

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED
ORDINANCE OR RESOLUTION ADOPTED BY CITY COUNCIL.**

AN ORDINANCE

**ESTABLISHING THE BLUE STAR REINVESTMENT ZONE, BOUNDED
BY THE PARCELS LOCATED AT 354, 410 AND 415 BLUE STAR, SAN
ANTONIO, TEXAS**

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WHEREAS, NRP Group, L.L.C. (“NRP”) is proposing a \$42,705,845.00 housing and retail development located on 7 parcels of approximately 7.5 acres at the end of Blue Star Street, west of Probandt and south of the San Antonio River consisting of 320 market rate housing units, approximately 6,000 square feet of commercial/ retail space, and \$2.2 million in public improvements; and

WHEREAS, subject to City Council approval, staff offered NRP a 10-year, 100% tax abatement on real property improvements, equal to approximately \$2,397,238.00 based on the planned investment; an Economic Development Program grant of up to \$750,479.65 over five years; a grant from the Inner City Incentive Fund (the “ICIF”) for up to \$1,280,000; and a SAWS fee waiver in an amount up to \$500,000.00; and

WHEREAS, before the City can enter into a Tax Abatement Agreement with NRP for the properties located at 354, 410 and 415 Blue Star, the City must designate the area as a “Reinvestment Zone”; and

WHEREAS, staff has recommended that the properties be removed from the Inner City Tax Increment Reinvestment Zone and has requested that the property location be designated as a Reinvestment Zone by the City for economic development purposes pursuant to the Property Redevelopment and Tax Abatement Act of 1987, as amended (the “Act”); and

WHEREAS, the location of the property is eligible to be a Reinvestment Zone; and

WHEREAS, in accordance with the requirements set out in the Act, notice of the requisite public hearing regarding the proposed designation of the Blue Star Reinvestment Zone was previously published; and

WHEREAS, on June 14, 2012, the City held a public hearing in the Council Chambers at 114 W. Commerce to consider an ordinance designating the Blue Star Reinvestment Zone, and permitted testimony from individuals for or against the designation; 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 as 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. City Council designates the Blue Star Reinvestment Zone located at 354, 401 and 415 blue star; bounded by S. Alamo Street to the north, the Union Pacific railroad to the west and south, and the San Antonio River to the east, but limited to an approximately 7.5 acre tract of land, being in New City Block A-14 and bounded by parcel numbers 100159, 100147, 100153, 100148, 100142, 100143 and 100155 in the City of San Antonio, Bexar County, Texas.

SECTION 2. City Council finds that the Blue Star Reinvestment Zone meets the requirements designated under the Property Redevelopment and Tax Abatement Act of 1987, and as amended, 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.

SECTION 3. This Ordinance shall be effective immediately upon the receipt of at least eight (8) affirmative votes. If less than eight (8) affirmative votes are received, then this Ordinance shall be effective on the tenth (10th) day after passage.

PASSED AND APPROVED this ___ day of _____, 2012.

M A Y O R
Julián Castro

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Michael D. Bernard, City Attorney