

**CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM GRANT AGREEMENT
BETWEEN THE CITY OF SAN ANTONIO AND CENTRO SAN ANTONIO FOR THE
BROADWAY STREET LOWER SEGMENT CONSTRUCTION RELIEF GRANT PROGRAM**

This Economic Development Program Grant Agreement (hereinafter referred to as this "Agreement") is made and entered into by and among the City of San Antonio (the "GRANTOR"), a municipal corporation of the State of Texas, acting by and through its City Manager or his designee and Centro San Antonio a non-profit organization registered in the State of Texas (hereinafter referred to as "GRANTEE"). Together, the GRANTOR and GRANTEE may be referred to herein as the "Parties."

RECITALS

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code, GRANTOR is authorized to grant municipal funds in furtherance of public purposes for economic development projects; and

WHEREAS, in accordance with Chapter 380, GRANTOR created an economic development program for the purpose of making such grants available; and

WHEREAS, GRANTEE is engaged in an economic development project to support small businesses negatively impacted by the ongoing construction of the Broadway Corridor, known as the Broadway Street Lower Segment Construction Relief Grant Program; and

WHEREAS, GRANTEE has requested an economic development grant in order to assist small businesses near Broadway Street through construction grants to subsidize expenses for improving visibility that has reduced by the installation of construction fencing and street closures, including costs related to wayfinding, advertising, and signage (the "Project"). GRANTOR has identified funds available in the form of an Economic Development Program Grant funded by tax increment from the Midtown Tax Increment Reinvestment Zone #31 (the "TIRZ") to provide to GRANTEE to carry out this purpose; and

WHEREAS, the City Council of GRANTOR authorized the City Manager or her designee to enter into this Agreement with GRANTEE as reflected in Ordinance No. 2021-_____, passed and approved on _____, 2021 and GRANTOR now wishes to engage GRANTEE in support of the Project. **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.

SECTION 1. AGREEMENT PURPOSE

GRANTEE shall undertake the Project which is anticipated to promote local economic development and to stimulate business and commercial activity in the City of San Antonio. GRANTOR is supporting the Project through this Economic Development Program Grant to provide funds to be used for costs associated with undertaking and completing the Project.

SECTION 2. ALLOWABLE USES AND SERVICES TO BE PROVIDED

2.1 GRANTEE agrees to provide the services described in Exhibit A attached hereto in exchange for the compensation described in Section 3.

2.2 GRANTEE understands that this Agreement is made in reliance that funds provided hereunder for the purpose of grants will be awarded to businesses in or near the Midtown TIRZ boundaries, which is intended to stimulate business and commercial activity in the Zone, in accordance with Chapter 380 and the Texas Tax Code Chapter 311. A map designating the target area for grant eligibility (“Program Boundaries”) is attached and incorporated herein as **Exhibit B**, for all purposes.

2.3 All work performed by GRANTEE hereunder shall be performed to the satisfaction of GRANTOR, as determined solely by the Director of the Center City Development and Operations Department (“Director”). The determination made by Director shall be final, binding and conclusive on all Parties hereto. GRANTOR and Midtown TIRZ shall be under no obligation to pay for any work performed by GRANTEE, which is not satisfactory to Director. GRANTOR shall have the right to terminate this Agreement, in accordance with Article 15 entitled “Termination,” in whole or in part, should GRANTEE’S work not be satisfactory to GRANTOR; however, GRANTOR shall have no obligation to terminate and may withhold payment for any unsatisfactory work, as stated herein, even should GRANTOR elect not to terminate.

SECTION 3. ECONOMIC DEVELOPMENT PROGRAM GRANT

3.1 Economic Development Program Grant. GRANTOR is providing GRANTEE with an Economic Development Program Grant utilizing funding from the Midtown TIRZ #31 Tax Increment Fund, having been authorized by the Midtown TIRZ Board of Directors as evidenced by the passage of Resolution T31-_____, in a cumulative amount of up to approximately TWO HUNDRED SIXTY TWO THOUSAND FIVE HUNDRED DOLLARS AND NO CENTS (**\$262,500**) (the “Grant Funds”).

