



City of San Antonio

Agenda Memorandum

File Number:
{{item.tracking_number}}

Agenda Item Number: 4

Agenda Date: November 14, 2024

In Control: Tax Increment Reinvestment Zone No. 31 - Midtown Meeting

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

Authorizing a 10-year 40% tax abatement agreement between Bexar County and Oxbow Development Group for the real and personal property investments for Isleta LLC at 102 E. Josephine Street and Quincy Residential, LLC at 1200 E. Elmira Street Projects located in City Council District 1 and within the boundaries of the Midtown Tax Increment Reinvestment Zone Number 31.

SUMMARY:

Oxbow Real Estate, LLC is proposing to construct a 75-unit multifamily apartment complex (the "Coopers Row North Project") located at 1200 E. Elmira Street, San Antonio, Texas 78212, within the boundary of the Midtown TIRZ; and also proposing to construct a 200-unit multifamily apartment complex (the "Isleta Project") located at 102 E. Josephine Street, San Antonio, Texas 78212, within the boundary of the Midtown TIRZ.

The Midtown TIRZ is not participating as a funder for the Coopers Row North Project or the Isleta Project. Bexar County is offering the developer, Oxbow Real Estate, LLC, a ten-year, 40%

abatement of County taxes assessed on the Coopers Row North Project and the Isleta Project.

The project located at 102 E. Josephine Street will invest up to \$106 million and the project on 1200 E. Elmira Street will invest up to \$23 million.

The following is the proposal for both projects:

--- 10 year/40% tax abatement on real and personal property investments. Using the investment numbers provided, the incentive value is estimated at \$1,171,643 for the project on 102 E. Josephine Street.

--- 10 year/40% tax abatement on real and personal property investments. Using the investment numbers provided, the incentive value is estimated at \$254,225 for the project on 1200 E. Elmira Street.

BACKGROUND INFORMATION:

These projects are located just north of downtown San Antonio. Bexar County is committed to assisting center city development with this project.

ISSUE:

The Midtown TIRZ Board is being asked to authorize the 10-year 40% tax abatement agreement between Bexar County and Oxbow Development Group for the real and personal property investments for Isleta LLC at 102 E. Josephine Street and Quincy Residential, LLC at 1200 E. Elmira Street Projects located in City Council District 1 and within the boundaries of the Midtown Tax Increment Reinvestment Zone Number 31.

FISCAL IMPACT:

Funding for this tax abatement agreement is available through the tax increment produced by the Midtown TIRZ that was allocated to a project prior to the Board's reconstitution and is no longer happening. There is no fiscal impact to the City's General Fund.

ALTERNATIVES:

If the Midtown TIRZ Board chooses to not authorize the Tax Abatement Agreement, Oxbow Development Group will need to seek an alternate funding source for the projects. This may delay or lead to cancelation of the projects.

RECOMMENDATION:

Staff recommends the Midtown TIRZ Board authorize the 10-year 40% tax abatement agreement between Bexar County and Oxbow Development Group for the real and personal property

investments for Isleta LLC at 102 E. Josephine Street and Quincy Residential, LLC at 1200 E. Elmira Street Projects located in City Council District 1 and within the boundaries of the Midtown Tax Increment Reinvestment Zone Number 31.