

AN ORDINANCE 2012 - 12 - 13 - 0968

DESIGNATING THE BROOKS CITY-BASE REINVESTMENT ZONE, TO BE LOCATED WITHIN BROOKS CITY-BASE, AT 3201 SIDNEY BROOKS, WHICH WAS PREVIOUSLY BROOKS AIR FORCE BASE, AND CONSISTING OF 85.65 ACRES OUT OF NCB 10879 LOCATED IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS, CROSS SECTIONS OF SOUTH NEW BRAUNFELS AND RESEARCH PLAZA.

* * * * *

WHEREAS, Nexolon America, L.L.C. (hereinafter referred to as “Nexolon”), a manufacturer of green energy materials such as solar panels, has chosen San Antonio as the site for its American manufacturing facility to be located on an 89 site at Brooks City-Base, as more particularly described in Exhibit “A” attached hereto and incorporated herein; and

WHEREAS, the land is eligible to be a Reinvestment Zone, in part because it is in an area that is reasonably likely, as a result of the designation, to contribute to the retention or expansion of primary employment or to attract major investment in the area that would be a benefit to the property and that would contribute to the economic development of the City of San Antonio; and

WHEREAS, in accordance with the requirements set out in the Texas Tax Code Section 312, notice of the requisite public hearing regarding the proposed designation of the Brooks City-Base Reinvestment Zone was published on December 4th, 2012; and

WHEREAS, on December 13, 2012, the City Council held a public hearing in the Council Chambers located at 114 W. Commerce on the proposed designation of the Brooks City-Base Reinvestment Zone, and considered evidence and testimony of interested persons for and against the designation; and

WHEREAS, the City Council finds that the proposed Brooks City-Base Reinvestment Zone is reasonably likely, as a result of the designation, to contribute to the retention or expansion of primary employment or to attract major investment in the Zone that would be a benefit to the property and that would contribute to the economic development of the City of San Antonio, and that the proposed improvements are feasible and practical; and

WHEREAS, the City Council hereby further finds that the designation of the Brooks City-Base Reinvestment Zone is a reasonable incentive to help induce Nexolon to locate and continue to expand its manufacturing operations in San Antonio; and

WHEREAS, to continue the City’s long-term investment in Brooks City-Base, the City Council also intends to consider providing up to \$12 million in funding for Brooks City-Base infrastructure improvements over the next five years to support the efforts of the Brooks

Development Authority in preparing available property for marketing to future economic development projects that will create jobs and investment for the Southside; and

WHEREAS, to the best of the parties' knowledge, no property in the area referred to herein as the Brooks City-Base Reinvestment Zone is owned by or leased by a member of the City Council, Zoning Commission, Planning Commission, the City's Economic Development Department, or any other City officer or employee; **NOW THEREFORE**:

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

SECTION 1. The land more particularly described in **Exhibit A**, attached hereto and incorporated herein, is hereby designated as the Brooks City-Base Reinvestment Zone pursuant to the Property Redevelopment and Tax Abatement Act of 1987, as amended.

SECTION 2. This Ordinance shall be effective on and after the tenth (10th) day after passage hereof.

PASSED AND APPROVED this 13th day of December 2012.



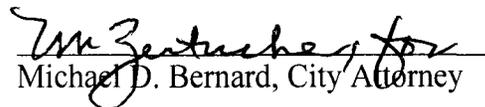
M A Y O R
Julián Castro

ATTEST:

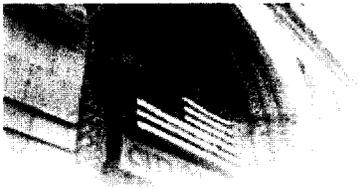
APPROVED AS TO FORM:



