

ORDINANCE

2019-11-07-0920

**APPROVING THE ASSIGNMENT OF ALL OBLIGATIONS AND RIGHTS UNDER THE DEVELOPMENT AGREEMENT FOR TAX INCREMENT ZONE NUMBER #28 FROM VERANO LAND GROUP, LP, TO SOUTHSTAR AT VERANO, LLC.**

\* \* \* \* \*

**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 Loop 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 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 it 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**, the assignment of the Development Agreement from VLC to Southstar will give way to an array of much-needed housing infrastructure, capital improvements and office and retail space to an area that has been stagnant with little economic development since the TIRZ formed in 2007. Construction by Southstar is anticipated to begin in the second quarter of 2020; and

**WHEREAS**, it is now necessary for the City Council to approve the assignment and assumption of the obligations and rights under the Development Agreement from VLG to Southstar. **NOW THEREFORE:**

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

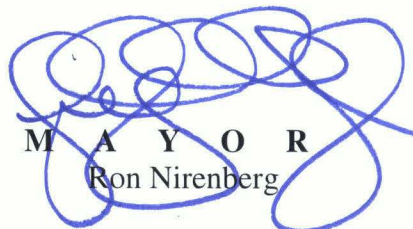
**SECTION 1.** The terms and conditions of the Assignment and Assumption Agreement assigning all obligations and rights of Development Agreement from Verano Land Group, L.P. to Southstar at Verano, LLC, is hereby approved. A copy of the Assignment and Assumption Agreement is attached to this Ordinance as **Exhibit A**.

**SECTION 2.** The City Manager or designee is hereby authorized to execute consent to the Assignment and Assumption Agreement, which has been incorporated into this Ordinance for all purposes.

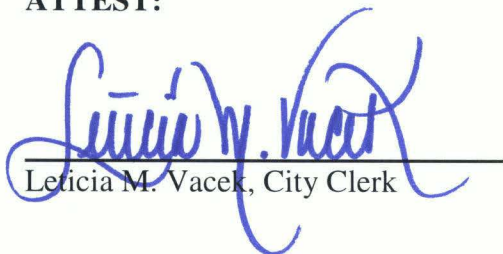
**SECTION 3.** The Verano TIRZ Finance Plan and Project Plan will be updated by mid-FY 2020 to reflect any changes to the development plan, contingent upon Verano TIRZ Board and City Council approval.

**SECTION 4.** This Ordinance shall be effective upon passage by eight affirmative votes; otherwise it shall be effective on the tenth day after passage.

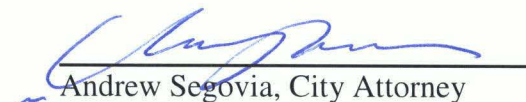
**PASSED AND APPROVED this 7<sup>th</sup> day of November, 2019.**

  
**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>28</b>						
<b>Date:</b>	11/07/2019						
<b>Time:</b>	10:11:56 AM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	Ordinance approving an Assignment of the Development Agreement from Verano Land Group, LP, to Southstar at Verano, LLC, located in Council Districts 3 & 4, funded by Verano Tax Increment Reinvestment Zone TIRZ #28. [Lori Houston, Assistant City Manager; Verónica R. Soto, Director, Neighborhood and Housing Services Department]						
<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				
Jada Andrews-Sullivan	District 2		x				
Rebecca Viagran	District 3		x			x	
Adriana Rocha Garcia	District 4		x				x
Shirley Gonzales	District 5		x				
Melissa Cabello Havrda	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				

CR  
11/07/19  
Item No. 28

## **EXHIBIT A**



## ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this "Agreement") is made as of September \_\_, 2019, by and between VERANO LAND GROUP, LP, a Nevada limited partnership ("VLG") and SOUTHSTAR AT VERANO, LLC, a Texas limited liability company ("SouthStar").

### RECITALS

A. The City of San Antonio's Verano Tax Increment Reinvestment Zone Twenty-Eight ("TIRZ") was designated December 6, 2007.

