



City of San Antonio

Agenda Memorandum

File Number: 21-2513

Agenda Item Number: 5.

Agenda Date: 4/6/2021

In Control: Economic and Workforce Development Committee

DEPARTMENT: Neighborhood and Housing Services Department

DEPARTMENT HEAD: Verónica R. Soto, FAICIP, Director

COUNCIL DISTRICTS IMPACTED: 3

SUBJECT:

Briefing and possible action on the Roosevelt Heights Project located west of Roosevelt Ave. along the frontage of Interstate Highway Loop 410 within the Mission Drive-In TIRZ in Council District 3.

SUMMARY:

The Roosevelt Heights Project is a 23.724-acre single-family residential development, generally located west of Roosevelt Avenue along the frontage of Interstate Highway Loop 410. The Project will consist of a subdivision with 135 lots developed at an average size of 5,714 square feet with homes to be sold in the price range of high \$100s to the mid \$200s. The Project also includes a park, passive recreation area centralized within the community, and necessary public improvements. Construction was expected to begin in 2020 with completion projected by mid-late 2026. The Project is being developed with a multiple-party project team including Bitterblue, Developer; Jack Walker, Property Owner; KB Homes, Builder; and Pape-Dawson, Engineers. With major employers in the area such as Harlandale Independent School District, SA Missions National Park Headquarters, and Qualified Manufacturing Co., this single-family affordable housing development will be a welcome addition to the surrounding area.

The developer, Bitterblue, Inc., is requesting TIRZ funding for public infrastructure for an amount not to exceed \$4,625,024 to be reimbursed over 15-years. Staff is recommending reimbursement structured as a tax rebate using a Chapter 380 Economic Development Agreement. The tax rebate for the first five years will be reimbursed at 90% by the Mission Drive-In TIRZ, and the last ten years will be reimbursed with General Funds using the City's Operations & Maintenance (O&M) rate, currently at 62.15%.

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BACKGROUND INFORMATION:

In December 2019, Bitterblue, Inc. submitted a TIF Funding Application seeking funding from the Mission Drive-In TIRZ for an amount of \$4,625,024 for eligible public infrastructure.

On March 23, 2021, the TIF Governance Committee met and recommended that the reimbursement of the requested funding amount be made via a tax rebate using a Chapter 380 Economic Development Agreement.

ISSUE:

Consideration is requested for a Chapter 380 Economic Development Agreement for an amount not to exceed \$4,625,024 in tax rebates for a term of fifteen years.

ALTERNATIVES:

Economic and Workforce Development Committee may elect not to approve this item which would adversely impact the ability of the developer to proceed with building the developer that includes affordable and workforce housing units.

FISCAL IMPACT:

Funding for this agreement is available through the tax increment produced by the TIRZ and the City's General Fund using the O&M rate.

RECOMMENDATION:

Staff recommends forwarding the Roosevelt Heights Project Chapter 380 Economic Development Agreement for an amount not to exceed \$4,625,024 in tax rebates for a term of fifteen years for approval to the Mission Drive-In TIRZ and City Council for consideration.