

ORDINANCE NO.: 88078

ORDINANCE AUTHORIZING THE ISSUANCE, SALE, EXECUTION AND DELIVERY OF PROMISSORY NOTES IN THE AGGREGATE PRINCIPAL AMOUNT OF \$25,000,000 AS A FIRST INSTALLMENT OF A \$38,700,000.00 HUD 108 LOAN PREVIOUSLY AUTHORIZED PURSUANT TO ORDINANCE NO. 87476, ON MARCH 5, 1998 RELATED TO THE BOEING AEROSPACE SUPPORT CENTER TO BE LOCATED AT KELLY AIR FORCE BASE; AND AUTHORIZING AND APPROVING EXECUTION OF RELATED DOCUMENTS WITH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO, ALL PURSUANT TO SECTION 108 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED, AND THE TEXAS COMMUNITY DEVELOPMENT ACT OF 1975, AS AMENDED

THE STATE OF TEXAS
COUNTY OF BEXAR
CITY OF SAN ANTONIO

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WHEREAS, the City Council of the City of San Antonio, Texas (the "City" or "Issuer" has entered into a community development project in accordance with Chapter 373 of the Local Government Code, and the City is desirous of issuing notes pursuant to Section 373.005 of said Code, to implement a program for the acquisition, construction and improvement or rehabilitation of privately-owned buildings and other improvements in an approved community development program that the City has determined to be a public program and is also the recipient of federal funds which may be used for these purposes in accordance with the Housing and Community Development Act of 1974 as managed by the United States Department of Housing and Urban Development ("HUD"); and to pay costs of issuance (collectively, the "Project"); and

WHEREAS, the pursuant to Ordinance No. 87041, passed and approved on December 1, 1997, the City Council authorized the submission to HUD of an application for a Section 108 Loan in the amount of \$38.7 million, to include \$35 million in principal amount plus \$3.7 million in capitalized interest on such loan, and held a public hearing in compliance with the HUD requirements for such assistance on December 1, 1997; and

WHEREAS, on March 5, 1998, the City Council passed and approved Ordinance No. 87476 authorizing and approving (i) acceptance from HUD of such Section 108 Loan Funds, (ii) a HUD 108 Loan transaction with the Greater Kelly Development Corporation, (iii) the terms and conditions and execution of any and all related loan transaction agreements and documents and certifications, and (iv) the submission to HUD of any and all supplementary and additional information deemed necessary by the City or as required by HUD in connection with such loan; and

WHEREAS, on May 21, 1998, and pursuant to the requirements of the Texas Community Development Act of 1975, Chapter 373, Texas Local Government Code, the City held another public hearing to confirm and amend the City's five-year HUD consolidated plan to include economic development at Kelly Air Force Base and passed and approved Ordinance No. 87853 so confirming and amending the City's five-year HUD consolidated plan to include economic development at Kelly Air Force Base (as amended, the "Plan");

WHEREAS, the City deems it advisable to authorize, issue and sell its Notes (the "Notes") in the aggregate principal amount of \$25,000,000 for those purposes (the "Financing Program"); and

WHEREAS, there have been presented to the City Council proposed forms of the following documents for the issuance of the Notes, which Notes, together with the following documents are collectively referred to herein as the "Financing Documents":

1. *NOTES (the "Notes")*
2. *CONTRACT FOR LOAN GUARANTEE ASSISTANCE UNDER SECTION 108 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED, 42 U.S.C. §5308 (the "HUD Loan Guaranty")*
3. *COMMITMENT LETTER AND LOAN AGREEMENT (the "Loan Agreement");* and

WHEREAS, the City Council hereby finds and determines that the Plan and the Financing Program are and are hereby declared to be a public purpose;

WHEREAS, it is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. AMOUNT AND PURPOSE OF THE NOTES; DESIGNATION, DATE, DENOMINATION, NUMBERS, AND MATURITIES OF NOTES. The promissory NOTES of the City of San Antonio, Texas (the "Notes") are hereby authorized to be issued, sold, executed and delivered in the aggregate principal amount of **\$25,000,000.00**, in accordance with terms as provided in such Notes, and for the purposes described in the recitals herein above, and to pay costs of issuance of the Notes; copies of which are attached hereto as Exhibit A, as follows:

