RR
12/17/15
Item No. 27B

AN ORDINANCE 2015-12-17-1076

AUTHORIZING AND APPROVING THE TERMS AND CONDITIONS OF A TAX ABATEMENT AGREEMENT WITH AMERICREDIT FINANCIAL SERVICES, INC. ("AMERICREDIT") AND SRP LAND, INC. ("SRP") TO EXEMPT FIFTY-PERCENT (50%) OF AD VALOREM TAXES FOR A PERIOD OF SIX (6) YEARS ON REAL AND PERSONAL PROPERTY IMPROVEMENTS WITHIN THE AMERICREDIT REINVESTMENT ZONE.

* * * * *

WHEREAS, AmeriCredit, a leading provider of automobile financing solutions, has chosen to expand its customer support and financial services operations by establishing a financial services center in San Antonio on real property owned by SRP at N. Ellison Drive and Westover Link (the "Project Site"); and

WHEREAS, AmeriCredit will invest or cause to be invested approximately $19.5 million in real property improvements and $5 million in personal property improvements, while creating 490 full-time jobs over five (5) years at the Project Site (the "Project"); and

WHEREAS, in accordance with the City of San Antonio Tax Phase-In Guidelines (the "Guidelines") property located within a Tax Abatement Reinvestment Zone with a cumulative investment of approximately $24.5 million is eligible for a 50% abatement of ad valorem taxes for a term of up to six (6) years; and

WHEREAS, the City Council finds that offering AmeriCredit a Tax Abatement Agreement for its real and personal property improvements is a reasonable incentive to help induce AmeriCredit to invest in the facility and create 490 full-time jobs in San Antonio; and

WHEREAS, the City Council also finds that it is in the best interest of the City to approve a Tax Abatement Agreement with AmeriCredit to induce the desired and beneficial economic development in the AmeriCredit Reinvestment Zone; **NOW THEREFORE:**

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

SECTION 1. The City Council approves the terms and conditions of a Tax Abatement Agreement with AmeriCredit and SRP granting a sixty-percent (60%), six (6) year abatement of ad valorem real and personal property taxes within the AmeriCredit Reinvestment Zone. A copy of the Agreement, in substantially final form, is attached hereto and incorporated herein as Exhibit "A".

SECTION 2. The City Manager or a designated representative is authorized to execute the Tax Abatement Agreement as approved in Section 1 of this Ordinance.

SECTION 3. This Ordinance shall be effective on and after the tenth day after passage hereof.

RR
12/17/15
Item No. 27B

PASSED AND APPROVED this 17th day of December, 2015.

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek
City Clerk

APPROVED AS TO FORM:

Martha G. Sepeda
Acting City Attorney

Agenda Item:	**27B (in consent vote: 27A, 27B)**
Date:	12/17/2015
Time:	11:08:56 AM
Vote Type:	Motion to Approve
Description:	An Ordinance approving a 6-year, 50% Tax Abatement Agreement with SRP, LTD as real property owner and AmeriCredit Financial Services as lessee and personal property owner based on a capital investment of $24.5 million in real and personal property improvements and the creation of at least 490 new full-time jobs.
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Treviño	District 1		x				
Alan Warrick	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x			x	
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				x
Michael Gallagher	District 10		x				

EXHIBIT A

STATE OF TEXAS	§	
	§	**CITY OF SAN ANTONIO**
	§	**TAX ABATEMENT AGREEMENT**
COUNTY OF BEXAR	§	**FOR REAL & PERSONAL PROPERTY**

1. PARTIES

THIS TAX ABATEMENT AGREEMENT (the "Agreement") is entered into on this 17th day of December, 2015 (the "Effective Date") by and between AmeriCredit Financial Services, Inc. d/b/a GM Financial, a Delaware Corporation meeting the criteria set forth in Article 15 below (hereinafter referred to as "AmeriCredit"), who holds or intends to hold a leasehold interest in the real property described herein and owns or intends to own personal property to be located on said real property, SRP, Ltd., a Texas limited partnership, incorporated or organized under a United States domestic jurisdiction and meeting the criteria set forth in Article 15 below, as owner of the real property described herein (hereinafter referred to as "OWNER", and the CITY of SAN ANTONIO, a municipal corporation, (hereinafter referred to as the "CITY"), acting by and through its City Manager under the authority of its City Council.

2. AUTHORIZATION AND FINDINGS

A. This Agreement is entered into pursuant to the following authorities:

1. The Texas Property Redevelopment and Tax Abatement Act of 1987, V.A.T.S. Tax Code, Chapter 312, as amended;

2. CITY COUNCIL RESOLUTION No. 89-07-12, dated the 15th day of February 1989, and most recently revised by Ordinance No. 2014-12-11-1037 passed on December 11, 2014, together which established the City of San Antonio Tax Abatement Guidelines (hereinafter referred to as the "Guidelines and Criteria");

3. CITY COUNCIL ORDINANCE NO. 2015-12-17-_____ dated December 17, 2015, which designated the AMERICREDIT REINVESTMENT ZONE (the "Reinvestment Zone"); and

4. CITY COUNCIL ORDINANCE NO. 2015-12-17-_____, dated December 17, 2015, which specifically approved this Agreement and authorized execution hereof.