B. In connection with the TIRZ, VTLM Texas, LP, a Texas limited partnership ("VTLM"), entered into a Development Agreement (as amended as described below, the "Development Agreement") with the City of San Antonio, a Texas municipal corporation in Bexar County, Texas (the "City"), Bexar County, a political subdivision of the State of Texas (the "County"), and the Board of Directors for Reinvestment Zone Number Twenty-Eight, City of San Antonio, Texas, a tax increment reinvestment zone (the "TIRZ Board"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Development Agreement.

C. The Development Agreement was amended pursuant to Ordinance No. 2008-11-20-1016, passed and approved by the City Council of the City on the 20<sup>th</sup> day of November, 2008, by the County, acting through its County Judge pursuant to authority granted by the Bexar County Commissioners Court on the 2<sup>nd</sup> day of June, 2009, and by the TIRZ Board on the 25<sup>th</sup> day of March, 2009.

D. The Development Agreement was further amended by that one certain Second Amendment to Development Agreement by and among the City, the County, the Board and VTLM Texas, approved by the City Council pursuant to Ordinance No. 2010-06-24-0621, passed by the City Council of the City on the 24<sup>th</sup> day of June, 2010, by the County, acting through its County Judge pursuant to authority granted by the Bexar County Commissioners Court on the 10<sup>th</sup> day of August, 2010, and by the TIRZ Board on the 9<sup>th</sup> day of June, 2010.

E. VTLM's rights and obligations under the Development Agreement and certain related documents were assigned to VLG by that certain Assignment of Rights dated an unspecified date in 2013.

F. The Development Agreement was further amended by that certain Amended and Restated Development Agreement by and among the City, the County, the TIRZ Board and VLG, effective June 10, 2016, approved by the City Council pursuant to Ordinance No. 2016-01-28-0041, passed by the City Council of the City on the 28<sup>th</sup> day of January, 2016, by the County, acting through its County Judge pursuant to authority granted by the Bexar County Commissioners Court on the 3<sup>rd</sup> day of May, 2016, and by the Board on the 29<sup>th</sup> day of March, 2016.

G. VLG has agreed to sell to SouthStar Communities, LLC, a Delaware limited liability company ("SouthStar Communities"), or its assigns, an approximately 587 acre tract of land (the "Property") within the boundary of the TIRZ pursuant to that certain Real Estate Contract of Sale, dated effective April 15, 2019, as amended (the "Purchase Contract").

H. SouthStar Communities' purchase of the Property is conditioned upon, among other requirements, the assignment of the Development Agreement (and all rights, duties, obligation and responsibilities as "Developer" under the Development Agreement) by VLG to SouthStar Communities (or



to any assignee of SouthStar Communities that assumes the obligation to purchase the Property in accordance with the Purchase Contract).

I. SouthStar Communities will assign the Purchase Contract to SouthStar.

J. Concurrently with the transfer of the Property from VLG to SouthStar, the parties will enter into a development agreement (the "VLG/SouthStar Development Agreement") pertaining to the Property and the VLG's other property within the boundary of the TIRZ, which agreement will set forth certain rights and obligations of the parties to each other in connection with the development of their respective properties and SouthStar's administration of the TIRZ. The significant terms of the VLG/SouthStar Development Agreement will be substantially as set forth in Attachment B.

K. Section 16.3 of the Development Agreement provides for the assignment of the Development Agreement by the Developer, stating:

*The Developer may sell or transfer its rights and obligations under this Agreement only with the approval of the Board and the written consent of the City, which shall not be unreasonably withheld, conditioned or delayed, as evidenced by an ordinance passed and approved by the City Council, when a qualified purchaser or assignee specifically agrees to assume all obligations of the Developer under this Agreement.*

#### AGREEMENTS

For and in consideration of the premises and the mutual agreements set forth in this Agreement, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged and confessed, VLG and SouthStar hereby agree as follows:

