

AN ORDINANCE 2012-12-13-1018

AUTHORIZING APPROVAL OF RIVER NORTH TAX INCREMENT REINVESTMENT ZONE #27 PROJECT PLAN AND FINANCE PLAN, AND TERMINATING RIVER NORTH TAX INCREMENT REINVESTMENT ZONE IN DISTRICT 1.

* * * * *

WHEREAS, in December of 2006, City Council, through Ordinance 2006-12-14-1422, designated the River North Tax Increment Reinvestment Zone (TIRZ #27) located within District 1, created a board of directors for the TIRZ, established a tax increment fund, and provided an original termination date of September 30, 2031; and

WHEREAS, the Board of Directors of TIRZ #27 by resolutions dated October 26, 2012 and November 19, 2012, respectively, has approved a Project Plan and Finance Plan for TIRZ #27; and

WHEREAS, City recognizes Tax Increment Financing is an important development tool, and that by the termination of TIRZ #27 and merging the area contained within TIRZ #27 into MidTown TIRZ #31 there will be improved efficiencies and possibilities for economic development; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The Project Plan and Finance Plan for River North TIRZ #27 attached as **Exhibit 1** are hereby approved.


SECTION 2. Pursuant to Texas Tax Code Section 311.017, the termination date of TIRZ #27 is set as December 13, 2012, with the financial obligations of TIRZ #27 to be paid from available tax increment funds in the following priority: River North Master Plan, Downtown Alliance Master Plan Review, CIMS Capital Administration, City of San Antonio Start-Up Costs, and City of San Antonio Administrative Costs FY08-12.

SECTION 3. This Ordinance shall be effective immediately upon passage by eight affirmative votes; otherwise, it shall be effective on the tenth day after passage.

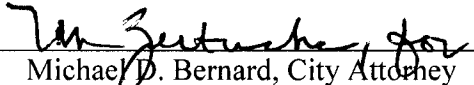
PASSED AND APPROVED this 13th day of December, 2012.

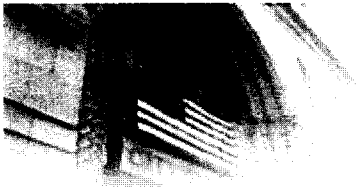

M A Y O R
Julián Castro

ATTEST:


Leticia M. Vacek, City Clerk

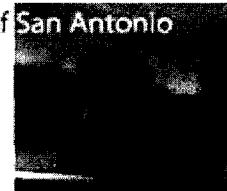
APPROVED AS TO FORM:


Michael D. Bernard, City Attorney



Request for
COUNCIL
 ACTION

City of San Antonio

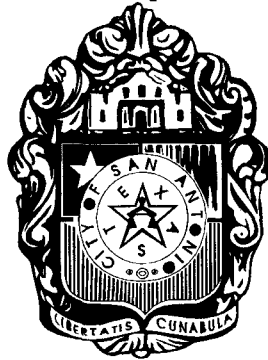


Agenda Voting Results - 37A

Name:	10, 11, 12, 13, 15, 16, 17, 18A, 18B, 18C, 18D, 18E, 18F, 18G, 19A, 19B, 19C, 19D, 19E, 19F, 19G, 19H, 19I, 19J, 19K, 19L, 20, 21, 22, 24, 25A, 25B, 26, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37A, 37B, 37C, 37D						
Date:	12/13/2012						
Time:	03:04:01 PM						
Vote Type:	Motion to Approve						
Description:	An Ordinance approving the Tax Investment Reinvestment Zone #27 (River North TIRZ) Project Plan and Finance Plan as approved by the River North TIRZ Board of Directors and terminating River North TIRZ #27.						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				x
Ivy R. Taylor	District 2		x				
Leticia Ozuna	District 3		x				
Rey Saldaña	District 4		x				
David Medina Jr.	District 5		x				
Ray Lopez	District 6		x			x	
Cris Medina	District 7	x					
W. Reed Williams	District 8		x				
Elisa Chan	District 9		x				
Carlton Soules	District 10		x				

EXHIBIT 1

CITY OF SAN ANTONIO, TEXAS
Department of Planning and Community
Development



River North

Tax Increment Reinvestment Zone
Twenty-Seven

Final Project Plan

Board Approved
October 26, 2012

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Executive Summary

The City of San Antonio's River North Tax Increment Reinvestment Zone Twenty-Seven ("TIRZ" or "Zone") was Designated on December 14, 2006. The area of the River North boundary encompasses 229.15 Acres. The life of the Tax Increment Reinvestment Zone (TIRZ) is to be 24.81 years with the TIRZ being in existence through September 30, 2031.

Appropriately dubbed "River North", the Zone is located along the San Antonio River to the north of downtown. The area is generally bound by Interstate 37 to the east, Interstate 35 to the north, 3rd Avenue, Martin Street and Navarro to the south, and N. St. Mary's to the west (See Map #1). The central business district begins at its southern edge, while single-family homes, private high schools and businesses buffer its western edge from I-35 as the freeway curves to the south. Similar to many downtowns across the nation, the San Antonio central business district is buffered by light industrial zoning before giving way to zoning for multi- and single-family homes. The arrival of the freeway structures in the 1960s further disconnect this light industrial area from previously adjoining historic neighborhoods such as Dignowity Hill to the east and Tobin Hill to the north.

Despite its vacant lots and small businesses scattered among oversized parking lots, the River North area has a number of assets. The headquarters for DPT Laboratories is located along the south edge of River North, while cultural amenities such as the San Antonio Art Museum and the nearby Southwest School of Art and Craft draw artists and art-lovers to the neighborhood. The area has two main north-south arteries – the river and Broadway – and both are underutilized assets. The river has recently been upgraded through the San Antonio River Improvements Project, while Broadway is still a mix of industrial brick buildings, empty storefronts, and large parking lots surrounding small businesses. Despite its role as a main north-south street connecting downtown to neighborhoods such as Mahncke Park, Terrell Hills and Alamo Heights, the section of Broadway south of I-35 has few commercial tenants.

Residential buildings are scarce, allowing fewer than 700 people to live in the area despite its proximity to downtown. The River North area is ripe for redevelopment, with amenities such as the river improvements, proximity to downtown offices and arts and cultural events, and numerous vacant storefronts. Trends in downtown housing booms have yet to reach San Antonio. If the area is not supported by a targeted strategy, the existing demographic and industrial conditions would likely produce minimal growth in residents or businesses. This trend would continue to underutilize valuable land at the urban core while the city advances into former farms and ranches at the perimeter of the city.

San Antonio's vision for River North, as articulated through the River

River North

North Master Plan, "is one of lively, urbane, mixed-use neighborhoods, flanking the River and well connected in every way to the Downtown.



Transforming the existing patchwork of buildings and parking lots into such a place is a formidable task, and will require the concerted efforts of many public and private parties, substantial investment of public and private monies, the best work of many designers and builders, and the sustained attention and support of the community and its leaders”.

The River North Site is located within a Texas Enterprise Zone eligible area and the Federal Urban Empowerment Zone Core Area and is eligible for the Tax Increment Financing Tool as defined in the City's 2006 TIF Guidelines. Pursuant to the Act, designation of an area as an Enterprise Zone under Chapter 2303, Government Code constitutes designation of the area as a reinvestment zone under the Act.

In addition to being located in the enterprise and empowerment zones, the River North TIRZ is located in City Council Districts 1 and 2, and Bexar County Precinct 4. At the State level, the TIRZ Boundary is located in House District 123, represented by Mike Villarreal and District 120 represented by Ruth Jones McClendon. Also at the State level, River North falls within District 26 represented by State Senator Leticia Van De Putte. At the national level the River North TIRZ is within the 20th US Congressional District represented Congressman Charlie Gonzalez.

The TIRZ will reimburse costs associated with the public improvements in the Zone which could include:

- Site Work
- Storm Water Pollution Prevention
- Streets
 - Streetscape Enhancements
 - Street Lighting And Signage
 - Sidewalks And Curbs
- Drainage/Retention
- Underground Infrastructure
- CPS Electric
- Sewer
- Water
- Façade Restoration
- Linear Parks
- Parks/Plazas
- Fees
 - Platting Fess
 - Zoning Fees
 - Traffic Fees
 - Engineering/Surveying Fees
 - Legal And Formation Fees
- Geotechnical
- Phase One Environmental Site Assessments
- Contingency
- Construction Management

The Board of Directors for the River North TIRZ Twenty-Seven, met on October 26th, 2012 and approved the Final Project. The Final Finance Plan was approved by the TIRZ Board on November 189, 2012. The Project and Finance Plan will be approved by City Council at a later date.

Policy and Program

Policy

The City of San Antonio is dedicated to the revitalization of inner-city neighborhoods and commercial districts by using a tiered system of incentive tools, one of which is Tax Increment Financing (TIF). Development projects supported by a Tax Increment Reinvestment Zone (TIRZ) should act as economic stimulus to surrounding areas. By leveraging private investment for certain types of development within a targeted area, TIF can be a tool used to assist in financing needed public improvements and enhancing infrastructure. Most taxing entities that collect taxes against the property within a TIRZ have an opportunity to contribute these future tax revenues to a TIRZ fund to reimburse the costs of public improvements in the TIRZ.

Tax Increment Reinvestment Zones Highlights:

- TIF is an incentive tool that local governments can use to finance public improvements and enhance infrastructure within a defined area, called a Tax Increment Reinvestment Zone (TIRZ)
- Tax Increment Financing is governed by the TIF Act found in Chapter 311 of the Texas Tax Code
- The Texas Constitution and the TIF Act specifies that areas to be designated as a TIRZ must be economically distressed, unproductive, underdeveloped, or blighted, and impair the City's growth because of these factors
- Each taxing entity that collects taxes against the property within a TIRZ has an opportunity to contribute future tax revenues to a TIRZ fund to reimburse developers for the cost of public infrastructure improvements in the TIRZ

Program

San Antonio's TIF Program strategy to support development and redevelopment is unique in the State. The TIF Program has evolved since 1998 to ensure that the incentive is used to support the City's Economic Development, Community Development and Urban Design goals. TIF seeks to directly promote recommendations made in the City's Master Plan, CRAG Report, Neighborhood Plans, Community Plans, Corridor and Area Plans, and the Housing Master Plan. In the case of River North, a Master Plan was produced to guide development that would capture the inherent, but as of yet untapped, value in this long neglected part of downtown.

TIF Guidelines

Approximately every two years, the City of San Antonio (City) reviews and amends the Guidelines and Criteria for Tax Increment Financing. The designation date of a TIRZ determines the applicable Guidelines for that TIRZ. Because the River North TIRZ was designated on December 14, 2006 it falls under the guidelines adopted on November 16, 2006 through Ordinance No. 2006-11-16-1316. The Guidelines serve as policy direction to City staff and interested parties regarding the Application for Redevelopment specifically related to Tax Increment Financing, which supports certain types of development in targeted areas of the city. Reinvestment Zones may be designated either through (1) a City-initiated project or (2) by Petition. The River North TIRZ is a City-initiated project.

City-initiated TIRZ are designed to assist ongoing revitalization and reinvestment initiatives by implementing the goals of existing City programs and City-adopted plans. City-initiated TIRZ maximize the benefits of public-private collaboration by focusing exclusively on areas of the City that have been predetermined to be eligible for TIF; by using a comprehensive Reinvestment Plan to coordinate development incentives and set development standards that encourage long-term, high-quality investment; and by using an RFQ and/or RFP process to identify consultants with the most appropriate skills to meet the specific challenges posed by each TIRZ. As many as three (3) new TIRZ may be designated per year through the following City-initiated process:

- Potential TIRZ are evaluated based on statutory eligibility, the availability of public and/or private sector collaboration, reinvestment needs, and the goals and recommendations of the Master Plan, Housing Master Plan, CRAG, and other City-adopted Plans.
- Development objectives and a Reinvestment Plan for each TIRZ are considered and adopted by City Council.
- Incentive packages are structured by the City in accordance with the development objectives and Reinvestment Plan of each TIRZ.

TIRZ Board

The TIF Act requires that the City Council establish a reinvestment zone Board of Directors when designating a TIRZ. As amended in 2001, the TIF Act provides a formula for calculating the number of seats a taxing entity may have based on its anticipated pro rata contributions to the zone fund. Based upon the required calculations for this Reinvestment Zone and the participation levels of the other taxing entities, the River North TIRZ Board must consist of at least five but not more than 15 members, and is established pursuant to Section 311.009 of the Act. Additionally, since this TIRZ is City initiated, the statute requirement for representation from the State Senator and State Representative would not apply. To be eligible for appointment to the TIRZ Board, an individual must either be a qualified voter of the City, or be at least 18 years old and own real property in the zone or be an employee or agent of a person that owns real property in the zone. City appointees will be required to comply with all policies related to City Boards and Commissions to the extent there is no conflict with the TIF Act.

