

Ballpark Project

Ben Gorzell, Jr.
Chief Financial Officer

Agenda Item #5

September 12, 2024

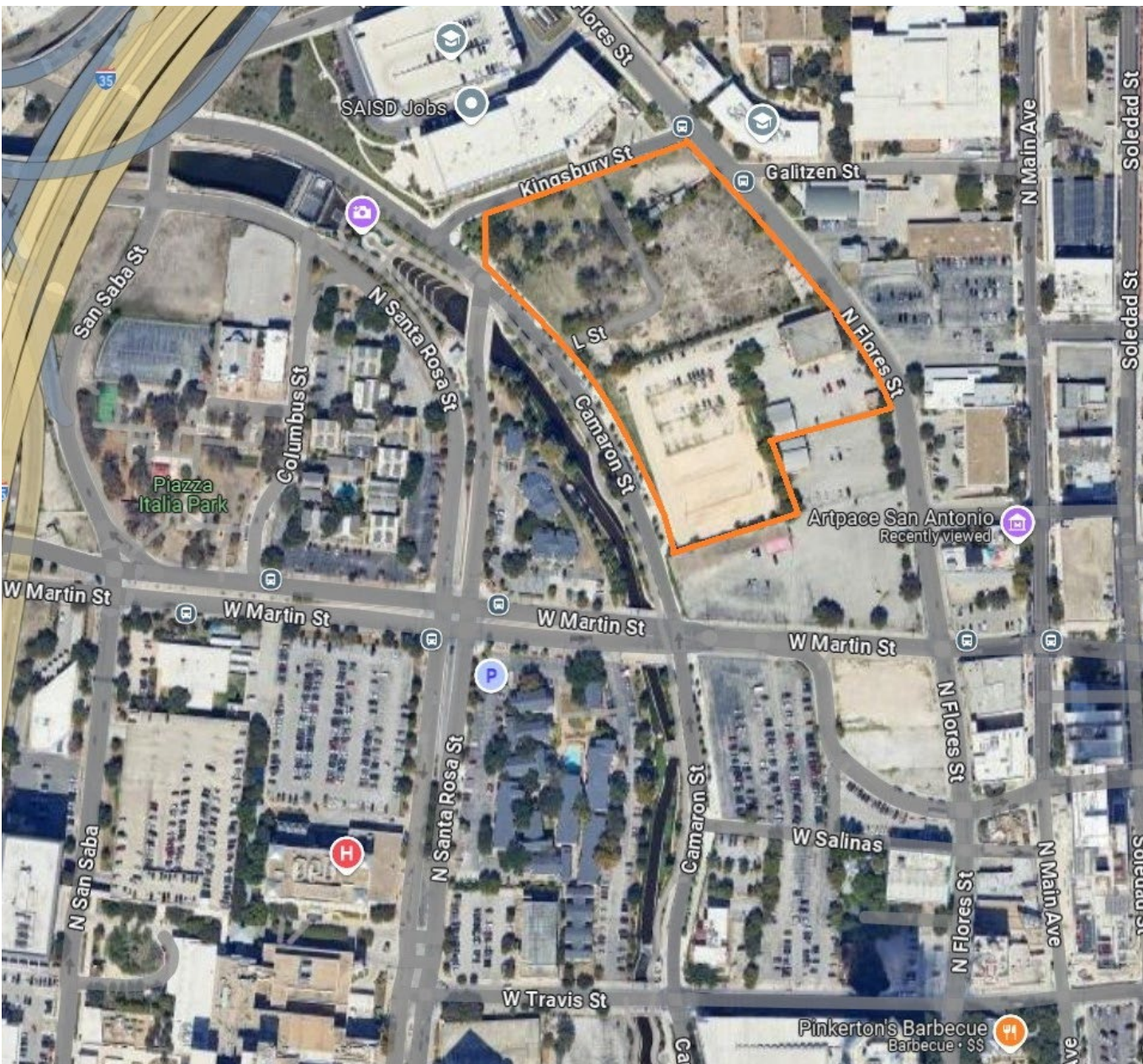
Lori Houston
Assistant City Manager

Ballpark Project - Summary

Team is proposing to construct a new downtown minor league ballpark with approximately 4,500 fixed seats and total capacity for approximately 7,500

