

NON-BINDING MEMORANDUM OF UNDERSTANDING
AMONG THE CITY OF SAN ANTONIO, THE UNIVERSITY OF TEXAS AT SAN
ANTONIO, AND 1859 HISTORIC HOTELS

This non-binding Memorandum of Understanding (this "MOU") is entered into and effective on this 23rd day of October, 2023, by and among the City of San Antonio, a Texas home-rule municipality ("City"), The University of Texas at San Antonio ("University"), an institution of higher education, and 1859 Historic Hotels, a _____ incorporated in the State of Texas ("1859 Hotels"). Together, the City, University, and 1859 Hotels may be referred to jointly herein as the "Parties" and, individually, as a "Party."

The Parties desire to engage in due diligence concerning a proposed development project that would include the ground lease or purchase of real property located in the central business district of San Antonio. The proposed project would include a new facility to house the Institute of Texan Cultures ("ITC"), a new parking garage for the new ITC facility and the Crockett and Menger Hotels, and potential office space within the Crockett Hotel.

Subject to the foregoing and the other provisions hereof regarding the non-binding nature of this MOU, the following are general parameters pursuant to which the Parties would commence negotiations on a future binding agreement:

I. University of Texas San Antonio

- A. The Board of Regents of The University of Texas System owns and the University operates a facility that currently houses the ITC, which facility is located in the Texas Pavilion that is located in Hemisfair, south of the Henry B. Gonzalez Convention Center.
- B. The University facilitated a community stakeholder visioning process for the ITC. The Steering Committee for the process developed three equally important scenarios for the future of the ITC, including: (1) relocate outside of Hemisfair; (2) relocate from the Texas Pavilion, but remain in Hemisfair; and (3) remain in the Texas Pavilion.
- C. The University is exploring all three options for the ITC. This MOU addresses the second option, relocating the ITC outside of Hemisfair, but within the central business district near the Alamo.

II. 1859 Historic Hotels

- A. 1859 Hotels owns the Menger Hotel located at 204 Alamo Plaza, San Antonio, TX 78205, and the Crockett Hotel located at 320 Bonham, San Antonio, TX 78205, including adjacent parking lots and structures. The parking lots as described in Exhibit A hereto are the "Site".
- B. Both properties are near the Alamo.

III. City of San Antonio

The City is a partner in the Alamo Project and is interested in the development of the surrounding area with compatible development. The City also participated in the community stakeholder visioning process for the ITC.

IV. Terms

- A. The initial term of the MOU is six months from the effective date and during that time the Parties will initiate due diligence activities that will produce various real estate studies to include but not limited to feasibility study that addresses the following:
 - a. Conceptual Plan that shows the location of the new ITC facility and parking garage on the Site and addresses bus parking for the new ITC facility.
 - b. Parking Study that explores the potential for retail space in the lower level of the garage and identifies the number of parking spaces necessary for the new ITC facility and the Menger and Crockett Hotels. The Parking Study will also identify the temporary parking solution that is necessary for the operation of the Menger and Crockett Hotels while the project is under construction.
 - c. Office Space Assessment to understand the amount of square feet in the Crockett Hotel that could be dedicated to office space.
- B. The feasibility study will be funded by the University. This study and all deliverables thereunder will be the sole property of the University.
- C. 1859 Hotels will provide UTSA and its consultants access to the property and any studies or information that may be useful for due diligence.
- D. Upon completion of the due diligence items and if it would be beneficial to the University and the City, the University and the City will develop a lease proposal for consideration by 1859 Hotels. The proposal will include conceptual design details and lease terms for each of the following:
 - a. Ground lease of the land necessary for the parking garage (which may include ground floor retail), bus parking, and ITC, and
 - b. Office Space in the Crockett Hotel.

The proposal will also include the interim parking plan for the Menger and Crockett Hotels.

V. Non-Binding

This MOU is intended to be non-binding and is entered into solely for the purpose of developing a proposal by the City and the University for consideration by 1859 Hotels. The execution and delivery hereof by the City, University, or 1859 Hotels shall not, and does not, create any contractual rights or obligations to enter into any definitive agreement, nor shall the submission or acceptance of this MOU constitute any offer by any Party to enter into any future transaction with the other or bind any Party to pursue a transaction with the other concerning the subject matter of this MOU. No Party hereto shall have any obligations unto the other until such time as the definitive agreement is fully negotiated, drafted, executed, and delivered by and among them. Furthermore, any Party may, at any time prior to the execution and delivery of the definitive agreement, abandon discussions concerning the subject matter of this MOU without liability.

VI. Conditions Precedent

It is understood by each respective Party that any obligations or representations made in this MOU may be subject to the approval and authorization of each Party's governing body.

VII. Non Disclosure

Any information received by the Parties relating to this MOU may be subject to non-disclosure subject to an Attorney General's ruling or other applicable law. Subject to applicable law, information related to real estate negotiations, economic development, or other proprietary information shared among the Parties shall be protected until such time as it is determined by City or the University that an AG ruling shall be requested. This is to protect the rights of the Parties to argue the confidentiality of any information requested to be disclosed to any third-party. Subject to applicable law, all public statements or announcements regarding the Parties' activities, the specific terms of this MOU, the negotiation or existence of the definitive agreement, or the status thereof will be made jointly by the Parties.