Targeted Economic Development

Implementation of the TIF incentive is tailored to the strengths and needs of specific areas of the City. The City has identified target areas where projects may be eligible for TIF with varying participation levels and terms. The River North TIRZ, a City-initiated TIRZ, will have a term of up to 24.81 years the City's participation level of will be determined after completion of a cost of services analysis and will be outlined in the River North Final Finance Plan which will be approved by the TIRZ Board and City Council at a later date.

The City may not designate any area as a Reinvestment Zone solely for the purpose of encouraging future development in that area, but may do so if development or redevelopment would not occur solely through private investment in the reasonably foreseeable future. All proposed Zones require a market feasibility study in order to demonstrate the demand, viability, and capacity for the project. This study should validate estimated values, adjacent property lease space and reference established and on-going neighborhood plans.

Community Development

The planned investment must contribute to revitalization activities in the community of which the TIRZ is a part. Input of nearby neighborhood residents, businesses, and schools have been considered in the project planning process as have the objectives of



numerous plans that have been produced. Plans relevant to River North include; the City's Master Plan, the Community Revitalization Action Group (CRAG) recommendations, the Housing Master Plan and the Downtown Neighborhood Plan. Additionally, the River North TIRZ Boundary crosses two River Improvement Overlay (RIO) Districts, RIO 2 and RIO 3.

In 2007, the Downtown Alliance of San Antonio formed the Downtown San Antonio Community Development Corporation with the support of the City of San Antonio which in turn contracted with "Moule & Polyzoides Architects and Urbanists". The team conducted an extensive public process to develop a vision for the transformation of this under-performing 377-acre area on the north edge of Downtown (See Map 2). After extensive meetings of the River North Planning Team and numerous public hearings, the River North Master Plan was adopted by City Council on March 19th, 2009.

Design Quality

All projects supported by TIF should add long-term value to the public realm. Thus, projects must be built according to design principles that prioritize the safety and comfort of all public infrastructure users – whether they are walking, jogging, riding or driving. The City's Unified Development Code (UDC) sets out a menu of approaches to help designers and developers meet the program's urban design goals.

In River North additional guidelines were developed as part of the River North Master Plan. In virtually every instance, the recommendations are intended to:

- Rebalance the allocation of right-of-way in favor of the pedestrian
- Moderate the speed of automobiles without unreasonably impeding their progress
- Provide convenient curbside parking for visitors or customers
- Plant or replant street trees to shade and shelter the pedestrian from sun, rain and traffic, and to improve the quality of the air and stormwater

Within these common overall parameters, it is intended that the streets of River North provide a rich variety of design and detailing. Additional detail is provided in the River North Master Plan.

Projects must also consider the long-term value of the private improvements supported by TIF. Specifically, the City's Master Plan calls for efforts to facilitate the provisions of choice in housing for special needs populations (Neighborhoods: Policy 4d). Efforts to meet this policy may include ensuring homes are visitable or easily adaptable to disabled persons.

The City of San Antonio adopted a Universal Design Policy (Ord. No. 95641) on April 18, 2002, requiring that any person receiving financial assistance from city, state, or federal funds administered by the City of San Antonio for the construction of new single family homes, duplexes, or triplexes, shall construct the units in accordance with specific features including an entrance with no steps, wider doorways (2' 8"), lever door handles, lever controls on kitchen and lavatory faucets, and light switches and electrical receptacles within reachable height.

Development within the River North TIRZ will be required to comply with the City's Universal Design requirements (UD), located in the City Code, Chapter 6, Article XII. All single family residential, duplex and triplex residential units shall comply with the Universal Design requirements.

Environmental Protection

All projects receiving funding from the River North TIRZ fund will be required to complete a Phase 1 Environmental Site Assessment.

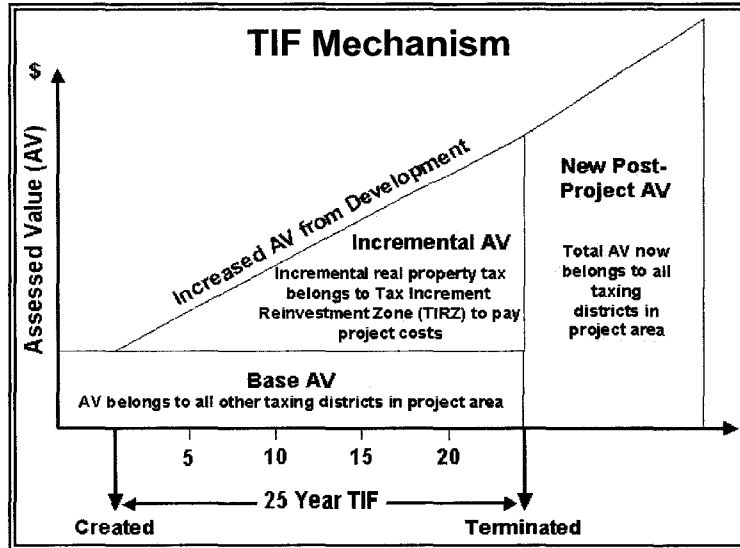
No applications will be accepted for a TIF where all or part of the proposed project falls over the Edwards Aquifer Recharge Zone. The River North TIRZ is not located over the Edwards Aquifer Recharge Zone.

Designation and Participation

The long-term success of any Tax Increment Reinvestment Zone is contingent on the participation of a number of taxing entities and the long-term economic viability of the Developers. In addition to the City of San Antonio the San Antonio River Authority has agreed to participate in this TIRZ project.

TIF Mechanism

Once a Reinvestment Zone has been established, an increase in incremental real property taxes resulting from new construction, public improvements, and redevelopment efforts may be collected and deposited into the TIRZ Fund. The City of San Antonio enters into a written agreement with all participating taxing entities to specify the: (1) conditions for payment of the tax increment into a TIRZ Fund, (2) portion of tax increment to be paid by each entity into the TIRZ Fund, and (3) term of the agreement. Participating taxing entities continue to



collect taxes on the base value and taxing entities that do not participate, such as local school districts, collect taxes on both the base and all increased value.

City of San Antonio

The City of San Antonio's Planning and Community Development Department's TIF Unit is responsible for the administration of the TIF Program. Its roles and responsibilities include, but are not limited to:

- Review, analysis, and plan preparation
- Statutory presentations to Taxing Entities
- TIRZ Board administration
- TIRZ Fund administration
- Coordination and preparation of legal documents including:
 - Development Agreements
 - Interlocal Agreements
 - Memoranda of Understanding
- Processing of reimbursement requests for eligible public improvements
- Ongoing monitoring of construction
- Submitting required reports to the State
- Providing information to City Council, TIRZ Board, and other interested parties

The River North TIRZ, a City-initiated TIRZ, will have a term of up to 24.81 years the City's participation level of will be determined after completion of a cost of services analysis and will be outlined in the Final Finance Plan which will be approved by the TIRZ Board and City Council at a later date.

Developer

City-Initiated TIRZs, like River North, are unique in that there is typically not a single developer to manage the project. It is likely that River North will have numerous private developers working on different projects throughout the zone which could be reimbursed for the public improvements related to those projects. In such cases, TIF staff would evaluate the projects to identify eligible expenses, coordinate the preparation and negotiation of legal documents, monitor construction, process reimbursement requests from the developer and monitor statutory compliance.

Additionally, the River North Master Plan identified several "Catalytic" public improvement projects that could be managed by City staff through the issuance of RFPs or RFQs to select vendors to complete the projects. As with the aforementioned scenario, TIF staff would also be responsible for evaluation of projects, coordination of the preparation and negotiation of legal documents, monitoring construction, processing reimbursement requests and monitoring compliance.

Existing Conditions

Schools and School Districts

Providence High school - 1215 N Saint Mary's St

Providence Catholic School is a college preparatory institution for young women (less than 400 Students), which is sponsored by the Congregation of Divine Providence.

Providence High School was established in 1951, as a private, Catholic secondary institution separately incorporated and governed by a Board of Directors. In 2005 the school expanded to include middle school grades 6-8 and the name was changed to Providence Catholic School. The school is situated on three acres of historically significant property in within the River North Master Plan Area and is accredited by the Texas Catholic Conference Education Department and Southern Association for Colleges and Schools

Central Catholic High School - 1403 N St Mary's St

The first boys' school in San Antonio and still one of the largest (students = 540) all-male private secondary schools in the state of Texas, Central Catholic High School remains a prestigious landmark in San Antonio and a symbol throughout South Texas of teaching excellence. The school was founded in downtown San Antonio by teaching Brothers of the Society of Mary (Marianists) on March 25, 1852, and although its location has been changed several times to accommodate expansion, the school still is tied closely to mid-city and the historic San Antonio River.

SAISD

SAISD serves approximately 55,000 students and is the third largest public school system in the Bexar County area and among the 10th largest in the State of Texas. SAISD provides a comprehensive instructional program and related services for students from pre-kindergarten through 12th grade, including a college preparatory curriculum, Magnet programs and specialized schools as options for middle and high school students, career and technology education, bilingual education, special education, and a variety extracurricular opportunity (See Map 3).

Parks and other facilities

San Antonio Riverwalk

"The San Antonio River Walk, also known as El Paseo del Rio, forms a three-mile winding loop along the San Antonio River lined with walkways, green space, shops and restaurants, bridges, and access to major tourist attractions, such as nearby Alamo Plaza. The River Walk is one street level beneath downtown San Antonio and has many access stairs, ramps, and elevators. The San Antonio River Walk attracts 5 million visitors each year. Although the river is only about 25 to 40 feet wide and about 4 feet deep, there are many attractions, replete with Venice-style boats floating down the River Walk, the heart of which is the original Great Bend channel, shaped like a sideways horseshoe.

*What started as a tiny, writhing downtown stream has now become one of the top travel destinations in Texas, pumping \$3 million per year into San Antonio's economy. In his book *River Walk—The Epic Story of San Antonio's River*, Lewis F. Fisher depicts the evolution of the San Antonio River and the River Walk, including how in 1926 architect Robert Hugman, just 27, had a romantic plan for the river—a "Venice of America." Hugman's plan envisioned boats poling along the bending shallow river through green space, walkways, and shops, only to have his plan scrapped. It was a 1936 Texas Centennial river parade, however, that revived interest in the downtown river, which in turn revived Hugman's River Walk, breaking ground in 1939.*

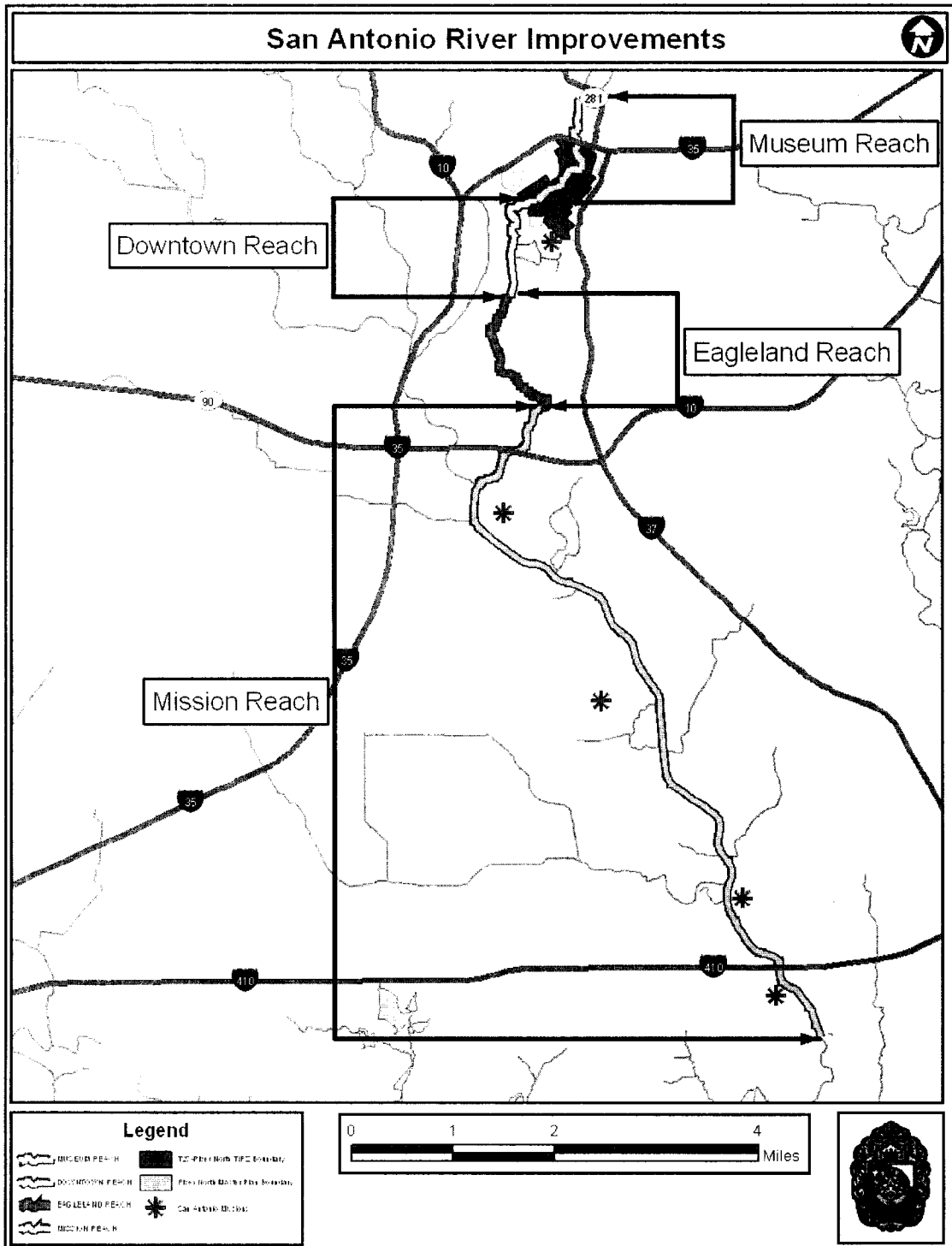
Hugman was honored in 1970, at a ceremony held by AIA San Antonio. A few years later, he wrote: "Lasting good taste, beauty, quiet dignity, satisfying aesthetics, and good food are the things which will perpetuate the river. Please do not allow these river assets to be eroded. Once they are gone it is too late."

The historic San Antonio River has long served as the heart of the city. More recently however, a comprehensive, multi-year project has been underway to restore and enhance 13 miles of the San Antonio River both north and south of downtown.

The San Antonio River Improvements Project is a \$279 million on-going investment by the City of San Antonio, Bexar County, the U.S. Army Corps of Engineers and the San Antonio River Foundation in flood control, amenities, ecosystem restoration and recreational improvements along 13 miles of the San Antonio River from Josephine Street south to Loop 410 South. Throughout the project, the San Antonio River Authority has provided project and technical management, as well as overall project coordination between the project partners.

The San Antonio River Improvements Project is comprised of four distinctive reaches: The Museum Reach, a four mile segment of the river from Hildebrand Avenue south to Lexington Avenue; the Downtown Reach, a segment of the original River Walk from Houston Street to Lexington Avenue, the Eagleland Reach from Houston Street to South Alamo and the Mission Reach, a nine-mile section of the river extending from Alamo Street south to Loop 410 South and including the (See Map 4).

¹ Boniface, Russell, Excerpt from "A Walk Through History—San Antonio's River Walk", *AIA Architect*, Vol. 14, February 23, 2007 http://info.aia.org/aiarchitect/thisweek07/0223/0223p_river.cfm



Map 3

Maverick Park - 1000 Broadway

In 1881, prominent San Antonian Sam Maverick donated three acres to the City for a park at Broadway and Jones Avenue. Named for Maverick, the park was only three blocks from the City's first railroad station, built in 1877 on Austin Street. As railroad traffic increased, many new houses and businesses were built around the park, and Avenue C (today Broadway) became a major thoroughfare.

Madison Square Park – 400 Lexington Avenue

Madison Square comprises part of a land grant made by the Spanish Government to Joaquin Menchaca on March 10, 1778. I.A. Paschal and Nat Lewis, both of whom lived in the area, acquired part of the Menchaca grant in the middle of the 19th century for a residential development called Upper San Antonio. The subdivision was platted and surveyed for Paschal and Lewis by H.S. Upshur in 1847. Because of the designation of a portion of Madison Square as a "public square" in 1847, it joins Main, Military and Alamo Plazas and San Pedro Park as one of the oldest facilities in the San Antonio Parks and Recreation System. Today, Madison Square comprises 5.1 acres with ornamental plantings, picnic tables and benches.

Travis Park – 300 E Travis

The area including Travis Park was once part of the upper farmlands of Mission San Antonio de Valero (today called the Alamo). After the mission was closed, the land was sold to Francisco Garcia in 1819, and in 1851 to Samuel Augustus Maverick, who lived at the northwest corner of Alamo Plaza and used this property for his orchard. After Maverick died in 1870, the land was deeded to the City, and later named Travis Plaza, for Col. William Barrett Travis, commander of the Texan troops at the Alamo.

In recent years, the park has benefited from improvement projects through the generosity of the San Antonio Parks Foundation, which was formed in 1981 to build support for the restoration of the deteriorated park. Work on the park began in 1982 with a contribution of \$125,000 from the St. Anthony Hotel. Other founding sponsors included San Antonio Bank and Trust, Trammel Crow Co., Miller High Life, Southwestern Bell, Church's Fried Chicken and First Federal Savings and Loan. Combined with a grant from the Texas Department of Parks and Wildlife Local Park fund, contributions for Travis Park improvements totaled more than \$400,000. That year the Foundation sponsored the first outdoor jazz festival in the park called Jazz'SAlive.

Emergency Services

Due to its Downtown location, the River North TIRZ is currently adequately covered by Emergency Services. There are two Fire Stations covering the River North Area, Fire Station #4, at 1430 N St Mary's, which is within the Boundary of the TIRZ and Fire Station #1, at 801 E Houston St.

River North is covered under the Central Patrol District of the San Antonio Police Department and is approximately one mile from the Central Substation and less than a mile from Police Headquarters. In addition to Fire and Police, there are five hospitals within a mile of River North including; the Nix Medical Center, the Baptist Medical Center,

Metropolitan Methodist Hospital, Santa Rosa Hospital and the Downtown University Health Center.

It is anticipated that additional services will need to be provided as housing and commercial development increase. In an effort to anticipate this increase in service demand, the City will conduct a "Cost of Services" analysis which will be used to establish the City's participation rate. The participation rate will be finalized through the approval of the Final Finance Plan by the TIRZ Board and City Council.

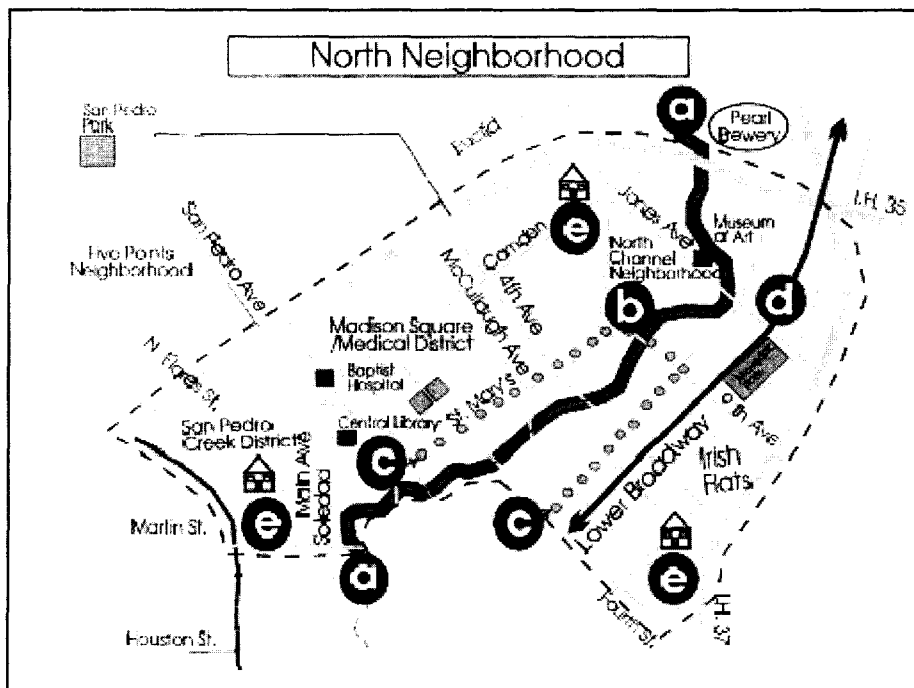
Neighborhood Plans and Associations

Downtown Alliance

The Downtown Owners Association was established in 1982 by a group of property owners who recognized the need for an organized group to protect their interests in downtown San Antonio. DTOA was a principle partner with the City of San Antonio and VIA in the TriParty Project streetscape improvements, and created a public improvement district to pay for the private property owners' participation in the successful effort. In 1994, the membership restructured the organization, broadening their involvement and the categories of membership to become the Downtown Alliance. Today, DTA is composed of major property and business owners in the downtown area, and others who also are committed to downtown's revitalization.

The Downtown Alliance works to protect and enhance the values and usage of downtown properties and businesses, making downtown an exciting place to live, work, shop and play.

Downtown Neighborhood Plan

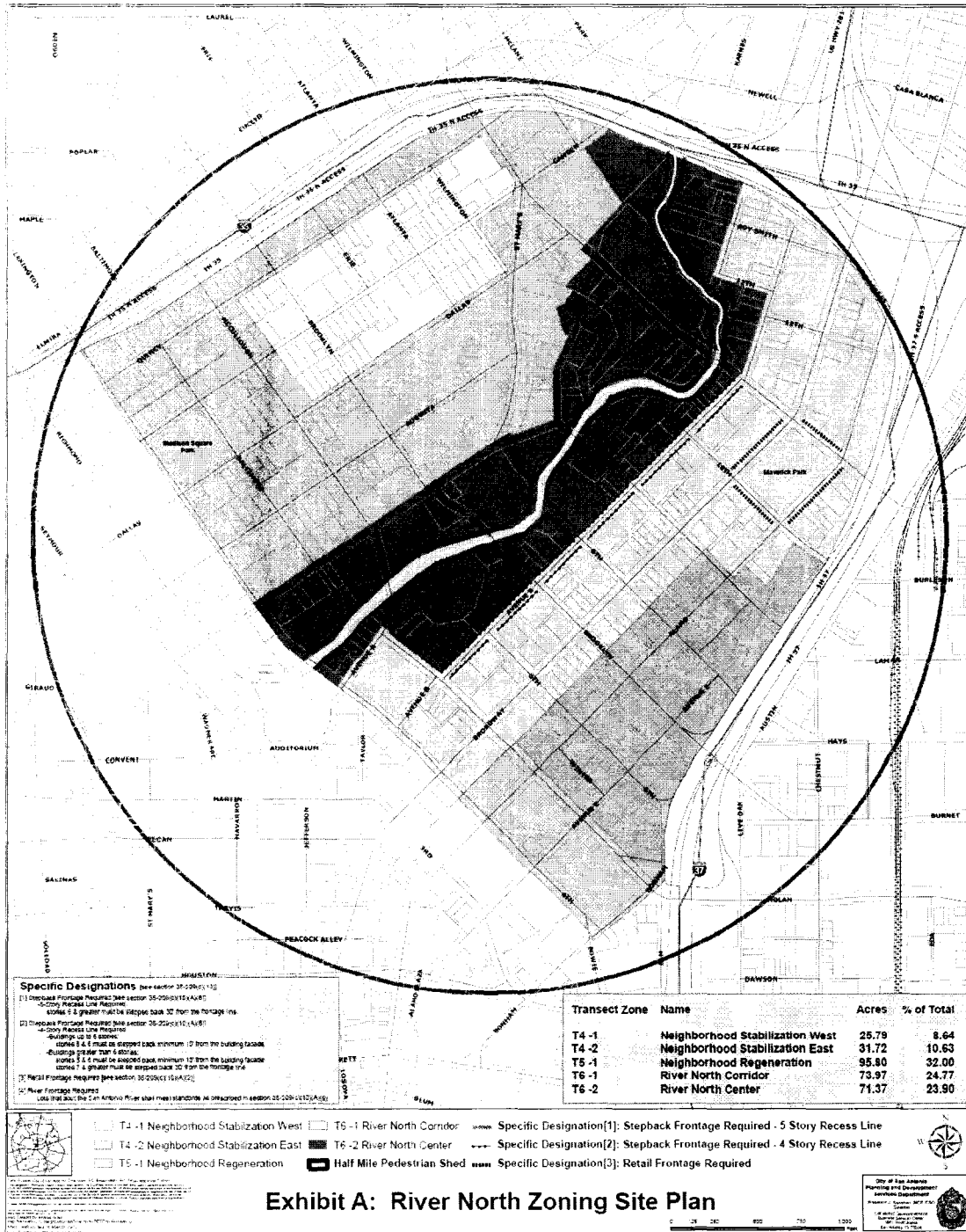


The purpose of the Downtown Neighborhood Plan is to identify proposed land uses, potential housing development areas, transportation systems, economic development initiatives, urban design guidelines, as well as pedestrian and open space connections. In developing the plan, stakeholders and the general community participated in a community-based process to identify a vision for downtown.

