



City of San Antonio

Agenda Memorandum

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Agenda Item Number: 13.

Agenda Date: 4/13/2017

In Control: City Council A Session

DEPARTMENT: Planning and Community Development

DEPARTMENT HEAD: Bridgett White, Director

COUNCIL DISTRICTS IMPACTED: 3

SUBJECT:

Consideration of an Ordinance approving the Mission Drive-In Tax Increment Reinvestment Zone (TIRZ) 32 Project and Finance Plans.

SUMMARY:

City Council is being asked to consider an Ordinance approving the Mission Drive-In Tax Increment Reinvestment Zone (TIRZ) 32 Project and Finance Plans.

BACKGROUND INFORMATION:

The City Council through Ordinance No. 2008-12-11-1174, designated the Mission Drive-In TIRZ, a City-initiated tax increment reinvestment zone, to assist with the revitalization and reinvestment initiatives. In order to achieve the goals of City programs and City-adopted plans, that encourage long-term, and high quality investment.

The life of the Tax Increment Reinvestment Zone is 18.80 years. The termination date is September 30, 2027.

The City and the Mission Drive-In TIRZ Board of Directors ("Board") recognize the importance of their continued role in economic development, community development, planning and urban design in accordance with the Tax Increment Financing (TIF) Act, Texas Tax Code, Chapter 311, of the Texas Tax Code ("the Act").

City staff prepared a Project Plan and a Finance Plan for the Mission Drive-In TIRZ, in accordance with the Act. On March 8, 2017 the Board of Directors approved Resolutions T32 2017-03-08-01R and T32 2017-03-08-02R approving the attached Project and Finance Plans respectively for the Mission Drive-In TIRZ, as presented to the Board in substantial form, and subject to approval by City Council Ordinance. The Board of

Directors is comprised of Lance Elliot, Gabriel Farias, Arthur Garcia, Carmen Lara, Bernadette Pena, and Debra Perales.

ISSUE:

The City of San Antonio is the only Participating Taxing Entity contributing tax increment to the Mission Drive-In TIRZ 32 with a maximum participation rate of 90%. The TIRZ was designated in December of 2008.

The TIRZ Board met November 12, 2009 and amended the boundaries of the Mission Drive-In TIRZ 32. The boundary change added 748 acres consisting mainly of public properties that included the Riverside Golf Course and the San Jose Burial Park. These improvements were intended to add valuable landmarks that could help attract investment in the TIRZ.

On December 10, 2009, through Ordinance No. 2009-12-10-1000, City Council amended the Mission Drive-In TIRZ 32 boundaries located in City Council District 3, to its current size of approximately 2,113 acres.

The Project Plan provides an overview of the TIRZ, existing uses and conditions of real property in the TIRZ, and proposed improvements and property uses in the TIRZ, if known. Additionally, it addresses any proposed changes to municipal ordinances, estimated non-project cost, and the relocation of persons to be displaced as a result of plan implementation, as required by statute.

The Finance Plan provides estimates regarding tax increment to be collected within the Mission Drive-In TIRZ. The Finance Plan is updated from the Preliminary Finance Plan, which shows funding for the use of the Mission Drive-In TIRZ Board in considering future projects that will meet the goals and objectives of the Project Plan.

The TIF Act Section 311.011(a) requires the Board of Directors to adopt a Project and Finance Plan for the zone and requires City Council approval. The approval of the Project and Finance Plans by City Council will fulfill the TIF Act requirements.

ALTERNATIVES:

City Council could decide not to approve the Project and Finance Plans. If so, this action would bring the Mission Drive-In TIRZ out of compliance with the TIF Act and could negatively impact the TIRZ.

FISCAL IMPACT:

Projects funded through the Mission Drive-In TIRZ are paid solely from the tax increment generated through the TIRZ and will not impact the City's General fund. The City is the only participating taxing entity at a 90% rate. It is projected the TIRZ will generate over \$2.8 million for reinvestment in the designated area within its 18.80 year timeframe.

RECOMMENDATION:

Staff recommends approval of an Ordinance authorizing the approval of the Project and Finance Plans for the Mission Drive-In TIRZ 32.