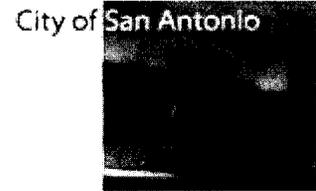
Leticia M. Vacek, City Clerk



Michael D. Bernard, City Attorney



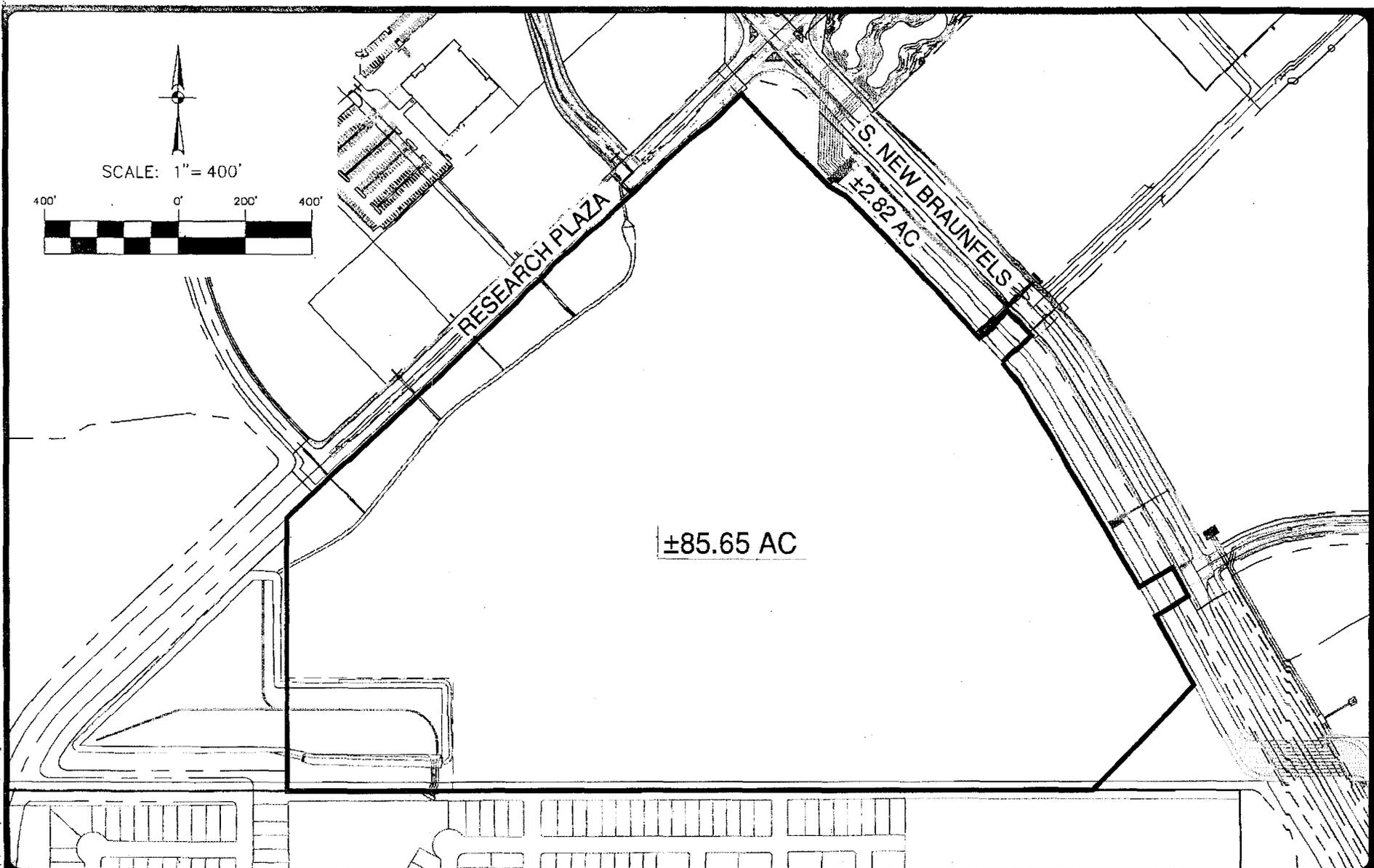
Request for
COUNCIL
ACTION



Agenda Voting Results - 8A

Name:	8A						
Date:	12/13/2012						
Time:	12:49:43 PM						
Vote Type:	Motion to Approve						
Description:	<p>Normal 0 false false false EN-US X-NONE X-NONE MicrosoftInternetExplorer4 /* Style Definitions */ table.MsoNormalTable {mso-style-name:"Table Normal"; mso-tstyle-rowband-size:0; mso-tstyle-colband-size:0; mso-style-noshow:yes; mso-style-priority:99; mso-style-qformat:yes; mso-style-parent:""; mso-padding-alt:0in 5.4pt 0in 5.4pt; mso-para-margin:0in; mso-para-margin-bottom:.0001pt; mso-pagination:widow-orphan; font-size:11.0pt; font-family:"Calibri","sans-serif"; mso-ascii-font-family:Calibri; mso-ascii-theme-font:minor-latin; mso-fareast-font-family:"Times New Roman"; mso-fareast-theme-font:minor-fareast; mso-hansi-font-family:Calibri; mso-hansi-theme-font:minor-latin; mso-bidi-font-family:"Times New Roman"; mso-bidi-theme-font:minor-bidi;} A public hearing and Ordinance designating the Brooks City-Base Reinvestment Zone at Brooks City-Base</p>						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				x
Ivy R. Taylor	District 2		x				
Leticia Ozuna	District 3		x			x	
Rey Saldaña	District 4		x				
David Medina Jr.	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
W. Reed Williams	District 8		x				
Elisa Chan	District 9		x				
Carlton Soules	District 10		x				

