

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
NEIGHBORHOOD ACTION DEPARTMENT**

AGENDA ITEM NO. 3

1:00 PM

TO: Mayor and City Council

FROM: David D. Garza, Director; Neighborhood Action Department

THROUGH: Terry M. Brechtel; City Manager

COPIES: Jelynn LeBlanc Burley; J. Rolando Bono; file

SUBJECT: Amending Ordinance No. 93101 to increase the geographic area of Reinvestment Zone Number Eleven, City of San Antonio, Texas and adopting amendments to the Final Project Plan and Final Finance Plan for the Zone

DATE: December 12, 2003

SUMMARY AND RECOMMENDATION

This ordinance will amend Ordinance No. 93101 to increase the geographic area of the Reinvestment Zone Eleven, City of San Antonio, Texas (the Zone) to include enlarging the boundaries of the existing Reinvestment Zone and will adopt amendments to the Final Project Plan and Final Finance Plan for the Zone to incorporate the increase in area and to approve the payment of all available incremental ad valorem taxes generated from the added parcels into the Zone's Tax Increment Fund as provided for in the Final Finance Plan.

Staff recommends approval of this ordinance.

BACKGROUND INFORMATION

On December 14, 2000, the City Council of the City of San Antonio approved Ordinance No. 93101, establishing the Zone and the Board of Directors for the Zone, in accordance with the Tax Increment Financing Act (the "Act"). Pursuant to Section 311.011(a) of the Act, the Board of Directors (the Board) of the Zone prepared and adopted a Final Project Plan and a Final Finance Plan on May 23, 2001.

On May 24, 2001, by Ordinance No. 94006, pursuant to Section 311.011(d) of the Act, the City Council approved the Final Project Plan and Final Finance Plan. On December 10, 2003, pursuant to Section 311.011(e) of the Act, the Board adopted an amendment to the Final Project Plan for the Zone, which takes effect upon approval of the City by ordinance. The Board also approved a Resolution to amend the geographic area of the Zone to include the residential and commercial use properties within the perimeter of the Zone, including those along Houston Street, Hackberry Street and Walters Street and portions of the Springview neighborhood. On December 10, 2003, staff received a Request for Council Consideration for this item to be placed on the December 18, 2003 City Council Agenda. The Governance Committee will review this Request for Council Consideration on December 17, 2003.

POLICY ANALYSIS

This action enlarges the boundaries of the Zone and increases the geographic area of the Zone to include the additional tax parcels identified in Exhibit 4. This action will approve the Amendments to the Final Project Plan as approved by the Board.

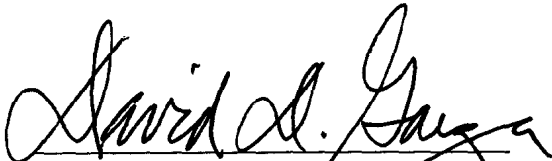
This action will also approve all payments of all incremental ad valorem taxes generated from the added tax parcels into the Zone Fund, beginning in the 2003 tax year and continue until its termination date of September 30, 2015, unless otherwise terminated earlier as authorized or permitted by law.

FISCAL IMPACT

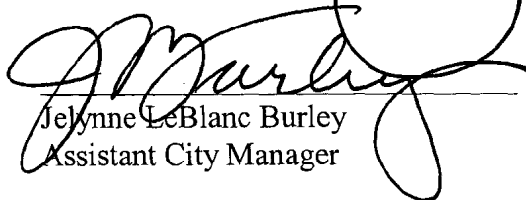
In accordance with the amended Final Finance Plan, this action authorizes the collection of all tax increment payments generated in the TIRZ, approves deposits of said increments into the TIRZ Fund for use in paying: (1) administrative fees; and (2) all related costs required to design and construct the proposed public improvements outlined in the Project Plan.

COORDINATION


This item has been coordinated with the Finance Department and City Attorney's Office.



David D. Garza, Director
Neighborhood Action



Jelynn LeBlanc Burley
Assistant City Manager



Terry M. Brechtel
City Manager

CITY OF SAN ANTONIO

RECEIVED
CITY OF SAN ANTONIO
CITY CLERK

OFFICE OF THE CITY COUNCIL
INTERDEPARTMENTAL CORRESPONDENCE SHEET

2003 DEC 11 PM 3: 38

To: Mayor and City Councilmembers

From: Councilman Joel Williams

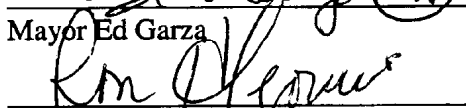
Copies to: City Manager; City Attorney; City Clerk; Neighborhood Action Department;
Finance Department

Subject: Council Consideration of Amendment to Tax Increment Reinvestment Zone
Number Eleven, City of San Antonio, Texas ("the Zone"), to increase the
geographical area, boundaries, and to update the Project and Finance Plans to
reflect the amendments to the Zone.

DATE: December 10, 2003

The City Council has received a recommendation from the Board of Directors for the Zone (the "Zone Board") regarding an amendment to the Zone commonly referred to as the "Inner City TIRZ." When the Zone was created December 14, 2000, certain commercial properties in the Zone were not included, as well as portions of certain thoroughfares. This recommendation from the Zone Board to amend the Zone will increase the geographic area of the Zone to include the remaining major commercial corridors within the Zone's existing boundaries. The Project and Finance Plans for the Zone will be amended to reflect this change. City Staff is directed to include this as an Agenda item for the December 18, 2003 City Council meeting.


Mayor Ed Garza


Ron H. Segovia, District 3

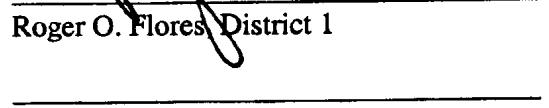

Patti Radle, District 5


Julian Castro, District 7

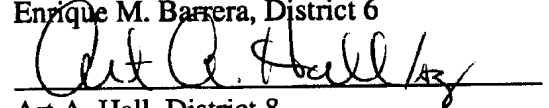

Carroll W. Schubert, District 9

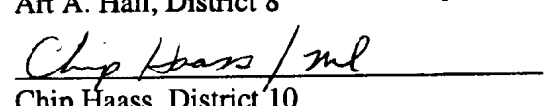

Joel Williams, District 2


Roger O. Flores, District 1


Richard Perez, District 4


Enrique M. Barrera, District 6


Art A. Hall, District 8


Chip Haass, District 10

A RESOLUTION

RECOMMENDING AN INCREASE IN THE GEOGRAPHIC AREA OF REINVESTMENT ZONE NUMBER ELEVEN, CITY OF SAN ANTONIO, TEXAS, TO INCLUDE ENLARGING THE BOUNDARIES OF THE EXISTING REINVESTMENT ZONE; ADOPTING AMENDMENTS TO THE PROJECT PLAN FOR THE ZONE TO INCORPORATE THE RECOMMENDED INCREASE IN AREA; AND RECOMMENDING APPROVAL OF THE AMENDMENTS TO THE PROJECT PLAN BY THE CITY OF SAN ANTONIO, TEXAS.

WHEREAS, by Ordinance No. 93101, dated December 14, 2000, the City of San Antonio, Texas (the "City") created, pursuant to the Tax Increment Financing Act, Texas Tax Code, Chapter 311 (the "Act"), REINVESTMENT ZONE NUMBER ELEVEN, CITY OF SAN ANTONIO, TEXAS (the "Zone") to promote development and redevelopment in the Zone through the use of tax increment financing, which development and redevelopment would not otherwise occur solely through private investment in the reasonably foreseeable future; and

WHEREAS, Ordinance No. 93101 created a Board of Directors for the Zone (the "Zone board") and authorized the Zone board to exercise all the rights, powers, and duties as provided to such boards under the Act; and

WHEREAS, pursuant to Section 311.011(e) of the Act, the Board of Directors of a reinvestment zone may adopt an amendment to the project plan for the reinvestment zone, such amendment taking effect only upon approval of the City by ordinance; and

WHEREAS, the Zone board continues to support the City in development activities for the Inner City Revitalization Project; and

WHEREAS, the Zone board recognizes that not all of the existing and potential residential and commercial-use properties within the perimeter of the Zone, including those along Houston Street, Hackberry Street, and Walters Street, identified in Exhibit A, were included as properties contributing to the tax increment revenue of the Zone at the time of creation of the Zone; and

WHEREAS, the Zone board also recognizes that portions of the Springview neighborhood, identified in Exhibit A, were not included in the boundaries of the Zone when designated; and

WHEREAS, the Zone board desires to amend the geographic area of the Zone to include the residential and commercial use properties within the perimeter of the Zone, including those along Houston Street, Hackberry Street and Walters Street and that portion of the Springview neighborhood as identified in Exhibit A; and

WHEREAS, the Zone board desires to increase the total amount of tax increment collected by the City for the Zone during the duration of the Zone without changing the percentage of tax increment contributed by the City to the Zone; and

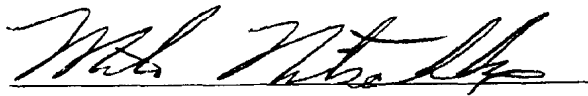
WHEREAS, the Zone board desires to increase the total amount of tax increment collected by the City by increasing the geographic area of the Zone by including additional properties within the original boundaries of the Zone and those portions of the Springview neighborhood identified in Exhibit A through action of the City in accordance with Section 311.007(a) of the Act; and

RECEIVED
CITY OF SAN ANTONIO
CLERK
2003 DEC 17 PM 3:38

Resolution, prevailed and carried in accordance with the Bylaws by a vote of 7 to 0 of the directors of the Zone board present.

