

ORDINANCE

2021-05-20-0364

APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT GRANT AGREEMENT WITH SAN ANTONIO GROWTH FOR THE EASTSIDE IN AN AMOUNT NOT TO EXCEED \$450,000.00 FROM THE INNER CITY TIRZ #11 FUND FOR THE STORE FRONT GRANT PROGRAM AND THE EASTSIDE REVITALIZATION STUDY.

* * * * *

WHEREAS, in accordance with the Tax Increment Financing Act (the "Act"), Chapter 311 of the Texas Tax Code, the City of San Antonio ("City") through Council Ordinance No. 93101 established Tax Increment Reinvestment Zone Number Eleven, known as the Inner City TIRZ, and a Board of Directors ("Board") authorized with all the rights, powers, and duties provided by the Act, in order to promote development and revitalization activities within the TIRZ; and

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code, and Sections 311.010(b) and 311.010(h) of the Texas Tax Code, the City and Board are authorized to grant funds in furtherance of public purposes for economic development projects; and

WHEREAS, San Antonio Growth for the Eastside ("SAGE") is engaged in an economic development project within the City's near eastside that supports small businesses through store front grants, known as the Store Front Grant Program; and

WHEREAS, SAGE requested an economic development grant to assist an increased number of businesses in the near eastside and for assessing the area for further investment through a revitalization study. The City identified funds available in the form of an Economic Development Program Grant funded by the Inner City TIRZ to provide to SAGE to carry out this purpose; and

WHEREAS, on April 21, 2021, through Resolution T11 2021-04-21-01R, the Board authorized the execution of a Chapter 380 Economic Development Grant Agreement to provide up to \$375,000.00 for the Store Front Grants Program and up to \$75,000.00 for the Eastside Corridor Revitalization Study, for a cumulative amount not to exceed \$450,000.00; and

WHEREAS, it is now necessary for the City Council to approve a Chapter 380 Economic Grant Agreement with SAGE for the Store Front Grant Program and Eastside Corridor Revitalization Study.
NOW THEREFORE:

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

SECTION 1. The terms and conditions of a Chapter 380 Economic Grant Agreement with San Antonio Growth for the Eastside in an amount not to exceed \$450,000.00 for the Store Front Grant Program and Eastside Corridor Revitalization Study are hereby approved. A copy of the agreement, in substantially final form, is attached to this Ordinance as **Exhibit A**.

SECTION 2. The City Manager or his designee is authorized to execute this Agreement, which has been incorporated into this Ordinance for all purposes.

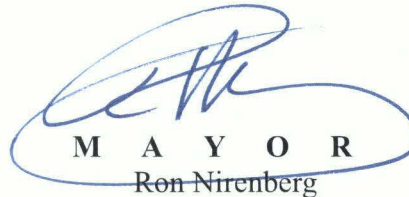
SECTION 3. TIF Division staff is hereby authorized to amend the Inner City TIRZ Project and Finance Plans to include this Project.

SECTION 4. Funding for any projects through the Inner City TIRZ will be paid from Fund 29086007, Cost Center 703290001 and General Ledger 5201040. Total funding should not exceed \$450,000.00 for the duration of this agreement.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.


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

PASSED AND APPROVED this 20th day of May, 2021.




M A Y O R
Ron Nirenberg

ATTEST:



Tina J. Flores, City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney



City of San Antonio

City Council

May 20, 2021

Item: 19

File Number: 21-3564

Enactment Number:

2021-05-20-0364

Ordinance approving a Chapter 380 Economic Development Grant Agreement with San Antonio for Growth on the Eastside (SAGE) in an amount not to exceed \$450,000.00 from the Inner City TIRZ #11 Fund for the Store Front Grant Program and to complete the Eastside Revitalization Corridor Study. [Alejandra Lopez, Assistant City Manager/Interim Economic Development Director]

Councilmember John Courage made a motion to approve. Councilmember Rebecca Viagran seconded the motion. The motion passed by the following vote:

