



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 26

Agenda Date: May 9, 2024

In Control: City Council A Session

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

Funding Agreement or Public Improvements in the Pearl District

SUMMARY:

This ordinance authorizes the execution of a Development Agreement between the City of San Antonio, the Midtown TIRZ Board of Directors, and Oxbow Real Estate, LLC for an amount not to exceed \$6,810,000.00 for public improvements in the Pearl District located in Council District 1.

BACKGROUND INFORMATION:

Located just north of downtown San Antonio in Council District 1 and generally bound by Avenue A, Newell, Grayson and Elmira Streets, the Pearl District is a mixed-use development featuring retail, dining, green spaces, a hotel, and access to the San Antonio River Walk. With over 1.4 million square feet developed to date, Pearl continues to grow and evolve, all while maintaining a reverence for the site's historic structures, a dedication to sustainability, and a commitment to the founding principles of bringing people together to cultivate human connectedness. Pearl is a thriving and vibrant community, home to many spirited visionaries who each paint a unique portrait of the South Texas past, present and future.

In January 2024, Oxbow Real Estate, LLC, as Developer, submitted a proposal request to the City's Tax Increment Financing Program for tax increment reimbursement in an amount up to \$6,810,000.00 plus interest and fees for public improvements, including pedestrian and park improvements to occur within, or adjacent to, the Pearl District. Oxbow is currently planning additional projects in the Pearl District for approximately 600 multi-family units, 150,000+ square feet of commercial space including office/retail/restaurant/entertainment uses, approximately 166 hotel rooms, and plazas. The total development cost for the next phase will be a minimum of \$475 million.

Public improvement projects include sidewalks, bike lanes, exterior stairs, pedestrian connections, street infrastructure, street grading, as well as improvements to plaza areas and parks. The projects will improve pedestrian mobility, access, and safety, increase access to and from the San Antonio River and adjoining neighborhoods, as well as park and plaza improvements.

Public improvement projects include:

- Sidewalks and Bike Lanes at Newell Street
- New sidewalk at Park Street
- Newell Avenue Stairs to River
- South Bridge – Pedestrian Connections (with stairs)
- Brewmeister's Alley Bridge – Pedestrian Connections
- Elmira Street – infrastructure updates and street regrading
- Myrtle Street – Plaza area
- Josephine Street Pedestrian Improvements
- City Flood Tunnel Park Improvements
- Stairs from River to Street Level at City Park

On April 15, 2024, the Midtown TIRZ Board of Directors approved a Development Agreement through Resolution T31 2024-04-15-02R for an amount not to exceed \$6,810,000.00 for public improvements in the Pearl District located in Council District 1.

ISSUE:

City Council consideration is requested for the approval of Funding Agreement between the City of San Antonio, the Midtown TIRZ Board of Directors, and Oxbow Real Estate, LLC for an amount not to exceed \$6,810,000.00 for public improvements in the Pearl District located in Council District 1.

ALTERNATIVES:

If City Council chooses not to approve the Funding Agreement, Oxbow Real Estate, LLC will need to seek an alternate funding source for the public improvements in the Pearl District. This may delay or lead to the cancellation of the public improvements that will improve pedestrian mobility, access, and safety, increase access to and from the San Antonio River and adjoining neighborhoods, as well as park and plaza improvements.

FISCAL IMPACT:

Funding for this agreement is available through the tax increment produced by the Midtown TIRZ. There is no fiscal impact to the City's General Fund.

RECOMMENDATION:

Staff recommends approval of a Funding Agreement between the City of San Antonio, the Midtown TIRZ Board of Directors, and Oxbow Real Estate, LLC for an amount not to exceed \$6,810,000.00 for public improvements in the Pearl District located in Council District 1.