

TECHNOLOGY DEVELOPMENT AND TRANSFER AGREEMENT

This **TECHNOLOGY DEVELOPMENT AND TRANSFER AGREEMENT** (“**Agreement**”) is made and entered into by and between the **University of North Texas Health Science Center** (“**UNTHSC**”), a state institution of higher education established pursuant to Chapter 105 of the Texas Education Code, and the **City of Fort Worth** (“**City**”), a home rule municipal corporation organized under the laws of the State of Texas.

RECITALS

A. The City owns the buildings occupied by the Fort Worth Business Assistance Center (the “**BAC**”), a non-profit business development center that provides skills development, technical advice and access to capital to small businesses and entrepreneurs. The BAC operates from the Guinn School Campus, consisting of three historic buildings (the former middle school, elementary school and gymnasium) on approximately five (5) acres of land in the City at the intersection of I-35 South and Rosedale Street.

B. Pursuant to an appropriation adopted by the 87th Legislature of the State of Texas during its Regular Session as part of S.B. 1 (General Appropriations Act for the 2022-2023 Biennium) (the “**Appropriation**”), UNTHSC will receive a total of \$2,913,082.00 (the “**Appropriated Funds**”) in two (2) equal annual installments for costs associated with economic development and technology commercialization activities.

C. UNTHSC and the City wish to enter into this Agreement in order to provide for UNTHSC’s transfer to the City of (i) \$450,000.00 of those Appropriated Funds for the 2021-2022 fiscal year, and (ii) another \$450,000.00 of those Appropriated Funds for the 2022-2023 fiscal year (each installment hereinafter referred to as the “**City Funds**”), all of which will be used by the City specifically for operations of the BAC and programs geared toward expanding entrepreneurship in Fort Worth (including any contracted services) described in Exhibit A (the “**Programs**”). The transfers are contingent on City compliance with the reporting requirements set forth in Section 4.2 and Section 4.3 of this Agreement.

NOW, THEREFORE, UNTHSC and the City, for and in consideration of the terms and conditions set forth herein, do hereby contract, covenant and agree as follows:

AGREEMENT

1. INCORPORATION OF RECITALS.

The parties hereby agree that the recitals set forth above are true and correct and form the basis upon which they have entered into this Agreement.

2. CITY FUNDS.

2.1. Transfer by UNTHSC.

Following execution of this Agreement and within 30 business days of the receipt of Report 1, as defined by Section 4.2, UNTHSC will transfer the first \$450,000.00 in City Funds to the City in accordance with a procedure reasonably acceptable to both UNTHSC and the City. The second installment of \$450,000.00 in City Funds will be transferred to the City in accordance with the same procedure after September 1, 2022 and within 30 business days of UNTHSC's receipt of Report 2, as defined in Section 4.3. If UNTHSC reasonably has concerns about the City's use of the City Funds, as reflected in either report, UNTHSC will promptly notify the City in writing and the timeframe for transfer of City Funds will be delayed until the parties mutually have resolved in good faith any such concerns). The City agrees to deposit the City Funds into a segregated account(s) or sub-account(s) specifically designated for the funding of BAC operations and the Programs. Any interest earned on the City Funds shall remain the property of the City, but shall not be spent for purposes other than BAC operations or the Programs.

2.2. No Rollover.

The City understands and agrees that City Funds received by UNTHSC must be used only as permitted by this Agreement. The City will use commercially reasonable efforts to ensure that City Funds received by UNTHSC during a state fiscal year (September through August 31) are incurred during the same fiscal year. In the event that the City incurs such City Funds after expiration of the state fiscal year in which they were received by UNTHSC and the Comptroller demands repayment of all or any portion of such City Funds specifically due to that fact, the City will pay UNTHSC or the State of Texas an amount equal to the refund demanded from any legally available source of funds; provided, however, that UNTHSC will cooperate with the City if the City reasonably and in good faith disagrees with the Comptroller's demand and wishes to employ any available administrative or legal remedy to contest the Comptroller's demand, with the understanding that UNTHSC itself shall have no liability or responsibility in asserting or related to such a contest.

