

A RESOLUTION

SIDC-2003-04

AUTHORIZING THE ACQUISITION OF APPROXIMATELY 200 ACRES OF LAND FOR AN AMOUNT NOT TO EXCEED \$1,300,000.00, PLUS ADDITIONAL CLOSING COSTS PAID AT THE CLOSING NOT TO EXCEED \$85,000.00, FOR THE PURCHASE OF LAND LOCATED ON APPLEWHITE ROAD TO PARTIALLY IMPLEMENT THE PREVIOUSLY APPROVED ECONOMIC DEVELOPMENT CONTRACT BETWEEN THE CORPORATION AND THE CITY OF SAN ANTONIO, INCLUDING THE AUTHORIZATION OF (I) AN ASSIGNMENT TO THE CORPORATION OF AN EARNEST MONEY CONTRACT FOR SUCH ACQUISITION, (II) SELLER FINANCING FOR THE PURCHASE PRICE OF SUCH LAND, LESS \$75,000.00, (III) A LOAN FROM THE CITY OF SAN ANTONIO IN AN AMOUNT UP TO \$160,000.00 FOR THE BALANCE OF SUCH PURCHASE PRICE AND FOR CLOSING COSTS, AND AUTHORIZING THE OFFICERS OF THE CORPORATION TO NEGOTIATE THE TERMS OF SUCH ACQUISITION, SELLER FINANCING AND LOAN AND ANY DOCUMENTS FOR SUCH ACQUISITION, SELLER FINANCING AND LOAN, AND AUTHORIZING OTHER ACTIONS, AS NECESSARY.

WHEREAS, the City of San Antonio, Texas, Starbright Industrial Development Corporation (the "Corporation"), is an industrial development corporation formed pursuant to the Development Corporation Act of 1979, Texas Revised Civil Statutes Annotated, Article 5190.6, as amended (the "Act"), to aid and act on behalf of the City of San Antonio (the "City") in commercial and industrial development; and

WHEREAS, the Board of Directors of the Corporation (the "Board") hereby deems it necessary and desirable to take steps to acquire approximately 200 acres ("the Property"), as generally described at attachment 1; and

WHEREAS, the acquisition of the Property is necessary to fulfill the terms and conditions of the Economic Development Contract with the City of San Antonio; and

WHEREAS, the Board finds that purchasing the land for an amount not to exceed \$1,300,000 plus additional closing costs in an amount not to exceed \$85,000 on the terms and conditions presented to the Board is reasonable and necessary; and

WHEREAS, the Corporation will obtain a loan or advance from the City of San Antonio in an amount up to \$160,000 to assist in the acquisition pending receipt by the Corporation of proceeds of the sale of securities; and

WHEREAS, the City will declare its intention to reimburse itself for capital expenditures at the time the Corporation issues securities to finance the project; **NOW THEREFORE**,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY OF SAN ANTONIO, TEXAS, STARBRIGHT INDUSTRIAL DEVELOPMENT CORPORATION:

SECTION 1. The Executive Director and the Treasurer are each authorized to take all such actions on behalf of the Corporation as may be necessary to acquire the Property which consists of approximately 200 acres for an amount not to exceed \$1,300,000 plus closing costs in an amount not to exceed \$85,000, including (but not limited to) the negotiation (and execution where appropriate) of: (i) an assignment to the Corporation (which may include amending provisions) of the existing Earnest Money Contract covering the Property, (ii) a Warranty Deed conveying the Property to the Corporation, (iii) a promissory note to evidence the seller-financing that is to be provided by the seller of the Property in the amount of the purchase price for the Property, less \$75,000, (iv) a Deed of Trust to secure such seller-financing, (v) an agreement between the City and the Corporation setting forth the terms of the aforementioned loan from the City to the Corporation, and (vi) such other documents or instruments as may be necessary in connection with the acquisition of the Property by the Corporation. The Executive Director and the Treasurer, or their designees, are authorized to take necessary steps to implement this Resolution.

SECTION 2. The Executive Director and the Treasurer are authorized and directed to negotiate the final terms of the financial agreement with the City of San Antonio and to obtain up to \$160,000 to be applied to the purchase price of the Property.

SECTION 3. This Resolution is also a declaration of the Corporation's official intent to reimburse the City from the proceeds derived from the sale Obligations.

The Corporation hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the Corporation hereby incorporates such recitals as a part of this Resolution.

THIS RESOLUTION SHALL BECOME EFFECTIVE IMMEDIATELY UPON PASSAGE THEREOF.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE CITY OF SAN ANTONIO, TEXAS, STARBRIGHT INDUSTRIAL DEVELOPMENT CORPORATION THIS 6TH DAY OF MARCH, 2003.



PRESIDENT, BOARD OF DIRECTORS

ATTEST:



SECRETARY, BOARD OF DIRECTORS