

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

AN ORDINANCE

AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE DEVELOPMENT AGREEMENT INCREASING THE FUNDING AUTHORIZATION BY \$30,000.00 FOR A TOTAL AMOUNT NOT TO EXCEED \$330,000.00 BETWEEN THE CITY OF SAN ANTONIO, THE INNER CITY TIRZ BOARD OF DIRECTORS AND WITH MLK GARDEN HOMES, LLC IN ORDER TO SUPPORT PUBLIC INFRASTRUCTURE AND IMPROVEMENTS.

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WHEREAS, on November 17, 2016, MLK Garden Homes, LLC (“Developer”) submitted a funding request to the City’s Tax Increment Financing Program; and

WHEREAS, after negotiations, City staff and Developer agreed to an amount not to exceed \$300,000.00 in Inner City TIRZ funding to be drawn on a reimbursement basis to be utilized to address utility and street improvements necessary to facilitate the development of 12 single family affordable homes (“MLK Garden Homes, LLC Project”); and

WHEREAS, on December 9, 2016, the Inner City TIRZ Board approved a Resolution awarding up to \$300,000.00 of TIRZ funding to Developer for the MLK Garden Homes, LLC Project located at Martin Luther King Drive and Aurelia Street within the TIRZ and Council District 2; and

WHEREAS, Developer is currently in the process of closing on 10 surplus lots from the City of San Antonio at a cost of \$75,000.00 and under contract to acquire two additional parcels necessary to assemble the land required to complete the project; and

WHEREAS, Developer was awarded SAWS Impact Fee waivers in the amount of \$19,000.00 and is awaiting notification regarding ICRIP approval; and

WHEREAS, on February 10, 2017, the Inner City TIRZ Board approved a Resolution authorizing a Development Agreement with MLK Garden Homes, LLC in an amount not to exceed \$300,000.00 and subsequently, on March 30, 2017, received like City Council approval; and

WHEREAS, since the approval of the Development Agreement, the Developer experienced additional City requirements resulting in increased overall costs in the amount not to exceed \$30,000.00 necessary to facilitate the project’s completion; specifically, to provide a bicycle lane in front of the property along Martin Luther King Boulevard, to facilitate additional geotechnical requirements, and to alleviate unforeseen costs associated with utility improvements along the alleyway associated with the project; and

WHEREAS, on December 8, 2017, the Inner City TIRZ Board considered and approved a Resolution authorizing an Amendment to the Development Agreement to increase the funding authorization from \$300,000.00 to \$330,000.00 for the MLK Garden Homes, LLC Project, and City Council approval is now required; **NOW THEREFORE**,

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

SECTION 1. City Council hereby authorizes the execution of an Amendment to the current Development Agreement between the City of San Antonio, the Inner City TIRZ Board of Directors and MLK Garden Homes, LLC, as presented in substantially final form in **Attachment A**, to provide additional funding in an amount not to exceed THIRTY THOUSAND DOLLARS AND NO CENTS (\$30,000.00) for a total approved funding amount not to exceed THREE HUNDRED THIRTY THOUSAND DOLLARS AND NO CENTS (\$330,000.00), in reimbursable available tax increment for the Project located at Martin Luther King Drive and Aurelia Street, San Antonio, Texas.

SECTION 2. City staff is authorized to amend the Inner City TIRZ Project and Finance Plans to include this Project.

SECTION 3. There is no fiscal impact to the City's General Fund.

SECTION 4. This Ordinance becomes effective immediately upon its passage by eight affirmative votes; otherwise it shall become effective on the tenth day after passage thereof.

PASSED and APPROVED this **th** day of , **2018**.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney

ATTACHMENT A

DRAFT