

ORDINANCE NO.

AN ORDINANCE AUTHORIZING NEGOTIATION AND EXECUTION OF AN ECONOMIC DEVELOPMENT LOAN AGREEMENT IN AN AMOUNT NOT TO EXCEED \$750,000, WITH LAS MANITAS, INC., FOR REDEVELOPMENT OF PROPERTY LOCATED AT 227 CONGRESS AVENUE, UNDER THE BUSINESS RETENTION AND ENHANCEMENT PROGRAM.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. The Council finds that:

- (A) The City Council adopted the Business Retention and Enhancement Program as an economic development program of the City, to promote local economic development and stimulate commercial activity on Congress Avenue and East 6th Street, including the retention of existing businesses and jobs which are dislocated by redevelopment.
- (B) The current “Las Manitas” restaurant site at 211 Congress Avenue is scheduled to be razed and redeveloped. The proposed economic development loan agreement, generally providing for a loan not to exceed \$750,000 at six percent interest, with the unpaid balance forgivable after five years of operation by Las Manitas if all terms of the agreement have been complied with, will allow the business to relocate to and renovate a nearby location on Congress Avenue, thereby retaining jobs and maintaining economic diversity in the downtown area.
- (C) The proposed economic development loan agreement in Exhibit A to this ordinance meets the guidelines of the City's Business Retention and Enhancement Program, and will advance the City's public purposes of promoting tourism and a diverse mix of ground-level retail on Congress Avenue, stimulating local economic development and contributing to the economic vitality of the downtown area.

PART 2. The City Manager is authorized to negotiate and execute an economic development loan agreement and related documents with Las Manitas, Inc., for redevelopment of property located at 227 Congress Avenue, incorporating the terms and conditions set out in the term letter attached to this ordinance as Exhibit A.

PART 3. This ordinance takes effect on _____, 2007.

PASSED AND APPROVED

_____, 2007 § _____
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Will Wynn
Mayor

APPROVED: _____
David Allan Smith
City Attorney

ATTEST: _____
Shirley A. Gentry
City Clerk