

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

AN ORDINANCE

**AUTHORIZING AMENDMENTS TO THE BROOKS – CITY BASE
PROJECT AND FINANCE PLANS, AND DEVELOPMENT AGREEMENT
BETWEEN BROOKS DEVELOPMENT AUTHORITY, THE BOARD OF
DIRECTORS OF THE BROOKS CITY-BASE TAX INCREMENT
REINVESTMENT ZONE NUMBER SIXTEEN, AND THE CITY OF SAN
ANTONIO, TEXAS TO REALLOCATE CERTIFICATE OF
OBLIGATION PROCEEDS TO DAVE ERWIN DRIVE AND OTHER
APPROVED INFRASTRUCTURE PROJECTS.**

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WHEREAS, the City recognizes the importance of its continued role in economic development, community development, planning and urban design; and

WHEREAS, the City was instrumental in establishing the legislation to allow the creation of a Defense Base Development Authority; and

WHEREAS, on September 27, 2001, City Council created the Brooks Development Authority (“BDA”), by passing Resolution 2001-36-39, for the purposes of accepting title to 1,300 acres of real property of the former Brooks Air Force Base and engaging in the redevelopment of the installation to transition it into a business and technology park; and

WHEREAS, by Ordinance Number 100073, dated December 9, 2004, pursuant to the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code (as amended, hereinafter called the “Act”), the City created Reinvestment Zone Number Sixteen, City of San Antonio, Texas (“TIF Zone”) in accordance with the Act, to promote development and redevelopment of the Zone Property through the use of tax increment financing, in which development and redevelopment would not otherwise occur solely through private investment in the reasonably foreseeable future, and established a Board of Directors for the TIF Zone; and

WHEREAS, this City-initiated TIF Zone was designed to leverage ongoing area development in support of a special joint project between the U.S. Air Force and the City to successfully convert and redevelop the former Brooks Air Force Base; and

WHEREAS, the City has issued a total of \$19,050,000.00 in Certificates of Obligation for capital improvements to benefit BDA, via such Ordinances as No. 2008-12-04-01067, No. 2010-06-10-0528, and No. 2012-08-02-0542, and has generally supported BDA through City funds to cover certain operating expenses; and

WHEREAS, \$13,944,846.36 of the \$19,050,000.00 has been used to fund the New Braunfels Infrastructure Phase I and II Project as well as the Challenger Drive Inner Circle Infrastructure Project; and

WHEREAS, BDA has requested that the remaining balance of \$5,105,153.64 be used to fund the Dave Erwin Drive Infrastructure Project and other approved Street Projects other than the New Braunfels Infrastructure Project; and

WHEREAS, the Act authorizes the expenditure of funds derived within a reinvestment zone, whether from bond proceeds or other funds, for the payment of expenditures made or estimated to be made and monetary obligations incurred or estimated to be incurred by a municipality establishing a reinvestment zone, for costs of public works or public improvements in the reinvestment zone, plus other costs incidental to those expenditures and obligations, consistent with the Final Project Plan of the reinvestment zone, which expenditures and monetary obligations constitute project costs, as defined in Section 311.002 (1) of the Act (“Project Costs”); and

WHEREAS, in accordance with the Act, the City created the Board and authorized the Board to exercise all the rights, powers, and duties as provided to such boards under the Act or by action of the City Council; and

WHEREAS, on March 16, 2015, the Board adopted and approved Amendments to the Final Project and Finance Plans, and an amended Development Agreement providing for development of the Zone Property and the BDA approved the amended Agreement on April 14, 2015; and

WHEREAS, the City currently does not have plans to issue additional debt as BDA has developed a comprehensive plan to fund capital improvements through the issuance of lease revenue bonds, and the Finance Plan update allows for the payment of debt service on BDA’s bonds subject to the priority of payments; and

WHEREAS, it is now necessary for the City Council to approve the Amended Project and Finance Plans and to authorize the City Manager or her designee to execute an amended Development Agreement with the TIRZ Board and BDA; and

