



City of San Antonio

Agenda Memorandum

File Number:
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Agenda Item Number: 5

Agenda Date: June 27, 2024

In Control: Tax Increment Reinvestment Zone No. 33 - Northeast Corridor Meeting

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: District 10

SUBJECT:

Agreement with Morgan's in an amount up to \$2,500,000.00 for public improvements related to the Parking lot for Morgan's Hotel and Morgan's Restaurant project.

SUMMARY:

This item would authorize the negotiation and execution of an agreement with Morgan's in an amount up to \$2,500,000.00 for public improvements and public infrastructure supporting a Parking Lot for Morgan's Hotel and Morgan's Restaurant Project in City Council 10.

BACKGROUND INFORMATION:

In May 2024, Morgan's (the Developer) applied for funding in an amount up to \$2,500,000.00 from the City's Tax Increment Financing ("TIF") Program for public improvements and public infrastructure supporting a Parking Lot for Morgan's Hotel and Morgan's Restaurant Project located on Buzzi Way at Wurzbach Parkway in San Antonio, Texas in City Council District 10, and within the boundary of the Northeast Corridor TIRZ. The total development cost for the

Project and hotel is approximately \$28,000,000.00.

This parking lot is designed to support a 104 room ultra-accessible hotel that the Developer is intending to construct at the corner of Buzzi Way and Wurzbach Parkway. The proposed costs for this project include improvements relating to the parking lot but also includes costs for improvements in support of the hotel and restaurant such as water, sanitary sewer, gas extensions and additional drainage. Installing these public improvements prior to the parking lot increases efficiencies and reduces costs for the hotel and restaurant project. The Northeast Corridor TIRZ funds will be utilized for Public Improvements and Public Infrastructure necessary to complete the Project.

ISSUE:

Board consideration is being requested for the negotiation and execution of an agreement with Morgan's in an amount up to \$2,500,000.00 for public improvements related to the Parking Lot for Morgan's Hotel and Morgan's Restaurant Project in City Council 10.

FISCAL IMPACT:

Funding for this agreement would be available through increment generated by the Northeast Corridor TIRZ. There is no impact to the City's General Fund.

ALTERNATIVES:

If the Northeast Corridor TIRZ Board of Directors does not approve the negotiation and execution of the agreement, Morgan's would have to find funding from other sources which may cause the public improvements related to the Parking Lot for Morgan's Hotel and Morgan's Restaurant Project in City Council 10 to be delayed or canceled.

RECOMMENDATION:

Staff recommends the Northeast Corridor TIRZ Board authorize the negotiation and execution of an agreement with Morgan's in an amount up to \$2,500,000.00 for the public improvements related to the Parking Lot for Morgan's Hotel and Morgan's Restaurant Project in City Council 10.