

AN ORDINANCE 2016-10-13-0806

**APPROVING THE AMENDED PROJECT AND FINANCE PLANS FOR
TAX INCREMENT REINVESTMENT ZONE NUMBER THIRTY-ONE
(31), CITY OF SAN ANTONIO, TEXAS KNOWN AS THE MIDTOWN
TIRZ, IN CITY COUNCIL DISTRICTS 1 AND 2.**

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WHEREAS, on December 11, 2008, City Council through Ordinance No. 2008-12-11-1134, designated the Midtown Tax Increment Reinvestment Zone #31, located within City Council Districts 1 and 2; and,

WHEREAS, on December 13, 2012, City Council through Ordinance No. 2012-12-13-1019 approved the Project and Finance Plans for the Midtown TIRZ; and,

WHEREAS, on September 9, 2016, the Midtown TIRZ Board of Directors authorized approval to amend the Project and Finance Plans for TIRZ #31, to include additional projects and updated financial data; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The Amended Project and Finance Plans for the Midtown TIRZ, attached hereto as **Exhibits I and 2**, are hereby approved.

SECTION 2. The City finds the Amended Project and Finance Plans feasible and in compliance with the TIF Act and the City of San Antonio 2015 Tax Increment Financing Program Policy attached hereto as **Exhibit 3**.

SECTION 3. The City authorizes City Staff to take action consistent with terms stated in the attached Amended Project and Finance Plans and the City of San Antonio 2015 Tax Increment Financing Program Policy.

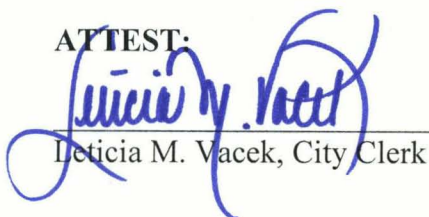
SECTION 4. This Ordinance shall be effective immediate upon passage by eight affirmative votes; otherwise it shall be effective on the tenth day after passage.

PASSED AND APPROVED this 13th day of October, 2016.



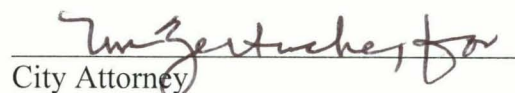
M A Y O R
Ivy R. Taylor

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



City Attorney

Agenda Item:	24 (in consent vote: 4, 5, 6, 7A, 7B, 7C, 8A, 8B, 8C, 8D, 9, 10, 11A, 11B, 12, 14, 15, 16, 20, 22, 23, 24, 25, 26)						
Date:	10/13/2016						
Time:	09:20:49 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance approving the MidTown Tax Increment Reinvestment Zone #31 Amended Project and Finance Plans. [Peter Zaroni, Deputy City Manager; Bridgett White, Director, Planning & Community Development]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor	x					
Roberto C. Treviño	District 1		x				
Alan Warrick	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4	x					
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				x
Joe Krier	District 9		x			x	
Michael Gallagher	District 10		x				

EXHIBIT 1

CITY OF SAN ANTONIO, TEXAS
Department of Planning & Community Development



MidTown

**Tax Increment Reinvestment Zone
Thirty-One**

Project Plan

December 13, 2012

Amended:

September 9, 2016

Executive Summary

The City of San Antonio's MidTown Tax Increment Reinvestment Zone Thirty-One ("TIRZ" or "Zone") was designated on December 11, 2008 through City Council Ordinance 2008-12-11-1134.

On December 13, 2012, City Council authorized the merger of the River North Tax Increment Reinvestment Zone Twenty-Seven (River North TIRZ) into the MidTown TIRZ. This action was completed by dissolving the River North TIRZ and amending the boundaries of the MidTown TIRZ to include all parcels previously captured by the River North TIRZ. In addition to capturing the River North parcels, the boundary was extended to include two separate areas adjacent to the former River North TIRZ, adding a total of 232.25 parcel acres to the MidTown boundary. The MidTown boundary prior to the merger equaled 309.71 parcel acres. The new boundary as approved by City Council is 542.41 parcel acres.

In addition to this action, City Council amended the MidTown designating ordinance and extended the term of the TIRZ by three additional years until September 30, 2031. It also expanded the TIRZ Board of Directors from 11 to 15 members to accommodate the former River North Board Members. Additionally, the MidTown Project and Finance Plans were amended to incorporate previous actions by the River North TIRZ Board and to ensure that the goals and objective of the River North TIRZ were carried forward.

Essential to the combined TIRZ are the River North and MidTown/Brackenridge Master Plans which were created early in the life of each TIRZ. Both of these documents, which have been approved by their respective Boards and adopted by City Council, should be considered an integral part to this TIRZ Project Plan and are the foundation for the combined TIRZ. Much of this Project Plan was derived from both plans with the understanding that both the River North Master Plan and the MidTown/Brackenridge Master Plan deserve proper attribution.

The MidTown zone is located along the San Antonio River immediately north of the central business district and aligns generally along Broadway extending approximately one to two blocks on either side northward to Hildebrand. The boundary also runs north to south along N. St Mary's street to East Mulberry in between the Broadway and St. Mary's extensions, the boundary follows a portion of US Highway 281 on the north including the Pearl redevelopment and a portion of the Tobin Hill neighborhood.

The MidTown area has a number of assets: The Witte Museum; the San

MIDTOWN

Antonio Museum of Art, The Tobin Performing Arts Center (formerly, the San Antonio Performing Arts Center) and Brackenridge Park to name just a few. The area has three main north-south arteries – the San Antonio River, St. Mary’s and Broadway. MidTown is uniquely positioned to be San Antonio’s first re-urbanized district and cultural corridor. The surrounding neighborhoods have been improving for decades with the only remaining hurdles being deteriorating infrastructure and a struggling public education system. North St. Mary’s street has survived for two decades as an entertainment district anchored on the north end with market rate offices, Trinity University and several residential neighborhoods providing housing for a wide range of household incomes including; Monte Vista, River Road, and Tobin Hill. Broadway remains San Antonio’s main street catering to Government Hill, Westfort, and Mahncke Park with a multitude of services and restaurants. The University of the Incarnate Word is one of the main employment centers anchoring the district’s north end. The Pearl Brewery redevelopment, located between Broadway and N. St. Mary’s Streets, transformed its former light industrial character into a unique food and continuing education focused mixed-use development. “The Pearl” joins Broadway to the newly finished museum reach of the San Antonio River.

Additionally, the area has benefited positively from the Base Realignment and Closure Commission’s (BRAC) efforts to consolidate the Defense Departments medical activities at Fort Sam Houston, which is located immediately adjacent to the Mahncke Park and Westfort neighborhoods. On the southern end of the district, the Tobin Center for the Performing Arts, and the Madison Park Neighborhood serve as key focal points connecting the district to downtown. The Madison Park neighborhood, anchored by the Baptist Hospital, continues to be an ideal location for medical related redevelopment projects. As for the Tobin Center, this long awaited renovation turned the former Municipal Auditorium into a modern and acoustically friendly venue that has become an anchor for the arts in San Antonio. Numerous mixed use developments have also adorned portions of Broadway, bringing much needed residential capacity to the TIRZ.

The MidTown area continues to be ripe for redevelopment, with amenities such as the river improvements, proximity to downtown offices, arts and cultural events, and numerous available storefronts. Trends in downtown housing booms have begun to reach San Antonio. The MidTown Tax Increment Reinvestment Zone promises to continue to capitalize on the growing momentum in the area.

San Antonio's vision for MidTown, as articulated through the MidTown-Brackenridge Master Plan, is to be a vibrant series of districts and walk-able neighborhoods that not only leverages adjacent in-town neighborhoods of Mahncke Park, Government Hill, West Fort, Tobin Hill, and River Road, but also builds on Broadway's historic significance as a commercial corridor and a regional gateway into downtown.

The MidTown TIRZ is eligible for the Tax Increment Financing Tool as defined in the City's 2008 TIF Guidelines. Pursuant to the TIF Act, designation of an area as an Enterprise Zone under Chapter 2303, Government Code constitutes designation of the area as a reinvestment zone under the Act.

The MidTown TIRZ is located in City Council Districts 1 and 2 and Bexar County Precincts 2 and 4. At the State level, the TIRZ Boundary is located in House District 120 and 123 and Senate District 26. At the national level the MidTown TIRZ is within the 21st and 35th US Congressional Districts.

The TIRZ can reimburse costs associated with the public improvements in the Zone as outlined in State Statute 311.002(1).

Policy and Program

Policy

The City of San Antonio is dedicated to the revitalization of inner-city neighborhoods and commercial districts by using a tiered system of incentives, one of which is Tax Increment Financing (TIF). The TIF program was established on July 30, 1998 through Ordinance No. 88196. Development projects supported by a Tax Increment Reinvestment Zone (TIRZ) should act as economic stimulus to surrounding areas. By leveraging private investment for certain types of development within a targeted area, TIF can be used to assist in financing needed public improvements and enhancing infrastructure. Taxing entities that collect taxes against the property within a TIRZ have an opportunity to contribute these future tax revenues to a TIRZ fund to reimburse the costs of public improvements in the TIRZ.

Tax Increment Reinvestment Zones Highlights:

- TIF is an incentive tool that local governments can use to finance public improvements and enhance infrastructure within a defined area, called a Tax Increment Reinvestment Zone (TIRZ)
- TIF is governed by the TIF Act found in Chapter 311 of the Texas Tax Code
- The Texas Constitution and the TIF Act specifies that areas to be designated as a TIRZ must be economically distressed, unproductive, underdeveloped, or blighted, and impair the City's growth because of these factors
- Each taxing entity that collects taxes against the property within a TIRZ has an opportunity to contribute future tax revenues to a TIRZ fund to reimburse developers for the cost of public infrastructure improvements in the TIRZ

Program

The TIF Program has evolved since 1998 to ensure that the incentive is used to support the City's Economic Development, Community Development and Urban Design goals. TIF seeks to directly promote recommendations made in the City's Master Plan, CRAG Report, Neighborhood Plans, Community Plans, Corridor and Area Plans, and the Housing Master Plan. In the case of MidTown, Master Plans have been produced to guide development that would capture the inherent and untapped value in this long neglected commercial corridor that links the downtown central business district to Brackenridge Park, Fort Sam Houston and Alamo Heights.

TIF Guidelines

The designation date of a TIRZ determines the applicable Guidelines for that TIRZ. The TIRZ was designated on December 11, 2008. Therefore, it falls under the guidelines adopted on October 16, 2008 through Ordinance No. 2008-10-16-0942. The Guidelines serve as policy direction to City staff and interested parties regarding the Application for Redevelopment, specifically related to Tax Increment Financing, which supports certain types of development in targeted areas of the city. A TIRZ may be designated either through (1) a City-initiated project or (2) by Petition. The MidTown TIRZ is a City-initiated TIRZ.

The TIF Act requires that the City Council establish a reinvestment zone Board of Directors when designating a TIRZ. The TIF Act provides a formula for calculating the number of seats a taxing entity may have based on its anticipated pro rata contributions to the zone fund. Based upon the required calculations for this Reinvestment Zone and the participation levels of the other taxing entities, the MidTown TIRZ Board must consist of at least five but not more than 15 members, and is established pursuant to Section 311.0091 of the Act. Additionally, since this TIRZ is City initiated, the statute requirement for representation from the State Senator and State Representative do not apply. To be eligible for appointment to the TIRZ Board, an individual must either be a qualified voter of the City, or be at least 18 years old and own real property in the zone or be an employee or agent of a person that owns real property in the zone. City appointees are required to comply with all policies related to City Boards and Commissions to the extent there is no conflict with the TIF Act.

Targeted Economic Development

Implementation of the TIF incentive is tailored to the strengths and needs of specific areas of the City. The City has identified target areas where projects may be eligible for TIF with varying participation levels and terms. The City's participation level is outlined in the MidTown Finance Plan and was approved by the TIRZ Board and City Council.

The City may not designate any area as a TIRZ solely for the purpose of encouraging future development in that area, but may do so if development or redevelopment would not occur solely through private investment in the reasonably foreseeable future. All proposed Zones require an economic feasibility study in order to demonstrate the demand, viability, and capacity for the project. This study validated estimated values, adjacent property lease space, and referenced established and on-going neighborhood plans.

Community Investment

The planned investment must contribute to revitalization activities in the community of which the TIRZ is a part. Input of nearby neighborhood residents, businesses, and schools have been considered in the project planning process as have the objectives of numerous plans that have been produced. Plans relevant to MidTown include; the City's Master Plan, the Community Revitalization Action Group (CRAG) recommendations, the Housing Master Plan, the Downtown Neighborhood Plan and the River North Plan. Additionally, the MidTown TIRZ Boundary crosses three River Improvement Overlay (RIO) Districts, RIO 1, RIO 2 and RIO 3.

Design Quality

All projects supported by TIF should add long-term value to the public realm. Thus, projects must be built according to design principles that prioritize the safety and comfort of all public infrastructure users – whether they are walking, jogging, riding or driving. The City's Unified Development Code (UDC) sets out a menu of approaches to help designers and developers meet the program's urban design goals.

In MidTown additional guidelines were developed as part of the MidTown and River North Master Plan. In virtually every instance, the recommendations are intended to develop a:

- Mixed use, mixed income neighborhood of appropriate urban character, scale and density

- Walk-able, bike-able and transit-oriented community
- Lively district of economic, cultural, educational, residential and entertainment destinations
- Mix of new construction, rehabilitation and adaptive reuse that exemplifies quality architecture and sustainable and green building practices
- Model low impact development districts that protect the watershed and celebrate green space

Within these common overall parameters, it is intended that the streets of MidTown provide a rich variety of design and detailing. Additional detail is provided in the MidTown-Brackenridge and River North Master Plans.

Projects must also consider the long-term value of the private improvements supported by TIF. Specifically, the City's Master Plan calls for efforts to facilitate the provisions of choice in housing for special needs populations (Neighborhoods: Policy 4d). Efforts to meet this policy may include ensuring homes are easily adaptable to disabled persons. The City of San Antonio adopted a Universal Design Policy (Ord. No. 95641) on April 18, 2002, requiring that any person receiving financial assistance from city, state, or federal funds administered by the City of San Antonio for the construction of new single family homes, duplexes, or triplexes, shall construct the units in accordance with specific features including an entrance with no steps, wider doorways (2' 8"), lever door handles, lever controls on kitchen and lavatory faucets, and light switches and electrical receptacles within reachable height.

Development within the MidTown TIRZ will be required to comply with the City's Universal Design requirements (UD), located in the City Code, Chapter 6, Article XII. All single family residential, duplex and triplex residential units shall comply with the Universal Design requirements.

City of San Antonio

The City of San Antonio's Department of Planning and Community Development is responsible for the administration of the TIF Program through the TIF Unit. Its roles and responsibilities include, but are not limited to:

- Review, analysis, and plan preparation
- Statutory presentations to Taxing Entities
- TIRZ Board administration
- TIRZ Fund administration
- Coordination and preparation of legal documents including:
 - Development Agreements
 - Interlocal Agreements
 - Memoranda of Understanding
- Processing of reimbursement requests for eligible public improvements
- Ongoing monitoring of construction
- Submitting required reports to the State
- Providing information to City Council, TIRZ Board, and other interested parties

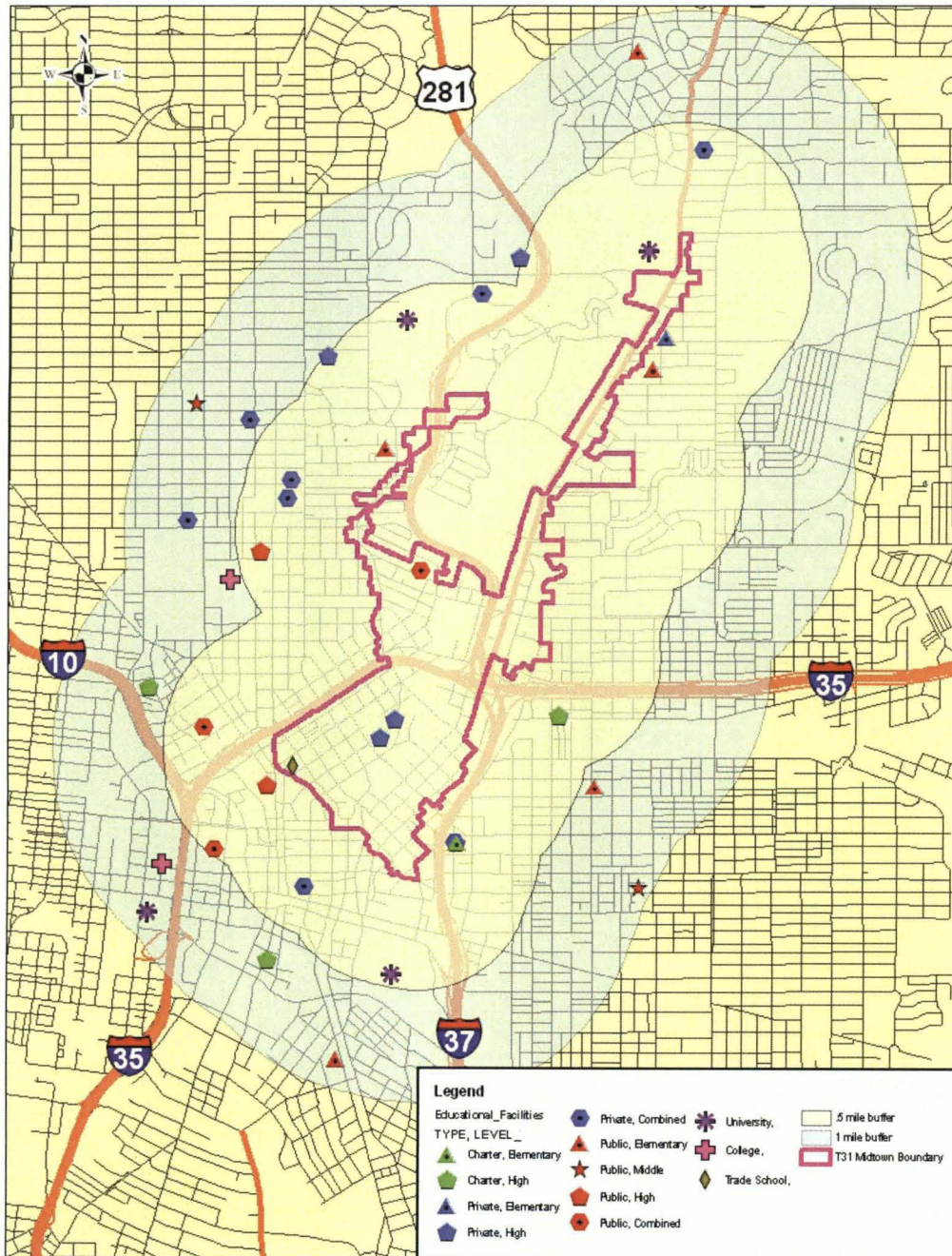
Proposed Changes

At the time of approval of this plan, there are no proposed changes of zoning ordinances, the master plan of the municipality, building codes, other municipal ordinances, and subdivision rules and regulations, if any, of the county, that affect the MidTown TIRZ.

Existing Conditions

Schools and School Districts

- University of the Incarnate Word – 4301 Broadway
- Trinity University – One Trinity Place
- Providence High School - 1215 N Saint Mary's St
- Central Catholic High School - 1403 N St Mary's St
- San Antonio Independent School District (SAISD)



Parks and other amenities

- San Antonio River Museum Reach
- Brackenridge Park
- San Antonio Zoo
- Mahncke Park - 3400 Broadway
- Maverick Park - 1000 Broadway
- Madison Square Park – 400 Lexington Avenue
- Travis Park – 300 E Travis
- Witte Museum – 3801 Broadway
- Pearl – 200 E. Grayson

Ft. Sam Houston

The opportunity exists for the community to partner with the military in order to address BRAC needs, leverage BRAC growth and revitalize the post neighborhoods. One key to this strategy is attracting Federal and State programs and a variety of supply and service businesses, and enabling normal growth in service businesses along connecting corridors. A key to both BRAC business and business growth leveraged from BRAC is the ability to attract, retain, grow and sustain a highly qualified workforce. This, in turn, requires that San Antonio offer an ideal work-place environment, an ideal living environment and linkages between the two. The ideal living environment must include a clean, safe place to live with good schools, available amenities and good connectivity to the variety of cultural, recreational and entertainment resources available in the metropolitan area.

Emergency Services

Due to its Downtown location, the MidTown TIRZ is currently adequately covered by Emergency Services. There are three Fire Stations covering the MidTown Area: Fire Station #4 located at 1430 N St Mary's, Fire Station #1 located at 801 E. Houston St., and Fire Station #5 located at 1011 Mason; each located just outside the TIRZ boundary.

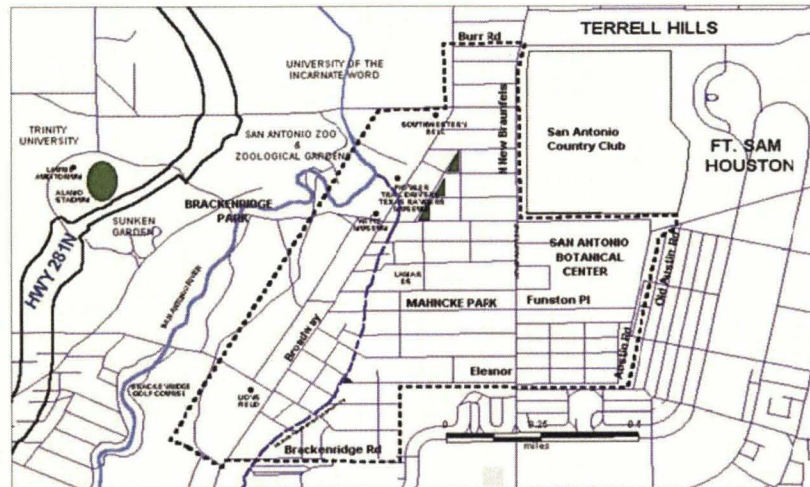
MidTown is covered under the Central Patrol District of the San Antonio Police Department and is approximately one mile from the Central Substation and less than a mile from Police Headquarters. In addition to Fire and Police, there are five hospitals within the boundaries of MidTown including; the Nix Medical Center, the Baptist Medical Center, Metropolitan Methodist Hospital, Santa Rosa Hospital and the Downtown University Health Center.

Neighborhood Plans and Associations

Mahncke Park

The neighborhood's rich urban tapestry dates more than 280 years and was shaped by a historical backdrop of 18th century Spanish pasture lands, a 19th century U.S. military fort, a Catholic college, an expansive park, and public museums. The 445 acre planning area is bound by Burr Road on the north, North New Braunfels and Old Austin Road on the east, Eleanor and Brackenridge Road on the south and Avenue B and Broadway on the west. The area is geographically circumscribed by Fort Sam Houston, Brackenridge Park, the University of the Incarnate Word, the cities of Alamo Heights and Terrell Hills, the San Antonio Country Club, and the San Antonio Botanical Gardens.

Mahncke Park Planning Area



Government Hill

Government Hill is one of six San Antonio suburbs that developed during the “Gilded Age” of the city’s history, from 1890 to 1930. The Government Hill Historic District is located immediately south of Fort Sam Houston and is bounded by E. Grayson Street to the north, North New Braunfels Avenue to the east, IH-35 to the south, and Willow Street to the west. The turn-of-the-century one and two-story commercial structures along North New Braunfels Avenue effectively served as the area’s main street. The history of the Government Hill is integrally linked to that of Fort Sam Houston. Construction of Fort Sam Houston began in 1876, and by the late nineteenth century the surrounding area of Government Hill was home to over 12,000 people.

Tobin Hill

Tobin Hill is the “the window to downtown San Antonio.” In response to downtown growth, in the late 1880s, Tobin Hill became a residential neighborhood for prominent San Antonians who worked in the central downtown business district. While the neighborhood has transitioned into an inner city neighborhood with a varied mix of residential, commercial, office, industrial, and institutional uses, it has retained its identity as one of the first neighborhoods north of the downtown area.

As downtown San Antonio continues to experience redevelopment, opportunities for redevelopment are also alive in Tobin Hill. The Tobin Hill Neighborhood Plan includes goals, recommendations and strategies for this ongoing and future redevelopment. For approximately a year and a half the City of San Antonio partnered with the Tobin Hill Neighborhood Planning Team, comprised of representatives from neighborhood associations, neighborhood business owners, residents, and other neighborhood stakeholders. This partnership examined and analyzed critical trends and issues in the process of identifying projects, programs, and strategies for the enhancement and continued vitality of the Tobin Hill neighborhood.

Westfort Alliance

Westfort is a small, primarily residential neighborhood between the Broadway corridor to the west, and surrounded by Ft. Sam Houston to the east, north and south. The neighborhood is comprised of Cunningham Ave, Brahan Blvd, Post Ave and Army Ave.

Development of the Westfort area began in 1915, as Narcissa Place and Army Terrace. Westfort has a long history of providing housing to the military community at Ft. Sam and to San Antonio residents seeking to live close to downtown.

The Westfort neighborhood is composed of a variety of early 20th century residential styles: Classical Revival, Queen Anne, Craftsman Bungalows, and apartment houses. The residential portion of the Westfort neighborhood is a nice mix of single-family homes and higher density housing. Businesses comprise a small portion of the Westfort neighborhood that faces Broadway.

Downtown Residents Association

The San Antonio Downtown Residents Association (DRA), incorporated in 1982, continually strives to find ways to help improve the quality of life for its downtown residents. Partnering with other civic and community leaders, the DRA plays a vital role in addressing the concerns and needs of residents. The purposes for which the Corporation is organized are to perpetuate the social well-being of the residents living in downtown San Antonio, to preserve, protect and develop the downtown area and to provide a quality environment for living, and enjoying the multi-cultural heritage of downtown San Antonio -- past, present and future

Downtown Alliance

The Downtown Owners Association (DTOA) was established in 1982 by a group of property owners who recognized the need for an organized group to protect their interests in downtown San Antonio. DTOA was a principle partner with the City of San Antonio and VIA in the TriParty Project streetscape improvements, and created a public improvement district to pay for the private property owners' participation in the successful effort. In 1994, the membership restructured the organization, broadening their involvement and the categories of membership to become the Downtown Alliance (DTA). Today, DTA is composed of major property and business owners in the downtown area, and others who also are committed to downtown's revitalization.

The Downtown Alliance works to protect and enhance the values and usage of downtown properties and businesses, making downtown an exciting place to live, work, shop and play.

Downtown Neighborhood Plan

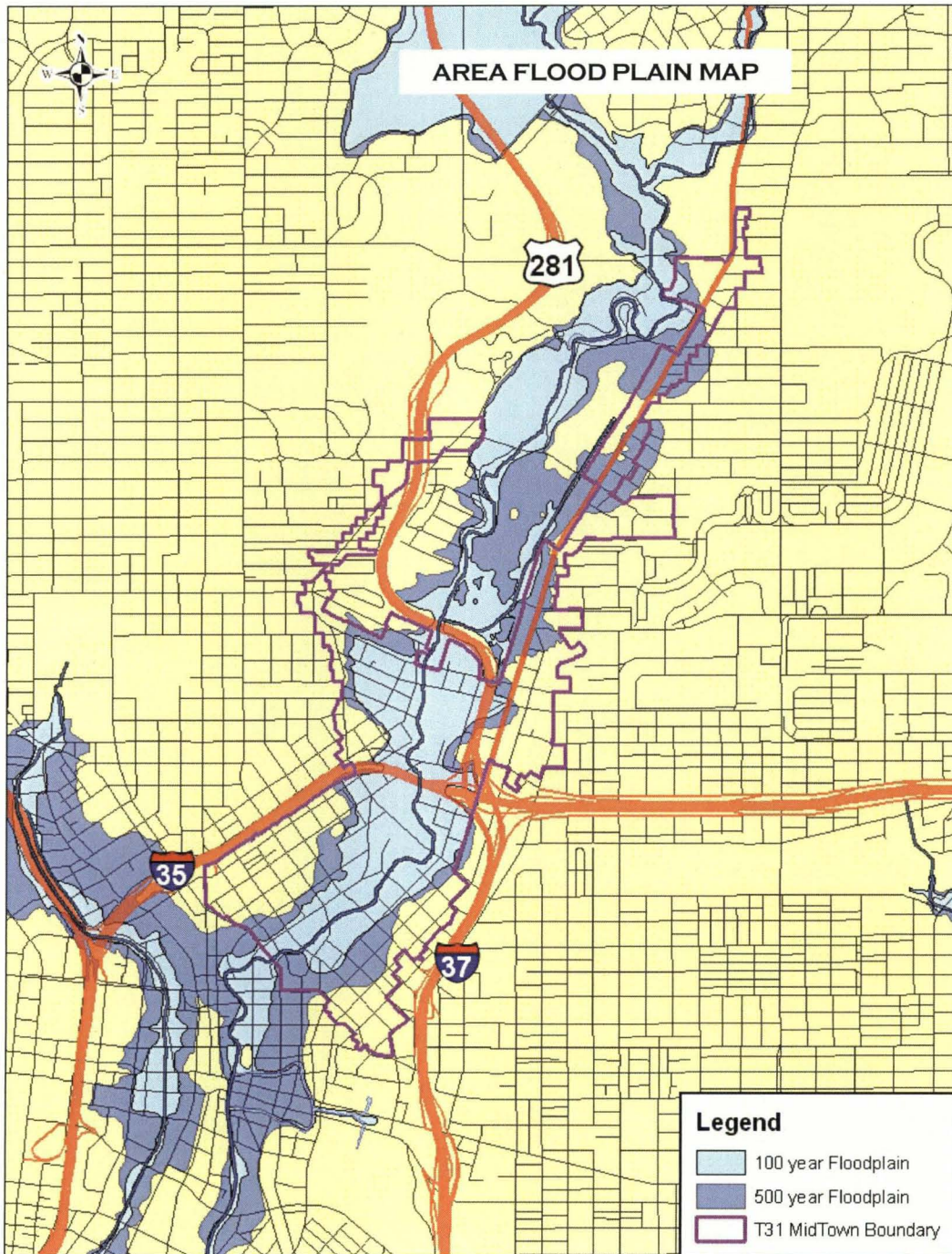
The purpose of the Downtown Neighborhood Plan is to identify proposed land uses, potential housing development areas, transportation systems, economic development initiatives, urban design guidelines, as well as pedestrian and open space connections. In developing the plan, stakeholders and the community participated in a community-based process to identify a vision for downtown.

