

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

AN ORDINANCE

AUTHORIZING AN ECONOMIC DEVELOPMENT LOAN AGREEMENT AND AN ASSOCIATED PARKING LICENSE AGREEMENT WITH KLABZUBA REALTY L.L.C. (“KLABZUBA”) IN THE AMOUNT OF \$750,000.00 FOR THE CREATION OF 50 NEW FULL-TIME JOBS AND THE FACILITATION OF THE REDEVELOPMENT OF THE EAST COMMERCE CORRIDOR.

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WHEREAS, Klabzuba is the owner of One Alamo Center, an office building with on-site parking located at 106 S. St. Mary’s Street, San Antonio, Texas 78205 (the “Project Site”); and

WHEREAS, Klabzuba is engaged in an economic development project that will result in both the relocation of a certain number of jobs and the creation of fifty (50) full-time jobs at the Project Site (the “Project”); and

WHEREAS, the Project will increase the occupancy of a major downtown office building and Klabzuba has agreed to provide the City with 100 parking spaces within One Alamo Center in accordance with a Parking License Agreement to be used in the City’s efforts to revitalize the East Commerce Corridor; and

WHEREAS, the City seeks to incentivize Klabzuba to undertake and complete the Project within the City’s central business district; and

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code, the City is authorized to create a program to loan funds 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 grants available for economic development projects that the City finds will accomplish the purpose and goals of Chapter 380; and

WHEREAS, Klabzuba is seeking an economic development loan in the amount of \$750,000.00 to assist in deferring costs associated with the Project and the City’s use of 100 parking spaces within One Alamo Center; and

WHEREAS, the City finds that the goals of Chapter 380 will be met by assisting Klabzuba 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 terms and conditions of an Economic Development Program Loan Agreement with Klabzuba, to include a Parking License Agreement for up to 100 parking spaces at One Alamo, (the “Agreements”), are hereby approved. The City Manager, or her designee, is authorized to execute said Agreements in accordance with this Ordinance. Copies of the Agreements shall be attached upon execution by the Parties.

SECTION 2. Funding in the amount of \$250,000.00 for this Ordinance is available for Fund 11001000, Cost Center 7001990059 and General Ledger 5201040, as part of the Fiscal Year 2014 Budget.

SECTION 3. Additional funding in the amount of \$500,000.00 for this Ordinance is contingent upon City Council approval of the City’s operating budget and the availability of funds for Fiscal Year 2015.

SECTION 4. Payment not to exceed the budgeted amount is authorized to Klabzuba Realty, LLC and should be encumbered with a purchase order.

SECTION 5. 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 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 _____, 2014.

M A Y O R
Julián Castro

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Robert F. Greenblum, City Attorney