

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

AN ORDINANCE

AUTHORIZING A CHAPTER 380 ECONOMIC DEVELOPMENT GRANT AGREEMENT BETWEEN THE CITY OF SAN ANTONIO, THE TAX INCREMENT REINVESTMENT ZONE NUMBER ELEVEN, CITY OF SAN ANTONIO, TEXAS, AND JASMINE ENGINEERING INC., FOR BOARD APPROVED REMEDIATION COSTS ASSOCIATED WITH THE STERLING BUILDING MIXED-USE PROJECT, LOCATED AT 323 IDAHO AND 1434 EAST COMMERCE STREET, SAN ANTONIO, TEXAS.

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WHEREAS, tax increment financing is an economic development tool authorized the Tax Increment Financing Act (the “Act”), Chapter 311 of the Texas Tax Code; and

WHEREAS, in accordance with the Act the City through City Council Ordinance 93101, established Tax Increment Reinvestment Zone Number Eleven, known as the Inner City TIRZ (“TIRZ”), and a Board of Directors (“Board”) authorized with all the rights, powers, and duties provided by the Act to such boards in order to promote development and revitalization activities within TIRZ; and

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code and Sections 311.010(b) and 311.010(h) of the Act, the City and the Board are authorized to grant funds to promote state and local economic development and to stimulate business and commercial activity in the municipality and within the boundaries of the TIRZ; and

WHEREAS, the City and the Board recognize the importance of their continued role in economic development, community development, planning and urban design; and

WHEREAS, on January 26, 2017, Jasmine Engineering, Inc. (the Applicant”) applied for TIRZ funding for the Sterling Building Mixed-Use Project (the “Project”) which consists of the remediation and construction of a two-story building to be utilized for commercial use (office and retail), including the company headquarters for Jasmine Engineering Inc., located at 323 Idaho and 1434 East Commerce Street, and that is anticipated to improve and attract economic activity to a severely blighted area; and

WHEREAS, on February 10, 2017, the Board approved Resolution T11 2017-02-10-17-04R, set out in **Exhibit A**, which authorized the commitment of reimbursable TIF funds for the Project in an amount not to exceed Three Hundred and Eighty-Five Thousand Dollars and No Cents (\$385,000.00), subject to the Applicant closing on the purchase of the site of the Project, in accordance with Ordinance No. 2016-10-06-0767; and

WHEREAS, in accordance with Ordinance No. 2016-10-06-0767, Jasmine Engineering Inc. secured a Deed Without Warranty from the City for 323 Idaho and 1434 East Commerce Street on March 15, 2017, and

WHEREAS, on May 12, 2017, the Board passed Resolution T11 2017-05-12-02R, set out in **Exhibit B**, which authorizes the execution of a Chapter 380 Economic Development Grant Agreement with Jasmine Engineering Inc., for Board approved remediation costs associated with the Sterling Building Mixed Use Project, which staff recommends that the City Council approve;
NOW THEREFORE:

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

SECTION 1. The terms and conditions of the Chapter 380 Economic Development Grant Agreement with Jasmine Engineering Inc., for the Sterling Building Mixed-Use Project, are hereby approved. The City Manager or her designee is authorized to execute this Agreement, a copy of which, in substantial final form is set out in **Attachment I**. A copy of the fully executed agreement will be substituted for **Attachment I** upon receipt of all signatures.

SECTION 2. This Ordinance authorizes the commitment in an amount not to exceed Three Hundred and Eighty-Five Thousand Dollars and No Cents (\$385,000.00) in reimbursable tax increment funding from the Inner City TIRZ Tax Increment Fund to Jasmine Engineering Inc. for Board approved remediation of 323 Idaho and 1434 East Commerce Street, San Antonio, Texas. There is no direct fiscal impact to the City's General Fund.

SECTION 3. City Staff is authorized to amend the Inner City TIRZ Project and Finance Plans to include the Sterling Building Mixed-Use Project.

SECTION 4. 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 June, 2017.

M A Y O R
Ivy R. Taylor

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney