

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

AN ORDINANCE

AUTHORIZING A CHAPTER 380 ECONOMIC DEVELOPMENT INCENTIVE FUND (EDIF) GRANT AGREEMENT WITH ERNST AND YOUNG U.S. LLP IN AN AMOUNT NOT TO EXCEED \$300,000.00 FOR THE CREATION OF 300 NEW FULL-TIME JOBS WITHIN FIVE (5) YEARS PAYING AT LEAST \$50,000.00 ANNUALLY.

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WHEREAS, Ernst and Young U.S. LLP (EY) is a multinational professional services firm and one of the “Big Four” accounting firms which provides assurance, tax, auditing, advisory, enterprise risk management, entrepreneurial, and technology and security risk services to public and private companies; and

WHEREAS, EY currently has a San Antonio presence of 265 employees at its downtown Frost Bank Tower offices, and is ramping up its local presence as part of a new Service Delivery Center operation at the Farinon Business Park; and

WHEREAS, to secure the Service Delivery Center operation in San Antonio, in 2017, City Council approved a tax abatement and an EDIF Grant for the project, and designated the site as a Texas Enterprise Zone Project; and

WHEREAS, EY will further expand its presence in San Antonio with the addition of its Government and Public Sector (GPS) Assurance Practice which provides government client services and assists federal agencies with modernization and institutional reform goals by addressing efficiency, effectiveness, and cost, and which employees will perform work in the areas of data and analytics, technology automation, financial management, risk assurance, audit services, technical and business program management, and more; and

WHEREAS, EY will make an additional capital investment of \$5 million in real and personal property at Farinon Business Park, 12707 Silicon Drive, (City Council District 8), and create 300 new full-time jobs over five years - including up to 300 positions making at least \$50,000 annually (Project); - in addition to its current workforce and the jobs required as part of the project approved by City Council in 2017; 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 grants 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 grants available for economic development projects that the City finds will accomplish the purpose and goals of Chapter 380;

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9/06/18
Item No. _____
and

WHEREAS, the City finds that the goals of Chapter 380 will be met by assisting EY 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 an Economic Development Incentive Fund (EDIF) Grant Agreement with Ernst and Young U.S. LLP.

SECTION 2. The City Manager or her designee is authorized to execute an Economic Development Incentive Fund (EDIF) Grant Agreement with Ernst and Young U.S. LLP 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 \$300,000.00 for this ordinance is available in Fund 29059000, Cost Center 1604010001 and General Ledger 5201040 as part of the Fiscal Year 2018 Budget.

SECTION 4. Payment not to exceed the budgeted amount is authorized to Ernst and Young U.S. LLP (EY) 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 _____, 2018.

M A Y O R
Ron Nirenberg

ATTEST:

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

Andrew Segovia, City Attorney

Attachment I

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