3. COOPERATION WITH STATE COMPTROLLER.

UNTHSC will comply and cooperate with all requests of the Texas Comptroller of Public Accounts (the “**Comptroller**”) pertaining to the Appropriated Funds. The City will comply and cooperate with all requests of the Comptroller (whether received directly from the Comptroller or through UNTHSC) pertaining to the City Funds, including all requests for information to substantiate job creation. Each party shall notify the other in writing within five (5) calendar days of receipt of any such request and shall cooperate with one another as reasonably necessary to ensure that such request is met in a timely fashion. As of the execution date of this Agreement, UNTHSC and City are not aware of any remaining duty, obligation or provision of information that the City or UNTHSC must undertake or supply to the Comptroller. In the event Comptroller demands the refund of any Appropriated Funds transferred to the City as City Funds on account of the City’s misuse of such City Funds, City will pay UNTHSC or the State of Texas in a manner dictated by the Comptroller an amount equal to the refund demanded from any legally available source of funds; provided, however, that UNTHSC will cooperate with the City if the City reasonably and in good faith disagrees with the Comptroller’s demand and wishes to employ any available administrative or legal remedy to contest the Comptroller’s demand, with the understanding that UNTHSC itself shall have no liability or responsibility in asserting or related to such a contest.

4. TERM.

4.1. Duration.

This Agreement shall take effect on the date as of which both UNTHSC and the City have executed it and shall expire at 11:59 P.M. CDT August 31, 2023. Any duty or obligation of a party arising prior to expiration shall survive the expiration.

4.2. Reporting for the 2021-2022 Fiscal Year.

By not later than September 30, 2022, the City agrees to submit to UNTHSC a written report on the impact BAC operations and the Programs made on expanding entrepreneurship in Fort Worth during the 2021-2022 fiscal year (the “**Report 1**”). The report will include specific metrics on the number of clients assisted, business starts, jobs created/retained, and capital infusion obtained by clients at the Guinn Campus. The report will also include details about speaker series, seminars, forums and other programming provided at the Business Assistance Center, including the number of activities offered. Additionally, the report will link these activities to specific initiatives and economic performance outcomes recommended in the City’s Economic Development Strategic Plan published in December 2017. The report shall be delivered to UNTHSC at the address provided in Section 7 of this Agreement. If UNTHSC reasonably has any concerns about the City’s use of the either of these payments, as reflected in the report, UNTHSC will promptly notify the City in writing. In this event, UNTHSC and the City agree to meet promptly and to address any such concerns.

4.3. Reporting for the 2022-2023 Fiscal Year.

By not later than September 30, 2023, the City agrees to submit to UNTHSC a written report on the impact BAC operations and the Programs made on expanding entrepreneurship in Fort Worth during the the 2022-2023 fiscal year (the “**Report 2**”). The report will include specific metrics on the number of clients assisted, business starts, jobs created/retained, and capital infusion obtained by clients at the Guinn Campus. The report will also include details about speaker series, seminars, forums and other programming provided at the Business Assistance Center, including the number of activities offered. Additionally, the report will link these activities to specific initiatives and economic performance outcomes recommended in the City’s Economic Development Strategic Plan published in December 2017. The report shall be delivered to UNTHSC at the address provided in Section 7 of this Agreement. If UNTHSC reasonably has any concerns about the City’s use of the either of these payments, as reflected in the report, UNTHSC will promptly notify the City in writing. In this event, UNTHSC and the City agree to meet promptly and to address any such concerns.

5. BREACH OR DEFAULT.

City acknowledges and agrees that UNTHSC’s liability to City under this Agreement is limited to the amount of funds actually received by UNTHSC designated by this Agreement as the City Funds. If either party breaches any provision of this Agreement, the non-defaulting party shall notify the defaulting party in writing, specifying the nature of the default. If the defaulting party has not cured the default within thirty (30) calendar days following receipt of such notice (or, if the defaulting party has diligently and continuously attempted cure, such additional time as may reasonably be required to effect cure), the defaulting party shall be in breach of this Agreement, in which case the non-defaulting party shall have all equitable rights for injunctive relief or specific performance.