1. **Assignment and Assumption.** Subject to Section 3 below, VLG hereby assigns unto SouthStar all of VLG's rights and obligations under the Development Agreement. Subject to Section 3 below, SouthStar hereby accepts such assignment from VLG and agrees to assume all of the obligations of Developer under the Development Agreement. Accordingly, subject to Section 3 below, SouthStar hereby agrees for the benefit of the City and the Board to be bound by, and to perform the obligation of Developer pursuant to, the terms, covenants and conditions of the Development Agreement, the Project Plan and the Financing Plan (collectively, the "TIRZ Documents"). Such assumption of obligations and agreement to be bound and to perform is strictly limited to obligations, terms, covenants and conditions expressly set forth in the TIRZ Documents and does not apply to any other agreement, contract, arrangement, obligation, or undertaking, whether entered into or arising in connection with the Development Agreement, the other TIRZ Documents, or otherwise; and SouthStar specifically does not by this Agreement assume any obligations under any such other agreement, contract, arrangement, obligation other than TIRZ Documents. Furthermore, and notwithstanding any of the foregoing, SouthStar does not assume VLG's obligations with respect to any reports that were required to be made before the date of execution of this Agreement under any of the TIRZ Documents. As to any agreements, contracts, arrangements, obligations or undertaking entered into or arising in connection with the Development Agreement, the other TIRZ Documents, or otherwise, to which VLG is a party, but which agreements are not specifically assigned to and assumed herein by SouthStar herein or otherwise, VLG expressly acknowledges that it remains a party to all such agreements, contracts, arrangements, obligations or undertakings.

2. **Mutual Benefit of Assignment.** VLG and Southstar have each been advised by counsel, and enter into this Agreement for the mutual benefit of each of the parties by virtue of the sale of the Property pursuant to the Purchase Contract and the assignment of the Development Agreement. The parties

agree that the value of the property within the boundary of the TIRZ now held by VLG and Southstar has not been diminished by the Purchase Contract or this Agreement. The parties further agree that each party is free to act with respect to its own property within the boundary of the TIRZ, and to manage such property, and that neither party will claim that any such action or management diminishes the value of the other party's property within the boundary of the TIRZ.

3. **Approval and Consent of City and TIRZ Board; Transfer of the Property.** This Agreement, according to the terms, provisions, covenants and conditions set forth herein, shall only become effective after (i) consent to the assignment is approved by the City and the TIRZ Board pursuant to Section 16.3 of the Development Agreement, and (ii) the Property is transferred SouthStar.

4. **VLG's Representations.** VLG hereby represents and warrants that:

A. VLG has good title to the rights assigned by VLG pursuant to this Agreement, and except as expressly set forth in the TIRZ Documents, there has been no assignment, transfer, pledge, hypothecation or grant of a lien on or security interest in any rights of VLG with respect to the TIRZ or any other TIRZ Documents, either voluntarily, involuntarily, by operation of law or otherwise that has not been released;

B. VLG is a limited partnership duly organized and existing in good standing under the laws of the State of Nevada;

C. VLG has the power and requisite authority, and has taken all action necessary, to execute, deliver and perform its obligations under this Agreement; and

D. No consent, approval, authorization, or order of any governmental authority or other person is required in connection with VLG's execution of this Agreement or the assignments by VLG set forth in this Agreement, except for the approvals and consents (i) referred to in Section 3 of this Agreement or (ii) that will be obtained by VLG prior to the effectiveness of this Agreement pursuant to Section 3 of this Agreement.

5. **SouthStar's Representations.** SouthStar hereby represents and warrants that:

A. SouthStar is a Texas limited liability company duly organized and existing in good standing under the laws of the State of Texas;

B. SouthStar has the power and requisite authority, and has taken all action necessary to execute, deliver and perform its obligations under this Agreement; and

C. No consent, approval, authorization, or order of any governmental authority or other person is required in connection with SouthStar's execution of this Agreement or the assumption and agreements by SouthStar set forth in this Agreement, except for the approvals and consents referred to in Section 3 of this Agreement and any approvals and consents required for VLG to make the assignment set forth in this Agreement.

6. **Headings.** Section and subsection headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect..



7. **Applicable Law.** THIS AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS. Venue for any actions related to his Agreement shall be Bexar County, Texas.

8. **Successors and Assigns.** This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and their respective successors and assigns.

