



# City of San Antonio

## Legislation Details (With Text)

**File #:** 18-5191

**Type:** Miscellaneous Item

**In control:** City Council A Session

**On agenda:** 10/4/2018

**Title:** Ordinance approving the execution of a TIRZ Development Agreement in the amount of \$150,500.00 with Housing and Community Services, Inc. for the Village at Roosevelt Project, a five story multifamily residential community Located in TIRZ #32 Mission Drive-In. [Peter Zaroni, Deputy City Manager; Veronica Soto, Director, Neighborhood and Housing Services]

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Agreement Authorization Resolution Village at Roosevelt, 2. Negotiation Authorization Resolution Village at Roosevelt, 3. Funding Commitment Letter- Village at Roosevelt, 4. T32 Mission Drive In Development Agreement - Village at Roosevelt Draft\_9-18-18CAO, 5. Draft Ordinance, 6. Map Package Village at Roosevelt, 7. Updated Draft Ordinance - date corrected, 8. Ordinance 2018-10-04-0788

Date	Ver.	Action By	Action	Result
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**DEPARTMENT:** Neighborhood and Housing Services Department

**DEPARTMENT HEAD:** Verónica R. Soto, AICP, Director

**COUNCIL DISTRICTS IMPACTED:** 3

### SUBJECT:

Consideration of an Ordinance approving the execution of a Development Agreement in the amount of \$150,500 with Housing and Community Services, Inc. for the Village at Roosevelt Project, a five story multifamily residential community.

### SUMMARY:

City Council is being asked to consider an Ordinance approving the execution of a Development Agreement with the Housing and Community Services, Inc. (dba Prospera Housing Community Services) for the Village at Roosevelt Project in an amount not to exceed \$150,500 in reimbursable Tax Increment Financing funds for public infrastructure and public improvements associated with the construction of The Village at Roosevelt Project, located at 1507 and 1515 Roosevelt Avenue, in the Mission Drive-In TIRZ, City Council District 3. The Village at Roosevelt Project will be a five-story multifamily residential community with a total

development cost of \$12.4 million dollars.

## **BACKGROUND INFORMATION:**

The City Council designated the City-initiated Mission Drive-In Tax Increment Reinvestment Zone (TIRZ) on December 11, 2008 to assist with revitalization and reinvestment initiatives. The Mission Drive-In TIRZ allows for reimbursement of eligible development expenses that promote development or redevelopment in the zone that would not occur solely through private investment. The TIRZ termination date is September 30, 2027.

The \$150,500.00 in Mission Drive-In TIRZ funds approved by the TIRZ Board are to be utilized to address public improvements and/or public infrastructure requirements to include site work, demolition, landscaping and fencing. The total development cost is approximately \$12.4 million dollars.

## **ISSUE:**

The Village at Roosevelt Project is located at 1507 and 1515 Roosevelt Avenue, in the Mission Drive-In TIRZ, City Council District 3. The Village at Roosevelt Project will be a five-story multifamily residential community with a total development cost of approximately \$12.4 million dollars. The Rental Units will range in size from 1 bedroom and 1 bath units to 3 bedrooms and 2 baths units. It will consist of fifty seven multi-family (MF) units. Forty nine of these units will serve low income residents, and the remaining eight will be market rate units. A detailed unit mix is contained in the table below. The development will provide a range of housing options for low-moderate income families. The Project is scheduled to begin construction June 1, 2019 and be substantially complete no later than January 31, 2021.

<b>Proposed Rents &amp; Unit Mix</b>								
	<b>30%AMI</b>		<b>50%AMI</b>		<b>60%AMI</b>		<b>Market Rate Units</b>	
Bedroom	Units	Rents	Units	Rents	Units	Rents	Units	Rents
1	1	\$270.00	4	\$508.00	5	\$627.00	4	\$714.00
2	3	\$320.00	12	\$606.00	14	\$749.00	4	\$858.00
3	1	\$367.00	4	\$697.00	5	\$862.00	0	N/A
Total 57	5		20		24		8	

On March 21, 2018, Housing and Community Services, Inc. (dba Prospera Housing Community Services), applied for funding from the City's Tax Increment Financing Program to address public infrastructure and public improvements to include site work, demolition, landscaping and fencing.

On May 23, 2018, the TIRZ Board approved Resolution T32 2018-05-23-0IR, in support of the Project authorizing City staff to negotiate an agreement in an amount not to exceed One Hundred Fifty Thousand Five Hundred Dollars (\$150,500.00) in reimbursable funds for the public infrastructure and public improvements to include site work, demolition, landscaping and fencing.

On July 26, 2018 the Developer received a Texas Department of Housing and Community Affairs (TDHCA) Low Income Tax Credit award. The total development cost is approximately \$12.4 million dollars.

On August 27, 2018 the Mission Drive-In TIRZ Board approved the Development Agreement. This Ordinance authorizes the execution of the Agreement between Housing and Community Services, Inc. (dba Prospera

Housing Community Services, the City and the Board of Directors of the Mission Drive-In Tax Increment Reinvestment Zone, to address public infrastructure and public improvements to include site work, demolition, landscaping and fencing associated with project the Village at Roosevelt.

The \$150,500.00 in the Mission Drive-In Tax Increment Reinvestment Zone funding is necessary to ensure that the project is completed, as well as economically feasible.

#### **ALTERNATIVES:**

City Council could decide not approve the Development Agreement with Housing and Community Services, Inc. (dba Prospera Housing Community Services). If so, this action could negatively affect the Village at Roosevelt Project and the proposed project could become infeasible.

#### **FISCAL IMPACT:**

This action will authorize the execution of a Development Agreement with Housing and Community Services, Inc. (dba Prospera Housing Community Services) in an amount not to exceed \$150,500.00. This project is funded through the Mission Drive-In TIRZ. TIRZ funds are paid solely from the tax increment generated in the TIRZ and will not impact the City's General fund. The City is the only participating taxing entity at a 90% rate.

#### **RECOMMENDATION:**

Staff recommends approval of an Ordinance authorizing the execution of a Development Agreement with Housing and Community Services, Inc. (dba Prospera Housing Community Services) in an amount not to exceed \$150,500.00 for the Village at Roosevelt Project located at 1507 and 1515 Roosevelt Avenue in City Council District 3; within the Mission Drive-In Tax Increment Reinvestment Zone boundary.