RR
08/21/14
Item No. 27

AN ORDINANCE 2014-08-21-0607

AUTHORIZING AN AMENDMENT TO THE AGREEMENT TO PLEDGE STRUCTURAL RESERVE FUNDS BETWEEN THE CITY AND PORT SAN ANTONIO; AND REDIRECTING FY 2014 FUNDS.

* * * * * *

WHEREAS, Port San Antonio (the "Port") has operated as a military aerospace maintenance, repair and overhaul depot since its transition from a U.S. Air Force Base to a Base Redevelopment Authority; and

WHEREAS, to ensure the Port's continued success in retaining and attracting aerospace tenants, a working group was created to develop recommendations and strategies to assist the Port in achieving financial flexibility to work with current and future aerospace tenants; and

WHEREAS, a recommendation was made by the working group to examine the Port's business model and financial structure to determine ways for the City to assist the Port in its ability to attract military and commercial aerospace tenants; and

WHEREAS, representatives from the City and Port discussed options to achieve such flexibility and determined that an amendment to the Agreement to Pledge Structural Reserve Funds and the redirection of $3.7 million in FY 2014 funds from street maintenance at the Port to the payment of a Housing and Urban Development (HUD) 108 loan would assist the Port in its abilities to retain and attract aerospace tenants; **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 Agreement to Pledge Structural Reserve Funds are hereby approved. The City Manager, or her designee, is authorized to execute said Amendment in accordance with this Ordinance. A copy of the Amendment shall be attached upon execution as **"Attachment I"** and shall become a part of this Ordinance.

SECTION 2. Payment in the amount of $3,700,000.00 in SAP Fund 43099000, Certificates Of Obligation Capital Projects, SAP Project Definition 23-01400, Port Authority San Antonio Infrastructure Improvement, is authorized to be encumbered exclusively for HUD 108 Loan repayment. Payment is limited to the amounts budgeted in the Operating and/or Capital Budget funding sources identified. All expenditures will comply with approved capital budgets for current and future fiscal years.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

RR
08/21/14
Item No. 27

SECTION 4. 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 21st day of August, 2014.

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

Robert F. Greenblum, City Attorney

Agenda Item:	**27 (in consent vote: 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, 18, 19A, 19B, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 32, 33)**
Date:	08/21/2014
Time:	09:14:51 AM
Vote Type:	Motion to Approve
Description:	An Ordinance amending the Agreement to Pledge Structural Reserve Funds between the City and Port San Antonio to eliminate the structural reserve requirement; and redirecting $3.7 million in the FY2014 budget from street improvements at Port San Antonio to the payment of a Housing and Urban Development (HUD) 108 loan. [Carlos Contreras, Assistant City Manager; Rene Dominguez, Director, Economic Development]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy Taylor	Mayor		x				
Diego Bernal	District 1		x				
Keith Toney	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				x
Mari Aguirre-Rodriguez	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x			x	

FIRST AMENDMENT TO THE AGREEMENT TO PLEDGE STRUCTURAL RESERVE FUNDS

BETWEEN THE CITY OF SAN ANTONIO AND PORT SAN ANTONIO (FORMERLY KNOWN AS THE GREATER KELLY DEVELOPMENT CORPORATION "GKDC")

This First Amendment to the Agreement to Pledge Structural Reserve Funds (this "FIRST AMENDMENT") is entered into by and between the City of San Antonio ("CITY"), a municipal corporation governed by the laws of the State of Texas and Port San Antonio ("PSA"). Together, CITY and PSA may be referred to, herein, as "the Parties."

RECITALS

A. CITY and PSA entered into that certain Agreement to Pledge Structural Reserve Funds (the "Agreement") on August 4, 1998, attached hereto as EXHIBIT A.

B. Prior to this FIRST AMENDMENT, the Agreement was in full effect and PSA was in compliance with all terms and conditions of the Agreement.

C. The Parties, now seek to amend the terms and conditions of the Agreement as stated in this First Amendment and affirm that all other provisions of the Agreement remain in full force and effect.

AMENDMENT

NOW THEREFORE, the Parties hereby agree and amend 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. Amendment. The Parties hereby mutually agree to amend the Agreement as follows:

   (A) Any and all requirements, obligations and duties imposed by the Agreement upon PSA to maintain a Structural Reserve Fund, Pledge Account or Pledge Collateral are removed and deleted from the Agreement as of the Effective Date of this Amendment.

3. Effective Date. This First Amendment shall be effective upon passage of a duly authorized ordinance of the City Council of the City of San Antonio which shall be attached hereto as EXHIBIT B and made a part of this First Amendment.

4. No Other Changes. Except as specifically set forth in this First Amendment, all of the terms and conditions of the Agreement shall remain the same and are hereby ratified and confirmed. The Agreement shall continue in full force and effect and with this First Amendment shall be read and construed as one instrument.

5. Choice of Law. This First Amendment shall be construed in accordance with and governed by the laws of the State of Texas.

6. 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.

WITNESS HEREOF, the parties hereto have executed in triplicate originals this First Amendment on the _____ day of _____ 2014.

CITY OF SAN ANTONIO
a municipal corporation

_____
Sheryl L. Sculley
City Manager

ATTEST:

_____
Leticia Vacek
City Clerk

APPROVED AS TO FORM:

_____
Robert F. Greenblum
City Attorney

PORT SAN ANTONIO
a defense base development authority

_____
Name:
Title:

ATTEST:

_____
Name:
Title: