

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

**AN ORDINANCE**

**AUTHORIZING AN AMENDMENT TO THE CHAPTER 380 ECONOMIC DEVELOPMENT LOAN AGREEMENT WITH SOUTH FRIO DEVELOPMENT LLC TO REDUCE THE LOAN AMOUNT BY \$150,000.00 AND REDEFINE THE TERM “STUDENT HOUSING” FOR PURPOSES OF THE AGREEMENT.**

\* \* \* \* \*

**WHEREAS**, the City and South Frio Development LLC (“Developer”) entered into a Chapter 380 Economic Development Loan Agreement (the “Agreement”) to incentivize Developer to undertake an economic development project comprised of the construction of a 102 unit rental complex with 2868 sq. ft. of commercial/retail space at 905 S. Frio Street in City Council District 5 (the “Project”); and

**WHEREAS**, the Project was completed in the Fall of 2015 and resulted in the investment of approximately \$13 million in investment; and

**WHEREAS**, the Agreement provided a \$400,000.00 loan from the City to the Developer in accordance with the City’s Chapter 380 Economic Development Grant and Loan Program and required the Developer to set aside 10% of the rental units for student housing; and

**WHEREAS**, the Developer is seeking to redefine the term “student” for purposes of the Agreement to include non-degree seeking students and vocational school students; and

**WHEREAS**, City staff recommends approval of an amendment based upon the City’s current student housing market; **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 Amendment to the Economic Development Program Loan Agreement with South Frio Development LLC. to provide for a repayment to the City of \$150,000.00 and to redefine the term “student” in accordance with this Ordinance.

**SECTION 2.** The City Manager or her designee is authorized to execute an Amendment to the Economic Development Loan Agreement in accordance with the terms and conditions of this Ordinance. A copy of the Agreement, in substantially final form, is attached to this Ordinance as **Exhibit A**. The final agreement shall be filed with this Ordinance upon execution.

**SECTION 3.** Funds generated by this Ordinance will be deposited into Fund 2910400 Internal Order 219000000022 and General Ledger 4503200.

**SECTION 4.** 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 5.** 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 1<sup>st</sup> day of December, 2016.

**M A Y O R**  
**Ivy R. Taylor**

**ATTEST:**

**APPROVED AS TO FORM:**

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Leticia M. Vacek, City Clerk

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City Attorney