6. LIABILITY.

TO THE EXTENT ALLOWED BY LAW AND EXCEPT FOR UNTHSC’S DUTY AND OBLIGATION TO TRANSFER THE CITY FUNDS TO THE CITY IN ACCORDANCE WITH THIS AGREEMENT, THE CITY HEREBY HOLDS HARMLESS AND RELEASES UNTHSC FROM AND AGAINST ANY LOSS, DAMAGE, LIABILITY AND EXPENSE (INCLUDING, WITHOUT LIMITATION, COURT COSTS AND REASONABLE ATTORNEY’S FEES) ARISING FROM OR RELATED TO THE PROGRAMS.

7. NOTICES.

All written notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party designates in writing, by

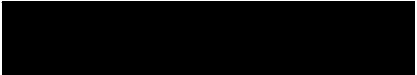
certified mail, postage prepaid, or by hand delivery:

City:

UNTHSC:

City of Fort Worth
Attn: Director
Economic Development Department
200 Texas Street
Fort Worth, TX 76102
Tel. No.: (817) 392-6125
Fax No.: (817) 392-2431

University of North Texas Health Science
Center


3500 Camp Bowie Blvd.
Fort Worth, TX 76107-2699
Tel. No.: 817-735-0582

8. COMPLIANCE WITH LAWS, ORDINANCES, RULES AND REGULATIONS.

This Agreement will be subject to all applicable federal, state and local laws, ordinances, rules and regulations. Neither UNTHSC nor the City are aware of any law, rule or regulation that would prohibit the other from entering into this Agreement.

9. NO WAIVER.

The failure of either party to insist upon the performance of any term or provision of this Agreement or to exercise any right granted hereunder shall not constitute a waiver of that party's right to insist upon appropriate performance or to assert any such right on any future occasion.

10. VENUE AND CHOICE OF LAW.

If any action, whether real or asserted, at law or in equity, arises on the basis of any provision of this Agreement, venue for such action shall lie in state courts located in Tarrant County, Texas. This Agreement shall be construed in accordance with the laws of the State of Texas.

11. NO THIRD PARTY RIGHTS.

The provisions and conditions of this Agreement are solely for the benefit of the City and UNTHSC and are not intended to create any rights, contractual or otherwise, to any other person or entity.

12. FORCE MAJEURE.

It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, governmental restrictions, regulations, or interferences, or delays caused by unforeseen construction or site issues, fire or other casualty, court

injunction, necessary condemnation proceedings, acts of the other party, its affiliates/related entities and/or their contractors, or any actions or inactions of third parties or other circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated or not (“**Force Majeure**”), the party so obligated or permitted shall be excused from doing or performing the same during such period of Force Majeure, so that the time period applicable to such performance shall be extended for a period of time equal to the period such party was delayed due to the event of Force Majeure.

13. INTERPRETATION.

In the event of any dispute over the meaning or application of any provision of this Agreement, this Agreement shall be interpreted fairly and reasonably, and neither more strongly for or against any party, regardless of the actual drafter of this Agreement.

14. CAPTIONS.

Captions and headings used in this Agreement are for reference purposes only and shall not be deemed a part of this Agreement.

15. ENTIRETY OF AGREEMENT.

This Agreement, including any exhibits attached hereto and any documents incorporated herein by reference, contains the entire understanding and agreement between the City and UNTHSC as to the matters contained herein. Any prior or contemporaneous oral or written agreement is hereby declared null and void to the extent in conflict with any provision of this Agreement.

16. COUNTERPARTS.

This Agreement may be executed in multiple counterparts, each of which shall be considered an original, but all of which shall constitute one instrument.