3.2 Upon execution of this Agreement by the Parties, submission by GRANTEE to GRANTOR of an invoice approved by Director, and subject to the terms and conditions herein, GRANTOR will direct disbursement as follows:

3.2.1 GRANTEE shall be provided \$250,000 in funding to utilize for direct grant assistance for no fewer than 20 small businesses, which shall be fully awarded by June 15, 2021, in accordance with the Scope of Services attached hereto and incorporated as Attachment A.

3.2.2 GRANTEE shall be paid an administrative fee of up to \$12,500 (or 5%) in connection with the Scope of Services attached hereto and incorporated as Attachment A.

3.3 Unused Funds. Any unspent funds remaining at the end of the Agreement Period shall be returned to the Midtown TIRZ Tax Increment Fund.

3.4. Priority of Payment. GRANTEE acknowledges that the disbursement of grant funds is subject to TIF funds being available pursuant to the priority of payment for the TIRZ.

SECTION 4. AGREEMENT PERIOD

4.1 This Agreement shall commence upon the Effective Date listed on the signature page of this Agreement and shall terminate upon the completion of services outlined in Exhibit A attached, or September 30, 2021, whichever comes first (“Agreement Period”).

SECTION 5. GRANTOR’S OBLIGATIONS

5.1 Payment. In consideration of full and satisfactory performance of activities required by Section 2 of this Agreement, as applicable, and subject to the appropriation of funds by the Broadway TIRZ, GRANTOR will pay GRANTEE in accordance with Section 3 above.

5.2 No Liability for Costs. In no event shall City be liable for any expense of GRANTEE not eligible or allowable under this Agreement or not in accordance with the Scope of Services (Attachment A). Any expenses applied against the funding that are found to have not been spent strictly in accordance with terms of this Agreement will be required to be refunded to the City.

5.3 City shall not be obligated nor liable under this Agreement to any party, other than GRANTEE, for payment of any monies or provision of any goods or services.

SECTION 6. RETENTION AND ACCESSIBILITY OF RECORDS

6.1 Retention. GRANTEE shall maintain the fiscal records and supporting documentation for expenditures of funds associated with this Agreement. GRANTEE shall retain such records and any supporting documentation for the greater of: four (4) years from the end of the Agreement period; or (2) the period required by other applicable laws and regulations.

6.2 Access. GRANTEE shall, following reasonable advance, written notice from GRANTOR, give GRANTOR, its designee, or any of their duly authorized representatives, access to and the right to examine all material records related to the Project (the "Records"). GRANTOR's access to the Records will be limited to information needed to verify that GRANTEE is and has been complying with the terms of this Agreement. Any information that is not required by law to be made public shall be kept confidential by GRANTOR. GRANTEE shall not be required to disclose to GRANTOR any information that by law GRANTEE is required to keep confidential. Should any good faith dispute or question arise as to the validity of the data provided, 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 as long as the Records are retained by GRANTEE. Failure to provide reasonable access to the Records to authorized City representatives shall give GRANTOR the right to suspend or terminate this Agreement as provided for herein, or any portion thereof, for reason of default.

SECTION 7. REPORTS AND MONITORING

7.1 GRANTEE shall submit reports to demonstrate progress towards the goals outlined Exhibit A, to include number of grants awarded and dollar amount of grant. Reports shall be due bi-weekly. Following award of all grants, a Grants Award Analysis Report shall be compiled and submitted to City and shall include business names and demographics (gender, ethnicity, veteran status, industry).