EXHIBIT A



Date: Nov. 28, 2012, 5:23pm User ID: pluckee
 File: P:\5735\79\Design\Exhibits\VEA\COM\121128_8.5x11.dwg

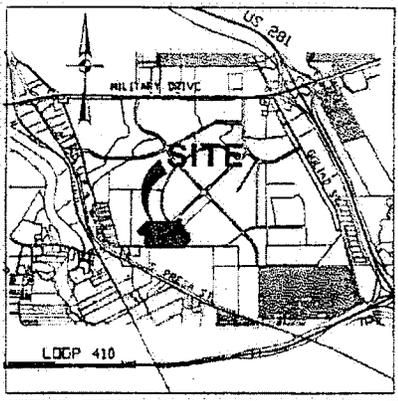
JOB NO. 5735-79
 DATE NOVEMBER 2012
 DESIGNER SLW
 CHECKED SLW DRAWN PLM
 SHEET 1 of 1

BROOKS CITY-BASE
 SAN ANTONIO, TEXAS
 SITE EXHIBIT



555 EAST RAMSEY | SAN ANTONIO, TEXAS 78216 | PHONE: 210.375.9000
 FAX: 210.375.9070
 TEXAS BOARD OF PROFESSIONAL ENGINEERS, FIRM REGISTRATION # 470

THIS DOCUMENT HAS BEEN PRODUCED FROM MATERIAL THAT WAS STORED AND/OR TRANSMITTED ELECTRONICALLY AND MAY HAVE BEEN INADVERTENTLY ALTERED. RELY ONLY ON FINAL HARDCOPY MATERIALS BEARING THE CONSULTANT'S ORIGINAL SIGNATURE AND SEAL.



LOCATION MAP

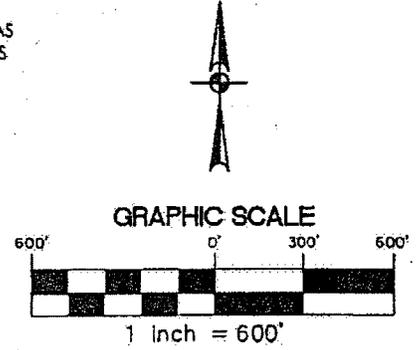
664 A2
NOT-TO SCALE

LEGEND:

- DR DEED RECORDS OF BEXAR COUNTY, TEXAS
- OPR OFFICIAL PUBLIC RECORDS OF BEXAR COUNTY, TEXAS
- DPR DEED AND PLAT RECORDS OF BEXAR COUNTY, TEXAS
- FIR FOUND 1/2" IRON ROD

NOTES:

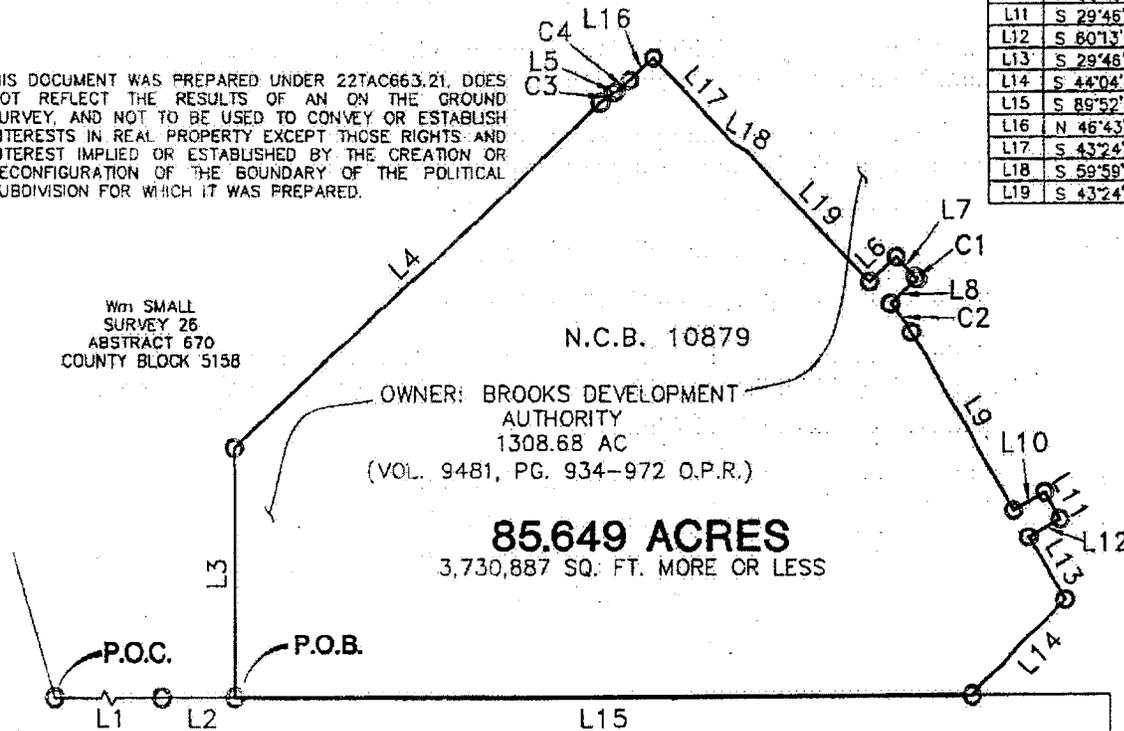
1. THE PROFESSIONAL SERVICES PROVIDED HERewith INCLUDE THE PREPARATION OF A FIELD NOTE DESCRIPTION.
2. THE BEARINGS ARE BASED ON THE NORTH AMERICAN DATUM OF 1983 (CORS 1996), FROM THE TEXAS COORDINATE SYSTEM ESTABLISHED FOR THE SOUTH CENTRAL ZONE.



