



City of San Antonio

Agenda Memorandum

File Number:18-1318

Agenda Item Number:

Agenda Date: 1/23/2018

In Control: Tax Increment Reinvestment Zone 30 -- Westside

SUMMARY

The Bexar County Economic Development Department is negotiating a tax abatement agreement with Schuepbach Properties, LLC to provide incentives for the 1334 South Flores Project a 294 Unit multifamily project at 1334 South Flores and 205 E. Cevallos Street. The proposed project is valued at \$53,700,000.00. Bexar County is seeking TIRZ Board Approval of the abatement because the property falls within the boundary of the Westside TIRZ.

BACKGROUND

Schuepbach Properties, LLC has proposed the redevelopment of the 1334 Parcel on South Flores Street. The Schuepbach Properties project is a 294 unit, multifamily apartment complex. The four story project will provide 443 parking spaces within a Parking Garage.

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 approved by the Westside TIRZ Board of Directors on March 26, 2013 and subsequently approved on December 12, 2016, has authorized the following incentives:

- \$148,892.00 - City fee waivers
- \$217,872.00 - SAWS fee waivers
- \$3,894,053.00 - 15 year annual property tax reimbursement grant
- \$385,650.00 - Mixed-Use Forgivable Loan

Bexar County's proposed incentive is a ten year 40% abatement of Bexar County's real property taxes, amounting to \$64,807 per year with a total incentive of \$648,075.00 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.