7.2 In addition to the reporting requirements set out above, GRANTOR reserves the right to confirm GRANTEE'S compliance with terms and conditions at any time during the Agreement Period. GRANTOR will provide GRANTEE with a written report of the monitor's findings. If the monitoring report notes deficiencies in GRANTEE'S performances under the terms of this Agreement, the monitoring report shall include a listing of requirements for the correction of such deficiencies by GRANTEE and a reasonable amount of time in which to attain compliance. Failure by GRANTEE to take action specified in the monitoring report within a reasonable amount of time may be cause for suspension or termination of this Agreement, in accordance with Sections 14 and 15 herein.

7.3 Within ten (10) working days of City's written request therefor, GRANTEE shall refund to TIRZ Board any sum of money paid to GRANTEE later determined to:

- 7.3.1 Have resulted in overpayment to GRANTEE;
- 7.3.2 Have not been spent by GRANTEE strictly in accordance with the terms of the Agreement;
or
- 7.3.3 Not be supported by adequate documentation to fully justify the expenditure.

SECTION 8. CONFLICT OF INTEREST

8.1 If applicable, GRANTEE shall ensure that no employee, officer, or individual agent of GRANTOR shall participate in the selection, award or administration of a subcontract supported by funds provided hereunder if a conflict of interest, real or apparent, 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.

SECTION 9. NONDISCRIMINATION AND SECTARIAN ACTIVITY

9.1 Nondiscrimination. GRANTEE shall ensure that no person shall, on the ground of race, color, national origin, religion, sex, age or handicap, be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied access to any program or activity funded in whole or in part with funds made available under this Agreement.

9.2 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.

9.3 Inclusion. GRANTEE shall, to the best of its knowledge and belief, include the substance of this Section in all agreements entered into by GRANTEE associated with the funds made available through this Agreement.

SECTION 10. LEGAL AUTHORITY

10.1 Legal Authority. Each party assures and guarantees to the other that they possess the legal authority to enter into this Agreement, to receive/deliver the funds authorized by this Agreement, and to perform their obligations hereunder.

10.2 Signatories. The person or persons signing and executing this Agreement on behalf of each party or representing themselves as signing and executing this Agreement on behalf of a party, do hereby guarantee that he, she or they have 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.

10.3 Lack of Authority. GRANTOR shall have the right to suspend or terminate this Agreement in accordance with Sections 14 and 15 herein if there is a dispute as to the legal authority, of either GRANTEE or the person signing this Agreement, to enter into this Agreement, any amendments hereto or failure to render performances hereunder. GRANTEE is liable to GRANTOR for any money it has received from GRANTOR for performance of the provisions of this Agreement if GRANTOR suspends or terminates this Agreement for reasons enumerated in this Section.

SECTION 11. LITIGATION AND CLAIMS

11.1 Notice to City. GRANTEE shall give GRANTOR immediate notice in writing of any action, including any proceeding before an administrative agency, filed against GRANTEE arising out the performance of any activities at the Property. Except as otherwise directed by GRANTOR, GRANTEE shall furnish immediately to GRANTOR copies of all pertinent papers received by GRANTEE with respect to such action or claim. GRANTEE shall notify GRANTOR immediately of any legal action, known to GRANTEE, filed against the GRANTEE or any subcontractor thereto, or of any known proceeding filed under the federal bankruptcy code. GRANTEE shall submit a copy of such notice to GRANTOR within 30 calendar days after receipt by GRANTEE of the same. No funds provided under this Agreement may be used in the payment of any costs incurred from violations or settlements of, or failure to comply with, federal and state regulations. The above notwithstanding, GRANTEE is not required to notify GRANTOR of claim litigation which arise out of GRANTEE'S operations on the Project, including without limitation, landlord tenant disputes, personal injury actions (slip and falls), and other operational activities or relationships.

11.2 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.

11.3 Venue. This Agreement shall be interpreted according to the Constitution and the laws of the State of Texas. Venue of any court action brought directly or indirectly by reason of this Agreement shall be in Bexar County, Texas.

