

## **RESOLUTION NO.**

**WHEREAS**, the City of Austin supports the artistic and cultural activities of its citizens; and

**WHEREAS**, the Mexic-Arte Museum, celebrating its 30th anniversary in 2014, is the official Mexican American Fine Arts Museum of Texas and is an important Austin institution that also provides vital education services; and

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

**WHEREAS**, pursuant to City Ordinance No. 20060824-006 passed on August 24, 2006, the City Council of the City Approved a bond election to consider the issuance of general obligation bonds, including proposition 4, the proceeds of which would be used for various projects including the public purpose of constructing, improving and equipping community facilities and acquiring the land or interests in land and property necessary to do so; and

**WHEREAS**, Proposition 4 was approved by City of Austin voters on November 7, 2006 including \$5,000,000 for the Mexic-Arte Museum; and

**WHEREAS**, the City and Museum subsequently entered into a separate Agreement for Improvement of Cultural Facilities For Public Use Funded With Bond Funds, 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 have also entered into a separate Master Lease Agreement and related Sublease Agreement with set restrictions in order to satisfy certain requirements associated with the Bond Fund Agreement; and

**WHEREAS**, the City and Museum amended, restated and executed an agreement on September 17, 2010 to update the required services and performance to include additional program reporting, project milestones, and a certified annual audit no later than April 30; and

**WHEREAS**, the 2010 Agreement for Improvement of Cultural Facilities for Public Use Funded With Bond Funds required that bona fide interior or exterior preparation or construction of the Mexic-Arte project begin no later than June 30, 2012 and be substantially complete no later than December 31, 2013; and

**WHEREAS**, Resolution No. 20120823-065 authorized the city manager to negotiate and execute any necessary amendments to the Agreement between the City of Austin and Mexic-Arte Museum for Improvement of Cultural Facilities for Public Use Funded With Bond Funds to include but not limited to extending the deadlines contained in the Agreement by five years from the original required dates, at which time the Agreement expires; and

**WHEREAS**, Mexic-Arte has developed a new vision for the museum to be located at 419 Congress Avenue, with an estimated budget of \$60 million that would leverage the city's existing investment with private fundraising and other sources, such as the Federal New Market Tax Credit (NMTC), and;

**WHEREAS**, the NMTC program was established by the Community Renewal Tax Relief Act of 2000 and recently renewed in the American Taxpayer Relief Act of 2012 for an additional 2 years; and

**WHEREAS**, the NMTC is administered by the U. S. Department of the Treasury with the goal of revitalizing the efforts of low-income and impoverished urban communities across the country by improving access to capital; and

**WHEREAS**, the new Mexic-Arte Museum building will enhance and expand the cultural institution's educational and artistic programs for members of the Austin and Texas community; and

**WHEREAS**, the new Mexic-Arte Museum will be a central anchor of the 5th Street Mexican American Heritage Corridor where some of the first members of the Mexican and Mexican American community settled in Austin, and which was supported by the City under Resolution 20110825-067; **NOW**,

**THEREFORE**,

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

The City of Austin supports the general vision of the Mexic-Arte Museum's new building.

**BE IT FURTHER RESOLVED:**

The City Manager is directed to negotiate and execute any necessary amendments to the Agreement between the City of Austin and Mexic-Arte Museum for Improvement of Cultural Facilities for Public Use Funded with Bond Funds and associated Master and Sub-Leases to allow for the newly imagined building and potential uses.

**BE IT FURTHER RESOLVED:**

The City Manager is further directed to work with the Mexic-Arte Museum and report back to Council within 90 days on the status of the project, including:

- Assignment of a leadership team to facilitate and expedite the project;
- and

- Itemized estimates on permits and fees associated with the planning, demolition and construction of the new museum building, and
- opportunities for preservation of elements of the existing building; and
- options within the city or associated partners to provide temporary storage, display or office space during construction.

**ADOPTED:** \_\_\_\_\_, 2014

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

Jannette S. Goodall  
City Clerk