

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (this "MOA") is entered into on this 13th day of December, 2016, by and between the City of San Antonio ("City"), a Texas municipal corporation, and Grupo La Gloria ("La Gloria"), a Texas Limited Liability Company. Together, the City and La Gloria may be referred to herein as the "Parties," and, individually, as a "Party."

The Parties have engaged in preliminary discussions concerning a proposed project that would consist of the redevelopment of La Villita Historic Arts Village, a City-owned property, into a culinary destination in San Antonio (the "Project"). The Project is anticipated to benefit the City by promoting local economic development and tourism and stimulating business and commercial activity in the City's Central Business District.

This MOA outlines certain general parameters under which the City and La Gloria would be willing to pursue the negotiation of a detailed binding definitive agreement (the "Definitive Agreement(s)") on the Project encapsulating all commitments, obligations and responsibilities of the Parties. This MOA is not, nor is it intended to be, an exhaustive or complete discussion of the terms and conditions set forth herein or of any prospective agreement, but is only intended to provide a non-binding framework for focusing negotiations for a future Definitive Agreement(s).

I. Parameters of Negotiations.

Subject to the foregoing and the other provisions hereof regarding the non-binding nature of this MOA, the following are general parameters pursuant to which the City and La Gloria would commence negotiations on a future binding agreement:

- A. The completion of a concept plan in accordance with Exhibit A.
- B. Additional due diligence by La Gloria on the City-owned property.
- C. An agreement by the Parties to engage in the development of a binding agreement.

II. Financial Commitment

While this MOA is intended to be non-binding and preliminary to the Definitive Agreement(s), the Parties seek to share in the costs associated with undertaking the development of a conceptual plan for the Project and conducting due diligence necessary to develop a Definitive Agreement(s). The City and La Gloria each agree to contribute TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) for a cumulative total of FIFTY THOUSAND DOLLARS AND 0 CENTS (\$50,000.00) towards the necessary and reasonable costs for conducting such due diligence and undertaking the development of a conceptual design plan. The Parties agree that each Party will be obligated to pay such funds directly to an agreed upon third-party consultant upon invoicing by such consultant to conduct the due diligence and undertake the development of a conceptual design plan. If, during the due diligence process, the Parties determine the property is unsuitable for La Gloria's purposes, the Parties may terminate this MOA.

III. Non-Binding

With the exception of the financial commitments made in Article II, this MOA is intended to be non-binding and is entered into solely for the purpose of providing a framework for future negotiations between the Parties. The execution and delivery hereof by the City or La Gloria shall not, and does not, create any contractual rights or obligations to enter into the Definitive Agreement(s), nor shall the submission or acceptance of this MOA constitute any offer by any party to enter into any future transaction with the other or bind any party to pursue a transaction with the others concerning the subject matter of this MOA. No Party hereto shall have any obligations unto the other until such time as the Definitive Agreement(s) is fully negotiated, drafted, executed and delivered by and between them. Furthermore, with the exception of the financial obligations undertaken in Article II of this MOA, any Party may, at any time prior to the execution and delivery of the Definitive Agreement(s), abandon discussions concerning the subject matter of this MOA without liability.

IV. **Conditions Precedent**

It is understood by each respective Party that the any obligations or representations made in this MOA are subject to the approval of City's governing body.

V. **Public Announcements**

All press conferences, press releases and other public statements or announcements regarding the Parties' activities, the specific terms of this MOA, the negotiation or existence of the Definitive Agreement, or the status thereof will be made jointly by the Parties.

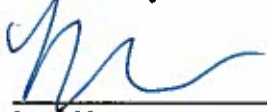
VI. **Entire Agreement**

This MOA embodies the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, relating to the subject hereof.

Signatures appear on next page.

IN WITNESS HEREOF, the Parties hereto have caused this MOA to be executed by their duly authorized officers as of this the 20 day of December, 2016.

For the City of San Antonio:



Lori Houston
Assistant City Manager

For Grupo La Gloria:

DocuSigned by:



C:1270AE101584E3

Johnny P. Hernandez
President

APPROVED AS TO FORM:



City Attorney

Attachments: Exhibit A: Fisher Heck Architects Scope of Work

EXHIBIT A: FISHER HECK SCOPE OF SERVICES

Fisher Heck

ARCHITECTS

December 8, 2016

Mr. Johnny Hernandez
411 E. Cevallos
San Antonio, TX 78204

Ms. Rhea Roberts
City Hall
San Antonio, TX 78205

Dear Johnny and Rhea:

It has been our pleasure to meet both of you during the last few weeks. We are excited about your concepts for Maverick Plaza and La Villita. Having worked in La Villita before, it is refreshing to have the City Management and a creative developer sharing ideas about what La Villita could become.

It is our understanding that we will be working with both Johnny Hernandez and the City of San Antonio (the development team) in a feasibility study to develop concepts for how Maverick Plaza can be upgraded and energized as an enclave of interesting places to eat and shop, enlivened by programmed musical and artistic events. The purpose of the feasibility study and time period (six months) will be for all parties to develop a better understanding of what can be done, understand general costs for the project, and to receive preliminary approvals from stakeholder groups so that the development team agrees to proceed with the project.