CURVE TABLE					
CURVE	RADIUS	CENTRAL ANGLE	CHORD BEARING	CHORD DISTANCE	CURVE LENGTH
C1	640.00	1°01'13"	S 42°53'52" E	11.40'	11.40'
C2	521.70	12°36'35"	S 36°04'58" E	114.58'	114.82'
C3	288.00	10°23'20"	N 51°55'21" E	52.15'	52.22'
C4	312.00	10°23'20"	N 51°55'21" E	56.49'	56.57'

LINE TABLE		
LINE	BEARING	LENGTH
L1	N 89°48'37" E	1061.84'
L2	N 89°52'55" E	920.36'
L3	N 00°05'51" W	818.15'
L4	N 46°43'41" E	1632.40'
L5	N 57°07'00" E	12.00'
L6	N 46°33'32" E	118.30'
L7	S 43°24'28" E	88.60'
L8	S 47°36'45" W	118.30'
L9	S 29°46'41" E	667.71'
L10	N 60°13'19" E	118.30'
L11	S 29°46'41" E	100.00'
L12	S 80°13'19" W	118.30'
L13	S 29°46'41" E	238.07'
L14	S 44°04'23" W	438.40'
L15	S 89°52'55" W	2402.08'
L16	N 46°43'41" E	108.12'
L17	S 43°24'28" E	380.37'
L18	S 59°59'05" E	57.62'
L19	S 43°24'28" E	582.13'

THIS DOCUMENT WAS PREPARED UNDER 22TAC663.21, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTEREST IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE BOUNDARY OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.



85.649 ACRES
3,730,887 SQ. FT. MORE OR LESS

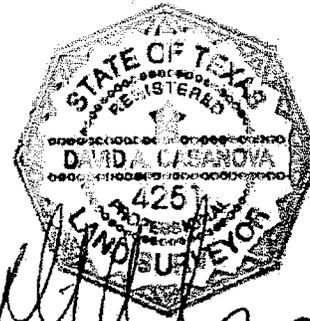
AN EXHIBIT FOR
NEIGHBORHOOD PLAN AMENDMENT

A 85.649 ACRE, OR 3,730,887 SQUARE FEET MORE OR LESS, TRACT OF LAND BEING OUT OF A 1,308.88 ACRE TRACT, CONVEYED TO BROOKS DEVELOPMENT AUTHORITY IN VOLUME 9484, PAGES 934-972 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS, OUT OF THE LYSANDER WELLS, SURVEY NO. 99, ABSTRACT 765, COUNTY BLOCK 5160, AND JUSTO ESQUEDA SURVEY NO. 100, ABSTRACT 213, COUNTY BLOCK 5154, NOW IN NEW CITY BLOCK 10879, IN THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS.



355 EAST RAMSEY | SAN ANTONIO, TEXAS 78216 | PHONE: 210.375.9000
FAX: 210.375.9010

TEXAS BOARD OF PROFESSIONAL ENGINEERS, TPEM REGISTRATION # 470
TEXAS BOARD OF PROFESSIONAL LAND SURVEYORS, TPLS REGISTRATION # 100288-00
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David Casanova

Date: Nov. 29, 2012, 3:57pm. User ID: PDCasanova
File N:\C:\DW\5735-65\EX5735-65.dwg

JUNE 22, 2011; REVISED NOVEMBER 29, 2012

JOB No.:

SHEET 1 OF 1

5735-65

DESCRIPTION
FOR
NEIGHBORHOOD PLAN AMENDMENT

A 85.649 acre, or 3,730,887 square feet more or less, tract of land being out of a 1,308.68 acre tract, conveyed to Brooks Development Authority in Volume 9484, Pages 934-972 of the Official Public Records of Real Property of Bexar County, Texas, out of the Wm Small, Survey No. 26, Abstract 670, County Block 5158, now in New City Block 10879, in the City of San Antonio, Bexar County, Texas. Said 85.649 acre tract being more fully described as follows, with bearings based on the North American Datum of 1983 (CORS 1996), from the Texas Coordinate System established for the South Central Zone:

COMMENCING: At the southwest corner of the said 1,308.68 acre tract;

THENCE: N 89°48'37" E, along and with the south line of said 1,308.68 acre tract, a distance of 1061.64 feet to an angle point;

THENCE: N 89°52'55" E, along and with the south line of said 1,308.68 acre tract, a distance of 920.36 feet to a point and the POINT OF BEGINNING of the herein described tract;

THENCE: N 00°05'51" W, a distance of 818.15 feet to a point;

THENCE: N 46°43'41" E, a distance of 1632.40 feet to a point;

THENCE: Along a tangent curve to the right having a radius of 288.00 feet, a central angle of 10°23'20", a chord bearing and distance of N 51°55'21" E, 52.15 feet, and an arc length of 52.22 feet to a point;

THENCE: N 57°07'00" E, a distance of 12.00 feet to a point;

THENCE: Along a tangent curve to the left having a radius of 312.00 feet, a central angle of 10°23'20", a chord bearing and distance of N 51°55'21" E, 56.49 feet and an arc length of 56.57 feet to a point;

THENCE: N 46°43'41" E, a distance of 108.12 feet to a point;

THENCE: S 43°24'28" E, a distance of 380.37 feet to a point;

THENCE: S 59°59'05" E, a distance of 57.62 feet to a point;

THENCE: S 43°24'28" E, a distance of 582.13 feet to a point;

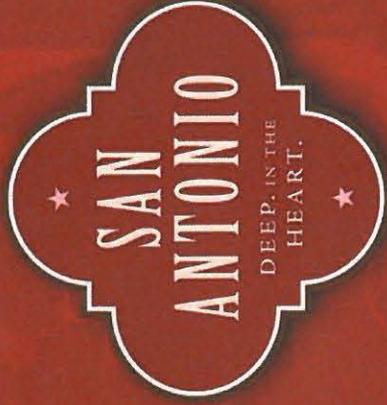
THENCE: N 46°35'32" E, a distance of 118.30 feet to a point;
THENCE: S 43°24'28" E, a distance of 88.60 feet to a point;
THENCE: Along a tangent curve to the right, said curve having a radius of 640.00 feet, a central angle of 01°01'13", a chord bearing and distance of S 42°53'52" E, 11.40 feet, and an arc length of 11.40 feet to a point;
THENCE: S 47°36'45" W, a distance of 118.30 feet to a point;
THENCE: Along a non-tangent curve to the right, said curve having a radial bearing of S 47°36'45" W, a radius of 521.70 feet, a central angle of 12°36'35", a chord bearing and distance of S 36°04'58" E, 114.58 feet, and an arc length of 114.82 feet to a point;
THENCE: S 29°46'41" E, a distance of 667.71 feet to a point;
THENCE: N 60°13'19" E, a distance of 118.30 feet to a point;
THENCE: S 29°46'41" E, a distance of 100.00 feet to a point;
THENCE: S 60°13'19" W, a distance of 118.30 feet to a point;
THENCE: S 29°46'41" E, a distance of 238.07 feet to a point;
THENCE: S 44°04'23" W, a distance of 438.40 feet to a point;
THENCE: S 89°52'55" W, a distance of 2402.08 feet to the POINT OF BEGINNING, and containing 85.649 acres in the City of San Antonio, Bexar County, Texas. Said description being prepared under job number 5735-65 by Pape-Dawson Engineers, Inc.

"This document was prepared under 22TAC663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared."

PREPARED BY: Pape Dawson Engineers, Inc.
DATE: June 22, 2012
REVISED: August 10, 2012, August 14, 2012, November 29, 2012
JOB NO. 5735-65
DOC. ID. N:\CIVIL\5735-65\WORD\1FN 5735-65.doc
TBPE Firm Registration #470
TBPLS Firm Registration #100288-00



