

AN ORDINANCE 2013-09-05-0604

AUTHORIZING AN AMENDMENT TO THE CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM GRANT AGREEMENT WITH SIGMA SOLUTIONS, INC. (“SIGMA”).

* * * * *

WHEREAS, on August 30, 2012, the City Council authorized a Chapter 380 Economic Development Program Grant Agreement (the “Agreement”) with Sigma Solutions, Inc. for the purpose of promoting state or local economic development and to stimulate business and commercial activity in the municipality; and

WHEREAS, under the terms of the Agreement, Sigma is required to relocate its business activities from its current location at 422 E. Ramsey to a location within the City’s Central Business District prior to January 1, 2013; to retain forty (40) full-time positions; and to create an additional twenty (20) full-time positions prior to December 31, 2015; and

WHEREAS, due to lease obligations, Sigma has requested to extend the date of relocation to October 31, 2013 and has agreed to accelerate the hiring schedule to provide for the cumulative total of sixty (60) full-time positions prior to December 31, 2014; and

WHEREAS, due to restructuring of the entity, Sigma is now operating as Sigma Technology Solutions, Inc.; **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 Chapter 380 Economic Development Program Grant Agreement (the “First Amendment”) are hereby approved. The City Manager, or her designee, is authorized to execute said Amendment in accordance with this Ordinance. A Final copy of the Amendments shall be attached when executed.

SECTION 2. This Ordinance shall become effective immediately upon its passage by eight (8) votes or more and upon ten (10) days following its passage if approved by fewer than eight (8) votes.

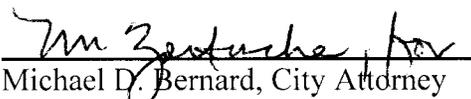
PASSED AND APPROVED this 5th day of September, 2013.

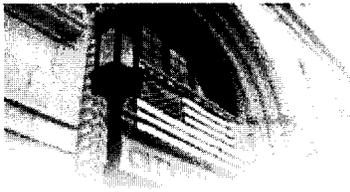

M A Y O R
Julián Castro

ATTEST:

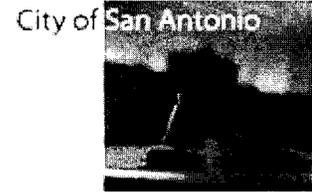

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:


Michael D. Bernard, City Attorney



Request for
COUNCIL
ACTION



Agenda Voting Results - 22

Name:	5A, 5B, 8, 9, 10, 11, 12, 13, 14A, 14B, 14C, 15A, 15B, 15C, 15D, 15E, 15F, 15G, 16, 17, 18, 19, 20A, 20B, 20C, 20D, 20E, 20F, 20G, 20H, 20I, 20J, 20K, 21, 22, 23, 24, 25, 26A, 26B, 27A, 27B, 28A, 28B, 28C						
Date:	09/05/2013						
Time:	04:12:36 PM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing the First Amendment of the Chapter 380 Economic Development Program Grant Agreement between the City of San Antonio and Sigma Solutions, Inc. to replace the name Sigma Solutions, Inc with Sigma Technology Solutions, Inc.; amending the date of execution of a lease agreement in the Central Business District and; changing the date by which Sigma must create and retain a total of 60 jobs.						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x			x	
Cris Medina	District 7		x				x
Ron Nirenberg	District 8		x				
Elisa Chan	District 9	x					
Carlton Soules	District 10		x				

ATTACHMENT

FIRST AMENDMENT TO THE ECONOMIC DEVELOPMENT GRANT AGREEMENT

BETWEEN THE CITY OF SAN ANTONIO AND SIGMA TECHNOLOGY SOLUTIONS, INC.

This First Amendment to the Economic Development Grant Agreement (hereinafter referred to as this "First Amendment") is hereby made and entered into by and between the City of San Antonio (hereinafter referred to as "GRANTOR") a Texas municipal corporation acting by and through its City Manager pursuant to Ordinance No. 2013-__-__-_____, dated June __, 2013, ALLOS INVESTMENTS GP, INC. SUCCESSOR IN INTEREST TO SIGMA SOLUTIONS, INC. and SIGMA TECHNOLOGY SOLUTIONS, INC. (hereinafter referred to as "GRANTEE").