B. The City Council, by its approval of this Agreement, hereby finds that the terms of this Agreement abide by the Guidelines and Criteria and approving this Agreement will not have any substantial long-term adverse effect on the provision of CITY services or the CITY's tax base and the planned use of the Property (defined below) inside the qualifying Reinvestment Zone by AMERICREDIT for the uses contemplated herein will not constitute a hazard to public safety, health or morals.

3. PROPERTY

A. AMERICREDIT has or intends to hold a leasehold interest in real property located in Westover Hills at the corner of North Ellison Dr. and Westover Link, San Antonio, TX (the "Property"), legally described in **EXHIBIT A**, attached hereto and incorporated herein. The Property is located within a designated Reinvestment Zone for the purposes of the Texas Property Redevelopment and Tax Abatement Act of 1987, V.A.T.S. Tax Code, Chapter 312. OWNER represents that it is the sole owner of the Property, and that it has or intends to lease the Property to AMERICREDIT. Upon execution of a lease agreement, OWNER and AMERICREDIT shall provide a Lease Acknowledgement to City describing the lease's terms that are applicable to this Agreement. Such Lease Acknowledgement shall be provided to City no later than four (4) months from the execution date of this Agreement.

B. AMERICREDIT has acquired or intends to acquire a leasehold interest in the Property in order to expand operations and establish, locate, and operate a financial services center and to conduct its "Business Activities" which for the purposes of this Agreement, means the activities of a financial services center for customer care and account servicing.

C. In order for AMERICREDIT to conduct the Business Activities on the Property, AMERICREDIT shall invest or cause to be invested by OWNER certain real property and personal property improvements in the cumulative amount of at least TWENTY-FOUR MILLION FIVE HUNDRED THOUSAND DOLLARS AND 0 CENTS ($24,500,000.00). The real property improvements shall be in the amount of at least NINETEEN MILLION FIVE HUNDRED THOUSAND DOLLARS AND O CENTS ($19,500,000.00) (the "Real Property Improvements") and the personal property improvements shall be in the amount of at least FIVE MILLION DOLLARS AND 0 CENTS ($5,000,000.00) (the "Personal Property Improvements"). No Personal Property Improvements shall be subject to tax abatement under the terms of this Agreement if placed on the Property sooner than the Effective Date of this Agreement.

D. Prior to AMERICREDIT placing the Personal Property Improvements at the Property and commencing the Business Activities therein, AMERICREDIT shall establish under AMERICREDIT's name one or more tax accounts with the Bexar County Appraisal District for the Personal Property Improvements and shall provide these tax account number(s) and the related entity information to the CITY.

4. AMERICREDIT'S REPRESENTATIONS

A. AMERICREDIT and OWNER each represent that it has no knowledge that any interest in the Property is presently owned, held or leased by a member of the San Antonio City Council, Zoning Commission, Planning Commission, the City's Economic Development Department, or any other City officer or employee. AMERICREDIT and OWNER further each represent that it shall not knowingly sell, lease or otherwise convey an interest of any type of kind to a member of the San Antonio City Council, the Zoning Commission, the Planning Commission, the City's Economic Development Department or any other City officer or employee, as long as this Agreement remains in effect.

B. AMERICREDIT represents that there is no litigation pending against AMERICREDIT for any violations under the Occupational Safety and Health Act ("OSHA") in Bexar County.

5. **AMERICREDIT'S AND OWNER'S OBLIGATIONS**

A. Notwithstanding all other obligations and/or duties imposed on AMERICREDIT by any other incentive agreements it has entered into with the State of Texas, Bexar County and/or the City of San Antonio, AMERICREDIT is required to accomplish the following in order to receive the full amount of tax abatement provided in this Agreement:

1) own, hold an interest in, or otherwise control the Real Property and Personal Property Improvements that are the subject of this Agreement; and

2) invest, or cause to be invested, at least NINETEEN MILLION FIVE HUNDRED THOUSAND DOLLARS AND 0 CENTS ($19,500,000.00) in Real Property Improvements and at least FIVE MILLION DOLLARS AND 0 CENTS ($5,000,000.00) in Personal Property Improvements by January 1, 2020.