9. **Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

10. **Public Information.** VLG and SouthStar each acknowledge that this instrument and all documents ancillary to it are public information within the meaning of Chapter 552 of the Texas Government Code and accordingly may be disclosed to the public. Nothing in this agreement waives an otherwise applicable exception to disclosure.

11. **Incorporation of Attachments.** Each of the attachments listed below is hereby incorporated by reference within this Agreement for all purposes.

**ATTACHMENTS:**

Attachment A – Consent of the City of San Antonio and the TIRZ Board

Attachment B – Terms of VLG/SouthStar Development Agreement

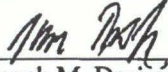
*[Signature Page to Follow Immediately]*



**IN WITNESS WHEREOF**, this Agreement is executed by the parties as of the day and year first set forth above.

**VERANO LAND GROUP, LP,**  
a Nevada limited partnership

By: South San Antonio Management, LLC  
a Nevada limited liability company,  
its General Partner

By:   
Joseph M. Desimone, Jr.  
Authorized Representative

**SOUTHSTAR AT VERANO, LLC,**  
a Texas limited liability company

By: 

ATTACHMENT A

APPROVAL AND CONSENT OF THE CITY AND THE VERANO TIRZ BOARD

The City, by Ordinance 2019- 0 0 \_\_, approved \_\_\_\_\_, \_\_\_\_\_, and the TIRZ Board, hereby approve and consent to the assignment to SouthStar of VLG's rights under the Development Agreement and under the other TIRZ Documents as set forth in this Agreement.

CITY OF SAN ANTONIO

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

ATTEST/SEAL:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: *Venessa Rodriguez*  
Name: *Venessa Rodriguez*  
Title: City Attorney  
Date: *10/4/19*

Assistant

BOARD OF DIRECTORS  
TAX INCREMENT REINVESTMENT  
ZONE NUMBER TWENTY-EIGHT,  
CITY OF SAN ANTONIO, TEXAS

By: *Timothy Bretlett*  
Name: *Timothy Bretlett*  
Title: Presiding Officer, Board of Directors  
Date: \_\_\_\_\_

## ATTACHMENT B

### TERMS OF VLG/SOUTHSTAR DEVELOPMENT AGREEMENT

1. **TIRZ Management.** SouthStar will have sole and exclusive authority to manage the TIRZ and all the rights of the developer in respect to the TIRZ, including the rights set forth in the TIRZ Agreement.

2. **Compliance with TIRZ Requirements.** The parties will agree to comply (and to cause their successors to comply) with all provisions of the TIRZ Agreement (and the related TIRZ documents) applicable to their respective parcels. These requirements will include (among other applicable items):

- conformity with universal design requirements;
- cooperation with respect to construction supervision;
- commitment to project completion;
- delivery of status and compliance reports; and
- bonding and insurance requirements.

3. **Amendment of TIRZ Documents.** SouthStar will have the right, subject to the approval of the TIRZ Board and the consent of the City, to amend the TIRZ Project Plan, the TIRZ Financing Plan and the TIRZ Agreement (collectively, the "TIRZ Documents") to the extent of its property. The VLG portion of the project will remain as currently described in the TIRZ Documents, until such time as VLG, or its assignee, elects to make an amendment. To the extent that the anticipated public improvements in TIRZ Documents do not clearly differentiate between the SouthStar portion of the project and the VLG portion of the project with respect to any development allowances, construction timelines, limitations or requirements, SouthStar shall determine in its reasonable discretion an appropriate allocation between the portions of the project prior to any such amendment in an effort to eliminate any material impact of the amendment on the VLG portion of the project and make such recommendation to the TIRZ Board. No such allocation shall be construed as "reserving" available tax increment funds for any particular parcel. SouthStar will also have the right, subject to the approval of the TIRZ Board and the consent of the City, to change the name of the TIRZ.

