



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 43

Agenda Date: January 30, 2025

In Control: City Council A Session

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

Tax Abatement Agreement between Bexar County and Oxbow Real Estate, LLC

SUMMARY:

This ordinance is requested by Bexar County and authorizes the negotiation and execution of a tax abatement agreement between Bexar County and Oxbow Real Estate, LLC for real and personal property taxes 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.

Bexar County is recommending the following 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.

No City of San Antonio funding will be used towards this project. City Council approval is required for this project under State law and the County tax abatement is provided through an agreement between Bexar County and Oxbow Real Estate, LLC.

BACKGROUND INFORMATION:

Oxbow Real Estate, LLC is proposing to construct a 75-unit multi-family 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 multi-family 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 10-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.

These projects are located just north of downtown San Antonio in District 1.

ISSUE:

State law requires City Council to authorize any County tax abatements for a project if that project is within a tax increment reinvestment zone. On November 14, 2024 the Midtown TIRZ approved funding for the 10-year, 40% tax abatement agreement between Bexar County and Oxbow Real Estate, LLC for real and personal property taxes 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. No City of San Antonio funding will be used towards this project. City Council approval is required for this project under State law and the County tax abatement is provided through an agreement between Bexar County and Oxbow Real Estate, LLC.

ALTERNATIVES:

If the City Council chooses to not approve the Funding Agreement, the Tax Abatement Agreement would not be able to proceed, and the Oxbow Real Estate, LLC will need to seek an alternate funding source for the projects. This may delay or lead to the cancelation of the project described.

FISCAL IMPACT:

There is no fiscal impact to the City's General Fund.

RECOMMENDATION:

Staff recommends approval. No City of San Antonio funding will be used towards this project. City Council approval is required for this project under State law and the County tax abatement is provided through an agreement between Bexar County and Oxbow Real Estate, LLC.