VIII. Entire Agreement

This non-binding MOU embodies the entire agreement among the Parties and supersedes all prior agreements, whether oral or written, relating to the subject hereof.

IN WITNESS HEREOF, the Parties hereto have caused this MOU to be executed by their duly authorized officers as of the 23rd day of October, 2023.

For the **City of San Antonio**:



CITY MANAGER

For **The University of Texas at San Antonio**:

DocuSigned by:

Veronica Salazar

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Name: **Veronica Salazar**

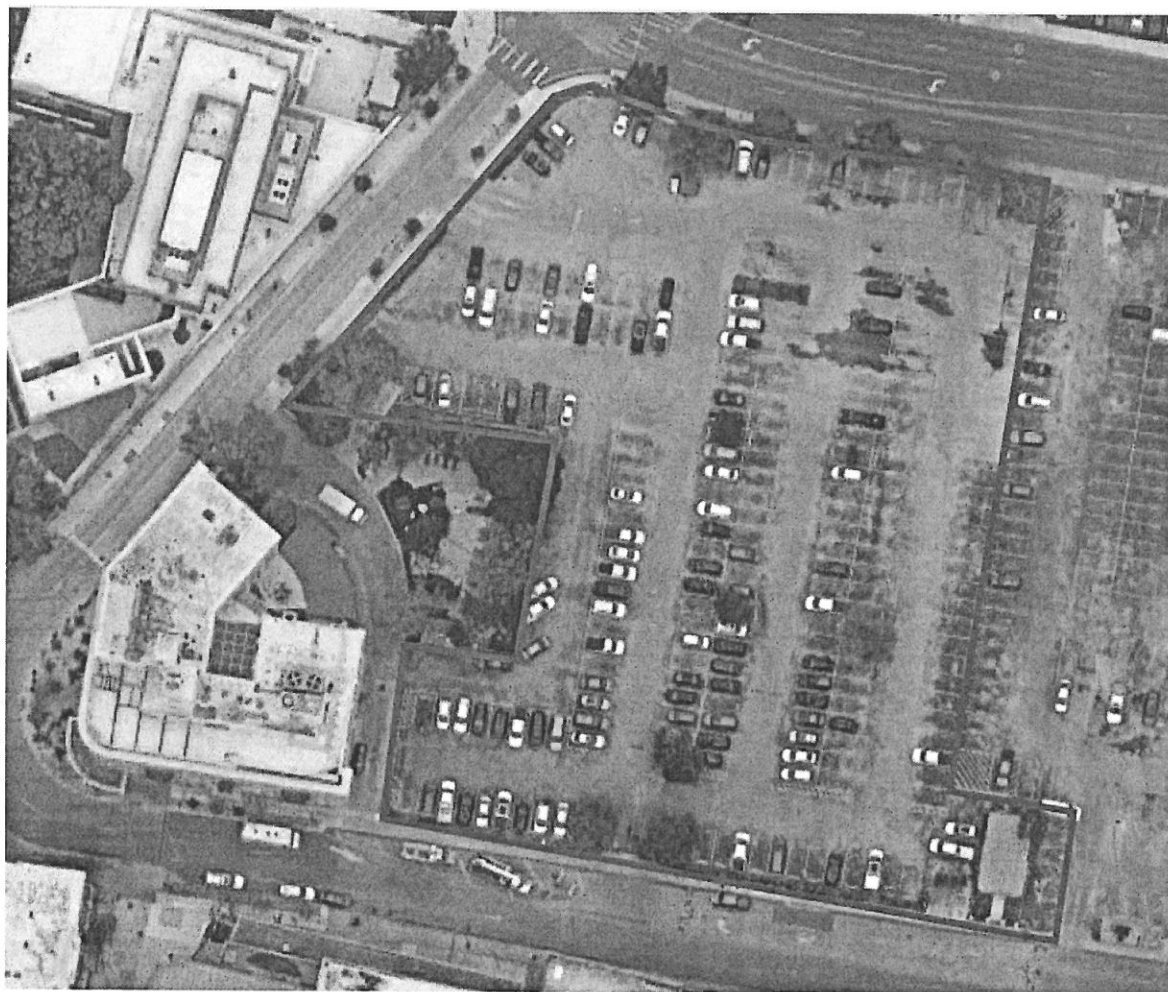
Title: **SR VP for Business Affairs &
Chief Enterprise Development Officer**

For **1859 Historic Hotels**:



Name: **Gene Lucas**
Title: **President**

ATTACHMENT A



Certificate Of Completion

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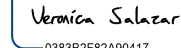
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VPBA

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UTSA Real Estate, Construction, & Planning

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How to contact University of Texas At San Antonio:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: richard.wollney@utsa.edu

To advise University of Texas At San Antonio of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at richard.wollney@utsa.edu and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

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To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to richard.wollney@utsa.edu and in the body of such request you must state your e-mail, full name, US Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none">•Allow per session cookies•Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

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