- Estimated cost is approximately \$160 Million inclusive of land
- Primarily paid for from Team equity, Team revenue, property tax increment, and assessment revenues from new taxable development
- Ballpark completion expected in time for opening day in April 2028





Ballpark Project Site Map

All properties for the Ballpark site have been acquired with the exception of the SAISD site

Ballpark Funding

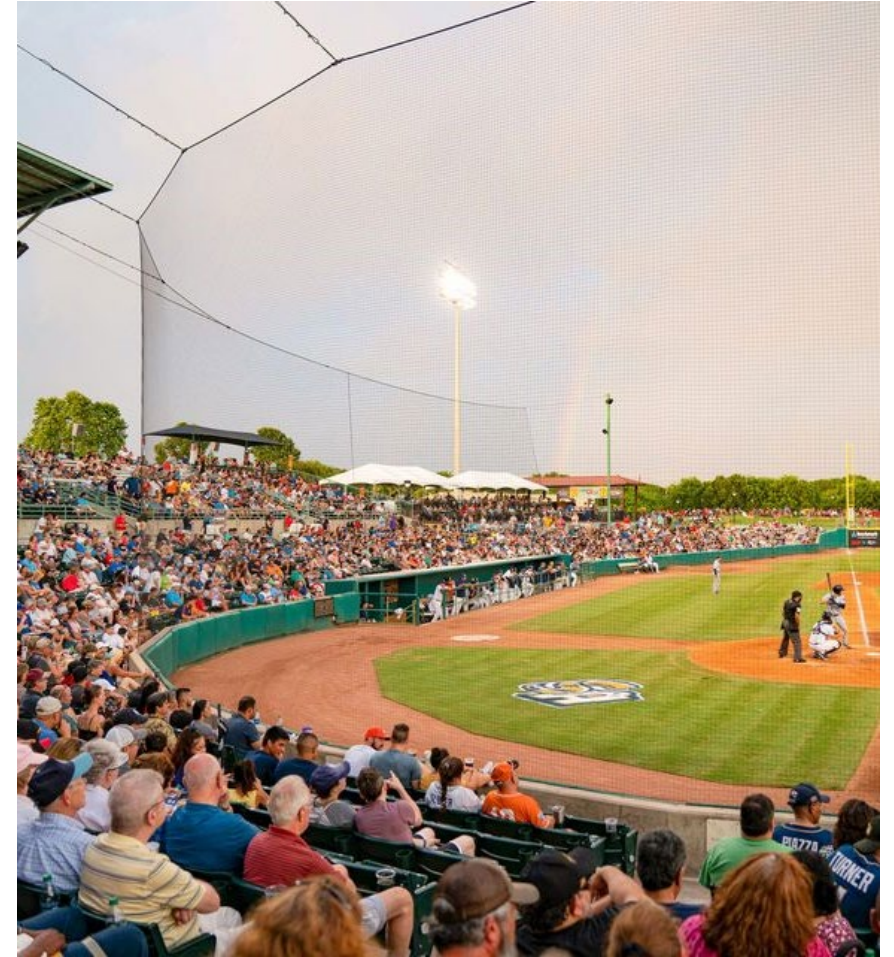
City and County to create the San Pedro Creek Development Authority

Authority would own the Ballpark

Proposed Ballpark is located in the Houston Street Tax Increment Reinvestment Zone (TIRZ)

Funding of approximately \$160 Million for the Ballpark is expected to include:

- Team Equity Contribution of \$34 Million
- Bonds to be issued by the Authority with a pledge of revenue from the Houston Street TIRZ
 - Generate proceeds of approximately \$126 Million for the Project
- Team is responsible for construction overruns (exceeding Guaranteed Maximum Price (GMP))




