

AGENDA ITEM NO. **69**

CITY OF SAN ANTONIO
City Manager's Office
Interdepartmental Correspondence

To: Mayor & City Council

Through: Terry M. Brechtel, City Manager

From: Christopher J. Brady, Assistant City Manager

Copies: Milo Nitschke; file

Subject: Starbright Industrial Development Corporation

DATE: August 7, 2003

Summary and Recommendation:

An Ordinance by the City Council and a companion Resolution by the Board of Directors for the City of San Antonio, Texas Starbright Industrial Development Corporation (IDC) to ratify the assignment of a contract for the acquisition by the City of San Antonio of approximately 1,726 acres of land to the IDC and the subsequent purchase of the property by the IDC in the amount of \$16,090,000 as part of the previously approved Economic Development Agreement and the Starbright Agreement.

Staff recommends approval.

Background Information:

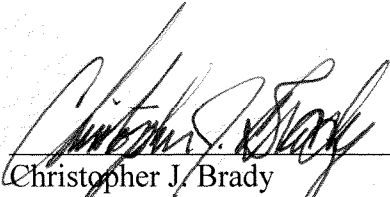
The Starbright Agreement between the City of San Antonio, Starbright IDC and Toyota was authorized May 22, 2003. The agreement states that the City is primarily responsible for acquiring the project site and conveying the property to Toyota. The City of San Antonio and the IDC, which was formed by City Council to carry out an Economic Development Agreement, have already purchased some of the property needed to fulfill the agreement. The City entered an agreement to acquire approximately 1,726 acres from the EDF Title Holding Company, Inc. under authority of Ordinance 97706, May 29, 2003. As was noted at the time that ordinance was adopted, the intention was for the IDC to complete the acquisition using funds received from the sale of bonds. The bonds were successfully sold and the real estate transaction closed on July 18, 2003. This Ordinance and Resolution complete the acquisition process.

Financial Impact:

Funds for property acquisition in the amount of \$16,090,000, have been paid from the City of San Antonio, Texas Starbright Industrial Development Corporation Contract Revenue Bonds, Series 2003 bond proceeds. There is no impact to the City's operating budget.


Coordination:

This ordinance has been coordinated with the City Attorney's Office, Office of Budget and Management, and Finance Department.



Christopher J. Brady
Assistant City Manager

Approved:



Terry M. Brechtel
City Manager