

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

ORDINANCE

AUTHORIZING A CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM FORGIVABLE LOAN AGREEMENT WITH SOJO COMMONS II, LP IN THE AMOUNT OF \$282,225.00 TO BE USED IN THE CONSTRUCTION OF 15 AFFORDABLE CONDOMINIUMS OUT OF A 48 CONDOMINIUM PROJECT TO BE SOLD TO HOUSEHOLDS EARNING AT OR BELOW 120% OF AREA MEDIAN INCOME (AMI).

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WHEREAS, SOJO Commons II (“Developer”) is undertaking an economic development project consisting of the construction of 48 condominiums with a total investment from the developer of approximately \$15,383,269.00 to be located on Locust and Grayson streets in City Council District 1 (the “Project”); and

WHEREAS, the City is seeking to insert an affordable housing component in the Project and is able to provide Developer with funding to assist in the implementation of the affordable component; and

WHEREAS, Developer has identified 15 condominiums of the 48 condominium project that it will designate as affordable by selling the units to households earning at or below 120% of Area Median Income (AMI); and

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

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

WHEREAS, the City finds that the goals of Chapter 380 will be met by assisting SOJO Commons II in undertaking and completing the Project and has identified economic development funds for use in carrying out this purpose; **NOW THEREFORE:**

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

SECTION 1. The City Council approves the terms and conditions of a Chapter 380 Economic Development Program Forgivable Loan Agreement with SOJO Commons II for the construction

of 15 affordable condominiums to be sold to households earning at or below 120% of the Area Median Income (AMI).

SECTION 2. The City Manager or his designee is authorized to execute a Chapter 380 Economic Development Program Forgivable Loan Agreement with SOJO Commons II in accordance with this Ordinance. A copy of the Agreement, in substantially final form, is attached to this Ordinance as **Attachment I**. The final agreement shall be filed with this Ordinance upon execution.

SECTION 3. Funding in the amount of \$282,225.00 for this Ordinance is available in Fund 29104000, Cost Center 1909010001, and General Ledger 5201040 as part of the Fiscal Year 2020 budget.

SECTION 4. Payment not to exceed the budgeted amount is authorized to SOJO Commons II, LP in the form of a Chapter 380 Economic Development Forgivable Loan.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer 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 ___ day of January, 2020.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney

ATTACHMENT I

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