

**CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM GRANT AGREEMENT  
BETWEEN THE CITY OF SAN ANTONIO AND ACCENTURE FEDERAL SERVICES**

This Economic Development Program Grant Agreement (hereinafter referred to as this "Agreement") is made and entered into by and between the **City of San Antonio** (the "GRANTOR"), a municipal corporation of the State of Texas, acting by and through its City Manager or her designee, and **Accenture Federal Services** (hereinafter referred to as "GRANTEE"). Together, the GRANTOR and GRANTEE may be referred to herein as the "Parties."

**WHEREAS**, GRANTEE provides a broad range of services and solutions in strategy, consulting, digital, technology, and operations; and

**WHEREAS**, GRANTEE is engaged in an economic development project consisting of expanding its delivery service operations in San Antonio with a focus in IT and computer programming at its three San Antonio, TX locations located at 10931 Laureate Drive, 7050 Fairgrounds Parkway and 112 E. Pecan St. Suite 2950 and more specifically described in Exhibit A, (the "Project Sites"), investing approximately \$5,000,000 in aggregate real and personal property improvements, creating 500 new Full-Time Jobs of which 250 will earn at least \$50,000 annually, and investing in Apprenticeships and workforce training (the "Project"); and

**WHEREAS**, GRANTEE has requested economic development incentive funds to assist GRANTEE to defer costs associated with undertaking and completing the Project at the Project Sites; and

**WHEREAS**, pursuant to Chapter 380 of the Texas Local Government Code, GRANTOR is authorized to grant funds to promote state or local economic development and to stimulate business and commercial activity in the municipality and pursuant to City Ordinance No. 100684 GRANTOR adopted an economic development program which meets the requirements of Chapter 380 of the Texas Local Government Code; and

**WHEREAS**, GRANTOR has identified funds to be made available to incentivize GRANTEE to undertake and complete the Project at the Project Sites; and

**WHEREAS**, the City Council of GRANTOR has authorized the City Manager or her designee to enter into this Agreement with GRANTEE in accordance with City Ordinance No. \_\_\_\_\_ passed and approved on \_\_\_\_\_, 2019, to grant said funds; **NOW THEREFORE:**

The Parties hereto severally and collectively agree, and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described:

## Table of Contents

ARTICLE 1.	DEFINITIONS .....	3
ARTICLE 2.	AGREEMENT PURPOSE .....	4
ARTICLE 3.	GRANTEE REQUIREMENTS .....	4
ARTICLE 4.	BUSINESS ACTIVITIES.....	5
ARTICLE 5.	ECONOMIC DEVELOPMENT PROGRAM GRANT .....	6
ARTICLE 6.	RESERVED.....	8
ARTICLE 7.	TERM PERIOD .....	8
ARTICLE 8.	GRANTOR’S OBLIGATIONS.....	8
ARTICLE 9.	RETENTION AND ACCESSIBILITY OF RECORDS.....	8
ARTICLE 10.	MONITORING AND REPORTING.....	9
ARTICLE 11.	CONFLICT OF INTEREST .....	10
ARTICLE 12.	SECTARIAN ACTIVITY .....	11
ARTICLE 13.	LEGAL AUTHORITY .....	11
ARTICLE 14.	GOVERNING LAW AND VENUE.....	11
ARTICLE 15.	ATTORNEY’S FEES .....	11
ARTICLE 16.	CHANGES AND AMENDMENTS.....	12
ARTICLE 17.	SUSPENSION .....	12
ARTICLE 18.	DEFAULT, TERMINATION AND RECAPTURE, AND OTHER REMEDIES .....	12
ARTICLE 19.	AUTHORIZED RELIEF FROM PERFORMANCE (Force Majeure).....	16
ARTICLE 20.	SPECIAL CONDITIONS AND TERMS .....	16
ARTICLE 21.	TIME IS OF THE ESSENCE & REASONABLENESS .....	16
ARTICLE 22.	NO WAIVER.....	16
ARTICLE 23.	NON-ASSIGNMENT.....	17
ARTICLE 24.	ENTIRE AGREEMENT.....	17
ARTICLE 25.	NOTICE.....	17
ARTICLE 26.	INCORPORATION OF EXHIBITS.....	18

## ARTICLE 1. DEFINITIONS

1. **“All Industry Wage”** means a wage at or exceeding SIXTEEN DOLLAR AN TWENTY-NINE CENTS (\$16.29) an hour exclusive of benefits, bonuses, overtime, commissions, shift differentials, and any other non-guaranteed wages.
2. **“Annual Certification”** is defined in ARTICLE 10.
3. **“Business Activities”** is defined in ARTICLE 4.
4. **“City Council”** means the City Council of the City of San Antonio, Texas.
5. **“Full-time Job”** means a job by which an individual who works at the Project Sites as an employee of GRANTEE is paid for the equivalent of approximately two thousand eighty (2,080) straight-time paid hours in a fiscal year.
6. **“Apprenticeship”** means a paid pre-employment position designed to develop skills and knowledge for possible employment with GRANTEE.
7. **“Apprenticeship Grant”** is defined in ARTICLE 5(C).
8. **“Apprenticeship Grant Cap”** is defined in ARTICLE 5(C).
9. **“Grant Term”** is defined in ARTICLE 7 .
10. **“Living Wage”** means a wage of TWELVE DOLLARS AND SEVEN CENTS (\$12.07) an hour exclusive of benefits, bonuses, overtime, commissions, shift differentials, and any other non-guaranteed wages.
11. **“OSHA”** means the Occupations Safety and Health Administration.
12. **“Performance Grant”** is defined in ARTICLE 5(A).
13. **“Performance Grant Cap ”** is defined in ARTICLE 5(A).
14. **“Project Sites”** is defined in Exhibit A.
15. **“Recapture Term”** is defined in ARTICLE 7.
16. **“Records”** is defined in ARTICLE 9.
17. **“Related Organization”** means a parent, subsidiary or affiliate organization of GRANTEE or any entity which succeeds to or receives an assignment of GRANTEE’s interest under this Agreement as a result of a merger, acquisition, or other corporate restructure or reorganization of GRANTEE, or any parent, subsidiary or affiliate of such entity.
18. **“Relocate”, “Relocation” and/or “Relocated”** is defined in ARTICLE 18.
19. **“Term”** is defined in ARTICLE 7.

20. **“Training Grant”** is defined in ARTICLE 5(B).
21. **“Training Grant Cap”** is defined in ARTICLE 5(B).

## ARTICLE 2. AGREEMENT PURPOSE

The purpose of this Agreement is to provide an economic development grant, comprised collectively of the Performance, Training, and Apprenticeship Grants, to GRANTEE as an incentive for GRANTEE to undertake the Project at the Project Sites. The GRANTOR anticipates that if the Project is undertaken at the Project Sites, the Project will promote local economic development and stimulate business and commercial activity in the City of San Antonio. As such, GRANTOR is willing to support the Project through the economic development grants provided in this Agreement to provide funds to be used to defray costs associated with undertaking and completing the Project.

## ARTICLE 3. GRANTEE REQUIREMENTS

- A. In consideration of GRANTOR providing the economic development Performance, Training, and Apprenticeship Grants provided in ARTICLE 5 of this Agreement, GRANTEE or a combination of the GRANTEE and its wholly owned subsidiaries Defense Point Security LLC and ASM Research LLC (both subsidiaries hereinafter collectively referred to as Subsidiaries) shall:
- i. own, hold an interest in or otherwise control the Project Sites for the Term of this Agreement;
  - ii. create at least FIVE HUNDRED (500) new Full-Time Jobs at the Project Sites of which TWO HUNDRED FIFTY (250) shall have an annual salary of at least FIFTY THOUSAND DOLLARS (\$50,000.00) in accordance with the schedule set out below:

Time Period	New Full-Time Jobs	Aggregate Number of Full-Time Jobs
Effective Date to December 31, 2019	Create at least 103 new Full-Time Jobs	103 Full-Time Jobs
January 1, 2020 to December 31, 2020	Create at least 125 new Full-Time Jobs	228 Full-Time Jobs
January 1, 2021 to December 31, 2021	Create at least 125 new Full-Time Jobs	353 Full-Time Jobs
January 1, 2022 to December 31, 2022	Create at least 125 new Full-Time Jobs	478 Full-Time Jobs
January 1, 2023 to Anniversary of Effective Date in 2023	Create at least 22 new Full-Time Jobs	500 Full-Time Jobs

GRANTEE and Subsidiaries shall retain the newly created Full-Time Jobs for which it receives grant funds throughout the Term of the Agreement.

- iii. pay 100% of all employees located at the Project Sites, without regard to the number of jobs required to be created or maintained hereunder, at least the minimum Living Wage.
  - iv. in addition to the Living Wage requirement, after one (1) year of execution of this Agreement, pay at least seventy percent (70%) of all employees at the Project Sites, without regard to the number of jobs required to be created or maintained hereunder, at least the All Industry Wage.
  - v. offer all of its non-temporary full-time employees employed at the Project Sites an opportunity to participate in the employee benefits program to include a health plan which provides coverage for their eligible dependents.
  - vi. comply with all applicable federal, state and local laws and regulations, and shall develop and operate the Project in accordance with the terms and conditions of this Agreement.
  - vii. establish an Apprenticeship program in collaboration with local workforce and community entities targeting hard to serve and underserved individuals.
  - viii. provide qualified workforce training primarily for information technology and computer programming skills as agreed to in writing by the Parties pursuant to Article 5.B for certain GRANTEE employees or employees of Subsidiaries in order to provide an enhanced skillset allowing for expanded career paths and economic opportunities and collaborations with local universities.
- B. All wage requirements set forth in this Article shall be exclusive of benefits, bonuses, overtime, commissions, shift differentials, and any other non-guaranteed wages.

#### ARTICLE 4. BUSINESS ACTIVITIES

- A. GRANTEE and Subsidiaries shall conduct, at the Project Sites, business activities typically conducted by a global business and technology consulting company's delivery center operations, with a focus in information technology and computer programming\_(all of such activities hereinafter collectively referred to as the "Business Activities") , and operate same at the Project Sites for the Term of this Agreement, except to the extent said Project Sites may be rendered unsuitable for such use due to a Force Majeure Event (as defined in ARTICLE 19 of this Agreement). GRANTEE's Business Activities shall remain within the GRANTOR's city limits for the Term of this Agreement. During the Term of this Agreement, if GRANTEE at any time makes any decision to relocate a Project Site or add a new location to be considered a Project Site hereunder, GRANTEE must provide GRANTOR reasonable notification and, where reasonably practicable, consult with the Director of GRANTOR's Economic Development Department (EDD).
- B. Except as provided herein, GRANTEE covenants and agrees that the Business Activities will not be changed without the written consent of GRANTOR, such consent not to be unreasonably withheld, conditioned or delayed. However, such consent shall not be necessary if a Related Organization occupies the Project Sites and continues to use the premises for the Business Activities consistent with the terms and conditions of this Agreement. To be eligible for the benefits of this Agreement, the Related Organization must agree in writing, to comply with all

applicable terms herein from and after the date it succeeds to GRANTEE's interest in this Agreement, and if requested by GRANTOR, the Related Organization must enter into an amendment to this Agreement evidencing such agreement. In the event of any such transfer to a Related Organization, GRANTEE must notify GRANTOR in writing of same no later than the thirtieth (30<sup>th</sup>) calendar day following the effective date of such transfer. GRANTEE acknowledges that any change in the principal use of the Project Sites from that contemplated herein without prior written approval of GRANTOR, to the extent same is required under this Agreement, may result in a loss or recapture of the economic development grants to be provided to GRANTEE under this Agreement.

## ARTICLE 5. ECONOMIC DEVELOPMENT PROGRAM GRANT

In exchange for GRANTEE undertaking and completing the Project at the Project Sites, GRANTOR will provide an economic development incentive grant comprised of a three parts, a Performance Grant, a Training Grant, and an Apprenticeship Grant, to the GRANTEE as follows:

- A. Performance Grant. GRANTOR will provide GRANTEE with a grant ("Performance Grant") from the Economic Development Fund ("EDIF") in the amount of up to TWO HUNDRED FIFTY THOUSAND DOLLARS AND 00 CENTS (\$250,000.00) (the "Performance Grant Cap") for the creation of the Full-Time Jobs in Article 3(A)(ii), subject to the actual number of new Full-Time Jobs GRANTEE creates at each pay level and the minimum job creation requirement set forth in Article 18. GRANTOR'S payment of the grant funds, up to the Grant Cap, is dependent upon GRANTEE meeting and performing the GRANTEE requirements set out in Article 18. The grant amount is as follows:

\$1,000 per Full-time Job making a minimum of \$50,000 annually  
(exclusive of benefits, bonuses, overtime, commissions, shift  
differentials, and any other non-guaranteed wages) up to 250 jobs.