The Downtown Neighborhood Plan area includes Interstate 35 to the north, Monumental to the east, S. Alamo/Lone Star to the south, and Colorado Street to the west. Each of the original five neighborhood areas were suggested by the Downtown Strategic Plan. On March 13th, 2009, the Downtown Neighborhood Plan was amended by City Council to incorporate the boundaries of five districts; North River Neighborhood; Lower Broadway; Irish Flats; Madison Square / Medical District; and a portion of S. Riverbend, into one district: River North

Relocation of Displaced Persons

It is not anticipated that implementation of the MidTown Project Plan will cause any current residents to be displaced. However, no Agency, Participating Taxing Entity nor Developer will be required to relocate or find housing for any current residents due to their displacement under the plan.

Site Conditions



Flood Plain Area

The MidTown segment along Broadway from the Witte south through Mahncke Park, remains subject to flooding—both from local drainage issues and river flooding. Recent capital improvements and better flood plain mapping have reduced the number of structures in the flood plain, but flooding along Broadway remains a challenge that will

need to be addressed to support future developments. During extended droughts, spring flow is at zero and flow is augmented by reuse water. This area experiences extremes in flow conditions from very dry to significant flooding.

The San Antonio River begins just north of Hildebrand as a spring field with small springs supplying water along the length of the river bed. The MidTown TIRZ is located within the Upper San Antonio River Watershed. Being a developed area, most of the previous flooding has been alleviated through improvements to the River.

Environmental Considerations

No applications will be accepted for a TIF where all or part of the proposed project falls over the Edwards Aquifer Recharge Zone. The MidTown TIRZ is not located over the Edwards Aquifer Recharge Zone. Projects that encourage environmentally sustainable building practices will be scored more favorably on Requests for Proposals.

Historic Use

Lone Star Brewery Historic District

The Old Lone Star Brewery, located in the northwest corner of the MidTown TIRZ boundary, is a complex rather than a single building. Wahrenberger and Beckman, the firm responsible for the complex, are listed as "supervising architects" and their collaboration with the specialists of the Anheiser Busch firm out of St. Louis resulted in a composition embodying function and efficiency, while permitting an attractive architectural expression.

In the early 1970s, the growth of the San Antonio Art Association's fine art collections led the Trustees to consider securing new space for the art collection. Plans were initiated to purchase the historic Lone Star Brewery complex for conversion into the San Antonio Museum of Art. The buildings were acquired in the 1970s. Following a \$7.2 million renovation, the Museum of Art was opened to the public in March, 1981.

Tobin Hill Historic District

Tobin Hill is located just north of I-35, between Huisache to the north, Highway 281 to the east, and San Pedro Avenue to the west. One of the area attractions is the numerous architectural styles which represent the late Victorian era, numerous Craftsman bungalows, and later Colonial Revival and English or Tudor style residences.

Josephine Theatre

The Josephine Theatre is a non-profit community theatre, committed to enhancing San Antonio's cultural horizons by creating opportunities for individuals to enjoy and grow in the excitement of live theatre as patrons, performers, and students. The theatre seats 277 in the auditorium and 100 in the lounge.

River Improvement Overlay

Apart from landmarked historic resources within the MidTown district, the TIRZ Boundary also falls within River Improvement Overlay (RIO) Districts 1, 2 and 3. RIO is a zoning overlay. Its purpose is to establish regulations to protect, preserve, and enhance the San Antonio River and its improvements by establishing design standards and guidelines for properties located near the river. The San Antonio River is a unique and precious natural,

cultural and historic resource that provides a physical connection through San Antonio by linking a variety of neighborhoods, cultural sites, public parks and destinations. The districts cover a total of six geographic areas spanning the river from its northern boundary, near Hildebrand Avenue, to a southern boundary near Mission Espada and the Southern City Limits. The RIO design objectives were developed through an intensive public input process and were adopted as part of the enabling ordinance approved by City Council on February 21, 2002 and amended on March 31, 2011.

RIO-1

Extending from Hildebrand Avenue south to US Highway 281 North, the northernmost of the six (6) RIO districts includes a mix of residential, commercial, and recreational uses.

The design objectives for RIO-1 are:

- To maintain the character of existing residential neighborhoods and redevelop commercial nodes;
- Maintain two (2) separate contexts within its boundaries: 1) residential areas and 2) newly revitalized commercial nodes.
- Allow higher density, multi-family residential and mixed-use buildings.
- Preserve existing neighborhoods.
- Encourage mixed use redevelopment of the urban character along Broadway.
- Allow for neighborhood-oriented business and redevelopment of the area.
- Redevelop Broadway and Avenue B as urban corridors with consistent street edges.
- Maintain scenic open space and natural character of the river, particularly through Brackenridge Park, so that it is in character with its nearby residential neighbors; residents should be able to easily access this open space while maintaining their sense of privacy.

RIO-2

Extending south from US Highway 281 North to Lexington in the northern portion of downtown San Antonio, the area encompassed by RIO-2 includes small single-family residential pockets surrounded by a variety of higher-density and commercial uses.

The design objectives for RIO-2 are:

- Encourage high-density, mixed-use developments as extensions of the downtown core.
- Extend the urban character of downtown, as perceived from the river, throughout "RIO-2" so that it becomes a high density, mixed-use area.
- Create a positive pedestrian experience as perceived at the street edge.
- Encourage neighborhood and cultural tourism oriented uses as well as those that provide additional housing for downtown workers.
- Enhance the pedestrian experience with high quality streetscape designs and links to the public Riverwalk.
- Emphasize the street edge to enhance the pedestrian experience through continuous building walls and well-designed streetscape.
- Link the public Riverwalk with street edges to maintain adequate pedestrian circulation and views of both the street and the river.
- Maximize usable open space to provide opportunities for passive recreation and community gathering.
- Enhance the pedestrian experience with high-quality building designs that include balconies facing the river and primary entrances facing the street.
- Design buildings to maintain the human scale of the environment.

- Ensure adequate solar access.
- Use varied materials and forms, including balconies, to provide visual interest.
- Orient primary building entrances toward the street, but buildings should also have entrances facing the river, which are subordinate in character and scale to street entrances.

RIO-3

Extending from Lexington south to West Durango Boulevard, RIO-3 includes the traditional Riverwalk “horseshoe” that still maintains many of the original features designed by architect Robert H. H. Hugman.

The design objectives for RIO-3 are:

- The historic work of Robert Hugman, CCC and WPA construction work, Ethel Harris tile work, and work of the National Youth Administration shall be respected and preserved in all construction efforts. Adherence to the intent and spirit of those plans is essential in all construction.
- Traditional, formal street level design precedents shall be respected, but at the river level, the more informal, handcrafted style shall be maintained.
- The integrity of historic properties shall be preserved as provided for in Section 35-610. Historic differences between street level designs and river level designs shall be respected.
- The traditional design context of the area shall be respected at two levels: the broader downtown context and the immediate block as it faces the river.
- In new buildings that have more than one (1) façade, such as those that face the street and the river, the commission shall consider visual compatibility with respect to each important façade.
- The microclimate of the river walk level shall be maintained and, during construction, shall be given extra protection. Downtown Operations staff will be consulted to provide specific instructions for construction procedures.
- Over-crowding of plant life or altering levels of light and water along the river shall not be permitted.
- Enhance the pedestrian experience with high-quality building designs that include balconies facing the river and the primary entrance facing the street.
- Ensure adequate solar access on the Riverwalk.

Project Information

Master Plans

River North

In May of 2008, City Council authorized the creation of the River North Planning team which, in cooperation with the Downtown Alliance, hired nationally recognized city planners Moule & Polyzoides to develop the River North Master Plan. The creation of the Master Plan culminated in the comprehensive rezoning of the River North Master Plan Area into a form based zoning district.

The purpose of the River North Master Plan is to define a clear vision and policy direction for the future of River North and to define a clear path to achieving that vision. A Master Plan is conceptual in nature and is utilized by stakeholders as a guide to inform the

decision-making process. The strategy for fulfilling the Plan purpose consists of four main elements: the planning process; the future vision for River North and an implementation strategy. The fourth component of the overall strategy is aimed at enabling private investment through the preparation of a code that implements the Master Plan. This fourth strategy was realized in the comprehensive rezoning of the River North Master Plan Area.

MidTown

In May of 2009, the MidTown TIRZ Board and the City entered into a Memorandum of Understanding (MOU) with the San Antonio River Authority to facilitate the creation of the MidTown Brackenridge Master Plan. The TIRZ Board through a Request for Qualifications process selected a planning team made up of Gateway Planning and Alamo Architects. The plan was created through a public process and the resulting document was adopted by City Council in October of 2011.

The Gateway Planning and Alamo Architects Team developed the Master Plan for MidTown Brackenridge as a vision for the sustained vitality of the Cultural Corridor of San Antonio. The Master Plan represents a more dynamic approach to planning. It is not just a vision document reflecting community input and professional planning expertise; it also fundamentally provides a critical path for the reinvention of MidTown Brackenridge as a model for redevelopment in the Central City of San Antonio.

Other Economic Development Tools in Use

Chapter 380 of the Local Government Code

380 Economic Development Grant and Loan Agreements, are authorized under Chapter 380 of the Local Government Code. Under the statute, "the governing body of a municipality may establish and provide for the administration of one or more programs, including programs for making loans and grants of public money and providing personnel and services of the municipality, to promote state or local economic development and to stimulate business and commercial activity in the municipality."

This statute has enabled the TIRZ and the City to provide incentives to many of the following economic development projects by promising the repayment of future tax revenue generated by the projects over a set period of time, typically fifteen years. By using this tool, the TIRZ board is able to incentivize projects with the future tax increment generated by those projects.

Center City Housing Incentive Policy (CCHIP)

On June 21st, 2012, City Council adopted the Center City Housing Incentive Policy which provides greater incentives to housing projects within the targeted growth areas identified in the Downtown Strategic Framework Plan and prioritizes the urban core. The Policy established an as-of-right housing incentive system for housing in the Center City. It was re-evaluated for extension after four (4) years with changes approved by City Council on June 16, 2016. The revised policy expires June 30, 2018.

A key component of the CCHIP provides Real Property Tax Reimbursement Grants to multi-family rental or for sale projects within the area. The City's real property tax increment generated as a result of the Project is the funding source of the Grant. The

Grant will be disbursed over a 10 or 15 year period which is determined by the location of the Project or the type of project.

The original CCHIP was approved by the River North TIRZ Board of Directors on June 15, 2012 and by the MidTown TIRZ Board of Directors on June 19, 2012. The current version is approved by the MidTown TIRZ Board on September 9, 2016.

Estimated Non-Project Costs

Annual Administrative Fees are the only estimated Non-Project Costs identified for the MidTown TIRZ.

Projects Approved by the TIRZ Board for Funding

Project Name	Funding Amount	Funding Type	Termination Date
120 9 th Street	\$3,152,177.00	Tax Reimbursement *	12-31-2031
1221 Broadway	\$1,937,691.00	Fixed Payment	12-31-2021
1800 Broadway	\$2,045,778.00	Tax Reimbursement	12-31-2029
203 E. Jones	\$407,736.56	Tax Reimbursement	12-31-2031
Alamo Manhattan	\$3,267,065.00	Tax Reimbursement *	9-30-2032
Bakery Offices Ltd.	\$1,511,060.00	Tax Reimbursement	12-31-2028
Brackenridge Gar.	\$2,697,075.67	Debt Repayment	12-31-2028
Brackenridge Garden (840 Mulberry)	\$537,339.00	Tax Reimbursement *	12-31-2031
Brackenridge Hill	\$2,211,645.00	Tax Reimbursement	12-31-2029
Broadway Design	TBD	Direct Reimbursement	TBD
Broadway Underpass	\$250,000.00	Direct Reimbursement	TBD
Can Plant	\$1,996,635.00	Tax Reimbursement	12-31-2028
Casa Blanca Lofts	\$234,970.00	Tax Reimbursement *	8-1-2027
The Cellars	\$3,285,170.00	Tax Reimbursement *	12-31-2030
DPCD Labor	\$40,000.00	Direct Reimbursement	Completed
E. Quincy Twnhmes	\$640,390.00	Tax Reimbursement *	6-7-2028
Maverick Dog Park	\$50,000.00	Direct Reimbursement	9-30-2031
MidTown Master Plan	\$309,104.11	Direct Reimbursement	Completed

Mosaic	\$1,357,656.00	Tax Reimbursement	12-31-2028
Museum Townhomes	\$139,488.00	Tax Reimbursement *	12-31-2026
Paradigm Hotel	\$997,743.00	Tax Reimbursement	5-17-2024
Parklid at Pearl	\$114,238.00	Tax Reimbursement *	12-31-2030
Pearl Parkway N&S	\$2,918,450.00	Tax Reimbursement	12-31-2028
Phillips Law Offices	\$520,548.00	Tax Reimbursement	9-30-2031
River North Multi	\$2,429,515.00	Tax Reimbursement	9-30-2031
SOJO	\$167,893.00	Tax Reimbursement *	4-10-2028
SOJO Crossing	\$812,429.00	Tax Reimbursement *	12-31-2030
Traffic Study	\$13,100.00	Direct Reimbursement	Completed
Westfort Urban Villas	\$263,178.00	Tax Reimbursement *	12-31-2033

Note: * Denotes a CCHIP Project.

Financial Information

The City and TIRZ Board may enter into development agreements with various entities that will participate in the development of the MidTown TIRZ. Developers will be required to demonstrate experience in the construction of major projects, financial capability, and must provide performance and payment bonds in connection with public infrastructure improvements associated with the development projects.

Order or Priority of Payment

Revenues derived from the TIRZ will be used to pay costs in the following order of priority of payment:

- a. To pay interest and principal should the City issue any debt instrument such as bonds, notes, certificates of obligation or other public debt to cover Project Costs directly or indirectly related to any non-City Public Infrastructure improvements within the Zone;
- b. To pay all ongoing Administrative Costs to the City for administering the TIF Fund and/or the Zone, per Ordinance 2016-04-07-0245;
- c. To reimburse the City for costs of the repair, replacement, or re-construction of Public Infrastructure and associated costs;
- d. To reimburse the City under any reclaim of funds pursuant to an applicable development agreement;
- e. To reimburse Developers for Public Improvements, as provided in the applicable Agreements and in the Project Plan to the extent that funds in the TIF Fund are available for this purpose.

For specific requirements for any project within the TIRZ refer to the legal documents applicable to the project in concern. No reimbursements will be paid from the TIF Fund to any party of a Development Agreement for its financial or legal services in any dispute arising under that Development Agreement.

EXHIBIT 2

CITY OF SAN ANTONIO, TEXAS



**MidTown
Tax Increment Reinvestment Zone Number Thirty-one
Finance Plan**

Participation Level of City (100%)

Approved: December 11, 2008

Amended: December 13, 2012

Amended: September 9, 2016

MidTown Tax Increment Reinvestment Zone #31 Finance Plan

Introduction

The City of San Antonio's MidTown Tax Increment Reinvestment Zone Thirty-One ("TIRZ" or "Zone") was designated on December 11, 2008 through City Council Ordinance 2008-12-11-1134.

On December 13, 2012, City Council authorized the merger of the River North Tax Increment Reinvestment Zone Twenty-Seven (River North TIRZ) into the MidTown TIRZ. This action was completed by dissolving the River North TIRZ and amending the boundaries of the MidTown TIRZ to include all parcels previously captured by the River North TIRZ.