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Resolution has been duly recorded in the Zone board's minutes of the meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting directors of the Zone board as indicated therein; that each of the directors of the Zone board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Resolution would be introduced and considered for adoption at the meeting, and each of the directors consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting was given as required by Chapter 551, Texas Government Code, as amended.

SIGNED this 10th day of December, 2003.



Secretary, Board of Directors

CERTIFICATE OF SECRETARY OF THE BOARD

I, the undersigned officer of the Board of Directors (the "Zone Board") for REINVESTMENT ZONE NUMBER ELEVEN, CITY OF SAN ANTONIO, TEXAS (the "Zone") do hereby certify as follows:

1. The Zone Board convened on the 10th day of December, 2003 within the City of San Antonio, Texas (the "City"); and the roll was called of the duly constituted directors of said Zone Board, to-wit:

Mario Salas	Chairperson
Bobby Perez *	Director
John Sanders *	Director
David Garcia *	Director
Milo Nitschke	Director
Jeff Rochelle	Director
Larry Keller	Director
Leo Gomez	Director
Darryl Ohlenbusch	Director
Melvin L. Braziel	Director
James Howard	Director
Judge Nelson Wolff	Director
Tommy Adkisson	Director
[Vacant/unfilled, formerly Carlos Richardson]	Director
[Vacant/unfilled, formerly Mayme Bailey Williams]	Director

* Submitted Resignation, but no successor has been appointed

and 7 of said persons were present, thus constituting a quorum under Section 2.5 of the Bylaws of the Zone (the "Bylaws"). Whereupon, among other business, the following was transacted at said meeting:

A RESOLUTION RECOMMENDING AN INCREASE IN THE GEOGRAPHIC AREA OF REINVESTMENT ZONE NUMBER ELEVEN, CITY OF SAN ANTONIO, TEXAS, ADOPTING AMENDMENTS TO THE REINVESTMENT ZONE PROJECT PLAN TO INCORPORATE THE RECOMMENDED INCREASE IN AREA; AND RECOMMENDING APPROVAL OF THE AMENDMENTS TO THE REINVESTMENT ZONE PROJECT PLAN BY THE CITY OF SAN ANTONIO, TEXAS


was introduced for the consideration of the Zone board. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, the motion, carrying with it the adoption of the

WHEREAS, the Zone board finds that the meeting at which this Resolution 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 RESOLVED BY THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NO. 11, CITY OF SAN ANTONIO, TEXAS:

- Section 1.** RECOMMENDING ENLARGEMENT OF THE ZONE. The Zone board recommends to the City that the boundaries of the Zone be enlarged and that the geographic area of the Zone be increased to include the properties identified in Exhibit A. The Zone board finds that the resulting enlarged Zone is within the limitations provided by Section 311.006 of the Act.
- Section 2.** ADOPTING AMENDMENTS TO THE PROJECT PLAN. The Zone board adopts an amendment to the Project Plan for the Zone that the geographic area describing the Zone be increased as provided for in Section 1 above (the "Project Plan Amendment").
- Section 3.** RECOMMENDING THE CITY APPROVE THE AMENDMENT. The Zone Board recommends that the City approve the Project Plan Amendment by ordinance.
- Section 4.** INCORPORATION OF RECITALS. The Zone Board hereby finds that the statements set forth in the recitals of this Resolution are true and correct, and the Zone Board hereby incorporates such recitals as a part of this Resolution.
- Section 5.** SEVERABILITY OF PARCELS. If any property or properties identified in Exhibit A are deleted in subsequent action by the City in the City's adoption of an ordinance to increase the geographic area of the Zone, this Resolution shall nevertheless be valid, as if such subsequently deleted property or properties had never appeared in Exhibit A, and the Zone Board hereby declares that this Resolution would have been adopted without the subsequently deleted property or properties.
- Section 6.** SEVERABILITY OF PROVISIONS. If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, as if such invalid provision had never appeared herein, and the Zone Board hereby declares that this Resolution would have been enacted without such invalid provision.

PASSED AND APPROVED this 10th day of December, 2003.



Mario Salas
Chairman, Board of Directors