

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

ORDINANCE

**AUTHORIZING AND APPROVING THE TERMS AND CONDITIONS OF
A TAX ABATEMENT AGREEMENT WITH NAVISTAR, INC. TO
EXEMPT FIFTY-PERCENT (50%) OF AD VALOREM TAXES FOR A
PERIOD OF TEN (10) YEARS ON REAL AND PERSONAL PROPERTY
IMPROVEMENTS WITHIN THE NAVISTAR INTERNATIONAL
CORPORATION REINVESTMENT ZONE.**

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WHEREAS, Navistar, Inc. (“Navistar”) in 2019 began constructing a \$235 million, 900,000 square foot manufacturing facility in San Antonio at 15770 South US Highway 281 where it will produce medium and heavy-duty commercial trucks; and

WHEREAS, Navistar is expanding its operations and will house a truck validation center, truck specialty center, and support services for the company's San Antonio manufacturing facility at a facility located at 4526 South Loop 1604; and

WHEREAS, Navistar will be required to 1) invest \$8 million in personal property and \$6 million in real property, 2) create sixty (60) jobs paying an average annual salary of at least \$56,875, and 3) comply with all of the additional requirements included in the tax abatement guidelines, which include wage levels and health benefits; and

WHEREAS, the City Council finds that offering Navistar a Tax Abatement Agreement for its real and personal property improvements is a reasonable incentive to help induce Navistar to make significant real and personal property improvements and create full-time jobs in San Antonio; and

WHEREAS, the City Council further finds that it is in the best interest of the City to approve a Tax Abatement Agreement with Navistar to induce the desired and beneficial economic development in the Navistar International Corporation Reinvestment Zone; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The terms and conditions of a Tax Abatement Agreement with Navistar, Inc. granting a fifty-percent (50%), ten (10) year abatement of ad valorem real and personal property taxes within the Navistar International Corporation. Reinvestment Zone are hereby approved.

KRH
03/18/21
Item No. _____

SECTION 2. The City Manager or designee is authorized to execute the Tax Abatement Agreement as approved in Section 1, a copy of which, in substantially final form, is attached as **Exhibit A.**

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

PASSED AND APPROVED this____, day of March, 2021.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Tina J. Flores, City Clerk

Andrew Segovia, City Attorney

DRAFT