17. ELECTRONIC SIGNATURES.

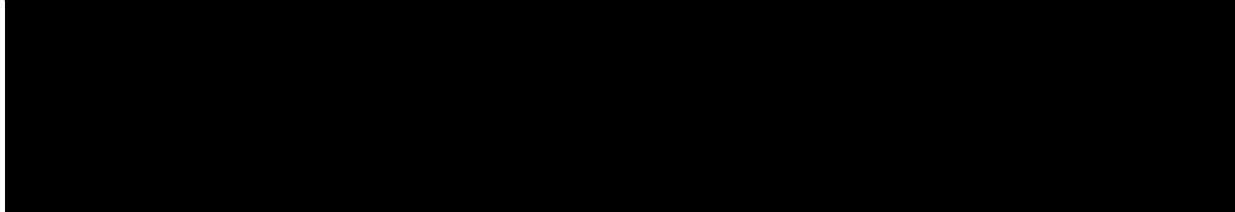
This Agreement may be executed by electronic signature, which will be considered as an original signature for all purposes and have the same force and effect as an original signature. For these purposes, “electronic signature” means electronically scanned and transmitted versions (e.g. via pdf file or facsimile transmission) of an original signature, or signatures electronically inserted via software such as Adobe Sign.

[SIGNATURES ON THE FOLLOWING PAGE]

EXECUTED as of the last date indicated below:

CITY OF FORT WORTH:

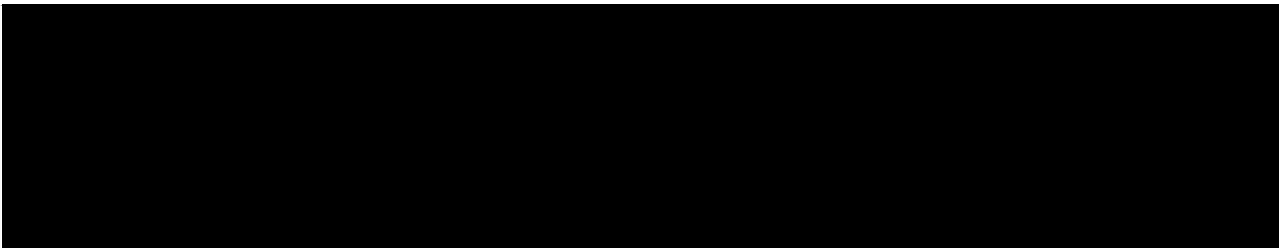
**UNIVERSITY OF NORTH TEXAS
HEALTH SCIENCE CENTER:**



Date: Dec 22, 2021

Date: 12/21/2021

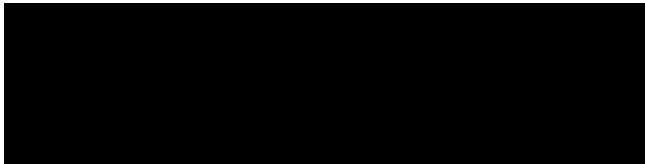
APPROVED AS TO FORM AND LEGALITY:



Form 1295: none required

CONTRACT COMPLIANCE MANAGER:

By signing below, I hereby acknowledge that I am the person responsible for the monitoring and administration of this contract, including ensuring all performance and reporting requirements:



HSC Contract #2022-0311

EXHIBIT A

Description of programs supported by City Funds

The funding utilized through the contract with UNTHSC funds the salaries of four (4) authorized positions that assist in the management and oversight of the James E. Guinn Entrepreneurial Campus including the Fort Worth Business Assistance Center (BAC), development and implementation of the programs listed below as well as the annual Business Plan Competition. These activities are conducted by the Economic Development Department and the partners at the James E. Guinn campus which provides the framework to cultivate the next generation of entrepreneurs, create a robust pipeline of micro-enterprises and provide growth opportunities for established small businesses. The Economic Development Department identifies specific initiatives to address the challenges faced by business owners in Fort Worth, and partners with other organizations to offer services that include:

- Assistance with emerging businesses' growth
- Building stronger connections between Fort Worth's entrepreneur network
- Specialized assistance in understanding financial statements, start-up counseling, business planning development and access to capital.