Aye: 11 Nirenberg, Treviño, Andrews-Sullivan, Viagran, Rocha Garcia, Gonzales, Cabello Havrda, Sandoval, Pelaez, Courage and Perry

CR
05/20/21
Item No. 19

EXHIBIT A

**CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM GRANT AGREEMENT
BETWEEN THE CITY OF SAN ANTONIO AND SAN ANTONIO FOR GROWTH ON THE
EASTSIDE**

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 San Antonio for Growth on the Eastside, 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 City of San Antonio City Ordinance No. 100684, GRANTOR created an economic development program for the purpose of making such grants available; and

WHEREAS, GRANTEE is engaged in an economic development project within the City's near eastside that supports small businesses through store front grants, known as the Storefront Grant Program; and

WHEREAS, GRANTEE has requested an economic development grant in order to assist an increased number of businesses in the near eastside under the Storefront Grant Program and for assessing the area for further investment through a Revitalization Study (together the "Project"). GRANTOR has identified funds available in the form of an Economic Development Program Grant funded by tax increment from the Inner City Tax Increment Reinvestment Zone #11 (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 shall be awarded exclusively to businesses located within or adjacent to the Inner City TIRZ boundaries. A copy of the Program boundary has been 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 Economic Development Department ("Director"). The determination made by Director shall be final, binding and conclusive on all Parties hereto. GRANTOR and Inner City 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 Inner City TIRZ #11 Tax Increment Fund, having been authorized by the Inner City TIRZ Board of Directors as evidenced by the passage of Resolution T11 2021-04-21-01R, in a cumulative amount of up to approximately FOUR HUNDRED FIFTY THOUSAND DOLLARS AND NO CENTS (\$450,000.00) (the "Grant Funds") over the Agreement Period to be utilized in accordance with Schedule A .

3.2 Grant Disbursement. Following the execution of this Agreement by the Parties and subject to the terms and conditions herein, GRANTOR will direct disbursement as follows:

3.2.1 GRANTEE shall receive an allocation of up to ONE HUNDRED FIFTY THOUSAND DOLLARS AND NO CENTS (\$150,000.00) upon execution of this Agreement to be used for the purposes described in Exhibit A.

3.2.2 GRANTEE shall receive an allocation of up to ONE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$100,000.00) on September 30, 2021 upon approval of an invoice submitted by GRANTEE, to be used for the purposes described in Exhibit A.

3.2.3 GRANTEE shall receive an allocation of up to ONE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$100,000.00) on March 31, 2022 upon approval of an invoice submitted by GRANTEE, to be used for the purposes described in Exhibit A.

3.2.4 GRANTEE shall receive an allocation of up to ONE HUNDRED THOUSAND DOLLARS AND NO CENTS (\$100,000.00) on September 30, 2022 upon approval of an invoice submitted by the GRANTEE, to be used for the purposes described in Exhibit A

3.4 Administrative costs may not exceed ten percent (10%) of the funding provided under this Agreement. Contractor shall provide City detailed administrative costs by line item with its initial report, as required under Section 7 below.

3.3 Unused Funds. Any unspent funds remaining at the end of the Agreement Period shall be returned to the Inner City 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 on March 31, 2023, whichever comes first ("Agreement Period"). Should GRANTEE not fully expend grant funds on Project activities during the Agreement Period, GRANTEE may, at the discretion of the Director of the Economic Development Department, be granted one additional year ("Extension") to expend the funds.

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 Inner City TIRZ, GRANTOR will pay GRANTEE in accordance with Section 3 above.

5.2 No Liability for Costs. GRANTOR will not be liable to GRANTEE or other entity for any costs incurred by GRANTEE in connection with this Agreement.

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 four (4) years from the end of the Agreement period or the period required by other applicable laws and regulations.

6.2 Access. GRANTEE shall, following reasonable advance and 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 quarterly reports beginning from the date of execution of agreement through the end of term March 31, 2023. The reports shall demonstrate progress towards the goals outlined Exhibit A, to include number of grants awarded, dollar amount of each grant, ownership demographics of the business owners as it relates to race, ethnicity, and gender of grant recipients, business industry of grant recipient, and progress status of the corridor revitalization study. Reports shall be due quarterly, one month following the end of each quarter in accordance with the schedule set out below:

Q1: October 1 – December 31. Report due January 31.

Q2: January 1 – March 31. Report due April 30.
Q3: April 1 – June 30. Report due July 31.
Q4: July 1 – Sept 30. Report due October 31.

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.

SECTION 8. CONFLICT OF INTEREST

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

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.

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 Inner City 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.

15.4 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 (60) calendar days of receiving GRANTOR's written notification of recapture.

SECTION 16. AUTHORIZED RELIEF FROM PERFORMANCE

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

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. RESERVED

SECTION 19. DEBARMENT

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

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

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

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

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:

(Whether personally delivered or mailed):

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

- If by personal or overnight delivery:

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

TO GRANTEE:

- If mailed:

COPIES TO:

Email:

Email;

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


GRANTOR:
CITY OF SAN ANTONIO,
a Texas Municipal Corporation

Erik Walsh
CITY MANAGER

ATTEST:

Tina J. Flores
CITY CLERK

GRANTEE:
SAN ANTONIO FOR GROWTH ON
THE EASTSIDE
a non-profit corporation

Name:  Tuesdae Knight
Title: President and CEO

TAX INCREMENT REINVESTMENT ZONE #11

Executed as an acknowledgement that the TIRZ #11 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

To support SAGE's mission to foster investments that improve the quality of life for individuals, families, neighborhoods and businesses on San Antonio's Eastside, this Scope of Services includes additional support for GRANTEE'S current Store Front Grant Program, as well as initiation of a study to identify assets and opportunities within commercial corridors that fall within or adjacent to the Inner City TIRZ boundary and GRANTEE'S service area.

I. Store Front Grant Program

GRANTOR provides GRANTEE funding in the amount of \$100,000.00 through the FY 2021 Agreement utilizing funds from the Inner City Incentive Fund. Between FY 2018 and FY 2020, SAGE received 80 applications from businesses requesting \$708,811 in Store Front Grants. Although SAGE was able to award 39 Store Front Grants totaling \$284,120, there were 41 eligible applicants totaling \$424,690 that were left unfunded due to the lack of funds available.

Recognizing a continued need in the community, this Chapter 380 Grant Agreement will allocate up to \$375,000.00 of the Economic Development Grant to SAGE to fund the current Store Front Grant Program over a two-year period. The program will align with the approved upon guidelines as part of the FY 2021 Agreement between GRANTEE AND GRANTOR and include the following identified deliverables:

- Fund a target of 15-20 store front grants annually to support small businesses through the Store Front Grant Program.
- Funds to be used as a one-to-one match up to \$10,000 in accordance with Store Front Grant Program. However, businesses that have been impacted by COVID-19 or have difficulty meeting the match requirement may contact SAGE for review and consideration to utilize TIRZ funds if the business can demonstrate loss by one of the following scenarios:
 - Proven 25% quarterly loss: three months (quarter) business bank statements/company financials in 2019 & 2020;
 - Proven 25% annual loss: tax returns from 2019 and 2020;
 - Proven 25% loss in 2020: first quarter 2020 with other 2020 quarter.
- Businesses receiving funding through this initiative must fall within or adjacent to the Inner City TIRZ boundary and SAGE service area.
- Businesses with over 50 employees are not eligible.
- The following types of businesses are specifically ineligible: gambling/gaming businesses; national franchises; liquor stores; bail bond agency; kiosks/non-permanent structures; pawn shops; gun shops; tattoo parlors; tanning salons; tobacco/tobacco-like related establishments; sexually-oriented businesses; specified financial institutions such as payday loan providers; businesses in the process of filing for bankruptcy, 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.

