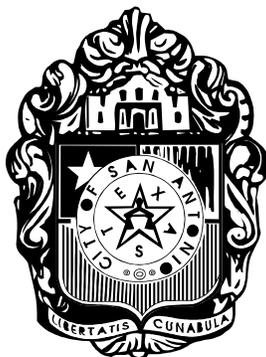


CITY OF SAN ANTONIO, TEXAS



**Hemisfair
Tax Increment Reinvestment Zone
Number Thirty-four**

Participation Levels:

City (100%)

Preliminary FINANCE PLAN

August 18, 2016

Hemisfair Tax Increment Reinvestment Zone #34 Preliminary Finance Plan

Introduction

The Tax Year 2016 assessed value is estimated at \$366,477,550.00. The projected captured value for Tax Year 2035 is \$631,855,431 net of exemptions. The term of the zone is projected to be 20.12 years with the TIRZ being in existence through September 30, 2036.

Eligible Expenses

This TIRZ can reimburse eligible expenses in accordance with Chapter 311 including organizational costs necessary to implement the project plan.

Finance Plan

The Tax Year 2016 assessed value of the Hemisfair TIRZ is estimated at \$366,477,550.00. Projected captured values are expected to grow from \$1,114,157.00 in Tax Year 2017 to \$631,855,431.00 in Tax Year 2035.

The City is the only participating taxing entity, with the City's current tax rate per \$100 valuation at \$0.558270. This is expected to produce annual revenues of \$6,095.60 in Fiscal Year 2018 to \$3,456,910.13 in Fiscal Year 2036. A 3.25% growth in values is assumed based on analysis of historic and projected valuation growth.

The City and the TIRZ Board may use Tax Increment Fund to pay eligible expenditures in the following order of priority of payment:

1. 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;
2. To fully reimburse eligible Designation Fee;
3. To pay all ongoing Annual Administrative Fees to the City for administering the Tax Increment Fund and/or the Zone;
4. To reimburse the City for costs of the repair, replacement, or re-construction of public infrastructure and associated costs as described in any applicable development agreement.
5. To reimburse the City under any reclaim of funds pursuant to any applicable development agreement; and
6. To reimburse developers for eligible expenses, including financing costs and organizational costs, as provided in the applicable Development Agreements and in the Project Plan to the extent that funds in the Tax Increment Fund are available for this purpose.

TIRZ collections for this project shall not extend beyond September 30, 2036 and may be terminated earlier.

TABLE – TIRZ Contributions		
Participating Taxing Entities	Maximum Dollar Contribution *	Maximum Length of Contribution
City of San Antonio	N/A	September 30, 2036

* Hemisfair TIRZ is a City Initiated TIRZ and has no Maximum Dollar Contribution. The City’s participation rate and maximum contribution shall be based on the overall impact to the City’s Operational Budget and Debt Plan, and the Finance Plan must not adversely impact the City’s ability to deliver services or its debt capacity.

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 Hemisfair 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. Hemisfair TIRZ collections for this project shall not extend beyond September 30, 2036, and may be terminated prior to September 30, 2036, upon payment of public improvement capital costs incurred by the City and/or a developer (if any), or for the failure of the TIRZ Project to perform as projected in the Project and Finance Plans.

Any costs incurred by a developer (if any) are not and shall never in any event become general obligations or debt of the City or any of the Participating Taxing Entities. The eligible expenses including organizational costs incurred by a developer shall be reimbursed solely from the Hemisfair 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, the Participating Taxing Entities, any political corporation, subdivision, or agency of the State.

**Hemisfair
Tax Increment Reinvestment Zone #34
Summary Fact Sheet**

Finance Plan	
Site Area (parcel acres)	121.6263
Beginning Assessed Value (2016) in City ¹	\$ 366,477,550.00

Projects ²			
	<u>Completion Year</u>	<u>Private Investment</u>	<u>Size (acres)</u>
Northwest Quadrant			
220 S. Alamo	2021	\$76,987,271	2.4
200 E. Market	2021	\$87,562,613	2.3
Southwest Corner			
300 S. Alamo	2022	\$36,375,000	1.0
Eastern Quadrant			
500 Hemisfair Blvd	2024	\$14,550,000	1.0
700 Hemisfair Blvd	2024	\$62,598,756	3.0
Easternmost Site			
900 Hemisfair Blvd	2023	\$36,375,000	1.5
Labor Street			
200 N. Labor	2023	\$86,863,500	2.5
		\$401,312,140	

Assumptions:	
Captured Taxable Value (FY 2036)	\$ 631,855,431.00
Growth Factor	3.25%
Collection Rate	98.00%
Estimated Total Tax Increment Revenues	\$ 38,702,953.85
Estimated TIF Life (8/18/2016 to 9/30/2036)	20.12 yrs.

