

AN ORDINANCE 2012-05-17-0359

APPROVING AN ECONOMIC DEVELOPMENT PROGRAM GRANT AGREEMENT FOR UP TO \$3,453,515.00 WITH A.A. SEELIGSON, JR. RIVER NORTH, LTD AND THE RIVER NORTH TIRZ BOARD; AND APPROVING A SAWS IMPACT FEE WAIVER FOR UP TO \$400,000.00 FOR THE RIVER NORTH MULTI-FAMILY PROJECT.

* * * * *

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code, the City of San Antonio is authorized to establish and provide for the administration of one or more programs, including programs for making loans and grants of public money and providing personnel and services of the municipality, to promote state or local economic development and to stimulate business and commercial activity in the municipality; and

WHEREAS, in accordance with City Ordinance No. 100684, the City of San Antonio created an Economic Development Program (the "Program") for the purpose of making grants and loans available for economic development projects that the City finds will accomplish the purpose and goals of Chapter 380; and

WHEREAS, Developer is engaged in economic development by investing in a multi-family, market-rate rental housing development project that is currently contemplated to be in the amount of \$31,459,000, including public improvements in the currently estimated amount of \$725,000.00 at Avenue A and Roy Smith Street located within the boundaries of the River North TIRZ (the "Project"); and

WHEREAS, the Project is eligible for a waiver of up to \$400,000 in SAWS Impact Fees in accordance with the City's Inner-City Reinvestment Infill Policy; and

WHEREAS, Developer is seeking an economic development grant for the purpose of defraying costs associated with undertaking the Project which will improve streets, drainage and other infrastructure in the River North TIRZ in accordance with the River North Master Plan; and

WHEREAS, the City of San Antonio (the "City"), the River North TIRZ Board (the "Board") and A.A. Seeligson, Jr. River North, LTD (the "Developer") desire to enter into an Economic Development Program Grant Agreement pursuant to the terms provided in substantially final form in **Attachment I**; and

WHEREAS, the Board is authorized to designate TIRZ funds consistent with its Project Plan and Finance Plan through an Economic Development Program Grant Agreement and is authorized to direct the City to pay for such projects from the TIRZ's tax increment funds; and

WHEREAS, the Board and City have identified \$2,429,515.00 in available tax increment funds from the TIRZ and \$1,024,000.00 in funding from the General Fund for the Project; and

WHEREAS, the Board has authorized the commitment of tax increment funds earned from Project improvements for the Economic Development Program Grant Agreement in order to promote local economic development, and to stimulate business and commercial activity, within the River North TIRZ; **NOW THEREFORE:**

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

SECTION 1. The City Council approves an Economic Development Program Grant Agreement for up to \$3,453,515.00 with A.A. Seeligson, Jr. River North, Ltd. and the River North TIRZ Board for the River North Multi Family Project. The City Manager or her designee is authorized to execute the Agreement, provided it is consistent with the terms stated in **ATTACHMENT I** and an approved Project Plan and Finance Plan. A copy of the Agreement will be attached to this Ordinance once executed by the parties.

SECTION 2. The City Manager or her designee is authorized to execute such other documents as are necessary to carry out the intent of this Ordinance as approved and recommended by the City Attorney.

SECTION 3. City Council also approves a SAWS Impact Fee Waiver for up to \$400,000 for the Project in Section 1.

SECTION 4. Funding in the amount of \$1,024,000.00 for this Ordinance is available in Fund 11001000, Cost Center 7001990059 and General Ledger 5201040, as part of the Fiscal Year 2012 Budget and payment is authorized to A.A. Seeligson, Jr. River North, Ltd. Payment is limited to the amounts budgeted in the operating budget funding sources identified and should be encumbered with a purchase order. Payments for future fiscal years are contingent upon the availability of funds from the City's operating budget and City Council approval. All expenditures will comply with the approved operating budget for current and future fiscal years.

SECTION 5. Payment not to exceed the amount of \$2,429,515.00, which will be broken out in annual payments for up to 15 years, is authorized to A.A. Seeligson, Jr. River North, Ltd. through Fund 29086018, with Cost Center and General Ledger to be determined by the Office of Budget and Management. Annual payments to A.A. Seeligson, Jr. River North, Ltd. shall not exceed the amount equal to the previous year's ad valorem taxes remitted to the City for a period not to exceed 15 years and at such time that funds are authorized to be encumbered.

SECTION 6. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance 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 7. This Ordinance shall be effective immediately upon the receipt of eight (8) affirmative votes, but if less than eight (8) affirmative votes are received, then this Ordinance shall be effective on the tenth (10th) day after passage.

PASSED AND APPROVED this 17th day of May, 2012.



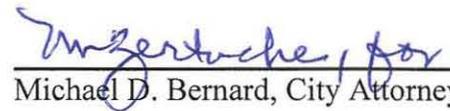
M A Y O R
Julián Castro

ATTEST:



Leticia M. Vacek, City Clerk

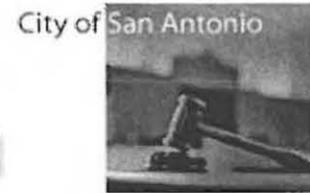
APPROVED AS TO FORM:



Michael D. Bernard, City Attorney



Request for
**COUNCIL
ACTION**



Agenda Voting Results - 14

Name:	14						
Date:	05/17/2012						
Time:	11:51:35 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing an Economic Development Grant Agreement for up to \$3,453,515.00 with A.A. Seeligson, Jr. River North, LTD and the River North TIRZ Board, and a SAWS impact fee waiver up to \$400,000.00 for the River North Multifamily Project. [Pat DiGiovanni, Deputy City Manager; Mark Brodeur, Director, Center City Development Office]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x			x	
Ivy R. Taylor	District 2		x				
Leticia Ozuna	District 3		x				
Rey Saldaña	District 4		x				
David Medina Jr.	District 5		x				
Ray Lopez	District 6	x					
Cris Medina	District 7		x				x
W. Reed Williams	District 8		x				
Elisa Chan	District 9			x			
Carlton Soules	District 10			x			

