

**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 MASTER ECONOMIC INCENTIVE
DEVELOPMENT AGREEMENT WITH 135 E. COMMERCE LLC AND
155 E. COMMERCE LLC IN AN AMOUNT OF
\$ _____ FOR THE REDEVELOPMENT OF THE
WITTE AND FISH MARKET BUILDINGS IN CITY COUNCIL
DISTRICT 1.**

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WHEREAS, 135 E. Commerce LLC and 155 E. Commerce LLC (“Developers”) intend to undertake an economic development project consisting of the redevelopment of the Witte Building located at 135 E. Commerce St. and the Fish Market Building located at 155-161 E. Commerce St.(the “Project”); and

WHEREAS, the Project is anticipated to result in approximately \$67.5 million being invested in the two buildings with the Witte Building being converted into 4 housing units, 2,500 sq. ft. of river level retail, 1,900 sq. ft. of street level retail and 1,000 sq. ft of banquet space and the Fish Market Building being converted into a 195 key Hilton Canopy Hotel with restaurant coffee shop and rooftop pool bar; and

WHEREAS, the redevelopment will also result in a new public elevator, river walk staircase and electric utility vault; 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 loans and 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 loans and grants available for economic development projects that the City finds will accomplish the purpose and goals of Chapter 380; and

WHEREAS, the City has negotiated terms of a Chapter 380 Master Incentive Economic Development Agreement with 135 E. Commerce LLC and 155 E. Commerce LLC to undertake and complete the Project; and

WHEREAS, the Project is within the Houston Street Tax Increment Reinvestment Zone (the “TIRZ”) and the Board of Directors of the TIRZ authorized the City through a duly authorized resolution passed and approved on June 23, 2016 to include the City’s portion of the Project’s

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tax increment as the funding source for the Chapter 380 Master Incentive Economic Development Grant Agreement in an amount up to \$5,324,877.00 through the TIRZ Tax Increment Financing fund; and

WHEREAS, the City finds that the goals of Chapter 380 will be met by assisting Developers 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 a Chapter 380 Master Incentive Economic Development Agreement with 135 E. Commerce LLC and 155 E. Commerce LLC to undertake and complete an economic development project consisting of the redevelopment of the Witte Building located at 135 E. Commerce St. and the Fish Market Building located at 155-161 E. Commerce St.

SECTION 2. The City Manager or her designee is authorized to execute a Chapter 380 Master Incentive Economic Development Agreement with 135 E. Commerce LLC and 155 E. Commerce LLC in accordance with the purpose and intent of 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. RESERVED FOR FINANCE.

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 be effective immediately upon passage by eight (8) affirmative votes; otherwise, it shall be effective on the tenth day after passage.

PASSED AND APPROVED this 30th day of June, 2016.

M A Y O R
Ivy R. Taylor

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek
City Clerk

Martha G. Sepeda
Acting City Attorney