

## **RESOLUTION NO.**

**WHEREAS**, the City of Austin supports its arts institutions and cultural facilities, including the Mexic-Arte Museum (Museum), which provides opportunities for cultural enrichment and education through the collection, preservation, and presentation of traditional and contemporary Mexican, Latino, and Latin American art and culture, that promotes dialogue and develops understanding, for visitors of all ages; and

**WHEREAS**, on January 11, 2001, the City entered into a services agreement with the Museum that provided \$740,000 to the Museum for the purchase of a building located at 419 Congress Avenue that would permanently house its collections and operate its programs in exchange for the Museum's agreement to rehabilitate and maintain the building, and provide certain services for the public's benefit; and

**WHEREAS**, On June 8, 2006, the City approved Ordinance No. 20060608-084 establishing Bond Proposition Language for the November 2006 Special Bond Election, which included authorization to issue and sell General Obligation Bonds and Notes of the City in the amount of \$31,500,000 for constructing, renovating, improving, and equipping community and cultural facilities, including without limitation, the Zachary Scott Theater, an African American Cultural and Heritage Facility, an Asian American Resource Center, the Austin Film Studios, the Mexican American Cultural Center, a Mexic-Arte Art Museum, and acquiring land and interests in land and property necessary to do so, and the levy of a tax sufficient to pay for the bonds and notes (Proposition 4); and

**WHEREAS**, On August 24, 2006, the City approved Ordinance No. 20060824-006 ordering a special election to consider the issuance of general obligation bonds for various projects, including the public purpose of constructing, improving and equipping community and cultural facilities and acquiring the land or interests in land and property necessary to do so as described in Proposition 4 of Parts 1 and 2 of Ordinance No. 20060608-084; and

**WHEREAS**, on November 7, 2006, Austin voters approved the issuance of general obligation bonds as directed in Ordinance No. 20060608-084; and

**WHEREAS** the funding available for the Museum is \$5,000,000; and

**WHEREAS** in September 2010, the City and the Museum entered into an Agreement for Improvement of Cultural Facilities For Public Use Funded With Bond Funds (Bond Funds Agreement) concerning the conditions under which the funding will be made available to the Museum for the improvement of the facility; and

**WHEREAS**, the City and the Museum also entered into a separate Master Lease Agreement and a related Sublease Agreement with set restrictions in order to satisfy certain requirements associated with the Bond Funds Agreement; and

**WHEREAS**, in September 2010, the City and Museum also entered into an Amended and Restated Services Agreement that updated the required services and performance requirements, including but not limited to the provision of program reporting, project milestones, and a certified audit no later than April 30 annually; and

**WHEREAS**, the Bond Funds Agreement required that bona fide interior or exterior preparation or construction of the Mexic-Arte project would begin no later than June 30, 2012, and be substantially complete no later than December 31, 2013; and

**WHEREAS**, Resolution No. 20120823-065 directed the City Manager to negotiate and execute any necessary amendments to the Bond Funds Agreement in order to extend the deadlines to December 31, 2018; and

**WHEREAS**, if the City does not extend the deadline, Mexic-Arte will be unable to complete the improvements planned for the facility; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The City Manager is directed to negotiate and execute any necessary amendments to the Bond Funds Agreement between the City and Museum that extend the deadline for the expenditure of bond funds necessary for the construction of improvements to the Museum.

**ADOPTED:** \_\_\_\_\_, 2017

**ATTEST:** \_\_\_\_\_

Jannette S. Goodall  
City Clerk