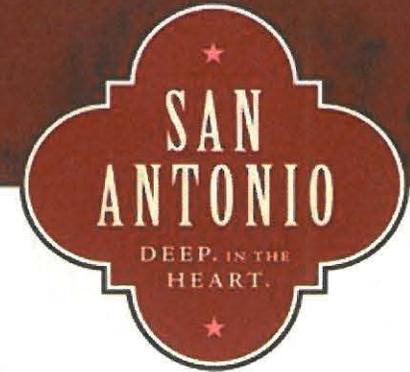
CITY COUNCIL ITEM # 8A, 8B, 8C, 8D



**Economic Development Agreements
with
NEXOLON AMERICA, LLC.**

December 13, 2012

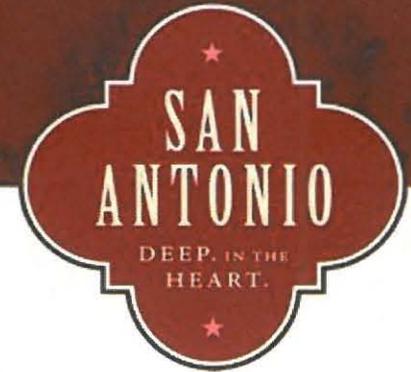
Summary



Staff recommends approval of:

- A. An ordinance designating the Brooks City-Base Reinvestment Zone at Brooks City-Base;
- B. An ordinance authorizing a 10-year, 100% tax abatement on personal property with Nexolon America, LLC;
- C. An ordinance approving an Economic Development Grant Agreement of \$400,000 payable over 3 years for Nexolon;
- D. A commitment to use the City's best efforts to provide \$12 million in funding for public infrastructure at Brooks.

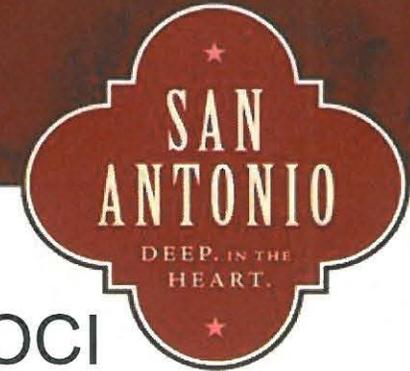
Project Benefits



- Supports the SA2020 vision to create high-wage jobs in the New Energy Economy.
- Catalyst for additional investment and economic development at Brooks City-Base.
- High paying manufacturing jobs for the Southside.
- Demonstrates the City's commitment to achieving balanced growth.
- Attracts foreign direct investment.
- Significant new tax revenue for all jurisdictions.
- Nexolon contributes \$500,000 over 5 years to Alamo Colleges to train a solar energy workforce.



Nexolon Project



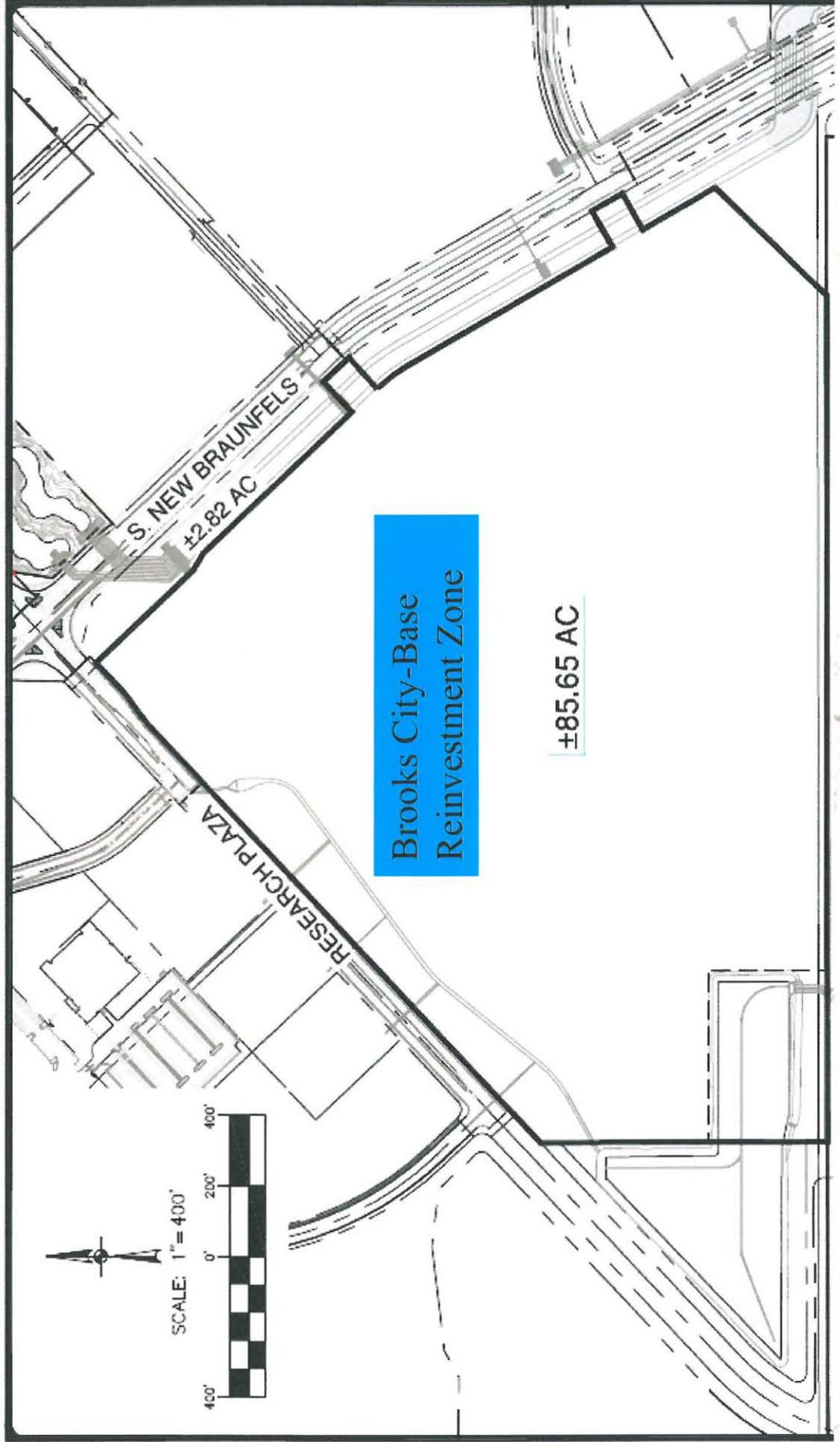
- Nexolon will supply solar panels for the OCI project with CPS Energy with plans to:
 - Build a manufacturing plant at Brooks City-Base;
 - Create 404 solar manufacturing jobs at an average annual salary of over \$44,000; and
 - Invest \$115 million in real and personal property.
- Nexolon America, LLC is a subsidiary of Nexolon Co., Ltd. which is an established global leader and manufacturer of solar panels.



