current budget estimates of the Project are \$828,000. A copy of the Budget for the Project is attached and incorporated herein as Exhibit C. The value of the property described in Exhibit A is estimated at \$681,677. Additionally, Grantee shall provide all necessary funding for the Project beyond the City’s commitment contained herein. In the event the scope of the project is adjusted downward, the City shall have the option of adjusting its commitment downward accordingly. City is not responsible for any cost overruns unless agreed to in writing in accordance with this Agreement.”

2. Section 2.06 shall be revised to reflect that Jerry Ruiz is Grantee’s Executive Director.

3. Section 3.07 shall be added as follows:

“COMPLIANCE WITH BOND COVENANTS
Grantee shall not use, or permit the use of, City Funds, or earnings thereon, or any other amounts or any property, the acquisition, construction, or improvement of which is to be financed directly or indirectly with City Funds or earnings thereon, in a manner which, if used or permitted to be used, respectively, would cause the interest on the City's debt to be includable in the gross income of the bond owners for federal income tax purposes. In addition, purposes which are NOT permissible include, but are not limited to religious activities, and, restaurants, cafés, and retail stores.”

4. **Section 4.03** shall be deleted in its entirety and replaced with the following:

“The Project improvements shall be used for renovations including a public space to house archival cultural artifacts, a historical museum, improvements to vertical circulation and ADA accessibility for the upstairs areas, all of which shall be available to City and open to the public during the entire term of the Lease, attached as Exhibit A, and the term of the Bonds issued in connection with the Project.”

5. **Section 13.01** shall be deleted in its entirety and replaced with the following:

“As a party to this Agreement, Grantee understands and agrees to comply with the *Non-Discrimination Policy* of the City of San Antonio contained in Chapter 2, Article X of the City Code and further, shall not discriminate on the basis of race, color, religion, national origin, sex, sexual orientation, gender identity, veteran status, age or disability, unless exempted by state or federal law, or as otherwise established herein.”

Except as otherwise expressly modified hereby, all terms and provisions of the Agreement are ratified and confirmed and shall remain in full force and effect, enforceable in accordance with their terms.

EXECUTED AND SIGNED this _____ day of _____, 2015.

CITY OF SAN ANTONIO

**GUADALUPE CULTURAL ARTS
CENTER**

Sheryl Sculley
City Manager

Jerry Ruiz
Executive Director

APPROVED AS TO FORM:

City Attorney