WHEREAS, it is officially found and determined that the meeting at which this Ordinance was passed was open to the public and public notice of the time, place and purpose of said meeting was given all as required by Chapter 551, Texas Government Code, and Chapter 311, Texas Tax Code; **NOW THEREFORE:**

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

SECTION 1. The terms and conditions of the Amended Development Agreement to clarify the flow of funds of City debt funding of BDA’s Dave Erwin Road Project and other approved street projects and City project administrative oversight of the projects are approved. A copy of the amended Development Agreement in substantially final form is attached to this Ordinance as

Exhibit A. A copy of the fully executed agreement will be substituted for **Exhibit A** upon receipt of all signatures.

SECTION 2. The City Manager or her designee is authorized to execute the attached Amended Development Agreement, which is incorporated into this Ordinance for all purposes.

SECTION 3. Amendments to the Final Project and Finance Plans, as approved on March 16, 2015 by the TIRZ Board of Directors, are approved. Copies are attached as **Exhibit B** (Final Project Plan) and **Exhibit C** (Final Finance Plan) and incorporated into this Ordinance for all purposes.

SECTION 4. The Project Plan and Finance Plan are feasible and the Finance Plan is economically feasible as indicated in the plan analysis. The Project and Finance Plan are in compliance with the City's Master Plan and the City's Tax Increment Guidelines and criteria by encouraging community revitalization, infrastructure improvements and housing within certain areas of the City which would not have occurred without tax increment financing.

SECTION 5. Approval and execution of the attached Development Agreement does not have an immediate fiscal impact. To the extent that such funds are available, the City is authorized to pay BDA up to a maximum of \$56,364,027.00

SECTION 6. Fund 29086015 entitled TIRZ Brooks City-Base was established to record the collection of revenue recorded in internal order 207000000264 TIRZ Brooks City-Base and payments using cost center 0703720001 TIRZ Brooks City-Base in accordance with the agreement.

SECTION 7. The budget in SAP Fund SAP Fund 43099000, Certificates of Obligation Capital Projects, SAP Project Definition 40-00182, Brooks-New Braunfels Extension, shall be revised by decreasing the SAP WBS Elements as follows:

WBS NO.	WBS NAME	G/L	G/L NAME	PLAN VERSION 0 REVISION/ Appropriation
40-00182-05-02-04	Challenger & Inner Circle Dr	5201140	Construction Cost	-8,692.36
40-00182-05-02-05	FY10 TIRZ Funding	5201140	Construction Cost	-1,788,198.97
40-00182-05-03	Construction-Contingency	5201140	Construction Cost	-2,230,000.00
40-00182-05-04	Construction-Cap Admin	5402030	Cap Admin-Direct	-183,131.66
40-00182-05-04	Construction-Cap Admin	5402050	Cap Admin-Indirect	-189,344.96
			TOTALS	-\$4,399,367.95

SECTION 8. The budget in SAP Fund 43099000, Certificates of Obligation Capital Projects, SAP Project Definition 40-00182, Brooks-New Braunfels Extension, shall be revised by decreasing SAP WBS element 40-00182-90-03 entitled Transfer from CO-21070-01-01-10, SAP GL account 6101100, by the amount of \$2,169,367.95.

SECTION 9. The amount of \$2,169,367.95 is reverted in SAP Fund 43907007, 2010 CO Street, SAP WBS CO-21070-01-01-10, SAP GL account 6102100 – Interfund Transfer out entitled Transfer to 40-00182-90-03. The amount of \$2,169,367.95 is authorized to be transferred from SAP Fund 43099000.

SECTION 10. The budget in SAP Fund 43099000, Certificates of Obligation Capital Projects, SAP Project Definition 40-00182, Brooks-New Braunfels Extension, shall be revised by decreasing SAP WBS element 40-00182-90-16-01 entitled Transfer from CO-21240-01-01-02, SAP GL account 6101100, by the amount of \$2,230,000.00.

