



City of San Antonio

Agenda Memorandum

File Number:17-5920

Agenda Item Number:

Agenda Date: 11/6/2017

In Control: Tax Increment Reinvestment Zone 09 -- Houston Street

Discussion and Possible Action regarding Bexar County 10 Year Tax Abatement Argyle Residential, LLC or Main & Dwyer Land, LLC Project

SUMMARY

The Bexar County Economic Development Department is negotiating a tax abatement agreement with Argyle Residential, LLC or Main & Dwyer Land, LLC to provide incentives for 410 South Main Project a 343 Unit multifamily project at 307 Dwyer and 410 South Main. The proposed project is valued at \$57,300,000.00. Bexar County is seeking TIRZ Board Approval of the abatement because the property falls within the boundary of the Houston Street TIRZ.

BACKGROUND

Argyle Residential, LLC has proposed the redevelopment of the 410 Parcel on South Main. Argyle Residential, LLC intends to transfer ownership of the project to Main & Dwyer Land, LLC. The Heritage Plaza project is a 343 unit, multifamily apartment complex. The Project will provide modern housing stock for San Antonio's growing downtown. The Project will provide substantial amenity space for residents, including a fitness center, business center, meeting rooms, rooftop deck, pool deck and outdoor area.

The Developer has sought development incentives from both the City of San Antonio and Bexar County. The City, through the Center City Housing Incentive Policy is currently considering incentives for the project.

Bexar County proposed incentive is a ten year 40% abatement of Bexar County's real property taxes, amounting to \$67,212 per year with a total incentive of \$672,129.00 in total.

ISSUE

Under Texas statute, a taxing unit seeking to abate taxes on real property in a reinvestment zone must obtain approval from the following entities in order for the agreement to be effective:

- The Board of Directors of the reinvestment zone
- The governing body of each taxing unit that imposes taxes on real property in the reinvestment zone and deposits or agrees to deposit any of its tax increment into the tax increment fund for the zone.

Approval by the TIRZ Board will not authorize any additional tax increment beyond what has already been provided through the Center City Housing Incentive Policy.

RECOMMENDATION

Staff recommends approval of this item.