- i. Performance Grant Disbursement. Following approval of this Agreement by a duly authorized City Ordinance and execution of the Agreement, GRANTOR will make the Grant Funds available to GRANTEE within 45 days after the receipt and review by GRANTOR of the Annual Certification (defined below) due from GRANTEE for the December 31<sup>st</sup> year-end report for each year of the Grant Term. The Parties acknowledge and agree the Performance Grant payments made by GRANTOR will be determined by how many actual new Full-Time Jobs paying a minimum of \$50,000 annually GRANTEE creates for each year during the Grant Term. The total amount of Performance Grant funds paid by GRANTOR shall not exceed the Grant Cap. GRANTOR'S payment of Performance Grant funds, up to the Performance Grant Cap, is dependent upon GRANTEE being in material compliance with this Agreement and not in default of any terms or obligations hereunder.
- B. Training Grant. GRANTOR will provide GRANTEE with a grant to support GRANTEE employee training in primarily information technology and computer programming ("***Training Grant***") in the amount of up to ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS AND 00 CENTS (\$125,000.00) (the "***Training Grant Cap***"). City shall reimburse GRANTEE based on the actual cost expended for qualified training completed by GRANTEE employees as evidenced by a certificate of course completion or such other evidence of completion as the

Parties may agree to. Within sixty (60) days of the Effective Date, GRANTEE shall develop and submit to GRANTOR a workforce development plan and the Parties shall mutually agree in writing as to the types of certifications that will qualify for reimbursement. For those certifications that are deemed eligible for reimbursement, GRANTEE shall submit a certificate of completion and associated receipts evidencing payment with the Annual Certification. The City shall issue GRANTEE reimbursements for qualified certificates of completion whenever GRANTEE' receipts, based on the Annual Certification submissions, total \$25,000 increments up to the Training Grant Cap. GRANTOR'S payment of Training Grant funds, up to the Training Grant Cap, is dependent upon GRANTEE being in good compliance with this Agreement and not in default of any terms or obligations hereunder.

- i. Training Grant Disbursement. Following approval of this Agreement by a duly authorized City Ordinance and execution of the Agreement, GRANTOR will make the Training Grant funds available to GRANTEE within 45 days after the receipt and review by GRANTOR of the Annual Certification (defined below) due from GRANTEE for each year of the Grant Term. The Parties acknowledge and agree the Training Grant payments made by GRANTOR will be determined by how many actual eligible courses GRANTEE employees complete for each year of the Grant Term. The total amount of Training Grant funds shall not exceed the Training Grant Cap. GRANTOR'S payment of Training Grant funds, up to the Training Grant Cap, is dependent upon GRANTEE being in good compliance with this Agreement and not in default of any terms or obligations hereunder.
- C. Apprenticeship Grant. GRANTOR will provide GRANTEE with a grant to support GRANTEE Apprenticeship program ("***Apprenticeship Grant***") in the amount of up to ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS AND 00 CENTS (\$125,000.00) (the "***Apprenticeship Grant Cap***"). The City shall reimburse GRANTEE based on the number of qualifying Apprenticeships actually filled by GRANTEE up to the Apprenticeship Grant Cap.

Qualifying Apprenticeships shall meet all of the following requirements:

1. Be at least six (6) weeks in duration, with a target duration of 10 weeks or more
2. Scheduled to work no less than 20 hours per week and up to forty (40) hours of work per week; and
3. Have a wage rate of at least \$14.00 per hour for a total of up to \$5,600 per Apprenticeship (10 weeks x 40 hours/week x \$14.00/hour = \$5,600).
4. Additionally, qualifying Apprenticeships shall not have been funded through Workforce Solutions Alamo or other public support means.

GRANTOR will make available an additional \$600 per qualifying Apprenticeship, if the apprentice resides in an Inclusive Growth Area Zip Code (Exhibit B) at the time the individual submitted his/her application for the Apprenticeship. The foregoing payment shall constitute a part of the Apprenticeship Grant count toward the Apprenticeship Grant Gap.

- i. Apprenticeship Grant Disbursement. Following approval of this Agreement by a duly authorized City Ordinance and execution of the Agreement, GRANTOR will make the Apprenticeship Grant funds available to GRANTEE within 45 days after the receipt and review by GRANTOR of the Annual Certification (defined below) due from GRANTEE for each year of the Grant Term. The Parties acknowledge and agree the Apprenticeship Grant payments made by GRANTOR will be determined by how many qualifying Apprenticeships and associated apprentices GRANTEE filled for each year of the Grant

Term. The total amount of Apprenticeship Grant funds shall not exceed the Apprenticeship Grant Cap. GRANTOR'S payment of Apprenticeship Grant funds, up to the Apprenticeship Grant Cap, is dependent upon GRANTEE being in good compliance with this Agreement and not in default of any terms or obligations hereunder.

#### ARTICLE 6.       **RESERVED**

#### ARTICLE 7.       **TERM PERIOD**

The Term referenced in this Agreement shall commence upon the Effective Date and shall continue in effect for a period of nine (9) years (the "Term") unless terminated as otherwise provided herein. The period when the grant disbursements will occur shall commence upon the Effective Date and continue for a period of four (4) years from the Effective Date ("Grant Term"), unless terminated as otherwise provided herein. The period when no further grants are to be made hereunder and GRANTEE remains subject to the terms hereof, including termination and recapture, shall commence upon the expiration of the Grant Term and continue for a period of five (5) years ("Recapture Term"), unless terminated as otherwise provided herein.

