LB
05/21/15
Item No. 26

AN ORDINANCE 2015-05-21-0443

AUTHORIZING AN AMENDMENT TO THE FUNDING AGREEMENT WITH THE GUADALUPE CULTURAL ARTS CENTER FOR THE GUADALUPE CULTURAL ARTS CENTER PROJECT, A 2012-2017 BOND PROGRAM PROJECT, REMOVING THE REQUIREMENT FOR UP FRONT MATCHING FUNDS.

* * * * *

WHEREAS, by the passage of Ordinance No. 2013-09-05-0585, City Council approved a Funding Agreement with the Guadalupe Cultural Arts Center ("Guadalupe") for $845,000.00 for renovations to the Pharmacy Building ("Project") and a corresponding Lease; and

WHEREAS, it is necessary to amend the Funding Agreement to eliminate the requirement for up front matching funds and instead require that any additional funds required for the Project be provided by the Guadalupe and to make other revisions; **NOW THEREFORE:**

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

SECTION 1. The terms and conditions of the First Amendment to the Funding Agreement with the Guadalupe Cultural Arts Center are authorized and approved. The City Manager, or her designee, is authorized to execute the First Amendment, previously executed by the Guadalupe, which is attached to this Ordinance as **Exhibit I**.

SECTION 2. Payment authorization was previously approved in Ordinance No. 2013-09-05-0585, dated September 05, 2013 and there is no fiscal impact associated with this item.

SECTION 3. 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 SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 4. This Ordinance shall take effect immediately upon the receipt of eight affirmative votes; otherwise it shall be effective ten days after its passage.

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PASSED AND APPROVED this 21st day of May, 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:	**26 (in consent vote: 5, 6, 7, 8, 9, 13, 15, 16, 17, 18, 19, 21, 22, 23, 24, 25, 26)**
Date:	05/21/2015
Time:	09:57:15 AM
Vote Type:	Motion to Approve
Description:	An Ordinance authorizing an amendment to the funding agreement with the Guadalupe Cultural Arts Center for the Guadalupe Cultural Arts Center Project, a 2012-2017 Bond Program project, removing the requirement for up front matching funds. [Peter Zanoni, Deputy City Manager; Mike Frisbie, Director, Transportation & Capital Improvements]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Trevino	District 1		x				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				
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x			x	

EXHIBIT I

FIRST AMENDMENT
TO FUNDING AGREEMENT

FOR VALUE RECEIVED, the receipt and sufficiency of which is hereby acknowledged, this First Amendment to the Funding Agreement ("First Amendment") is entered into by the City of San Antonio ("City"), a Texas Municipal corporation, acting by and through its City Manager pursuant to and duly authorized by Ordinance No. _____, passed and approved on _____ __, 2015, and the Guadalupe Cultural Arts Center ("Grantee"), a Texas Non-profit Corporation, acting by and through its duly authorized designated officer.

A. City and Grantee entered into the Funding Agreement ("Agreement") pursuant to City of San Antonio Ordinance No. 2013-09-05-0585, dated September 5, 2013.

B. City and Grantee agree to amend specific provisions of the Agreement as set out in this First Amendment.

1. <u>Section 2.03</u> shall be deleted in its entirety and replaced with the following:

"Current budget estimates of the Project are $828,000. A copy of the Budget for the Project is attached and incorporated herein as Exhibit C. The value of the property described in Exhibit A is estimated at $681,677. Additionally, Grantee shall provide all necessary funding for the Project beyond the City's commitment contained herein. In the event the scope of the project is adjusted downward, the City shall have the option of adjusting its commitment downward accordingly. City is not responsible for any cost overruns unless agreed to in writing in accordance with this Agreement."

2. <u>Section 2.06</u> shall be revised to reflect that Jerry Ruiz is Grantee's Executive Director.

3. <u>Section 3.07</u> shall be added as follows:

"COMPLIANCE WITH BOND COVENANTS
Grantee shall not use, or permit the use of, City Funds, or earnings thereon, or any other amounts or any property, the acquisition, construction, or improvement of which is to be financed directly or indirectly with City Funds or earnings thereon, in a manner which, if used or permitted to be used, respectively, would cause the interest on the City's debt to be includable in the gross income of the bond owners for federal income tax purposes. In addition, purposes which are NOT permissible include, but are not limited to religious activities, and, restaurants, cafés, and retail stores."

4. <u>Section 4.03</u> shall be deleted in its entirety and replaced with the following:

"The Project improvements shall be used for renovations including a public space to house archival cultural artifacts, a historical museum, improvements to vertical circulation and ADA accessibility for the upstairs areas, all of which shall be available to City and open to the public during the entire term of the Lease, attached as Exhibit A, and the term of the Bonds issued in connection with the Project."

5. <u>Section 13.01</u> shall be deleted in its entirety and replaced with the following:

"As a party to this Agreement, Grantee understands and agrees to comply with the *Non-Discrimination Policy* of the City of San Antonio contained in Chapter 2, Article X of the City Code and further, shall not discriminate on the basis of race, color, religion, national origin, sex, sexual orientation, gender identity, veteran status, age or disability, unless exempted by state or federal law, or as otherwise established herein."

Except as otherwise expressly modified hereby, all terms and provisions of the Agreement are ratified and confirmed and shall remain in full force and effect, enforceable in accordance with their terms.

EXECUTED AND SIGNED this _____ day of _____, 2015.

CITY OF SAN ANTONIO

_____
Sheryl Sculley
City Manager

GUADALUPE CULTURAL ARTS CENTER

_____
Jerry Ruiz
Executive Director

APPROVED AS TO FORM:

_____
City Attorney