The character of La Villita and San Antonio will be used as the basis for the redevelopment knowing that we must satisfy numerous groups and individuals who want to maintain the special character of this unique place while not creating a false sense of history.

Preliminary Concepts:

La Villita and Maverick Plaza can become a wonderful and charming place.

Make the plaza comfortable for as much of the year as possible through the use of shade trees, porches, misters, fans, wind screens and building placement to catch prevailing breezes.

Optimize the use of the area by developing presently dead-end corners, extending the plaza to adjacent street edges, eliminating unnecessary landscaping and developing accessible second-level space with views into the plaza and into the surrounding city.

Reinforce La Villita as a unique Texas place.

Fisher Heck Inc. Architects proposes to provide the following services.

Assumptions:

Our design services will encompass Maverick Plaza, streetscape and connections at adjacent Alamo Street and Presa Street, Building #25 Pop Up Shop, Concession Building #26, Restroom Building, and La Villita History Center Building #15.

We will work with the City of San Antonio to develop a "Best Practices" document that references similar developments and recommend strategies for La Villita.

Community Collaboration:

We understand the value of engaging and supporting our community. We will make opportunities for collaboration with the design team through design charrettes and/or alternate participation methods to provide input and positively influence the city we live, work, and play in.

PHASE ONE - Programming

1. Review a new boundary and improvements survey of the plaza provided by the City from Ford Engineering.
2. Develop preliminary historical information and collect photographs related to the history of the Maverick Plaza area before 1970 to assist us in understanding what was once there.
3. Receive programming information from Johnny Hernandez related to his preliminary thoughts and concepts for the development.
4. Develop an Image and Materials board that suggest the character of the proposed project.

PHASE TWO – Concept Site Planning and Design

1. Prepare a Preliminary Site Plan for review by the development team. Receive input and suggestions. Preliminary progress plans will be developed in Sketch form.
2. Revise and update Preliminary Site Plan.
3. Develop Conceptual Plans for each of three restaurant buildings.
4. Develop Conceptual Plans for courtyard spaces to be used for dining, listening to music, entertainment, and people watching.
5. Provide options for developing a stage area for showcasing musical talent and fostering cultural values.
6. Suggest landscaped areas, including the use of trees for shading outdoor areas.
7. Develop pedestrian connections to connect La Villita to other downtown activity centers:
 - a. North to the River Walk
 - b. North to Alamo Plaza
 - c. South along Alamo Street to Southtown
 - d. East into the Hemisfair Civic Park and Yanaguana Gardens,
 - e. And West (along Nueva Street) to the government center and the Zona Cultural.

8. Redesign the eastern edge of La Villita (along Alamo Street) to eliminate the barriers that hide La Villita design improvements which make its most visible side more inviting and usable.
9. Identify potential spaces for vendor carts, food trucks, market stalls or other “temporary” facilities to enliven the plaza and street spaces.
10. Develop schemes for increasing parking within the immediate area on City of San Antonio property.
11. Provide one Rendered Site Plan
12. Provide one Rendered Ground Level Perspective

PHASE THREE – Conceptual Building Design

1. Prepare architectural concepts for restaurants and retail business built around a central plaza or a series of courtyards. Concepts will be developed in cooperation with Mr. Hernandez and his associates and partners. They will provide written lists of uses and space requirements to be tested out in the concept building plans.
2. Prepare gross square footage sizes of the proposed buildings.
3. Determine approximate seating available inside and outside of buildings for each venue.
4. Calculate approximate square footages of kitchens for each proposed restaurant
5. Develop concepts for structures that will enliven all sides of the Plaza

PHASE FOUR – Cost Estimation

1. Create an opinion of probable cost for the project
 - a. Opinion of probable cost will be developed using local industry standard cost per square foot and materials cost.

PHASE FIVE - Reviews and preliminary approvals

1. Present conceptual plans to the following individuals, groups and organizations:

Councilman Roberto Trevino

Staff of the City Manager’s Office

The Architecture Committee of the Historic and Design Review Commission

HPARC Executive Director

San Antonio Conservation Society and NIOSA

La Villita Tenants Association

San Antonio City Council

2. Incorporate the suggestions and requirements of these groups into the final concept plan and information packet as agreed to by Johnny Hernandez and the City Manager.

The above services describe the general tasks and services to be provided by Fisher Heck Architects Inc. After these services are completed, we hope our firm can continue to be involved in the architecture, landscaping and urban design needed to build this new place.

We propose that these services will be accomplished for the fixed fee of \$50,000.00.

Please call us after you have reviewed this proposal and we can meet to discuss the services and the fee.

Best Regards,

A handwritten signature in black ink, appearing to read "Lewis S. Fisher". The signature is written in a cursive, flowing style.

Lewis S. Fisher, AIA
Principal
Fisher Heck Inc. Architects