

AN ORDINANCE 2006-06-29-0739

AUTHORIZING EXECUTION AND APPROVING THE TERMS OF A TAX PHASE-IN AGREEMENT WITH LOWE'S HOME CENTERS, INC. TO EXEMPT 100% OF AD VALOREM TAXES FOR 10 YEARS ON PERSONAL PROPERTY AND REAL PROPERTY IMPROVEMENTS; AND GRANTING EXCEPTIONS TO THE TAX PHASE-IN GUIDELINES REGARDING JOB CREATION AND TERM.

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WHEREAS, Lowe's Home Centers, Inc. is a publicly-traded Fortune 500 company, founded in 1946, with over 180,000 employees nationwide and more than 1,250 superstores in 49 states with plans to expand into Canada in 2007; and

WHEREAS, with sales revenue of over \$43 billion and a 1-year net growth of 27.3%, Lowe's is ranked as the #2 U.S. home improvement chain (after The Home Depot) and the company's stores sell about 40,000 products for home improvement projects, gardening projects, home fashion items, lumber, millwork, plumbing and electrical supplies, and tools, as well as appliances and furniture; and

WHEREAS, in order to centralize data transactions and storage for this increased business volume, company officials have been in search for a potential site to locate a data center; and

WHEREAS, a desirable site has been located which will require the construction of a new 100,000 square foot facility on 10 acres in the Westover Hills area (the "Project") with a total estimated capital investment of \$200 million over 20 years; and

WHEREAS, the Lowe's Data Center is expected to create 22 high-tech jobs with an average wage of \$51,700, generate at least \$1,100,000 in annual payroll, create full-time contract jobs for local information technology professionals, and greatly strengthen the City's Information Technology industry; **NOW THEREFORE:**

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

SECTION 1. The City Council approves the terms of a Tax Phase-In Agreement with Lowe's Home Centers, Inc. to exempt 100% of ad valorem taxes for 10 years on personal property and real property improvements and grants exceptions to the Tax Phase-In Guidelines regarding job creation and term of the Agreement due to location of the Project.

SECTION 2. The City Manager, or her designee, is authorized to execute the Agreement in Section 1 for sixty (60) days from the date this ordinance is approved.

SECTION 3. This ordinance shall be effective on the tenth (10th) day after passage.

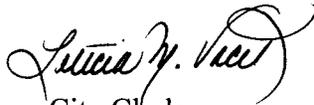
PASSED AND APPROVED this 29th day of June, 2006.



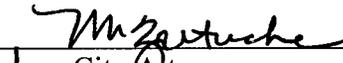
M A Y O R

PHIL HARDBERGER

ATTEST:


City Clerk

APPROVED AS TO FORM: _____


for City Attorney