(3) no later than the Abatement Commencement Date (as defined in Section 6(B), below) locate on the Property and continuously use the Property for Business Activities for the remainder of the Term of this Agreement (the "Term of this Agreement" is defined as the Abatement Term and the four (4) year Recapture Period described in Article 7, Paragraph G); and

(4) create and maintain at least FOUR HUNDRED NINETY (490) full-time jobs in accordance with Table 1 below and maintain said full-time jobs for the remaining Term of this Agreement:

TABLE 1

Prior to January 1, 2018	AMERICREDIT shall create and maintain at least ONE HUNDRED SIXTY (160) Full-Time Jobs;
Prior to January1, 2019	AMERICREDIT maintain 160 Full-Time Jobs and shall create an additional ONE HUNDRED TWENTY-FIVE (125) Full-Time Jobs for a cumulative total of TWO HUNDRED EIGHTY-FIVE (285) Full-Time Jobs at the Property;
Prior to January 1, 2020	AMERICREDIT shall maintain 285 Full-Time Jobs and shall create and maintain at least an additional ONE HUNDRED AND FIVE (105) Full-Time Jobs for a cumulative

	total of THREE HUNDRED NINETY (390) Full-Time Jobs at the Property; and
Prior to January 1, 2021	AMERICREDIT shall maintain 390 Full-Time Jobs and create and maintain at least an additional ONE HUNDRED (100) Full-Time Jobs for a cumulative total of FOUR HUNDRED NINETY (490) Full-Time Jobs at the Property.

The cumulative total of at least 490 Full-Time Jobs must be maintained at the Property from January 1, 2021 until the expiration of the Term of this Agreement.

(5) comply with all other applicable provisions of this Agreement.

B. AMERICREDIT covenants and agrees to pay during the Term of this Agreement one hundred percent (100%) of its employees employed for the Business Activities at the Property at least the City's effective prevailing "living" wage (or an annual salary equivalent to the prevailing living wage) as determined by the City Council in its Tax Abatement Guidelines. For the purpose of this Agreement, the current "living" wage is ELEVEN DOLLARS AND SIXTY-SIX ($11.66) per hour. Commencing on the first anniversary of this Agreement and continuing thereafter during the remaining Term of this Agreement, seventy percent (70%) of all new and existing employees working at the Property must earn at least FOURTEEN DOLLARS AND NINETY-SIX CENTS ($14.96) per hour, or an annual salary equal to at least THIRTY-ONE THOUSAND ONE HUNDRED SIXTEEN DOLLARS AND EIGHTY CENTS ($31,116.80). This amount may include financial incentives paid directly to the employee as part of their compensation, but excludes benefits and non-financial incentives.

C. For the purposes of this Agreement, a "Full-Time Job" shall constitute one position that performs a minimum of two thousand and eighty (2,080) straight-time paid hours in a fiscal year.

D. AMERICREDIT covenants and agrees that it shall offer all of its non-temporary, full-time employees employed at the Property a group healthcare benefits package, which consists substantially, though not necessarily all of benefits such as medical, dental, vision, voluntary term life supplement, critical illness insurance, short term disability, accident/sickness insurance, and long term disability, substantially similar as those employee benefits offered to similarly situated employees (i.e., performing similar functions with similar duties and responsibilities) of AMERICREDIT in the United States in terms of value, cost to employees and number of options available. All coverage offered to employees and their qualified family members shall be at a reasonably affordable cost that meets the minimum essential coverage requirement under the Affordable Care Act. The current benefits offered to employees on the date of the execution of this Agreement are those set forth in **Exhibit B** attached hereto and incorporated herein, which may be revised from time to time by AMERICREDIT upon written notice to CITY, so long as such benefits comply with this Section D.

E. AMERICREDIT covenants and agrees that it shall comply with all applicable federal and state laws governing the employment relationship between employers and employees in all material respects.

F. AMERICREDIT covenants and agrees that it shall conduct its Business Activities (as defined in Article 3, Paragraph A) at the Property in accordance with all applicable federal, state and local laws in all material respects.

G. Any construction AMERICREDIT will perform or cause to be performed at the Property shall be in all material respects in accordance with all applicable federal, state and local laws including, but not limited to, Texas Commission on Environmental Quality regulations, Bexar County and City of San Antonio laws, Building Codes and ordinances, Historic Preservation and Urban Design ordinances, flood, subdivision, building, electrical, plumbing, fire and life safety codes and regulations, current and as amended.

H. AMERICREDIT covenants and agrees it shall hire at least twenty-five percent (25%) of its new employees at the Property from local residents, and that it shall to make a good faith effort to hire additional local employees for its Property to fulfill its requirements under Article 5, Paragraph A. "Local" is defined, for the purposes of this Paragraph, as an employee whose principal residence is located within the city limits of the City of San Antonio or within the county limits of Bexar County.

I. Except as provided herein, AMERICREDIT covenants and agrees that it shall use the Property only to conduct its Business Activities. Without additional consent or approval by the City Council, a parent, subsidiary or affiliate organization of AMERICREDIT or new entity created as a result of a merger, acquisition, or other corporate restructure or reorganization of AMERICREDIT, or any component thereof (hereinafter "Related Organization") may occupy and use the Property for such Related Organization's normal business activities so long as such activities are identical or substantially similar to the Business Activities. To be eligible for the tax abatements as provided in this Agreement, such Related Organization must agree in writing to fully comply with all applicable terms of this Agreement. Except as authorized above, AMERICREDIT covenants and agrees during the Abatement Term and the remaining Term of this Agreement not to change the Business Activities at the Property without prior approval by the City Council, as evidenced in a duly approved City Ordinance.

J. AMERICREDIT covenants and agrees that it shall maintain the Property and any constructed improvements in good repair and condition during the Term of this Agreement, normal wear and tear and damage by fire or other casualty not caused as a result of the intentional act or misconduct of AMERICREDIT excepted. Compliance with the maintenance obligations imposed herein shall be presumed if AMERICREDIT follows its normal and customary maintenance procedures and schedules.

K. AMERICREDIT covenants and agrees that, upon five business days prior notice received by it from the CITY, AMERICREDIT shall allow designated representatives of the CITY access to the Property during normal business hours for inspection to determine if the terms and conditions of this Agreement are being met. This inspection is independent of CITY's police powers to inspect for purposes of assuring compliance with

applicable City Codes and Ordinances. The CITY's access to AMERICREDIT's books and records will be limited to information needed to verify that AMERICREDIT is and has been conducting Business Activities at the property, its investment in Personal Property at the Property, verification of the number of full-time employees at the Property, and salaries paid to employees at the Property; provided, however, that the CITY shall not have the ability to obtain copies of AMERICREDIT's records or remove any information or documents from AMERICREDIT's files. Similarly, CITY shall not have the ability to obtain copies of AMERICREDIT's records or files that are protected by the trade secret privilege, the attorney-client privilege, as attorney work product, or by any applicable law, statute, regulation, or ordinance, however, for the purposes of ensuring compliance with this Agreement, City may receive from AMERICREDIT copies of information detailing AMERICREDIT's investment in personal property, hiring of employees and employee salaries. Should any good faith dispute or question arise as to the validity of the data provided, the CITY reserves the right to require AMERICREDIT to obtain an independent firm to verify the information. This certified statement by an independent firm shall be provided at the sole cost of AMERICREDIT. CITY representatives may be accompanied by AMERICREDIT representatives and such inspections shall be conducted in such a manner as to (a) not unreasonably interfere with the operation of the Property; and (b) comply with AMERICREDIT's reasonable security and confidentiality requirements. Any information provided by AMERICREDIT shall be subject to applicable law or regulation, may be marked confidential and proprietary as appropriate, and if appropriately marked protected from further disclosure pursuant to applicable law or regulation.

L. For each year of the Term of the Abatement, AMERICREDIT and OWNER covenant and agree to furnish or cause to be furnished each year, as applicable, the Chief Appraiser of Bexar County Appraisal District with information outlined in Chapter 22, V.A.T.S. Tax Code, as amended, as may be necessary for the tax phase-in and for appraisal purposes.

M. On or before January 31 and July 31 of each year during the Term of this Agreement, AMERICREDIT shall provide CITY's Director of Economic Development Department with a certification (the "**Semi-Annual Certification**") from an officer of AMERICREDIT attesting to the following information as of the preceding December 31st and June 30th respectively: (i) the number of Full-Time Jobs and New Full-Time Jobs maintained as of such date, (ii) the hire dates of each Full-Time Employee and New Full-Time Employee, (iii) the healthcare benefits offered to all Full-Time Employees and New Full-Time Employees and their respective eligible dependents, (iv) the total wages paid in connection with the Full-Time Jobs and the New Full-Time Jobs during the six months preceding such date, and v) the aggregate investments made prior to such date that qualify toward the Property Improvement Investment hereunder. The information provided shall be on the form set forth in, or substantially similar to the form labeled "Monitoring Form" attached and incorporated herein as **EXHIBIT "C"**, as the same may be revised by CITY from time to time.

N. AMERICREDIT covenants and agrees to notify CITY in writing of any transfer or sub-lease of all of AMERICREDIT'S interest in the Property during the Term of this Agreement, provided that there is no prohibition by law or regulation to such notification. CITY shall not unreasonably withhold approval of any requests for Assignment of this Agreement by AMERICREDIT under Article 11 and any new purchaser or transferee

requesting Assignment shall be bound by same. Failure to provide the required notification under this Article 5, Paragraph N may render AMERICREDIT subject to the termination and recapture provisions under Article 7 without benefit of the Cure Period (as defined in Article 7, Paragraph E) at CITY's sole discretion if the Assignment is not subsequently approved. OWNER covenants and agrees to notify CITY in writing of any sale or transfer of all of OWNER's interest in the Property during the Term of this Agreement.

O. AMERICREDIT will covenant and agree to notify CITY in writing at least 30 days prior to Relocating or Ceasing its Business Activities (as defined in Article 7, Paragraphs B and C). Failure to provide the required notification under this Article 5, Paragraph O may render AMERICREDIT subject to the termination and recapture provisions under Article 7 without benefit of the Cure Period (as defined in Article 7, Paragraph E) at CITY's sole discretion.

