

AN ORDINANCE 101024

AUTHORIZING THE EXPENDITURE OF UP TO \$1,000,000.00 FROM THE ECONOMIC DEVELOPMENT INCENTIVE FUND TO SUPPORT WORKFORCE TRAINING FOR FIFTEEN (15) TOYOTA SUPPLIER COMPANIES WHO ARE LOCATING BUSINESS OPERATIONS AT THE TOYOTA SUPPLIER PARK; AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE SEPARATE WORKFORCE TRAINING GRANT AGREEMENTS WITH FIFTEEN (15) TOYOTA SUPPLIER COMPANIES.

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WHEREAS, Toyota Motor Manufacturing North America (“Toyota”) selected the City of San Antonio as the site for its newest automotive manufacturing plant, has begun construction on the facility in south Bexar County, intends to invest approximately \$800 million in the property, and will create 2,000 jobs for the City and surrounding area; and

WHEREAS, in addition to the manufacturing plant, a tier-one Supplier Park consisting of Toyota suppliers located on the Toyota property to support manufacturing and assure quality, while reducing costs associated with logistic services was proposed; and

WHEREAS, it is estimated that the addition of a Supplier Park would attract approximately \$306,000,000.00 in additional capital investment in the property and create an additional 2,079 jobs in the City and surrounding area; and

WHEREAS, although the Toyota property has not been fully annexed by the City, state law allows municipalities to enter into tax abatement agreements and provide other economic incentives for areas within its extraterritorial jurisdiction, provided that the property is designated as a Reinvestment Zone; and

WHEREAS, the Toyota property is within the City’s Federal Empowerment Zone, thereby, automatically qualifying it as a Reinvestment Zone; and

WHEREAS, the City intends to propose full purpose annexation of the Toyota property effective January of 2006; and

WHEREAS, as an incentive to establish the Supplier Park in San Antonio, the City offered economic incentives to tier-one suppliers who locate on the Toyota Supplier Park property, including training grants to support workforce training; and

WHEREAS, fifteen (15) tier-one suppliers have indicated that they would locate on the Toyota Supplier Park property; and

WHEREAS, granting funds to Toyota tier-one suppliers to support workforce training promotes economic development in compliance with the City’s Economic Development Program established pursuant to the provisions of Chapter 380 of the Texas Local Government Code; and

WHEREAS, the City Council finds that the proposed project also supports the City’s *Strategic Plan for Enhanced Economic Development* by encouraging the attraction of new business to the targeted southern sector and promotes the growth of a targeted industry; and

WHEREAS, the City Council also finds that it is in the best interest of the City to approve these training grant agreements to induce the 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 approves the terms and conditions of fifteen (15) Economic Development Incentive Fund grant agreements with Tier-One Suppliers of Toyota Motor Manufacturing, Texas, Inc. who locate on the Toyota Supplier Park property to provide customized workforce training grants to each of the named companies in an amount collectively totaling up to \$1,000,000.00 from the Economic Development Incentive Fund as described in the copy of the Agreement attached hereto and incorporated herein as Attachment I.

SECTION 2. The Interim City Manager or a designated representative is authorized, for a period of sixty (60) days to execute fifteen (15) agreements as approved in Section 1. The final agreements shall be filed with this ordinance upon execution.

SECTION 3. Funds in the amount not to exceed \$1,000,000.00 are authorized to be appropriated and encumbered in Fund 29059000, entitled "Economic Development Initiatives", Cost Center 1604010001, and General Ledger 5201040, entitled "Fees to Professional Contractors" and made payable to the Toyota supplier companies listed in Attachment II upon certification of employment.

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, the Interim City Manager, or the City Manager's designee, correct allocation 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 on and after the tenth (10th) day after passage hereof.

PASSED AND APPROVED this 16th day of June 2005.



M A Y O R
EDWARD D. GARZA

ATTEST:


City Clerk

APPROVED AS TO FORM:


for Acting City Attorney

Agenda Voting Results

Name: Item 30B

Date: 06/16/05

Time: 02:53:29 PM

Vote Type: Multiple selection

Description:

Voter	Group	Status	Yes	No	Abstain
ROGER O. FLORES	DISTRICT 1		X		
SHEILA D. McNEIL	DISTRICT 2		X		
ROLAND GUTIERREZ	DISTRICT 3		X		
RICHARD PEREZ	DISTRICT 4		X		
PATTI RADLE	DISTRICT 5		X		
ENRIQUE M. BARRERA	DISTRICT 6	Not present			
JULIAN CASTRO	DISTRICT 7		X		
ART A. HALL	DISTRICT 8	Not present			
KEVIN WOLFF	DISTRICT 9		X		
CHIP HAASS	DISTRICT_10		X		
MAYOR ED GARZA	MAYOR		X		