¹ 2016 Values subject to change due to appeals; certification of the 2016 appraisal roll is July 25, 2016.

² Subject to change. The eligible expenses shall be approved by TIRZ Board.

**Hemisfair
Tax Increment Reinvestment Zone #34
Sources and Uses**

Sources of Funds

Total Tax Increment Revenues	\$ 38,702,953.85
TIF Fund Interest Earnings	-

Total Sources of Funds	\$ 38,702,953.85
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Uses of Funds

Projects ¹

220 S. Alamo	\$ 4,850,205.00
200 E. Market	\$ 5,516,445.00
300 S. Alamo	\$ 2,138,850.00
500 Hemisfair Blvd	\$ 733,320.00
700 Hemisfair Blvd	\$ 3,154,980.00
900 Hemisfair Blvd	\$ 1,986,075.00
200 N. Labor	\$ 4,742,751.00
Available for other eligible expenses	\$ 13,717,733.94
Total Eligible Expenses	\$ 36,840,359.94

Designation Fee and Administrative Fees	\$ 1,862,593.91
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Total Uses of Funds	\$ 38,702,953.85
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Project Financing Surplus/(Shortage)	\$ -
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¹ Subject to change. The TIRZ can reimburse eligible expenses to be approved by TIRZ Board.

**Hemisfair
Tax Increment Reinvestment Zone #34
Revenues**

Tax Year	Tax Increment Zone				City of San Antonio								Total Tax Increments	Fiscal Year
	Beginning Assessed Value	New Values	Appraisal Growth	Year-End Assessed Value	Tax Exemptions	Year-End Taxable Value	Total Base Taxable Value	Captured Taxable Value	Projected Tax Rate	Actual Tax Increments	Projected Tax Increments			
2016 ¹	\$ -	\$ -	\$ -	\$ 366,477,550.00	\$(332,195,781.00)	\$ 34,281,769.00	\$ 34,281,769.00	\$ -	\$ 0.558270	\$ -	\$ -	\$ -	2017	
2017	366,477,550.00	-	11,910,520.00	378,388,070.00	(342,992,144.00)	35,395,926.00	34,281,769.00	1,114,157.00	0.558270	-	6,095.60	6,095.60	2018	
2018	378,388,070.00	-	12,297,612.00	390,685,682.00	(354,139,389.00)	36,546,293.00	34,281,769.00	2,264,524.00	0.558270	-	12,389.31	12,389.31	2019	
2019	390,685,682.00	-	12,697,285.00	403,382,967.00	(365,648,919.00)	37,734,048.00	34,281,769.00	3,452,279.00	0.558270	-	18,887.58	18,887.58	2020	
2020	403,382,967.00	-	13,109,946.00	416,492,913.00	(377,532,509.00)	38,960,404.00	34,281,769.00	4,678,635.00	0.558270	-	25,597.03	25,597.03	2021	
2021	416,492,913.00	164,549,884.00	13,536,020.00	594,578,817.00	(389,802,316.00)	204,776,501.00	34,281,769.00	170,494,732.00	0.558270	-	932,784.52	932,784.52	2022	
2022	594,578,817.00	36,375,000.00	19,323,812.00	650,277,629.00	(402,470,891.00)	247,806,738.00	34,281,769.00	213,524,969.00	0.558270	-	1,168,204.93	1,168,204.93	2023	