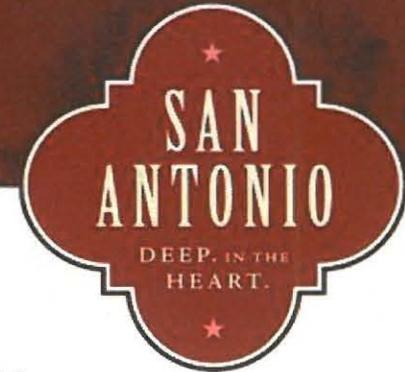
Brooks-City Base Reinvestment Zone

SAN ANTONIO

DEEP IN THE HEART

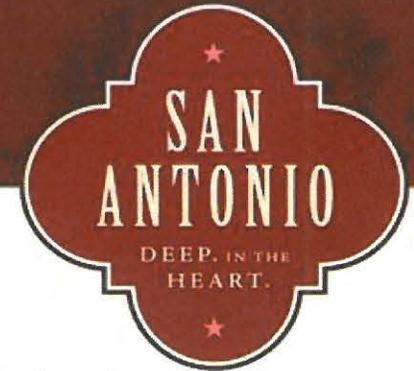


Nexolon Agreements



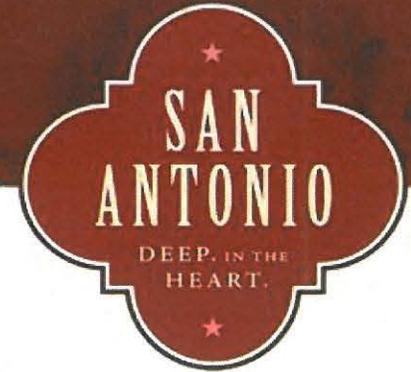
- To attract Nexolon to locate in San Antonio and at Brooks City-Base, staff recommends:
 - A grant of \$400,000 payable over 3 years from the Economic Development Incentive Fund (EDIF) and a waiver of SAWS impact fees up to \$500,000;
 - A 10-year, 100% tax abatement with Nexolon on approximately \$80 million in personal property improvements at an estimated value of \$3 million; and
 - The City’s “best efforts” to provide \$12 million in funding for Brooks City-Base public infrastructure and to provide the BDA for the fair value for the land.

City Funding for Brooks Development Authority (BDA)



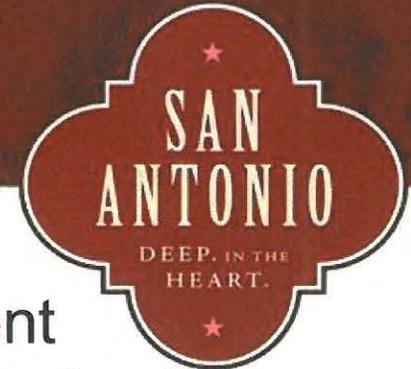
- The \$12 million in funding for Brooks infrastructure will come from multiple sources to include;
 - Up to \$7M from new CPS Energy revenue; and
 - The difference of about \$5M from a future bond election.
- The City's \$12 million in potential funding to the BDA along with a \$5 million payment from Nexolon provides the BDA fair value of \$17 million for the land.
 - The BDA will not pledge the land as collateral.
 - The BDA will use the City's \$12M to fund needed public infrastructure improvements for future development.