RECITALS

- A. GRANTOR and GRANTEE are parties to that certain Economic Development Grant Agreement entered into pursuant to City Ordinance No. 2012-08-30-0649 passed and approved on August 30, 2012 (the "Agreement").
- B. Prior to the effectiveness of this First Amendment, the Agreement contained certain terms that the Parties now seek to clarify, change, or amend.
- C. GRANTOR and GRANTEE desire to amend the Agreement as stated in this First Amendment.
- D. All other provisions of the Agreement remain in force.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in the Agreement, the receipt and adequacy of which are hereby acknowledged, City and Contractor hereby agree as follows:

- 1. **Definitions.** All capitalized terms used in this First Amendment without definition herein shall have the meanings assigned to such terms in the Agreement.
- 2. **Amendments.** The Agreement is hereby amended as follows:
 - (A) Sigma Solutions, Inc. shall be deleted and replaced with Sigma Technology Solutions, Inc.
 - (B) Section 2(B) is deleted in its entirety and replaced with the following:
 - B. **Lease Agreement.** GRANTEE shall enter into a Lease Agreement (the "Lease") prior to October 31, 2013 with DM 425, LLC (the "Lessor") or other property owner in Grantor's Central Business District, to lease the Project Site for

a term of not less than ten (10) years commencing no later than January 31, 2014 (the "Commencement Date"). Upon execution of the Lease, GRANTEE shall provide an Acknowledgement of Lease (Exhibit "A"), executed by GRANTEE and Lessor, to GRANTOR that indicates the term of the Lease, the square footage of the Project Site and the conditions under which the Lease may be terminated.

(C) Section 2(C) is deleted in its entirety and replaced with the following:

C. Full-Time Jobs. Upon the Commencement Date of the Lease, GRANTEE shall relocate approximately forty (40) Full-Time Jobs to the Project Site. GRANTEE shall create an additional twenty (20) Full-Time Jobs to be located at the Project Site for a cumulative total of sixty (60) Full-Time Jobs prior to December 31, 2014.

3. Consideration. As consideration for this First Amendment, the adequacy of which the Parties hereby acknowledge, GRANTEE shall provide GRANTOR with periodic updates on any and all lease negotiations and, once executed, shall provide a full copy of the Lease upon request of City.
4. Effective Date. This First Amendment shall be effective as of January 1, 2013.
5. No Other Changes. Except as specifically set forth in Section 2 of this First Amendment, all of the terms and conditions of the Agreement shall remain the same and are hereby ratified and confirmed. The Agreement, as amended by this First Amendment, shall continue in full force and effect, and the Agreement and this First Amendment, shall be read and construed as one instrument.
6. Choice of Law. This First Amendment shall be construed in accordance with and governed by the laws of the State of Texas.
7. Counterparts. This First Amendment may be executed in any number of counterparts, but all such counterparts shall together constitute but one instrument. In making proof of this First Amendment it shall not be necessary to produce or account for more than one counterpart signed by each party hereto by and against which enforcement hereof is sought.

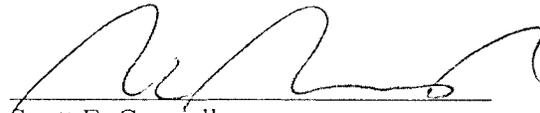
Signatures appear on next page.

IN WITNESS HEREOF, the parties hereto have executed in triplicate originals this _____ day of _____, 2013.

CITY OF SAN ANTONIO
Texas Municipal Corporation

SIGMA TECHNOLOGY SOLUTIONS, INC.
a Delaware corporation

Sheryl L. Sculley
City Manager



Scott E. Gruendler
President

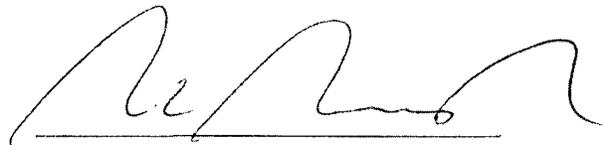
Attest:

Leticia Vacek
City Clerk

APPROVED AS TO FORM:

ALLOS INVESTMENTS GP, INC.
SUCCESSOR IN INTEREST TO
SIGMA SOLUTIONS, INC.
a Texas corporation

Michael D. Bernard
City Attorney



Name: Scott E. Gruendler
Title: President