SECTION 11. The amount of \$2,230,000.00 is reverted in SAP Fund 43910004, 2012 CO TIF Brooks, SAP WBS CO-21240-01-01-02, SAP GL account 6102100 – Interfund Transfer out entitled Transfer to 40-00182-90-16-01. The amount of \$2,230,000.00 is authorized to be transferred from SAP Fund 43099000.

SECTION 12. The budget in SAP Fund 43099000, Certificates of Obligation Capital Projects, SAP Project Definition 61-00100, New Braunfels Infrastructure Project, shall be revised by decreasing SAP WBS Element 61-00100-05-02-01 entitled Construction-City, SAP GL account 5201140, by the amount of \$705,785.69.

SECTION 13. The budget in SAP Fund 43099000, Certificates of Obligation Capital Projects, SAP Project Definition 61-00100, New Braunfels Infrastructure Project, shall be revised by decreasing SAP WBS element 61-00100-90-01 entitled Transfer from CO-20870-01-01-12, SAP GL account 6101100, by the amount of \$705,785.69.

SECTION 14. The amount of \$705,785.69 is reverted in SAP Fund 43905007, 2008 CO Street, SAP WBS CO-20870-01-01-12, SAP GL account 6102100 – Interfund Transfer out entitled Transfer to 61-00100-90-01. The amount of \$705,785.69 is authorized to be transferred from SAP Fund 43099000.

SECTION 15. The budget in SAP Fund 43099000, Certificates of Obligation Capital Projects, SAP Project Definition 23-01450, Brooks Hill Street Project, shall be revised by increasing the SAP WBS Elements as follows:

FUND NO. OR INTERNAL ORDER NO.	FUND NAME OR INTERNAL ORDER NAME	G/L	G/L NAME	PLAN VERSION 0 REVISION/ Appropriation
CO-20870-01-01-20 (2008)	Trf fr 23-01450-90-02-08	6102100	Transfer Out	705,785.69
CO-21070-01-01-16 (2010)	Trf fr 23-01450-90-02-09	6102100	Transfer Out	2,169,367.95
CO-21240-01-01-03 (2012)	Trf fr 23-01450-90-02-10	6102100	Transfer Out	2,230,000.00
			Totals	5,105,153.64

SECTION 16. The budget in SAP Fund 43099000, Certificates of Obligation Capital Projects, SAP Project Definition 23-01450, Brooks Hill Street Project, shall be revised by increasing the SAP WBS Elements as follows:

Item No. _____

FUND NO. OR INTERNAL ORDER NO.	FUND NAME OR INTERNAL ORDER NAME	G/L	G/L NAME	PLAN VERSION 0 REVISION/ Appropriation
23-01450-90-02-08	Trf to CO-20870-01-01-20 (2008)	6101100	Transfer In	-705,785.69
23-01450-90-02-09	Trf to CO-21070-01-01-16 (2010)	6101100	Transfer In	-2,169,367.95
23-01450-90-02-10	Trf to CO-21240-01-01-03 (2012)	6101100	Transfer In	-2,230,000.00
			Totals	-5,105,153.64

SECTION 17. The budget in SAP Fund 43099000, Certificates of Obligation Capital Projects, SAP Project Definition 23-01450, Brooks Hill Street Project, shall be revised by increasing the SAP WBS Elements as follows:

WBS NO.	WBS NAME	G/L	G/L NAME	PLAN VERSION 0 REVISION/ Appropriation
23-01450-05-02-01	Dave Erwin Drive	5201140	Construction Cost	4,230,000.00
23-01450-05-02-02	Other Street Projects	5201140	Construction Cost	875,153.64
			Totals	5,105,153.64

SECTION 18. 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.

SECTION 19. This Ordinance shall become effective immediately upon its passage by eight (8) affirmative votes of the City Council. If less than eight (8) affirmative votes are received, then this Ordinance shall be effective ten (10) days after passage.

PASSED AND APPROVED this _____ day of April, 2015.

M A Y O R
Ivy R. Taylor

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek
City Clerk

Martha G. Sepeda
Acting City Attorney