

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

ORDINANCE

AUTHORIZING EXECUTION OF A DEVELOPMENT AGREEMENT WITH HEALY MURPHY CENTER, INC. FOR THE HEALY MURPHY CHILD DEVELOPMENT CENTER PROJECT IN AN AMOUNT NOT TO EXCEED THREE HUNDRED THOUSAND DOLLARS AND ZERO CENTS (\$300,000.00) LOCATED AT 611 CHESTNUT STREET IN CITY COUNCIL DISTRICT 2 AND WITHIN THE INNER CITY TIRZ.

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WHEREAS, tax increment financing is an economic development tool authorized by the Tax Increment Financing Act (the “Act”), Texas Tax Code 311; and

WHEREAS, in accordance with the Act the City of San Antonio (“City”) through Ordinance No. 93101 established the Inner City TIRZ and Board of Directors (“Board”) and authorized it with all the rights, powers, and duties provided by the Act to such boards in order to promote the development and revitalization activities within the TIRZ; and

WHEREAS, the City and the Board recognize the importance of their contribution to economic development, community development, planning and urban design; and

WHEREAS, the Board continues to support development activities and actively participates in the funding of development projects that enhance the value of all the taxable real property in the TIRZ and that benefit the City; and

WHEREAS, on September 5, 2018, Healy Murphy Center, Inc. submitted a request for TIRZ funding for the Healy Murphy Child Development Center Project to be located at 611 Chestnut Street in Council District 2. The total development cost of the project is approximately Five Million Four Hundred Thousand Dollars and Zero Cents (\$5,400,000.00), which includes public infrastructure improvements; and

WHEREAS, the Child Development Center provides daycare and educational services to children ages 6 weeks to 5 yrs., offering a dynamic curriculum to help children build the social, emotional and cognitive skills necessary to grow up happy, healthy, and ready for school. The center caters to working families of modest income that may have difficulty affording childcare needed to work; and

WHEREAS, the Project Property will be a one-story structure with architectural design complementing existing structures located on adjacent lots, and public improvements include sidewalks, landscaping, and lighting along Chestnut St. and Nolan St., which is currently occupied by a vacant industrial building. The corner lot will allow public access to parking near downtown when the facility is closed; and

WHEREAS, on August 14, 2018, the Board approved Resolution T11 2018-08-14-0SR granting TIF Unit staff general authority to negotiate agreements to provide funding in available tax increment within the boundary of the TIRZ; and

WHEREAS, On December 7, 2018, the Board approved Resolution T11 2018-12-07-02R authorizing execution of the Development Agreement with Healy Murphy Center, Inc. to provide reimbursement in an amount not to exceed \$300,000.00 for eligible expenses to include sidewalks, curbs, drainage improvements, storm drains, landscaping, exterior lighting, infrastructure repairs, architecture, and engineering; **NOW THEREFORE:**

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

SECTION 1. City Council hereby approves the terms and conditions of the Healy Murphy Child Development Center Development Agreement. The City Manager or his or her designee is authorized to execute this Agreement, a copy of which is set forth in **ATTACHMENT I**.

SECTION 2. This Ordinance authorizes the commitment in an amount not to exceed Three Hundred Thousand and Zero Cents (\$300,000.00) in reimbursable tax increment funding from the Inner City TIRZ Tax Increment Fund to Healy Murphy, Inc. for public infrastructure and public improvements for the Healy Murphy Child Development Center located within District 2.

SECTION 3. TIF Unit staff is authorized to amend the Inner City TIRZ Project and Finance Plan to include this Project.

SECTION 4. Funding in the amount of \$300,000.00 for this ordinance is available in Fund 29086007, Cost Center 070329001 and General Ledger 5201040, as part of the Fiscal Year 2019 Budget.

SECTION 5. Payment not to exceed the budgeted amount is authorized to Healy Murphy Center, Inc. and paid solely from the tax increment generated.

SECTION 6. 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 7. This Ordinance shall be effective immediately upon passage by eight affirmative votes; otherwise, it shall be effective on the tenth day after passage.

SMB
01/17/19
Item No.

PASSED AND APPROVED this 17th day of January 2019.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney