

AN ORDINANCE 2008-06-12-0510

DESIGNATING THE KLN REINVESTMENT ZONE LOCATED AT 4200 NORTH PAN AM EXPRESSWAY, CONSISTING OF 38.713 ACRES, BOUNDED BY THE NORTHEAST-BOUND SERVICE ROAD OF IH-35, BINZ-ENGLEMAN ROAD AND PETROLEUM DRIVE.

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WHEREAS, KLN Steel Products Company is a local manufacturing firm currently located in District 2 at 2 Winnco Drive along I-35 North, making high quality furniture for multi-person housing facilities and providing packaged services for federal government offices and dormitory facilities; and

WHEREAS, the company is considering consolidation and a \$20 million expansion of operations with the purchase of a 500,000 square foot building (formerly housing Friedrich Air Conditioning) at 4200 North Pan Am Expressway; and

WHEREAS, KLN currently employs 200 people in San Antonio and plans to create 500 new jobs in 3 years; and

WHEREAS, KLN has requested a 10-year, 100% tax abatement on approximately \$1 million in new personal and real property improvements; and

WHEREAS, before the City can enter into a Tax Phase-In Agreement with KLN Steel at 4200 North Pan Am Expressway, the City must designate the area as a "Reinvestment Zone"; and

WHEREAS, KLN 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 KLN Reinvestment Zone was previously published; and

WHEREAS, on June 12, 2008, the City held a public hearing in the Council Chambers at 114 W. Commerce on the consideration of an ordinance designating the KLN 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 KLN Reinvestment Zone meets the requirements designated under the Property Redevelopment and Tax Abatement Act of 1987; 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 designates the KLN Reinvestment Zone located at 4200 North Pan Am Expressway, consisting of 38.713 acres, bounded by the northeast-bound service road of IH-35, Binz-Engleman Road and Petroleum Drive.

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

PASSED AND APPROVED this 12th day of June, 2008.



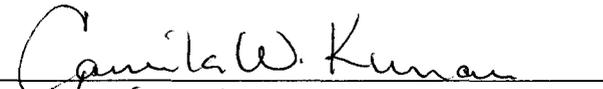
M A Y O R

PHIL HARDBERGER

ATTEST:


City Clerk

APPROVED AS TO FORM:


for City Attorney