Proposed Plan of Finance

Tax-Exempt and Taxable Bonds to be issued by Authority with a pledge of Houston Street TIRZ

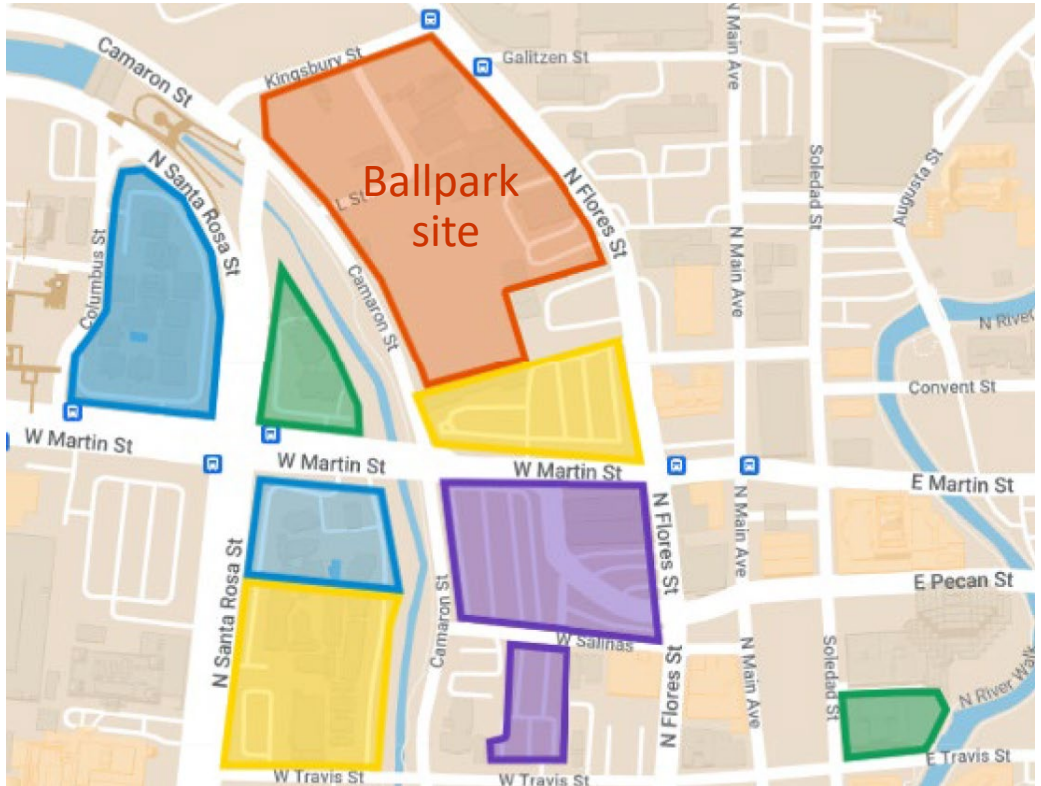
Conditions required prior to Bond issuance

Bonds will be repaid by:

- Team Revenue
 - \$1 Million Annual Lease Payment
 - \$2 Ticket Fee
 - Guaranteed City and County property tax increment and assessment from Municipal Management District (MMD) on Phase 1 and 2 of New Development
 - Existing City and County Houston Street TIRZ capacity
- 
- Team to provide 2-Year rolling Line of Credit with value based on projected risk over the upcoming 2-Year period
 - Subset of Team owners to provide an additional Line of Credit

Houston Street TIRZ New Private Development

| PHASE | ESTIMATED COMPLETION DATE | ESTIMATED TAXABLE VALUE BY PHASE |
|-------|------------------------------|-------------------------------------|
| 1 | 2027 | \$300,000,000 |
| 2 | 2029 | \$275,000,000 |
| 3 | 2030 | \$275,000,000 |
| 4 | 2031 | \$150,000,000 |
| TOTAL | | \$1,000,000,000 |



- New private development **will not receive any public funding or incentives.**

Bonds to be issued for the Ballpark

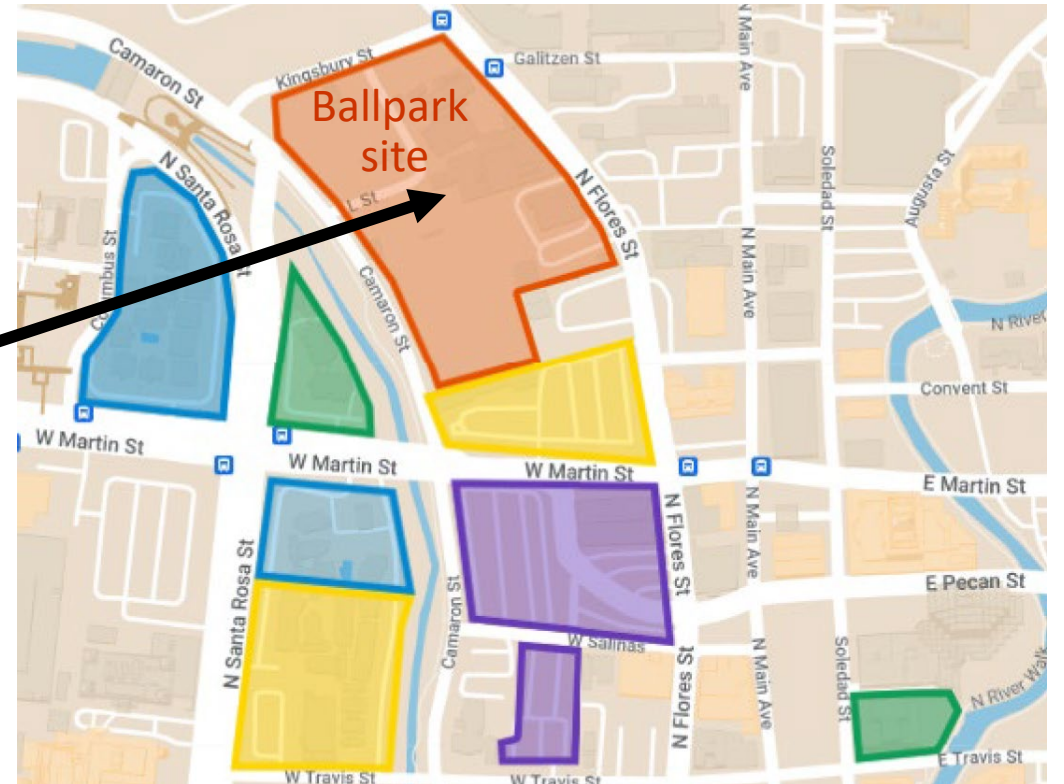
\$1 Million Annual Lease Payment

\$2 Ticket Fee

Phase 1 and 2 New Private Development

Houston Street TIRZ City and County Property Tax Increment
Assessment from Municipal Management District

Existing Houston Street TIRZ Capacity



Other Provisions



Ballpark Maintenance & Capital Improvement Fund

Team to contribute \$250,000 annually

City to contribute \$500,000 annually (funded from the Houston Street TIRZ)

Traffic, Security, and Cleanliness Plan

City and Team to collaborate on the development of a traffic, security, and cleanliness plan for the areas around the Ballpark for game and event days

Local Participation and SBEDA Plan

Prime Contracts – Primary vendors, if not located in Bexar County, for design/engineering and construction will be encouraged to joint venture with a local partner

Diversity Outreach – Primary vendors will provide outreach plans for identifying local, small, minority, veteran, and women owned subcontractors

Construction Packages – Construction packages will be assigned goals for SBEDA subcontractors

Community Benefits



Public Amenities – Amenity and green space will be made available to the public

Youth Program – Under development, Team shall develop a youth program to include a number of free tickets per year to disadvantaged youth and youth groups, teams, etc.