#### ARTICLE 8.       **GRANTOR'S OBLIGATIONS**

- A.     Payment. GRANTEE acknowledges that the payment of funds hereunder shall be subject to, and made solely from, annual appropriations of the GRANTOR in the budget year in which they are to be paid as may be legally set aside for the implementation of ARTICLE III, Section 52A of the Texas Constitution, Chapter 380 of the Texas Local Government Code, or any other economic development or financing program authorized by statute or home-rule powers of the GRANTOR under applicable Texas law, subject to any applicable limitations or procedural requirements. In the event that GRANTOR does not appropriate funds necessary to pay the Grants in any budget year (as reflected in the GRANTOR's adopted budget for such year), GRANTOR shall not be liable to GRANTEE for such payments or expenditures unless and until such appropriation of funds is made provided, however, that, in such event, GRANTEE may, in its sole discretion, terminate this Agreement, in which event GRANTEE and GRANTOR shall have no further obligations under this Agreement including, but not limited to any obligations for the year in respect to which said unappropriated funds relate. In the event GRANTOR does not appropriate funds necessary to pay GRANTEE in a particular budget year, GRANTOR shall appropriate funds the following budget year(s) to pay funds due to GRANTEE. Failure of GRANTOR to appropriate funds in a particular budget year in which they are due and owing to GRANTEE shall not relieve GRANTOR of obligation to pay GRANTEE these funds in the subsequent year(s).
- B.     No Liability for Costs. Except as set forth in this Agreement, GRANTOR will not be liable to GRANTEE or other entity for any costs, including but not limited to, direct ,indirect or consequential damages, or lost opportunities costs, incurred by GRANTEE in connection with or reliance on this Agreement.

#### ARTICLE 9.       **RETENTION AND ACCESSIBILITY OF RECORDS**



- A. Retention. GRANTEE shall maintain written and/or digital records and supporting documentation (the “Records”) relating to and sufficient for City to reasonable determine: 1) the amount of the real and personal property improvements at the Project Sites; 2) the hire and termination dates of each Full-Time Job at the Project Sites; (3) the wages paid for each Full-Time Job at the Project Sites; (4) copies of the certificate of completion and associated receipts for payment for courses taken and completed for which GRANTEE received Training Grant funds hereunder; (5) the number, duration and wages paid in association with each Apprenticeship for which GRANTEE received grant funds hereunder, and (6) the healthcare benefits offered to all Full-Time Jobs at the Project Sites (7) the fulfillment of all obligations of GRANTEE under this Agreement. GRANTEE shall retain such records and any supporting documentation through the end of the Term.
- B. Access. Upon at least five (5) business days’ prior notice to GRANTEE, GRANTEE shall allow designated representatives of GRANTOR access to the Records at the Project Sites or such other location in Bexar County where the Records are kept during normal business hours for inspection to determine if the obligations of GRANTEE hereunder and the terms and conditions of this Agreement are being met by GRANTEE. If the Records are kept in any location outside of Bexar County, GRANTEE shall provide access to GRANTOR to inspect the Records within Bexar County. Any information that is prohibited by law to be made public shall be kept confidential by GRANTOR to the extent permitted by the Public Information Act. GRANTOR shall provide GRANTEE notice of any third party requests for information made pursuant to the Public Information Act prior to disclosure to allow GRANTEE time to submit an argument to the Texas Attorney General for withholding such information. Should any good faith dispute or question arise as to the validity of the data inspected, GRANTOR reserves the right to require GRANTEE to obtain an independent firm to verify the information. This certified statement by an independent firm shall be provided at the sole cost of GRANTEE. The rights to access the Records shall continue through the Term of this Agreement. Failure to provide reasonable access to the Records to authorized GRANTOR representatives shall give GRANTOR the right to suspend or terminate this Agreement as provided for herein, or any portion thereof, for reason of default, and to exercise GRANTOR’s right to recapture all disbursed grant funds. GRANTEE may require GRANTOR’s representatives to be accompanied by GRANTEE representatives and such inspections shall be conducted in such a manner as to (a) not unreasonably interfere with the operation of Business Activities at the Project Sites, and (b) comply with GRANTEE’s reasonable security requirements.

#### ARTICLE 10. MONITORING AND REPORTING

- A. On or before January 31<sup>st</sup> of each year during the Term of this Agreement (including the Recapture Period), GRANTEE shall provide GRANTOR’s Director of Economic Development Department with a certification (the “Annual Certification”) from an officer of GRANTEE attesting to the following information as of the preceding December 31<sup>st</sup> :
- i. the number of Full-Time Jobs maintained as of such date,
  - ii. the hire and termination dates of each Full-Time Job employee,
  - iii. the healthcare benefits offered to all Full-Time and their respective eligible dependents,
  - iv. the wages paid for each Full-Time Job during the twelve months preceding such date,
  - v. the number of Apprenticeships, the duration, both week and hours, of each and the wages paid for each participant, and Zip Code of residence for each participant

- vi. copies of the certificate of completion and associated receipts for payment for courses taken and completed for which GRANTEE received Training Grant funds pursuant to Article 5(B),
- vii. the aggregate real and personal property improvements made prior to such date, and
- viii. a written certification of compliance with the terms and conditions of the Agreement signed by an officer of GRANTEE

The information provided shall be on the form set forth in, or substantially similar to the form labeled "Incentive Monitoring Form" attached and incorporated herein as **Exhibit C**, as the same may be revised by GRANTOR from time to time. Failure by GRANTEE to take action specified in the monitoring report, and failure to cure any deficiency in the applicable Cure Period in accordance with ARTICLE 17 herein, may be cause for suspension or termination of this Agreement, in accordance with ARTICLE 17 and ARTICLE 18 herein.

- B. GRANTEE acknowledges GRANTOR is subject to the Public Information Act, which applies to information of every "governmental body" as set forth in section 552.003(1)(A) of the Texas Government Code. Public Information means information that is written, produced, collected, assembled, or maintained under a law or ordinance or in connection with the transaction of official business. The Public Information Act requires a governmental body to promptly produce public information for inspection, duplication, or both upon receipt of a written request for information from the public. GRANTOR shall provide GRANTEE notice of any third party requests for information made pursuant to the Public Information Act prior to disclosure to allow GRANTEE to submit and argument to the Texas Attorney General for withholding such information. To that end, GRANTEE will endeavor to submit only such limited information as is required per the agreement with GRANTOR to allow GRANTOR to verify GRANTEE is meeting its requirements and obligations under this Agreement.
- C. In its efforts to comply with requests for public information under the Public Information Act, GRANTEE shall remain immune from liability under both the State of Texas and federal doctrines of sovereign immunity.
- D. GRANTOR maintains a public website containing a summary report of all current and active economic incentive agreements and reports submitted in accordance with those agreements. GRANTEE acknowledges and agrees that GRANTOR will include and post this Agreement and any reports submitted to GRANTOR pursuant to this Agreement on the aforementioned website.