<u>NOTE NUMBER</u>	<u>MATURITY DATE</u>	<u>PRINCIPAL AMOUNT</u>
B-97-MC-480508	August 1, 2003	\$ 745,000.00
B-97-MC-480508	August 1, 2004	\$ 1,055,000.00
B-97-MC-480508	August 1, 2005	\$ 1,125,000.00
B-97-MC-480508	August 1, 2006	\$ 1,205,000.00
B-97-MC-480508	August 1, 2007	\$ 1,285,000.00
B-97-MC-480508	August 1, 2008	\$ 1,370,000.00
B-97-MC-480508	August 1, 2009	\$ 1,460,000.00
B-97-MC-480508	August 1, 2010	\$ 1,560,000.00
B-97-MC-480508	August 1, 2011	\$ 1,665,000.00
B-97-MC-480508	August 1, 2012	\$ 1,825,000.00
B-97-MC-480508	August 1, 2013	\$ 1,940,000.00
B-97-MC-480508	August 1, 2014	\$ 2,070,000.00
B-97-MC-480508	August 1, 2015	\$ 2,205,000.00
B-97-MC-480508	August 1, 2016	\$ 2,350,000.00
<u>B-97-MC-480508</u>	<u>August 1, 2017</u>	<u>\$ 3,140,000.00</u>
TOTAL		\$25,000,000.00

SECTION 3. AUTHORIZATION AND APPROVAL OF CONTRACT FOR LOAN GUARANTEE ASSISTANCE. The *CONTRACT FOR LOAN GUARANTEE ASSISTANCE UNDER SECTION 108 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED, 42 U.S.C. §5308* (the "HUD Loan Guaranty") between the City, as Borrower, and the Secretary of Housing and Urban Development, as Guarantor, in reference to the payment of such Notes, is hereby authorized to be executed on behalf of the City, in accordance with the terms as provided in the HUD Loan Guaranty, attached hereto as Exhibit B.

SECTION 4. AUTHORIZATION AND APPROVAL OF THE COMMITMENT LETTER AND LOAN AGREEMENT. The *COMMITMENT LETTER AND LOAN AGREEMENT* (the "Loan Agreement") between the City, as Lender, and the Greater Kelly Development Corporation, as Borrower, relating to the Boeing Project, is hereby authorized to be executed on behalf of the City, in accordance with the terms as provided in the Loan Agreement, attached hereto as Exhibit C.

SECTION 5. FURTHER PROCEDURES. The officers and employees of the City are hereby authorized and directed to do any and all things necessary in order to accomplish the issuance of the Notes and securing the same all in accordance with the Financing Documents.

SECTION 6. AUTHORITY FOR OFFICERS TO EXECUTE DOCUMENTS AND APPROVE CHANGES. The Mayor, City Clerk, City Manager, Director of Finance, and Director of Housing and Community Development of the Issuer, and all other officers, employees, and agents of the Issuer, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Issuer all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Notes, the sale of the Notes, the Financing Documents. In addition, prior to the initial delivery of the Notes, the Mayor, City Clerk, City Manager, Director of Finance, Director of Housing and Community Development, the City Attorney and Bond Counsel are hereby authorized and directed to approve any technical changes or correction to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance, (ii) obtain the approval of the Notes by the Attorney General's office, or (iii) obtain the approval of the Notes, the HUD Loan Guaranty, the Fiscal Agency Agreement, the Loan Agreement or any other documents related or collateral thereto by the United States Department of Housing and Urban Development or any other agency, department or instrumentality of the United States of America. In case any officer whose signature shall appear on any Note shall cease to be such officer before the delivery of such Note, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 7. INTERESTED PARTIES. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Issuer, and HUD, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer, and HUD.

