

AN ORDINANCE 2011-05-19-0417

**AUTHORIZING THE CITY MANAGER, UPON THE CONSENT AND DIRECTION OF THE WESTSIDE TAX INCREMENT REINVESTMENT ZONE (“TIRZ #30”) BOARD OF DIRECTORS, TO NEGOTIATE AND EXECUTE AN AMENDMENT TO THE ECONOMIC DEVELOPMENT GRANT AGREEMENT WITH IRON & STEEL LOFTS, L.L.C., TO ADD AN ADDITIONAL GRANT AMOUNT OF \$719,962.00 WHICH SHALL BE PAID FROM THE WESTSIDE TIRZ FUND.**

\* \* \* \* \*

**WHEREAS**, Iron & Steel Lofts, L.L.C. (“Developer”) is undertaking a \$10.9 million mixed-use development project consisting of 67 rental units and 2,500 sq. feet of retail space (the “Project”) to be located at 1401 South Flores Street which is within Tax Increment Reinvestment Zone No. 30 (the “TIRZ”); and

**WHEREAS**, the location of the Project makes it eligible for certain economic incentives including Tax Increment Financing (“TIF”) and certain fee waivers; and

**WHEREAS**, pursuant to Chapter 380 of the Texas Local Government Code, the City of San Antonio (the “City”) previously authorized an Economic Development Grant Agreement (the “Agreement”) in the amount of \$109,000.00 and Developer is seeking reimbursements by TIRZ #30 for public improvements in the amount of \$719,962.00 (“TIRZ Payments”) for the purpose of promoting local economic development and stimulating business and commercial activity; and

**WHEREAS**, the Westside TIRZ Board of Directors (the “TIRZ Board”) has approved the grant through a duly authorized Resolution of the TIRZ Board (Attachment I) and has identified the source of funding to be the tax increment produced by the Project; and

**WHEREAS**, the TIRZ Board, recognizing the City as its fiscal agent, has consented to amending the City’s Agreement to provide for the additional grant payments of \$719,962.00 in TIRZ funding and directs the City to make such payments as provided in the amended Agreement out of the TIRZ Fund; **NOW THEREFORE:**

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

**SECTION 1.** The terms and conditions of an Amended and Restated Economic Development Program Grant Agreement with Iron & Steel Lofts, L.L.C. are hereby approved. The City Manager, or her designee, is authorized to finalize negotiation and execute the Amended and Restated Economic Development Program Grant Agreement upon the presentation of a Westside TIRZ Board Resolution authorizing the use of TIF funds in the amount of \$719,962.00. A final copy of the amended Agreement shall be attached when executed.

**SECTION 2.** Funding in the amount of \$109,000.00 for this ordinance is available in Fund 29059000, Cost Center 1604010001, General Ledger 5201040, as part of the Fiscal Year 2011 Budget.

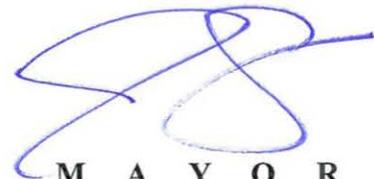
**SECTION 3.** Payment not to exceed the budgeted amount up to \$109,000.00 is authorized to Steel House Lofts, L.L.C. and should be encumbered with a purchase order.

**SECTION 4.** Payments not to exceed the cumulative amount of \$719,962.00 is authorized to Steel House Lofts, L.L.C. through the TIRZ Fund established for the Westside Tax Increment Reinvestment Zone with Cost Center and General Ledger to be determined at time of payment. Annual payments to Steel House Lofts, L.L.C. shall be limited to the available ad valorem taxes on the increment in the TIRZ Fund for a period not to exceed 20 years and at such time funds are authorized to be encumbered by City acting as fiscal agent of TIRZ.

**SECTION 5.** The financial allocations in this Ordinance are subject to approval by the Chief Financial Officer (CFO), City of San Antonio. The CFO may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