SECTION 12. ATTORNEY'S FEES

12.1 In the event GRANTEE should default beyond applicable cure periods under any of the provisions of this Agreement and GRANTOR 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 GRANTEE herein contained, GRANTEE agrees to pay to the reasonable fees of such attorneys and such other expenses so incurred by GRANTOR.

SECTION 13. CHANGES AND AMENDMENTS

13.1 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. City Manager, or his/her designee, shall have authority to execute amendments on behalf of the City without further action of City Council, except for an increase in funding which shall require both TIRZ Board and City Council approval.

13.2 380 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.

13.3 Change of Law. In the event that Chapter 380 of the Texas Local Government Code is rescinded and not otherwise replaced with other statutory authority for GRANTOR to make the grants contemplated to be made to GRANTEE under this Agreement and the terms of this Agreement are not “grandfathered” so that following such rescission it will be illegal for GRANTOR to make the economic development grants contemplated by this Agreement, the parties will use good faith reasonable efforts to identify other lawful means by which GRANTOR can provide GRANTEE with substantially similar benefits to those which GRANTEE is entitled to receive under this Agreement.

SECTION 14. SUSPENSION

14.1 Notice and Cure Period. Notwithstanding the provisions of Chapter 2251 of the Texas Government Code 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, the GRANTOR may, upon written Notice of Suspension to GRANTEE, suspend this Agreement in whole or in part and withhold further payments to GRANTEE and prohibit GRANTEE from incurring additional obligations of funds under this Agreement. 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.

14.2 Extensions. In the case of default for causes beyond GRANTEE'S reasonable control, which cannot with due diligence be cured within such sixty (60) day period, GRANTOR may extend the cure period to such reasonable time to allow GRANTEE to cure such default provided that GRANTEE: (1) immediately upon receipt of Notice of Suspension advises GRANTOR of GRANTEE'S intention to institute all steps necessary to cure such default and the associated time frame; and (2) institutes and thereafter pursues to completion with reasonable dispatch all steps necessary to cure same.

14.3 Lifting of Suspension. A suspension under this Section may be lifted only by GRANTOR upon a showing of full compliance with or written waiver by GRANTOR of the term(s) in question.

14.4 No Liability. GRANTOR nor the Midtown TIRZ shall not be liable to GRANTEE or to GRANTEE'S creditors for costs incurred during any term of suspension of this Agreement.

SECTION 15. TERMINATION AND RECAPTURE

15.1 Ceasing. If GRANTEE ceases conducting Project activities (or a substantial portion thereof) for a continuous period of six (6) months during the Agreement Period for any reason, except if such cessation is caused by a Force Majeure as defined in Section 16, then GRANTOR shall have the right to terminate this Agreement. Upon termination, any and all funds disbursed to GRANTEE that have not been spent in accordance with this agreement shall be recaptured by GRANTOR and GRANTOR shall be entitled to the payment of such disbursed funds within sixty (60) calendar days from the date it notifies GRANTEE in writing of termination.

15.2 Notice of Default. During the Agreement Period, GRANTOR may declare a default if GRANTEE fails to comply with any of the terms of this Agreement. Should GRANTOR determine GRANTEE is in default under any of the terms of this Agreement, GRANTOR will notify GRANTEE in writing at the

address below in Section 23. If said default is not cured within sixty (60) calendar days from the date of such notice (hereinafter the “Cure Period”), then GRANTOR shall have the right to terminate this Agreement. GRANTOR may extend the Cure Period if GRANTEE commences the cure within the Cure Period and GRANTEE is diligently pursuing such cure. If the Agreement is terminated as a result of default, all grant funds disbursed shall be due for the calendar year during which the termination occurred; in addition, GRANTOR shall have the right to recapture from GRANTEE previously disbursed grant funds not used for purposes authorized under this Agreement and said grant funds shall be paid by GRANTEE to GRANTOR within sixty (10) calendar days of receiving GRANTOR’s written notification of recapture.