#### ARTICLE 11.            **CONFLICT OF INTEREST**

If applicable, GRANTEE shall ensure that no employee, officer, or individual agent of GRANTOR shall participate on behalf of GRANTEE in the selection, award or administration of a subcontract supported by funds provided hereunder if a conflict of interest would be involved. Such conflict of interest would arise when: (1) the employee, officer, or individual agent; (2) any member of his or her immediate family; (3) his or her partner; or, (4) any organization which employs, or is about to employ any of the above, has a financial or other interest in the firm or person selected to perform the subcontract and the relationship calls for payments to be made to such subcontractor on terms which are greater than those which are customary in the industry for similar services conducted on similar terms. To the extent GRANTEE hires any former or current employee or official of GRANTOR who would be subject to the GRANTOR's ethics policy, as same exists from time to time, GRANTEE shall take reasonable efforts to ensure that such person complies with all applicable requirements of the GRANTOR's ethics ordinance in

dealings between GRANTOR and GRANTEE. GRANTEE shall comply with Chapter 171, Texas Local Government Code as well as the GRANTOR's Code of Ethics.

#### ARTICLE 12.        **SECTARIAN ACTIVITY**

None of the performances rendered by GRANTEE under this Agreement shall involve, and no portion of the funds received by GRANTEE under this Agreement shall be used in support of, any sectarian or religious activity, nor shall any facility used in the performance of this Agreement be used for sectarian instruction or as a place of religious worship.

#### ARTICLE 13.        **LEGAL AUTHORITY**

- A.     Legal Authority. Each party assures and guarantees to the other that it possesses the legal authority to enter into this Agreement, to receive/deliver the funds authorized by this Agreement, and to perform their obligations hereunder.
- B.     Signatories. Each party represents and warrants to the other that the person or persons signing and executing this Agreement on behalf of such party has been duly authorized to execute this Agreement on behalf of that party and to validly and legally bind that party to all terms, performances and provisions herein set forth.

#### ARTICLE 14.        **GOVERNING LAW AND VENUE**

- A.     Notice to City. GRANTEE shall give GRANTOR immediate notice in writing of any (i) OSHA complaint filed by an employee of GRANTEE concerning the Project Sites, or (ii) notice of any bankruptcy of GRANTEE, or (iii) any notice given by GRANTEE to its employees at the Project Sites required under any applicable laws pertaining to contemplated job reductions at such premises. GRANTEE shall submit a copy of each such notice required hereunder to GRANTOR within thirty (30) calendar days after receipt or issuance, as applicable.
- B.     Texas Torts Claims Act. GRANTEE acknowledges that GRANTOR is a political subdivision of the State of Texas and is subject to, and complies with, the applicable provisions of the Texas Tort Claims Act, as set out in the Civil Practice and Remedies Code, Section 101.001 et. seq., and the remedies authorized therein regarding claims and causes of action that may be asserted by third parties for accident, injury or death.
- C.     Venue. This Agreement shall be interpreted according to the Constitution and the laws of the State of Texas, without giving effect to conflict of law rules. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties resulting from this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of Texas and agree that such litigation shall be conducted only in the courts of Bexar County, Texas, or the federal courts for the United States for the Western District of Texas, and no other courts, regardless of where this Agreement is made and/or to be performed.

#### ARTICLE 15.        **ATTORNEY'S FEES**

In the event GRANTEE or GRANTOR should default under any of the provisions of this Agreement and the other should employ attorneys or incur other expenses for the collection of the payments due under this Agreement or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees to pay to the reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting party so ordered by a court having jurisdiction over the Parties.

#### ARTICLE 16. CHANGES AND AMENDMENTS

- A. Amendments in Writing. Except as provided below, any alterations, additions, or deletions to the terms of this Agreement shall be by amendment hereto in writing and executed by the Parties to this Agreement.
- B. 380 Program. It is understood and agreed by the Parties hereto that performances under this Agreement shall be rendered in accordance with the laws and rules governing the Economic Development Program as set forth in Texas Local Government Code Chapter 380, and the terms and conditions of this Agreement.

#### ARTICLE 17. SUSPENSION

- A. Notice and Cure Period. Notwithstanding the provisions of Chapter 2251 of the Texas Government Code, if applicable, or anything else in this Agreement to the contrary, in the event GRANTEE fails to comply with the terms of this Agreement, GRANTOR shall provide GRANTEE with written notification as to the nature of the non-compliance and grant GRANTEE a sixty (60) day period following the date of the GRANTEE's receipt of GRANTOR's written notification to cure any issue of non-compliance. Should GRANTEE fail to cure any default within this period of time, or such longer period of time as may be reasonably necessary for GRANTEE to cure the default in question if same cannot reasonably be cured within such sixty (60) day period, the GRANTOR may, upon written Notice of Suspension to GRANTEE, suspend this Agreement in whole or in part and withhold further payments to GRANTEE until the default is cured. Such Notice of Suspension shall include: (1) the reasons for such suspension; (2) the effective date of such suspension; and, (3) in the case of partial suspension, the portion of the Agreement to be suspended.
- B. Lifting of Suspension. A suspension under this Section shall be lifted upon a showing by GRANTEE that the event of default has been cured or by a written waiver of GRANTOR of the term(s) in question.
- C. No Liability. GRANTOR shall not be liable to GRANTEE or to GRANTEE's creditors for costs incurred during any term of suspension of this Agreement.

#### ARTICLE 18. DEFAULT, TERMINATION AND RECAPTURE, AND OTHER REMEDIES

- A. Relocation Defined. For purposes of this section, "Relocation" "Relocated" or "Relocate" shall mean GRANTEE or a Related Organization, or any other permitted transferee of GRANTEE's rights under this Agreement, which has taken the place of GRANTEE, transferring all Business Activities from the Project Sites to a location outside of GRANTOR's city limits for reasons

other than the inability to conduct the Business Activities at the Project Sites due to casualty, condemnation or other reasons beyond the reasonable control of GRANTEE or its subsidiaries or any such Related Organization or other permitted transferee of GRANTEE's rights under this Agreement (any of the foregoing being a "Force Majeure Event").