**SECTION 6.** 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 19<sup>th</sup> day of May 2011.



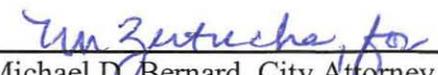
M A Y O R  
Julián Castro

**ATTEST:**



\_\_\_\_\_  
Leticia M. Vacek, City Clerk

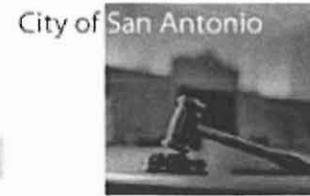
**APPROVED AS TO FORM:**



\_\_\_\_\_  
Michael D. Bernard, City Attorney



Request for  
**COUNCIL  
ACTION**



## Agenda Voting Results - 32

<b>Name:</b>	12, 14, 16, 19A, 19B, 21, 22, 23, 24A, 24B, 26, 27, 28, 29, 31, 32						
<b>Date:</b>	05/19/2011						
<b>Time:</b>	06:46:35 PM						
<b>Vote Type:</b>	Motion to Approve						
<b>Description:</b>	An Ordinance authorizing the City Manager, upon the consent and direction of the Westside TIRZ Board of Directors, to negotiate and execute an amendment to the Chapter 380 Economic Development Grant Agreement with Steel House Lofts, L.L.C. to add an additional amount of \$719,962.00, in which the Westside Tax Increment Reinvestment Zone ("TIRZ") will be a party to the agreement and shall be paid from the TIRZ Fund. [Pat DiGiovanni, Deputy City Manager / Interim Director, Center City Development]						
<b>Result:</b>	Passed						
<b>Voter</b>	<b>Group</b>	<b>Not Present</b>	<b>Yea</b>	<b>Nay</b>	<b>Abstain</b>	<b>Motion</b>	<b>Second</b>
Julián Castro	Mayor		x				
Mary Alice P. Cisneros	District 1		x				x
Ivy R. Taylor	District 2		x				
Jennifer V. Ramos	District 3		x				
Philip A. Cortez	District 4		x				
David Medina Jr.	District 5		x				
Ray Lopez	District 6		x				
Justin Rodriguez	District 7		x				
W. Reed Williams	District 8		x				
Elisa Chan	District 9		x				
John G. Clamp	District 10		x			x	

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
REINVESTMENT ZONE NUMBER THIRTY (“TIRZ #30”) CITY OF  
SAN ANTONIO, TEXAS**

**APPROVING AND AUTHORIZING EXECUTION OF A CHAPTER 380 ECONOMIC DEVELOPMENT GRANT IN THE AMOUNT OF \$719,962.00 TO IRON & STEEL LOFTS, L.L.C. (“IRON & STEEL LOFTS”) FOR PROJECT COSTS; REQUESTING THE CITY OF SAN ANTONIO (the “CITY”) AMEND AND RESTATE ITS CHAPTER 380 GRANT AGREEMENT WITH IRON & STEEL LOFTS TO PROVIDE FOR THE TIRZ #30 GRANT; AND DIRECTING THE CITY TO MAKE PAYMENTS TO IRON & STEEL LOFTS FROM TIRZ #30 TAX INCREMENT FINANCING FUNDS.**

**WHEREAS**, Iron & Steel Lofts is proposing a \$10,900,000.00 mixed-use project consisting of 67 rental units and 2,500 sq. feet of retail space (the “Project”) to be located at 1401 South Flores Street which is within the boundaries of TIRZ #30; and

**WHEREAS**, pursuant to Chapter 380 of the Texas Local Government Code, the City of San Antonio (the “City”) authorized an Economic Development Grant Agreement (the “Agreement”) in the amount of \$109,000.00 for the purpose of promoting local economic development and stimulating business and commercial activity; and

**WHEREAS**, pursuant to Section 311.010 of the Texas Tax Code, the Board is authorized to enter into the Agreement for the purpose of promoting local economic development and stimulating business and commercial activity within the reinvestment zone; and

**WHEREAS**, Iron & Steel Lofts is requesting an additional economic development grant in the amount of \$719,962.00 from TIRZ #30 to defray costs associated with Project costs; and

**WHEREAS**, the TIRZ #30 Board of Directors (the “the Board”) supports programs which would allow for economic development within its boundaries and has identified the tax increment produced by the Project as the funding source for an economic development grant; and

**WHEREAS**, the Board recognizes that the City is its fiscal agent, and consents to the amendment and restatement of the Agreement to provide for an additional \$719,962.00 in TIRZ #30 Tax Increment Financing (“TIF”) funding for Project costs; and

**WHEREAS**, the Board authorizes and directs the City to make payments to the Developer as provided for in the Amended and Restated Economic Development Grant Agreement out of the TIRZ #30 TIF fund; **NOW THEREFORE:**

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF TAX INCREMENT REINVESTMENT ZONE NUMBER 30, CITY OF SAN ANTONIO:**

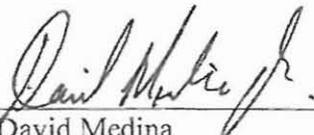
**SECTION 1.** The recitals set out above are hereby adopted in their entirety.

**SECTION 2.** The Board requests that the City of San Antonio amend and restate its Economic Development Grant Agreement with Iron & Steel Lofts to provide for up to \$719,962.00 in TIRZ #30 Tax Increment Financing funds to the Project as reimbursement for Project costs.

**SECTION 3.** The Board directs the City to make payments to Iron & Steel Lofts in accordance with the terms and conditions of the amended and restated Economic Development Grant Agreement out of TIRZ #30 Tax Increment Financing funds.

**SECTION 4.** The Board authorizes the Presiding Officer to execute the Amended and Restated Economic Development Grant Agreement as evidence of the Board's approval and consent.

**PASSED, APPROVED and ADOPTED** this 18<sup>th</sup> day of May, 2011 to be effective immediately.

  
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David Medina  
Presiding Officer, Westside TIRZ