ATTACHMENT 1

**ECONOMIC DEVELOPMENT GRANT AGREEMENT OF THE
CITY OF SAN ANTONIO AND TAX INCREMENT REINVESTMENT ZONE #27**

This Economic Development Grant Agreement (hereinafter referred to as this "Agreement") is made and entered into by and among the City of San Antonio (the "City"), a municipal corporation of the State of Texas, acting by and through its City Manager or her designee, Tax Increment Reinvestment Zone #27, acting by and through its Board of Directors, (the "TIRZ") and A.A. Seeligson, Jr. River North, Ltd., a Texas limited partnership (hereinafter referred to as "GRANTEE") and whom together may be referred to as the "Parties."

WHEREAS, the GRANTEE is the owner of approximately 3.14 acres of real property located at the intersection of Avenue A and Roy Smith Street, as more particularly described on "Attachment A" attached hereto (the "Property"); and

WHEREAS, GRANTEE is engaged in an economic development project that will be located within the city limits of San Antonio that will consist of a multi-family housing development structure consisting of approximately 256 market-rate rental housing units to be located at the intersection of Avenue A and Roy Smith Street (the "Project"); and

WHEREAS, the City's governing body recommended to the TIRZ that the Project be reimbursed for certain costs associated with the Project and incurred by GRANTEE; and

WHEREAS, GRANTEE is seeking an additional economic development grant from the City and the TIRZ for the purpose of defraying costs associated with the Project as further described in this Agreement; and

WHEREAS, the City and the TIRZ have identified grant funds to be made available to GRANTEE for use in completing the Project; and

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code and Section 311.010(b) and Section 311.010(h) of the Texas Tax Code, the City and the TIRZ are authorized to grant funds to promote state or local economic development and to stimulate business and commercial activity in the municipality and the Reinvestment Zone #27; and

WHEREAS, the City Council of City has: (i) authorized the City Manager or her designee to enter into this Agreement with GRANTEE in accordance with City Ordinance No. 2012-0 - ____ - ____, passed and approved on _____, 2012 (the "Ordinance Date") to grant funds; and (ii) in accordance with the City's Inner-City Reinvestment Infill Policy, approved a waiver of certain impact fees otherwise charged by the San Antonio Water System to the Project (the "SAWS Impact Fee Waiver") and further, the Board of Directors of the TIRZ has authorized the TIRZ to enter into this Agreement with City and GRANTEE in accordance with the Resolution, dated May 2, 2012, attached hereto as "Attachment B";

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 development of a housing development structure that GRANTEE currently contemplates will consist of approximately 256 market-rate, multi-family rental units and approximately \$725,000 in public improvements. The Project is anticipated to promote local economic development and to stimulate business and commercial activity in the City of San Antonio and Reinvestment Zone #27. The City and TIRZ are supporting the Project through this Economic Development Program Grant to provide funds to be used to defer costs associated with the Project.

SECTION 2. PROJECT REQUIREMENTS

A. GRANTEE currently contemplates that GRANTEE will make an Investment (as hereafter defined) of approximately THIRTY ONE MILLION FOUR HUNDRED FIFTY NINE THOUSAND DOLLARS AND NO CENTS (\$31,459,000.00) in the Project, and will include approximately SEVEN HUNDRED TWENTY FIVE THOUSAND DOLLARS AND NO CENTS (\$725,000.00) of Public Improvements (as hereafter defined). For the purposes of this Agreement, “Public Improvements” shall include, without limitation, exterior building and site improvements pertaining to development of the Property in the nature of public infrastructure such as streets, sidewalks, curbs, gutters, lighting, drainage facilities, utility lines and related equipment, telecommunication facilities, landscaping, public art installations and Riverwalk enhancements. For purposes of this Agreement, “Investment” shall mean all expenditures made by GRANTEE directly or indirectly, to develop the Project including, without limitation: architectural, engineering and surveying expenses, financing costs and fees, property acquisition, closing and settlement expenses, demolition, construction, site preparation, paving, landscaping, utilities, project marketing, legal expenses, and reasonable fees paid to consultants, contractors and developer. GRANTEE shall not be in default hereunder solely by virtue of the fact that either: (i) the amount of the total Investment actually expended by GRANTEE for the construction of the Project is ultimately less than the estimate set out above; or (ii) the amount of Investment actually expended by GRANTEE for Public Improvements, is ultimately less than the estimates set out above; or (iii) the completed Project ultimately contains less than 256 rental units, so long as the Project contains at least 218 rental units (representing an approximate 15.0% allowed variance).

B. GRANTEE shall commence construction on or before fifteen (15) months following the Ordinance Date and shall use reasonable good faith efforts to complete construction within twenty-four (24) months following the commencement of construction, subject to Force Majeure. The commencement date shall be determined by the issuance of all necessary permits for the commencement of construction of the Project and City’s receipt of correspondence from the general contractor for Project confirming that construction of the Project has commenced. The completion date shall be determined by the issuance of a Certificate of Occupancy for the Project by City (not to be unreasonably withheld).

C. GRANTEE shall make available to City any Project progress reports generated by GRANTEE during the construction and a first year lease-up phase of the project. In addition, should City request a progress report on the Project from GRANTEE, GRANTEE shall provide such a report within twenty (20) business days. City shall not request such progress reports more frequently than once during each calendar quarter.

D. GRANTEE shall comply with all applicable Federal, State and local laws and regulations, and shall develop and operate the Project in accordance with the terms and conditions of this Agreement.

