

AGENDA ITEM NO. 30(A)

**CITY OF SAN ANTONIO
ECONOMIC DEVELOPMENT DEPARTMENT
CITY COUNCIL AGENDA MEMORANDUM**

TO: Mayor and City Council

FROM: Ramiro A. Cavazos, Director

SUBJECT: Toyota On-Site "Supplier Park Project": Tax Phase-In Agreements with 15 Toyota Supplier Companies

DATE: June 16, 2005

SUMMARY AND RECOMMENDATIONS

This ordinance authorizes the Interim City Manager to enter into separate Tax Phase-In Agreements with fifteen (15) Toyota supplier companies locating at the Toyota on-site "Supplier Park Project (the "Project"). Through these Agreements, the City intends to abate ad valorem taxes for 10 years on all real and personal property improvements, inventory and supplies for each company. Five (5) of these companies will receive a 100% abatement based on their commitment to pay all employees at least \$11.03 per hour at the startup of business operations. The remaining eleven (10) companies will receive an 80% abatement based on their commitment to pay all employees at least \$9.06 per hour upon business startup. Through the Supplier Park Project, the fifteen Toyota supplier companies will collectively invest approximately \$304 million and create an additional 2,107 new automotive industry jobs.

Staff recommends approval of this ordinance.

BACKGROUND INFORMATION

Toyota is currently constructing an automotive manufacturing plant in south Bexar County where it intends to invest approximately \$800 million and create approximately 2,000 jobs. The new plant is scheduled to open for production in September 2006. Following their decision to locate in the San Antonio area, Toyota began developing plans for an on-site Supplier Park, which is unique to the United States automotive industry. Toyota and the San Antonio Community's goal was to attract Tier One suppliers to locate at the site of their new automotive manufacturing plant. Tier One suppliers manufacture, assemble and distribute components directly to the automotive assembly line for installation into the vehicles. Tier One suppliers will generally locate their operations near the manufacturing site for just-in-time deliveries to the automotive assembly line. Having suppliers located on-site will improve collaboration between Toyota and its suppliers, thereby assuring quality, while reducing costs associated with logistics services.

In 2003, Toyota began discussions with the City of San Antonio and Bexar County on local business incentives that could be offered to attract Tier One suppliers to the Supplier Park. Toyota initially estimated the Supplier Park could attract an additional 1,000 jobs and \$100 million in

capital investment. San Antonio had been competing heavily with other cities in the region for supplier jobs and investment. In addition, some suppliers were only considering the establishment of warehouse and assembly operations in San Antonio in lieu of manufacturing operations.

Both the City and Bexar County concluded that additional incentives were needed to help Toyota establish the Supplier Park and to maximize the amount of supplier jobs and investment. On November 5, 2003, Bexar County Commissioners Court agreed to offer tax abatement terms to suppliers locating at the Supplier Park. City and County staff then developed a standard Toyota supplier incentive package to assist Toyota in recruiting Tier One suppliers to the Supplier Park, adding to the original Toyota plant investments.

On October 25, 2004, San Antonio Mayor Edward Garza submitted an incentive letter to Toyota for the Toyota Supplier Park Project. The package offered Tier One supplier companies who agreed to locate at the Supplier Park a 10-year tax phase-in on all real and personal property improvements, including inventory and supplies. The proposed terms included: (1) a 100% abatement for suppliers who agreed to pay all employees at least \$11.03/hour (the durable goods wage standard in the City/County joint Tax Phase-In Guidelines); or (2) an 80% abatement for those suppliers who agreed to pay all employees at least \$9.06/hour (the minimum wage in the Guidelines) at the startup of business operations.

On December 16, 2004, Toyota officials and Governor Perry announced the establishment of the Supplier Park. Presently, 17 supplier companies have agreed to locate at the Supplier Park, invest approximately \$304 million, and create 2,107 jobs. The overall total impact of Toyota and the Supplier Park is reflected in the following table:

Company	Direct Jobs	Capital Investment	Annual Payroll
Toyota	2,000	\$573M	\$100M
Toyota Suppliers	2,107	\$304M	\$50M
TOTAL IMPACT	4,107	\$877M	\$150M

Of these 17 companies locating in the Supplier Park, 15 have submitted a joint Tax Phase-In Application to the City and the County. The remaining 2 supplier companies are Toyota affiliates and will be covered under the existing Starbright Agreement approved by City Council on May 22, 2003. Attachment 1 is a list of the 15 supplier companies who have applied for a tax abatement.

During the FY 2005 Budget discussions, City Council also recommended the expenditure of \$1 million from the Economic Development Incentive Fund (EDIF) to help fund the initial workforce training requirements of Toyota supplier companies locating at the Supplier Park. Through a separate City Council item, staff is seeking approval to enter into EDIF grant agreements with each of the 15 supplier companies for workforce training assistance. These EDIF grants will provide each company a fair share allocation of approximately \$520.00 per employee.

Two Toyota supplier companies, Vutex, Inc. and Avanzar Technologies, also applied for designation as State Enterprise Zone projects. On November 18, 2004, City Council approved the nomination of these suppliers to the State as Enterprise Zone projects. In January 2005, the State approved the designation of these two projects providing each company up to \$1.25 million in

State sales tax refunds and franchise tax credits. Additionally, an EDA grant of \$1.8 million was awarded to fund the SAWS lift station.

POLICY ANALYSIS

This project supports the City's *Strategic Plan for Enhanced Economic Development* by encouraging the attraction of new businesses and good paying jobs to the targeted southern sector. This project also promotes growth in the targeted industry of manufacturing and enhances the potential for Toyota to further expand its operations and commitments to San Antonio.

Although the TMMTX property has not been annexed by the City, State law allows municipalities to enter into tax abatements in its Extraterritorial Jurisdiction (ETJ), provided the property is designated as a Reinvestment Zone. The TMMTX property is located within the City's Federal Empowerment Zone and thereby automatically qualifies as a Reinvestment Zone. Implementation of these Agreements is contingent upon City Council taking action to annex the TMMTX property. Later this year, staff intends to propose annexation to be effective in January 2006. If annexation is approved, the 10-year term for each Tax Phase-In Agreement will begin on January 1, 2007. Attachment 2 is a copy of the proposed Tax Phase-In Agreement agreed to by each company.

The Supplier Park Project qualifies under the Joint Tax Phase-In Guidelines as a Level 3 "exceptional investment" project, since the Project collectively exceeds \$50,000,000 in total property investment and creates at least 500 permanent, full-time jobs. The Supplier Park is located south of U.S. Highway 90 and qualifies for a tax abatement term of up to 10 years. The City intends to abate ad valorem taxes on the real and personal property improvements, including inventory and supplies. The percentage of taxes abated for each supplier company will be either 100% or 80% depending on the wages paid upon the startup of business operations. Those companies paying all employees at least \$11.03 per hour will receive a 100% abatement and those paying all employees at least \$9.06 per hour will receive an 80% abatement. Of the 15 supplier companies, 5 will receive a 100% abatement and 10 will receive an 80% abatement.

Tax Phase-In Criteria for Level 3 Project (Exceptional Investment) for Real and Personal Property	Toyota Supplier Park Project
Total Capital Investment \geq \$50 million in Real and Personal property	\$304 million
AND Job Creation \geq 500 New, Full-time Jobs	2,107 Jobs
AND Pay at least \$9.06/hour to all employees at startup of business operations	Yes
AND Benefits Package	Yes

The attraction and concentration of additional investment and good-paying jobs at the Toyota Supplier Park will allow the City to maximize the full economic benefit of Toyota's presence in the community. Each of the suppliers also offers a benefits package, and intends to actively recruit

new employees from areas nearby the TMMTX plant, including the hiring of economically disadvantaged individuals through Alamo WorkSource Development.

FISCAL IMPACT

The following table details the estimated fiscal impact to the City resulting from the Toyota Supplier Project. Over a 20-year period, the City is expected to receive approximately \$23,717,512 in property and sales taxes and CPS Energy revenue from the Toyota Supplier Project investment and job creation. During the 10-year Tax Phase-In term the City will abate approximately \$15,771,424 in ad valorem taxes on real and personal property, inventory and supplies, including the allocation of the EDIF grant. The net benefit to the City over the 20-year period is approximately \$7,946,087.

Years	New Property and Sales Taxes and CPS Energy Revenue Collected on Toyota Supplier Project (Present Value)	Taxes Abated on Real and Personal Property, plus Inventory and Supplies and EDIF Grant Allocation (Present Value)	Net Fiscal Benefit (Present Value)
1-10	\$ 7,233,741	\$ 15,771,424	\$ (8,537,683)
11-20	\$ 16,483,770	0	\$ 16,483,770
Total	\$ 23,717,512	\$ 15,771,424	\$ 7,946,087

Each Tax Phase-In Agreement (Attachment 2) includes terms that will allow the City to recapture up to 100% of abated taxes from any one of the fifteen companies during the 10-year term and for six years following the term on a prorated basis, if a company decides to cease or relocate its business operations at the Supplier Park. The City may also terminate any individual Agreement, if a supplier company fails to meet the minimum wage standard in the Agreement. The percentage of tax abatement in any given year will also be reduced proportionately, if a supplier company falls below its job creation requirements.


COORDINATION

The Economic Development Department (EDD) staff has met with the City Attorney's Office to finalize the proposed Agreements. EDD has also coordinated with relevant City departments and determined that the Project has no appreciable impact on the delivery of City services. These departments include Public Works, Development Services, Planning, Finance, Police and Fire. EDD has also coordinated this Project with Bexar County, CPS Energy, SAWS, Bexar Appraisal District and the Economic Development Foundation.

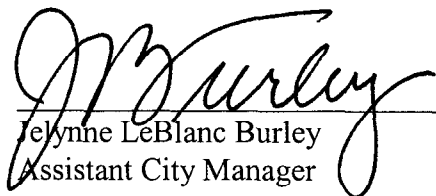
This incentive request was also presented to the Economic and Human Development Committee on March 30, 2005. The Committee directed staff to bring these requests to the full City Council for further discussion and consideration.

SUPPLEMENTARY COMMENTS

The Discretionary Contracts Disclosure Forms for each of the fifteen companies are attached.



Ramiro A. Cavazos, Director
Economic Development Department



Jelynn LeBlanc Burley
Assistant City Manager



J. Rolando Bono
Interim City Manager

Attachments

**TOYOTA SUPPLIER PARK PROJECT
TAX PHASE-IN APPLICATIONS**

	Company	Joint Venture Partners	Locally Owned Joint Venture Partners (MBE)	Description	Level of Investment	Number of Jobs	Percent Abatement
1.	Ark, Inc.	Toyota Tsusho America (TAI)		Industrial Waste Management; Recycling	\$2.2M	13	80%
2.	Avanzar Interior Technologies, Ltd.	Technologies, Lt. & Johnson Controls, Inc. (JCI)	Berto Guerra	Motor Vehicle Seating, and Interior Trim Manufacturing	\$42.2M	522	100%
3.	Curtis-Maruyasu America, Inc.			Brake and Fuel Line Systems	\$1.5M	14	100%
4.	Futaba Industrial Texas Corp.			Metal stamping and welding for automotive structural components	\$40M	170	80%
5.	Green Metals, Inc.	Toyota Tsusho America (TAI)		Scrap Metal Recycling	\$5.4M	8	80%
6.	HERO Assemblers, LP	Valiente International Ventures & Toyota Tsusho America (TAI)	Frank Herrera	Tire and Wheel Assembly	\$19M	46	100%
7.	HERO Logistics, LP	Valiente International Ventures & Toyota Tsusho America (TAI)	Frank Herrera	Receive, Sort, and Store Vehicle Components for Delivery	\$800K	110	80%
8.	Metalsa Light Truck, Inc.			Logistics and Distribution of Chassis Frames	\$6.2M	16	100%
9.	Millennium Steel of Texas, LP	Henry Jackson (Millennium Steel Service Indiana) and Toyota Tsusho America (TAI)		Manufacture Steel Blanks from Steel Coils	\$37.2M	46	80%
10.	Reyes Automotive Group, LLC.	Reyes Industries & Lear	Fernando Reyes	Manufacture Automotive Interior and Exterior Trim Products	\$17.2M	69	80%