4. **Right To TIRZ Reimbursement Amounts.** VLG, or its assignee, will have the right to reimbursement for any public improvements completed on its property to the extent that the TIRZ Fund has available tax increment funds from its property for such reimbursement and such funds are allocated to the Developer. Similarly, SouthStar, will have the right to reimbursement for any public improvements completed on its property to the extent that the TIRZ Fund has available tax increment funds from its property for such reimbursement and such funds are allocated to the Developer. (Note: Reimbursement is conditioned on satisfaction of TIRZ requirements (e.g. competitive bidding) and each party will be solely responsible for compliance with such



requirements to the extent of activities on their respective properties). Upon receipt by Developer of available tax increment funds, such funds will be disbursed to the party(ies) entitled to reimbursement (including to SouthStar), to the extent the TIRZ Fund has available tax increment funds from the respective party's property and in the order approved by the TIRZ Board and if approved simultaneously with other reimbursable public improvements, on a pro rata basis. No owner in the TIRZ will be required to "reserve" tax increment funds for the reimbursement of public improvements in other portions of the project area (*i.e.* when the maximum of all available tax increment funds have been disbursed, no owner shall have any further right to reimbursement). SouthStar's reimbursement obligations will be secured by the deed of trust in favor of VLG (as contemplated by the contract of sale).

5. **Board Representation.** The City, County, SARA and ACCD (the "TIRZ Authorities") have the right to nominate all members of the TIRZ Board. If the TIRZ Authorities solicit nominations from SouthStar to fill board positions on the TIRZ Board, SouthStar will defer one such nomination to the discretion of VLG, and SouthStar will make the other nominations in its discretion, unless only one nomination is solicited, in which event, SouthStar shall be entitled to make such nomination. VLG and SouthStar will agree to support the appointment of each other's nominees to the TIRZ Board.

6. **TIRZ Notices.** SouthStar will provide VLG with a copy of all notices from the TIRZ (or TIRZ-related parties) to the extent that VLG is not also a recipient of such notices.

7. **Right to Rezone; Replat.** VLG will support any rezoning application or replatting that SouthStar deems necessary to accomplish the project (as amended).

8. **No Right to Further CC&R's.** Because the SouthStar property and the VLG property can be developed independently without the need for a comprehensive development scheme (beyond the TIRZ Project Plan), the parties will not be obligated to jointly create a property owners' association or to agree to submit to additional CC&R's (other than with respect to prohibited uses (see below)).

9. **Magraverdun1 Development Agreement.** [Allocation of obligations remains subject to SouthStar review of final agreement, including final exhibits.]

10. **Prohibited Uses; Further Cooperation.** The parties will agree to prohibit on their respective properties nuisances, noxious uses and certain other uses that could materially and adversely impact the value of the other party's property. Each party will also agree to cooperate with the other in connection with any reasonable request (*e.g.* reasonable utility easements) made by a party in connection with the proposed development of their respective properties.

11. **Utility Service Agreement.** VLG will agree to a partial assignment of the current USA and/or to allow SouthStar to enter into a new USA with SAWS, the effect of which will be to carve out the SouthStar property from the remaining property covered by the USA and to provide for utility service for the SouthStar property and the Magraverdun1 property independently of the remaining property. In connection with such partial assignment and/or new USA, SouthStar will be entitled to all EDUs allocated to the SouthStar property and the Magraverdun1 property by

SAWS. SouthStar and VLG will each be responsible for the obligations under the USA relating to their respective properties, including impact fees payable in connection with the development of their respective properties.



**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.**

\* \* \* \* \*

**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



VR  
10/04/19  
Item: 4

**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**,

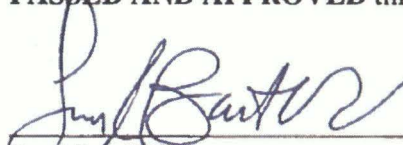
**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TAX INCREMENT REINVESTMENT ZONE NUMBER TWENTY-EIGHT, THE VERANO TIRZ, CITY OF SAN ANTONIO, TEXAS:**

**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 4<sup>th</sup> day of October, 2019.

  
\_\_\_\_\_  
Presiding Officer

**ATTEST:**

  
\_\_\_\_\_

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Venessa Rodriguez  
Assistant City Attorney