SECTION 16. AUTHORIZED RELIEF FROM PERFORMANCE

16.1 In addition to relief expressly granted in this Agreement, GRANTOR may grant relief from performance of this Agreement if GRANTEE is prevented from compliance and performance by an event of Force Majeure. For purposes of this section, “Force Majeure” is defined as an act of God or natural disaster. It also includes explosion or other casualty or accident which is not the result solely of gross 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 release based upon this Section 16, GRANTEE must file a written request with the GRANTOR’s Economic Development Department for review and approval, which request shall not be unreasonably denied.

SECTION 17. SPECIAL CONDITIONS AND TERMS

17.1 GRANTEE, in accordance with Chapter 2264 of the Texas Government Code, agrees not to knowingly employ any worker during the Agreement Period 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 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 at the rate periodically announced by the Wall Street Journal as the prime or base commercial lending rate, or if the Wall Street Journal shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by the City) as its prime or base commercial lending rate, from the date of such violation notice until paid.

SECTION 18. CONTRACTING

18.1 Except as otherwise stated herein, GRANTEE may not sell, assign, pledge, transfer or convey any interest in this Agreement, nor delegate the performance of any duties hereunder, by transfer, by subcontracting or any other means, without the consent of the City. As a condition of such consent, if such consent is granted, GRANTEE shall remain liable for completion of the services outlined in this Agreement in the event of default by the successor GRANTEE, assignee, transferee or subcontractor.

18.2 To the extent that any work or services is subcontracted under this Agreement, GRANTEE agrees to the following subcontracting requirements and values:

- 18.2.1 Any work or services subcontracted hereunder shall be subcontracted only by written contract or agreement and, unless specific waiver is granted in writing by City, shall be subject by its terms to each and every provision of this Agreement. Compliance by

contractors with this Agreement shall be the responsibility of GRANTEE. GRANTEE is responsible to ensure that all local, state and federal permits and approvals required for the activities under this Agreement are obtained.

18.2.2 GRANTEE shall conduct its own risk assessment for the City's financial exposure under the terms of this Agreement and from that assessment determine whether criminal background checks should be required for personnel and/or contractors. Should GRANTEE determine that background checks are necessary to protect City's financial interest, GRANTEE shall provide documentation showing that all of GRANTEE'S staff members and/or contractors have cleared a criminal background check within 30 days of execution of this Agreement.

SECTION 19. DEBARMENT

19.1 By signing this Agreement, GRANTEE certifies that it will not knowingly award any funds provided under this Agreement to any party which it knows to be debarred, suspended or otherwise excluded from or ineligible for participation in assistance programs by GRANTOR.

SECTION 20. NO WAIVER

20.1 It is expressly understood and agreed by the Parties hereto that, except as otherwise expressly provided herein, any right or remedy provided for in this Agreement shall not preclude the exercise of any other right or remedy under any other agreements between GRANTEE and GRANTOR under any provision of law, nor shall any action taken in the failure by either party to exercise any right or remedy hereunder shall not constitute a waiver of the right to exercise that or any other right or remedy at any time in the future.

SECTION 21. NON-ASSIGNMENT

21.1 This Agreement is not assignable. Notwithstanding any attempt to assign the Agreement, Grantee shall remain fully liable on this Agreement and shall not be released from performing any of the terms, covenants and conditions herein. Grantee shall be held responsible for all funds received or expended on Grantee's behalf under this Agreement.

SECTION 22. ORAL AND WRITTEN AGREEMENTS

22.1 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.

SECTION 23. NOTICE

23.1 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 upon actual receipt if by 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):

- If mailed:

City of San Antonio
Attn: Center City Development and Operations Dept
P.O. Box 839966
San Antonio, Texas 78283-3966

- If by personal or overnight delivery:

COPIES TO:

Center City Development and Operations Department
Attn: Director
19th Floor
100 Houston St.
San Antonio, Texas 78205

Email:

Email;

SECTION 24. PARTIES BOUND

24.1 This Agreement shall be binding on and inure to the benefit of the Parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns, except as otherwise expressly provided herein.