**TOYOTA SUPPLIER PARK PROJECT
TAX PHASE-IN APPLICATIONS**

	Company	Joint Venture Partners	Locally Owned Joint Venture Partners (MBE)	Description	Level of Investment	Number of Jobs	Percent Abatement
11.	Reyes-Amtex Automotive, LLC.	Reyes Industries & Amtex	Fernando Reyes	Manufacture Automotive Carpets	\$1.6M	30	100%
12.	Takumi Stamping Texas, Inc.	Toyota Tsusho America (TAI)		Metal Stamping	\$19M	140	80%
13.	Tenneco Automotive Services Texas, Inc.	Toyota Tsusho America (TAI)		Manufacture Exhaust Systems	\$5.7M	30	80%
14.	Toyotetsu Texas, Inc.			Metal Stamping, welding for automotive structural components	\$32.5M	160	80%
15.	Vutex, Inc.	Operational Technologies Corp. & Vuteq	Max Navarro	Instrument panel, windshield and door glass subassembly	\$9.0M	525	80%
16.	Toyoda Gosei Texas, LLC	Toyota Affiliate covered by Starbright.		Interior Automotive Components	\$25M	158	N/A
17.	Toyota Logistical Services	Toyota Affiliate covered by Starbright.		Logistics and Transportation	\$40M	50	N/A
				TOTAL	\$304.6M	2,107	

**CITY OF SAN ANTONIO
TAX PHASE-IN AGREEMENT**

1. PARTIES

THIS AGREEMENT (the "Agreement") is entered into on this 16th day of June 2005, by and between **NAME OF SUPPLIER** (hereinafter referred to as "SUPPLIER"), holding a leasehold interest in real property and as personal property owner, and the CITY OF SAN ANTONIO, a municipal corporation, (hereinafter referred to as the "CITY"), acting by and through its Interim City Manager.

2. AUTHORIZATION AND FINDINGS

A. This Agreement is entered into pursuant to the following authorities:

1. The Texas Property Redevelopment and Tax Abatement Act of 1987, V.A.T.S. Tax Code, Chapter 312, as amended;

2. CITY COUNCIL RESOLUTION No. 89-07-12, dated the 15th day of February 1989, and most recently revised by Ordinance No. 98692 on January 8, 2004, together which established the City of San Antonio Guidelines and Criteria for Tax Phase-In and Reinvestment Zones, (hereinafter referred to as the "Guidelines and Criteria");

3. The State of Texas designation of the SAN ANTONIO EMPOWERMENT ZONE/REINVESTMENT ZONE, EZ357-012302-SAEZ (the "Zone"); and

4. CITY COUNCIL ORDINANCE NO. _____, dated June 16, 2005, which specifically approved this Agreement and authorized execution hereof.

B. The City Council, by its approval of this Agreement, hereby finds that while the terms of this Agreement provide exceptions to the Guidelines and Criteria, the approval of this Agreement will not have any substantial long-term adverse effect on the provision of CITY services or the CITY'S tax base and the planned use of the Property (defined below) inside the Zone by SUPPLIER for the uses contemplated herein will not constitute a hazard to public safety, health or morals.

C. The City Council, by its approval of this Agreement, hereby finds that the terms of this Agreement are substantially similar to the County of Bexar's Tax Abatement Agreement with the Supplier.

D. Toyota Motor Manufacturing Texas has certified in its agreement with Starbright Industrial Development Corporation that jobs referenced in this Agreement are separate and apart from any job creation requirements identified in any other agreements.

3. PROPERTY

A. SUPPLIER has a taxable leasehold interest in the real property which is the subject of this Agreement and which is indicated and legally described in Exhibit A, attached hereto and incorporated herein (the "Property"). With a TYPE OF IMPROVEMENT (REAL/PERSONAL) investment of approximately DOLLAR AMOUNT (\$_____.00), SUPPLIER will DESCRIPTION OF IMPROVEMENT on said Property. The Property will be used for DESCRIPTION OF BUSINESS ACTIVITY. SUPPLIER will conduct, on the Property, normal business activities including, but not limited to, DESCRIPTION OF SUPPLIER'S ACTIVITIES in the manufacturing, assembly, or distribution of DESCRIPTION OF SUPPLIER'S PRODUCT (hereinafter collectively referred to as the "Business Activities") or the normal Business Activities of a Related Organization (defined in Article 5, Paragraph I) so long as such Business Activities include the normal Business Activities of a manufacturer, assembler or distributor of DESCRIPTION OF SUPPLIER'S PRODUCT or similar activity. SUPPLIER shall invest, or cause to be invested, approximately DOLLAR AMOUNT OF REAL/PERSONAL PROPERTY IMPROVEMENTS (\$_____.00) in REAL/PERSONAL property improvements by DATE OF PERSONAL PROPERTY IMPROVEMENT COMPLETION. SUPPLIER shall be entitled to tax abatements authorized herein for the REAL/PERSONAL property improvements, including inventory and supplies, above the Base Year Value (as defined in Article 6, Paragraph A) if SUPPLIER or a Related Organization undertakes Business Activities in accordance with the terms of this Agreement in the ZONE.

B. SUPPLIER will establish a tax account for real and personal property with the Bexar Appraisal District regarding the Property and provide these tax account numbers to the CITY.

4. SUPPLIER'S REPRESENTATIONS

A. SUPPLIER represents that they have no knowledge that any interest in the Property is presently owned, held or leased by a member of the San Antonio City Council, Zoning Commission, Planning Commission, the City's Economic Development Department, or any other City officer or employee. SUPPLIER further represents that they shall not knowingly sell, lease or otherwise convey such an interest to a member of the San Antonio City Council, the Zoning Commission, the Planning Commission, the City's Economic Development Department or any other City officer or employee, as long as this Agreement remains in effect.

B. SUPPLIER represents that there is no litigation pending against SUPPLIER for any violations under the Occupational Safety and Health Act ("OSHA").

5. TERMS OF THE AGREEMENT

A. Obligations of SUPPLIER. For SUPPLIER to receive the tax abatement authorized herein: (1) SUPPLIER shall own, hold an interest in or otherwise control the Property and shall invest, or cause to be invested, a minimum of AMOUNT OF INVESTMENT dollars (\$_____.00) in the real and personal property improvements for the Property described in Article 3, Paragraph A by January 1, 2007; (2) SUPPLIER shall hire a minimum of NUMBER OF HIRES (____) non-temporary, full-time employees by DATE; and (3) SUPPLIER shall

occupy and use the Property for its Business Activities and otherwise comply with the applicable terms of this Agreement.

B. Wage Requirement. SUPPLIER covenants and agrees that it shall pay at least one hundred percent (100%) of its employees nine dollars and six cents (\$9.06) per hour as of the time City Council of CITY authorized execution of this Agreement.

C. Full-Time Employee. For the purposes of this Agreement, a full-time job shall be equivalent to two thousand eighty (2,080) straight-time paid hours in a fiscal year.

D. Employee Benefits. SUPPLIER covenants and agrees that it shall offer all of its non-temporary full-time employees employed on the Property substantially similar employee benefits as those employee benefits offered to similarly situated employees of SUPPLIER.

E. Compliance with Employment Regulation. SUPPLIER covenants and agrees that it shall comply with all applicable federal and state laws governing the employment relationship between employers and employees.

F. Compliance with Business Activities Regulation. SUPPLIER also covenants and agrees that it shall conduct its Business Activities (as defined in Article 3, Paragraph A) on the Property in accordance with all applicable federal, state and local laws.

G. Compliance with Construction Regulation. SUPPLIER shall construct, or cause to be constructed, any improvements made to the Property in accordance with all applicable federal, state and local laws including, but not limited to, Texas Commission on Environmental Quality regulations, Bexar County and City of San Antonio laws, Building Codes and ordinances, Historic Preservation and Urban Design ordinances, flood, subdivision, building, electrical, plumbing, fire and life safety codes and regulations, current and as amended.

H. Improvements Completion. SUPPLIER shall substantially complete, or cause to be completed, all real and personal property improvements by January 1, 2007 and will house SUPPLIER'S Business Activities (as defined in Article 3, Paragraph A) on the Property in the ZONE. SUPPLIER shall be entitled to such additional time to complete said improvements as may be required due to any "Force Majeure" event, so long as SUPPLIER diligently pursues said completion of improvements. For purposes of this Agreement, "Force Majeure" shall be as defined in Article 8 below. The CITY shall have the final determination, to be exercised reasonably and in good faith, whether to extend such period of time for said completion for reasons of Force Majeure. SUPPLIER shall notify the CITY of the completion of the personal property improvements by sending notice to the address listed in Article 9 (Notice) within one month of completion.

I. Authorized Business Activities. Except as provided herein, SUPPLIER covenants and agrees that it shall use the Property only to conduct its Business Activities. Without additional consent or approval by the City Council, a parent, subsidiary or affiliate organization of SUPPLIER or new entity created as a result of a merger, acquisition, or other corporate restructure or reorganization of SUPPLIER, or any component thereof (hereinafter "Related

Organization”) may occupy and use the Property for such Related Organization’s normal business activities, so long as such business activities are those of a manufacturer, distributor, and or producer of automotive components, or similar or comparable to the Business Activities of SUPPLIER on the Property. To be eligible for tax abatements as provided in this Agreement, such Related Organization shall comply with all applicable terms of this Agreement. Except as authorized above, SUPPLIER covenants and agrees not to change the principal use of the Property without prior approval by the City Council, as evidenced in a duly approved ordinance.

J. Maintenance Obligations. SUPPLIER covenants and agrees that they shall maintain the Property and any constructed improvements in good repair and condition during the Tax Phase-In Period, normal wear and tear and damage by fire or other casualty not caused as a result of the negligence, intentional act or misconduct of SUPPLIER excepted. Compliance with the maintenance obligations imposed herein shall be presumed if SUPPLIER follows its normal and customary maintenance procedures and schedules.

K. Inspections by the City. Upon five business days prior notice to SUPPLIER by CITY, SUPPLIER covenants and agrees that they shall allow designated representatives of the CITY access to the Property during normal business hours for inspection to determine if the terms and conditions of this Agreement are being met. (This inspection is independent of CITY’S police powers to inspect for purposes of assuring compliance with applicable City Codes and Ordinances). The CITY’s access to SUPPLIER’s books and records will be limited to information needed to verify that SUPPLIER is and has been conducting Business Activities, and to verify the number of non-temporary full-time employees at the Facility. Any information that is not required by law to be made public shall be kept confidential by CITY. Should any good faith dispute or question arise as to the validity of the data provided, the CITY reserves the right to require SUPPLIER to obtain an independent firm to verify the information. This certified statement by an independent firm shall be provided at the sole cost of SUPPLIER. CITY representatives may be accompanied by SUPPLIER representatives and such inspections shall be conducted in such a manner as to (a) not unreasonably interfere with the operation of the Property or the Facility; and (b) comply with SUPPLIER’s reasonable security requirements.

L. Disclosure to Bexar Appraisal District. During the term of this Agreement, SUPPLIER covenants and agrees to furnish each year, as applicable the Chief Appraiser of Bexar Appraisal District with information outlined in Chapter 22, V.A.T.S. Tax Code, as amended, as may be necessary for the tax phase-in and for appraisal purposes.

M. Disclosure to CITY. SUPPLIER covenants and agrees that it shall provide the CITY’s Director of Economic Development with a semi-annual certification from an officer of SUPPLIER attesting to the number of jobs created and maintained, as well as wages paid, by SUPPLIER on the Property. SUPPLIER shall also submit this information to the CITY upon request, as deemed necessary at the sole discretion of the CITY, during the term of this Agreement. The information provided shall be on the forms set forth in, or substantially similar to the forms set forth in, Exhibit “C” (attached hereto and incorporated herein), as amended.

N. Local Employment Goal. SUPPLIER covenants and agrees to make a good faith effort to hire local employees to fulfill its requirements under Article 5, Paragraph A. “Local” is defined,

for the purposes of this Paragraph, as an employee whose principal residence is located within the city limits of the City of San Antonio or within the county limits of Bexar County.

O. Notification Requirement Regarding Sale, Transfer or Sub-lease of Property. SUPPLIER covenants and agrees to notify CITY in writing at least 30 days prior to any sale, transfer or sub-lease of the Property during the Term. CITY shall not unreasonably withhold approval of any requests for Assignment of this Agreement by SUPPLIER under Article 11 and any new purchaser or transferee requesting Assignment shall be bound by same. Failure to provide the required notification under this Article 5, Paragraph O may render SUPPLIER subject to the termination and recapture provisions under Article 7 without benefit of the Cure Period (as defined in Article 7, Paragraph E).

P. Notification Requirement Regarding Relocation or Cessation of Business. SUPPLIER covenants and agrees to notify CITY in writing at least 30 days prior to Relocating or Ceasing its Business Activities (as defined in Article 7, Paragraphs B and C). Failure to provide the required notification under this Article 5, Paragraph P may render SUPPLIER subject to the termination and recapture provisions under Article 7 without benefit of the Cure Period (as defined in Article 7, Paragraph E).