2023	650,277,629.00	123,238,500.00	21,134,023.00	794,650,152.00	(415,551,195.00)	379,098,957.00	34,281,769.00	344,817,188.00	0.558270	-	1,886,510.70	1,886,510.70	2024	
2024	794,650,152.00	77,148,756.00	25,826,130.00	897,625,038.00	(429,056,609.00)	468,568,429.00	34,281,769.00	434,286,660.00	0.558270	-	2,376,002.29	2,376,002.29	2025	
2025	897,625,038.00	-	29,172,814.00	926,797,852.00	(443,000,949.00)	483,796,903.00	34,281,769.00	449,515,134.00	0.558270	-	2,459,317.98	2,459,317.98	2026	
2026	926,797,852.00	-	30,120,930.00	956,918,782.00	(457,398,480.00)	499,520,302.00	34,281,769.00	465,238,533.00	0.558270	-	2,545,341.42	2,545,341.42	2027	
2027	956,918,782.00	-	31,099,860.00	988,018,642.00	(472,263,931.00)	515,754,711.00	34,281,769.00	481,472,942.00	0.558270	-	2,634,160.61	2,634,160.61	2028	
2028	988,018,642.00	-	32,110,606.00	1,020,129,248.00	(487,612,509.00)	532,516,739.00	34,281,769.00	498,234,970.00	0.558270	-	2,725,866.44	2,725,866.44	2029	
2029	1,020,129,248.00	-	33,154,201.00	1,053,283,449.00	(503,459,916.00)	549,823,533.00	34,281,769.00	515,541,764.00	0.558270	-	2,820,552.71	2,820,552.71	2030	
2030	1,053,283,449.00	-	34,231,712.00	1,087,515,161.00	(519,822,363.00)	567,692,798.00	34,281,769.00	533,411,029.00	0.558270	-	2,918,316.28	2,918,316.28	2031	
2031	1,087,515,161.00	-	35,344,243.00	1,122,859,404.00	(536,716,590.00)	586,142,814.00	34,281,769.00	551,861,045.00	0.558270	-	3,019,257.16	3,019,257.16	2032	
2032	1,122,859,404.00	-	36,492,931.00	1,159,352,335.00	(554,159,879.00)	605,192,456.00	34,281,769.00	570,910,687.00	0.558270	-	3,123,478.63	3,123,478.63	2033	
2033	1,159,352,335.00	-	37,678,951.00	1,197,031,286.00	(572,170,075.00)	624,861,211.00	34,281,769.00	590,579,442.00	0.558270	-	3,231,087.29	3,231,087.29	2034	
2034	1,197,031,286.00	-	38,903,517.00	1,235,934,803.00	(590,765,602.00)	645,169,201.00	34,281,769.00	610,887,432.00	0.558270	-	3,342,193.24	3,342,193.24	2035	
2035	1,235,934,803.00	-	40,167,881.00	1,276,102,684.00	(609,965,484.00)	666,137,200.00	34,281,769.00	631,855,431.00	0.558270	-	3,456,910.13	3,456,910.13	2036	
										\$ -	\$ 38,702,953.85	\$ 38,702,953.85		
<u>Existing Value Growth Factors</u>														
Base Model Growth Factor				3.25%	Participation Level								100%	
Growth Factor Above Base				0.00%	Tax Rate Growth Factor								0.00%	
Combined Growth Rate				3.25%	Tax Rate Collection Factor								98.00%	

¹ 2016 Values subject to change due to appeals; certification of the 2016 appraisal roll is July 25, 2016