SECTION 25. CAPTIONS

25.1 The captions contained in this Agreement are for convenience of reference only, and in no way limit or enlarge the terms and/or conditions of this Agreement.

SECTION 26. GENDER

26.1 Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

SECTION 27. ENTIRE AGREEMENT

27.1 This Agreement, together with its authorizing ordinance and its exhibits, constitutes the final and entire agreement between the Parties hereto and contains all of the terms and conditions agreed upon. No other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the Parties hereto unless same be in writing, dated subsequent to the date hereof and duly executed by the Parties, in accordance with Article XVIII. Changes and Amendments.

Signatures appear on next page.

EXECUTED and AGREED to as of _____, 2021 (the “Effective Date”):

GRANTOR:
CITY OF SAN ANTONIO,
a Texas Municipal Corporation

GRANTEE:
CENTRO SAN ANTONIO
a non-profit corporation

Erik Walsh
CITY MANAGER

Name:
Title:

ATTEST:

Leticia Vacek
CITY CLERK

TAX INCREMENT REINVESTMENT ZONE #31

Executed as an acknowledgement that the TIRZ #31 tax increment fund shall serve as the source of funding for the grant funds provided under this agreement

Presiding Officer

APPROVED AS TO FORM:

CITY ATTORNEY

EXHIBIT A: SCOPE OF SERVICES

Centro San Antonio will administer grants to businesses negatively affected by the Broadway Street Lower Segment construction projects in accordance with the below requirements.

Grant eligibility

All completed applications will be reviewed for eligibility. Grant awards are limited to one per each physical address. Each application will be reviewed for eligibility based on the criteria below:

- Grant applicant must be authorized representative of business;
- Businesses and sole proprietorships with thirty employees or less including full-time and part-time employees;
- Annual gross business revenue of less than \$2 million;
- Business must be located within Program Boundaries (**Exhibit B**) and must commit to remaining within boundary for at least 6 months from the date of grant award (see attached map for boundary information);
- Demonstrate a loss of at least 25% of revenue for the period beginning January 1, 2020 due to ongoing construction activity;
- Business must be established prior to August 1, 2019; and
- Commitment to the Greater. SAfer. Together. Pledge.
- The following type of businesses are not eligible for consideration: professional services such as certified public accountant, architect, landscape architect, land surveyor, physician, dentist, optometrist, engineer, realtor, real estate appraiser, marketing and advertising firms, brokers, apartment and property businesses, attorney, interior design, veterinarian; gambling/gaming businesses; sexually-oriented businesses; payday and auto loan providers; liquor stores and businesses in which a City employee or officer has a financial interest, as defined in Sec. 2-53 of the City's Ethics Code.

Application Documentation

The grant application will require verification of pertinent documentation. Any applicants that are unable to provide the required documents may continue to submit a grant application for review; however, alternative evidence may be requested to establish impact from construction activity. The City of San Antonio has the discretion to allow for alternative documentation to prove gender, race, or ethnicity.

Upon complete submission of the grant application, the applicant will receive a confirmation email with a timeline with deliverables and next steps, and an email and phone number for status inquiries. Should anything change, the applicant will be notified via email or phone. Additionally, Centro San Antonio will provide a dedicated webpage with updated information.

The documentation required for grant application submittal includes:

- Business entity formation document (document from Bexar County or Secretary of State with date of formation) prior to August 1, 2019. Other documentation to prove entity formation may be acceptable;
- Business operating bank statements from January 2020 through January 2021;
- 2019 or 2018 Business tax return to determine revenue and prove losses;
- Payroll documentation with employee listing/count and Q4 2020 IRS 941;
- Driver’s license; ID; W-9 or 990;
- Proof of Business location;
- Proof of Business owner race, ethnicity and gender or South Central Texas Regional Certification Agency documentation (if applicable for ownership);
- Military DD214 or honorable discharge documentation (if applicable for ownership);
- Statement of how grant funding will improve long term success of the business;
- Proof that Business has received counseling from UTSA’s Small Business Development Center.

Application Scoring Process

Applications will be scored utilizing a scoring matrix that assigns preference points for the following attributes: physical location of the business; and status of business ownership race and ethnicity, women owned and veteran owned. Centro San Antonio will assess the amount of total loss after review of submitted documentation and provide a recommendation for grant award based on the information provided.

Business Location	60	Application Points
Tier 1		60
Tier 2		30
Ownership	40	Application Points
Veteran Owned		10
Minority Owned		15
Women Owned		15

Grant Funding and Category Amounts

The funding allocated for this grant program is \$250,000. Centro San Antonio will administer the grants for a 5 percent administration fee.

Funding provided by Midtown TIRZ (#31)

Line Item	Amount
Micro and Small Business Grants for Alamo Plaza Area	\$250,000

Administration fee (5%)	\$12,500
Total	\$262,500

Qualifying businesses are eligible for grants of up to \$25,000, depending on the number of employees.

Grant Category	Maximum Grant Amount
Self Employed	\$5,000
1-5 Employees	\$10,000
6-10 Employees	\$15,000
11-30 Employees	\$25,000

Deliverables

- Create a free, publicly accessible webpage for the City of San Antonio grant application with basic qualifications criteria. City of San Antonio will provide the branding guidelines and related imagery.
- The City will develop and approve the grant application content and questions.
- Provide direct assistance to applicants that do not have capacity to complete an online or paper grant application or secure required documentation.
- Collect and review grant applications and related required financial documents to assess eligibility for grants.
- Score and prioritize grant applications based on criteria established by the City of San Antonio.
- Collect additional grant applicant information such as average wages and employee benefits. These questions will not bear any weight in the scoring of applications, however, will allow for an opportunity to learn more about businesses in San Antonio.
- Ensure timely distribution of grants. Track and report distribution of grants based on grant category, award amount, business location, industry and minority, woman and/or veteran status of applicants.
- Collect data from grant applications and report summary in a format that is easily transferable to City system requirements.
- Compile a contact list of all business grant applicants to include name of business, business owner, business address, phone number and email address to allow the City to connect businesses with respective outreach group and other available resources.
- The contact list should be provided to CCDO on or before June 15, 2020.
- Work with the Center City Development and Operations Department to perform follow-up surveys of grant recipients to report 2021 Expected Outcomes as described in Section VII.

- CCDO will approve the survey content. The 2021 Outcomes Report is due on or before January 31, 2022.

Expected Outcomes

- At least 20 businesses will receive grants. The amounts are dependent on the eligible category for consideration and Centro San Antonio's assessment and calculation of applicant loss.
- 100% of grant funding to be disbursed to eligible entities by June 15, 2021
- 75% of entities receiving grants to demonstrate an increased knowledge of financial practices that promote business resiliency
- The following are identified aspirational goals. Centro will make good faith efforts to meet the goals:
 - Of which, 40% of available grant funds will be awarded to Women Business Enterprises (WBEs)
 - Of which, 70% of available grant funds will be awarded to Minority Business Enterprises (MBEs)
- Covid-19 has significantly impacted businesses as they have navigated closure orders and guidelines to maintain safety standards for employees and the community. The pandemic continues to present challenges to our community, and it is uncertain when the spread of the virus will stabilize. The following outcomes are aspirational as the City understands the future is unpredictable as we manage the public health crisis.
 - 50% of entities receiving grants to hire/rehire employees by December 2021
 - 2021 annual gross revenues/annual budgets for businesses receiving grants to be at least 50% of 2019 annual gross revenues/ budgets

EXHIBIT B: PROGRAM BOUNDARIES

DRAFT