The estimated salary and benefit costs for these positions is approximately \$440,000. Any remaining funds from the contract after salary expense are utilized for additional small business educational resources for the Business Assistance Center clients.

Program and activities conducted on the James E. Guinn Entrepreneurial Campus include free business counseling, mentoring and coaching to existing and emerging businesses in Fort Worth, training workshops on various topics, including business planning, sales, profit and loss statements, information technology, capital acquisition, marketing and market research. In addition, small businesses have direct funding opportunities through campus partners at PeopleFund, Alliance Lending and William Mann Community Development Corporation which provide small business loans, business assistance and financial education opportunities.

In addition to the current programming initiatives of the BAC, the City of Fort Worth's Economic Development Strategic Plan outlined a number of strategies to become a hub for creative businesses. The funding utilized under the UNTHSC contract will fund staff activities related to these initiatives as well:

1. Continue efforts to formally designate the Near Southside as a "medical innovation district."
2. Develop an inventory of wet lab space in the Dallas-Fort Worth metro area to inform the market potential for additional wet lab space in Fort Worth.

3. Continuing to expand the reach of local entrepreneur networking events and create new opportunities for face-to-face connection among the city's startup and tech communities such as Global Entrepreneurship Week.
4. Continuing to support the Sparkyard initiative which cultivates a connected and vibrant entrepreneurial ecosystem in the Fort Worth area through a comprehensive platform that connects entrepreneurs and business owners to the resources they need to launch and scale their companies.
5. Expanding access to capital in Fort Worth for high-growth companies.
6. Re-focusing the role of the BAC to serve as the primary connector/convener to address the need for support mechanisms aimed at small business startups, minority owned firms, and locally-serving businesses.
7. Establishing a citywide funding mechanism to provide "gap" financing for small business expansions, startups, and relocations.

ORDINANCE NO. 25001-08-2021

AN ORDINANCE INCREASING ESTIMATED RECEIPTS AND APPROPRIATIONS IN THE GRANTS OPERATING STATE FUND, SUBJECT TO RECEIPT OF THE GRANT, IN THE AMOUNT UP TO \$455,000.00, FOR THE PURPOSE OF FUNDING OPERATION OF THE FORT WORTH BUSINESS ASSISTANCE CENTER AS WELL AS RENOVATIONS AND UPKEEP ON THE GUINN ELEMENTARY SCHOOL CAMPUS; PROVIDING FOR A SEVERABILITY CLAUSE; MAKING THIS ORDINANCE CUMULATIVE OF PRIOR ORDINANCES; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS:

SECTION 1.

That in addition to those amounts allocated to the various City departments for Fiscal Year 2022-2023 in the Budget of the City Manager, there shall also be increased estimated receipts and appropriations in the Grants Operating State Fund, subject to the receipt of grants, in the amount up to \$455,000.00, for the purpose of funding operation of the Fort Worth Business Assistance Center as well as renovations and upkeep of buildings on the Guinn Elementary School Campus.

SECTION 2.

That should any portion, section or part of a section of this ordinance be declared invalid, inoperative or void for any reason by a court of competent jurisdiction, such decision, opinion or judgment shall in no way impair the remaining portions, sections, or parts of sections of this ordinance, which said remaining provisions shall be and remain in full force and effect.

SECTION 3.

That this ordinance shall be cumulative of Ordinance 23835-09-2019 and all other ordinances and appropriations amending the same except in those instances where the provisions of this ordinance are in direct conflict with such other ordinances and appropriations, in which instance said conflicting provisions of said prior ordinances and appropriations are hereby expressly repealed.

SECTION 4.

This ordinance shall take effect upon adoption.

