



# City of San Antonio

## Agenda Memorandum

**File Number:** 17-3410

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**Agenda Item Number:** 30.

**Agenda Date:** 6/15/2017

**In Control:** City Council A Session

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**DEPARTMENT:** Planning and Community Development

**DEPARTMENT HEAD:** Bridgett White

**COUNCIL DISTRICTS IMPACTED:** Council Districts 1, 2 and 5

**SUBJECT:**

Consideration of an Ordinance authorizing a Development Agreement with Live Small, LLC in an amount not to exceed \$972,000.00 within the Tax Increment Reinvestment Zone #11 boundary.

**SUMMARY:**

Consideration of an Ordinance authorizing a Development Agreement in an amount not to exceed \$972,000.00 between the City of San Antonio, the Inner City TIRZ Board of Directors and Live Small, LLC, within the Inner City Tax Increment Reinvestment Zone (TIRZ) #11 and located in Council District 2 to facilitate the construction of a five story mixed used professional building to provide support services for military personnel and a conference center accessible to the general public at the project site located on or about 508 Roper Street, San Antonio, Texas. The total development cost of the Veterans Transition and Conference Center project is approximately \$11,425,000.00 which includes costs for acquisition, site work, pre-development soft costs and hard construction costs.

**BACKGROUND INFORMATION:**

The Department of the Army continues to be concerned with the successful transition of their servicemen and women as they transition from active service to civilian status. This concern is not specific to rank or time of service as many of them are not successful with this transition. One of the causes is that the current Transition Office on Post is only effective until the date of separation. There are a number of efforts in the community to assist these Veterans; however, there is not one clearinghouse that veterans may visit and obtain information about these services.

The proposed 20,000 sq. ft. two story Veterans Transition Center is to be located off Post. The current Army Transition Program (under a pilot program from the Secretary of the Army) will relocate to our Veterans Transition Center and include partners such as RP6, USO, Army for Life, Texas Workforce Commission, Center for Veterans Success, and other interested community agencies. A serviceman or woman will enter the program 18 months prior to discharge and is typically in the program for 12 months.

Above the Veterans Transition Center will be 30,000 sq. ft. of conference facilities on three floors. This Conference Center will support the meeting needs of the 13 major commands on post, the San Antonio Area Military Medical Center and eastside community. The Conference Center will have a separate entrance, elevators, and consists of various breakout rooms and a ballroom.

## **ISSUE:**

On January 27, 2017, Live Small, LLC applied for TIF funding for the development of a Veterans Transition and Conference Center, which consists of a facility that will provide support services for military personnel and a conference center that will be accessible to the general public, located on or about 508 Roper Street, between Dignowity Drive on the north, Runnels Avenue on the south, Edgar Street on the east and abutting an existing drainage channel on the west, in City Council District 2.

On February 10, 2017, the Inner City TIRZ Board approved a Resolution authorizing City Staff to negotiate the necessary agreement with Live Small, LLC in an amount not to exceed \$972,000.00 for the reimbursement of eligible public infrastructure expenses related to the Veterans Transition and Conference Center project.

On April 6, 2017, Live Small, LLC received authorization of the Closure, vacation, and abandonment of a 0.275 Acre unimproved portion of Roper Street between Dignowity Drive and Runnels Avenue in Council District 2 through Ordinance 2017-04-06-0199, which was necessary to assemble the parcels required for the project.

On May 12, 2017, the Inner City TIRZ Board considered and approved a Resolution authorizing the execution of a Development Agreement for up to \$972,000.00 in TIRZ funding with Live Small, LLC to support the construction of public infrastructure and improvements associated with the development of a Veterans Transition and Conference Center.

This Ordinance authorizes the execution of the Development Agreement between the City of San Antonio, the Inner City TIRZ Board of Directors and Live Small, LLC, to support the public infrastructure improvements necessary, specifically utility, lighting, sidewalk, street, street curbing, landscaping, and Americans with Disability Act (ADA) improvements to facilitate the construction of a 5 story mixed used professional building which consists of a facility that will provide support services for military personnel and a conference center that will be accessible to the general public at the project site located on or about 508 Roper Street, San Antonio, Texas. The total development cost of the Veterans Transition and Conference Center project is approximately \$11,425,000.00 which includes costs for acquisition, site work, pre-development soft costs and hard construction costs.

The requested \$972,000.00 in TIRZ funding is necessary to ensure that the project will be economically feasible.

## **ALTERNATIVES:**

If the City does not approve the TIRZ Board of Director's recommendations, the Developer will be unable to implement and complete the proposed project, as it will become economically unfeasible.

## **FISCAL IMPACT:**

The total development cost of the Veterans Transition and Conference Center project is approximately \$11,425,000.00 which includes costs for acquisition, site work, pre-development soft costs, hard construction

costs, contingency, and Developer related expenses. If approved, this action will authorize a Development Agreement with Live Small, LLC in an amount not to exceed \$972,000.00 from the Inner City TIRZ fund, for the reimbursement of eligible expenses related to the Veterans Transition and Conference Center between the City of San Antonio, Live Small, LLC and the Inner City TIRZ Board of Directors. There is no fiscal impact to the City's General Fund.

**RECOMMENDATION:**

Staff recommends approval of an Ordinance authorizing a Development Agreement in an amount not to exceed \$972,000.00 between the City of San Antonio, the Inner City TIRZ Board of Directors and Live Small, LLC, within the Inner City Tax Increment Reinvestment Zone (TIRZ) #11 and located in Council District 2 to facilitate the construction of a 5 story mixed used professional building to provide support services for military personnel and a conference center accessible to the general public at the project site located on or about 508 Roper Street, San Antonio, Texas. The total development cost of the Veterans Transition and Conference Center project is approximately \$11,425,000.00 which includes costs for acquisition, site work, pre-development soft costs and hard construction costs.