

THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED ORDINANCE OR RESOLUTION ADOPTED BY CITY COUNCIL.

AN ORDINANCE

AUTHORIZING THE EXECUTION OF AN ASSIGNMENT AND ASSUMPTION AGREEMENT BETWEEN MISSION DEL LAGO, LTD., A TEXAS LIMITED PARTNERSHIP AND SOUTHSTAR MISSION DEL LAGO HOLDINGS L.P., A DELAWARE LIMITED PARTNERSHIP IN COUNCIL DISTRICT 3 AND WITHIN THE MISSION DEL LAGO TIRZ.

* * * * *

WHEREAS, on August 19, 1999, in accordance with the Tax Increment Financing Act, Texas Tax Code Chapter 311, City Council through Ordinance No. 90312 designated the Mission Del Lago Tax Increment Reinvestment Zone located in City Council District 3 in order to foster development which would otherwise not occur; and

WHEREAS, the City, the Mission Del Lago TIRZ Board of Directors, and Mission Del Lago, Ltd. (“MDL”) entered into the Development Agreement on June 29, 2006 by Ordinance No. 2006-06-29-0801 and later amended the Development Agreement by Ordinance No. 2014-05-01-0286 on May 1, 2014; and

WHEREAS, the amended project includes the construction of 2,241 single-family homes, 630 multi-family homes, 280 multi-family homes as a part of the Villa Espada Apartments Chapter 380 Agreement project, and 287,600 square feet of retail, office and commercial space; and

WHEREAS, MDL, the current developer of record in the Development Agreement, on May 13, 2014, sold its assets to SouthStar Mission Del Lago Holdings LP (“SouthStar”) and assigned a portion of the funds it received from the Mission Del Lago TIRZ to SouthStar; and

WHEREAS, MDL and SouthStar also entered into an Operating Agreement defining each party’s rights and responsibilities related to the Mission Del Lago TIRZ; and

WHEREAS, MDL desires to assign its interests, rights, duties, obligations, and responsibilities as Developer under the Development Agreement to SouthStar; and

WHEREAS, MDL obtained consent of its assignment from the following participating taxing entities in accordance with applicable Interlocal Agreements: Bexar County, University Health System, and Southside Independent School District; and

WHEREAS, on April 25, 2017, the Mission Del Lago TIRZ Board of Directors passed a Resolution approving the Assignment and Assumption Agreement between Mission Del Lago Ltd. and SouthStar Mission Del Lago Holdings L.P and City Council approval is now required;
NOW THEREFORE,

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

SECTION 1. Subject to proof of business registration in the State of Texas by Southstar Mission Del Lago Holdings LP, City Council hereby authorizes the execution of an Assignment and Assumption Agreement between Mission Del Lago, LTD, a Texas Limited Partnership, and Southstar Mission Del Lago Holdings LP, a Delaware Limited Partnership, in City Council District 3 and within the Mission Del Lago TIRZ as described in substantially final format in Attachment A.

SECTION 2. There is no fiscal impact to the Mission Del Lago TIRZ fund or the City's General Fund.

SECTION 3. This Ordinance becomes effective immediately upon its passage by eight affirmative votes; otherwise it shall become effective on the tenth day after passage thereof.

PASSED and APPROVED this **th** day of , 2018.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney

ATTACHMENT A

DRAFT