P. If, during the Abatement Term and the remaining term of this Agreement AMERICREDIT fails to create and retain at least the minimum number of full-time jobs required under Article 5, Paragraph A (5) of this Agreement over a period of two consecutive reporting periods, or AMERICREDIT fails to pay at least the minimum wages required under Article 5, Paragraph B of this Agreement, then the termination and recapture provisions of Article 7 of this Agreement may apply against AMERICREDIT at CITY's sole discretion.

Q. If, during this Agreement, AMERICREDIT or OWNER allows its ad valorem taxes due on real property or personal property to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest, then the termination and recapture provisions of Article 7 of this Agreement may apply against AMERICREDIT at CITY's sole discretion.

R. AMERICREDIT shall participate in no less than two City sponsored job fairs within two years of commencing Business Activities.

S. AMERICREDIT acknowledges that the CITY is required to comply with Chapter 2264 of the Texas Government Code, enacted by House Bill 1196 (80th Texas Legislature), which relates to restrictions on the use of certain public subsidies. AMERICREDIT hereby certifies that AMERICREDIT, and any branches, divisions, or departments of AMERICREDIT, does not and will not knowingly employ an undocumented worker, as that term is defined by Section 2264.001(4) of the Texas Government Code. In the event that AMERICREDIT, or any branch, division, or department of AMERICREDIT, is convicted of a violation under 8 U.S.C. Section 1324a(f) (relating to federal criminal penalties and injunctions for a pattern or practice of employing unauthorized aliens), subject to any appellate rights that may lawfully be available to and exercised by AMERICREDIT, AMERICREDIT must repay, within one hundred twenty (120) calendar days following receipt of written demand from the City, the amount of Abatement received by AMERICREDIT hereunder, if any, plus Simple Interest at a rate of two percent (2%) per annum based on the amount of Abatement received as of December 31 of the tax year in which the Abatement was granted. For the purposes of this Section 6.5, "Simple Interest" is defined as a rate of interest applied only to an original value, in this case the amount of Abatement. This rate of interest can be applied each year,

but will only apply to the amount of the Abatement received and is not applied to interest calculated.

T. OWNER acknowledges that the CITY is required to comply with Chapter 2264 of the Texas Government Code, enacted by House Bill 1196 (80th Texas Legislature), which relates to restrictions on the use of certain public subsidies. OWNER hereby certifies that OWNER, and any branches, divisions, or departments of OWNER, does not and will not knowingly employ an undocumented worker, as that term is defined by Section 2264.001(4) of the Texas Government Code. In the event that OWNER, or any branch, division, or department of OWNER, is convicted of a violation under 8 U.S.C. Section 1324a(f) (relating to federal criminal penalties and injunctions for a pattern or practice of employing unauthorized aliens), subject to any appellate rights that may lawfully be available to and exercised by OWNER, OWNER must repay, within one hundred twenty (120) calendar days following receipt of written demand from the City, the amount of Abatement received by OWNER hereunder, if any, plus Simple Interest at a rate of two percent (2%) per annum based on the amount of Abatement received as of December 31 of the tax year in which the Abatement was granted. For the purposes of this Section 6.5, "Simple Interest" is defined as a rate of interest applied only to an original value, in this case the amount of Abatement. This rate of interest can be applied each year, but will only apply to the amount of the Abatement received and is not applied to interest calculated.

6. TAX ABATEMENT

A. In the event AMERICREDIT and OWNER meet all respective obligations of this Agreement, the City shall give OWNER FIFTY-PERCENT (50%) tax abatement of the City's portion of ad valorem taxes for the Real Property Improvements and AMERICREDIT FIFTY-PERCENT (50%) tax abatement of the City's portion of ad valorem taxes for the Personal Property Improvements at the Property for a term of six (6) years commencing on the Abatement Commencement Date (this six (6) year abatement period is the "Abatement Term" of this Agreement). As to Personal Property Improvements, this Agreement only provides for the abatement of taxes on the Personal Property Improvements brought onto the site after the execution of this Agreement.

B. At the commencement of the Term of this Agreement, OWNER shall own the Property, and, at the Abatement Commencement Date, AMERICREDIT shall have a leasehold interest in or otherwise have a right to control the Property. Moreover, following the Abatement Commencement Date, AMERICREDIT shall be conducting AMERICREDIT's Business Activities on a daily basis and continuously throughout the Term of this Agreement. For purposes of this Agreement, the "Abatement Commencement Date" is the lease commencement date pursuant to the lease agreement between OWNER and AMERICREDIT. AMERICREDIT agrees that it will promptly notify the City in writing as to such lease commencement date, and agrees to work with the City to complete any written confirmation which may be required so that the Abatement Commencement Date is clearly understood for purposes of this Agreement.

7. DEFAULT/TERMINATION/RECAPTURE

A. For purposes of this section, "Relocation" or "Relocate" shall mean AMERICREDIT, or a Related Organization which has taken the place of AMERICREDIT, transferring substantially all Business Activities to a location outside the designated Reinvestment Zone.