Q. Penalty for Default/Termination. If, during this Agreement SUPPLIER fails to create and retain at least the minimum number of non-temporary, full-time jobs required under Article 5, Paragraph A of this Agreement, or SUPPLIER fails to pay at least the minimum wages required under Article 5, Paragraph B of this Agreement for a period of three (3) or more consecutive months, then the termination and recapture provisions of Article 7 of this Agreement shall apply against SUPPLIER.

R. Other Actions Resulting in Default/Termination. If, during this Agreement, SUPPLIER allows its ad valorem taxes due on the land, real and personal property or inventory and supplies to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest, or is in default with any loan which has been made by the San Antonio Development Agency, South Texas Business Fund, City of San Antonio Industrial Development Authority or any other CITY-sponsored loan/grant/bond program, then the termination and recapture provisions of Article 7 of this Agreement shall apply.

6. TAX PHASE-IN

A. Term. The Tax Phase-In Period (the "Term") for the Property improvements shall be for 10 years beginning on January 1 of the year following the City's annexation of the "Property," but not later than January 1, 2007. The base year for calculating the value of the Property shall be January 1, 2005. The "Base Year Value" of the Property shall be the assessed value (determined by the Bexar Appraisal District), as of the Base Year, of the personal property located thereon.

B. Conditions Precedent. At the commencement of the Term, SUPPLIER shall own, have an interest in or otherwise control the Property. SUPPLIER shall also conduct its Business

Activities on the Property. A Tax Phase-In shall be granted in each year of the Term as described in Article 6, Paragraph C below.

C. Additional Conditions and Tax Phase-In Percentage. Provided that SUPPLIER has invested in the Property real and personal property improvements as described in Article 3, Paragraph A of this Agreement by January 1, 2007, SUPPLIER has hired the number of employees specified in Article 5, Paragraph A of this Agreement, SUPPLIER pays at least the minimum wages required under Article 5, Paragraph B of this Agreement, SUPPLIER uses the Property for its Business Activities, and SUPPLIER is otherwise in compliance with the conditions of this Agreement, then eighty-percent (80%) of the ad valorem taxes for the real and personal Property improvements including inventory and supplies, above the Base Year Value, shall be abated during the Term. There shall be no abatement of taxes for the underlying land value.

D. Base Year Taxation. SUPPLIER understands and agrees that the Base Year Value of the Property and the tax levy based on said Base Year Value of the Property in the ZONE shall not decrease, but taxes may increase and that the amount of property taxes paid by SUPPLIER to the CITY attributable to the Property during the Term shall not be less than the amount of taxes attributable to the Property paid to the CITY for the base year tax year, if any, except in the event of casualty or condemnation of the Property in the ZONE.

E. Protest Rights. SUPPLIER shall have the right to protest appraisals of the Property, or any portion thereof, or the value of any improvements over and above the Base Year Value as applicable.

7. DEFAULT/TERMINATION/RECAPTURE

A. Relocation Defined. For purposes of this section, "Relocation" or "Relocate" shall mean SUPPLIER or a Related Organization which has taken the place of SUPPLIER, relocating Business Activities to a location outside the TMMTX supplier park.

B. Termination and Recapture of Taxes in Event of Relocation of Business Activities. If SUPPLIER occupies and uses the Property for its Business Activities and subsequently Relocates (as defined in this Article 7, Paragraph A) during the Term, except if such Relocation of Business Activities is caused by a Force Majeure, as defined in Article 8, then City Council shall have the right to terminate this Agreement and the Term. Said terminations shall be effective for the calendar year during which the Property was no longer used for the required purposes stated herein. Upon said terminations, personal property taxes otherwise abated for that calendar year and all previously abated taxes under this Agreement shall be recaptured and shall be paid to CITY within sixty (60) calendar days from the date of said termination notices to SUPPLIER by CITY.

C. Termination and Recapture of Taxes in Event of Cessation of Business Activities. If SUPPLIER occupies and uses the Property for its Business Activities and subsequently ceases conducting Business Activities (or a substantial portion thereof) at the site for a continuous period of three months during the Tax Phase-In Period for any reason, except if such cessation is

caused by a Force Majeure as defined in Article 8, then the City Council shall have the right to terminate this Agreement and the Term. Said terminations shall be effective for the calendar year during which the Property was no longer used for the required purposes stated herein. Upon said terminations, all property taxes otherwise abated for that calendar year and all previously abated taxes under this Agreement shall be recaptured and shall be paid to CITY within sixty (60) calendar days from the date of said termination notices to SUPPLIER by CITY.

D. Termination and Recapture of Taxes for Failure to Maintain Minimum Number of Employees. If SUPPLIER, a Related Organization or City-approved assignee fails to hire and retain the minimum number of permanent full-time employees as required in Article 5, Paragraph A above, calculated by the averaging of the two most current semi-annual Employee Wage Information for Tax Phase-In Request Forms, or substantially similar form, (Exhibit "E") for such calendar year of noncompliance, then for each such calendar year of noncompliance, the tax abatement shall be reduced in the following tax year by the same percentage as the deficiency in the number of employees. For example, if SUPPLIER hires and retains ninety percent (90%) of the minimum number of non-temporary full-time employees in a given year, SUPPLIER shall be entitled to ninety percent (90%) of the ad valorem personal property tax abatement for the Property for that following year, but subject to a floor of fifty percent (50%). If SUPPLIER fails to hire and retain at least fifty percent (50%) of the minimum number of non-temporary full-time employees in a given year then, at the option of City Council, this failure may be grounds for termination of this Agreement and the Term. Said termination shall be effective for the calendar year during which the number of permanent full-time employees stated herein have not been hired or retained as required. Upon said terminations, all property taxes otherwise abated for that calendar year and all previously abated taxes under this Agreement shall be recaptured and shall be paid to CITY within sixty (60) calendar days from the date of said termination notices to SUPPLIER.

E. Cure Period and Declaration of Default. During the Term, CITY may declare a default if SUPPLIER fails to comply with any of the terms of this Agreement. Should CITY determine SUPPLIER is in default under any of the terms of this Agreement, CITY will notify SUPPLIER in writing at the address below in Article 9. If said default is not cured within sixty (60) calendar days from the date of such notice (hereinafter the "Cure Period"), then City Council shall have the right to terminate this Agreement. CITY may extend the Cure Period if SUPPLIER commences the cure within the Cure Period and SUPPLIER is diligently pursuing such cure. If the Agreement is terminated as a result of default, all property taxes will be due for the tax year during which the termination occurred and shall accrue without further abatements for all tax years thereafter; in addition, CITY shall have the right to recapture from SUPPLIER all previously abated property taxes under this Agreement and said taxes shall be paid by SUPPLIER within sixty (60) calendar days of receiving CITY'S written notification of recapture.

F. Other Remedies Available. CITY shall have the right to seek any remedy at law to which it may be entitled, in addition to termination and/or recapture, if SUPPLIER defaults under the terms of this Agreement. However, such termination and/or recapture shall be subject to any and all lawful offsets, settlements, deductions or credits to which SUPPLIER may be entitled. The termination and/or recapture of taxes provided in this Article 7 are not applicable to situations

involving minor changes to the description of the Property, or changes in ownership or in management thereof, so long as SUPPLIER, its parent, subsidiary, affiliate or its CITY-approved successor or assignee continues conducting Business Activities or other authorized activities thereon as provided hereinabove.

G. Calculation of Taxes Subject to Recapture. If SUPPLIER fails to comply with any of the terms of this Agreement including, but not limited to, those pertaining to this Article 7 then the City Council shall have the right to recapture from SUPPLIER a percentage of the abated personal property taxes based on the following table:

TERM YEAR	TOTAL TAX PREVIOUSLY ABATED SHALL BE MULTIPLIED BY:
1-10	100%
11-12	80%
13	60%
14	40%
15	20%
16	10%

FORMULA: The recapture formula shall be:

$$\begin{array}{ccccc} & & \text{Applicable Percentage} & & \text{Amount to be} \\ & & & & \\ \text{Total Taxes Abated} & \times & & = & \\ & & \text{from above Schedule} & & \text{Recaptured} \end{array}$$

CITY shall recalculate the amount of recapture pertaining to each tax year utilizing the above formula. A bill for each year will then be sent to SUPPLIER.

8. **AUTHORIZED RELIEF FROM PERFORMANCE (Force Majeure)**

For purposes of this section, "Force Majeure" is defined as an act of God or natural disaster. It also includes explosion or other casualty or accident which is not the result of negligence, intentional act or misconduct on the part of SUPPLIER. In addition to relief expressly granted in this Agreement, CITY may grant relief from performance of this Agreement if SUPPLIER is prevented from compliance and performance by an event of Force Majeure. The burden of proof for the need for such relief shall rest upon SUPPLIER. To obtain release based upon this Article 8, SUPPLIER must file a written request with the CITY'S Economic Development Department for processing to City Council for a decision, authorized by a duly approved Ordinance.

9. **NOTICE**

Any notice required or permitted to be given hereunder by one party to the other shall be in writing and the same shall be given and shall be deemed to have been served and given if: (a)

delivered in person to the address set forth herein below for the party to whom the notice is given; (b) placed in the United States mail with postage prepaid, return receipt requested, properly addressed to such party at the address hereinafter specified; or (c) deposited, with fees prepaid, into the custody of a nationally recognized overnight delivery service such as FedEx, addressed to such party at the address hereinafter specified. Any notice mailed in the above manner shall be effective upon its deposit into the custody of the United States Postal Service or such nationally recognized delivery service as applicable; all other notices shall be effective upon receipt. From time to time, either party may designate another address for all purposes under this Agreement by giving the other party no less than ten (10) calendar days advance written notice of such change of address in accordance with the provisions hereof.

TO SUPPLIER:

- (Whether personally delivered or mailed):

Attn: _____

TO CITY:

- If mailed:

Economic Development Department
Attn: Director
P.O. Box 839966
San Antonio, Texas 78283-3966

- If by personal or overnight delivery:

Economic Development Department
Attn: Director
City Hall, 4th Floor
Military Plaza
San Antonio, Texas 78205

10. CONDITION

This Agreement is conditioned entirely upon the approval of the San Antonio City Council, as evidenced by duly approved Ordinance Number _____, dated June 16, 2005.

11. ASSIGNMENT

Except as otherwise expressly provided herein, this Agreement may be assigned or otherwise transferred only with City Council's prior approval (which approval shall not be unreasonably withheld), as reflected in a duly adopted ordinance. SUPPLIER must submit a written request to CITY for approval of the proposed assignment or other transfer at least thirty (30) days prior to the effective date of the assignment or transfer of any part of the Property; however, no City Council consent is required for an assignment or transfer to a parent of SUPPLIER, a subsidiary of SUPPLIER, an affiliate entity of SUPPLIER, or to any new entity created as a result of a merger, acquisition or other corporate restructure or reorganization of SUPPLIER. However, SUPPLIER shall give CITY prior written notice of all assignments or other transfers that do not require City Council consent, as required under Article 5, Paragraph P. All future assignees shall be bound by all terms and/or provisions and representations of this Agreement.

12. GENERAL PROVISIONS

A. None of the property improvements described in this Agreement are financed by tax increment bonds.

B. This Agreement is entered into subject to the rights of the holders of outstanding bonds of the CITY related to this project. No bonds for which the CITY is liable have been used to finance this project.

C. No amendment, modification, or alteration of the terms hereof shall be binding unless in writing dated subsequent to the date of this Agreement and duly authorized by the parties. SUPPLIER acknowledges that City Council approval is required for any and all of these actions.

13. SEVERABILITY

In the event any section, subsection, paragraph, subparagraph, sentence, phrase or work herein is held invalid, illegal or unenforceable, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, subparagraph, sentence, phrase or word. In such event there shall be substituted for such deleted provisions a provision as similar as possible in terms and in effect to such deleted provision that is valid, legal and enforceable. This Agreement constitutes the entire Agreement between the parties hereto relating to the subject matter contained herein and supersedes all prior, oral or written agreements, commitments or understandings with respect to the matters provided for herein.

14. ESTOPPEL CERTIFICATE

Any party hereto may request an estoppel certificate related to this project (hereafter referred to as "Certificate") from another party hereto so long as the Certificate is requested in connection with a bona fide business purpose. The Certificate, which if requested, will be addressed to a subsequent purchaser or assignee of SUPPLIER or other party designated by SUPPLIER which shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default, if such is the case, the remaining Term of this

Agreement, the levels of tax abatement in effect, and such other matters reasonably requested by the party(ies) to receive the Certificate.

15. **OWNER STANDING**

SUPPLIER, as a party to this Agreement, shall be deemed a proper and necessary party in any litigation questioning or challenging the validity of this Agreement or any of the underlying ordinances, resolutions, or City Council actions authorizing same, and SUPPLIER shall be entitled to intervene in said litigation.

16. **APPLICABLE LAW**

This Agreement shall be construed under the laws of the State of Texas and is performable in Bexar County, Texas, the location of the ZONE.

17. **DUPLICATE ORIGINALS**

This Agreement shall be executed in two duplicate originals, with a duplicate original going to each party.

CITY OF SAN ANTONIO,
a Texas Municipal Corporation

J. Rolando Bono
INTERIM CITY MANAGER

By:
Title:

ATTEST:

ATTEST:

Leticia Vacek
CITY CLERK

APPROVED AS TO FORM:

Martha G. Sepeda
ACTING CITY ATTORNEY

EXHIBIT A: PROPERTY DESCRIPTION

EXHIBIT B: EMPLOYEE BENEFITS

EMPLOYMENT C: NUMBER OF JOBS AND WAGE INFORMATION FORM

City of San Antonio

Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.

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Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

NONE

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

ARK, INC.

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

NONE

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

PARENT OF ARK, INC – TOYOTA TSUSHO AMERICA, INC.

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

- (3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

NONE

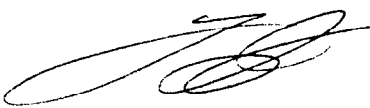
Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	NONE	Amount:	Date of Contribution:

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

NONE		
Signature: 	Title: Vice President Toyota Tsusho America Company: ARK, INC.	Date: 12/04/2004

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio
Discretionary Contracts Disclosure*

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Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.*

RECEIVED

APR 28 2005

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- (1) the identity of any individual who would be a party to the discretionary contract;

NA

- (2) the identity of any business entity¹ that would be a party to the discretionary contract:
AVANZAR INTERIOR TECHNOLOGIES
and the name of:

- (A) any individual or business entity that would be a *subcontractor* on the discretionary contract;

NA

- (B) any individual or business entity that is known to be a *partner*, or a *parent* or *subsidiary* business entity, of any individual or business entity who would be a party to the discretionary contract;

SAT AUTO TECHNOLOGIES
JOHNSON CONTROLS INC.

- (3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

NONE

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

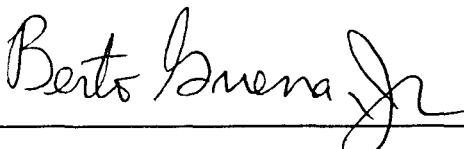
Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current or former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
JULIAN CASTRO (BERTO GUERRA)	\$1000	10-04
JULIAN CASTRO (CARLOS MARTENS)	125	1-05

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

NONE KNOWN		
Signature: 	Title: CHAIRMAN / CEO Company: AVANZAR INTERIOR	Date: 4-14-05

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require careful or require careful consideration of whether or not action is

City of San Antonio
Discretionary Contracts Disclosure

For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

--

and /or

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

Curtis-Maruyasu America, Inc.

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

NONE

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

NONE

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

NONE

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an individual or an entity include, but are not limited to, contributions made by the officers, owners, attorneys, or registered lobbyists of the individual or the entity.

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
NONE			

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), by participating in official action relating to the discretionary contract.

NONE

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Signature: Deanna [Signature] Title: Asst. General Mgr Date: 4-12-05

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio Discretionary Contracts Disclosure

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State "Not Applicable" for questions that do not apply.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

Akira Fukushima, signing on behalf of Futaba Industrial Texas Corp., a wholly owned subsidiary of FIC America Corp.

and /or

(2) the identity of any **business entity** that would be a party to the discretionary contract:

Futaba Industrial Texas Corp., a wholly owned subsidiary of FIC America Corp.

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract:

N/A

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity of any individual or business entity who would be a party to the discretionary contract:

FIC America Corp., parent of Futaba Industrial Texas Corp.

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

None

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an individual or an entity include, but are not limited to, contributions made by the officers, owners, attorneys, or registered lobbyists of the individual or the entity.


By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
None	None known	None	None

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which reasonably understood raise a question as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code) by participating in official action relating to the discretionary contract.

NONE

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Signature: 	Title: President Company: Futaba Industrial Texas Corp.	Date: 4/4/05
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² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio

Discretionary Contracts Disclosure*

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State "Not Applicable" for questions that do not apply.

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(1) the identity of any **individual** who would be a party to the discretionary contract:

NONE

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

GREEN METALS, INC.

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

NONE

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

PARENT OF GREEN METALS, INC – TOYOTA TSUSHO AMERICA, INC.

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

- (3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

NONE


Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	NONE	Amount:	Date of Contribution:

Disclosures In Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

NONE		
Signature: 	Title: TREASURER Company: GREEN METALS, INC.	Date: 4/8/05

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio
Discretionary Contracts Disclosure

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(1) the identity of any **individual** who would be a party to the discretionary contract:

None

and /or

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

Hero Assemblers, LP

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

None

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

Valiente International Ventures, a Texas Joint Venture owned by Frank Herrera, Jr. and Raymond G. Romero;
Toyota Tsusho America, Inc.;
Jesse Wingard, an individual.

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

None

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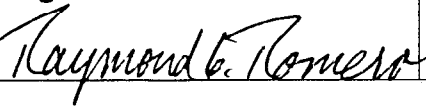
By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
None			

Disclosures in Proposals

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None

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Signature: 	Title: President Company: Hero Assemblers	Date: April 13, 2005
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² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio
Discretionary Contracts Disclosure

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(1) the identity of any **individual** who would be a party to the discretionary contract:

None

and /or

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

Hero Logistics, LP

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

None

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

Valiente International Ventures, a Texas Joint Venture owned by Frank Herrera, Jr. and Raymond G. Romero;
Toyota Tsusho America, Inc.;

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

None

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an individual or an entity include, but are not limited to, contributions made by the officers, owners, attorneys, or registered lobbyists of the individual or the entity.

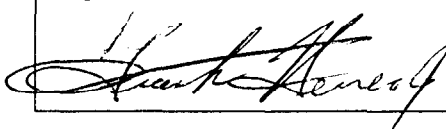
By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
None			

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), by participating in official action relating to the discretionary contract.

None

This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature: 	Title: President Company: Hero Logistics, LP	Date: April 27, 2005
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² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio Discretionary Contracts Disclosure

For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

NONE

and /or

(2) the identity of any **business entity** that would be a party to the discretionary contract:

Metalsa Light Truck, Inc.

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract:

NONE

and the name of:

(B) any individual or business entity that is known to be a **partner** or a **parent** or **subsidiary** business entity, or any individual or business entity who would be a party to the discretionary contract:

Metalsa, S. de R.L.

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

NONE

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an individual or an entity include, but are not limited to, contributions made by the officers, owners, attorneys, or registered lobbyists of the individual or the entity.

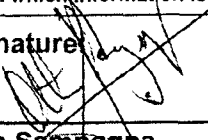
By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
NONE	NONE	NONE	NONE

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), by participating in official action relating to the discretionary contract.

NONE

This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature: 	Title: Vice President	Date: 5/31/05
Otto Sampogna	Company: Metalsa Light Truck, Inc	

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio
Discretionary Contracts Disclosure

*For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.*

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

None

and /or

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

MSSTX, LP (*planned*)

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

None

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

MSSTX, LLC (*planned*) (Andrea Jackson, Henry Jackson, Toyota Tsusho America, Inc)
Andrea Jackson
Henry Jackson
Toyota Tsusho America, Inc

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

None

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an individual or an entity include, but are not limited to, contributions made by the officers, owners, attorneys, or registered lobbyists of the individual or the entity.


By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
No	No	No	No

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), by participating in official action relating to the discretionary contract.

None

This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature:  (Henry Jackson)	Title: President Company: Millennium Steel Service, LLC	Date:
--	--	-------

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio Discretionary Contracts Disclosure

*For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.*

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract

(1) the identity of any individual who would be a party to the discretionary contract:

Fernando Reyes, Manager - Reyes Automotive Group, LLC

and /or

(2) the identity of any business entity¹ that would be a party to the discretionary contract:

Reyes Automotive Group, LLC

and the name of:

(A) any individual or business entity that would be a *subcontractor* on the discretionary contract:

N/A

and the name of:

(B) any individual or business entity that is known to be a *partner*, or a *parent* or *subsidiary* business entity, of any individual or business entity who would be a party to the discretionary contract:

Fernando Reyes
Lear Operations Corporation

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract:

None

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an individual or an entity include, but are not limited to, contributions made by the officers, owners, attorneys, or registered lobbyists of the individual or the entity.

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
Fernando Reyes	Julian Castro	\$1000	In past 2 Yrs.
Fernando Reyes	Ron Sagovia	\$500	SAB
Fernando Reyes	Kevin Wolf	\$500	SAB
Fernando Reyes	Carrol Subert	\$1000	SAB
Fernando Reyes	Phil Hardberger	\$1000	SAB

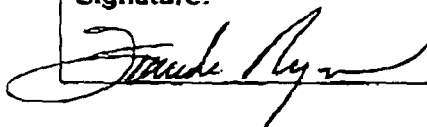
Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), by participating in official action relating to the discretionary contract.

None Known

This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature:



Title: Manager

Company: Reyes Automotive Group, LLC

Date:

June 8, 2005

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio Discretionary Contracts Disclosure

For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract:

Fernando Reyes, Manager - Reyes-Amtex Automotive, LLC

and /or

(2) the identity of any business entity that would be a party to the discretionary contract:

Reyes-Amtex Automotive, LLC

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract:

N/A

and the name of:

(B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract:

Fernando Reyes
Amtex, Inc. (Lear Corporation & Hayashi Telemu)

(3) the identity of any lobbyist or public relations firm employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract:

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

None

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any current or former member of City Council, any candidate for City Council, or to any political action committee that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an individual or an entity include, but are not limited to, contributions made by the officers, owners, attorneys, or registered lobbyists of the individual or the entity.

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
Fernando Reyes	Julian Castro	\$1000	In past 2 Yrs.
Fernando Reyes	Ron Segovia	\$500	SAB
Fernando Reyes	Kevin Wolf	\$500	SAB
Fernando Reyes	Carrol Subert	\$1000	SAB
Fernando Reyes	Phil Hardberger	\$1000	SAB

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), by participating in official action relating to the discretionary contract.

None Known

This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature:

Title: Manager

Date:

Company: Reyes-Amtex
Automotive, LLC

June 8, 2005

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio
Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

** This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.*

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract:

NONE

(2) the identity of any business entity¹ that would be a party to the discretionary contract:

TAKUMI STAMPING TEXAS, INC.

and the name of:

(A) any individual or business entity that would be a subcontractor on the discretionary contract:

NONE

and the name of:

(B) any individual or business entity that is known to be a partner, or a parent or subsidiary business entity, of any individual or business entity who would be a party to the discretionary contract:

TAKAGI MFG. CO. LTD., PACIFIC INDUSTRIES CO. LTD.

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

NONE

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:
NONE

Amount:

Date of Contribution:

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

NONE

Signature:



Title:

PRESIDENT

Company:

TAKUMI STAMPING TEXAS, INC.

Date:

4/19/05

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio

Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.

* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

None

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

Tenneco Automotive, Inc.

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

None

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

None

¹ A business entity means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

- (3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

None

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made: None

Amount:

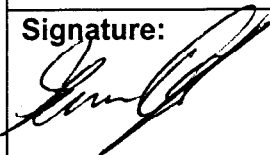
Date of Contribution:

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

None

Signature:



Title: Program Manager- Toyota
Tundra
Company: Tenneco Automotive

Date: April 15, 2005

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio
Discretionary Contracts Disclosure

*For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.*

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

Yukio Ito, President, Toyotetsu, Texas, Inc.

and /or

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

Toyotetsu Texas Inc

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

N/A

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

Toyoda Iron Works Ltd.
Toyotetsu America Inc.

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

None

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an individual or an entity include, but are not limited to, contributions made by the officers, owners, attorneys, or registered lobbyists of the individual or the entity.

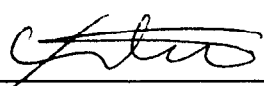
By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
None	None	None	None

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), by participating in official action relating to the discretionary contract.

None Known

This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature: 	Title: President Company: Toyotetsu Texas Inc.	Date: March 17, 2005
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² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

City of San Antonio Discretionary Contracts Disclosure

For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

--

and /or

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

Vutex Inc.

Vutex Inc.

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

--

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

--

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

None

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an individual or an entity include, but are not limited to, contributions made by the officers, owners, attorneys, or registered lobbyists of the individual or the entity.

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:
None			

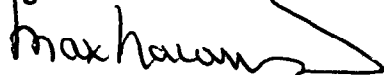
Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), by participating in official action relating to the discretionary contract.

None

This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature:



Title: Chairman & CEO

Company: Vutex Inc.

Date:

3-29-05

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.