B. Default of GRANTEE. GRANTEE shall be in default under this Agreement:

- i. Relocation. If during the Term of this Agreement, GRANTEE occupies and uses the Project Sites for its Business Activities and subsequently Relocates during the Term, then GRANTOR shall have the right to terminate this Agreement. Said termination shall be effective for the calendar year during which the Relocation is completed. Unless GRANTEE presents credible evidence to clearly indicate a date of Relocation, GRANTOR's determination shall be final and conclusive. Upon termination, GRANTOR shall have the right to recapture from GRANTEE all funds previously disbursed to the GRANTEE, and/or for the benefit of the GRANTEE, under this Agreement and not previously recaptured by GRANTOR in accordance with the recapture schedule set forth in **ARTICLE 18(C)** below and GRANTOR shall be entitled to the payment of the amounts to which it is entitled within sixty (60) calendar days from the date it notifies GRANTEE in writing of termination and its election to recapture such amounts.
- ii. Cessation of Business Activities. If GRANTEE occupies and uses the Project Sites for its Business Activities and subsequently ceases conducting Business Activities at the Project Site for a continuous period of three (3) months during the Term of this Agreement for any reason, except if such cessation is caused by a Force Majeure Event, then GRANTOR shall have the right to terminate this Agreement. Said termination shall be effective for the calendar year during which the cessation occurred. Unless GRANTEE presents credible evidence to clearly indicate a date of cessation, GRANTOR's determination of a date of cessation shall be final and conclusive. Upon termination, GRANTOR shall have the right to recapture from GRANTEE all funds previously disbursed to the GRANTEE under this Agreement and not previously recaptured by GRANTOR in accordance with the recapture schedule set forth in **ARTICLE 18(C)** below and GRANTOR shall be entitled to the payment of the amounts to which it is entitled within sixty (60) calendar days from the date it notifies GRANTEE in writing of termination and its election to recapture such amounts.
- iii. Number of Jobs. GRANTOR may terminate this Agreement if GRANTEE, its affiliates, subsidiaries, or Related Organization, for any reason other than a Force Majeure Event, fails to:
  - a. maintain at least eighty percent (80%) of the aggregate number of Full-Time Jobs required to be maintained each year pursuant to the schedule set out in Article (3)(A)(ii) by the date set out in the time period section of that schedule for any Grant year; or
  - b. create a minimum of eighty percent (80%) of the required 500 Full-Time Jobs (80% of 500 = 400) by the anniversary of the Effective Date in 2023 in accordance with Article (3)(A) and maintain a minimum of 400 Full-Time Jobs throughout the Term of this Agreement; or
  - c. create at least eighty percent (80%) of the requisite 250 Full-Time Jobs (80% of 250 = 200) making a minimum of \$50,000 annually by the anniversary of the Effective

- Date in 2023 and maintain a minimum of 200 Full-Time Jobs making \$50,000 annually throughout the Term of this Agreement; or
- d. maintain at least eighty percent (80%) of the aggregate number of previously established Full-Time Jobs making at least \$50,000 annually, for which GRANTEE has received Performance Grant Funds, in all subsequent years of the Grant Term.

Upon such termination, GRANTOR may recapture all Performance, Training, and Apprenticeship Grant Funds previously disbursed to the GRANTEE under this Agreement and not previously recaptured by GRANTOR in accordance with the recapture schedule set forth in **ARTICLE 18(C)** below and GRANTOR shall be entitled to the payment of the amounts to which it is entitled within sixty (60) calendar days from the date it notifies GRANTEE in writing of termination and its election to recapture such amounts.

If GRANTEE, its affiliates, subsidiaries, or Related Organization, for any reason other than a Force Majeure Event, creates and maintains at least eighty percent (80%), but less than one hundred percent (100%) of the of the 250 Full-Time Jobs paying a minimum of \$50,000 annually as required by Article (3)(A) throughout the Term of this Agreement, GRANTOR may recapture funds previously disbursed by GRANTOR based on the per job amount grant paid by Grantor (\$1,000/Full-Time Job paying at least \$50,000 annually) multiplied by the shortfall in the required jobs, subject to the provisions of Article 18(C). (Example: if GRANTEE at the end of the Grant Term has created 225 Full-Time Jobs paying a minimum of \$50,000 annually, rather than the required 250, GRANTEE would pay City  $25 \times \$1,000 = \$25,000$ ).

Additionally, once GRANTEE, its affiliates, subsidiaries, or Related Organization, creates a Full-Time Jobs paying a minimum of \$50,000 annually and reports and receive Performance Grant Funds for that position, if in any subsequent year of the Term GRANTEE's aggregate number of Full-Time Jobs paying a minimum of \$50,000 annually drops below the number reported for the prior year (and during the Recapture Period remains above 80% of the total required number of Full-Time Jobs paying a minimum of \$50,000 annually pursuant to Article 3), GRANTOR may recapture funds previously disbursed by GRANTOR based on the per job amount grant paid by Grantor (\$1,000/Full-Time Job paying at least \$50,000 annually) multiplied by the decrease in the aggregate number of required jobs from the prior year's aggregate total, subject to the provisions of Article 18(C). (Example: if GRANTEE at the end of the Grant Term has created 240 Full-Time Jobs paying a minimum of \$50,000 annually, and that number reduces in a following year to 220, GRANTEE would pay City  $20 \times \$1,000 = \$20,000$ ).

Under no circumstances shall GRANTOR be entitled to recapture grant funds paid for a particular position more than once for a shortfall or loss of a position for which GRANTEE received grant funds.

GRANTOR shall be entitled to the payment of such recaptured funds within sixty (60) calendar days from the date it notifies GRANTEE in writing.

- C. Recapture of Grant Funds If GRANTOR, pursuant to the terms of the Agreement, is entitled to recapture funds and elects to recapture funds disbursed hereunder, the portion subject to recapture shall be as follows:

<b><u>YEAR IN WHICH RECAPTURE OCCURS:</u></b>	<b><u>TOTAL PERCENTAGE OF FUNDS TO BE RECAPTURED:</u></b>
Grant Term	100%
First day after the anniversary of Effective Date in 2023 to the anniversary of Effective Date in 2024.	100%
First day after the anniversary of Effective Date in 2024 to the anniversary of Effective Date in 2025.	80%
First day after the anniversary of Effective Date in 2025 to the anniversary of Effective Date in 2026.	60%
First day after the anniversary of Effective Date in 2026 to the anniversary of Effective Date in 2027.	40%
First day after the anniversary of Effective Date in 2027 to the anniversary of Effective Date in 2028.	20%

GRANTOR shall be entitled to the payment of such disbursed funds within sixty (60) calendar days from the date it notifies GRANTEE in writing.

