

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

AN ORDINANCE

**APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT
PROGRAM LOAN AGREEMENT FOR UP TO \$700,000.00 WITH
MERCHANT ICE LOFTS LP AND THE BOARD OF TAX INCREMENT
REINVESTMENT ZONE NUMBER 11, INNER CITY TIRZ, FOR THE
MERCHANT ICE LOFTS PROJECT AND AMENDING THE TIRZ
PROJECT AND FINANCE PLANS.**

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WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code, the City of San Antonio (“City”) is authorized to establish and provide for the administration of one or more programs, including programs for making loans and grants of public money and providing personnel and services of the municipality, to promote state or local economic development and to stimulate business and commercial activity in the municipality; and

WHEREAS, pursuant to Ordinance No. 100684, the City of San Antonio created an Economic Development Program (the “Program”) for the purpose of making grants and loans available for economic development projects that the City finds will accomplish the purpose and goals of Chapter 380; and

WHEREAS, Merchant Ice Lofts LP (“Developer”) is engaged in economic development by investing \$33 million in a multi-family housing development project at 1305 E. Houston located within the boundaries of the Inner City TIRZ (“Project”); and

WHEREAS, Developer is seeking an economic development loan for the purpose of defraying costs associated with undertaking the Project which will revitalize a vacant and underutilized property in the Inner City TIRZ; and

WHEREAS, the Board is authorized to designate TIRZ funds consistent with its Project Plan and Finance Plan through a Chapter 380 Economic Development Program Loan Agreement (the “Agreement”) and is authorized to direct the City to pay for such projects from the TIRZ’s tax increment funds; and

WHEREAS, the City, the Inner City TIRZ Board of Directors (the “Board”), and the Developer desire to enter into the Agreement and have identified \$700,000.00 in available tax increment funds for the Project; and

WHEREAS, the Board has authorized the commitment of tax increment funds for the Agreement in order to promote local economic development, and to stimulate business and commercial activity, within the Inner City TIRZ.; **NOW THEREFORE:**

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

SECTION 1. The City Council approves a Chapter 380 Economic Development Program Loan Agreement for up to \$700,000.00 with Merchant Ice Lofts LP and the Inner City TIRZ Board for the Merchant Ice Lofts Project. The City Manager or her designee is authorized to execute the Agreement, a copy of which is set out in substantially final form as **Attachment I** and to proceed with amending the Project Plan and Finance Plan to include this Project.

SECTION 2. The City Manager or her designee is authorized to execute such other documents as are necessary to carry out the intent of this ordinance as approved and recommended by the City Attorney.

SECTION 3. (Finance language)

SECTION 4. 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 Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 5. This Ordinance shall be effective immediately upon passage by eight affirmative votes; otherwise, it shall be effective on the tenth day after passage.

PASSED AND APPROVED this _____ day of December, 2013.

M A Y O R
Julián Castro

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Michael D. Bernard, City Attorney