The Downtown Neighborhood Plan area

includes Interstate 35 to the north, Monumental to the east, S. Alamo/Lone Star to the south, and Colorado Street to the west. Each of the original five neighborhood areas

were suggested by the Downtown Strategic Plan (See Map 5). On March 13th 2009 the Downtown Neighborhood Plan was amended by City Council to incorporate the boundaries of five districts; North River Neighborhood; Lower Broadway; Irish Flats; Madison Square / Medical District; and a portion of S. Riverbend, into one district: River North (See Map 6).



Map 5

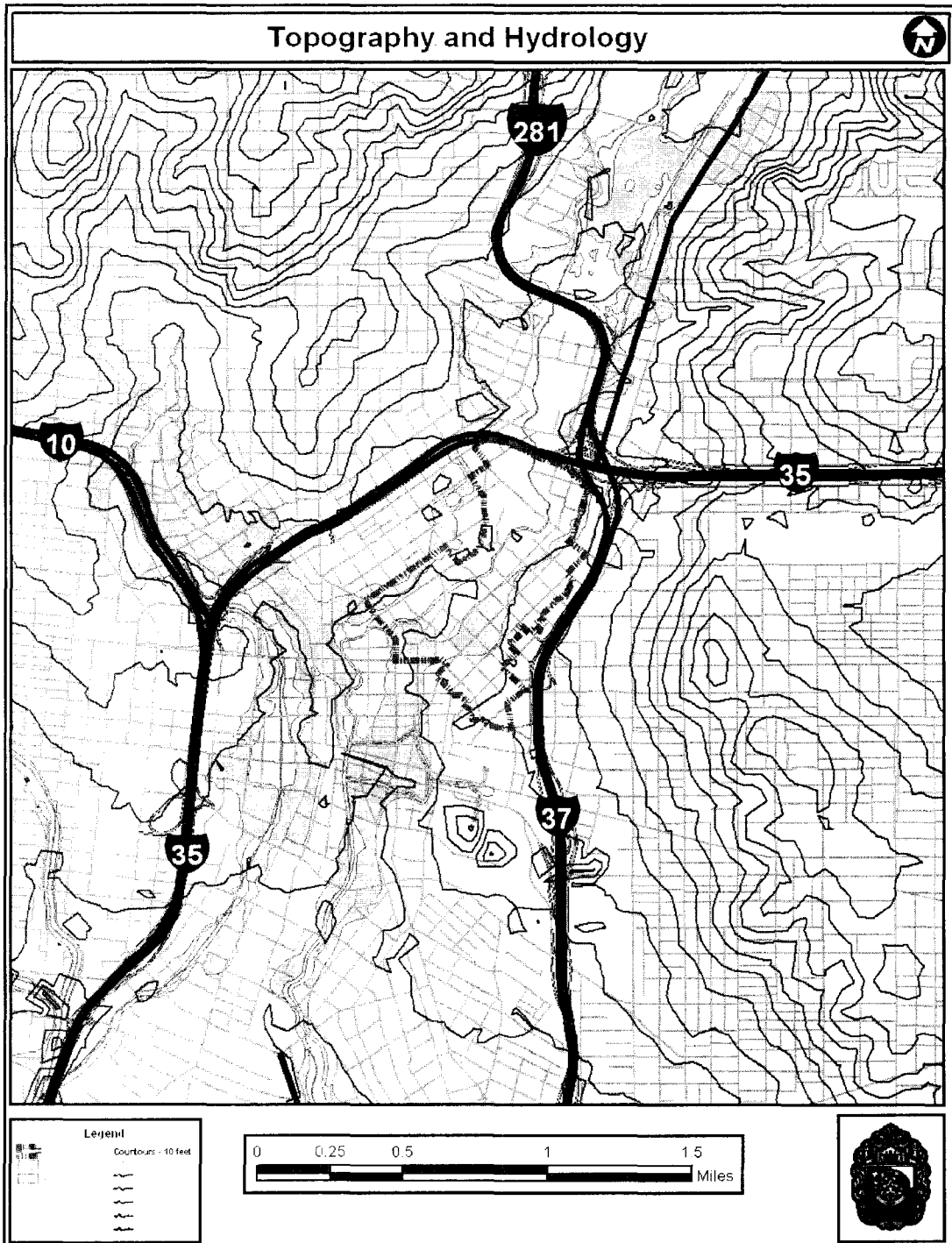
The Downtown Neighborhood Plan is a component of the City's Comprehensive Master Plan. The plan is a guide to how downtown might develop and can be used when reviewing zoning and development proposals as well as when considering policy development and public capital projects.

Relocation of Displaced Persons

It is not anticipated that implementation of the River North Project Plan will cause any current residents to be displaced. However, no Agency, Participating Taxing Entity nor Developer will be required to relocate or find housing for any current residents due to their displacement under the plan.

Site Conditions

Topography and Hydrology



■ Map 6

The River North TIRZ is located within the Upper San Antonio River Watershed. Being a developed area, most of the previous flooding has been alleviated through improvements to the River (See Map 6).

Environmental Assessment

All projects receiving funding from the River North TIRZ fund will be required to complete a Phase 1 Environmental Site Assessment (ESA). In the case of River North, an area wide Phase 1 ESA will be conducted as part of the preparation of a Capital Improvement Budget.

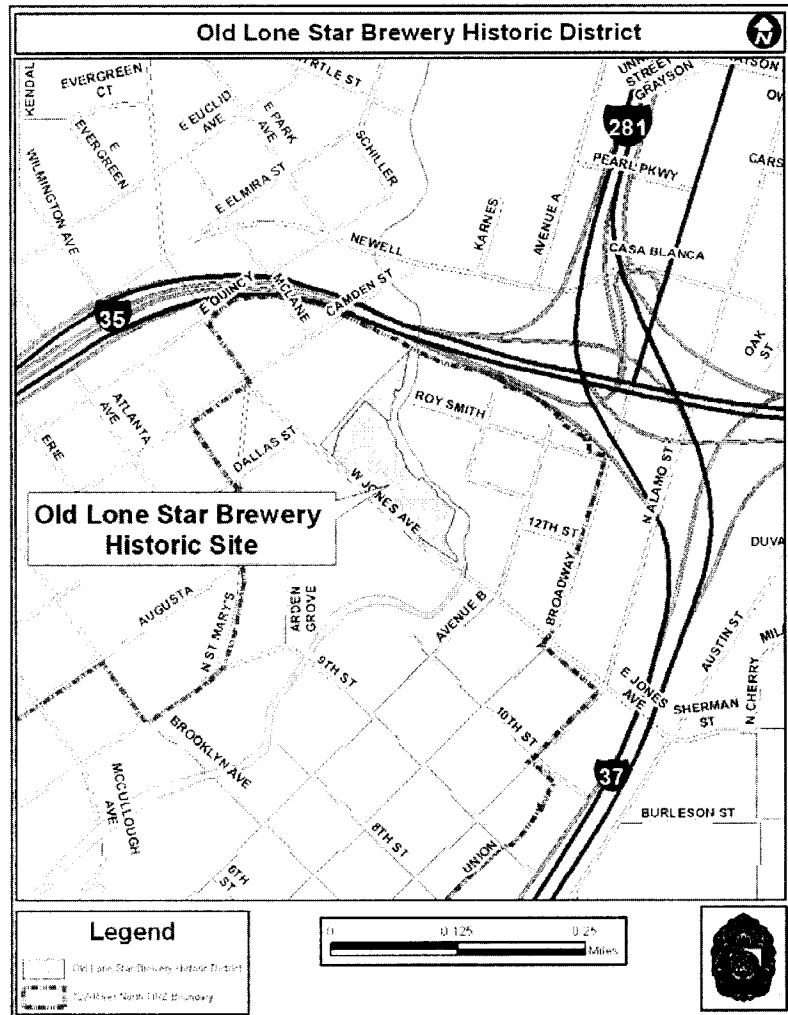
Environmental Considerations

No applications will be accepted for a TIF where all or part of the proposed project falls over the Edwards Aquifer Recharge Zone. The River North TIRZ is not located over the Edwards Aquifer Recharge Zone. Projects that encourage environmentally sustainable building practices will be scored more favorably on Requests for Proposals.

Historic Use

Lone Star Brewery Historic District

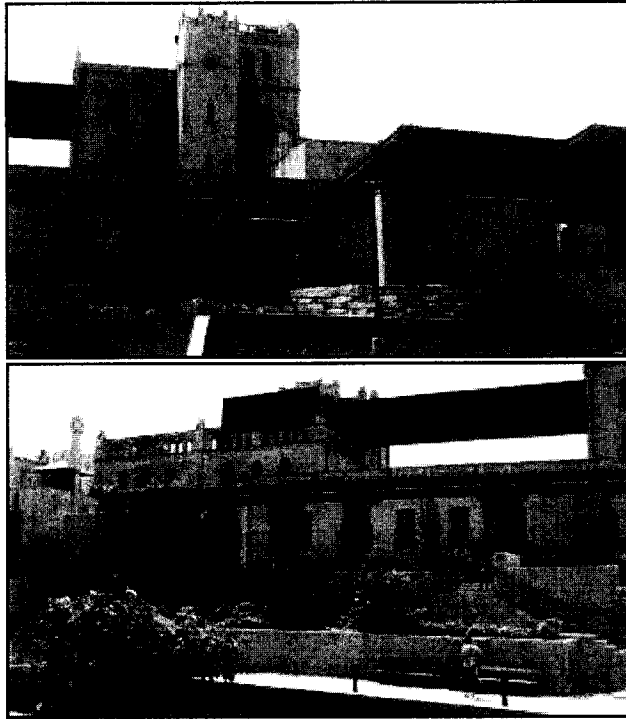
The Old Lone Star Brewery, located in the northwest corner of the River North TIRZ boundary (See Map 7), is a complex rather than a single building. Wahrenberger and Beckman, the firm responsible for the complex, are actually listed as "supervising architects", and their collaboration with the specialists of the Anheiser Busch firm out of St. Louis resulted in a composition embodying



Map 7

function and efficiency while permitting an attractive architectural expression.

In the early 1970s, the growth of the San Antonio Art Association's fine art collections led the Trustees to consider securing new space for the art collection. Plans were initiated to



purchase the historic Lone Star Brewery complex for conversion into the San Antonio Museum of Art. The buildings were acquired in the 1970s. Following a \$7.2 million renovation, the Museum of Art was opened to the public in March of 1981. Funding for the renovation was secured through grants from the Economic Development Administration, the City of San Antonio, and a number of private individuals and foundations. A National Endowment for the Arts challenge grant helped establish the operating endowment.

San Antonio Museum of Art from River Access

San Antonio Strategic Historic Preservation Plan

The Strategic Historic Preservation Plan was adopted by the City Council on August 20, 2009. The purpose of the Plan is to create a long-term vision for strengthening and enhancing the City's current historic preservation program. With this Plan, the San Antonio community will build a stronger preservation ethic by recognizing that historic preservation will play a fundamental role in shaping the City's urban form and character, contributing to the City's overall economic development, and sustaining a high quality of life for all residents and visitors.

During the historic preservation planning process, specific areas and sites throughout the City were discussed as needing preservation attention and assistance. Such locations will be further addressed by the Office of Historic Preservation and other city planning agencies in the future as potential landmarks or districts are surveyed and/or addressed through a neighborhood planning effort. The River North Master Plan area was identified as one of the key historic areas. Beginning in 2009, the Office of Historic Preservation began the process surveying and cataloging historically significant properties within the River North Master Plan Area.

River Improvement Overlay

Apart from landmarked historic resources within the River North district, the TIRZ Boundary also falls within River Improvement Overlay (RIO) Districts 2 and 3 (See Map 8).

- Enhance the pedestrian experience with high quality streetscape designs and links to the public Riverwalk;
- Enhance the pedestrian experience with high-quality building designs that include balconies facing the river and primary entrances facing the street.

RIO-3

Extending from Lexington south to West Durango Boulevard, RIO-3 includes the traditional Riverwalk “horseshoe” that still maintains many of the original features designed by architect Robert H. H. Hugman.

The design objectives for RIO-3 are:

- The historic work of Robert Hugman, CCC and WPA construction work, Ethel Harris tile work, and work of the National Youth Administration shall be respected and preserved in all construction efforts. Adherence to the intent and spirit of those plans is essential in all construction;
- Traditional, formal street level design precedents shall be respected, but at the river level, the more informal, handcrafted style shall be maintained;
- The integrity of historic properties shall be preserved as provided for in Section 35-610. Historic differences between street level designs and river level designs shall be respected;
- The traditional design context of the area shall be respected at two levels: the broader downtown context and the immediate block as it faces the river;
- The microclimate of the river walk level shall be maintained and, during construction, shall be given extra protection. River operations staff will be consulted to provide specific instructions for construction procedures.

