

AN ORDINANCE

101081

INCREASING THE GEOGRAPHIC AREA OF REINVESTMENT ZONE NUMBER ELEVEN, CITY OF SAN ANTONIO, TEXAS, (THE "ZONE") TO INCLUDE THE PARCEL LOCATED AT 600 E. MARKET STREET; ADOPTING AMENDMENTS TO THE FINAL PROJECT AND FINANCING PLANS FOR THE ZONE TO INCORPORATE THE INCREASE IN AREA AND TO APPROVE THE PAYMENT OF INCREMENTAL AD VALOREM TAXES GENERATED FROM THE UPPER CONDOMINIUM UNITS IN THE ADDED PARCEL INTO THE TAX INCREMENT FUND

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WHEREAS, on December 14, 2000, the City Council of the City of San Antonio approved Ordinance No. 93101, establishing the Tax Increment Reinvestment Zone Number Eleven (11), City of San Antonio, Texas (the "Zone") and the Board of Directors for the Zone in accordance with the Tax Increment Financing Act (the "Act"), as amended (V.T.C.A., Tax Code, Chapter 311), to promote development and redevelopment in the Zone through the use of tax increment financing, which development and redevelopment would not otherwise occur solely through private investment in the reasonably foreseeable future; and

WHEREAS, pursuant to Section 311.011(a) of the Act, the Board of Directors (the "Board") of the Zone adopted a Final Project Plan and a Final Finance Plan on May 23, 2001; and

WHEREAS, on May 24, 2001, by Ordinance No. 94006, pursuant to Section 311.011(d) of the Act, the City Council approved the Final Project Plan and Final Finance Plan after their adoption by the Board; and

WHEREAS, on December 10, 2003, the Board adopted an amendment to the Final Project Plan for the Zone, by increasing the geographic area of the Zone which was approved pursuant to the requirements of the Act by the City Council by Ordinance No. 98568, on December 18, 2003; and

WHEREAS, on February 4, and September 1, 2004, the Board adopted amendments to the Final Project Plan and the Final Finance Plan for the Zone, which were approved by the City Council on September 2, 2004; and

WHEREAS, the Board continues to support the City in development activities for the Inner City Revitalization Project and actively participates in planning and identifying potential Zone projects; and

WHEREAS, the City supports the Board's purposes, and recognizes that there are new and existing projects that could be undertaken in the Zone if additional funds were available; and

WHEREAS, the City contracted with Hotel Investments, L.P., a legal entity created by FaulknerUSA, Inc., to develop the parcel of land adjacent to the Convention Center, located at 600 E. Market, as a convention center hotel (the "Site"), which will be a Grand Hyatt and an Upper Condominium Unit above the Grand Hyatt, comprised of 144 Condominiums with state of the art finishes, floor to ceiling skyline views and every amenity of living in a hotel with all the advantages of a private residence; and

WHEREAS, on June 16, 2005, the City Council, by Ordinance No. 101051, declared the Upper Commercial Condominium Unit ("Upper Unit") surplus to the City's needs so that upon placement within the boundaries of the Zone, it could be sold to the Developer pursuant to Chapter 272.001(6) of the Local Government Code; and authorized the site to be placed within the boundaries of the Zone, subject to

affirmative action by the Board and subsequent City Council approval by the passage of a duly authorized ordinance, in accordance with the requirements of the Act; and

WHEREAS, on June 27, 2005, the Board considered and approved the request of the City to expand the boundaries of the Zone to add the Site, and to amend the Project and Financing Plans to reflect the addition of the Site and the tax increment generated by the Upper Unit, with the retention by the City of the tax increment generated by the Grand Hyatt as a project cost necessary for the implementation of the Project Plan; and

WHEREAS, the City desires to amend the Zone boundaries, Final Project and Financing Plans as approved by the Board, in support of community revitalization and economic development within the Zone; and

WHEREAS, pursuant to Section 311.011(e) of the Act, following action by the Board, the amendment to the Project Plan is effective when approved by the governing body of the municipality by a duly authorized ordinance; and

WHEREAS, it is now necessary to approve the amendments to the boundaries, Final Project and Finance Plans for the Zone; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code; **NOW THEREFORE:**

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

SECTION 1. The boundaries of Tax Increment Reinvestment Zone Number Eleven, City of San Antonio, Texas, (the "Zone"), as approved by the Board of Directors (the "Board"), are hereby amended by adding the parcel located at 600 E. Market to the boundaries of the Zone, as depicted by Exhibit A, attached hereto.

SECTION 2. The Final Project Plan, attached hereto as Exhibit B, is hereby amended to reflect the addition of the Convention Center Hotel and Condominium Project to the list of Zone Projects.

SECTION 3. The Final Financing Plan, attached hereto as Exhibit C, is hereby amended to reflect the addition of the ad valorem tax increment produced by the Upper Condominium Unit to the Tax Increment Fund established for the Zone, as reflected in the Final Project Plan.

SECTION 4. It is hereby found that the ad valorem tax increment produced by the Convention Center Hotel, known as the Grand Hyatt, shall be retained by the City as a project cost, necessary for the implementation of the Project Plan for the Zone.

SECTION 5. The City Council hereby finds that the Amended Final Project Plan and Final Finance Plan for the Zone are feasible and in compliance with the City's Master Plan and the City's adopted Guidelines and Criteria for the use of tax increment financing by encouraging community revitalization, infrastructure improvements and housing within certain areas of the City which would not have occurred without tax increment financing.

SECTION 6. The Council hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the Council hereby incorporates such recitals as a part of this Ordinance.

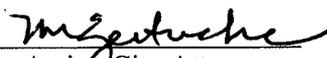
SECTION 7. If any provision of this Ordinance or application thereof to any circumstance shall be held invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and the governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 8. This ordinance shall be effective immediately upon the receipt of eight (8) affirmative votes; or in the event eight (8) affirmative votes are not received, on the tenth day after passage hereof.

PASSED AND APPROVED THIS 30th DAY OF JUNE 2005.


MAYOR

ATTEST: 
City Clerk

APPROVED AS TO FORM: 
Acting City Attorney

Agenda Voting Results

Name: 25.

Date: 06/30/05

Time: 03:41:46 PM

Vote Type: Multiple selection

Description: 2:00 P.M. - Public Hearing and consideration of an Ordinance increasing the geographic area of Reinvestment Zone Number Eleven, City of San Antonio, Texas (The "Zone") to include the parcel located at 600 E. Market Street; adopting amendments to the final project and financing plans for the Zone to incorporate the increase in area and to approve the payment of incremental ad valorem taxes generated from the upper condominium units in the added parcel into the tax increment fund. [Presented by Christopher J. Brady, Assistant City Manager; J. Rolando Bono, Interim City Manager]

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		
DELICIA HERRERA	DISTRICT 6		x		
ELENA GUAJARDO	DISTRICT 7			x	
ART A. HALL	DISTRICT 8		x		
KEVIN WOLFF	DISTRICT 9		x		
CHIP HAASS	DISTRICT_10		x		
MAYOR PHIL HARDBERGER	MAYOR		x		