



# City of San Antonio

## Agenda Memorandum

**File Number:**  
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**Agenda Item Number:** 4

**Agenda Date:** September 12, 2024

**In Control:** Tax Increment Reinvestment Zone No. 11 - Inner City Meeting

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**DEPARTMENT:** Neighborhood and Housing Services

**DEPARTMENT HEAD:** Veronica Garcia, Director

**COUNCIL DISTRICTS IMPACTED:** District 2

**SUBJECT:**

Agreement with Commerce Street Kitchen, LLC for an amount up to \$142,331 for the Royal Blue Grocery on Commerce Project located at 1431 E. Commerce Street, within the Inner City TIRZ boundaries.

**SUMMARY:**

This item would authorize the negotiation and execution of an agreement with Commerce Street Kitchen, LLC for an amount up to \$142,331 for the Royal Blue Grocery on Commerce Project located at 1431 E. Commerce Street, within the Inner City TIRZ boundaries.

**BACKGROUND INFORMATION:**

On March 26, 2024, Commerce Street Kitchen, LLC applied for funding from the City's Tax Increment Financing ("TIF") Division for the Royal Blue Grocery on Commerce Project located at 1431 E. Commerce Street, within the Inner City TIRZ boundaries.

Royal Blue Grocery is opening a second store location at 1431 E. Commerce Street. The City is requiring an investment be made to repair the drainage, sidewalks and parking area around the building at 1431 E. Commerce Street before the store can open for business. The sidewalks will improve drainage and pedestrian safety and access around the building, which is near the IDEA Carver Charter School. Students walking to and from school will benefit from these new sidewalks and safety will be improved for pedestrians the area.

Royal Blue Grocery will provide healthy, and reasonably priced food alternatives that will enrich the neighborhood. Royal Blue Grocery plans to be open from 7am till midnight which will improve safety in the area. Royal Blue Grocery will be an amenity to the neighborhood and will provide a space to gather where all will feel safe and welcome. The project is seeking TIRZ reimbursement to build the ADA compliant sidewalks, ADA ramps, curbs and improvements to the parking area. These improvements should also lead to improved drainage along Hackberry.

#### **ISSUE:**

Board consideration is being requested for the negotiation and execution of an agreement with Commerce Street Kitchen, LLC for an amount up to \$142,331 for the Royal Blue Grocery on Commerce Project located at 1431 E. Commerce Street, within the Inner City TIRZ boundaries.

#### **FISCAL IMPACT:**

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

#### **ALTERNATIVES:**

If the Inner City TIRZ Board of Directors does not approve funding the project, Commerce Street Kitchen, LLC would have to find funding from other sources which may cause the project to be canceled or postponed.

#### **RECOMMENDATION:**

Staff recommends the Inner City TIRZ Board authorize the negotiation and execution of an agreement between the City of San Antonio, the Inner City TIRZ Board of Directors, and Commerce Street Kitchen, LLC for an amount up to \$142,331 for the Royal Blue Grocery on Commerce Project located at 1431 E. Commerce Street, within the Inner City TIRZ boundaries.