SECTION 8. INCORPORATION OF RECITALS. The Issuer hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the Issuer hereby incorporates such recitals as a part of this Ordinance.

SECTION 9. SEVERABILITY. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 10. EFFECTIVE DATE. This Ordinance shall become effective ten days following its passage.

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PASSED AND APPROVED BY THE CITY OF SAN ANTONIO, TEXAS AT A
REGULAR MEETING ON THIS 2ND DAY OF JULY, 1998.



MAYOR

Howard W. Peak

ATTEST:


City Clerk, City of San Antonio, Texas



APPROVED AS TO FORM:

By: 
for City Attorney

** ** * * *

MEETING OF THE CITY COUNCIL

ALAMODOME
ARTS & CULTURAL AFFAIRS
ASSET MANAGEMENT
AVIATION
BUDGET & MANAGEMENT ANALYSIS
BUILDING INSPECTIONS
HOUSE NUMBERING
CITY ATTORNEY
MUNICIPAL COURT
REAL ESTATE (FASSNIDGE)
REAL ESTATE (WOOD)
RISK MANAGEMENT
CITY MANAGER
SPECIAL PROJECTS - FRANCES GONZALES
CITY PUBLIC SERVICE - GENERAL MANAGER
CITY PUBLIC SERVICE - MAPS AND RECORDS
CODE COMPLIANCE
COMMERCIAL RECORDER
COMMUNITY INITIATIVES
COMMUNITY RELATIONS
PUBLIC INFORMATION
CONVENTION AND VISITORS BUREAU
CONVENTION CENTER EXPANSION OFFICE
CONVENTION FACILITIES
ECONOMIC DEVELOPMENT
FINANCE - DIRECTOR
FINANCE - ASSESSOR
FINANCE - CONTROLLER
FINANCE - GRANTS
FINANCE - TREASURY
FIRE DEPARTMENT
HOUSING AND COMMUNITY DEVELOPMENT
HUMAN RESOURCES (PERSONNEL)
INFORMATION SERVICES
INTERGOVERNMENTAL RELATIONS
INTERNAL REVIEW
INTERNATIONAL AFFAIRS
LIBRARY
METROPOLITAN HEALTH DISTRICT
MUNICIPAL CODE CORPORATION
MUNICIPAL COURT
PARKS AND RECREATION
MARKET SQUARE
PLANNING DEPARTMENT
DISABILITY ACCESS OFFICE
LAND DEVELOPMENT SERVICES
POLICE DEPARTMENT
GROUND TRANSPORTATION
PUBLIC WORKS DIRECTOR
CAPITAL PROJECTS
CENTRAL MAPPING
ENGINEERING
PARKING DIVISION
REAL ESTATE DIVISION
SOLID WASTE
TRAFFIC ENGINEERING
PURCHASING AND GENERAL SERVICES
SAN ANTONIO WATER SYSTEMS (SAWS)
VIA
YOUTH INITIATIVES

AGENDA ITEM NUMBER: _____

33

DATE: _____

JUL 02 1998

MOTION: _____

ORDINANCE NUMBER: _____

88078

RESOLUTION NUMBER: _____

ZONING CASE NUMBER: _____

TRAVEL AUTHORIZATION: _____

NAME	ROLL	AYE	NAY
ROGER FLORES, II District 1			
MARIO SALAS District 2			
DEBRA GUERRERO District 3			
RAUL PRADO District 4			
RICK VASQUEZ District 5			
JOSE MENENDEZ District 6			
ED GARZA District 7			
ROBERT MARBUT District 8			
TIM BANNWOLF District 9			
JEFF S. WEBSTER District 10			
HOWARD W. PEAK Mayor			

FILE "GREATER KELLY
DEVELOPMENT CORP."

CONSISTENT AGENDA

98-25

CERTIFICATE FOR ORDINANCE

THE STATE OF TEXAS
COUNTY OF BEXAR
CITY OF SAN ANTONIO

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I, the undersigned City Clerk of said City, hereby certify as follows:

1. The City Council of said City convened in REGULAR MEETING ON THE 2ND DAY OF JULY, 1998, at the City Hall, and the roll was called of the duly constituted officers and members of said City Council, to wit:

Howard Peak, Mayor
Raul Prado, Councilmember
Debra Guerrero, Councilmember
Roger Flores, II, Councilmember
Mario Salas, Councilmember
Robert Marbut, Councilmember

Jose Menendez, Councilmember
Timothy Bannwolf, Councilmember
Ed Garza, Councilmember
Rick Vasquez, Councilmember
Jeff Webster, Councilmember

and all of said persons were present, except the following absentees: Flores, Webster, thus constituting a quorum. Whereupon, among other business, the following was transacted at said Meeting: a written Ordinance No. 88078, entitled:

ORDINANCE AUTHORIZING THE ISSUANCE, SALE, EXECUTION AND DELIVERY OF PROMISSORY NOTES IN THE AGGREGATE PRINCIPAL AMOUNT OF \$25,000,000 AS A FIRST INSTALLMENT OF A \$38,700,000.00 HUD 108 LOAN PREVIOUSLY AUTHORIZED PURSUANT TO ORDINANCE NO. 87476, ON MARCH 5, 1998 RELATED TO THE BOEING AEROSPACE SUPPORT CENTER TO BE LOCATED AT KELLY AIR FORCE BASE; AND AUTHORIZING AND APPROVING EXECUTION OF RELATED DOCUMENTS WITH THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO, ALL PURSUANT TO SECTION 108 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED, AND THE TEXAS COMMUNITY DEVELOPMENT ACT OF 1975, AS AMENDED

was duly introduced for the consideration of said City Council. It was then duly moved and seconded that said Ordinance be adopted; and, after due discussion, said motion carrying with it the adoption of said Ordinance, prevailed and carried by the following vote:

AYES: 9 NOES: 0 ABSTENTIONS: 0

2. That a true, full and correct copy of the aforesaid Ordinance adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Ordinance has been duly recorded in said City Council's minutes of said Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said City Council's minutes of said Meeting pertaining to the passage of said Ordinance; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said City Council as indicated therein; that each of the officers and members of said City Council was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid Meeting, and that said Ordinance would be introduced and considered for passage at said Meeting, and each of said officers and members consented, in advance, to the holding of said Meeting for such purpose, and that said Meeting was open to the public and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED the 2nd day of July, 1998.

(SEAL)



Norma S. Rodriguez
City Clerk, City of San Antonio, Texas



CITY OF SAN ANTONIO
OFFICE OF THE CITY CLERK

P.O. BOX 839966
SAN ANTONIO, TEXAS 78283-3966

December 21, 1998

General Paul Roberson
Greater Kelly Development Agency
143 Billy Mitchell, Suite 6
San Antonio, Texas 78241

Dear General Roberson:

Attached for your information are copies of Ordinances No. 88999 and 89000 passed and approved by City Council of the City of San Antonio on December 17, 1998.

If I may be of further service, please let me know.

Sincerely,

NORMA S. RODRIGUEZ, CMC/AAE
City Clerk

sg

Attachment

AN ORDINANCE

88999

RATIFYING THE REMOVAL OF MILES CABELL FROM THE BOARD OF DIRECTORS OF THE GREATER KELLY DEVELOPMENT CORPORATION (GKDC) AS PROVIDED FOR BY ARTICLE 8 OF GKDC'S ARTICLES OF INCORPORATION AND ARTICLE II OF THE CORPORATION'S BY-LAWS; AS REQUESTED BY COUNCILMAN MARIO M. SALAS.