- Businesses cannot receive direct TIRZ funding and be a recipient of the SAGE Store Front Grant unless, in alignment with the SAGE Store Front Guidelines as approved by the SAGE Board of Directors and approved by the Economic Development Program, recipients have waited the designated time period after completion of their funded project before applying for a new grant or loan for a new project.
- Grant recipients must be majority business owner or an authorized agent of the Business.

II. SAGE Eastside Corridor Revitalization Study

This Chapter 380 Agreement provides up to \$75,000.00 to conduct a study of assets and opportunities of the commercial corridors that fall within or adjacent to the GRANTEE'S service area and the Inner City TIRZ boundary. This study will serve as the basis from which GRANTEE develops an economic development strategy to revitalize the commercial corridors. The study shall be complete within a year from the date of execution of the agreement.

Study Purpose: Develop a report and strategic plan that equips SAGE, community stakeholders, City representatives, and public/private investors with the tools and guideposts needed to be effective in advancing sustained growth on San Antonio's Eastside. The strategy must be grounded in technical analysis and data, and its success will be measured by its implementation-focused and actionable recommendations.

Project Scope:

- The report should define metrics, identify inputs and outputs, and report projected economic development impact to public and private agencies, businesses, and surrounding communities in the Eastside target area, San Antonio Promise Zone and immediate area, as well as outline short, medium, and long-term priorities for a Strategic Plan.
- Identify businesses and commercial corridors within the target area in need of investment.
- Identify property, projects, and businesses in target geography that are viable investment opportunities.
- Identify community redevelopment priorities through research and community outreach. Solicit community and stakeholder input through a combination of public and representative steering committee meetings.
- Identify infrastructure improvements that can attract or encourage development. Analysis should include cost estimates, as well as public incentives that would enhance investment viability. Provide a financial analysis on strategies outlining potential funding opportunities and capitalization strategies to move projects forward including the use of public and private funding options such as future bond projects and TIRZ funds.
- Analyze immediate and future development patterns that enhance investment strategies.
- Incorporate existing community, historic and culturally relevant infrastructure, spaces, and preservation strategies.
- Recommend funding strategies and sources of funds (ex: business or real estate development incentives) that can further attract investment or community development partnerships that align with identified community redevelopment priorities.
- Identify potential investment partnerships with sectors, owners, etc. adjacent to and inform future development patterns. Incorporate financial incentives and investment pathways. Detail how these investments and strategies will enhance the existing community, while mitigating displacement and negative effects of gentrification.

- Examine viable opportunities for real estate development within the Eastside target area by compiling an inventory of existing parcels, sectors and/or corridors listing vacant land, unoccupied structures, residential units, businesses, non-profits, and publicly owned parcels with corresponding zoning designations.
- Recommend viable investment opportunities including, but not limited to housing development, real estate development, local retail development, and businesses seeking investment.
- Conduct a SWOT Analysis of the Eastside economy to include:
 - Review and synthesize findings from past studies and information on the area.
 - Conduct demographic and market analyses as well as stakeholder outreach to update conclusions from past plans.
 - Demographic trends, including population change, migration, income, poverty level, education, employment, and household size.
 - Economic trends in key employment/economic clusters within the Eastside, as well as data to identify where the Eastside's residents work.
 - Analyze and provide recommendations on how to sustain and establish additional jobs with medium to high wages with benefits.
 - Market conditions for residential, commercial, and institutional real estate products, including rents/sale prices, vacancy, and absorption rates.
 - Needs of existing and potential institutional and other assets that may encourage inclusive growth in the Eastside.
 - Assessment of past, present, and projected future economic development investments in the area and, if applicable, outcomes and key lessons learned.
 - A comparative analysis of the opportunities and challenges within key nodes of the Eastside.
 - Identify/establish the boundaries of these nodes.
- Incorporate existing City policies to include the SA Tomorrow comprehensive plan and the Mayor's Housing Policy Framework to align recommendations.

EXHIBIT B: INNER CITY TAX INCREMENT REINVESTMENT ZONE BOUNDARIES

