



# City of San Antonio

## Legislation Details (With Text)

**File #:** 17-4244

**Type:** Miscellaneous Item

**In control:** City Council A Session

**On agenda:** 6/21/2018

**Title:** Ordinance approving an agreement with the Office of Urban Redevelopment San Antonio (OUR SA) for the administration of activities related to the 2017-2022 Neighborhood Improvements Bond Program. [Peter Zanoni, Deputy City Manager]

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Draft Ordinance, 2. Draft MOU, 3. Ordinance 2018-06-21-0505, 4. Staff Presentation

Date	Ver.	Action By	Action	Result
6/21/2018	1	City Council A Session	Motion to Appr w Cond	Fail
6/21/2018	1	City Council A Session	Motion to Approve	Pass

**DEPARTMENT:** Neighborhood and Housing Services

**DEPARTMENT HEAD:** Verónica R. Soto, AICP

**COUNCIL DISTRICTS IMPACTED:** Citywide

### SUBJECT:

An Ordinance authorizing an agreement with the Office of Urban Redevelopment San Antonio (OUR SA) for the administration of activities related to the 2017-2022 Neighborhood Improvements Bond Program.

### SUMMARY:

This item includes an Ordinance authorizing a Memorandum of Understanding (MOU) between the City of San Antonio acting through the Neighborhood and Housing Services Department and the Office of Urban Redevelopment San Antonio (OUR SA) for the administration of activities related to the 2017-2022 Neighborhood Improvements Bond Program and implementation of the 2017 Urban Renewal Plan including authority to negotiate and execute real estate contracts and authorizing expenditures not to exceed one hundred thousand dollars (\$100,000.00) in non-refundable earnest money contracts.

### BACKGROUND INFORMATION:

The Neighborhood Improvements Bond program provides for City investment resulting in private and nonprofit-sector development of housing. The \$20 million program is one component of the \$850 million Bond package that was approved by voters on May 6, 2017. The Neighborhood Improvements Bond program allows the City to conduct the following activities within approved geographic areas using Bond funds:

- Land acquisition
- Demolition of dilapidated/unusable structures
- Right-of-way improvements
- Extension/expansion of utilities
- Remediation of hazards such as asbestos or lead-based paint

Chapter 374 of the Texas Local Government Code required the identification of specific geographic areas based on state requirements where Bond funds can be spent. Per the statute, the areas identified are incorporated into an Urban Renewal Plan that was approved by the City Council on February 2, 2017. The following 12 Neighborhood Improvement Areas (or “Areas”) were approved by City Council, thereby initiating the development of the required Urban Renewal Plan:

Area Name	District
Culebra at Callaghan	7
East Southcross	3
Edgewood	6
Lincoln Park-Arena	2
Near East	2
Near West-Five Points	1
Pearsall	4
Roosevelt-Mission Reach	3
South Park	4
Southeast	3
West Side	5
Wurzbach	8

The Urban Renewal Plan serves as the basis for the activities to be conducted as part of the Neighborhood Improvements Bond program. The adopted Urban Renewal Plan contains the following:

- I. Background on the development of the Urban Renewal Plan, including authority granted under Chapter 374 of the Texas Local Government Code, planning efforts leading to the approval of the 12 Neighborhood Improvement Areas, and history of the City’s Urban Renewal Agency (OUR SA);
- II. Definitions of key terms used in the Plan;
- III. Description of the process following a successful Bond Election, including desired outcomes, the role of OUR SA, and the role of the Neighborhood Improvements Advisory Committee;
- IV. Description of the Plan’s alignment with the SA Tomorrow Comprehensive Plan;
- V. Listing and general description of permitted and prohibited Activities;
- VI. General Development Requirements; and,
- VII. Descriptions and geographic boundaries of the approved Neighborhood Improvement Areas

Following approval of the Urban Renewal Plan and the successful voter approval of the proposition, the City must contract with the Office of Urban Redevelopment San Antonio (OUR SA) to execute the program

activities at the direction of the City Council.

## ISSUE:

This item includes an Ordinance authorizing a Memorandum of Understanding (MOU) between the City of San Antonio acting through the Neighborhood and Housing Services Department and the Office of Urban Redevelopment San Antonio (OUR SA) for the administration of activities related to the 2017-2022 Neighborhood Improvements Bond Program and implementation of the 2017 Urban Renewal Plan including authority to negotiate and execute real estate contracts and authorizing expenditures not to exceed one hundred thousand dollars (\$100,000.00) in non-refundable earnest money contracts.

Chapter 374 of the Texas Local Government Code requires that the City must conduct the eligible activities for the Neighborhood Improvements program through an urban renewal agency. The Office of Urban Redevelopment San Antonio (OUR SA) meets this statutory requirement. A Memorandum of Understanding (MOU) between the City and OUR SA has been drafted and includes the following sections:

- I. Term;
- II. Responsibilities;
- III. Compliance with Federal, State and Local Laws;
- IV. Legal Authority;
- V. Performance by City;
- VI. Performance by OUR SA;
- VII. Process to Accomplish the Project;
- VIII. Expenditure Requests;
- IX. Maintenance of Records;
- X. Accessibility of Records;
- XI. (Reserved);
- XII. Liability;
- XIII. Conflict of Interest;
- XIV. Board Meetings;
- XV. Changes and Amendments;
- XVI. Termination;
- XVII. Notification of Action Brought;
- XVIII. Assignments;
- XIX. Severability of Provisions;
- XX. Entire MOU;
- XXI. Notices;
- XXII. Parties Bound;
- XXIII. Gender;
- XXIV. Relationship of Parties;
- XXV. Adversarial Proceedings;
- XXVI. Texas Law to Apply;
- XXVII. Captions;
- XXVIII. Counterparts

The document also includes two exhibits as attached to the Memorandum of Understanding:

Exhibit “A” Division of Responsibilities

Exhibit “B” Staffing Support

The Memorandum of Understanding as approved by the OUR SA Board of Directors is included as an attachment.

**ALTERNATIVES:**

The City Council may elect to alter the terms of the agreement between the City of San Antonio and OUR SA. Alternatively, the Council may elect not to approve the Ordinance, which will negatively impact the ability of the City to successfully implement the Neighborhood Improvements Bond.

**FISCAL IMPACT:**

There is no fiscal impact directly associated with this MOU. The staff positions referenced in the Exhibits will be paid using 2017-2022 Bond proceeds and will not impact the General Fund.

**RECOMMENDATION:**

Staff recommends City Council approval of the Ordinance authorizing an agreement with the Office of Urban Redevelopment San Antonio (OUR SA) for the administration of activities related to the 2017-2022 Neighborhood Improvements Bond Program.