Nexolon Commitment



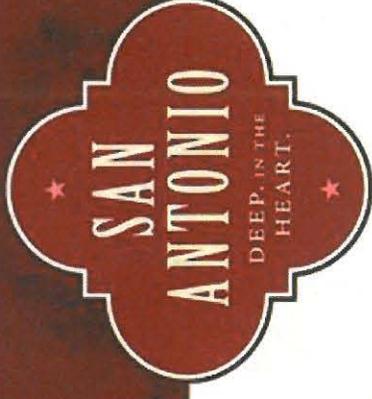
- For the proposed incentives, Nexolon must:
 - Locate its manufacturing facilities and corporate headquarters at Brooks City-Base in the ICRIP;
 - Create 404 manufacturing jobs over 4 years including its corporate headquarters (40 jobs);
 - Meet the wage requirements in the Tax Abatement Guidelines to include paying all employees the “living wage” of \$11.08/hour;
 - Provide employees and dependents access to healthcare benefits;
 - Invest approximately \$115 million in real and personal property; and
 - Contribute \$500,000 over 5 years to Alamo Colleges to establish a solar energy workforce training program.

Policy

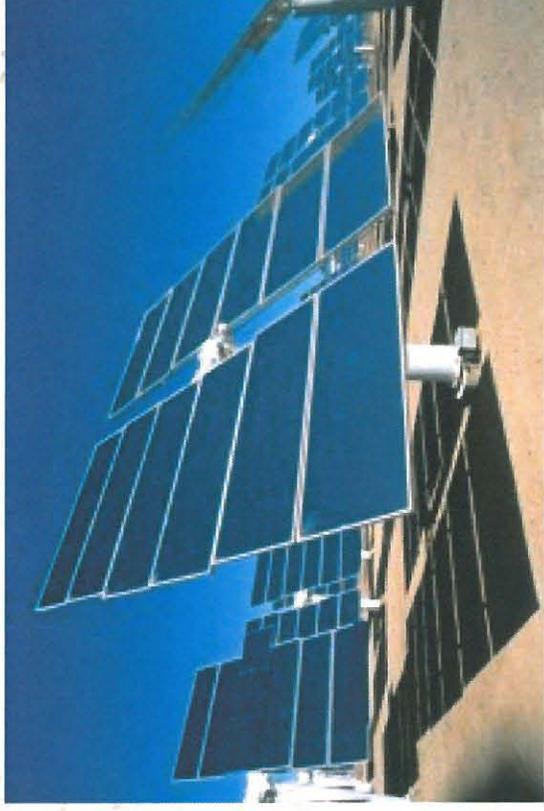


- Before the City can enter into a Tax Abatement Agreement with Nexolon at Brooks City-Base, the City must designate the project site of 85.65 acres as a “Reinvestment Zone” by state statute
- Chapter 380 of the Local Government Code authorizes the City to provide grants for the purpose of promoting economic development
- This project meets the investment, job creation, and wage requirements in the Tax Abatement Guidelines
- Projects investing over \$40 million in the ICRIP are eligible for SAWS Impact Fee Waivers up to \$500,000 per the SAWS Impact Fee Waiver Guidelines

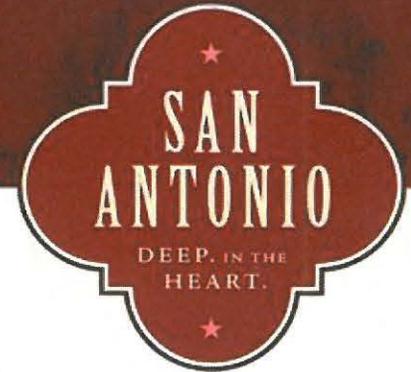
Fiscal Impact



- Funds are available in the Economic Development Incentive Fund (EDIF) to support a grant of \$400,000 to Nexolon.



Recommendation



Staff recommends approval of:

- Item 8A: Designating the Brooks City-Base Reinvestment Zone;
- Item 8B: Approving a 10-year, 100% Tax Abatement on personal property for Nexolon;
- Item 8C: Approving a \$400,000 economic development grant and a SAWS impact fee waiver up to \$500,000 for Nexolon; and
- Item 8D: The City's intent to use its best efforts to provide \$12 million to the BDA for public infrastructure improvements and to provide the BDA fair market value for the land.