**Hemisfair
Tax Increment Reinvestment Zone #34
Reimbursements**

Tax Year	Actual		Projected		Cumulative Tax Increments Revenues	TIF Fund Interest Rate	Actual		Projected		Actual	Projected	Actual	Projected	Actual	Projected		
	Tax Increments		Tax Increments				Interest Earned		Designation Fee ¹	Administrative Fees ¹							220 S. Alamo ²	200 E. Market ²
	Revenues	Revenues	Revenues	Revenues			in TIF Fund											
2016	\$ -	\$ -	\$ -	\$ -	0.6875%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
2017	-	6,095.60	-	6,095.60	1.6250%	-	-	(6,095.60)	-	-	-	-	-	-	-	-		
2018	-	12,389.31	-	18,484.91	2.6250%	-	-	(12,389.31)	-	-	-	-	-	-	-	-		
2019	-	18,887.58	-	37,372.49	3.4375%	-	-	(18,887.58)	-	-	-	-	-	-	-	-		
2020	-	25,597.03	-	62,969.52	3.5000%	-	-	(12,627.51)	-	(12,593.91)	-	-	-	-	-	-		
2021	-	932,784.52	-	995,754.04	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2022	-	1,168,204.93	-	2,163,958.97	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2023	-	1,886,510.70	-	4,050,469.67	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2024	-	2,376,002.29	-	6,426,471.96	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2025	-	2,459,317.98	-	8,885,789.94	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2026	-	2,545,341.42	-	11,431,131.36	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2027	-	2,634,160.61	-	14,065,291.97	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2028	-	2,725,866.44	-	16,791,158.41	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2029	-	2,820,552.71	-	19,611,711.12	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2030	-	2,918,316.28	-	22,530,027.40	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2031	-	3,019,257.16	-	25,549,284.56	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2032	-	3,123,478.63	-	28,672,763.19	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2033	-	3,231,087.29	-	31,903,850.48	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2034	-	3,342,193.24	-	35,246,043.72	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
2035	-	3,456,910.13	-	38,702,953.85	3.5000%	-	-	-	-	(120,000.00)	-	(323,347.00)	-	-	(367,763.00)			
	<u>\$ -</u>	<u>\$ 38,702,953.85</u>				<u>\$ -</u>	<u>\$ -</u>	<u>\$ (50,000.00)</u>	<u>\$ -</u>	<u>\$ (1,812,593.91)</u>	<u>\$ -</u>	<u>\$ (4,850,205.00)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,516,445.00)</u>			

¹ Designation Fee of \$50,000, due once designated, and annual administrative expenses of the lesser of 20% of the fiscal year increment or \$120,000. Both are anticipated to be paid when increment is available.

² Subject to change. The TIRZ can reimburse eligible expenses to be approved by TIRZ Board.

**Hemisfair
Tax Increment Reinvestment Zone #34
Reimbursements**

Tax Year	Actual		Projected		Actual		Projected		Actual		Projected		Actual		Projected		Fiscal Year Cashflow Balance	Fiscal Year Fund Balance	Fiscal Year
	300 S. Alamo ²		500 Hemisfair Blvd ²		700 Hemisfair Blvd ²		900 Hemisfair Blvd ²		220 S. Alamo ²		Available for Other Eligible Expense								
2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2017
2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2018
2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2019
2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2020
2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2021
2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2022
2022	-	(152,775.00)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2023
2023	-	(152,775.00)	-	-	-	-	-	-	(152,775.00)	-	-	-	-	-	-	-	-	-	2024
2024	-	(152,775.00)	-	(61,110.00)	-	(262,915.00)	-	(152,775.00)	-	(364,827.00)	-	-	-	-	-	-	-	-	2025
2025	-	(152,775.00)	-	(61,110.00)	-	(262,915.00)	-	(152,775.00)	-	(364,827.00)	-	-	-	-	-	-	-	-	2026
2026	-	(152,775.00)	-	(61,110.00)	-	(262,915.00)	-	(152,775.00)	-	(364,827.00)	-	-	-	-	-	-	-	-	2027
2027	-	(152,775.00)	-	(61,110.00)	-	(262,915.00)	-	(152,775.00)	-	(364,827.00)	-	-	-	-	-	-	-	-	2028
2028	-	(152,775.00)	-	(61,110.00)	-	(262,915.00)	-	(152,775.00)	-	(364,827.00)	-	-	-	-	-	-	-	-	2029
2029	-	(152,775.00)	-	(61,110.00)	-	(262,915.00)	-	(152,775.00)	-	(364,827.00)	-	-	-	-	-	-	-	-	2030
2030	-	(152,775.00)	-	(61,110.00)	-	(262,915.00)	-	(152,775.00)	-	(364,827.00)	-	-	-	-	-	-	-	-	2031
2031	-	(152,775.00)	-	(61,110.00)	-	(262,915.00)	-	(152,775.00)	-	(364,827.00)	-	-	-	-	-	-	-	-	2032
2032	-	(152,775.00)	-	(61,110.00)	-	(262,915.00)	-	(152,775.00)	-	(364,827.00)	-	-	-	-	-	-	-	-	2033
2033	-	(152,775.00)	-	(61,110.00)	-	(262,915.00)	-	(152,775.00)	-	(364,827.00)	-	-	-	-	-	-	-	-	2034
2034	-	(152,775.00)	-	(61,110.00)	-	(262,915.00)	-	(152,775.00)	-	(364,827.00)	-	-	-	-	-	-	-	-	2035
2035	-	(152,775.00)	-	(61,110.00)	-	(262,915.00)	-	(152,775.00)	-	(364,827.00)	-	-	-	-	-	-	-	-	2036
	\$ -	\$ (2,138,850.00)	\$ -	\$ (733,320.00)	\$ -	\$ (3,154,980.00)	\$ -	\$ (1,986,075.00)	\$ -	\$ (4,742,751.00)	\$ -	\$ -	\$ -	\$ -	\$ (13,717,733.94)	\$ -	\$ -		

**Hemisfair
Tax Increment Reinvestment Zone #34
Designation Fee & Annual Administrative Fees**

Tax Year	Projected Tax Increments Revenues	Projected Annual Administrative Fees	Fiscal Year
2016	\$ -	-	2017
2017	6,095.60	1,219.12	2018
2018	12,389.31	2,477.86	2019
2019	18,887.58	3,777.52	2020
2020	25,597.03	5,119.41	2021
2021	932,784.52	120,000.00	2022
2022	1,168,204.93	120,000.00	2023
2023	1,886,510.70	120,000.00	2024
2024	2,376,002.29	120,000.00	2025
2025	2,459,317.98	120,000.00	2026
2026	2,545,341.42	120,000.00	2027
2027	2,634,160.61	120,000.00	2028
2028	2,725,866.44	120,000.00	2029
2029	2,820,552.71	120,000.00	2030
2030	2,918,316.28	120,000.00	2031
2031	3,019,257.16	120,000.00	2032
2032	3,123,478.63	120,000.00	2033
2033	3,231,087.29	120,000.00	2034
2034	3,342,193.24	120,000.00	2035
2035	3,456,910.13	120,000.00	2036
	\$ 38,702,953.85	\$ 1,812,593.91	
		<u>Designation Fee</u>	
2016		\$ 50,000.00	2017
	Total ¹	\$ 1,862,593.91	

¹ Designation Fee of \$50,000, due once designated, and annual administrative expenses of the lesser of 20% of the fiscal year increment or \$120,000. Both are anticipated to be paid when increment is available.

Hemisfair
Tax Increment Reinvestment Zone #34
Participation

Taxing Entity	Tax Rate	Level of Participation	Tax Rate Based on Participation	% of Project	Tax Increments Revenues	TIF Expenses
City of San Antonio	\$ 0.55827	100%	\$ 0.55827	100.00%	\$38,702,953.85	\$ 38,702,953.85
Total	\$ 0.55827		\$ 0.55827	100.00%	\$38,702,953.85	\$ 38,702,953.85

Hemisfair
Tax Increment Reinvestment #34
Collections

Taxing Entity	Maximum Length of Contribution	Maximum Dollar Contribution	Tax Increments Revenues Collected	Remaining / (Refund)
City of San Antonio	09/30/2036	N/A	\$ -	N/A
Total		N/A	\$ -	N/A

**Hemisfair
Tax Increment Reinvestment Zone #34
New Values**

Tax Year	Northwest Quadrant		Southwest Corner	Eastern Quadrant		Easternmost	Labor Street	Annual Total	Fiscal Year
	220 S. Alamo	200 E. Market	300 S. Alamo	500 Hemisfair	700 Hemisfair	900 Hemisfair	200 N. Labor		
2016								\$ -	2017
2017								\$ -	2018
2018								\$ -	2019
2019								\$ -	2020
2020								\$ -	2021
2021	\$ 76,987,271	\$ 87,562,613						\$ 164,549,884	2022
2022			\$ 36,375,000					\$ 36,375,000	2023
2023						\$ 36,375,000	\$ 86,863,500	\$ 123,238,500	2024
2024				\$ 14,550,000	\$ 62,598,756			\$ 77,148,756	2025
2025								\$ -	2026
2026								\$ -	2027
2027								\$ -	2028
2028								\$ -	2029
2029								\$ -	2030
2030								\$ -	2031
2031								\$ -	2032
2032								\$ -	2033
2033								\$ -	2034
2034								\$ -	2035
2035								\$ -	2036
	\$ 76,987,271	\$ 87,562,613	\$ 36,375,000	\$ 14,550,000	\$ 62,598,756	\$ 36,375,000	\$ 86,863,500	\$ 401,312,140	