E. No Public Improvements with a lien still attached may be offered to the City for dedication. If any lien or claim of lien, whether choate or inchoate (collectively, any “Mechanic’s Lien”) is

filed against GRANTEE regarding the Public Improvements on the Project by reason of any work, labor, services or materials supplied or claimed to have been supplied by, or on behalf of, GRANTEE, or any of its agents or Contractors, GRANTEE shall cause the same to be satisfied or discharged of record, or effectively prevent the enforcement or foreclosure against the Project's Public Improvements by injunction, payment, deposit, bond, court order or otherwise.

F. GRANTEE is responsible for complying with all applicable City Code provisions, including provisions of the Unified Development Code, enforced pursuant to the CITY's subdivision platting authority, and as amended including, but not limited to, those provisions related to drainage, utilities, and substandard public street rights-of-ways for development and construction of the Project including the Public Improvements. In addition, GRANTEE shall follow the River North Master Plan as adopted by City and shall consider incorporating low impact development strategies for water quality, storm water and drainage where appropriate for the Project. This Agreement in no way obligates the City to approve any subsequent permits or requests for the Project as GRANTEE is still responsible for acquiring all necessary permits and/or approvals as needed for the Project.

SECTION 3. ECONOMIC DEVELOPMENT PROGRAM GRANT

A. **Economic Development Program Grant.** City and TIRZ are providing GRANTEE with Economic Development Program Grants subject to GRANTEE's performance of its obligations under this Agreement. Such grants shall be apportioned as follows:

1. The City is providing ONE MILLION TWENTY FOUR THOUSAND DOLLARS AND NO CENTS (\$1,024,000.00) from the City's Inner City Incentive Fund.
2. The TIRZ is providing up to TWO MILLION FOUR HUNDRED TWENTY NINE THOUSAND FIVE HUNDRED FIFTEEN DOLLARS AND NO CENTS (\$2,429,515.00) in real property tax increment reimbursements from the Tax Increment Fund (hereafter defined) for up to fifteen (15) years, held by the City on behalf of the TIRZ.
3. The total cumulative amount of the combined grant is THREE MILLION FOUR HUNDRED FIFTY THREE THOUSAND FIVE HUNDRED FIFTEEN DOLLARS AND NO CENTS (\$3,453,515.00) (the "Maximum Disbursement Amount"). The grant funds shall be used for the purpose of reimbursing GRANTEE for Investments in costs for the Project.

B. **Grant Disbursement.** The grant funds will be distributed over the Term of this Agreement, subject to the terms and conditions herein, as follows:

1. **Initial Disbursement (\$1,024,000.00).** The City shall pay to GRANTEE an Economic Development Program Grant from the Inner City Incentive Fund in the total amount of ONE MILLION TWENTY FOUR THOUSAND DOLLARS AND NO CENTS (\$1,024,000.00) ("Initial Disbursement"), to be advanced to GRANTEE in one disbursement within THIRTY (30) business days following approval of this Agreement by a duly-authorized City Ordinance and the occurrence of all of the following:
 - (a) Execution of the Agreement by all Parties; and
 - (b) Receipt of evidence of the issuance of all necessary permits from the City of San Antonio for commencement of construction of the Project; and

(c) GRANTEE providing to City the following: (i) a letter from a qualified financial institution confirming GRANTEE has funds available on deposit or under an existing credit facility sufficient to complete the Project; and (ii) written confirmation from GRANTEE that it has received the necessary building permits to cause the Commencement of Construction of the Project; and (iii) a letter from GRANTEE's general contractor (or other reasonably satisfactory evidence) that Commencement of Construction of the Project has occurred on or prior to the date that is fifteen (15) months following the Ordinance Date. GRANTOR shall make a reasonable determination as to whether the evidence provided by GRANTEE is sufficient to satisfy the foregoing conditions.

2. **Property Tax Increment Reimbursement (Up to \$2,429,515.00).** Subject to the terms and conditions of this Agreement and the Payment Conditions (defined herein), the TIRZ directs the City to administer this Agreement and to act as fiscal agent on behalf of the TIRZ and its Tax Increment Fund, and for each tax year commencing with the first tax year following the tax year in which a Certificate of Occupancy is issued for the Project and then annually throughout the remainder of the Term, the City, on behalf of the TIRZ, shall pay to GRANTEE no later than forty-five (45) business days following submission of a tax invoice by GRANTEE indicating full payment of all taxes by GRANTEE on the Project, an amount equal to: (a) the actual amount of real property taxes paid by GRANTEE to the TIRZ with respect to the Property (including land and improvements) for the immediately preceding tax year, *less* (b) the amount of real property taxes payable by GRANTEE to TIRZ with respect to the Property for the tax year in which the Project was included in the TIRZ (the difference between (a) and (b) being referred to herein as "Annual Property Tax Increment Reimbursement"). Payment of the Annual Property Tax Increment Reimbursement to GRANTEE shall occur in accordance with the Project Requirements in Section 2 of this Agreement and with the following conditions (collectively, the "Payment Conditions"):
- (a) Upon receipt by the City of taxes paid by GRANTEE to the TIRZ related to the Project for a tax year, the City shall, in a reasonably prompt manner and in its capacity as fiscal agent for the TIRZ, deposit an amount of not less than the Annual Property Tax Increment Reimbursement for such tax year into the Tax Increment Fund. For purposes of this Agreement, "Tax Increment Fund" means that certain fund established by the City for the TIRZ, pursuant to Section 311.004, Texas Tax Code.
 - (b) For each tax year during the Term of this Agreement, the City, acting as fiscal agent for the TIRZ, shall pay the Annual Property Tax Increment Reimbursement to GRANTEE. Payment of the Annual Property Tax Increment Reimbursement shall come solely from City real property taxes attributable to the Project. During the Term of this Agreement, the taxes paid by Grantee and deposited in the Tax Increment Fund shall be earmarked for the purpose of paying the Annual Property Tax Increment to Grantee.
 - (c) For any particular tax year during the Term of this Agreement, if insufficient tax increment is realized within Reinvestment Zone #27 to permit the full payment of the Annual Property Tax Increment Reimbursement due to GRANTEE under this Section, the TIRZ shall pay as much of the Annual Property Tax Increment Reimbursement to GRANTEE, as possible, and the TIRZ shall defer payment of any unpaid balance of the Annual Property Tax Increment Reimbursement due to GRANTEE under this Section during that tax year.