B. Should AMERICREDIT occupy and use the Property for its Business Activities and subsequently Relocate (as defined in this Article 7, Paragraph A) during the Term of this Agreement, unless such Relocation is caused by a Force Majeure, as defined in Article 8, then CITY shall have the right to terminate this Agreement. Said termination shall be effective for the calendar year during which the Relocation occurred. Unless AMERICREDIT presents credible evidence to clearly indicate a date of Relocation, CITY's determination shall be final and conclusive. CITY agrees that should AMERICREDIT Relocate within a period of time not to exceed the last three (3) months of the Term of this Agreement and pursuant to the expiration of its lease with OWNER, then notwithstanding any other provision herein to the contrary, AMERICREDIT will not be in default for such Relocation and will not be subject to any recapture right of the City as a result of such Relocation.

Upon termination, any and all taxes otherwise abated for that calendar year and all previously abated taxes under this Agreement shall be recaptured by CITY (pursuant to the calculation set forth in Article 7, Paragraph G) and CITY shall be entitled to the payment of such recaptured taxes within sixty (60) calendar days from the date it notifies AMERICREDIT in writing of termination of this Agreement.

C. If AMERICREDIT occupies and uses the Property for its Business Activities and subsequently ceases conducting Business Activities (or a substantial portion thereof) at the Property for a continuous period of three (3) months during the Term of this Agreement for any reason (subject to the provisions of Section 7(B) above), except if such cessation is caused by a Force Majeure as defined in Article 8, then the CITY shall have the right to terminate this Agreement. Said terminations shall be effective for the calendar year during which the Property was no longer used for the required purposes stated herein. Unless AMERICREDIT presents credible evidence to clearly indicate a date of cessation, CITY's determination of a date of cessation shall be final and conclusive.

Upon termination, any and all taxes otherwise abated for that calendar year and all previously abated taxes under this Agreement shall be recaptured by CITY (pursuant to the calculation set forth in Article 7, Paragraph G) and CITY shall be entitled to the payment of such recaptured taxes within sixty (60) calendar days from the date it notifies AMERICREDIT in writing of termination.

D. If AMERICREDIT, a Related Organization or City-approved assignee fails to hire and retain the number of Full-Time jobs as required in Article 5 Paragraph A(5) and Table 1 of this Agreement, calculated by the averaging of the two most current semi-annual Employee Wage Information for Tax Abatement Request Forms, or substantially similar form (**EXHIBIT "C"**) for such calendar year of noncompliance, then for each such calendar year of noncompliance, the tax abatement shall be reduced in the following tax year by the same percentage as the deficiency in the Full-time Jobs requirement. *For example*, if AMERICREDIT hires and retains ninety percent (90%) of the Full-Time Jobs

required in this Agreement at the Property or, if applicable, at its permanent or temporary headquarters in a given year, AMERICREDIT shall be entitled to ninety percent (90%) of the ad valorem personal property tax abatement for the Property for the following year. However, should AMERICREDIT fail to hire and retain at least fifty percent (50%) of the Full-Time Jobs requirement at the Property or, if applicable, at its permanent or temporary headquarters in a given year from and after the first jobs creation and maintenance milestone set forth in Table 1 of Article 5 above, then, at the option of CITY, this failure may be grounds for termination of this Agreement. Said termination shall be effective for the calendar year during which the Full-Time Jobs requirement as stated herein has not been met as required.

Upon termination, any and all taxes otherwise abated for that calendar year and all previously abated taxes under this Agreement shall be recaptured by CITY (pursuant to the calculation set forth in Article 7, Paragraph G) and CITY shall be entitled to the payment of such recaptured taxes within sixty (60) calendar days from the date it notifies AMERICREDIT in writing of termination of this Agreement.

E. During the Term of this Agreement, CITY may declare a default if AMERICREDIT or OWNER fails to comply with any of the terms of this Agreement. Should CITY determine AMERICREDIT or OWNER is in default under any of the terms of this Agreement; CITY will notify AMERICREDIT and OWNER in writing at the address below in Article 9. If said default is not cured within sixty (60) calendar days from the date of such notice (hereinafter the "Cure Period"), then CITY shall have the right to terminate this Agreement. In the event that a default by AMERICREDIT or OWNER cannot be cured within sixty (60) days after the date on which AMERICREDIT and OWNER has received notice of such default, then the CITY shall not have the ability to terminate this agreement based on such default so long as AMERICREDIT and/or OWNER has commenced to cure such default within the sixty (60) day cure period and such cure is being diligently pursued to its completion. If the Agreement is terminated as a result of default, all taxes abated shall be due for the tax year during which the termination occurred and shall accrue without further abatements for all tax years thereafter; in addition, CITY shall have the right to recapture from AMERICREDIT all previously abated property taxes under this Agreement (pursuant to the calculation set forth in Article 7, Paragraph G) and said taxes shall be paid by AMERICREDIT within sixty (60) calendar days of receiving CITY's written notification of recapture.

