



City of San Antonio

Agenda Memorandum

File Number:18-5707

Agenda Item Number: 27.

Agenda Date: 11/1/2018

In Control: City Council A Session

DEPARTMENT: Neighborhood and Housing Services Department

DEPARTMENT HEAD: Verónica R. Soto, AICP, Director

COUNCIL DISTRICTS IMPACTED: Council District 1

SUBJECT:

Consideration of an Ordinance approving execution of a Development Agreement with Graystreet Light, LP ("Developer") for the San Antonio Light and Print Buildings project. The project is located at 420 Broadway in City Council District 1 and within the Midtown Tax Increment Reinvestment Zone.

SUMMARY:

City Council is asked to consider an Ordinance approving the execution of a Development Agreement between the Midtown TIRZ Board of Directors, City of San Antonio, and the Graystreet Light, LP for the San Antonio Light and Print Buildings project in an amount not to exceed \$2,500,000.00 in reimbursable TIRZ funds. The project is located at 420 Broadway Street in the Midtown TIRZ and Council District 1.

The San Antonio Light and Print Building project is a historic rehabilitation of two (2) structures that have been vacant for several years. TIRZ funds will be utilized to address public infrastructure and public improvements such as landscaping, Low Impact Development features to manage stormwater runoff as part of green infrastructure, historic features, façade, glazing, sidewalks, Geotech, archaeology, environmental, storm drain improvements and ADA requirements.

BACKGROUND INFORMATION:

On May 18, 2018, Graystreet Light, LP submitted a request for TIRZ funding for the San Antonio Light and Print Buildings project to be located at 420 Broadway. The total development cost of the project is approximately \$47,000,000.00, which includes public infrastructure improvements such as landscaping, Low Impact Development features to manage stormwater runoff as part of green infrastructure, historic features, façade & glazing, sidewalks, Geotech, archaeology, environmental, storm drain improvements and ADA

requirements. There is an active ICRIP City Fee Waiver for the Light Building Project, with an estimated value of \$75,000.00.

On June 15, 2018, the Midtown TIRZ Board approved a Resolution authorizing staff to negotiate an appropriate agreement in an amount not to exceed \$2,500,000.00 in TIRZ funding with Graystreet Light, LP for the San Antonio Light and Print Buildings project is located at 420 Broadway in Council District 1.

On September 14, 2018, the Board adopted a Resolution authorizing execution of the Development Agreement with Graystreet Light, LP to provide reimbursement in an amount not to exceed \$2,500,000.00 for eligible expenses.

ISSUE:

The San Antonio Light and Print Building is a historic rehabilitation project located at 420 Broadway in Council District 1. The approximate \$47 million project will include the construction of mixed-use, office and commercial space. The development will include 2,500 SF of retail space, 137,940 SF of office space, parking, and landscaping beautification efforts on the approximate 2.14 acre site.

Phase Three of the project is tentatively scheduled to commence December 31, 2018 with a tentative completion date of December 31, 2019.

Phase One of this project, which is well underway, includes selective demolition of the interior of the Light and Print buildings, along with the complete removal of all electrical, plumbing, and mechanical systems. Significant environmental abatement has also been performed, along with the selective demolition of building facades.

Phase Two of the project will include the restoration of the Light Building façade, installation of new mechanical systems, the addition of a level of underground parking in the basement of the Print building along with two (2) additional floors of office space. The developer will also grade and rebuild the surface parking on the site, add significant landscaping, including low impact development features, as well as historic artifacts to commemorate the building's historic use and significance to San Antonio's past.

The Midtown TIRZ Board approved the Development Agreement in an amount not to exceed \$2,500,000.00 on September 14, 2018. This Ordinance authorizes the execution of the Agreement between the Graystreet Light, LP, and the Board of Directors of the Midtown TIRZ to address public infrastructure improvements such as landscaping, Low Impact Development features to manage stormwater runoff as part of green infrastructure, historic features, façade, glazing, sidewalks, Geotech, archaeology, environmental, storm drain improvements and ADA requirements associated with the Phase III of the San Antonio Light and Print Buildings project.

The City is the only participating taxing entity in the Midtown TIRZ at a 100% rate. There is an active ICRIP City Fee Waiver for the Light Building Project, with an estimated value of \$75,000.00.

ALTERNATIVES:

City Council could decide not to approve the Development Agreement with Graystreet Light, LP. If so, this action could negatively affect the San Antonio Light and Print Buildings project.

FISCAL IMPACT:

Projects funded through the Midtown TIRZ are paid solely from the tax increment generated and will not

impact the City's General fund.

RECOMMENDATION:

Staff recommends approval of an Ordinance authorizing the execution of a Development Agreement in an amount not to exceed \$2,500,000.00 for the San Antonio Light and Print Buildings project located at 420 Broadway in City Council District 1, within the Midtown Tax Increment Reinvestment Zone boundary.