(d) It is expressly agreed that all deferred Annual Property Tax Increment Reimbursements (the “Deferred Amounts Due”) shall accrue without interest and be payable at the earliest reasonable opportunity to GRANTEE by TIRZ upon the availability of sufficient funds attributable to the Project in the Tax Increment Fund.

(e) At any time during the Term of this Agreement and provided that GRANTEE has no Deferred Amounts Due and there exist unallocated amounts in the Tax Increment Fund, the TIRZ shall consider any reasonable request made by GRANTEE to pay amounts in addition to the Annual Property Tax Increment Reimbursement up to the Maximum Disbursement Amount. It is expressly understood that the TIRZ has no obligation to pay additional amounts. GRANTEE understands and agrees that any expenditure made by the GRANTEE in anticipation of Annual Property Tax Increment Reimbursement shall not be, nor construed to be, financial obligations of the City.

3. **Obligation to Pay Taxes.** It is understood that GRANTEE shall continue to pay all taxes owed on the Property as required by law. Taxes owed or paid shall be determined by the Bexar County Appraisal District. Prior to TIRZ disbursing funds under Section 3.B.(2), GRANTEE must provide to City evidence indicating that all taxes owed by GRANTEE on the Property have been paid in full for the tax year for which payment of the Annual Property Tax Increment Reimbursement is sought, subject to GRANTEE's right to protest taxes as permitted by law. If, during the Term of this Agreement, GRANTEE allows its ad valorem taxes due on the Property to become delinquent and fails to timely and properly follow the legal procedures for the protest and/or contest of the taxing value, then the City’s and TIRZ’s remedies under this Agreement shall apply.

4. **Property Tax Reconciliation.** In no case shall disbursements made to GRANTEE under this Agreement exceed the Maximum Disbursement Amount. Should such disbursements exceed the Maximum Disbursement Amount, no further disbursements shall be due to GRANTEE and any excess funds disbursed shall be due and payable by GRANTEE to City or TIRZ within sixty (60) days following written notice from City to GRANTEE, provided such written notice is given within one (1) year following the expiration of the Term.

C. **Recapture of Initial Disbursement.** Should GRANTEE receive the Initial Disbursement pursuant to Section 3B(1) and fail to comply with its obligations under Section 2.A. and 2.B. hereof, then City and TIRZ shall have the right to terminate this Agreement and recapture all or a portion of the Initial Disbursement in accordance with this Section.

SECTION 4. AGREEMENT PERIOD

This Agreement shall commence upon the Effective Date listed on the signature page of this Agreement and terminate upon the earlier of: (a) the payment of grant funds by City and/or TIRZ to GRANTEE in the amount of the Maximum Disbursement Amount; (b) the expiration of fifteen (15) years from the tax year following the tax year in which a Certificate of Occupancy is issued for the Project; or (c) termination of this Agreement as otherwise provided herein (the “Term”).

SECTION 5. CITY AND TIRZ OBLIGATIONS

A. In consideration of full and satisfactory performance of activities required by Section 2 or Section 3 of this Agreement, as applicable, City and TIRZ will pay GRANTEE in accordance with Section 3 above.

- B. Neither City nor TIRZ will be liable to GRANTEE or other entity for any costs incurred by GRANTEE in connection with this Agreement.
- C. The City agrees to act as the fiscal agent on behalf of the TIRZ by making disbursements from the Tax Increment Fund for the Project pursuant to this Agreement. Additionally, the City shall monitor GRANTEE's compliance with the terms and conditions of this Agreement and provide updated information to the TIRZ regarding the progress of the Project.
- D. Any and all amounts payable by the TIRZ under this Agreement are payable solely from the TIRZ Tax Increment Fund, and no claim for payment of any amount outside of this contribution shall be made, claimed or permitted against any other funds, properties, assets or the general credit of the City.
- E. Notwithstanding the foregoing, the Project is located within the Inner City Reinvestment/Infill Policy Target Area and is eligible for certain fee waivers that total approximately \$211,000.00 in City fees and \$400,000.00 in SAWS impact fees.

SECTION 6. RETENTION AND ACCESSIBILITY OF RECORDS

- A. GRANTEE shall maintain all material records related to the construction of the Project for the greater of: (1) five [5] years from the end of the Agreement period; or (2) the period required by other applicable laws and regulations.
- B. GRANTEE shall, following reasonable advance written notice from the City, give the City, its designee, or any of their duly authorized representatives, access to and the right to examine all material records related to the construction of the Project (the "Records"). Such examinations shall not be made more frequently than once each calendar quarter. City'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 the City. GRANTEE shall not be required to disclose to the City or TIRZ 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, the City 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 the City and TIRZ the right to suspend or terminate this Agreement as provided for herein, or any portion thereof, for reason of default. All Records shall be retained by GRANTEE for a period of five (5) years after all performance requirements are achieved for audit purposes until such audits or other administrative, civil or criminal matters including, but not limited to, investigations, lawsuits, administrative inquiries and open record requests are completed.