In addition, City Council also amended the MidTown TIRZ designation Ordinance to extend the term of the TIRZ by three additional years to September 30, 2031; and increased the participation rate of the City from 90% to 100%. Additionally, the MidTown Project and Finance Plans were amended to incorporate previous actions by the River North TIRZ Board and to assume the obligations of that TIRZ.

Chapter 380 Economic Development Grant (CH380) Agreement(s) and Center City Housing Incentive Policy (CCHIP) Agreement(s)

The City has entered into twelve (12) CH380 Agreement and eleven (11) CCHIP Agreements for the benefit of the TIRZ, which will be paid exclusively from the City's tax increment applicable to the TIRZ.

Eligible Expenses

This TIRZ can reimburse eligible expenses in accordance with the Tax Increment Financing Act, which are outlined in the Project Plan. The MidTown TIRZ revenues may be allocated to projects as directed by the MidTown TIRZ Board of Directors.

Finance Plan

The tax year 2008 appraisal value of the MidTown TIRZ was \$220,027,666. Captured taxable values have been taxed to produce revenues to pay for the capital costs of the eligible expenses, commencing in tax year 2009 (fiscal year 2010). Captured taxable values were \$19,807,452 in tax year 2009 and are projected to reach \$1,214,538,678 in tax year 2030.

The City of San Antonio is the only participating taxing entity, and the City's current participation is at 100% of the tax rate \$0.558270 in tax year 2015. Annual revenues were \$100,243.90 in tax year 2009 and are projected to grow to \$6,644,796.98 in tax year 2030. A 3.25% growth factor after build out is assumed.

Revenues derived from the TIRZ will be used to pay costs in the following order of priority of payment:

- (i) To pay interest and principal should the City issue any debt instrument such as bonds, notes, certificates of obligation or other public debt to cover Project Costs directly or indirectly related to any non-City Public Infrastructure improvements within the Zone;
- (ii) To pay all ongoing Administrative Costs to the City for administering the TIF Fund and/or the Zone;
- (iii) To reimburse the City for costs of the repair, replacement, or re-construction of Public Infrastructure and associated costs;
- (iv) To reimburse the City under any reclaim of funds pursuant to an applicable development agreement;
- (v) To reimburse Developers for Public Improvements, as provided in the applicable Agreements and in the Project Plan to the extent that funds in the TIF Fund are available for this purpose.

For specific requirements for any project within the TIRZ refer to the legal documents applicable to the project in concern. No reimbursements will be paid from the TIF Fund to any party of a Development Agreement for its financial or legal services in any dispute arising under that Development Agreement.

TABLE – MidTown TIRZ Maximum Contributions		
Participating Taxing Entities	Maximum Dollar Contribution*	Maximum Length of Contribution
City of San Antonio	N/A	September 30, 2031
Total Contribution to TIRZ Fund	N/A	

* MidTown TIRZ is a City Initiated TIRZ and has no Maximum Dollar Contribution.

Limited Obligation of the City or Participating Taxing Entities

The City shall have a limited obligation to impose and collect taxes, and deposit such tax receipts into the MidTown TIRZ fund so long as the project is viable and capital costs incurred by the City and/or a developer (if any) have not been fully paid. The MidTown TIRZ collections for this project shall not extend beyond September 30, 2031.

Any costs incurred by a Developer (if any) are not and shall never in any event become general obligations or debt of the City. The public improvement infrastructure costs incurred by a developer shall be paid solely from the MidTown TIRZ revenues and shall never constitute a debt, indebtedness or a pledge of the faith and credit or taxing power of the State, the City, any political corporation, subdivision, or agency of the State.

MidTown
Tax Increment Reinvestment Zone #31
Summary Fact Sheet

	Amended Finance Plan - 2012		Amended Finance Plan - 2016	
Site Area	750.00	Acres	542.41	Parcel Acres
Beginning Assessed Value (Tax Year 2008)	\$ 240,748,586		\$ 220,027,666	
<u>Projects</u>	<u>Year</u>	<u>Category</u>	<u>Year</u>	<u>Category</u>
Witte Museum/Brackenridge Parking Facility ¹ 1221 Broadway	2009	Parking	2009	Parking
			2011	Rental Apartments
				Retail/Restaurant
				Office Space
				Parking
ButterKrust Redevelopment	2012	Office Space	2012	Office Space
Pearl Parkway - North and South	2012	Rental Apartments	2012	Rental Apartments
		Retail/Restaurant		Retail/Restaurant
		Office space		Office space
Rio Perla - Can Plant	2012	Rental Apartments	2013	Rental Apartments
Mosaic	2012	Rental Apartments	2013	Rental Apartments
		Retail/Restaurant		Retail/Restaurant
1800 Broadway	2013	Rental Apartments	2013	Rental Apartments
Phipps Law Offices	2013	Office Space	2013	Office Space
Embarcadero (Paradigm Hotel)	2013	Hotel	2013	Hotel
203 E. Jones	2014	Office Space	2014	Office Space
Casa Blanca Lofts			2014	Condos
River North Multi-Family	2014	Rental Apartments	2015	Rental Apartments
Brackenridge Hill			2015	Rental Apartments
South of Josephine (302 Josephine)			2015	Rental Apartments
				Office Space
East Quincy Townhomes			2015	Townhomes
Cellars at Pearl			2016	Rental Apartments
				Retail/Restaurant
Maverick Dog Park			2016	Park
135/281 - Broadway Underpass Project			2016	Greenbelt
				Parking
Parklid at the Pearl			2016	Rental House
Townhomes at the Witte			2016	Single Family
Brackenridge Gardens (840 E. Mulberry)			2017	Rental House
120 Ninth Street			2017	Rental House
				Parking
SOJO Crossing (818 E. Myrtle)			2017	Single Family
Alamo Manhattan			2017	Rental House
				Retail/Restaurant
Westfort Villas (151 Cunningham)			2017	Single Family
<u>Assumptions</u>				
Captured Value	\$ 760,497,875		\$ 1,214,538,678	
Assessed Value Growth Factor ²	2.00%		3.25%	
Participation Level ³	100.00%		100.00%	
Collection Rate	97.50%		98.00%	
Estimated Total Tax Increment Revenues	\$ 62,283,448		\$ 77,205,768	
Estimated TIF Life (Years) ³	22.80		22.80	
	(12/11/2008-09/30/2031)		(12/11/2008-09/30/2031)	

¹ The Witte Museum/Brackenridge Parking Facility is located outside the boundaries of the TIRZ, therefore it does not affect new value.

² Approved fiscal year (hereafter, "FY") 2012 Amended Final Project Plan assumed a 2% growth factor. This FY 2016 Update Finance Plan adapted a 3.25% growth factor.

³ Ordinance No. 2012-12-13-1021 increased the participation level from 90% to 100% and extended TIRZ term date to September 30, 2031.

MidTown
Tax Increment Reinvestment Zone #31
Sources and Uses

Sources of Funds		
Tax Increment Revenues	\$	77,205,768.07
Interest Earned in TIF Fund		15,746.79
Transfer from River North Fund		8,142.58
Less: Transfer Out to River North TIRZ		(379.21)
Total Sources of Funds	\$	77,229,278.23
Uses of Funds		
<i>Finished Closed Paid-off Projects:</i>		
San Antonio River Authority Reimbursement Master Plan	\$	309,104.11
Broadway Traffic Study - Centro San Antonio ¹		40,000.00
		13,100.00
<i>Ongoing Not Paid-off Projects:</i>		
CH380 / 1221 Broadway ²		968,845.50
CH380 / Can Plant Apartments ³		1,996,635.00
CH380 / ButterKrust Bakery ³		1,511,060.00
CH380 / Mosaic ³		1,357,656.00
CH380 / 1800 Broadway ³		2,045,778.00
CH380 / Pearl Parkway – North & South ³		2,918,450.00
CH380 / Phipps Law Firm ³		520,548.00
CH380 / River North Multi-Family ³		2,429,515.00
CH380 / Embarcadero (Paradigm Hotel) ³		997,743.00
CH380 / 203 E. Jones ³		407,736.56
CH380 / Brack Hill ³		2,211,645.00
CCHIP / Casa Blanca Lofts ³		234,970.00
CCHIP / South of Josephine @ 302 Josephine ⁴		167,893.00
CCHIP / East Quincy Townhomes ⁴		640,390.00
CCHIP / Cellars at Pearl ⁴		3,285,170.00
CCHIP / Parklid at the Pearl ⁴		114,238.00
CCHIP / Townhomes at the Witte ⁴		139,488.00
CCHIP / Brackenridge Gardens @ 840 E. Mulberry ⁴		537,339.00
CCHIP / 120 Ninth Street ⁴		3,152,177.00
CCHIP / SOJO Crossing @ 818 E. Myrtle ⁴		812,429.00
CCHIP / Alamo Manhattan @ 111 W Jones ^{4,5}		3,267,065.00
CCHIP / Westfort Villas @ 151 Cunningham ^{4,5}		263,178.00
CH380 / Maverick Dog Park		50,000.00
IH35/281 Project		250,000.00
Available for other eligible expenses		42,071,513.97
Total Project Expenses	\$	72,713,667.13
Less: Amount Owed on Agreements After TIRZ Termination ⁵		(235,349.58)
Total Project Expenses	\$	72,478,317.55
Total Startup & Admin Fees	\$	2,228,029.31
Total Amendment Fees	\$	50,000.00
Total Debt Service (Witte Museum/Brackenridge Parking)⁶	\$	2,473,608.91
Less: Additional Transfer to Debt Service ⁷	\$	(677.54)
Total Ending TIF Fund Balance	\$	0.00

¹ Ordinance 2016-06-02-0407 authorized the execution of a Reimbursement Agreement with Centro for the project for an amount not to exceed \$18,000.00. Centro San Antonio submitted an invoice of \$13,100 for the complete cost.

² The 1221 Broadway project was included to MidTown TIRZ in FY13 by the Ordinance #2012-12-13-1020. The agreement stated an annual payment of \$193,769.10 from FY 2012 to FY 2021. FY 2012 to FY 2015 payments were paid by the City's General Fund, and FY 2016 payment was paid by the City's Economic Development Fund.

³ A maximum cumulative payment was stated in each agreement.

⁴ An approximate, but not limited to, cumulative payment was stated in each agreement.

⁵ A term date beyond the TIRZ expiration date in each following agreement

CCHIP / Alamo Manhattan @ 111 W Jones \$ 217,804.38

CCHIP / Westfort Villas @ 151 Cunningham \$ 17,545.20

⁶ After FY 2016 Refunding, Witte Museum/Brackenridge Parking debt service changed from \$2,697,075.67 to \$2,473,608.91.

⁷ \$677.54 was transferred to debt service in FY 2015 that reduced the required debt service transfers from the MidTown TIRZ fund.

MidTown
Tax Increment Reinvestment Zone #31
Revenues

Tax Year	Tax Increment Zone					City of San Antonio ¹					
	Beginning Assessed Value	New Value	Amended ² Assessed Value	Appraisal Growth	Year-End Assessed Value	Tax Exemptions	Year-End Taxable Value	Total ² Base Taxable Value	Captured Taxable Value	Tax Rate Contribution	Actual Tax Increment
2008	220,027,666.00	-	-	-	220,027,666.00	(43,130,333.00)	176,897,333.00	176,897,333.00	-	0.510426	
2009	220,027,666.00	21,536,352.00	52,366,117.00	(915,589.00)	293,014,546.00	(44,067,984.00)	248,946,562.00	229,139,110.00	19,807,452.00	0.509121	100
2010	293,014,546.00	39,865,770.00	-	(1,651,221.00)	331,229,095.00	(42,632,578.00)	288,596,517.00	229,139,110.00	59,457,407.00	0.509121	301
2011	331,229,095.00	17,180,610.00	21,226,300.00	(3,795,599.00)	365,840,406.00	(61,285,752.00)	304,554,654.00	229,644,490.00	74,910,164.00	0.509121	378
2012	365,840,406.00	28,838,500.00	386,676,699.00	(32,252,298.00)	749,103,307.00	(150,957,816.00)	598,145,491.00	532,928,251.00	65,217,240.00	0.509121	400
2013	749,103,307.00	89,145,478.00	-	(80,726,470.00)	757,522,315.00	(147,542,840.00)	609,979,475.00	533,261,462.00	76,718,013.00	0.565690	286
2014	757,522,315.00	43,618,780.00	-	150,771,297.00	951,912,392.00	(157,194,969.00)	794,717,423.00	533,261,462.00	261,455,961.00	0.565690	1,378
2015	951,912,392.00	75,523,012.00	-	168,430,847.00	1,195,866,251.00	(154,909,664.00)	1,040,956,587.00	533,261,462.00	507,695,125.00	0.558270	2,810
2016	1,195,866,251.00	4,170,000.00	-	38,865,653.00	1,238,901,904.00	(204,171,034.00)	1,034,730,870.00	533,261,462.00	501,469,408.00	0.558270	
2017	1,238,901,904.00	101,632,899.00	-	40,264,312.00	1,380,799,115.00	(227,555,694.00)	1,153,243,421.00	533,261,462.00	619,981,959.00	0.558270	
2018	1,380,799,115.00	-	-	44,875,971.00	1,425,675,086.00	(234,951,254.00)	1,190,723,832.00	533,261,462.00	657,462,370.00	0.558270	
2019	1,425,675,086.00	-	-	46,334,440.00	1,472,009,526.00	(242,587,170.00)	1,229,422,356.00	533,261,462.00	696,160,894.00	0.558270	
2020	1,472,009,526.00	-	-	47,840,310.00	1,519,849,836.00	(250,471,253.00)	1,269,378,583.00	533,261,462.00	736,117,121.00	0.558270	
2021	1,519,849,836.00	-	-	49,395,120.00	1,569,244,956.00	(258,611,569.00)	1,310,633,387.00	533,261,462.00	777,371,925.00	0.558270	
2022	1,569,244,956.00	-	-	51,000,461.00	1,620,245,417.00	(267,016,445.00)	1,353,228,972.00	533,261,462.00	819,967,510.00	0.558270	
2023	1,620,245,417.00	-	-	52,657,976.00	1,672,903,393.00	(275,694,479.00)	1,397,208,914.00	533,261,462.00	863,947,452.00	0.558270	
2024	1,672,903,393.00	-	-	54,369,360.00	1,727,272,753.00	(284,654,550.00)	1,442,618,203.00	533,261,462.00	909,356,741.00	0.558270	
2025	1,727,272,753.00	-	-	56,136,364.00	1,783,409,117.00	(293,905,822.00)	1,489,503,295.00	533,261,462.00	956,241,833.00	0.558270	
2026	1,783,409,117.00	-	-	57,960,796.00	1,841,369,913.00	(303,457,762.00)	1,537,912,151.00	533,261,462.00	1,004,650,689.00	0.558270	
2027	1,841,369,913.00	-	-	59,844,522.00	1,901,214,435.00	(313,320,139.00)	1,587,894,296.00	533,261,462.00	1,054,632,834.00	0.558270	
2028	1,901,214,435.00	-	-	61,789,469.00	1,963,003,904.00	(323,503,043.00)	1,639,500,861.00	533,261,462.00	1,106,239,399.00	0.558270	
2029	1,963,003,904.00	-	-	63,797,627.00	2,026,801,531.00	(334,016,892.00)	1,692,784,639.00	533,261,462.00	1,159,523,177.00	0.558270	
2030	2,026,801,531.00	-	-	65,871,050.00	2,092,672,581.00	(344,872,441.00)	1,747,800,140.00	533,261,462.00	1,214,538,678.00	0.558270	5,657
	\$ 421,511,401.00										
<u>Existing Value Growth Factors</u>						<u>Participation Level³</u>					
Base Model Growth Factor					3.25%	Tax Rate Growth Factor					
Growth Factor Above Base					0.00%	Tax Rate Collection Factor					
Combined Growth Rate					3.25%						

¹ Ordinance No. 2012-12-13-1021 extended the term of the MidTown TIRZ to September 30, 2031 and increased the City's maximum participation rate to 100% of the tax increment to align with that of the former River North TIRZ.

² "Amended Assessed Value" added and "Base Taxable Value" changed due to Boundaries amendments and the inclusion of River North parcels.

³ Participation level for MidTown for FY 2009 – FY 2012 was at 90% of the total Tax Rate. Ordinance No. 2012-12-13-1021 increased the participation level from 90% to 100%.

**MidTown
Tax Increment Reinvestment Zone #31
Reimbursements**

Tax	Actual	Projected	Cumulative		Actual	Projected	Transfer In/(Out)	Actual	Projected	Actual	Projected
Year	Tax Increments		Tax Increments	TIF Fund	Interest Earned		from River North	Witte Museum/Brackenridge Parking		Administrative	
Ending	Revenues		Revenues	Interest Rate	in TIF Fund		TIRZ ¹	Debt Service ²		Expenses ³	
2008	\$ -	\$ -	\$ -	1.4135%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2009	100,243.90	-	100,243.90	0.3922%	45.20	-	-	-	-	-	-
2010	301,390.51	-	401,634.41	0.2696%	690.58	-	-	-	-	-	-
2011	378,902.62	-	780,537.03	0.2086%	1,785.73	-	-	-	-	-	-
2012	400,990.64	-	1,181,527.67	0.1838%	3,603.95	-	8,142.58	-	-	(208,039.31)	-
2013	286,869.62	-	1,468,397.29	0.1558%	2,922.05	-	(379.21)	(337,129.96)	-	(49,990.00)	-
2014	1,378,549.46	-	2,846,946.75	0.1532%	1,565.71	-	-	(168,564.98)	-	(50,000.00)	-
2015	2,810,330.99	-	5,657,277.74	0.4571%	4,155.84	977.73	-	(168,564.98)	(417,083.95)	(120,000.00)	-
2016	-	2,743,562.20	8,400,839.94	0.6875%	-	-	-	-	(125,537.50)	-	(120,000.00)
2017	-	3,391,949.82	11,792,789.76	1.6250%	-	-	-	-	(197,050.00)	-	(120,000.00)
2018	-	3,597,006.87	15,389,796.63	2.6250%	-	-	-	-	(111,750.00)	-	(120,000.00)
2019	-	3,808,728.27	19,198,524.90	3.4375%	-	-	-	-	(118,250.00)	-	(120,000.00)
2020	-	4,027,330.63	23,225,855.53	3.5000%	-	-	-	-	(119,250.00)	-	(120,000.00)
2021	-	4,253,037.56	27,478,893.09	3.5000%	-	-	-	-	(120,000.00)	-	(120,000.00)
2022	-	4,486,079.97	31,964,973.06	3.5000%	-	-	-	-	(115,500.00)	-	(120,000.00)
2023	-	4,726,696.25	36,691,669.31	3.5000%	-	-	-	-	(116,000.00)	-	(120,000.00)
2024	-	4,975,132.56	41,666,801.87	3.5000%	-	-	-	-	(116,250.00)	-	(120,000.00)
2025	-	5,231,643.06	46,898,444.93	3.5000%	-	-	-	-	(121,250.00)	-	(120,000.00)
2026	-	5,496,490.13	52,394,935.06	3.5000%	-	-	-	-	(120,750.00)	-	(120,000.00)
2027	-	5,769,944.75	58,164,879.81	3.5000%	-	-	-	-	-	-	(120,000.00)
2028	-	6,052,286.64	64,217,166.45	3.5000%	-	-	-	-	-	-	(120,000.00)
2029	-	6,343,804.64	70,560,971.09	3.5000%	-	-	-	-	-	-	(120,000.00)
2030	-	6,644,796.98	77,205,768.07	3.5000%	-	-	-	-	-	-	(120,000.00)
	\$ 5,657,277.74	\$ 71,548,490.33			\$ 14,769.06	\$ 977.73	\$ 7,763.37	\$ (674,259.92)	\$ (1,798,671.45)	\$ (428,029.31)	\$ (1,800,000.00)

¹ Ordinance No. 2012-12-13-1018 terminated the River North TIRZ.

² Ordinance No. 2008-08-07-0656 authorized an amendment to the Funding Agreement with the San Antonio Museum Association, d/b/a The Witte Museum for the construction of a Brackenridge Park parking facility. After FY 2016 Refunding, Witte Museum/Brackenridge Parking debt service changed from \$2,697,075.67 to \$2,473,608.91.

FY 2014 and FY 2015 debt service transfers were based on an average annual amount of \$168,564.98 which was stated in the Amended Finance Plan dated December 13, 2012.

FY 2016 total transfers include catch-up for the prior years and the February 2017 debt service due to the timing of TIF revenue, the same method will be applied to the following years.

FY 2017 to FY 2028 projected debt service transfers are based on FY 2016 refinancing debt service payments schedule.

\$677.54 was transferred to debt service in FY 2015 that reduced the required debt service transfers from the MidTown TIRZ fund.

³ Startup Costs were \$75,000, and Admin Fees for FY2010 thru FY2015 were based on Amended Finance Plan dated December 13, 2012.

On 4/7/2016, the Council approved to increase Admin Fees for FY16 thru FY31 to \$120,000.

⁴ Ordinance 2010-05-13-0429 authorized an amount up to \$310,000 for development of the Master Plan facilitated by SARA, and an amount up to \$40,000 to the City.

⁵ Amendment Fees for FY 2014. The transfer of these fees are in accordance with provisions in the 2008 Tax Increment Financing Program Policy and implementation Manual.

**MidTown
Tax Increment Reinvestment Zone #31
Reimbursements**

Tax Year	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected
Ending	1221 Broadway ⁶		Can Plant Apartments ⁷		Butterkrust Bakery ⁸		Mosaic ⁹		1800 Broadway ¹⁰		Pearl Parkway Nor	
2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2009	-	-	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	(30,126.78)	-	(48,644.47)	-	(97,598.92)	-	-	-
2014	-	-	(133,109.05)	-	(41,414.60)	-	(91,442.20)	-	(222,466.70)	-	(114,177.50)	-
2015	-	-	-	(133,109.05)	(62,660.34)	-	(119,732.01)	-	-	(132,747.11)	(133,643.46)	-
2016	-	(193,769.10)	-	(133,109.05)	-	(114,738.19)	-	(91,486.44)	-	(132,747.11)	-	-
2017	-	(193,769.10)	-	(133,109.05)	-	(114,738.19)	-	(91,486.44)	-	(132,747.11)	-	-
2018	-	(193,769.10)	-	(133,109.05)	-	(114,738.19)	-	(91,486.44)	-	(132,747.11)	-	-
2019	-	(193,769.10)	-	(133,109.05)	-	(114,738.19)	-	(91,486.44)	-	(132,747.11)	-	-
2020	-	(193,769.10)	-	(133,109.05)	-	(114,738.19)	-	(91,486.44)	-	(132,747.11)	-	-
2021	-	-	-	(133,109.05)	-	(114,738.19)	-	(91,486.44)	-	(132,747.11)	-	-
2022	-	-	-	(133,109.05)	-	(114,738.19)	-	(91,486.44)	-	(132,747.11)	-	-
2023	-	-	-	(133,109.05)	-	(114,738.19)	-	(91,486.44)	-	(132,747.11)	-	-
2024	-	-	-	(133,109.05)	-	(114,738.19)	-	(91,486.44)	-	(132,747.11)	-	-
2025	-	-	-	(133,109.05)	-	(114,738.19)	-	(91,486.44)	-	(132,747.11)	-	-
2026	-	-	-	(133,109.05)	-	(114,738.19)	-	(91,486.44)	-	(132,747.11)	-	-
2027	-	-	-	(133,109.05)	-	(114,738.19)	-	(91,486.44)	-	(132,747.06)	-	-
2028	-	-	-	(133,108.30)	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-	-	-	-	-
	\$ -	\$ (968,845.50)	\$ (133,109.05)	\$ (1,863,525.95)	\$ (134,201.72)	\$ (1,376,858.28)	\$ (259,818.68)	\$ (1,097,837.32)	\$ (320,065.62)	\$ (1,725,712.38)	\$ (247,820.96)	\$ -

⁶ Ordinance No. 2010-06-24-0630 approved the negotiation and execution of a Development Agreement with Broadway Lofts, L.P.

The agreement stated an annual payment of \$193,769.10 from FY 2012 to FY 2021. FY 2012 to FY 2015 payments were paid by the City's General Fund, and FY 2016 payment was paid by the City's Economic Development Fund.

⁷ Ordinance No. 2010-09-02-0761 authorized the execution of a Chapter 380 Economic Development Grant Agreement with Rio Perla Properties, L.P.

On 2011-05-27, Rio Perla Properties, L.P. assigned all its duties, liabilities, obligations, payments and benefits in, to and under the Chapter 308 Agreement to BSA Can Plant, LLC.

⁸ Ordinance No. 2010-12-09-1030 approved an Economic Development Grant Agreement with R.L. Worth and Associates for the Redevelopment of the ButterKrust Bakery.

⁹ Ordinance No. 2011-04-07-0268 approved an Economic Development Grant Agreement with Broadway Developments for the Mosaic.

¹⁰ Ordinance No. 2011-04-07-0269 approved an Economic Development Grant Agreement with Regent Companies for the 1800 Broadway project.

¹¹ Ordinance No. 2011-04-07-0271 authorized the negotiation and execution of an Economic Development Grant Agreement with Rio Perla Properties, L.P. for the Pearl Parkway North & South project.

¹² Ordinance No. 2012-05-17-0361 approved an Economic Development Program Grant with Emit L.L.C. for the Phipps Law Firm project.

**MidTown
Tax Increment Reinvestment Zone #31
Reimbursements**

Tax	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	
Year			Embarcadero									South of Jos
Ending	River North Multi-Family ¹³		Paradigm Hotel ¹⁴		203 E. Jones Avenue ¹⁵		Brack Hill ¹⁶		Casa Blanca Lofts ¹⁷			@ 302 Josep
2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2009	-	-	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	(8,840.89)	-	-	-	(9,076.60)	-	-	-
2015	(124,240.41)	-	(105,010.68)	-	(20,025.59)	-	(219,653.74)	-	(23,201.24)	-	-	(4,234.66)
2016	-	(164,662.47)	-	(111,591.54)	-	(25,258.01)	-	(142,285.09)	-	(16,891.01)	-	-
2017	-	(164,662.47)	-	(111,591.54)	-	(25,258.01)	-	(142,285.09)	-	(16,891.01)	-	-
2018	-	(164,662.47)	-	(111,591.54)	-	(25,258.01)	-	(142,285.09)	-	(16,891.01)	-	-
2019	-	(164,662.47)	-	(111,591.54)	-	(25,258.01)	-	(142,285.09)	-	(16,891.01)	-	-
2020	-	(164,662.47)	-	(111,591.54)	-	(25,258.01)	-	(142,285.09)	-	(16,891.01)	-	-
2021	-	(164,662.47)	-	(111,591.54)	-	(25,258.01)	-	(142,285.09)	-	(16,891.01)	-	-
2022	-	(164,662.47)	-	(111,591.54)	-	(25,258.01)	-	(142,285.09)	-	(16,891.01)	-	-
2023	-	(164,662.47)	-	(111,591.54)	-	(25,258.01)	-	(142,285.09)	-	(16,891.01)	-	-
2024	-	(164,662.47)	-	-	-	(25,258.01)	-	(142,285.09)	-	(16,891.01)	-	-
2025	-	(164,662.47)	-	-	-	(25,258.01)	-	(142,285.09)	-	(16,891.01)	-	-
2026	-	(164,662.47)	-	-	-	(25,258.01)	-	(142,285.09)	-	(16,891.01)	-	-
2027	-	(164,662.47)	-	-	-	(25,258.01)	-	(142,285.09)	-	(16,891.05)	-	-
2028	-	(164,662.47)	-	-	-	(25,258.01)	-	(142,285.09)	-	-	-	-
2029	-	(164,662.48)	-	-	-	(25,258.01)	-	(142,285.09)	-	-	-	-
2030	-	-	-	-	-	(25,257.94)	-	-	-	-	-	-
	\$ (124,240.41)	\$ (2,305,274.59)	\$ (105,010.68)	\$ (892,732.32)	\$ (28,866.48)	\$ (378,870.08)	\$ (219,653.74)	\$ (1,991,991.26)	\$ (32,277.84)	\$ (202,692.16)	\$ (4,234.66)	\$

¹³ Ordinance No. 2012-05-17-0359 approved an Economic Development Program Grant with A.A. Seeligson Jr. for the River Multi-Family project.

¹⁴ Ordinance No. 2012-05-17-0360 authorized an Economic Development Program Grant Agreement with Paradigm Hotel SA River Walk LP for the Embarcadero Hotel project.

¹⁵ Ordinance No. 2012-06-14-0438 authorized an Economic Development Program Grant Agreement with 1101 Broadway LP for the 203 E. Ave. Jones project.

¹⁶ Ordinance No. 2012-06-14-0440; approved an Economic Development Program Grant Agreement with Embrey Partners, Ltd. for the Residences at Brackenridge Hill project.

¹⁷ Center City Housing Incentive Policy Agreement for Casa Blanca.

¹⁸ Center City Housing Incentive Policy Agreement for South of Josephine.

¹⁹ Center City Housing Incentive Policy Agreement for East Quincy Townhomes.