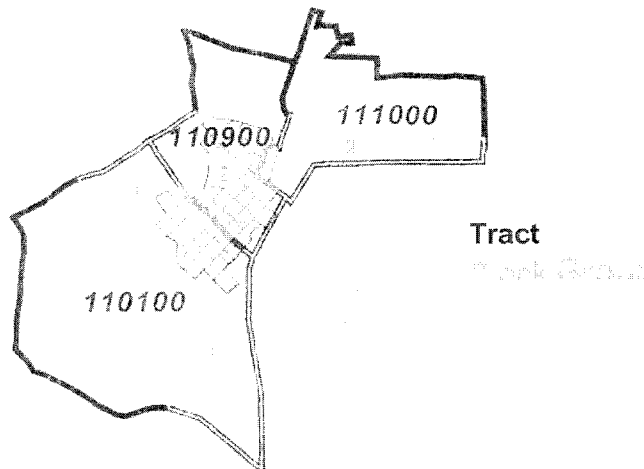
Demographics²

Demographic Data Sources and Methodology

The demographic data and projections for the housing component of the study are based on U.S. Census data by block group. The proposed River North Tax Increment Reinvestment Zone crosses five different block groups within three census tracts, although the vast majority of the project area is located within just two block group areas (See Figure 2). While block groups 1110002, 1101003 and 1101001 are within the proposed area, the three block groups amount to such a small area and comprise too many extraneous properties to make their inclusion useful. For the purpose of this baseline analysis, only the block groups 1101002 and 1109002 were analyzed by combining or averaging the U.S. Census data for 1990, 2000 and 2005, as well as the 2010 projections.

² River North TIRZ Economic Feasibility Study Phase I Results, City of San Antonio, Economic Development Department

River North Census Tract and Block Group Overlay



Source: City of San Antonio Housing & Neighborhood Services Department

Existing Demographic Characteristics

Demographics have changed little in the past fifteen years in the River North area. The population has increased by 11%, from 603 residents in 1990 to 674 residents in 2005. Nearly all of this increase is attributable to the addition of a “group quarters,” as labeled by the census, between 2000 and 2005. The population was unchanged between 1990 and 2000, and is expected to fall by a few residents by 2010, according to U.S. Census projections provided by Sites on Texas, a Texas Workforce Commission database. Given this population trend, it is likely that the area would continue to hold steady, or decline slightly, with no targeted public or private investment in developing the River North area.

Table 1: River North Proposed TIRZ Population Statistics³

	1990	2000	2005	2010 projections
Population	603	603	674	670
Household Population	532	532	530	525
Family Population	34.20%	40.20%	39.30%	39.00%
Non-Family Population ⁴	65.80%	59.90%	60.80%	61.10%
Group Quarters	71	71	144	145

Table 1

The area has an increasingly high turnover rate, with 80% of the units in the area occupied by renters in 2005. Vacancy rates have improved dramatically in the past 15 years. In 1990, 27% of the housing units were vacant, while only 13% were vacant in 2005.

³ Source: U.S. Census, provided by Sites on Texas; City of San Antonio Economic Development Department

⁴ Non-family household is defined by the U.S. Census as a household comprised of a group of unrelated people or one person living alone

Ownership-occupied housing has held steady at 7% since 1990 and is projected to remain at that level. According to the 2005 U.S. Census, more than one-third of the population turns over each year and turnover has increased since 1990, as measured by the percentage of people living in their residence for 5+ years.

This highly-transitory rental population was comprised of 72% 1-person households and 18% 2-person households in 2005. The 1-person households are projected to increase in the next five years while 2-person households are projected to decrease to 14% by 2010. Although the number of vehicles available to households is increasing (in 1990 70% of the households had no vehicle), only 50% of the households had a vehicle in 2005. The convenient location to downtown and bus routes allows residents to go car-free, contributing to a perhaps more pedestrian-friendly environment.

While convenience of downtown amenities is often cited as the reason that residents do not have cars in urban areas, the more likely scenario in the current River North area is the low household incomes. More than 42% of the households earned an income of less than \$15,000 in 2005, a number projected to drop in 2010. The neighborhood has some wealthier households, with 8% earning more than \$150,000 in 2005. Twenty percent of all households earned more than \$50,000 in 2005.

Educational attainment mirrors the household income breakdown. In 2005, of the 545 residents over the age of 25, 30% had not finished high school and 40% had high school diplomas but have never attended college. Nearly 15% had attained an associate, bachelor's or graduate degree. The population is getting younger; the median age in 2005 was 42.6, a large drop from the median age of 53.2 in 1990. The neighborhood is also becoming increasingly Hispanic, rising from 58% of the residents in 2000 to a projected 66% in 2010. One quarter of the population is married, and less than 5% of the households had a child present in 2005, a trend projected to continue through 2010.

Projected Characteristics through 2012

Given current population trends and the projected decline in population by the Census, it is plausible that despite improvements to the river, developers could decide to go elsewhere. A developer pioneering in a declining urban core neighborhood takes on substantial risk. The existing neighborhood offers little to draw on for developers, with low incomes and limited amenities. Through 2012, the timeframe for this 5-year market analysis, neither the population nor incomes is likely to substantially increase. The only factors that could increase the population and spur development would be the arrival of broader market trends that are occurring nationwide and have yet to make an impact in San Antonio. This feasibility study includes a case study on Portland, Oregon's Pearl District to further understand how one city transformed a former industrial area of town into a national model of urban mixed-use development.

Project Information

Approved Projects

203 E. Jones Avenue

1101 Broadway, LP is proposing a \$4,031,037.00 commercial space redevelopment located on approximately 0.6536 acres at 203 E. Jones Avenue. The project is located in Council District 2 and within the Inner City Reinvestment Infill Policy (ICRIP) area and River North TIRZ boundaries.

The project consists of 26,755 square feet of renovated commercial space, includes \$209,874.00 in public improvements, and a façade improvement of \$321,428.00. The Project is anticipated to promote local economic development and to stimulate business and commercial activity in the City of San Antonio and the River North TIRZ

Embarcadero Hotel

The Paradigm Group is proposing an \$18,200,000 hotel development located in River North along 9th Street, St. Mary's, and Arden Grove in Council District 1 and within the Inner City Reinvestment / Infill Policy (ICRIP) target area and River North Tax Increment Reinvestment Zone (TIRZ).

The project consists of a 90,000 square foot hotel that includes 130 rooms, restaurant, and conference space. It will create approximately 80 jobs and include approximately \$997,743.00 in public improvements.

River North Multi-Family Project

A.A. Seeligson, Jr. River North Ltd. is proposing a \$31,459,000.00 multi family housing development located at Avenue A and 13th Street in the River North TIRZ in Council District 1. The project consists of 256 market rate housing units. Additionally, the project includes an estimated \$725,000.00 of public improvements to streetscape, landscaping, utilities, curbs, gutters, sidewalks, and drainage.

Phipps Law Firm Project

The Phipps Law Firm is proposing a \$5,020,548.00 office building development located at 206 Arden Grove in Council District 1 and within the Inner City Reinvestment / Infill Policy (ICRIP) target area and River North Tax Increment Reinvestment Zone (TIRZ).

The project consists of a 25,000 square foot, 4-story law office; approximately \$312,648.00 in public improvements that are in accordance with the River North Master Plan; approximately \$207,900.00 to underground nearby utilities; and the addition of approximately 25 new jobs to the area in the next five years.

Zoning Changes

On December 6, 2007, City Council amended the Unified Development Code by adopting a Form-Based Zoning District (FBZD) for implementation in the City South area. More recently, on June 18th 2009, the Council amended the FBZD by adding provisions for infill development and making the FBZD available City-wide.

The Final River North Master Plan was adopted by City Council (Ordinance No. 2009-03-19-0224) as an update to the Downtown Neighborhood Plan (1999) on March 19th, 2009. At that time, through Resolution No. 2009-03-19-0009R, City Council directed the Planning and Development Services Department to initiate a comprehensive rezoning of the area as described in the draft Development Code to a FBZD. Shortly thereafter, the Planning Department established a new subcommittee of the River North Planning Team to begin the rezoning process.

Beginning in September of 2009, the Department of Planning and Development Services conducted numerous public meetings to allow for public comment and input to the proposed River North FBZD.

On December 18th 2009, the River North TIRZ Board requested that the CDC hire M&P to review the rezoning to ensure adherence to the intent of the River North Master Plan. In addition, the TIRZ Board authorized reimbursement of the cost of the M&P review from the TIRZ fund. A review of the River North FBZD was conducted by M&P and a Texas Based Planner was hired to work with the Planning Department to conduct additional public meetings and to make minor modifications to the FBZD. On April 1st, 2010, City Council through Ordinance No. 2010-04-01-0279 approved Zoning Case "Z2010027 River North".

The rezoning of the River is one of the first steps toward implementing the River North District Master Plan. The Master Plan outlines a vision and strategy for the redevelopment of River North and sets several guiding principles, one of which is to "guide incremental growth through a Form-Based Code". A FBZD will enable the creation of sustainable, mixed-income, mixed-use residential neighborhoods providing a range of neighborhood-serving uses.

"A form-based code (FBC) is a means of regulating development to achieve a specific urban form. Form-based codes create a predictable public realm by controlling physical form primarily, with a lesser focus on land use, through city or county regulations.

Form-based codes are a new response to the modern challenges of urban sprawl, deterioration of historic neighborhoods, and neglect of pedestrian safety in new development. Tradition has declined as a guide to development patterns, and the widespread adoption by cities of single-use zoning regulations has discouraged compact, walkable urbanism. Form-based codes are a tool to address these deficiencies, and to provide local governments the regulatory means to achieve development objectives with greater certainty.

Form-based codes address the relationship between building facades and the public realm, the form and mass of buildings in relation to one another, and the scale and types of streets and blocks. The regulations and standards in form-based codes, presented in both diagrams and words, are keyed to a regulating plan that designates the appropriate form and scale (and therefore, character) of development rather than only distinctions in land-use types. This is in contrast to conventional zoning's focus on the micromanagement and segregation of land uses, and the control of development intensity through abstract and uncoordinated parameters (e.g., floor area ratios, dwelling units per acre,

setbacks, and parking ratios) to the neglect of an integrated built form. Not to be confused with design guidelines or general statements of policy, form-based codes are regulatory, not advisory.

Form-based codes are drafted to achieve a community vision based on time-tested forms of urbanism. Ultimately, a form-based code is a tool; the quality of development outcomes is dependent on the quality and objectives of the community plan that a code implements.”⁵

Potential Public Improvements

A key component of the River North Master Plan is the identification of “Catalytic Projects”; projects that lead most private investment and create incentives and the necessary infrastructure to support future development. These are projects that provide a good deal of leverage, such that completing them early in the process with significant public funding and leadership would be expected to attract significant amounts of private investment, in turn substantially refilling the TIRZ Fund.

The River Improvements

The first components of the River Improvements were completed in 2009. Additional open space improvements along its banks are intended to be incorporated as part of private development projects along the River. A system of green and open spaces and project frontages abutting those spaces are vitally important to the success of the Riverwalk extension. It is intended that the City of San Antonio and the River Authority work closely with property owners and developers to ensure that these important frontages are incorporated and maintained at the highest quality, commensurate with that of the historic Downtown River Walk.

Broadway Street Improvements

Broadway is the “face” of River North to the vast majority of San Antonians and visitors. As such, it is the place that a near-term transformation would provide the greatest leverage, providing an unmistakable signal that River North is changing fundamentally, and now. In addition to being the most visible of all the streets in River North, it is the one where the greatest change is needed; hence its number 1 status among prioritized streets.

Avenue B Street Improvements

If Broadway is the face of River North, Avenue B is in certain ways its heart. Avenue B includes the expansion and reconfiguration of the First Baptist Church facilities at the south end and major near-term mixed-use projects around its intersection with Jones Street. Thus improving Avenue B from a worn-out industrial street to an urban neighborhood street is a very high priority.

Street Trolley

“SmartWaySA”, VIA Metropolitan Transit’s long range strategic plan will identify and recommend elements for an inner-city rail circulator system using modern, historic, or replica rail streetcar vehicles. The rail circulator study, scheduled for completion in late

⁵ “Form-based code” *Wikipedia, The Free Encyclopedia*. 15 Sep 2009, 20:57 UTC. 15 Sep 2009
<http://en.wikipedia.org/w/index.php?title=Form-based_code&oldid=314189386>.

2009, will consider what type of operation would leverage the most economic development while providing mobility to the downtown workers, residents and visitors. It will also include the transit facilities and amenities needed to improve efficiency, passenger safety, convenience and use of the entire transit system, all ADA accessible.