SECTION 7. MONITORING

- A. The City reserves the right to confirm GRANTEE's compliance with the terms and conditions of this Agreement. The City will provide GRANTEE and TIRZ 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

GRANTEE shall use good faith efforts to ensure that no employee, officer, or individual agent of City 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. GRANTEE shall comply with Chapter 171, Texas Local Government Code as well as the City's Code of Ethics insofar as they are by their terms applicable to GRANTEE'S activities relating to this Agreement.

SECTION 9. NONDISCRIMINATION AND SECTARIAN ACTIVITY

A. As a condition of entering into this agreement, GRANTEE represents and warrants that it will comply with the CITY's Commercial Nondiscrimination Policy, as described under Section III. C. 1. of the SBEDA Ordinance 2010-06-17-0531. As part of such compliance, GRANTEE shall not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring or commercial treatment of subcontractors, vendors, suppliers, or commercial customers funded in whole or in part with funds made available under this Agreement, nor shall GRANTEE retaliate against any person for reporting instances of such discrimination. GRANTEE shall provide equal opportunity for subcontractors, vendors and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the CITY's Relevant Marketplace. Grantee understands and agrees that a material violation of this clause shall be considered a material breach of this Agreement and may result in termination of this Agreement, disqualification of GRANTEE from participating in City contracts, or other sanctions as provided by applicable law. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.

B. 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.

C. 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

A. Each Party assures and guarantees to the other that they possesses the legal authority to enter into this Agreement, to receive/deliver the funds authorized by this Agreement, and to perform their obligations hereunder.

B. 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.

C. City and TIRZ will 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 City and TIRZ for any money it has received from City or TIRZ for performance of the provisions of this Agreement if City or TIRZ suspends or terminates this Agreement for reasons enumerated in this Section.

SECTION 11. LITIGATION AND CLAIMS

A. GRANTEE shall give City notice in writing within thirty (30) calendar days following the date GRANTEE is served with citation or other required notice of commencement thereof, of any action or claim initiated in a court of law, before an arbitrator, or before an administrative agency, filed against GRANTEE or GRANTEE's general contractor arising out of the construction of the Project.. Except as otherwise directed by City, GRANTEE shall furnish to City within thirty (30) calendar days following GRANTEE's receipt thereof copies of all pertinent pleadings or other similar filings received by GRANTEE with respect to such action or claim. GRANTEE shall notify the City: (i) within thirty (30) calendar days following GRANTEE's receipt of written notice thereof of any legal action, known to GRANTEE, filed against GRANTEE's general contractor for the Project and that relates to the Project; and (ii) within thirty (30) calendar days following the date that GRANTEE initiates any known proceeding filed under the federal bankruptcy code or receives written notice of the initiation of an involuntary bankruptcy proceeding with respect to GRANTEE. 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. Without limiting the generality of the foregoing, GRANTEE is not required to notify City of claim or litigation which arises 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.

B. The TIRZ and GRANTEE acknowledge that City 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.

C. This Agreement shall be interpreted according to the Constitution and the laws of the State of Texas. Performance under this Agreement lies in Bexar County, Texas and 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

A. In the event that GRANTEE should default under any of the provisions of this Agreement and the City should employ attorneys (other than attorneys who are employees of the City) or incur other reasonable and necessary 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 the reasonable fees of such attorneys and such other expenses so incurred by the City.

B. In the event City or TIRZ should default under any of the provisions of this Agreement and the GRANTEE should employ attorneys (other than attorneys who are employees of GRANTEE) or incur other reasonable and necessary 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 City or TIRZ herein contained, City and TIRZ agree to pay to the GRANTEE reasonable fees of such attorneys and such other expenses so incurred by the GRANTEE.

SECTION 13. CHANGES AND AMENDMENTS

A. 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.

B. 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.

C. Any alterations, additions or deletions to the terms of this Agreement (other than those terms in Section 2 or Section 3 herein) required by changes in state law or regulations are automatically incorporated into this Agreement without written amendment hereto, and shall become effective on the date designated by such law or regulation.

SECTION 14. SUSPENSION

A. 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, City shall provide GRANTEE with written notification as to the nature of the non-compliance and provide GRANTEE a sixty (60) day period following the date of the GRANTEE's receipt of City's written notification to cure any issue of non-compliance. Should GRANTEE fail to cure any default within this period of time, the City 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. Parties agree that any such Suspension shall not delay, preclude or alter the payment of Deferred Amounts Due accrued prior to the date of non-compliance hereunder.

B. 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, the City may, in its sole discretion, extend the cure period provided that GRANTEE shall: (1) within thirty (30) calendar days of receipt of Notice of Suspension, advise City of GRANTEE's intention to institute all steps necessary to cure such default and the associated time frame; and (2) institute and thereafter prosecute to completion with reasonable dispatch all steps necessary to cure same.

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

D. Neither City nor TIRZ shall be liable to GRANTEE or to GRANTEE's creditors for costs incurred during any term of suspension of this Agreement.

SECTION 15. TERMINATION

A. Should GRANTEE fail to timely commence construction in accordance with Section 2.B. above, this Agreement shall terminate automatically and any and all incentives offered to GRANTEE by City and TIRZ shall extinguish. City and TIRZ shall have the right to terminate this Agreement for non-

compliance, in whole or in part, at any time before the date of completion of the Term in the event that GRANTEE has failed to comply with any term of any Agreement with the City and TIRZ. City will provide GRANTEE with written notification as to the nature of the non-compliance, and provide GRANTEE a sixty (60) day period from the date of the City's written notification to cure any issue of non-compliance under such Agreement. Should GRANTEE fail to cure any default within this period of time, GRANTOR may, upon issuance to GRANTEE of a written Notice of Termination, terminate this Agreement, withhold further payments to GRANTEE and seek repayment of any and all funds disbursed by GRANTOR.