- D. Limitation on Recapture. Notwithstanding the foregoing, any such recapture shall be subject to any and all lawful offsets, settlements, deductions or credits to which GRANTEE may be entitled at law or under this Agreement. The termination and/or recapture of grant funds provided in this Article are not applicable to situations involving minor changes to the description of the Project Sites, or GRANTOR-approved changes in ownership or in management thereof, so long as GRANTEE, its parent, subsidiary, affiliate or any successor or assignee allowed under the terms of this Agreement, continues conducting Business Activities or other authorized activities thereon as provided hereinabove.
- E. Bankruptcy. If GRANTEE, any Related Organization, and/or other GRANTOR-approved assignee permitted under this Agreement files any petition for bankruptcy, then this Agreement shall automatically be deemed to have terminated one (1) day prior to the filing of the petition for bankruptcy and, upon such termination, all funds previously disbursed to GRANTEE, and/or for the benefit of GRANTEE, under this Agreement which have not been previously recaptured by GRANTOR may be recaptured by GRANTOR according to the schedule set forth in ARTICLE 18(C).

- F. Limitation on Remedies. The foregoing termination and recapture rights shall be GRANTOR's sole and exclusive remedies in the event GRANTEE shall default under this Agreement.

**ARTICLE 19. AUTHORIZED RELIEF FROM PERFORMANCE (Force Majeure)**

In addition to relief expressly granted in this Agreement, GRANTEE shall be granted relief from performance of this Agreement to the extent GRANTEE is prevented and/or impaired from compliance and performance by any Force Majeure Event. In addition to the events mentioned in **ARTICLE 18** above, a "Force Majeure Event" shall also include, but not be limited to, an act of war, order of legal authority, act of God, terrorism, social unrest, strike, natural disaster, supply shortage, or other unavoidable cause not attributed to the fault or negligence of the GRANTEE. It also includes an explosion or other casualty or accident, which is not the result of negligence, intentional act or misconduct on the part of GRANTEE. The burden of proof for the need for such relief shall rest upon GRANTEE. To obtain relief based upon this Article, GRANTEE must file a written notice with the GRANTOR's Economic Development Department specifying the Force Majeure Event and the performance under this Agreement that such event is impairing.

**ARTICLE 20. SPECIAL CONDITIONS AND TERMS**

GRANTEE, in accordance with Chapter 2264 of the Texas Government Code, agrees not to knowingly employ any worker during the Term of this Agreement who is not lawfully admitted for permanent residence to the United States or who is not authorized under law to be employed in the United States ("Undocumented Workers"). If GRANTEE is convicted of a violation under 8 U.S.C. Section 1324a (f), then GRANTEE shall repay GRANTOR the amounts granted by this Agreement for the tax year(s) covered under this Agreement during which such violation occurred. Such payment shall be made within one-hundred twenty (120) business days after the date GRANTEE is notified by GRANTOR of such violation. GRANTOR, in its sole discretion, may extend the period for repayment herein. Additionally, GRANTEE shall pay interest on the amounts due to GRANTOR under this Article at the rate of five percent (5%) per annum from the date of such violation notice until paid. GRANTEE shall not be liable for a violation of Chapter 2264 by a subsidiary, affiliate or franchisee or by a person with whom GRANTEE contracts.

**ARTICLE 21. TIME IS OF THE ESSENCE & REASONABLENESS**

The Parties acknowledge that time is of the essence with respect to their obligations under this Agreement. The Parties further agree to act reasonably and in good faith when acting under the terms of this Agreement.

**ARTICLE 22. NO WAIVER**

Failure by either party to exercise any right or remedy hereunder available to it shall not constitute a waiver of the right to exercise that or any other right or remedy at any time in the future, absent a written agreement to the contrary.



**ARTICLE 23.      NON-ASSIGNMENT**

- A. GRANTEE shall not transfer or assign this Agreement, or any part thereof, without having first obtained GRANTOR's prior written consent, which may be given by GRANTOR'S Director of Economic Development Department. Notwithstanding the foregoing, GRANTEE may assign this Agreement to a Related Organization without the written consent of GRANTOR, although written notice to GRANTOR of any such assignment shall be provided by GRANTEE.
- B. Each transfer or assignment to which there has been consent shall be by instrument in writing, in form satisfactory to GRANTOR and shall be executed by the transferee or assignee who shall agree in writing for the benefit of GRANTOR to be bound by and to perform the terms, covenants, and conditions of this Agreement. Four executed copies of such written instrument shall be delivered to the Director. Failure to first obtain in writing GRANTOR's consent or failure to comply with the provisions herein contained shall operate to prevent any such transfer or assignment from becoming effective and shall enable GRANTOR to terminate this Agreement and exercise its rights under this Agreement, subject to ARTICLE 17 of this Agreement.
- C. Notwithstanding the foregoing, GRANTEE and/or any successor to GRANTEE's interest in the this Agreement may collaterally assign and/or grant a security interest in the payments to be received by GRANTEE hereunder without GRANTOR's consent if required by any lender providing financing to any such entity or any parent, subsidiary, or affiliated company of such entity.

**ARTICLE 24.      ENTIRE AGREEMENT**

- A. All oral and written agreements between the Parties to this Agreement relating to the subject matter of this Agreement that were made prior to the execution of this Agreement have been reduced to writing and are contained in this Agreement. This Agreement, together with its authorizing ordinance and its exhibits, if any, constitute the final and entire agreement between the parties hereto and contain all of the terms and conditions agreed upon.
- B. This Agreement is made solely for the benefit of the Parties, and no other person shall have any right, benefit or interest under or because of this Agreement, except as otherwise specifically provided herein.

**ARTICLE 25.      NOTICE**

Any notice required or permitted to be given hereunder by one party to the other shall be in writing and the same shall be given and shall be deemed to have been served and given if: (a) delivered in person to the address set forth herein below for the party to whom the notice is given; (b) placed in the United States mail with postage prepaid, return receipt requested, properly addressed to such party at the address hereinafter specified; or (c) deposited, with fees prepaid, into the custody of a nationally recognized overnight delivery service such as FedEx, addressed to such party at the address hereinafter specified. Any notice mailed in the above manner shall be effective two (2) business days following its deposit into the custody of the United States Postal Service or one (1) business day following its deposit into the custody of such nationally recognized delivery service, as applicable; all other notices shall be effective upon receipt. From time to time, either party may designate another address for all purposes

under this Agreement by giving the other party no less than ten (10) calendar days advance written notice of such change of address in accordance with the provisions hereof.

