

T28 2019-10-04-01R

**RESOLUTION BY THE BOARD OF DIRECTORS OF TAX INCREMENT
ZONE NUMBER TWENTY-EIGHT, CITY OF SAN ANTONIO, TEXAS,
KNOWN AS THE VERANO TAX INCREMENT REINVESTMENT ZONE
("TIRZ"), AUTHORIZING THE EXECUTION OF AN ASSIGNMENT
AND ASSUMPTION AGREEMENT ASSIGNING THE RIGHTS AND
OBLIGATIONS OF THE VERANO TIRZ DEVELOPMENT
AGREEMENT, FINANCE PLAN AND PROJECT PLAN FROM VERANO
LAND GROUP, LP TO SOUTHSTAR AT VERANO, LLC.**

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WHEREAS, the City of San Antonio ("City") and the Verano TIRZ Board of Directors ("Board") support programs which allow for economic development within its boundaries; and

WHEREAS, in accordance with Chapter 311 of the Texas Tax Code (the "Act"), the City through Ordinance No. 2007-12-06-1257 established Tax Increment Reinvestment Zone Number Twenty-Eight, San Antonio, Texas, known as the Verano TIRZ ("TIRZ"), to promote development and redevelopment which would not otherwise occur solely through private investment; and

WHEREAS, the TIRZ consists of approximately 3,100 acres of largely undeveloped land off IH 410 between Zarzamora and Pleasanton Road with plans for a walkable mixed-use community built on the concept of an integrated urban village centered around the Texas A&M University San Antonio (TAMU-SA) main campus; and

WHEREAS, the TIRZ Project and Finance Plans as well as a Development Agreement with the original developer of record, VTLM Texas, LP ("VTLM") were approved by City Council on November 20, 2008 through Ordinance 2008-11-20-1016 and subsequently amended on June 24, 2010 through Ordinance 2010-06-24-0621; and

WHEREAS, little development occurred within the Verano TIRZ after the original designation and, subsequently, all rights and obligations related to the Verano development were assigned from VTLM to Verano Land Group, L.P. ("VLG") as the new Master Developer of the TIRZ, which was approved by City Council through Ordinance 2016-01-28-0041; and

WHEREAS, in May 2019, VLG informed the City that VLG was in the process of selling a portion of the TIRZ property to Southstar Communities, LLC, and asked the City to approve the assignment of the rights and interest in the Development Agreement to its affiliate Southstar at Verano, LLC (collectively "Southstar"); and

WHEREAS, in accordance with Section 311.010(b) of the Act, the Board is authorized to enter into agreements as the board considers necessary or convenient to implement the project plan and reinvestment zone financing plan and achieve their purposes; and

WHEREAS, the Board desires to provide financial incentives for development and revitalization projects that benefit the City and the Verano TIRZ and now must authorize the execution of an Assignment and Assumption Agreement assigning the rights and obligations of the Development Agreement, the Finance Plan and the Project Plan from Verano Land Group, L.P. to Southstar at Verano, LLC; **NOW THEREFORE**,

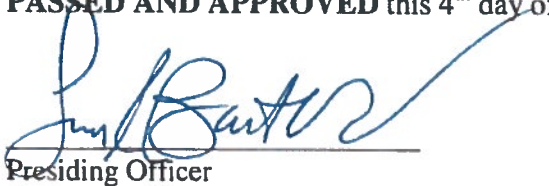
BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TAX INCREMENT REINVESTMENT ZONE NUMBER TWENTY-EIGHT, THE VERANO TIRZ, CITY OF SAN ANTONIO, TEXAS:

SECTION 1. The recitals set out above are adopted in their entirety.

SECTION 2. The Board hereby authorizes the execution of the Assignment and Assumption Agreement assigning the rights and obligations of the Verano TIRZ Development Agreement, the Finance Plan and the Project Plan from Verano Land Group, L.P. to Southstar at Verano, LLC to promote the development of the Verano TIRZ located in San Antonio, Texas and within City Council Districts 3 and 4. A copy of the Agreement is attached to this Ordinance as Attachment I.

SECTION 3. Any future material amendments to the Development Agreement, the Project Plan, or the Finance Plan for the Verano TIRZ must be approved by the Board and City Council.

PASSED AND APPROVED this 4th day of October, 2019.



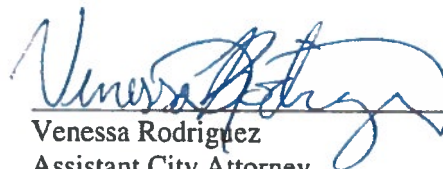
Presiding Officer

ATTEST:



MA

APPROVED AS TO FORM:



Venessa Rodriguez
Assistant City Attorney