B. In the case of default for causes that cannot with due diligence be cured within such sixty (60) day period, the 60-day cure period shall be extended for such additional time as may be reasonable under the circumstances, provided that GRANTEE shall: (1) within thirty (30) calendar days of receipt of Notice of Termination advise GRANTOR of GRANTEE's intention to institute all steps necessary to cure such default and the associated time frame; and (2) institute and thereafter prosecute to completion with reasonable dispatch all steps necessary to cure same.

C. Repayment of Initial Disbursement. Provided that the City has disbursed the Initial Disbursement to GRANTEE pursuant to the terms and conditions of this Agreement, if GRANTEE does not complete the Project in accordance with this Agreement and the City terminates this Agreement as provided in this Section 15, then GRANTEE shall refund the Initial Disbursement to the City within sixty (60) calendar days after the date of termination. Notwithstanding any other provision of this Agreement to the contrary, following completion of the Term of this Agreement, GRANTEE shall not be obligated to repay or refund any disbursements received from GRANTOR under this Agreement except as provided in Section 3.C above.

D. Other Remedies Available. The City shall have the right to seek any remedy at law to which it may be entitled, in addition to termination and repayment of funds, if GRANTEE defaults under the material terms of this Agreement and fails to cure such default within the cure period set forth above. However, such termination and repayment shall be subject to any and all lawful defenses, counterclaims, offsets, settlements, deductions or credits to which GRANTEE may be entitled.

SECTION 16. SPECIAL CONDITIONS AND TERMS

A. Termination of TIRZ. The Parties agree that, in the event that the City, acting in accordance with State law, terminates the TIRZ or adopts an ordinance that causes the termination date of the TIRZ to occur prior to the termination of this Agreement, the City may in accordance with State law establish a fund in an amount that will be sufficient to pay any other amounts that may become due, including compensation due to or to become due to the trustee or escrow agent, as well as to pay the principal of and interest on any other obligations incurred on behalf of the TIRZ, including those obligations to GRANTEE hereunder. Should the Project become located in a Tax Increment Reinvestment Zone ("Zone") other than TIRZ, GRANTEE may alternatively petition for assignment to said TIRZ in accordance with Section 20 hereof. The City agrees that it will not unreasonably withhold, condition or delay its approval of any such petition on the part of GRANTEE. GRANTEE may also petition the City, acting in its sole discretion, to amend this Agreement to provide for the payment of Annual Property Tax Increment Reimbursements by the City to GRANTEE in accordance with the material terms and conditions of this Agreement.

B. Non-Performance of TIRZ. The Parties agree that, in the event that the TIRZ does not realize any tax increment for a period of seven (7) consecutive years following the Effective Date thereby precluding any payment of Annual Property Tax Increment Reimbursements by the TIRZ to GRANTEE in

accordance with Section 3 of this Agreement, the GRANTEE may petition the City to: (i) modify the boundaries of the TIRZ to exclude the Property from the TIRZ; and (ii) amend this Agreement to provide for the payment of Annual Property Tax Increment Reimbursements by the City directly to GRANTEE in accordance with the material terms and conditions of this Agreement.

C. Employment. GRANTEE, in accordance with Chapter 2264 of the Texas Government Code, agrees not to knowingly employ any undocumented workers at the Project during the Term of this Agreement. If GRANTEE is convicted of a violation under 8 U.S.C. Section 1324a (f), then GRANTEE shall repay the City or TIRZ 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 the City of such violation. The City, in its sole discretion, may extend the period for repayment herein. Additionally, GRANTEE shall pay interest on the amounts due to City or TIRZ 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 17. SUBCONTRACTING

A. GRANTEE shall use reasonable business efforts to ensure that the performance rendered under subcontracts entered into by GRANTEE for the construction of the Project complies with all terms and provisions of this Agreement as if such performance were rendered by GRANTEE. For purposes of this Agreement, the term “subcontract” shall include a contract entered into by GRANTEE and a general contractor for the construction of the Project.

B. GRANTEE, in subcontracting any of the performances hereunder, expressly understands that in entering into such subcontracts, neither City nor TIRZ is liable to GRANTEE's subcontractor(s).

SECTION 18. DEBARMENT

By signing this Agreement, GRANTEE certifies that it will not 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 the City.

SECTION 19. RIGHTS UPON DEFAULT

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 the City or TIRZ or under any provision of law, nor shall any action taken in the exercise of any right or remedy be deemed a waiver of any other rights or remedies. Failure 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.

SECTION 20. ASSIGNMENT

A. This Agreement is not assignable by any Party without the written consent of the non-assigning Parties. Each transfer or assignment, to which there has been consent, shall be by instrument in writing, in form reasonably satisfactory to the City and the TIRZ and shall be executed by the transferee or assignee who shall agree in writing to be bound by and to perform the terms,

covenants and conditions of this Agreement. Failure to first obtain, in writing, the City or TIRZ's consent, or failure to comply with the provisions herein shall prevent any such transfer or assignment from becoming effective. In the event the City and TIRZ approves the assignment or transfer of this Agreement, as provided above, the GRANTEE shall be released from such duties and obligations.