Stakeholder Days – City and County shall have access to the Facility for 5 days per year – cannot conflict with other events

Stakeholder Advertising – Exploring electronic advertising opportunities (public service announcements) for Team announcements

San Antonio 1888 Baseball Foundation – Shall contribute at least \$200,000 annually to support local initiatives regarding children and homeless veterans

Veterans – Team will make an effort to hire veterans for game day operations

SAISD Program – Under development, initial concepts include internships, access to facility, and stakeholder days

Wage Commitment – The Team shall provide full-time and part-time positions which will be paid at least equal to the minimum of the City's then current entry wage

Fair Chance Employer – Continue practice to “ban the box” as a Fair Chance Employer and not conduct background checks until after an interview and an offer is made

Soap Factory Relocation Plan

Redevelopment of Soap Factory Apartments

- **Phase 1:** Includes redevelopment of the property at 500 N Santa Rosa and is anticipated to start in October 2025
 - Does not include demolition of the 1850's lime stone building
- **Phase 2:** Includes redevelopment of the property at 601 N Santa Rosa and is anticipated to start in September 2027
- **Phase 3:** Includes redevelopment of the property at 600 N Santa Rosa and is anticipated to start in September 2029



Phase 1 Soap Factory Relocation Plan

September 2024-2025

| Options | Moving Expenses Paid | Application and Deposit Fees Waived | No Rent Increase | No Early Termination Fee | 1 st Months Rent Free | Income Restricted |
|---|----------------------|-------------------------------------|------------------|--------------------------|----------------------------------|-------------------|
| Relocate to another unit at Soap Factory Apartments | X | X | X | X | | |
| Relocate to a new unit at Continental Block Apartments | X | X | | | | X |
| Relocate to a unit at Refugio, Hemisview, or 100 Labor (Beacon Communities) | | X | | | X | X |
| Relocate to another Beacon Communities Property outside of downtown. | | X | | | X | X |

****Only applies to current residents. Residents with leases executed after October 1, 2024, are not eligible.***

Phase 2 Soap Factory Relocation Plan

August 2026 - 2027

| Options | Moving Expenses Paid | Application and Deposit Fees Waived | No Rent Increase | No Early Termination Fee | 1 st Months Rent Free | Income Restricted |
|---|----------------------|-------------------------------------|------------------|--------------------------|----------------------------------|-------------------|
| Relocate to another unit at Soap Factory Apartments | X | X | X | X | | |
| Relocate to a new unit at Continental Block Apartments | X | X | | | | X |
| Relocate to a unit at Refugio, Hemisview, or 100 Labor (Beacon Communities) | | X | | | X | X |
| Relocate to another Beacon Communities Property outside of downtown. | | X | | | X | X |

****Only applies to current residents. Residents with leases executed after October 1, 2024, are not eligible.***

Phase 3 Soap Factory Relocation Plan

August 2028-2029

| Options Ph3: August 2028 - 2029 | Moving Expenses Paid | Application and Deposit Fees Waived | No Rent Increase | No Early Termination Fee | 1 st Months Rent Free | Income Restricted |
|---|----------------------------|---|---------------------|--------------------------------|-------------------------------------|----------------------|
| Relocate to a new unit at Continental Block Apartments | X | X | | | | X |
| Relocate to a unit at Refugio, Hemisview, or 100 Labor (Beacon Communities) | | X | | | X | X |
| Relocate to another Beacon Communities Property outside of downtown. | | X | | | X | X |

**** Only applies to current residents. Residents with leases executed after October 1, 2024, are not eligible.***

Building Brighter Communities

- For the next 5 years Building Brighter Communities will bring access to rent, moving and utility assistance programs to Soap Factory Apartment residents and will also assist with the paperwork for signing up for the programs. Their bilingual team have already begun meeting with residents one on one and will be on location for 3 days a week initially (Mondays and Wednesdays morning and evening; Saturday mornings) and as needed thereafter to provide relocation services for each resident and their unique circumstance and desires.
- Building Brighter Communities will help identify additional properties appropriate for residents' individual needs and income bracket.