F. Other Remedies Available. CITY shall have the right to seek any remedy at law to which it may be entitled, in addition to termination and/or recapture, if AMERICREDIT or OWNER defaults under the terms of this Agreement. However, such termination and/or recapture shall be subject to any and all lawful offsets, settlements, deductions or credits to which AMERICREDIT may be entitled. The termination and/or recapture of taxes provided in this Article 7 are not applicable to situations involving minor changes to the description of the Property, or changes in ownership or in management thereof, so long as AMERICREDIT, a Related Organization or its CITY-approved successor or assignee continues conducting Business Activities or other authorized activities at the Property as provided hereinabove.

G. Calculation of Taxes Subject to Recapture. If AMERICREDIT or OWNER fails to comply with any of its obligations under this Agreement and such default continues

beyond the notice and cure period set forth in Subsection E above, then the City Council shall have the right to recapture from AMERICREDIT a percentage of the abated taxes based on the following table:

TERM YEAR	TOTAL TAXES PREVIOUSLY ABATED
During the Abatement Term	100%
First year after expiration of the Abatement Term	100%
Second year after expiration of the Abatement Term	75%
Third year after expiration of the Abatement Term	50%
Fourth year after expiration of the Abatement Term	25%

FORMULA: The recapture formula shall be:

Total Taxes Abated	X	Applicable Percentage from above Schedule	=	Amount to be Recaptured

CITY shall recalculate the amount of recapture pertaining to each tax year utilizing the above formula. A bill for each year will then be sent to AMERICREDIT.

8. **AUTHORIZED RELIEF FROM PERFORMANCE (Force Majeure)**

For purposes of this Article, "Force Majeure" is defined as an act of God, natural disaster, acts of public enemies, failures to act by any Governmental Authority, riots, perils of the sea, or any other extraordinary cause beyond the reasonable control of AMERICREDIT or OWNER, as the case may be. It also includes explosion or other casualty or accident which is not the result of negligence, intentional act or misconduct on the part of AMERICREDIT or OWNER, as the case may be. In addition to relief expressly granted in this Agreement, CITY may grant relief from performance of this Agreement if AMERICREDIT or OWNER, as the case may be, is prevented from compliance and performance by an event of Force Majeure. The burden of proof for the need for such relief shall rest upon AMERICREDIT or OWNER, as the case may be. To obtain release based upon this Article 8, AMERICREDIT or OWNER, as the case may be, must file a written request with the CITY's Economic Development Department for processing to City Council for a decision, authorized by a duly approved Ordinance.

9. 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 upon its deposit into the custody of the United States Postal Service or 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 AMERICREDIT:

- (Whether personally delivered or mailed):

AmeriCredit Financial Services, Inc.
Attention: Corporate Administration
801 Cherry Street, Suite 3500
Fort Worth, Texas 76102

With a copy to:

AmeriCredit Financial Services,
Attention: Corporate Counsel
801 Cherry Street, Suite 3500
Fort Worth, Texas 76102

TO CITY:

- If mailed:

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

- If by personal or overnight delivery:

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

TO OWNER:

- If mailed or by personal or overnight delivery:

SRP, LTD.
Suite 410, 613 NW Loop 510
San Antonio, Texas 78216

10. CONDITION

This Agreement is conditioned entirely upon the approval of the San Antonio City Council, as evidenced by duly approved Ordinance Number 2015-12-17-_____, dated December 17, 2015.

11. ASSIGNMENT

Except as otherwise expressly provided herein, this Agreement may be assigned or otherwise transferred by AMERICREDIT, and assumed by the assignee, only with City Council's prior approval (which approval shall not be unreasonably withheld), as reflected in a duly adopted ordinance. AMERICREDIT must submit a written request to CITY for approval of the proposed assignment and assumption of this Agreement at least thirty (30) days prior to the effective date of the assignment or transfer of any part of AMERICREDIT'S interest in the Property, provided that AMERICREDIT is not prohibited by applicable law or government regulation; however, no City Council consent is required for an assignment or transfer to a parent of AMERICREDIT, a subsidiary of AMERICREDIT, an affiliate entity of AMERICREDIT, or to any new entity created as a result of a merger, acquisition or other corporate restructure or reorganization of AMERICREDIT. So long as this Agreement is (except in the circumstance of an assignment or charge in favor of OWNER's lender or an assignment or transfer to a purchaser in a foreclosure) assigned to and assumed by such transferee or assignee of the Property in a writing provided to CITY, OWNER shall not require the consent of either CITY or AMERICREDIT to the sale, transfer, encumbrance or other disposition of the Property and the concurrent assignment of this Agreement to the transferee. However, AMERICREDIT or OWNER, as the case may be, shall give CITY prior written notice of all assignments or other transfers that do not require City Council consent, as required under Article 5, Paragraph N. All future assignees shall be bound by all terms and/or provisions and representations of this Agreement.