The rail circulator study will be incorporated into VIA's Long Range Comprehensive Transportation Plan. A Transit Corridor Study Area has been identified within which future routes may be implemented. The Trolley will immediately connect the most valued destinations in Downtown, River North, the Pearl Brewery/Lower Broadway area, and potentially the region. More than any other one element, the Trolley has the potential to rapidly shift the transportation paradigm from one of driving to one of walking – a resident of or visitor to Downtown, or River North, will be able to confidently embark without a car, knowing that the Trolley and short strolls can get them wherever they want to go. The freedom to be out in the city on foot will change the way people live, work and spend their money, extending the reach and length of stay of many visitors, and allowing Downtown workers to live in River North, and Downtown residents to shop and play in River North. Keeping people out of their cars is expected to significantly decrease trade area leakage.

Performing Arts Neighborhood & Park-Once Utility

The most likely location for near-term civic and retail life is the southerly edge of River North, which is within easy walking distance of the Alamo, the River Walk and thousands of hotel rooms. Making this a compelling destination for San Antonians will require giving them an easy way to get rid of their cars when they arrive. The Park-Once Utility is built into the Performing Arts Neighborhood for that purpose. It will support existing and new businesses, the development of the performing arts venues, and the infilling of high-intensity mixed-use buildings along 3rd and 4th Streets.

Museum Neighborhoods and Pearl Brewery/Lower Broadway Connection

Because the properties between the Pearl Brewery and Jones Street are both under-utilized and strategically located, it is anticipated that private investment may substantially implement this important neighborhood area without major public investment. Accordingly, this catalytic area of the plan is lower on this list than others that will certainly require public investment. The City and the TIRZ Board should contribute to the implementation of this connective neighborhood primarily by cooperating with and coordinating the work of multiple property owners and developers to ensure that each development project contributes to the making of great neighborhood fabric.

Alamo Street Improvements and Madison Square Park Neighborhood Infill

Because these two important areas are at the edges of River North rather than at its center, they are lower on the priority list for catalytic investment of public resources. It is expected that new infill development will occur in both these areas, and the City and the TIRZ Board should support that through coordination and design review, to ensure that each new increment of private investment makes a strong contribution to the neighborhood character envisioned by the Master Plan. Incremental street improvements will generally accompany each development project, and more ambitious streetscape and park improvements should occur as soon as resources are available, but not at the expense of the higher priority catalytic projects.

Financial Information

At designation in 2006 the base taxable value was \$101,618,392. The projected captured taxable value was \$1,130,946,632 for tax year 2031 net of exemptions. In 2009, parcels were added to the TIRZ changing the base taxable value to \$183,911,321. In 2010, the TIRZ underwent another boundary change, removing parcels and changing the base taxable value once more to \$177,262,315 where it remains. The current projected captured taxable value is \$211,745,335 for tax year 2031 net of exemptions.

Based upon current projections including estimated exemptions, at the conclusion of the term, the River North TIRZ will have a total taxable value of \$389,007,650 and a captured taxable value of \$211,754,335. Based upon these projections, in tax year 2030, the combined tax increment revenue would equal approximately \$15,018,380.

Public Infrastructure

The public infrastructure improvements and related capital costs outlined in the River North Master Plan include site work, storm water pollution prevention, streets, drainage, sidewalks, underground infrastructure, curbs, CPS electric, streetscape enhancement, sewer, water, façade restoration, platting fees, zoning fees, traffic fees, engineering/surveying fees, geotechnical, phase one environmental, contingency, construction management, legal and formation fees. The capital cost for the redevelopment of Broadway and Avenue B will be estimated by the engineering firm identified through the Capital Improvement Budget RFQ described above.

Order or Priority of Payment

The City and the TIRZ Board may use TIF funds to pay eligible expenditures in the following order of priority of payment:

- a. To pay interest and principal should the City issue any debt instrument such a bonds, notes, certificates of obligation or other public debt to cover Project Costs directly or indirectly related to any non-City Public Infrastructure improvements within the Zone; and
- b. To fully reimburse eligible startup Administrative Costs incurred by each Participating Taxing Entity;
- c. To pay all other ongoing Administrative Costs to the Participating Taxing Entities for administering the TIF Fund and/or the Zone, except that if there are insufficient funds for the full reimbursement of ongoing Administrative Costs to each Participating Taxing Entity, then the ongoing Administrative Costs of each Participating Taxing Entity shall be reimbursed on a pro rata basis based on each Participating Taxing Entity's level of participation in the Zone;
- d. To reimburse City for the cost of developing the River North Master Plan;

- e. To reimburse City expenses associated with the implementation of the River North Master Plan such as rezoning and traffic study;
- f. To reimburse the City for costs of the repair, replacement, or re-construction of Public Infrastructure and associated costs
- g. To reimburse a Participating Taxing Entity under any reclaim of funds pursuant to the applicable development agreement;
- h. To reimburse the Downtown San Antonio Community Development Corporation a maximum of \$7,500 for review of the City's proposed River North Master Plan Zoning Code; and
- i. To reimburse Developers for Public Improvements, as provided in the applicable Development Agreements and in the Project Plan to the extent that funds in the TIF Fund are available for this purpose.

The above listed priority of payments is for illustrative purposes only. For specific requirements for any project within the TIRZ refer to the legal documents applicable to the project in question. No funds will be paid from the TIF Fund to any party of a Development Agreement for its financial or legal services in any dispute arising under that Development Agreement.

Economic Feasibility

Financial Forecast Assumptions

Property Appreciation Assumption

The rate of property appreciation in the Preliminary Finance Plan is assumed to be 2.0 percent per year.

This assumption is conservative in light of both current convention and historical trends – for example, the Producer Price Index for Materials and Components used for Construction grew at compound annual rate of 3.7 percent from 1975-2005. All current tax rates are held constant.

Economic Context

The San Antonio Economy

The national economy influences the outlook for the San Antonio area, as national and international trends are the determinants of success or failure for an increasing number of locally-based firms. In addition to the obvious connection for the bulk of local production and corporate headquarters, “soft” technology and professional services are also serving broader and broader markets. Tourism is also an important component of the local economy that responds to external trends. Meanwhile, local consumer confidence is influenced by the overall national situation and outlook.

The current problems of the national economy are fairly well documented, as the housing and financial crisis has spilled over into other sectors and caused recession. While this situation clearly has local implications, strong in-migration and relative cost advantages

should stand the San Antonio economy in good stead. At the same time, the growing appeal of the region as a site for expansion and relocation (of both people and firms) helps San Antonio consistently perform “above the line” relative to the U.S. as a whole. As a result, the outlook is bright, with most aggregate economic measures expected to perform well over the forecast horizon.

Over the longer term, growth will remain positive, as the forecast is for annual job growth of 2.7 percent from 2010 through 2022, personal income growth of 6.5 percent, and population increase of 2.3 percent annually. Meanwhile, key factors that will help shape the course of the economy include:

- ❑ *Continued appeal as a site for relocation of firms and individuals.* In spite of the loss of AT&T, a favorable tax climate, proximity to growing markets (especially to the south), good transportation infrastructure, low costs of living and doing business, and a range of cultural and entertainment options have all contributed to San Antonio becoming an increasingly appealing location for both firms and individuals.
- ❑ *Maintenance of traditional pillars of the local economy (the military, tourism, regional commercial activity, etc.).* The increased activity at Fort Sam Houston is a positive sign, with much more to come at Brook Army Medical Center. Meanwhile, competition for tourist dollars of all kinds is expected to remain fierce, although rising incomes throughout the region and tighter linkages with communities on both sides of the Border bode well for all kinds of commercial activity.
- ❑ *Growth in activity related to aerospace, biosciences, and financial services.* Cluster development continues in all three areas, as each should make an increasing contribution to the local economy over the next ten years.
- ❑ *Ongoing labor force development.* Over the longer-term, relatively high birth rates and rapid in-migration create more potential workers, contributing to overall economic growth. However, this “glass-is-half-full” scenario assumes adequate training and skills development, which is by no means a given.

Departmental Coordination

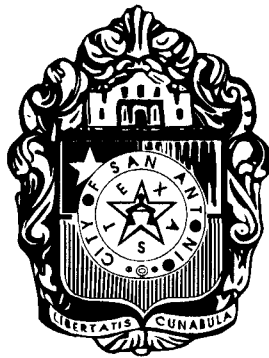
A team of various departments analyzed the viability and feasibility of the project; each evaluates the Application for Redevelopment submitted to the City.

To ensure the criteria set forth in the City's Tax Increment Financing and Reinvestment Zone Guidelines & Criteria has been met along with other City policies, the respective departments review and coordinate with the Developer and the TIF Unit.

The City departments that comprise the team for analysis of the River North project are: Capital Improvements Management Services, Center City Development Office, City Attorney's Office, City Manager's Office, Code Compliance, Economic Development, Finance, Fire/EMS, Housing and Neighborhood Services, Office of Management &

Budget, Parks & Recreation, Planning and Development Services, Police, Public Works,
Libraries and Solid Waste Management.

CITY OF SAN ANTONIO, TEXAS
Department of Planning and Community
Development



River North
Tax Increment Reinvestment Zone
Number Twenty-Seven

Final Finance Plan

Participation Levels:
City 100%

Board Approved
November 19, 2012

River North Tax Increment Reinvestment Zone #27 Final Finance Plan

Introduction

The City of San Antonio's River North Tax Increment Reinvestment Zone Twenty-Seven ("TIRZ" or "Zone") was designated on December 14, 2006. The area of the River North TIRZ boundary encompasses 153.83 parcel acres. The life of the TIRZ is to be 24.81 years, with the TIRZ being in existence through September 30, 2031.

The Zone is located along the San Antonio River to the north of downtown. The area is generally bound by Interstate 37 to the east, Interstate 35 to the north, 3rd Avenue, Martin Street and Navarro to the south, and N. St. Mary's to the west. At designation in 2006 the base taxable value was \$101,618,392. The projected captured taxable value was \$1,130,946,632 for tax year 2031 net of exemptions. In 2009, parcels were added to the TIRZ changing the base taxable value to \$183,911,321. In 2010, the TIRZ underwent another boundary change, removing parcels and changing the base taxable value once more to \$177,262,315 where it remains. The current projected captured taxable value is \$211,745,335 for tax year 2031 net of exemptions. The project anticipates the construction of residential, commercial, office, and hotel facilities.

Public Infrastructure

The total public infrastructure capital costs are estimated to be over \$5 million. This TIRZ can reimburse costs such as: drainage, parking, streetscape enhancements, historic preservation, parks, and provide financial support for economic development initiatives that are outlined in the Final Project and Finance Plans.

Finance Plan

Projected captured assessed values that would be taxed to produce revenues to pay for the capital costs of the public infrastructure improvements commenced in tax year 2006 with collections commencing in tax year 2007 (fiscal year 2008). Projected captured values are anticipated to grow from \$19,292,133 in tax year 2007 to \$211,745,335 in tax year 2031.

At the time of the development of this final finance plan, the City of San Antonio is the only participating taxing entity. For this analysis, the City's tax rate per 100% valuation is \$0.57854 in 2007 and thereafter \$0.56569, which produces annual revenues of \$103,536 in fiscal year 2007 to \$1,167,877 in fiscal year 2031. A 2% growth factor after build-out is assumed.

Revenues derived from the TIRZ will be used to pay costs in the following order of priority of payment: (i) reimburse eligible startup Administrative Costs incurred by each participating taxing entity, except if there are insufficient funds for the reimbursement of Administrative Costs to each Participating Entity, the Administrative Costs of each Participating Taxing Entity shall be reimbursed on a pro rata basis based on each taxing entity's level of participation in the Zone; (ii) to pay all other ongoing Administrative Costs to the Participating Taxing Entities, except that if there are insufficient funds for the full reimbursement of ongoing Administrative Costs to the

Participating Taxing Entities, then the ongoing Administrative Costs of the Participating Taxing Entities shall be reimbursed on a pro-rata basis based on each taxing entity’s level of participation in the Zone; (iii) to reimburse the City for costs of the repair, replacement, and maintenance of public infrastructure and associated costs as described in any Development Agreements; and (iv) to reimburse the developer(s), if any, and/or the City for public improvements, as provided in the anticipated Final Project and Finance Plans that will be developed after designation. These costs will be financed/reimbursed to the extent that funds in the Tax Increment Fund are available for these purposes.

TIRZ collections for this project shall not extend beyond September 30, 2031 and may be terminated earlier once each taxing entity has deposited its respective amount described in the table below or the amount approved in the Final Project and Final Finance Plans.

TABLE – River North TIRZ Contributions		
Participating Taxing Entities	Projected Dollar Contribution	Max. Length of Contribution
City of San Antonio	\$15,018,380	September 30, 2031
Total Contribution to TIRZ Fund	\$15,018,380	

Limited Obligation of the City or Participating Governmental Entities

The City and Participating Governmental Entities (if any) shall have a limited obligation to impose and collect taxes, and deposit such tax receipts into the River North TIRZ fund so long as the project is viable and capital costs incurred by the City and/or a developer (if any) have not been fully paid. The River North TIRZ collections for this project shall not extend beyond September 30, 2031, and may be terminated prior to September 30, 2031, upon payment of public improvement capital costs incurred by the City and/or a developer (if any), or for the failure of the TIRZ Project to perform as projected in the Final Project and Finance Plans. The City may elect to terminate the TIRZ if actual housing and commercial construction falls behind the projected construction schedule. Specifically, the City may terminate if at the end of the first three years, 50% or more of the non-infrastructure construction projected for each of those years is not complete. Furthermore, any default of the terms contained in any Development Agreements that is not cured within the timeframe contained in the Agreement will also result in River North TIRZ termination.

Any costs incurred by a Developer (if any) are not and shall never in any event become general obligations or debt of the City or any of the Participating Governmental Entities. The public improvement infrastructure costs incurred by a developer shall be paid solely from the River North TIRZ revenues and shall never constitute a debt, indebtedness or a pledge of the faith and credit or taxing power of the State, the City, the Participating Governmental Entities, any political corporation, subdivision, or agency of the State.

In accordance with the 2006 TIF Manual, the City will negotiate a participation rate and maximum cap based on the following:

- Ensure the City’s ability to provide adequate municipal services such as police, fire, streets, libraries, parks, and other basic services through a comprehensive service analysis;

- Completion of a gap analysis that accounts for financial capacity of developer(s) (if any) and the minimum amount needed to meet the gap;
- Prioritization of public improvement needs such as the need for streets and sidewalks vs. the need for underground utilities;
- Factor a reasonable annual growth assumption; and
- Consider developer contribution (if any) of land for public use needs and/or minimum financial contribution.

Further, the City's participation rate and maximum contribution will be based on the participation of other taxing entities (if any) and the overall impact to the City's Operational Budget and Debt Plan. The final financing plan must not adversely impact the City's ability to deliver services or its debt management plan.

City and/or Developers' Risk

All financing, developmental costs, construction costs, improvements, damages, or other costs incurred with respect to this project are at the sole risk of a developer (if any). The City in conjunction with TIRZ Board will determine the costs that can be supported with future TIRZ revenue associated with this TIRZ through the development of the Final Project and Finance Plans. All costs will be reimbursed solely through TIRZ revenue. The City and any Participating Taxing Entities shall minimize any risk whatsoever associated with the development, construction, completion or failure of the project. In the event that the project fails, is abandoned or for any reason is not completed, the City shall have the right to terminate the River North TIRZ and any funds remaining in the River North TIRZ account shall be distributed to the Participating Taxing Entities on a pro rata basis in accordance with each entity's participation level.

Compliance

The development of this TIRZ shall comply with the Tax Increment Financing Act as set forth in Chapter 311 of the Texas Tax Code, and all other federal, state and local laws, rules and regulations, including the 2006 City of San Antonio Tax Increment Finance Program Guidelines.

Reporting

City and/or Developers (if any) shall submit a project status report and financial report on a quarterly basis (January 15th, April 15th, July 15th and October 15th) to the City.

Inspection

The Participating Taxing Entities, and/or Administrator shall have the right to inspect the project site or sites and the premises of a developer without notice.

**City of San Antonio
 River North - Tax Increment Reinvestment Zone
 Summary Fact Sheet
 November 19, 2012**

	Original Preliminary Finance Plan - 2006		Original Final Finance Plan - 2012			Current/Actual Finance Plan - 2012			
Site Area	194.00 Acres		214.00 Acres (153 Parcel Acres)			214.00 Acres			
Base Market Value ¹	124,497,622		295,349,280			Base Market Value (2009) \$	295,349,280		
Base Taxable Value	101,618,392		177,262,315			Base Taxable Value (2009) \$	177,262,315		
New Value Assumptions	Amount	Measure	Amount	Measure	Amount	Measure	Amount	Measure	
Average Office Price ²	125.00	Sq. Ft.	125	Sq. Ft.	\$	125.0	Sq. Ft.		
Average Hotel Price	125,000.00	Room	115	Sq. Ft.	\$	115.0	Sq. Ft.		
Average Apartment Price ³	100,000.00	Unit	182	Sq. Ft.	\$	182.0	Sq. Ft.		
Average Parking Price	10,000.00	Space							
Projects	Project	Units	Measure	Project	Sq Ft	Category	Project	Sq Ft	Category
Residential	2021	5,775.00	Units	-	-				
Parking	2021	7,250.00	Spaces	-	-				
Retail	2018	254,000.00	Sq. Ft.	-	-				
Hotel	2011	150.00	Rooms	-	-				
Office	2021	690,000.00	Sq. Ft.	-	-				
Phipps Law Offices	-	-		2013	25,000	Office			
Embarcadero	-	-		2013	90,000	Hotel (130 Units, restaurant, conference space)			
River North Multi-Family	-	-		2014	140,699	Rental Apartments (256 Units)			
203 E Jones	-	-		2014	26,755	Office			
Bond Issue Proceeds									
Bonds		\$ -			\$ -				
Loans		\$ -			\$ -				
Grant Funds		\$ -			\$ -				
Capitalized Interest (net funded amount)					\$ -				
Estimated Amount Available for Project Cost					\$	13,961,330			
Assumptions									
Captured Taxable Value	#####			\$	211,745,335		\$	211,745,335	
Assessed Value Growth Factor	2.00%			2.00%			2.00%		
Participation Level	100%			100.00%			100.00%		
Collection Rate	97.50%			97.50%			97.50%		
Estimated Total TIF Revenues	91,490,032.00			\$	15,015,686		\$	15,015,686	
Estimated TIF Life (12/14/2006 to 9/30/2031)	24.81	Years		24.81	Years		24.81	Years	

Begin TIRZ Life	12/14/06
End TIRZ Life	09/30/31

1) 2006 site area consisted of 194 acres. 2006 Base Market Value was \$124,497,622. Boundaries were amended in 2009 and 2010 changing the Base Market Value and site area to current.
 2) Average prices per square foot are based on the preliminary finance plan.
 3) Average apartment square foot price is calculated as \$100,000 per unit to obtain price per square foot.

City of San Antonio, Texas
 River North - Tax Increment Reinvestment Zone #27
Sources and Uses

Sources of Funds

TIRZ Revenues	\$	15,015,686
Interest Earned in TIF Fund		116,588
Total Sources of Funds	\$	<u>15,132,275</u>

Uses of Funds - Public Improvement Projects¹

River North Master Plan		648,340
Capital Improvements Admin		2,250
River North Master Plan Review		10,000
Phipps Law Offices		520,458
Embarcadero		997,743
River North Multi-Family		2,429,515
203 E Jones		407,737
Total Public Improvement:	\$	<u>5,016,042</u>

Total Public Improvements	\$	5,016,042
Total Administrative Expenses		1,054,356
Total TIRZ Obligations as of 11/16/2012	\$	<u>6,070,398</u>

Total Ending TIF Fund Balance \$ 9,061,876

(1) The projected TIRZ real property tax increment reimbursement for all Chapter 380 Agreements (Phipps Law Offices, Embarcadero, River North Multi-Family, and 203 E Jones) are maximum obligations as set forth in their respective Agreements. These amounts differ from the estimated reimbursement set forth in the Agreements due to projected new value calculations. (See Reimbursement tab for projected reimbursements based on New Value)

City of San Antonio, Texas
River North Tax Increment Reinvestment Zone #27

River North TIRZ #27
Final Finance Plan
Board Approved 11/19/2012
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Tax Year	(1) (2) (3) (4)				(5)							Combined Tax Increment Revenues	Fiscal Year Ending
	Tax Increment Zone				City of San Antonio								
	Beginning Market Value	Base year Taxable Value	Projected New Value	Growth	Year-End Projected Assessed Value	Less Exemptions	Year End Taxable Value	Captured Taxable Value	Projected Tax Rate	Projected Tax Increment Revenues	Actual Tax Increment Revenues		
2006	\$ 124,497,622	\$ 101,618,392	\$ -	\$ -	\$ 124,497,622	\$ (22,879,230)	\$ 101,618,392	\$ -	0.57230	\$ -	\$ -	\$ -	2007
2007	\$ 124,497,622	\$ 101,618,392	\$ 34,555,622	\$ 34,555,622	\$ 159,053,244	\$ (38,142,719)	\$ 120,910,525	\$ 19,292,133	0.57230	\$ 107,649	\$ 103,536	\$ 103,536	2008
2008	\$ 159,053,244	\$ 101,618,392	\$ 28,389,716	\$ 28,389,716	\$ 187,442,960	\$ (48,485,260)	\$ 138,957,700	\$ 37,339,308	0.56714	\$ 206,472	\$ 207,386	\$ 207,386	2009
2009	\$ 187,442,960	\$ 183,911,321	\$ 107,906,320	\$ 107,906,320	\$ 295,349,280	\$ (69,813,911)	\$ 225,535,369	\$ 41,624,048	0.56569	\$ 229,577	\$ 243,989	\$ 243,989	2010
2010	\$ 295,349,280	\$ 177,262,315	\$ (20,413,994)	\$ (20,413,994)	\$ 274,935,286	\$ (68,618,780)	\$ 206,316,506	\$ 29,054,191	0.56569	\$ 160,248	\$ 143,079	\$ 143,079	2011
2011	\$ 274,935,286	\$ 177,262,315	\$ 1,007,466	\$ 1,007,466	\$ 275,942,752	\$ (71,601,420)	\$ 204,341,332	\$ 27,079,017	0.56569	\$ 149,554	\$ 152,615	\$ 152,615	2012
2012	\$ 275,942,752	\$ 177,262,315	\$ 5,518,855	\$ 5,518,855	\$ 281,461,607	\$ (71,601,420)	\$ 209,860,187	\$ 32,597,872	0.56569	\$ 179,793	\$ 179,793	\$ 179,793	2013
2013	\$ 281,461,607	\$ 177,262,315	\$ 13,475,000	\$ 13,475,000	\$ 5,629,232	\$ 300,565,839	\$ (71,601,420)	\$ 51,702,104	0.56569	\$ 285,162	\$ 285,162	\$ 285,162	2014
2014	\$ 300,565,839	\$ 177,262,315	\$ 28,951,593	\$ 28,951,593	\$ 6,011,317	\$ 335,528,749	\$ (71,601,420)	\$ 263,927,329	\$ 86,665,014	0.56569	\$ 477,999	\$ 477,999	2015
2015	\$ 335,528,749	\$ 177,262,315	\$ 6,710,575	\$ 6,710,575	\$ 342,239,324	\$ (71,601,420)	\$ 270,637,904	\$ 93,375,589	0.56569	\$ 515,011	\$ 515,011	\$ 515,011	2016
2016	\$ 342,239,324	\$ 177,262,315	\$ 6,844,786	\$ 6,844,786	\$ 349,084,110	\$ (71,601,420)	\$ 277,482,690	\$ 100,220,375	0.56569	\$ 552,763	\$ 552,763	\$ 552,763	2017
2017	\$ 349,084,110	\$ 177,262,315	\$ 6,981,682	\$ 6,981,682	\$ 356,065,793	\$ (71,601,420)	\$ 284,464,373	\$ 107,202,058	0.56569	\$ 591,271	\$ 591,271	\$ 591,271	2018
2018	\$ 356,065,793	\$ 177,262,315	\$ 7,121,316	\$ 7,121,316	\$ 363,187,108	\$ (71,601,420)	\$ 291,585,688	\$ 114,323,373	0.56569	\$ 630,548	\$ 630,548	\$ 630,548	2019
2019	\$ 363,187,108	\$ 177,262,315	\$ 7,263,742	\$ 7,263,742	\$ 370,450,851	\$ (71,601,420)	\$ 298,849,431	\$ 121,587,116	0.56569	\$ 670,611	\$ 670,611	\$ 670,611	2020
2020	\$ 370,450,851	\$ 177,262,315	\$ 7,409,017	\$ 7,409,017	\$ 377,859,868	\$ (71,601,420)	\$ 306,258,448	\$ 128,996,133	0.56569	\$ 711,475	\$ 711,475	\$ 711,475	2021
2021	\$ 377,859,868	\$ 177,262,315	\$ 7,557,197	\$ 7,557,197	\$ 385,417,065	\$ (71,601,420)	\$ 313,815,645	\$ 136,553,330	0.56569	\$ 753,157	\$ 753,157	\$ 753,157	2022
2022	\$ 385,417,065	\$ 177,262,315	\$ 7,708,341	\$ 7,708,341	\$ 393,125,406	\$ (71,601,420)	\$ 321,523,986	\$ 144,261,671	0.56569	\$ 795,672	\$ 795,672	\$ 795,672	2023
2023	\$ 393,125,406	\$ 177,262,315	\$ 7,862,508	\$ 7,862,508	\$ 400,987,914	\$ (71,601,420)	\$ 329,386,494	\$ 152,124,179	0.56569	\$ 839,037	\$ 839,037	\$ 839,037	2024
2024	\$ 400,987,914	\$ 177,262,315	\$ 8,019,758	\$ 8,019,758	\$ 409,007,673	\$ (71,601,420)	\$ 337,406,253	\$ 160,143,938	0.56569	\$ 883,270	\$ 883,270	\$ 883,270	2025
2025	\$ 409,007,673	\$ 177,262,315	\$ 8,180,153	\$ 8,180,153	\$ 417,187,826	\$ (71,601,420)	\$ 345,586,406	\$ 168,324,091	0.56569	\$ 928,388	\$ 928,388	\$ 928,388	2026
2026	\$ 417,187,826	\$ 177,262,315	\$ 8,343,757	\$ 8,343,757	\$ 425,531,583	\$ (71,601,420)	\$ 353,930,163	\$ 176,667,848	0.56569	\$ 974,408	\$ 974,408	\$ 974,408	2027
2027	\$ 425,531,583	\$ 177,262,315	\$ 8,510,632	\$ 8,510,632	\$ 434,042,214	\$ (71,601,420)	\$ 362,440,794	\$ 185,178,479	0.56569	\$ 1,021,348	\$ 1,021,348	\$ 1,021,348	2028
2028	\$ 434,042,214	\$ 177,262,315	\$ 8,680,844	\$ 8,680,844	\$ 442,723,059	\$ (71,601,420)	\$ 371,121,639	\$ 193,859,324	0.56569	\$ 1,069,227	\$ 1,069,227	\$ 1,069,227	2029
2029	\$ 442,723,059	\$ 177,262,315	\$ 8,854,461	\$ 8,854,461	\$ 451,577,520	\$ (71,601,420)	\$ 379,976,100	\$ 202,713,785	0.56569	\$ 1,118,063	\$ 1,118,063	\$ 1,118,063	2030
2030	\$ 451,577,520	\$ 177,262,315	\$ 9,031,550	\$ 9,031,550	\$ 460,609,070	\$ (71,601,420)	\$ 389,007,650	\$ 211,745,335	0.56569	\$ 1,167,877	\$ 1,167,877	\$ 1,167,877	2031
			\$ 42,426,593	\$ 293,684,855						\$ 15,018,380	\$ 850,606	\$ 15,015,686	
Existing Value Growth Factors													
Base Model Growth Factor					2.00%	Participation Level				100%			
Growth Factor Above Base					0.00%	Tax Rate Growth Factor				0.00%			
Combined Growth Rate					2.00%	Collection Rate (%)				97.50%			