* * * * *

WHEREAS, pursuant to Resolution No. 95-50-63 adopted on December 7 1995, the City Council established the Greater Kelly Development Corporation (GKDC) to oversee the redevelopment of Kelly Air Force Base; and

WHEREAS, while the Board of Directors initially consisted of seven (7) members, the Board was expanded by City Council to eleven (11) members pursuant to Resolution No. 97-33-32 adopted on August 21, 1997; and

WHEREAS, at all times the Articles of Incorporation and By-Laws of GKDC have respectively provided that Directors are removable by the City Council at any time without cause or at will; and

WHEREAS, Miles Cabell was appointed to the Board of Directors of the GKDC by City Council for a term of office expiring on September 30, 1999; pursuant to Ordinance No. 86713 adopted on September 25, 1997; and

WHEREAS, in accordance with the aforementioned authority entrusted in City Council and pursuant to Ordinance No. 88877 adopted on December 10, 1998, City Council removed Miles Cabell from the Board of the GKDC, which action it now desires to ratify; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. Previous City Council action to remove Miles Cabell from the Board of Directors of the Greater Kelly Development Corporation, as evidenced by passage of Ordinance No. 88877, is hereby ratified.

SECTION 2. This ordinance shall be effective ten (10) days after the passage hereof.

PASSED AND APPROVED this 17th day of December, 1998.



M A Y O R

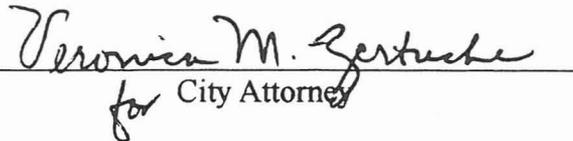
Howard W. Peak

ATTEST:



City Clerk

APPROVED AS TO FORM:



for City Attorney

CITY OF SAN ANTONIO
OFFICE OF THE CITY COUNCIL
INTERDEPARTMENTAL MEMORANDUM

TO: Mayor and City Council Members
FROM: Councilman Mario Salas, District 2
COPIES: City Manager Alexander E. Briseño, City Attorney Frank Garza, and City Clerk Norma Rodriguez.
SUBJECT: Removal of Appointee to GKDC Board of Directors

DATE: December 9, 1998

I request City Council concurrence in placing an item on the City Council agenda of December 10, 1998 removing my appointee Miles Cabell, from the Board of Directors of the Greater Kelly Development Corporation (GKDC). My appointment of Mr. Cabell was approved by the City Council on September 25, 1997 for a term of office expiring September 30, 2000. Both the Articles of Incorporation and the By-Laws of the Corporation grant the City Council the authority to remove Directors without cause or at will. I believe that exercising this authority to remove Mr. Cabell would be in the best interest of District 2, the City and the operations of GKDC.

Your favorable consideration of this request would be appreciated.

Mario M. Salas
MARIO SALAS, DISTRICT 2

MAYOR HOWARD PEAK

[Signature]
JOSE MENENDEZ, DISTRICT 6

ROGER FLORES, II, DISTRICT 1

[Signature]
ED GARZA, DISTRICT 7

[Signature]
DEBRA GUERRERO, DISTRICT 3

ROBERT MARBUT, DISTRICT 8

[Signature]
RAUL PRADO, DISTRICT 4

[Signature]
TIM BANNWOLF, DISTRICT 9

RICK VASQUEZ, DISTRICT 5

JEFF S. WEBSTER, DISTRICT 10

VMZ:amt
12/17/98

AN ORDINANCE **89000**

APPOINTING BELVIN STEWARD TO THE GREATER KELLY DEVELOPMENT CORPORATION AS DISTRICT 2 REPRESENTATIVE TO SERVE FOR TERM EXPIRING SEPTEMBER 30, 2000; AS REQUESTED BY MARIO M. SALAS.

* * * * *

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. Belvin Steward is hereby appointed to serve on the Board of Directors of the Greater Kelly Development Corporation, as the District 2 representative, for a term expiring September 30, 2000.

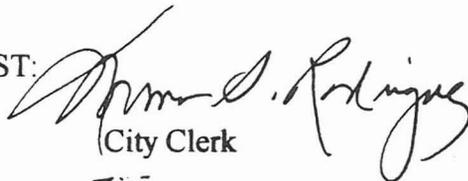
SECTION 2. This ordinance shall be effective on and after the tenth day after passage hereof.

PASSED AND APPROVED this 17th day of December, 1998.



MAYOR
Howard W. Peak

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney