

AN ORDINANCE

99378

DESIGNATING THE FIRST HEALTH REINVESTMENT ZONE AT 3900 ROGERS ROAD, CONSISTING OF APPROXIMATELY 8.942 ACRES, OR A 389,521 SQUARE FEET MORE OR LESS, TRACT OF LAND BEING OUT OF THE REMAINING PORTION OF A 403.596 ACRE TRACT DESCRIBED IN CONVEYANCE TO WESTOVER HILLS DEVELOPMENT PARTNERS, L.P., IN A SPECIAL WARRANTY DEED RECORDED IN VOLUME 5191, PAGES 963-1005 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF BEXAR COUNTY, TEXAS, OUT OF THE B.B.B. & C.R.R. SURVEY NO. 389, ABSTRACT 96, COUNTY BLOCK 4417 OF BEXAR COUNTY, TEXAS, NOW ALL IN NEW CITY BLOCK (N.C.B.) 17642.

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WHEREAS, First Health Group Corp. (hereinafter "First Health") is a national managed care company with over 6,000 employees nationwide serving group health, worker's compensation, and federal and state employees' health benefit plans; and

WHEREAS, First Health currently occupies a 50,000 square foot facility in San Antonio, Texas (the "City") at 601 N.W. Loop 410 that employs 235 full-time personnel, with an annual payroll of \$9.3 million; and

WHEREAS, this facility does not meet the company's requirements set out in its plan to consolidate and expand operations; and

WHEREAS, First Health is scheduled to lease (with an option to purchase) an approximately 80,000 square foot build-to-suit facility being constructed on 8.942 acres at 3900 Rogers Road in Westover Hills (land more particularly described in Attachment I, attached hereto and incorporated herein), said facility to house clinical management, claims processing, information systems, member services, human resources and facility services representatives; and

WHEREAS, in connection with the occupancy of this facility, First Health will cause approximately \$5,500,000 in real property improvements to be invested in the facility; and

WHEREAS, First Health will also create a total of 365 new full-time jobs over six years while also retaining 235 positions; and

WHEREAS, First Health has requested that the property location be designated as a Reinvestment Zone by the City pursuant to the Property Redevelopment and Tax Abatement Act of 1987, as amended (the "Act"); and

WHEREAS, the land is eligible to be a Reinvestment Zone, in part because it is in an area that is reasonably likely, as a result of the designation, to contribute to the retention or expansion of

primary employment or to attract major investment in the area that would be a benefit to the property and that would contribute to the economic development of the City; and

WHEREAS, in accordance with the requirements set out in the Act, notice of the requisite public hearing regarding the proposed designation of the First Health Reinvestment Zone was previously published; and

WHEREAS, on June 24th, 2004, the City held a public hearing in the Council Chambers at 114 W. Commerce on the consideration of an ordinance designating the First Health Reinvestment Zone, and considered evidence and testimony of interested persons for or against the designation; and

WHEREAS, the City Council hereby finds that the proposed First Health Reinvestment Zone meets the requirements designated under the Act; and

WHEREAS, the City Council also finds that it is in the best interest of the City of San Antonio to designate the subject area a Reinvestment Zone to induce 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 hereby designates the First Health Reinvestment Zone at 3900 Rogers Road, consisting of approximately 8.942 acres, or 389,521 square feet more or less, tract of land being out of the remaining portion of a 403.596 acre tract described in conveyance to Westover Hills Development Partners, L.P., in a special warranty deed recorded in Volume 5191, Pages 963-1005 of the Official Public Records of Real Property of Bexar County, Texas, out of the B.B.B. & C.R.R. Survey No. 389, Abstract 96, County Block 4417 of Bexar County, Texas, now all in New City Block (N.C.B.) 17642, more particularly described in Attachment I.

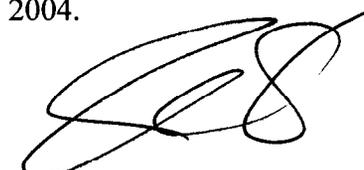
SECTION 2. This ordinance shall be effective on and after the tenth (10th) day after passage hereof.

PASSED AND APPROVED this 24th day of June, 2004.

ATTEST:

Stacia M. Valet

City Clerk


M A Y O R
EDWARD D. GARZA

APPROVED AS TO FORM:

M. Zentushe
for City Attorney