

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

**AN ORDINANCE**

**APPROVING AND AUTHORIZING THE EXECUTION OF A TAX ABATEMENT AGREEMENT WITH ARVIN-SANGO, INC. TO EXEMPT 100% OF AD VALOREM TAXES FOR A PERIOD OF TEN (10) YEARS ON REAL AND PERSONAL PROPERTY IMPROVEMENTS OF APPROXIMATELY \$16.6 MILLION.**

\* \* \* \* \*

**WHEREAS**, Toyota Motor Manufacturing Texas (“Toyota”) selected the City of San Antonio as the site for its Tundra and Tacoma manufacturing plant, invested approximately \$850 million in its construction and created approximately 2,000 full-time jobs; and

**WHEREAS**, in addition to the manufacturing plant, a tier-one Supplier Park consisting of Toyota Tundra and Tacoma suppliers was constructed on the Toyota property to support manufacturing with an additional investment of \$307 million and the creation of an additional 2,100 full-time jobs; and

**WHEREAS**, the property is located south of Highway 90, thereby, qualifying it for a ten (10) year abatement under the City’s Tax Abatement Guidelines; and

**WHEREAS**, Arvin-Sango, Inc. is a Tier-one Toyota supplier and has indicated that it would locate on the Toyota property and invest approximately \$16.6 million in real and personal property improvements, create forty-five (45) new Full-Time jobs, and shall pay employees not less than \$11.32 per hour, thereby qualifying for a one-hundred percent (100%), ten (10) year abatement of ad valorem taxes on real and personal property improvements, inventory and supplies; and

**WHEREAS**, the City Council finds that the proposed project supports the City’s Strategic Plan for Enhanced Economic Development by encouraging the attraction of new business to the targeted southern sector and promotes the growth of a targeted industry; and

**WHEREAS**, the City Council also finds that authorizing and approving the proposed tax abatement agreement is a reasonable incentive to induce tier-one Toyota suppliers to locate in the area; and

**WHEREAS**, the City Council also finds that it is in the best interest of the City to approve the tax phase-in agreement to induce the desired and beneficial economic development in the area;  
**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 a Tax Abatement Agreement with Arvin-Sango, Inc. granting a one-hundred percent (100%), ten (10) year abatement of ad valorem real and personal property taxes within the Arvin-Sango Reinvestment Zone. A copy of the Agreement, in substantially final form, is attached hereto and incorporated herein as Exhibit "A".

**SECTION 2.** The City Manager or a designated representative is authorized to execute the Tax Abatement Agreement as approved in Section 1 of this Ordinance.

**SECTION 3.** This Ordinance shall be effective on and after the tenth day after passage hereof.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

**M A Y O R**  
Julián Castro

**ATTEST:**

**APPROVED AS TO FORM:**

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Leticia M. Vacek, City Clerk

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Robert F. Greenblum, City Attorney