**MidTown
Tax Increment Reinvestment Zone #31
Reimbursements**

Tax	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual
Year	Parklid at the Pearl				Brackenridge Gardens				SOJO Cro				
Ending	Cellars at Pearl ²⁰		@ 803 E Park Ave ²¹		Townhomes at the Witte ²²		@ 840 E Mulberry ²³		120 Ninth Street ²⁴		@ 818 E. M		
2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2009	-	-	-	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-	-	-	-
2015	-	(219,011.33)	-	-	-	-	-	-	-	-	-	-	-
2016	-	(219,011.33)	-	(7,615.87)	-	(15,498.67)	-	-	-	-	-	-	-
2017	-	(219,011.33)	-	(7,615.87)	-	(15,498.67)	-	(38,381.36)	-	(225,155.50)	-	-	-
2018	-	(219,011.33)	-	(7,615.86)	-	(15,498.67)	-	(38,381.36)	-	(225,155.50)	-	-	-
2019	-	(219,011.33)	-	(7,615.87)	-	(15,498.67)	-	(38,381.36)	-	(225,155.50)	-	-	-
2020	-	(219,011.33)	-	(7,615.87)	-	(15,498.67)	-	(38,381.36)	-	(225,155.50)	-	-	-
2021	-	(219,011.33)	-	(7,615.86)	-	(15,498.67)	-	(38,381.36)	-	(225,155.50)	-	-	-
2022	-	(219,011.33)	-	(7,615.87)	-	(15,498.67)	-	(38,381.36)	-	(225,155.50)	-	-	-
2023	-	(219,011.33)	-	(7,615.87)	-	(15,498.67)	-	(38,381.36)	-	(225,155.50)	-	-	-
2024	-	(219,011.33)	-	(7,615.86)	-	(15,498.64)	-	(38,381.36)	-	(225,155.50)	-	-	-
2025	-	(219,011.33)	-	(7,615.87)	-	-	-	(38,381.36)	-	(225,155.50)	-	-	-
2026	-	(219,011.33)	-	(7,615.87)	-	-	-	(38,381.36)	-	(225,155.50)	-	-	-
2027	-	(219,011.33)	-	(7,615.86)	-	-	-	(38,381.36)	-	(225,155.50)	-	-	-
2028	-	(219,011.33)	-	(7,615.87)	-	-	-	(38,381.36)	-	(225,155.50)	-	-	-
2029	-	(219,011.38)	-	(7,615.87)	-	-	-	(38,381.36)	-	(225,155.50)	-	-	-
2030	-	-	-	(7,615.86)	-	-	-	(38,381.32)	-	(225,155.50)	-	-	-
\$	-	\$ (3,285,170.00)	\$ -	\$ (114,238.00)	\$ -	\$ (139,488.00)	\$ -	\$ (537,339.00)	\$ -	\$ (3,152,177.00)	\$ -	\$ -	\$ -

²⁰ Center City Housing Incentive Policy Agreement for The Cellars at Pearl

²¹ Center City Housing Incentive Policy Agreement for The Parklid City Homes

²² Center City Housing Incentive Policy Agreement for the Townhomes at the Witte at 123 Carnahan and 137 Catalpa

²³ Center City Housing Incentive Policy Agreement for the Brackenridge Gardens at 840 E. Mulberry Street

²⁴ Center City Housing Incentive Policy Agreement for 120 Ninth Street

²⁵ Center City Housing Incentive Policy Agreement for SOJO Crossing at 818 E. Myrtle

²⁶ Center City Housing Incentive Policy Agreement for Alamo Manhattan

**MidTown
Tax Increment Reinvestment Zone #31
Reimbursements**

Tax	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Actual	Projected	Fiscal Year
Year	Westfort Villas				Broadway Traffic					Cash Flow
Ending	@ 151 Cunningham Ave ²⁷		Maverick Dog Park ²⁸		IH35/281 Project ²⁹		Study ³⁰	Available for other eligible expenses ³¹		Balance
2008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2009	-	-	-	-	-	-	-	-	-	100,289.10
2010	-	-	-	-	-	-	-	-	-	302,081.09
2011	-	-	-	-	-	-	-	-	-	380,688.35
2012	-	-	-	-	-	-	-	-	-	204,697.86
2013	-	-	-	-	-	-	-	-	-	(570,744.33)
2014	-	-	-	-	-	-	-	-	-	438,585.20
2015	-	-	-	(50,000.00)	-	(250,000.00)	(13,100.00)	-	(1,273,248.26)	(855,597.27)
2016	-	-	-	-	-	-	-	-	(828,494.60)	-
2017	-	(17,545.20)	-	-	-	-	-	-	(848,452.69)	-
2018	-	(17,545.20)	-	-	-	-	-	-	(1,138,809.75)	-
2019	-	(17,545.20)	-	-	-	-	-	-	(1,344,031.14)	-
2020	-	(17,545.20)	-	-	-	-	-	-	(1,561,633.50)	-
2021	-	(17,545.20)	-	-	-	-	-	-	(1,980,359.54)	-
2022	-	(17,545.20)	-	-	-	-	-	-	(2,217,901.94)	-
2023	-	(17,545.20)	-	-	-	-	-	-	(2,458,018.22)	-
2024	-	(17,545.20)	-	-	-	-	-	-	(2,817,796.11)	-
2025	-	(17,545.20)	-	-	-	-	-	-	(3,084,805.24)	-
2026	-	(17,545.20)	-	-	-	-	-	-	(3,350,152.31)	-
2027	-	(17,545.20)	-	-	-	-	-	-	(3,744,357.02)	-
2028	-	(17,545.20)	-	-	-	-	-	-	(4,445,461.25)	-
2029	-	(17,545.20)	-	-	-	-	-	-	(5,075,520.53)	-
2030	-	(17,545.20)	-	-	-	-	-	-	(5,902,471.90)	-
	\$ -	\$ (245,632.80)	\$ -	\$ (50,000.00)	\$ -	\$ (250,000.00)	\$ (13,100.00)	\$ -	\$ (42,071,513.97)	\$ (0.00)

²⁷ Center City Housing Incentive Policy Agreement for Westfort Villas at 151 Cunningham Ave

²⁸ Ordinance 2016-01-28-0017 authorized a development agreement and granting up to \$50,000.00 to the Maverick Dog Park Project.

²⁹ 2015-11-17 Board Meeting Resolution authorized a commitment of up to \$250,000.00 to the I35/281 - Broadway Underpass Project.

³⁰ Ordinance 2016-06-02-0407 authorized the execution of a Reimbursement Agreement with Centro for the project for an amount not to exceed \$18,000.00. Centro San Antonio submitted an invoice of \$13,100 for the complete cost.

³¹ Any amount not spent on Eligible Expenses will remain in fund balance.

**MidTown
Tax Increment Reinvestment Zone #31
Participation**

Entity	Tax Rate	Level of Participation	% of Project	Tax Increment Revenues ^{1,2}
City of San Antonio ³	0.558270	100.00%	100.00%	\$ 77,205,76
Total	0.558270		100.00%	\$ 77,205,76

¹ Tax Increments Revenues exclude Interest Earned in TIF Fund and Transfer from the River North Fund.

² Ordinance No. 2012-12-13-1021 extended the term of the MidTown TIRZ to September 30, 2031 and increased the City's maximum participation rate to 100% of the tax increment to align with that of the former River North TIRZ.

**MidTown
Tax Increment Reinvestment Zone #31
Collections**

Taxing Entity	Maximum Length of Contribution	Maximum Dollar Contribution ¹	Tax Increments Revenues Collected ²	Remaining/ (Refund)
City of San Antonio	September 30, 2031	N/A	\$ 5,657,277.74	
Total		\$ -	\$ 5,657,277.74	\$

¹ MidTown TIRZ is a City Initiated TIRZ and has no Maximum Dollar Contribution.

² Tax Increments Revenues exclude Interest Earned in TIF Fund and Transfer from the River North Fund.

MidTown
Tax Increment Reinvestment Zone #31
New Values

Tax Year	1221 Broadway Broadway Lofts	Can Plant	ButterKrust Bakery	Mosaic	1800 Broadway	Pearl Parkway North & South	Hotel Emma	Phipps Law Office	River North Multi-Family	Embarcadero Hotel	Camden Medical Center
2009											
2010		\$ 36,860		\$ 256,700		\$ 8,586,480					
2011						\$ 5,072,650					
2012	\$ 7,795,410	\$ 4,448,110	\$ 4,880,610			\$ 1,417,770					\$ 2,637,670
2013	\$ 10,386,448	\$ 35,130,640	\$ 1,822,490	\$ 8,747,450	\$ 26,866,830	\$ 97,300				\$ 3,331,290	\$ 637,770
2014				\$ 7,566,620	\$ 5,362,400			\$ 2,301,940	\$ 3,465,010	\$ 5,388,140	
2015			\$ 3,847,740			\$ 1,884,632	\$ 17,190,460	\$ 3,237,160	\$ 17,454,630		\$ 28,220
2016											
2017											
2018											
2019											
2020											
2021											
2022											
2023											
2024											
2025											
2026											
2027											
2028											
2029											
2030											
2031											
	\$ 18,181,858	\$ 39,615,610	\$ 10,550,840	\$ 16,570,770	\$ 32,229,230	\$ 17,058,832	\$ 17,190,460	\$ 5,539,100	\$ 20,919,640	\$ 8,719,430	\$ 3,303,660

* Tax year 2009 ~ tax year 2015 actual new value obtained from the Bexar Appraisal District.
¹ Projected new values are based on the committed investment in each CH380/CCHIP agreement.

MidTown
Tax Increment Reinvestment Zone #31
New Values

Tax Year	Casa Blanca Apartments	South of Josephine	East Quincy Townhomes	Cellars at Pearl	Brackenridge Gardens ¹	Parklid City Homes ¹	Townhomes at the Witte ¹	120 Ninth Street ¹	SOJO Crossing ¹	Alamo Manhattan ¹	Westfort Villas ¹
2009											
2010											
2011				\$ 425,330							
2012				\$ 7,658,930							
2013	\$ 170,100			\$ 819,360							
2014	\$ 1,441,740	\$ 287,860		\$ 6,113,160							
2015	\$ 4,068,410	\$ 221,350	\$ 3,519,250								
2016						\$ 1,470,000	\$ 2,700,000				
2017					\$ 6,968,185			\$ 39,613,000	\$ 10,020,000	\$ 39,731,714	\$ 5,300,000
2018											
2019											
2020											
2021											
2022											
2023											
2024											
2025											
2026											
2027											
2028											
2029											
2030											
2031											
	\$ 5,680,250	\$ 509,210	\$ 3,519,250	\$ 15,016,780	\$ 6,968,185	\$ 1,470,000	\$ 2,700,000	\$ 39,613,000	\$ 10,020,000	\$ 39,731,714	\$ 5,300,000

CITY OF SAN ANTONIO, TEXAS
Series 2008 & Series 2016 ¹
Principal and Interest Requirements
Allocation to Witte Museum/Brackenridge Parking

Date	Principal	Interest	Semiannual Debt Service	TIRZ Fiscal Year DS Transfer ²
8/1/2009	55,000.00	53,923.15	108,923.15	148,265.52
2/1/2010		39,342.37	39,342.37	
8/1/2010	60,000.00	39,342.37	99,342.37	137,484.73
2/1/2011		38,142.37	38,142.37	
8/1/2011	60,000.00	38,142.37	98,142.37	135,101.01
2/1/2012		36,958.64	36,958.64	
8/1/2012	65,000.00	36,958.64	101,958.64	137,779.79
2/1/2013		35,821.14	35,821.14	
8/1/2013	65,000.00	35,821.14	100,821.14	135,504.79
2/1/2014		34,683.64	34,683.64	
8/1/2014	65,000.00	34,683.64	99,683.64	133,067.29
2/1/2015		33,383.64	33,383.64	
8/1/2015	70,000.00	33,383.64	103,383.64	135,367.29
2/1/2016		31,983.64	31,983.64	
8/1/2016	75,000.00	31,983.64	106,983.64	129,451.00
2/1/2017		22,467.36	22,467.36	
8/1/2017	75,000.00	26,112.50	101,112.50	125,537.50
2/1/2018		24,425.00	24,425.00	
8/1/2018	80,000.00	24,425.00	104,425.00	197,050.00
2/1/2019	70,000.00	22,625.00	92,625.00	
8/1/2019		20,875.00	20,875.00	111,750.00
2/1/2020	70,000.00	20,875.00	90,875.00	
8/1/2020		19,125.00	19,125.00	118,250.00
2/1/2021	80,000.00	19,125.00	99,125.00	
8/1/2021		17,125.00	17,125.00	119,250.00
2/1/2022	85,000.00	17,125.00	102,125.00	
8/1/2022		15,000.00	15,000.00	120,000.00
2/1/2023	90,000.00	15,000.00	105,000.00	
8/1/2023		12,750.00	12,750.00	115,500.00
2/1/2024	90,000.00	12,750.00	102,750.00	
8/1/2024		10,500.00	10,500.00	116,000.00
2/1/2025	95,000.00	10,500.00	105,500.00	
8/1/2025		8,125.00	8,125.00	116,250.00
2/1/2026	100,000.00	8,125.00	108,125.00	
8/1/2026		5,625.00	5,625.00	121,250.00
2/1/2027	110,000.00	5,625.00	115,625.00	
8/1/2027		2,875.00	2,875.00	120,750.00
2/1/2028	115,000.00	2,875.00	117,875.00	
8/1/2028		-	-	-
	<u>1,575,000.00</u>	<u>898,608.91</u>	<u>2,473,608.91</u>	<u>2,473,608.91</u>

¹ After FY 2016 Refunding, Witte Museum/Brackenridge Parking debt service changed from \$2,697,075.67 to \$2,473,608.91.

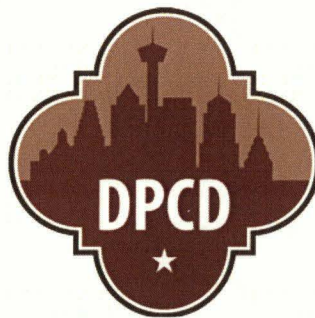
² Due to the timing of TIF revenue, the debt service transfer needs to cover the debt service for the following February.

EXHIBIT 3

City of San Antonio

**Tax Increment Financing
(TIF)**

Program Policy



Department of Planning and Community Development
(210) 207-6615

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I. TIF Program Policy Purpose

The purpose of this document is to establish the policy for the City of San Antonio to exercise the power granted under the Tax Increment Financing (TIF) Act, Chapter 311 of the Texas Tax Code. The TIF Act authorizes the governing body of a municipality or a county to promote reinvestment in and redevelopment of a contiguous geographic area by designating it a Tax Increment Reinvestment Zone (TIRZ). The future value of private investment within a TIRZ is leveraged to finance public improvements, to enhance existing public infrastructure, and to maximize the benefits of other incentive tools.

The City of San Antonio uses Tax Increment Financing to encourage development in areas where it is desired but is not being provided by traditional market mechanisms or other city incentives. Through TIF, the city intends to achieve goals and objectives established in City adopted plans and policies and to support projects that increase diversity of uses and decrease income segregation.

Public investment in TIRZ, using tax increment as a financing mechanism, stimulates private sector investment in areas of the City that would not otherwise attract market interest.

II. TIF Program Objectives

Tax Increment Financing supports the policies of the 1997 Master Plan, SA2020, and REnewSA. The 1997 Master Plan is currently being updated through a new comprehensive planning process that was initiated in 2013 and is expected to be completed in 2016. The shared goal of SA2020 is to transform San Antonio into a world-class city by the year 2020 in eleven key vision areas. REnewSA is an inter-agency collaborative that brings together major policy-making and regulatory bodies in San Antonio to coordinate community development resources. The purpose of REnewSA is to leverage public resources to incentivize private investment and create value in the community. The policy will work to encourage investment in inner city neighborhoods, but minimize or prevent displacement of people or adverse impacts related to history, culture and quality of life of unique neighborhoods.

Each of these policies provides strategic objectives for the use of TIF. TIF provides a financing option that meets the stated objectives as follows:

- Increases the diversity of property uses through support of mixed use development.
- Decreases income segregation by supporting mixed income development.
- Encourages a balance of new development and redevelopment throughout the city.

- Encourages growth within identified growth centers and adjacent to future high capacity transit stations.
- Prioritizes areas that are within CDBG-eligible census tracts, areas with high poverty and unemployment levels, areas with low educational attainment levels, and areas with concentrations of vacant, neglected, and underutilized properties.
- Invests resources in ‘tipping point’ areas that exhibit a balance of need and market potential. Utilize market data to identify areas with market potential.
- Improves infrastructure to support private sector investment in areas targeted for redevelopment and infill.
- Redevelops blighted areas or underutilized properties that impair or prevent investment.
- Pursues a balanced housing approach that facilitates the provision of affordable housing.
- Provides opportunities for employment within targeted industries.
- Embraces Smart Growth, Low Impact Development and Green Building principles.

III. Tax Increment Reinvestment Zones Types

A. Petition-Initiated Tax Increment Reinvestment Zones

Petition-initiated TIRZ allow property owners, residents, and project developers to contract with the City to bring high-quality development/redevelopment to areas that have not seen any significant development in recent history, in conjunction with the City’s adopted plans. Petitions must be submitted by the property owners whose ownership constitutes at least 50 percent of the appraised value of the property in the proposed TIRZ, according to the most recent certified appraisal roll.

B. City-Initiated Tax Increment Reinvestment Zones

City-initiated TIRZ are designed to assist ongoing revitalization and reinvestment initiatives by implementing the goals of existing City programs and City adopted plans. City-initiated TIRZ maximize the benefits of public-private collaboration by focusing on targeted areas of the City.

IV. Tax Increment Reinvestment Zone Criteria

All Tax Increment Reinvestment Zones designated by the City of San Antonio must meet certain criteria in order to be recommended for designation by City Council. While some criteria pertain to all TIRZ, different criteria are applicable depending upon the type of TIRZ. All TIRZ must meet the criteria established through the TIF Statute and the City of San Antonio General Criteria described below.

Projects must demonstrate that they are eligible to use TIF based on the applicable criteria; however, eligibility does not guarantee that a TIRZ will be created or that the City will participate in a TIRZ created by the County.

Tax Increment Financing is not an “As of Right” Incentive but a discretionary program. Each proposed project will be evaluated individually on the applicable qualifying criteria and to the degree to which the proposed project meets the goals and objectives of the City. All TIRZ designations require City Council consideration and approval.

A. State Criteria¹

a. To be designated as a reinvestment zone, an area must:

- 1. substantially arrest or impair the sound growth of the municipality or county designating the zone, retard the provision of housing accommodations, or constitute an economic or social liability and be a menace to the public health, safety, morals, or welfare in its present condition and use because of the presence of:*
 - a. a substantial number of substandard, slum, deteriorated, or deteriorating structures;*
 - b. the predominance of defective or inadequate sidewalk or street layout;*
 - c. faulty lot layout in relation to size, adequacy, accessibility, or usefulness;*
 - d. unsanitary or unsafe conditions;*
 - e. the deterioration of site or other improvements;*
 - f. tax or special assessment delinquency exceeding the fair value of the land;*
 - g. defective or unusual conditions of title;*
 - h. conditions that endanger life or property by fire or other cause; or*
 - i. structures, other than single-family residential structures, less than 10 percent of the square footage of which has been used for commercial,*

¹ Excerpt taken directly from Texas Tax Code Section 311.005 Criteria for Reinvestment Zone Amended June 2011; 82nd Legislative Session. State criteria is subject to change based on any future amendments to the TIF Act

industrial, or residential purposes during the preceding 12 years, if the municipality has a population of 100,000 or more;

- 2. be predominantly open or undeveloped and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impair or arrest the sound growth of the municipality or county;*
 - 3. be in a federally assisted new community located in the municipality or county or in an area immediately adjacent to a federally assisted new community; or*
 - 4. be an area described in a petition requesting that the area be designated as a reinvestment zone, if the petition is submitted to the governing body of the municipality or county by the owners of property constituting at least 50 percent of the appraised value of the property in the area according to the most recent certified appraisal roll for the county in which the area is located.*
- a-1. Notwithstanding Subsection (a), if the proposed project plan for a potential zone includes the use of land in the zone in connection with the operation of an existing or proposed regional commuter or mass transit rail system, or for a structure or facility that is necessary, useful, or beneficial to such a regional rail system, the governing body of a municipality may designate an area as a reinvestment zone.*
- b. In this section, "federally assisted new community" means a federally assisted area that has received or will receive assistance in the form of loan guarantees under Title X of the National Housing Act, if a portion of the federally assisted area has received grants under Section 107(a)(1) of the Housing and Community Development Act of 1974.*

This Code is available at <http://www.statutes.legis.state.tx.us/Docs/TX/htm/TX.311.htm>

B. City of San Antonio General Criteria

- The City will use TIF only when a clearly defined objective is served and only to the degree necessary to accomplish that objective
- “Pay as you go” financing and reimbursing front-end public redevelopment costs with tax increment revenues are preferable to bond financing and are to be considered and used when appropriate
- TIF projects in distressed markets must demonstrate an ability to generate increment by capturing increment from higher performing markets or projects
- TIF projects must leverage additional revitalization activity and be used in coordination with other available incentive programs
- The City’s adopted plans places a requirement on certain developments to provide quality, affordable housing in mixed income neighborhoods. The City may require that a percentage of up to 20% of the proposed housing units built in an

area that is authorized to receive TIRZ funding be classified as affordable in accordance with City guidelines. However, affordable housing requirements will only be deemed appropriate if an analysis indicates a deficiency of affordable housing in the surrounding area or submarket.

C. Petition Initiated TIRZ Criteria

Mandatory Criteria

- The proposed project must implement one or more goals of the Comprehensive Plan, SA2020, or REnewSA
- The project pro forma must demonstrate financial feasibility and the developer must exhibit the financial capacity to complete the project
- The project must reduce income segregation in the census block group in which it is located through the inclusion of market rate or affordable housing, as applicable
- The project must increase diversity of uses in the census block group in which it is located by including mixed use development

Elective Criteria – Must achieve at least 2

DPCD staff is available to provide data and/or maps regarding the criteria below:

- The proposed project is primarily within a Community Development Block Grant (CDBG)-eligible census tract
- The proposed project is within an area with poverty and unemployment levels that are higher than the City average and educational attainment levels that are lower than the City average
- The proposed project includes 20% or more area that is vacant, neglected, and underutilized
- The primary market typology by project area or average market typology by project area is 'emerging' as defined in the REnewSA final report

D. City Initiated TIRZ Criteria

Mandatory Criteria

- The proposed TIRZ must be recommended by a City Council adopted Revitalization Plan
- The project must reduce income segregation in the census block group in which it is located through the inclusion of market rate or affordable housing, as applicable
- The project must increase diversity of uses in the census block group in which it is located through mixed use development

Elective Criteria – Must achieve at least 1

- The proposed project is primarily within a CDBG-eligible census tract
- The proposed project is within area with poverty and unemployment levels that are higher than the City average and educational attainment levels that are lower than the City average
- The proposed project includes 20% or more area that is vacant, neglected, and underutilized
- The primary market typology by project area or average market typology by project area is 'emerging' as defined in the REnewSA final report

V. TIRZ Proposal Submission

In order for staff to effectively evaluate a proposed new TIRZ, the proposal must provide sufficient information to demonstrate how the project meets the statutory requirements and specific the eligibility criteria. In addition, the proposal must include sufficient financial data, through a project pro forma and extended cash flow analysis that clearly demonstrates a quantifiable need for public assistance. Staff's review of the proposal will be used to determine the recommended amount of city participation, City's maximum dollar contribution as well as the length of time the TIRZ will be in existence. At a minimum all proposals require the following information:

- Proposed development plan including construction schedule
- Identify all project costs, including acquisition, construction, soft costs, and applicable long-term management costs
- Projected TIF revenue
- Source and Uses budget and project proforma detailing projected cash flows over the life of the proposed zone including other public sources, private financing, and developer equity contribution into project
- Demonstration of financial wherewithal to meet project costs and complete project (i.e. the most current three years of financial statements, complete Sources and Uses budget, and/or Letters of Credit from Bank)
- Demonstrated previous experience developing similar scale and type of project
- Evidence that no construction is taking place within the proposed TIRZ boundaries (New TIRZ cannot include sites where construction has been initiated or where construction is ongoing; the costs of such construction cannot be financed through TIF)

A. TIRZ Term

The typical TIRZ term is 20 years. Shorter or longer terms may be warranted for projects with atypical size, scope, and/or project pro forma that demonstrates a need for public assistance in order to undertake the project, assuming conventional investment and financing requirements, at time of application.

City staff will review the proposed TIRZ term and present a summary report to the TIF Governance Committee. The TIF Governance Committee will make a recommendation regarding the term length and submit the recommendation to City Council. Ultimately, the TIRZ term will be established by City Council at the time of designation.

B. Affordable Housing

The City may require that a percentage of up to 20% of the proposed housing units built in an area that is authorized to receive TIRZ funding be classified as “affordable,” in accordance with City guidelines. However, affordable housing requirements will only be deemed appropriate if an analysis indicates a deficiency of affordable housing in the surrounding area or submarket. Any subsequent changes to the City's definition of affordable housing will apply immediately to the requirements of the TIF Program Policy.

C. Eligible Expenses

Eligible expenses are defined in Section 311.002 of the TIF Act. The City will reimburse developers for bank interest on construction loans during the time of construction only. The city will not pay interest on outstanding balances of approved or unapproved invoices.

D. Coordinated Revitalization

The City supports the development of new partnerships and the use of existing partnership programs which promote cooperation among public agencies, industry, and the community to enhance economic growth throughout the City. The proposal must describe how the development supported by the TIRZ will contribute to ongoing or proposed revitalization activities in the surrounding area, and how the TIRZ will leverage additional revitalization activity. For example, it is encouraged that TIF be used in coordination with incentives offered through the Center City Development and Operations Department and Economic Development Department. Because the creation of a TIRZ requires the substantial involvement of many stakeholders, the proposal must indicate how the input of these stakeholders has been integrated into the details of the development proposal. Presentation materials, meeting notes, lists of meetings, and letters of support should be included.

In addition to the above, applicants must execute and submit the “Petitioner’s Sworn Acknowledgement of General Requirements for Use of TIF” (Appendix B).

E. Environmental

Proposed TIRZ projects must meet all applicable local, state, and federal environmental laws. TIRZ funds can be applied to reimburse the actual costs of the remediation of conditions that contaminate public or private land or buildings, as well as the costs of conducting environmental impact studies or other studies. A copy of the Phase I environmental review will be submitted to the TIF Unit.

The City of San Antonio will not designate any new Tax Increment Reinvestment Zones over the Edwards Aquifer Recharge Zone. In addition, the City reserves the right to deny designation of any TIRZ that may have a negative impact on environmentally sensitive areas.

F. City Design Principals

Since TIF is a long-term financing tool, development supported by TIF funds must add long-term value to the public realm. Subject to City approval, projects will be built using design principles that recognize the importance of the long-term safety and comfort of all public infrastructure users whether they are walking, jogging, riding or driving. Such design principles should recognize and implement the land use, zoning, subdivision, and street design characteristics that ensure that TIF projects are accessible to people of all ages and abilities. In practical terms, this means that many areas within TIF projects give priority to the safety of pedestrians by carefully controlling vehicular design speeds on public right of way. Such walkable communities, in coordination with other City initiatives, also help protect San Antonio's air quality by reducing the number of vehicle miles traveled.

In addition, all TIF projects must comply with the City's current approved Universal Design Requirements as described in Chapter 6, Article XII of the City's Unified Development Code as well as the Acknowledgement of General Requirements for Use of TIF (Appendices A & B). The requirements for Universal Design apply to the construction of all new single family homes, duplexes or triplexes for which a building permit will be issued under the city building code after the effective date of the Ordinance (Ord. No 95641 & Ord. No 96621). The City's Unified Development Code is available at <http://www.municode.com/Resources/gateway.asp?pid=14228&sid=43>

G. Submission Fees for Petition–Initiated TIRZ ²

Pre-Petition Meetings. A developer considering the submission of a petition for a new TIRZ may request a meeting with the Department of Planning and Community Development's TIF Unit at anytime. There is no cost for the initial meeting; however, a fee of \$200.00 for each follow up meeting will be charged to the developer. The fee will be paid in the form of a check or money order made payable to City of San Antonio. Any pre-petition meeting fees paid are reimbursable through the TIRZ after designation by

² These fees are applicable in Fiscal Year (FY) 2015. A schedule of future fees may be set out in the City Code and/or changed by approval of City Council.

City Council. However, any paid fees are not reimbursable if the TIRZ is not designated. The reimbursement request should be submitted along with the developer's first invoice. All meetings must be scheduled through the Department of Planning and Community Development's TIF Unit at 210-207-6615.

Petition Submission Fee. Petitioners must submit a completed proposal, to include Appendix B, and a non-refundable fee of \$7,500.00. The fee will be paid in the form of a check or money order made payable to City of San Antonio. The fee is charged to cover costs associated with the review and processing of the proposal. The petition submission fee is reimbursable through the TIRZ after designation by City Council. However, the fee is not reimbursable if the TIRZ is not designated. The reimbursement request should be submitted along with the developer's first invoice.

VI. TIRZ Adoption

Upon receiving a favorable recommendation from the TIF Governance Committee, staff is authorized to notify other participating taxing entities regarding the potential for a new TIRZ to be approved. Several other taxing entities have adopted an independent review processes and utilize different selection criteria to determine participation in the proposed TIRZ. Applicants must independently contact the other taxing entities impacted by the proposed TIRZ in order to expedite their review processes. Updates must be provided to the TIF Unit staff regarding any commitments or negotiations. These findings become the basis for any Interlocal Agreement that will be created.

Staff will simultaneously begin a full financial and programmatic review of the proposed project. The findings will form the basis for the Preliminary Project and Finance Plans. Results of any potential Interlocal Agreements will be included in these plans. When finalized, the TIRZ designation request will be scheduled for presentation to City Council for approval.

If approved, City Council will issue a Designating Ordinance to officially name the TIRZ, create a TIRZ Board of Directors, establish official start and termination dates for the TIRZ, and creates a Tax Increment Fund.

VII. Fee Structure³

Designation Fee: The \$50,000 Designation Fee becomes due and payable upon passage of an Ordinance by City Council designating or extending a Tax Increment Reinvestment Zone. The Designation Fee is intended to reimburse the City for project costs incurred by

³ These fees are applicable in Fiscal Year (FY) 2015. A schedule of future fees may be set out in the City Code and/or changed by approval of City Council.

the City during the process of designating and/or extending a TIRZ. The Designation Fee is reimbursable through the TIRZ Fund.

Administrative Fees: Administrative Fees becomes due and payable upon the first day of each year the TIRZ is in effect, to include the Designation Year. The Administrative Fee is intended to reimburse the City for project costs, imputed administrative costs, including but not limited to reasonable charges for the time spent by employees of the municipality or county in connection with the implementation of a project plan. This is a recurring annual fee and is paid through the TIRZ Fund.

Administrative fees will be established at the time of designation and may be increased after TIRZ Board and City Council consideration and approval. Fees will be calculated at 20% of annual tax increment collections, but capped at approved maximums as shown in the table below. In addition, for projects that can demonstrate that at least 51% of housing can be defined as affordable (80% or below of area median income) annual administrative fees will be calculated at 10% of annual tax increment.

TIER	Description	The lesser of 20% of increment or:
1	High Degree of Complexity; very complex; multiple projects; require frequent board meetings and processing of payments. Requires coordination with other City departments and a large demand of staff time.	\$ 120,000.00
2	Average/Medium Degree of Complexity; can include one large project or multiple projects; require multiple board meetings and processing of payments.	\$ 75,000.00
3	Lower Degree of Complexity; smaller in size; less complex; one developer; limited board meetings and processing of payments.	\$ 45,000.00

Note: Degree of complexity will be determined by City staff.

Infrastructure Failure Fee: A \$10,000 Infrastructure Failure Fee is assessed per occurrence. The Developer is allowed three (3) warnings to correct the failure(s) prior to the assessment of the fee.

Glossary

- **Administrative Fees** – A fee that becomes due and payable upon the first day of each year the TIRZ is in effect, to include the Designation Year. The Administrative Fee is intended to reimburse the City for project costs, imputed administrative costs, including but not limited to reasonable charges for the time spent by employees of the municipality or county in connection with the implementation of a project plan. This is a recurring annual fee.
- **Affordable Housing** – Housing serving persons or families whose income is at or below 80% of the Area Median Family Income. The definition of affordable housing in this Policy shall match that of the Grants, Monitoring and Administration Department which serves as the City's definition. Any subsequent changes to the City's definition of affordable housing immediately apply to the requirements of the TIF Program Policy.
- **Annual Administrative Fees** – Fees assessed to each TIRZ to recover costs of administering the Tax Increment Finance Program. Costs include staffing for project management, fiscal and administrative activities.
- **Appraised value** – the assessed value of real property in the opinion of a qualified appraiser as appraised by Bexar County Tax Assessor or as provided by Chapter 23 of Texas Property Tax Code.
- **Blighted Areas** – An area of a city, in which most of the buildings are abandoned or in severe disrepair.
- **Brownfield** – The term "Brownfield site" means real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.
- **Cash Flow** – An analysis of expected cash requirements over a set period of time.
- **Center City Development and Operations Department (CCDOD)** - The Center City Development & Operations Department manages, coordinates, and facilitates development in the downtown area and surrounding neighborhoods, and creates and sustains partnerships with numerous City departments, downtown stakeholders, neighborhoods, and businesses engaged in the downtown area.
- **Collateralization** – The act where a borrower pledges an asset as recourse to the lender in the event that the borrower defaults on the initial loan. Collateralization of assets gives lenders a sufficient level of reassurance against default risk.
- **Comprehensive Master Plan** – Comprehensive planning is a term used by land use planners to describe a process that determines community goals and aspirations in terms of community development. The outcome of comprehensive planning is the Comprehensive Master Plan which dictates public policy in terms of transportation, utilities, land use, recreation, and housing.
- **Community Development Block Grant** – The Community Development Block Grant (CDBG) program is a flexible program that provides communities with resources to address a wide range of unique community development needs.
- **Credit Enhancement** – A method whereby a company attempts to improve its debt or credit worthiness. Through credit enhancement, the lender is provided with reassurance that the borrower will honor the obligation through additional

collateral, insurance, or a third party guarantee. Credit enhancement reduces credit/default risk of a debt, thereby increasing the overall credit rating and lowering interest rates.

- **Department of Planning and Community Development (DPCD)** – has lead responsibility for Comprehensive, Sector, Community, Neighborhood, Redevelopment, and Regional Planning initiatives. Housing and Community Development program responsibilities include rehabilitation of owner-occupied and multi-family rental housing, the Homeownership Incentive Program, Lead-Based Paint abatement, the Green & Healthy Homes services, RENEWSA, and Federal Grants Management Administration. The Department is responsible for administration of Tax Increment Reinvestment Zones (TIRZ), implementation of the Strategic Plan for Community Development, and related strategic reinvestment projects.
- **Designation Fee** – A fee that becomes due and payable upon passage of an ordinance by City Council designating or extending a Tax Increment Reinvestment Zone. The Designation Fee is intended to reimburse the City for project costs incurred by the City during the process of designating and/or extending a TIRZ. The Designation Fee is reimbursable through the TIF fund.
- **Developer Equity** – Financial interest a developer has in a development. The interest may be a direct investment or a percentage interest in the overall profit.
- **Economic Development Department (EDD)** – The Economic Development Department seeks to create a globally competitive and internationally connected environment that supports entrepreneurs and businesses of all sizes toward investment and job creation. The Economic Development Department focuses on the core functions of industry, international and small business development.
- **Finance Department (FD)** - The Finance Department has a fiduciary responsibility to safeguard the City's financial assets and manage its financial resources in accordance with the goals of the City Council and City Manager, and in compliance with applicable laws and generally accepted accounting and financial principles. The Finance Department is responsible for the Finance Plan updates and calculation of TIRZ increment.
- **Finance Plan** – means the finance plan for the development or redevelopment of a reinvestment zone approved under Chapter 311 of the Texas tax code, including all amendments of the plan approved as provided by statute. The reinvestment zone finance plan must include: a detailed list describing the estimated project costs, including administrative expenses; a statement of proposed public improvements to be financed by the zone; a finding that the plan is economically feasible and an economic feasibility study; the estimated amount of bonded indebtedness; the estimated time when related costs or monetary obligations are to be incurred; a description of the methods of financing all estimated project costs and the expected sources of revenue to finance or pay project costs, including the percentage of tax increment to be derived from the property taxes of each taxing unit; the current total appraised value of taxable real property in the zone; the estimated captured appraised value of the zone during each year of its existence; and the duration of the zone.

- **Financial Statements** – A financial statement (or financial report) is a formal record of the financial activities of a business, person, or other entity.
- **Green Building** – Also known as green construction or sustainable building, refers to a structure and using process that is environmentally responsible and resource-efficient throughout a building's life-cycle: from design, construction, operation, maintenance, renovation, and demolition.
- **Letters of Credit** – A letter of credit is a document issued by a financial institution or a similarly accredited professional party. The letter assures payment to a seller of goods or services provided certain documents have been presented to the bank.
- **Low Impact Development** – term used to describe a land planning and engineering design approach to managing storm water runoff.
- **Market Potential** – Determined by an assessment of market data for retail, office, multi-family residential, and single-family residential product types. Market data may include recent development, current rents, current vacancy rates, and rent trajectories.
- **Project Plan** – means the project plan for the development or redevelopment of a reinvestment zone approved under Chapter 311 of the Texas tax code, including all amendments of the plan approved as provided by statute. The project plan must include the following: a description and map showing existing uses and conditions of real property in the zone and proposed uses of that property; proposed changes of zoning ordinances, the master plan of the municipality, building codes, other municipal ordinances, and subdivision rules and regulations, if any, of the county, if applicable; a list of estimated non-project costs; and a statement of a method of relocating persons to be displaced, if any, as a result of implementing the plan.
- **Project Pro forma** – Pro forma statements are used routinely in preparing “what if” scenarios, formulating business plans, estimating cash requirements, or when submitting financing proposals. Pro forma typically include development assumptions, cash flow analysis and projected returns on investment.
- **REnewSA** – REnewSA is a new program for organizing and strategically deploying the community development tools administered by the Department of Planning and Community Development, Office of Historic Preservation, Center City Development and Operations Department, Development Services Department, other City departments, and outside partner agencies to create value from vacant, neglected, and underutilized properties in the City’s commercial corridors and neighborhoods.
- **SA2020** – SA2020 is a community vision for the future of San Antonio. It is a list of goals created by the people of San Antonio in 2010 based on their collective vision for our city in the year 2020.
- **Security** – A financial instrument that represents: an ownership position in a publicly-traded corporation (stock), a creditor relationship with governmental body or a corporation (bond), or rights to ownership as represented by an option. A security is a fungible, negotiable financial instrument that represents some type of financial value. The company or entity that issues the security is known as the issuer.

- **Smart Growth** – Smart growth is an urban planning and transportation theory that concentrates growth in compact walkable urban centers to avoid sprawl. It also advocates compact, transit-oriented, walkable, bicycle-friendly land use, including neighborhood schools, complete streets, and mixed-use development with a range of housing choices.
- **Soft Costs** – A cost for an item that is not considered direct construction cost. Soft costs include architectural, engineering, financing, legal fees, and other pre and post construction expenses.
- **State Comptroller** – The Comptroller is the chief steward of the state’s finances, acting as tax collector, chief accountant, chief revenue estimator and chief treasurer for all of state government. The comptroller oversees Tax Increment Financing for the State.
- **Tax Increment Financing** – Tax increment financing is a tool that local governments can use to publicly finance needed improvements to infrastructure and buildings within a designated area known as a reinvestment zone. The cost of improvements to the reinvestment zone is repaid by the future tax revenues of each taxing unit that levies taxes against the property. Each taxing unit can choose to dedicate all, a portion of, or none of the tax revenue gained as a result of improvements within the reinvestment zone.
- **Tax Increment Reinvestment Zone** – A tax increment reinvestment zone (TIRZ) is a contiguous or noncontiguous geographic area that is within the corporate limits of a municipality, in the extraterritorial jurisdiction of the municipality, or in both that is designated as a reinvestment zone to promote development or redevelopment in an area designated as such in accordance with Chapter 311 of the Texas Property Tax Code.
- **Taxable Value** – the amount determined by deducting any applicable exemptions from the assessed value. This is the value that is multiplied by the tax rate to determine ad valorem taxes (property taxes).
- **Taxing Entity (Unit)** – means a county, an incorporated city or town (including a home-rule city), a school district, a special district or authority (including a junior college district, a hospital district, a district created by or pursuant to the Water Code, a mosquito control district, a fire prevention district, or a noxious weed control district), or any other political unit of this state, whether created by or pursuant to the constitution or a local, special, or general law, that is authorized to impose and is imposing ad valorem taxes on property even if the governing body of another political unit determines the tax rate for the unit or otherwise governs its affairs. Taxing entities that participate in a tax increment reinvestment zone are referred to as Participating Taxing Entities.
- **TIF Act** – Chapter 311 of the Texas Property Tax Code
- **TIF Governance Committee** – The TIF Governance Committee, established in March of 2014, is a high level decision making body charged with overseeing the TIF Program.
- **TIF Unit** – Planning and Community Development and Finance Department Staff charged with the day to day management of all Tax Increment Reinvestment Zones.

- **TIRZ Board** – Each tax increment reinvestment zone is governed by its own Board of Directors. The number of members of each Board varies by zone. The number and make up of each TIRZ Board is established by City Council at the time of designation.

Appendix A

Universal Design Requirements City of San Antonio Code, Chapter 6, Article XII

1. *At least one entrance shall have a 36-inch door and be on an accessible route (An accessible route is a continuous, unobstructed path at least thirty-six (36) inches wide connecting all interior and exterior elements and spaces of a house and site including corridors, parking, curb ramps, crosswalks and sidewalks and served by a no step, flat entrance with a beveled threshold of one-half-inch or less).*
2. *All interior door openings shall be no less than 32 inches wide, except for a door that provides access to a closet of fewer than (15) square feet in area.*
3. *Each hallway shall have a width of at least thirty-six (36) inches and shall be level with ramped or beveled changes at each door threshold.*
4. *All bathrooms shall have the walls reinforced around the toilet for potential installation of grab bars. Walls around the shower and tub shall be reinforced for potential installation of grab bars or a pre-manufactured tub and shower surround may be used which includes grab bar(s) certified to meet the ADA requirement to bear a 250-pound load. Wall reinforcements shall comply with the standards set forth in requirement 6, Reinforced, "Walls for Grab Bars of the Fair Housing Act Design and Construction Guidelines"; Federal Register/Volume 56 No.44/Wednesday, March 6, 1991/Rules and Regulations, a copy of which is available for inspection at the office of the City Clerk.*
5. *Each electrical panel, light switch or thermostat shall be mounted no higher than forty-eight (48) inches above the floor. Each electrical plug or other receptacle shall be at least fifteen (15) inches from the floor.*
6. *An electrical panel located outside the dwelling unit must be between eighteen (18) inches and forty-two (42) inches above the finished grade and served by an accessible route.*
7. *All hardware installed to open/close doors and operate plumbing fixtures shall be lever handles.*

A) WAIVER OF EXTERIOR ACCESSIBILITY REQUIREMENTS

1. *The director of the Development Services Department or his designee may only grant modifications or an exemption to the requirements regarding full compliance with exterior path of travel on an individual case-by-case basis. The criteria for granting a modification or exemption are as follows:*

- A. *The lot rises or falls so steeply from the street that a maximum 1:12 slope cannot be achieved without extensive grading*
- B. *No vehicular access to the back of the house will be available by means of an alley.*

2. Appeals of orders, decisions or determinations made by the Director of Development Services Department may be made to the Building and Fire Code Board of Appeals.

B) IMPLEMENTATION

1. Architects and builders shall:

- A. *Clearly stamp or print "Universal Design Compliance" on plans submitted in accordance to any City Department.*
- B. *Clearly identify design elements complying with Universal Design Ordinance and attached to any City Departments application.*
- C. *Certify that the plans comply with the City's Universal Design requirements.*

2. Plan checking, construction inspections and enforcement shall be accomplished by the Development Services Department.

Appendix B

Petitioner's Sworn Acknowledgement of General Requirements for Use of TIF

STATE OF TEXAS }
 }
COUNTY OF BEXAR }

I hereby agree to comply with the Unified Development Code, Building Code, Fire Code, and other codes applicable to development in the City of San Antonio, as they may be amended from time to time. I agree that the City's Codes are based on the City's concern for the health, safety and welfare of its citizens.

I hereby agree that I have read and reviewed the City of San Antonio's TIF Program Policy, and I agree to be bound by the requirements of the TIF Program Policy, and all applicable federal, state, and local laws and ordinances, whether or not those provision are specifically set out in this affidavit of acknowledgement.

I acknowledge that the City may terminate the TIF process and/or a designated TIRZ if I commence construction before obtaining an executed Development Agreement. I acknowledge that the City will not reimburse any costs or finance any costs incurred prior to the execution of a Development Agreement.

I agree to obtain payment and performance bonds under Chapter 2253 of the Texas Government Code, naming the City as a beneficiary or obligee of the bonds, prior to commencing each phase of construction within a TIRZ.

I agree to comply with workers compensation coverage, payment of prevailing wages, competitive bidding under Chapter 252 of the Texas Local Government Code, and the most recent tree preservation regulations.

I agree to clearly mark each document presented to the City for review and approval with the phrase "TIF Project". I understand that this includes, but is not limited to, all building plans or permits, applications, plats, requests for variances or waivers, master development plans, PUD plans, and construction plans. I understand that failure to do so at any time will result in the termination of the TIF process.

I agree that Tax Increment Financing is a discretionary program. I have no right to receive tax increment financing, and the TIF Program Policy does not create legal rights. The City may terminate my application for TIF at any time, for any reason.

I agree to use and cause my contractors to use competitive bidding under state law.

I agree to abide by the City's Unified Development Code, as it may be amended from time to time. I agree that the City's Unified Development Code is based on the City's concern for the health, safety and welfare of its citizens.

I acknowledge that TIRZ Project Documents, including but not limited to Development Agreements, Interlocal Agreements with participating taxing entities and Finance and Project Plans will contain provisions addressing the priority of payments that will be made with TIRZ increment revenue. I acknowledge that this priority of payments schedule will list the payment of administrative fees as set out in the City Code and as may be increased by City Council from time to time, debt service payments, start-up costs, and any other applicable costs of managing the TIRZ as a priority of payment over any payments due to the Developer from the TIRZ fund.

I understand that the execution of this Acknowledgement does not constitute a contract with the City, or a promise of the City to enter into a contract.

Name of Affiant:
Title:
Corporation/Partnership:

Corporate Acknowledgment

The State of Texas

County of _____

Before me, the undersigned, a Notary Public on this day personally appeared known to me (or proved to me on the oath of _____), to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said (_____ here insert name of corporation) a corporation, and that he had executed the same as the act of such corporation for the purpose and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office, this _____ day of _____,
A.D. 20 _____

Notary Public, State of Texas
(PERSONALIZED
SEAL)

(Print name of Notary Public here)

My commission expires the _____ day of _____ 20 _____