- (1) Tax year 2006 value based on estimated certified values of existing property within the proposed zone. (Provided by the City of San Antonio, Texas)
- (2) Base year taxable value is based on certified values of existing property within the zone in the tax year. The base year values vary with boundary amendments.
In Tax Year 2009, parcels were added increasing the base taxable value to \$183,911,321. In Tax Year 2010, parcels were removed, decreasing the base taxable value to \$177,262,315.
- (3) Projected value of proposed improvements.
- (4) Estimated growth in values plus value of other improvements.
- (5) Projected captured taxable value. Current year total taxable value less the base year taxable value.

**River North Tax Increment Reinvestment Zone #27
 Participation**

Entity	Tax Rate	Level of Participation	Tax Rate Based on Participation	% of Project	TIF Revenues	TIF Expenses
City of San Antonio	0.565690	100%	0.565690	100.00%	\$ 15,018,380	\$ -
TOTAL	0.565690		0.565690	100.00%	\$ 15,018,380	\$ -

City of San Antonio, Texas
River North Tax Increment Reinvestment Zone #27
Reimbursement for Public Improvement

Fiscal Year	TIF Revenues	Cumulative TIF Revenues	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected
			Administrative Expenses ¹	CIMS Capital Admin Payments	River North Master Plan Reimbursements to General Fund	River North Master Plan Reimbursements to Downtown Alliance				
2007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2008	\$ 103,536	103,536	-	-	-	-	-	-	-	-
2009	\$ 207,386	310,923	-	-	-	-	-	-	-	-
2010	\$ 243,989	554,912	-	-	2,250	-	-	-	-	-
2011	\$ 143,079	697,992	-	-	-	-	-	-	-	-
2012	\$ 152,615	850,606	-	-	-	-	-	-	-	-
2013	\$ 179,793	1,030,399	-	178,040	-	-	648,339.51	-	10,000.00	-
2014	\$ 285,162	1,315,561	-	28,516	-	-	-	-	-	-
2015	\$ 477,999	1,793,560	-	47,800	-	-	-	-	-	-
2016	\$ 515,011	2,308,571	-	50,000	-	-	-	-	-	-
2017	\$ 552,763	2,861,334	-	50,000	-	-	-	-	-	-
2018	\$ 591,271	3,452,605	-	50,000	-	-	-	-	-	-
2019	\$ 630,548	4,083,153	-	50,000	-	-	-	-	-	-
2020	\$ 670,611	4,753,764	-	50,000	-	-	-	-	-	-
2021	\$ 711,475	5,465,239	-	50,000	-	-	-	-	-	-
2022	\$ 753,157	6,218,396	-	50,000	-	-	-	-	-	-
2023	\$ 795,672	7,014,068	-	50,000	-	-	-	-	-	-
2024	\$ 839,037	7,853,105	-	50,000	-	-	-	-	-	-
2025	\$ 883,270	8,736,375	-	50,000	-	-	-	-	-	-
2026	\$ 928,388	9,664,763	-	50,000	-	-	-	-	-	-
2027	\$ 974,408	10,639,171	-	50,000	-	-	-	-	-	-
2028	\$ 1,021,348	11,660,519	-	50,000	-	-	-	-	-	-
2029	\$ 1,069,227	12,729,746	-	50,000	-	-	-	-	-	-
2030	\$ 1,118,063	13,847,809	-	50,000	-	-	-	-	-	-
2031	\$ 1,167,877	15,015,686	-	50,000	-	-	-	-	-	-
	\$ 15,015,686	\$ -	\$ -	1,054,356	\$ 2,250	\$ -	\$ -	648,339.51	\$ -	10,000.00

(1) Administrative expenses are subject to Tax Increment Finance Program 2006 Guidelines. Total startup is \$75,000. Annual administrative fees assessed are calculated at 10% of projected annual revenues or \$50,000, whichever is lesser.

Fiscal Year	TIF Revenue	Projected Annual Admin	Startup Fees	Total Admin Fees
2007	-	-	75,000.00	75,000.00
2008	103,536	10,353.65		10,353.65
2009	207,386	20,738.65		20,738.65
2010	243,989	24,398.95		24,398.95
2011	143,079	14,307.91		14,307.91
2012	152,615	15,261.49		15,261.49
2013	179,793	17,979.30		17,979.30
		103,039.95	75,000.00	\$ 178,039.95

City of San Antonio, Texas
River North Tax Increment Reinvestment Zone #27
Reimbursement for Public Improvement

Actual		Projected		Actual		Projected		Actual		Projected		Actual		Projected		Fiscal Year		Fiscal Year		TIF Fund	
Phipps Law Offices ²		Embarcadero ³		River North Multi-Family ⁴		203 E Jones ⁵		Interest Earned		Cash Flow		Fiscal Year		Fiscal Year		Fiscal Year		Fiscal Year		Interest Rate	
Reimbursements		Reimbursements		Reimbursements		Reimbursements		in TIF Fund		Balance		Fund Balance		Balance		Balance		Balance		Rate	
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-			2007		5.1832%	
	-		-		-		-		-		39		103,575		103,575		103,575	2008		3.3481%	
	-		-		-		-		-		2,638		210,025		313,600		313,600	2009		1.4135%	
	-		-		-		-		-		1,760		243,499		557,099		557,099	2010		0.4041%	
	-		-		-		-		-		2,257		145,336		702,436		702,436	2011		0.6250%	
	-		-		-		-		-		2,648		155,263		857,699		857,699	2012		0.9250%	
	-	3,040		9,943		-	-	2,416		983		(671,003)		186,696		186,696	2013		1.3750%		
	-	14,638		48,606		-	-	16,502		301		177,201		363,897		363,897	2014		1.9375%		
	-	14,992		49,777		-	-	16,881		606		349,156		713,053		713,053	2015		2.0000%		
	-	15,352		50,971		129,117.15		17,267		1,188		253,492		966,545		966,545	2016		2.0000%		
	-	15,720		52,190		132,014.30		17,660		1,611		286,789		1,253,334		1,253,334	2017		2.0000%		
	-	16,095		53,432		134,969.39		18,062		2,089		320,801		1,574,135		1,574,135	2018		2.0000%		
	-	16,478		54,700		137,983.59		18,472		2,624		355,539		1,929,674		1,929,674	2019		2.0000%		
	-	16,868		55,993		141,058.07		18,889		3,216		391,019		2,320,692		2,320,692	2020		2.0000%		
	-	17,266		57,311		144,194.03		19,315		3,868		427,255		2,747,948		2,747,948	2021		2.0000%		
	-	17,673		58,657		147,392.72		19,750		4,580		464,265		3,212,213		3,212,213	2022		2.0000%		
	-	18,087		60,029		150,655.38		20,193		5,354		502,062		3,714,274		3,714,274	2023		2.0000%		
	-	18,509		61,428		153,983.30		20,646		6,190		540,661		4,254,936		4,254,936	2024		2.0000%		
	-	18,940		-		157,377.77		21,107		7,092		642,937		4,897,872		4,897,872	2025		2.0000%		
	-	19,380		-		160,840.13		21,577		8,163		684,754		5,582,626		5,582,626	2026		2.0000%		
	-	19,828		-		164,371.74		22,057		9,304		727,455		6,310,081		6,310,081	2027		2.0000%		
	-	20,286		-		167,973.98		22,547		10,517		771,059		7,081,140		7,081,140	2028		2.0000%		
	-	20,752		-		171,648.27		23,046		11,802		815,583		7,896,722		7,896,722	2029		2.0000%		
	-	21,228		-		175,396.04		23,555		13,161		861,045		8,757,767		8,757,767	2030		2.0000%		
	-	21,713		-		160,539.15		24,075		14,596		926,146		9,683,913		9,683,913	2031		2.0000%		
\$	-	\$ 326,846	\$	-	\$ 613,037	\$	-	\$ 2,429,515	\$	364,017	\$	9,342	\$	107,246	\$	9,683,913					

- (2) The Phipps Law Offices 380 Agreement states that commencing with the inclusion of the project in the TIRZ and then annually throughout the remainder of the Term, the City shall pay to the developer an amount equal to: the actual amount of real property taxes for the immediately preceding tax year, less the amount of real property taxes paid by the developer for the tax year in which the project was included in the TIRZ.
- (3) The Embarcadero 380 Agreement states that commencing with the inclusion of the project in the TIRZ and then annually for eleven (11) tax years throughout the remainder of the Term, the City shall pay to the developer an amount equal to: the actual amount of real property taxes for the immediately preceding tax year, less the amount of real property taxes paid by the developer for the tax year 2011.
- (4) The River North Multi-Family 380 Agreement states that commencing with the first tax year following the tax year in which a Certificate of Occupancy is issued and then annually throughout the remainder of the Term, the City shall pay to the developer an amount equal to: the actual amount of real property taxes for the immediately preceding tax year, less the amount of real property taxes paid by the developer for the tax year in which the property was first included in the TIRZ.
- (5) The 203 E Jones 380 Agreement states that commencing with the inclusion of the project in the TIRZ and then annually throughout the remainder of the Term, the City shall pay to the developer an amount equal to: the actual amount of real property taxes for the immediately preceding tax year, less the amount of real property taxes paid by the developer for the tax year in which the project was included in the TIRZ.

**River North Development Project- Tax Increment Financing Zone
 Reimbursement for Public Improvements**

Tax Year ⁽¹⁾	Phipps Law Offices	Embarcadero	River North Multi-Family	203 E Jones	Total
2008					-
2009					-
2010					-
2011					-
2012					-
2013	3,125,000	10,350,000			13,475,000
2014			25,607,218	3,344,375	28,951,593
2015					-
2016					-
2017					-
2018					-
2019					-
2020					-
2021					-
2022					-
2023					-
2024					-
2025					-
2026					-
2027					-
	3,125,000	10,350,000	25,607,218	3,344,375	42,426,593

(1) New property valuations are projected in the tax year following completion of construction.