12. GENERAL PROVISIONS

A. None of the property improvements described in this Agreement are financed by tax increment bonds.

B. This Agreement is entered into subject to the rights of the holders of outstanding bonds of the CITY related to this project. No bonds for which the CITY is liable have been used to finance this project.

C. No amendment, modification, or alteration of the terms hereof shall be binding unless in writing dated subsequent to the date of this Agreement and duly authorized by

the parties. AMERICREDIT and OWNER acknowledge that City Council approval is required for any and all of these actions.

13. SEVERABILITY

In the event any article, section, subsection, paragraph, subparagraph, sentence, phrase or work herein is held invalid, illegal or unenforceable, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, subparagraph, sentence, phrase or word. In such event there shall be substituted for such deleted provisions a provision as similar as possible in terms and in effect to such deleted provision that is valid, legal and enforceable. This Agreement constitutes the entire Agreement between the parties hereto relating to the subject matter contained herein and supersedes all prior, oral or written agreements, commitments or understandings with respect to the matters provided for herein.

14. ESTOPPEL CERTIFICATE

Any party hereto may request an estoppel certificate related to this project (hereafter referred to as "Certificate") from another party hereto so long as the Certificate is requested in connection with a bona fide business purpose. The Certificate, which if requested, will be addressed to a subsequent purchaser or assignee of AMERICREDIT or OWNER or other party designated by AMERICREDIT or OWNER which shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default, if such is the case, the remaining Term of this Agreement, the levels of tax abatement in effect, and such other matters reasonably requested by the party(ies) to receive the Certificate.

15. OWNER STANDING

A. AMERICREDIT and OWNER, each as a party to this Agreement, shall be deemed proper and necessary parties in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, or City Council actions authorizing same, and AMERICREDIT and OWNER shall be entitled to intervene in said litigation.

B. AMERICREDIT and OWNER each acknowledges it is a United Stated domestically incorporated or organized entity, which will maintain a registered office and registered agent in the state of Texas and will register to transact business in Texas.

16. APPLICABLE LAW

This Agreement shall be construed under the laws of the State of Texas and is performable in Bexar County, Texas, the location of the Reinvestment Zone.

17. CONFLICTS OF INTEREST

A. CITY warrants and undertakes that no council member, employee or agent of CITY will receive from or give to any director, employee or agent of AMERICREDIT or OWNER any commission, fee, rebate, or any gift or entertainment of significant cost or value in connection with this Agreement except as expressly provided for in the

Agreement. CITY shall promptly notify AMERICREDIT and OWNER of any breach of this Article and any consideration received as a result of such breach shall be paid over or credited to AMERICREDIT or OWNER, without prejudice to the right of AMERICREDIT or OWNER to seek compensation or claim damages or any other rights that AMERICREDIT or OWNER may have under applicable law.

B. CITY shall maintain and retain complete and accurate records of this transaction for the current calendar year plus the next preceding two (2) calendar years, to enable AMERICREDIT and OWNER to exercise their rights under this Article. AMERICREDIT and OWNER shall have the right, at their own expense, upon reasonable prior written notice to CITY, to audit the records of CITY relevant to this Agreement during CITY's normal business hours solely for the purpose of confirming CITY's compliance with this Article, and for no other purpose. For purposes of this Article, "records" shall mean all records relevant to this Agreement and the intent of this Article.

18. **DUPLICATE ORIGINALS**

This Agreement shall be executed in two duplicate originals, with a duplicate original going to each party.

EXECUTED and **AGREED** to as of December 17, 2015 (the "Effective Date").

CITY OF SAN ANTONIO,

A Texas Municipal Corporation

_____

Sheryl L. Sculley
CITY MANAGER

ATTEST:

_____

Leticia Vacek
CITY CLERK

APPROVED AS TO FORM:

_____

Martha G. Sepeda
ACTING CITY ATTORNEY

AMERICREDIT FINANCIAL SERVICES, INC.
A Delaware Corporation

_____

Name Michael A. Duskin
Title Senior Vice President, Corporate Administration

SRP, LTD., a _____

By: SRP Land, Inc., a _____

Its: General Partner

_____

Name
Title

EXHIBIT A: PROPERTY DESCRIPTION
EXHIBIT B: EMPLOYEE BENEFITS
EXHIBIT C: MONITORING FORM

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A Texas Municipal Corporation

Sheryl L. Sculley
CITY MANAGER

ATTEST:

Leticia Vacek
CITY CLERK

APPROVED AS TO FORM:

Martha G. Sepeda
ACTING CITY ATTORNEY

AMERICREDIT FINANCIAL SERVICES, INC.
A Delaware Corporation

Name
Title

SRP, LTD., a Texas limited partnership

By: SRP Land, Inc., a Texas Corporation

Its: General Partner

Name Rod O'Connor
Title VP

APPROVED	
FORM	
CONTENT	

EXHIBIT A: PROPERTY DESCRIPTION
EXHIBIT B: EMPLOYEE BENEFITS
EXHIBIT C: MONITORING FORM