B. Notwithstanding the foregoing, GRANTEE may assign this Agreement to a parent, subsidiary or affiliate entity, or newly-created entity resulting from a merger, acquisition or other corporate restructure or reorganization of GRANTEE, or to any entity owned or controlled, or under common control, directly or indirectly by GRANTEE, without the written consent of the non-assigning Parties. Following completion of construction of the Project, GRANTEE shall also have the right to assign this Agreement to any party that acquires the Project, subject to the prior written consent of the City Manager or designee, which consent shall not be unreasonably withheld. In either of such cases, GRANTEE shall give City no less than THIRTY (30) days prior written notice of the proposed assignment or other transfer. Any and all future assignees must be bound by all terms and/or provisions and representations of this Agreement as a condition of assignment. Any attempt to assign the Agreement without the notification and subsequent consent of City and TIRZ shall release City and TIRZ from performing any of the terms, covenants and conditions herein; provided that a permitted assignment of this Agreement by GRANTEE following completion of construction of the Project shall relieve GRANTEE of any liability hereunder arising following the assignment provided that the assignee has expressly assumed all obligations and liabilities of GRANTEE under this Agreement attributable to the period following the date of such assignment. Any assignment of this Agreement in violation of this Section shall enable GRANTOR to terminate this Agreement and exercise its rights under Section 15 of this Agreement.

C. Also notwithstanding the language in this Section, the City authorizes the TIRZ to assign to any other Tax Increment Reinvestment Zone (Zone) should this Project be included in the boundaries of said Zone and the Board of said Zone agrees to the assignment and assumption of all the duties, rights and obligations of the TIRZ as evidenced by a Board resolution. City staff and/or TIRZ shall be responsible for providing GRANTEE written notice no less than 30 days of the proposed assignment. GRANTEE will also need to consent in writing to said assignment for it to become effective.

D. Any restrictions in this Agreement on the transfer or assignment of the Developer's interest in this Agreement shall not apply to and shall not prevent the assignment of this Agreement to a lending institution or other provider of capital in order to obtain financing for the Project. In no event, shall the City be obligated in any way to said financial institution or other provider of capital. The City shall only issue a check or any other form of payment made payable only to the GRANTEE.

SECTION 21. 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 22. AUTHORIZED RELIEF FROM PERFORMANCE (*Force Majeure*)

The City may grant temporary relief from any deadline for performance of any term of this Agreement if the GRANTEE is prevented from compliance and performance by an act of war, order of legal authority,

act of God, or other unavoidable cause not attributed to the fault or negligence of the GRANTEE. The burden of proof for the need for such relief shall rest upon the GRANTEE. To obtain an extension based upon Force Majeure, GRANTEE must provide written notice to GRANTOR of the occurrence of the Force Majeure event within ten (10) days following the date that GRANTEE becomes aware of the event and the fact that it will delay GRANTEE's performance of its obligations under this Agreement. City will not unreasonably withhold its consent. Consent from TIRZ shall not be required under this Section.

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 one (1) business day following its deposit into the custody of 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 CITY and TIRZ:

(If mailed):

Center City Development Office
Attn: Director
P.O. Box 839966
San Antonio, Texas 78283-3966

(If by personal or overnight delivery):

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

TO GRANTEE:

A.A. Seeligson, Jr. River North, Ltd.
315 E. Commerce, Suite 300
San Antonio, Texas 78205
Attn: John S. Beauchamp and Jack J. Specter

ATTACHMENTS:

Attachment A – Property

Attachment B – TIRZ Resolution

Agreed to and executed by the Parties in four duplicate originals, by the Deputy City Manager on behalf of the City of San Antonio pursuant to Ordinance Number 2012-__-____-_____, dated _____, 2012, and _____ (Grantee) pursuant to the authority of its _____.

CITY OF SAN ANTONIO,
a Texas Municipal Corporation

GRANTEE:

A.A. Seeligson, Jr. River North, Ltd.,
a Texas limited

Pat DiGiovanni
DEPUTY CITY MANAGER

By: Seeligson GP, L.L.C.,
a Texas limited liability company
General Partner

ATTEST:

By: _____

Leticia Vacek
CITY CLERK

Name: _____

Title: _____

ATTEST:

Name:
Title:

APPROVED AS TO FORM:

Leslie O. Haby
ASSISTANT CITY ATTORNEY

**TAX INCREMENT REINVESTMENT
ZONE #27:**

Name:
Title:

ATTACHMENT A

Subject Property

[Metes and bounds description is attached.

Upon platting of the Subject

Property the as-platted legal description of the Subject
Property shall be substituted for the metes and bounds description
and shall be incorporated herein for all purposes.]

ATTACHMENT B
TIRZ Resolution

A RESOLUTION OF THE BOARD OF DIRECTORS OF TAX INCREMENT REINVESTMENT ZONE NUMBER 27, CITY OF SAN ANTONIO, TEXAS KNOWN AS THE RIVER NORTH TIRZ AUTHORIZING THE COMMITMENT OF TAX INCREMENT FUNDS FOR A CHAPTER 380 GRANT FOR THE RIVER NORTH MULTI-FAMILY PROJECT WITH A.A. SEELIGSON, JR. RIVER NORTH, LTD AND THE CITY OF SAN ANTONIO.

WHEREAS, the City of San Antonio (“City”), the River North TIRZ Board (“Board”) and A.A. Seeligson, Jr. River North, LTD (“Developer”) desire to enter into a Chapter 380 Economic Development Program Grant pursuant to Ordinance No. _____; and

WHEREAS, Developer is engaged in economic development by investing \$31,459,000.00 in a multi-family housing development project, including approximately \$725,000.00 in public improvements at Avenue A and 13th Street located within the boundaries of the River North TIRZ (“Project”); and

WHEREAS, Developer is seeking an economic development grant for the purpose of defraying costs associated with undertaking the Project which will improve streets, drainage and other infrastructure in the River North TIRZ in accordance with the River North Master Plan; and

WHEREAS, the Board is authorized to designate TIRZ funds consistent with its Project Plan and Finance Plan through a Chapter 380 Economic Development Program Grant Agreement and is authorized to direct the City to pay for such projects from the TIRZ’s tax increment funds; and

WHEREAS, the Board and City have identified \$2,429,515.00 in available tax increment funds from the TIRZ for the Project; and

WHEREAS, the Board authorizes the commitment of tax increment funds earned from Project improvements for the Chapter 380 Economic Development Program Grant Agreement in order to promote local economic development, and to stimulate business and commercial activity, within the River North TIRZ.; **NOW THEREFORE:**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TAX REINVESTMENT ZONE NUMBER 27, THE RIVER NORTH TIRZ, CITY OF SAN ANTONIO, TEXAS:

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

Section 2: The River North TIRZ Board authorizes the City to commit up to \$2,429,515.00 in tax increment in a Chapter 380 Economic Development Program Grant Agreement for the Project, consistent with the terms stated in the attached letter and an approved Project Plan and Finance Plan, contingent upon City Council approval.

PASSED, APPROVED and ADOPTED this 2nd day of May 2012.



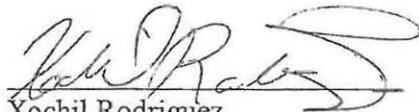
Board Chairperson

ATTEST:



Board Vice Chairperson

APPROVED AS TO FORM:



Xochil Rodriguez,
Assistant City Attorney



TARGET THE HEART. RENEW, RECONNECT, REVITALIZE.

River North Multifamily Project

City of San Antonio City Council

Agenda Item #14

May 17, 2012

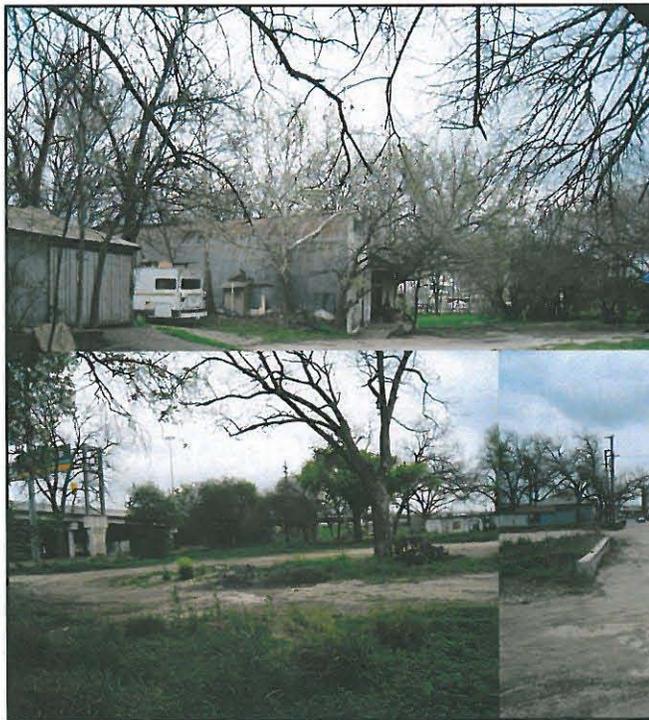
Background

- A.A. Seeligson, Jr. River North Ltd is proposing a \$31,459,000 multi-family housing development.
- The project includes approximately 256 market-rate rental housing units and \$725,000 in public improvements.



River North Multi-Family Project

- Located on approximately 3.23 acres at Avenue A and 13th Street.
 - Council District 1
 - ICRIP boundary
 - River North TIRZ



Existing Site Conditions



Incentive Request

- On January 31, 2012, A.A. Seeligson, Jr. River North Ltd submitted a formal request for financial assistance.
- Based on its proforma, the project has a \$6.7 million market gap.
- City staff developed a draft incentive package after review of the proforma.

Incentive Offer

Economic Development Program Grant	
*Chapter 380 Grant Tax Rebate for 15 yrs	\$2,429,515
Inner City Incentive Fund Grant	\$1,024,000
Total Economic Development Program Grant	\$3,453,515
Fee Waivers	
SAWS Fee Waiver	\$400,000
City Fee Waivers	\$211,000
Total Fee Waivers	\$611,000
Total Incentive Package	\$ 4,064,515

*The source of funding is the River North Tax Increment Reinvestment Zone that the City Council created in December 2006. The Grant is the equivalent of a tax rebate of \$161,967 annually for 15 years and excludes existing tax base of \$2,827,120.

River North TIRZ Board

- The River North TIRZ Board, City of San Antonio and A.A. Seeligson, Jr. River North Ltd would be parties to the grant agreement.
- On May 2, 2012, the River North TIRZ Board approved to commit tax increment funds earned from the project for the Chapter 380 Economic Development Program Grant.

Fiscal Impact

- SAWS impact fee waivers granted under the Inner City Reinvestment / Infill Policy have no impact on the City's General Fund as SAWS budgets \$2 million per year for fee waivers.
- Funding for the \$1,024,000.00 Economic Development Grant is included in the FY 2012 budget from the Inner City Incentive Fund.
- The remaining \$2,429,515.00 will come from the ad valorem tax increment generated as a result of project improvements over the 15 year period, which will not impact the general fund.

Tax Benefit

Taxing Entity	Estimated Tax
BEXAR COUNTY ROAD & FLOOD	\$9,651.31
ALAMO COMMUNITY COLLEGE	\$44,553.18
UNIVERSITY HEALTH SYSTEM	\$86,900.77
BEXAR COUNTY	\$93,177.47
CITY OF SAN ANTONIO	\$15,992.74
SAN ANTONIO INDEPENDENT SCHOOL DISTRICT	\$411,357.88
TOTAL	\$661,633.34

Staff Recommendation

- Staff recommends approval of this ordinance authorizing an Economic Development Program Grant Agreement for up to \$3,453,515.00 with A.A. Seeligson, Jr. River North, LTD and the River North TIRZ Board, and a \$400,000.00 SAWS impact fee waiver for the River North Multifamily project.