Rental Relocation Assistance

- Upon leaving the Soap Factory Apartments, Phase 1 tenants will receive a \$2,500 rental relocation package.
- The Soap Factory Apartments Rental Relocation Assistance Program will be administered by Building Brighter Communities and funded by the following:
 - \$250,000 from Weston Urban
 - No Income Restrictions
 - Only applies to current tenants. Tenants with leases executed after October 1, 2024, are not eligible.
 - \$250,000 from the City of San Antonio
 - 80% AMI or below
 - Must have lived in the unit for at least 1 year prior to October 1, 2024.
- A phase 1 tenant that chooses to stay in one of the available units in another building on property will still receive the \$2,500 but disbursement will not be made until they are ready to exit the Soap Factory property.
- Any remaining funding after all Phase 1 tenants are addressed may be used for Phase 2 or 3 tenants if the tenant is willing to leave the property by September 2025.

Next Steps

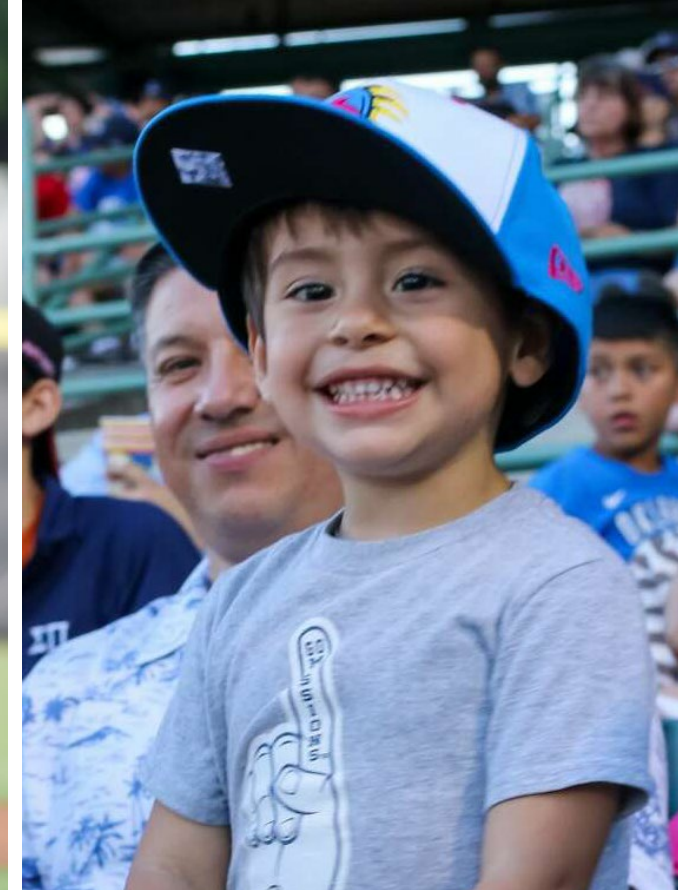
- ✓ Funding Agreement with Building Brighter Communities for the Rental Relocation Assistance Program.
- ✓ Creation of San Pedro Creek Development Authority in 2024
- ✓ Creation of Municipal Management District (MMD) in 2024
- ✓ Houston Street TIRZ – Adjust boundary for New Development parcels currently in Westside TIRZ and extend term in 2024
- ✓ Westside TIRZ - Increase City participation rate from 90% to 100% and extend term in 2024

- ✓ Negotiate and develop other Development Agreements
 - Economic Development Agreement in 2024
 - Team Lease in 2025
 - Developer Agreement in 2025
 - Bond Indenture and other financing documents in 2025
 - TIRZ Funding Agreement in 2025

Explore expanding Downtown Public Improvement District (PID)

Staff Recommendation

Staff recommends approval of the Memorandum of Understanding among the City of San Antonio, Bexar County, Designated Bidders, LLC, and Weston Urban Management, LLC as presented to City Council on September 12, 2024.



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