APPROVED AS TO FORM AND LEGALITY:

ACTING CITY SECRETARY



ADOPTED AND EFFECTIVE: August 17th, 2021



Mayor and Council Communication

DATE: 08/17/21

M&C FILE NUMBER: M&C 21-0574

LOG NAME: 17UNTHSC BAC FY22

SUBJECT

(CD 8) Authorize Execution of Agreement with the University of North Texas Health Science Center at Fort Worth to Accept a Grant in the Amount Up to \$450,000.00 from the State of Texas for Operations of the Fort Worth Business Assistance Center as Well as Renovations and Upkeep of Buildings on the Guinn Elementary School Campus, Authorize Use of Interest in the Amount Up to \$5,000.00 and Adopt Attached Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize the execution of an agreement with the University of North Texas Health Science Center at Fort Worth to accept and receive grant funds from the State of Texas in an amount up to \$450,000.00 during the State's Fiscal Years 2022 and 2023 for operation of the Fort Worth Business Assistance Center as well as renovations and upkeep of buildings on the James E. Guinn School campus;
 2. Authorize the use of interest earnings in an amount up to \$5,000.00 for the purpose of the award; and
 3. Adopt attached appropriation ordinance increasing estimated receipts and appropriations in the Grants Operating State fund, subject to receipt of the grant, in an amount up to \$455,000.00 for the purpose of funding operations of the Fort Worth Business Assistance Center as well as renovations and upkeep of the James E. Guinn School campus.
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DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to execute an agreement with the University of North Texas Health Science Center at Fort Worth (UNTHSC) to accept and receive grant funds from the State of Texas in an amount up to \$450,000.00 during the State's Fiscal Years (FY) 2022 and 2023. Also authorize the use of interest earnings in an amount up to \$5,000.00 for a total amount of \$455,000.00 to be appropriated in the Grants Operating State fund for operation of the Fort Worth Business Assistance Center as well as renovations and upkeep of buildings on the James E. Guinn School Campus.

Beginning with the 79th Legislature of the State of Texas (2005), the State's Biennial General Appropriations Act has appropriated the amount of \$3.1 million to the UNTHSC for joint economic development and technology commercialization activities of UNTHSC, TECH Fort Worth and the City of Fort Worth (City) for renovations at the James E. Guinn School Campus and Business Assistance Center operations.

In the 87th Legislature of the State of Texas during its regular session as part of Senate Bill (S.B.) 1 (General Appropriations Act for the 2022-2023 Biennium), the State approved grant funding in the amount of \$2,913,082.00 for the partnership between the City and UNTHSC for the two years beginning September 1, 2021. Of this grant, the amount of \$2,013,082.00 has been appropriated to UNTHSC and TECH Fort Worth and the remaining amount of up to \$900,000.00 is allocated to the City during this biennium to be received in two installments. During the biennium the City will receive up to \$450,000.00 during FY2022 and up to \$450,000.00 in FY2023. While indirect costs were not addressed at the time the grant application was submitted, the Economic Development Department is reviewing regulations and will comply with City policy on indirect costs to the extent allowed by the program guidelines.

These funds will be used to administer the Fort Worth Business Assistance Center (BAC) Program and fund the FY2022-2023 contract with the BAC Education Foundation for the Idea Works Business Incubator housed in the elementary building at the historic James E. Guinn Campus.

The Guinn School property is located in COUNCIL DISTRICT 8.

A Form 1295 is not required because: This contract will be with a governmental entity, state agency or public institution of higher education: University of North Texas Health Science Center

FISCAL INFORMATION / CERTIFICATION:

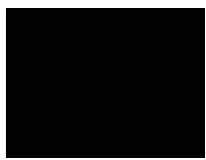
The Director of Finances certifies that upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the current operating budget, as appropriated, in the Grants Operating State Fund. Economic Development (and Financial Management Services) will be responsible for the collection and deposit of funds due to the City. Prior to an expenditure being incurred, Economic Development has the responsibility to validate the availability of funds. This is an advance grant.

Submitted for City Manager's Office by:



5804

Originating Business Unit Head:



2663

Additional Information Contact:

2663