**TO GRANTOR:**

**TO GRANTEE:**

(Whether personally delivered or mailed):

City of San Antonio  
Attn: Economic Development  
P.O. Box 839966  
San Antonio, Texas 78283-3966

Timothy J. Murphy  
\_\_\_\_\_  
Accenture Federal Services  
\_\_\_\_\_  
800 N. Glebe Road  
\_\_\_\_\_  
Arlington, VA 22203  
\_\_\_\_\_

- If by personal or overnight delivery:

Economic Development  
Attn: Director  
19th Floor  
100 Houston St.  
San Antonio, Texas 78205

Timothy J. Murphy  
Accenture Federal Services  
800 N. Glebe Road  
Arlington, VA 22203

**ARTICLE 26. INCORPORATION OF EXHIBITS**

Each of the Exhibits and Attachments listed below is an essential part of the Agreement, which governs the rights and duties of the parties, and shall be interpreted in the order of priority as appears below:

**Exhibit A- Project Sites Description**

7050 Fairgrounds Parkway  
San Antonio, Texas 78238

10931 Laureate Drive  
San Antonio, Texas 78249

112 E. Pecan St. Suite 2950  
San Antonio, TX 78205

**Exhibit B – Inclusive Growth Area Map & Zip Codes**

**Exhibit C - Incentive Monitoring Form**

*Signatures appear on next page*

**WITNESS OUR HANDS, EFFECTIVE as of \_\_\_\_\_, 20 \_\_\_\_\_ (the  
“EFFECTIVE DATE”):**

Accepted and executed in triplicate originals on behalf of the City of San Antonio pursuant to the attached Ordinance Number \_\_\_\_\_ and GRANTEE pursuant to its authority.

**CITY OF SAN ANTONIO,**  
a Texas Municipal Corporation

**ACCENTURE FEDERAL SERVICES**

\_\_\_\_\_  
CITY MANAGER

\_\_\_\_\_  
Name: Timothy J. Murphy  
Title: Managing Director - Contract Management

ATTEST:

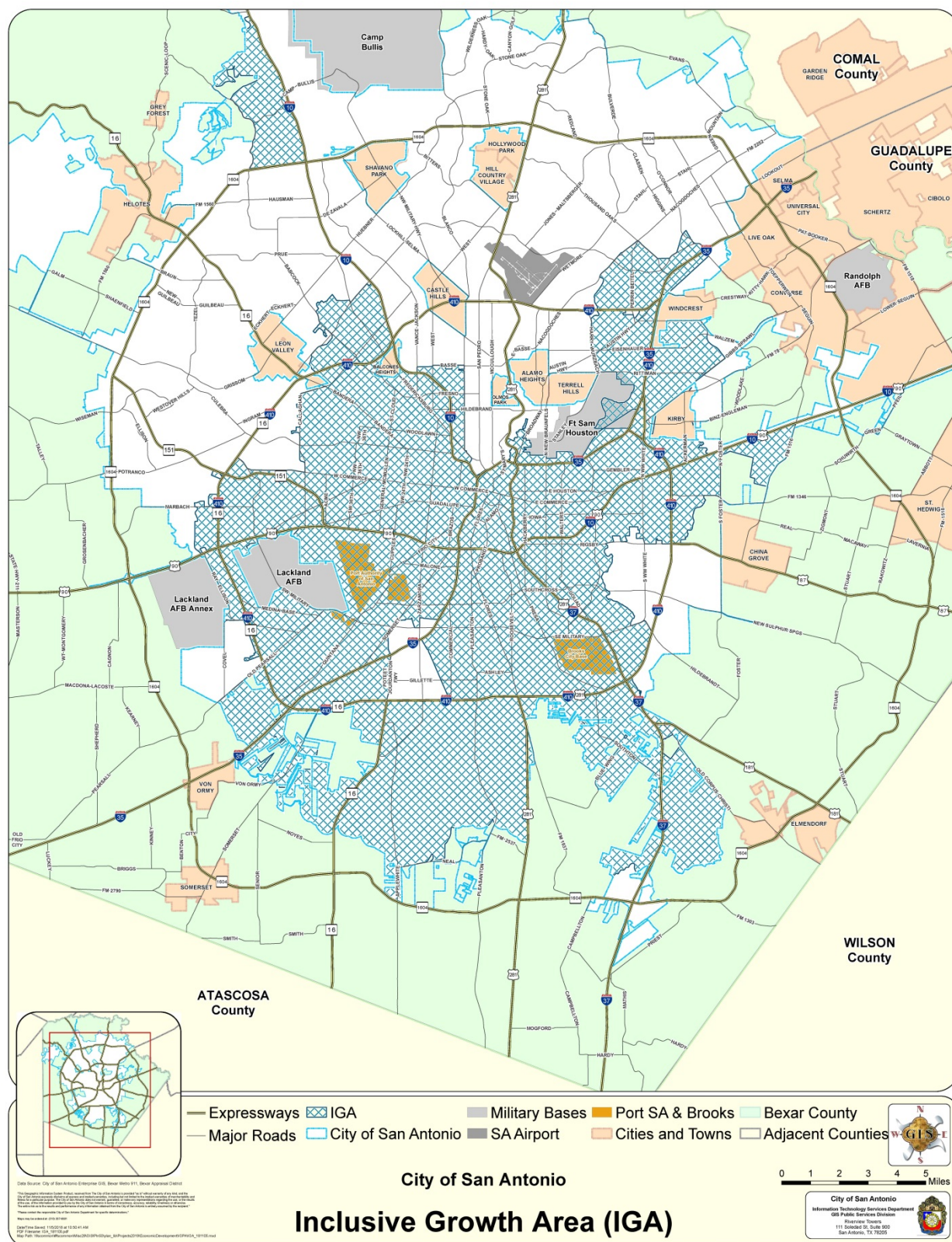
\_\_\_\_\_  
Leticia Vacek  
CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrew Segovia  
CITY ATTORNEY

## Exhibit A – Project Site Description

## Exhibit B – Inclusive Growth Area



The Inclusive Growth Area (IGA) is comprised of a set of Zip Code Tabulation Areas (ZCTA). ZCTAs are developed and maintained by the United States Census Bureau as a way to tabulate summary statistics.

The City of San Antonio's IGA is comprised of the following ZCTAs:

78073	78220
78112	78221
78201	78223
78202	78224
78203	78225
78204	78226
78205	78227
78207	78228
78208	78229
78210	78233
78211	78235
78214	78237
78215	78242
78217	78252
78218	78256
78219	78264

## Exhibit C - Incentive Monitoring Form