

ORDINANCE 2018-12-13-1039

**AUTHORIZING THE EXECUTION OF A CHAPTER 380 ECONOMIC DEVELOPMENT LOAN AGREEMENT UP TO \$446,895 TO 401 EAST HOUSTON STREET, LLC FOR THE BURNS BUILDING REDEVELOPMENT PROJECT LOCATED AT 401 EAST HOUSTON STREET IN COUNCIL DISTRICT 1.**

\* \* \* \* \*

**WHEREAS**, City of San Antonio's ("City") Center City Development and Operations Department ("CCDO") continues to encourage and incentivize retain development along the Houston Street corridor, where both the City and partner organizations have provided significant public infrastructure investment; and

**WHEREAS**, the Burns Building Redevelopment is the renovation of a five-story historic building constructed in 1918 located at 401 East Houston Street in Council District 1 with an estimated development cost of \$11.3 million for 39,413 square feet of office space as well 14,449 square feet of retail space along Houston and Jefferson Streets; and

**WHEREAS**, 401 East Houston Street, LLC approached the City about implementing a concept unique to San Antonio on the existing street right-of-way along the east side of Jefferson Street between Houston Street and Peacock Alley called a parklet, where a parklet is the repurposing of a portion of an existing right-of-way into a public spaced intended to enhance the streetscape and create increased public open spaces by providing amenities such as seating, planting, bike parking, and art; and

**WHEREAS**, 401 East Houston Street, LLC submitted a request for TIRZ funding for eligible Burns Building and parklet improvements and the Houston TIRZ Board approved Resolution T09 2018-06-25-01R for staff to fund and negotiate an agreement to assist with public improvements related to the project; and

**WHEREAS**, TIRZ staff and 401 Houston Street, LLC agreed to fund \$225,880 in Houston Street TIRZ funds for the proposed Parklet and other eligible building related improvements; and

**WHEREAS**, City staff is recommending a five (5) year forgivable development loan in the amount of \$446,895, funded by the Inner City Incentive fund. The loan will be forgiven at 20% per year provided that the space remains occupied for at least 80% of each year; **NOW THEREFORE**,

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

**SECTION 1.** The City Manager and her designee, severally, are authorized and directed to execute a Chapter 380 Economic Development Loan Agreement substantially similar to

**Attachment I** for up to \$446,895 to 401 East Houston Street, LLC for the building and parklet improvements where the loan will be forgivable over 5 years at 20% per year provided that the space remains occupied for at least 80% of each year.


**SECTION 2.** Funding in the amount of \$446,895.00 is available in Fund 29104000, Cost Center 1909010001 and General Ledger 5201040 as part of the FY2019 Budget.

**SECTION 3.** Funds will be encumbered and payment is authorized to 401 East Houston Street, LLC.

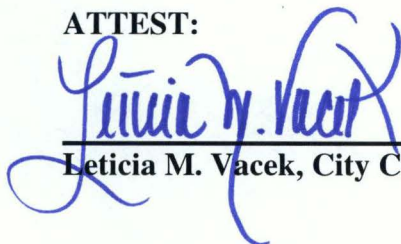
**SECTION 4.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, 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 5.** This Ordinance becomes effective 10 days after passage, unless it receives the eight votes requisite to immediate effectiveness under San Antonio Municipal Code § 1-15, in which case it becomes effective immediately.


**PASSED AND APPROVED** this 13<sup>th</sup> day of December, 2018.

  
M A Y O R  
Ron Nirenberg

**ATTEST:**

  
Leticia M. Vacek, City Clerk

**APPROVED AS TO FORM:**

  
Andrew Segovia, City Attorney



<b>Agenda Item:</b>	<b>50B ( in consent vote: 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15A, 15B, 16A, 16B, 16C, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 36, 37, 38, 39, 40, 41, 43, 44, 45, 46, 47, 48, 49A, 49B, 50A, 50B, 50C, 51A, 51B, 51C, 52, Z-1, 53, Z-2 )</b>						
<b>Date:</b>	12/13/2018						
<b>Time:</b>	11:10:11 AM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	Ordinance approving a Chapter 380 Economic Development Loan Agreement for up to \$446,895 to 401 East Houston Street, LLC for the building and Parklet improvements. Funding in the amount of \$446,895 is available in the Inner City Incentive Fund FY 2019 Adopted Budget.						
<b>Result:</b>	Passed						
<b>Voter</b>	<b>Group</b>	<b>Not Present</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain</b>	<b>Motion</b>	<b>Second</b>
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x				
William Cruz Shaw	District 2		x				x
Rebecca Viagran	District 3		x			x	
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8	x					
John Courage	District 9		x				
Clayton H. Perry	District 10		x				