

AN ORDINANCE **97706**

**APPROVING A CONTRACT FOR THE ACQUISITION OF APPROXIMATELY 1,726 ACRES OF LAND FOR A PURCHASE PRICE OF NOT MORE THAN \$16,090,000.00 TO BE USED TO MEET ECONOMIC DEVELOPMENT INCENTIVE OBLIGATIONS CONTAINED IN THE PROJECT STARBRIGHT AGREEMENT, AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE CHANGES TO THE CONTRACT AND TO EXECUTE THE CONTRACT, AND APPROPRIATING FUNDS, AUTHORIZING OTHER ACTIONS, AS NECESSARY; DECLARING AN INTENT THAT THE EXPENDITURES AUTHORIZED BY THIS ORDINANCE MAY BE REIMBURSED FROM THE PROCEEDS OF BONDS SOLD BY THE CITY OF SAN ANTONIO, TEXAS, STARBRIGHT INDUSTRIAL DEVELOPMENT CORPORATION; RESCINDING ORDINANCE 97317 (MARCH 13, 2003) AND PROVIDING THAT THE ORDINANCE WILL BE IMMEDIATELY EFFECTIVE UPON RECEIPT OF EIGHT (8) AFFIRMATIVE VOTES.**

\* \* \* \* \*

**WHEREAS**, the City of San Antonio ("City"); other governmental entities; various utility providers and the City of San Antonio, Texas, Starbright Industrial Development Corporation ("Corporation") have negotiated an agreement with the Toyota Motor Manufacturing North America, Inc. ("Toyota") under which certain assistance would be provided to Toyota to assist it in development of an auto manufacturing or assembly facility in San Antonio; and,

**WHEREAS**, one portion of that agreement involves the acquisition of certain property that includes tracts totaling approximately 1,838 acres of land which was previously approved by Ordinance 97317 (March 13, 2003); and,

**WHEREAS**, the parties desire to enter a new contract covering 1,726 of the 1,838 acres; ensure the acquisition of a portion of the property on acceptable terms in a timely manner through an agreement with EDF TITLE HOLDING COMPANY, INC; JPMorgan Chase Bank, TICOR TITLE AGENCY OF SAN ANTONIO, or their respective assigns to purchase the property; and,

**WHEREAS**, City staff, the staff of the Corporation and the sellers are negotiating additional terms of the agreement pending the proposed sale of securities by the Corporation to fulfill its duties in the Economic Development Agreement between the City and the Corporation; and,

**WHEREAS**, the City chooses to declare its intention to reimburse itself for capital expenditures at the time it issues tax exempt or non-tax exempt obligations to finance the project; **NOW, THEREFORE**,

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

**SECTION 1.** The City Manager or her designee is authorized to acquire the Property, which consists of approximately 1,726 acres of land for a purchase price that shall not exceed \$16,090,000.00. The property is more particularly described in tracts, which are described by metes and bounds at **Exhibit A. Exhibit A** is attached hereto and is hereby incorporated as if it were set out verbatim.

**SECTION 2.** The City Manager or her designee is authorized to take such steps as may be necessary to implement this ordinance and to negotiate the final terms of the acquisition agreement.

**SECTION 3.** This Ordinance is also a declaration of the City's official intent to reimburse itself, from proceeds derived from the sale of Obligations to be sold by the City of San Antonio, Texas, Starbright Industrial Development Corporation, for any costs incurred by the City in connection with these actions.

**SECTION 4.** The Director of Finance is authorized to take all action necessary to appropriate and encumber the necessary funds to carry out the purpose of this ordinance when specific funds and index codes are identified and assigned.

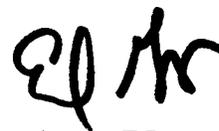
**SECTION 5.** Amounts will be transferred from available funding sources to be identified and assigned, if necessary.

**SECTION 6.** The Director of Finance is authorized to record and account for the loan in accordance with Generally Accepted Accounting Principles (GAAP) and all applicable laws.

**SECTION 7.** Ordinance 97317, adopted on March 13, 2003 is rescinded.

**SECTION 8.** This ordinance shall be immediately effective if passed by at least eight votes. Otherwise, it shall be effective on the 8th day of June 2003.

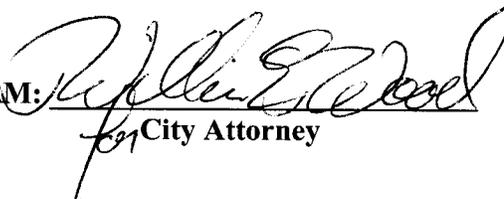
**PASSED AND APPROVED** this 29<sup>th</sup> Day of May, 2003.



**M A Y O R**

**EDWARD D. GARZA**

**ATTEST:**   
**CITY CLERK**

**APPROVED AS TO FORM:**   
**for City Attorney**