

AN ORDINANCE 2006-03-02-0279

AUTHORIZING THE EXECUTION OF A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SAN ANTONIO, TEXAS, THE BOARD OF DIRECTORS FOR TAX INCREMENT REINVESTMENT ZONE NUMBER ELEVEN, CITY OF SAN ANTONIO, TEXAS AND SSG HOTEL, LLC, FOR INFRASTRUCTURE IMPROVEMENTS ON THE PROJECT SITE LOCATED IN THE ST. PAUL SQUARE AREA IN SUPPORT OF THE STAYBRIDGE HOTEL PROJECT.

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WHEREAS, the City of San Antonio recognizes the importance of its continued role in economic development; and

WHEREAS, in accordance with the Tax Increment Financing Act, Texas Tax Code, Chapter 311 (the "Act"), the City of San Antonio, Texas (the "City") created Tax Increment Reinvestment Zone Number Eleven, City of San Antonio, Texas (the "Zone"), created a Board of Directors for the Zone (the "Board") and authorized the Board to exercise all the rights, powers, and duties as provided to such boards under the Act; 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, on February 13, 2006, the Board approved the proposed Agreement and recommended to the City that the City enter into the proposed Agreement; and

WHEREAS, it is now necessary to authorize the execution of this Agreement with the Board and SSG Hotel, LLC; and

WHEREAS, the City Council finds 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:

SECTION 1. The City Manager, or her designee, is authorized and directed to execute the Development Agreement ("Agreement") with the Board of Directors for Tax Increment Reinvestment Zone Number Eleven, City of San Antonio ("Board") and SSG Hotel, LLC, attached and incorporated into this Ordinance for all purposes as Exhibit 1. The terms of said Agreement are approved.

SECTION 2. Approval and execution of this Agreement does not have an immediate fiscal impact. The previous Ordinance approving the amendments of the Final Project Plan and Final Financing Plan authorized the City, to the extent that such funds are available, to pay SSG Hotel, LLC up to a maximum total payment of \$1,000,000.00 beginning in Fiscal Year 2008 and extending through September 30, 2015, as compensation for the construction of public infrastructure improvements connected to the design, construction and implementation of a 138

room limited service extended stay hotel, including all required site work, drainage, streets, parking and approaches, sewer, water, electric and streetlights, to be constructed by SSG Hotel, LLC in the St. Paul Square area in support of the Staybridge Hotel Project, as authorized by and pursuant to the Tax Increment Financing Act (Chapter 311 of the Texas Tax Code). Tax Increment Reinvestment Zone Number Eleven, City of San Antonio has a termination date of September 30, 2015, unless otherwise terminated earlier as authorized or permitted by law.

SECTION 3. The statements set forth in the recitals of this Ordinance are true and correct, and are incorporated as a part of this Ordinance.

SECTION 4. This Ordinance shall take effect on the tenth (10th) day after passage.

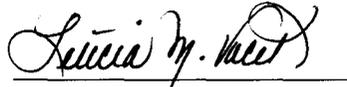
PASSED AND APPROVED this 2nd day of March 2006.



M A Y O R

PHIL HARDBERGER

ATTEST:



City Clerk

APPROVED AS TO FORM:



for City Attorney