



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 23

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:

Assignment of Borden Park Project Development Agreement to Borden River Road Owner, LLC

SUMMARY:

This ordinance authorizes the assignment of the Development Agreement for the Borden Park Project, a mixed-use development in the Midtown Tax Increment Reinvestment Zone (TIRZ) and City Council District 1, to Borden River Road Owner, LLC.

BACKGROUND INFORMATION:

In August 2019, Borden River Road, L.P. through its affiliate Embrey Partners, Ltd. applied for funding from the City's Tax Increment Financing (TIF) Program to undertake the oversight and delivery of the Borden Park Project, a mixed-use development that includes family housing, office space, commercial uses, beautification and public improvements that included improvements to the river frontage, a trail system connecting the Tobin Hill neighborhood to the river, a river bridge extension, landscaping, removal of four billboards, improvements to Menefee Park, and conversion of existing storm water drainage improvements to low impact development located at 815 E. Ashby in San Antonio, Texas in City Council District 1 and within the Midtown Tax Increment Reinvestment Zone (Midtown TIRZ).

In September 2019, the Midtown TIRZ Board, through Resolution No. T31-09-13-02R, authorized the execution of an agreement to provide reimbursement for eligible expenses in an amount not to exceed four million dollars (\$4,000,000.00) through property tax reimbursement commencing the year after the project is complete. On October 3, 2019, City Council subsequently approved the agreement through Ordinance No. 2019-10-03-0813. This project was approved prior to the reconstitution of the Midtown TIRZ in January 2022.

The project was completed on December 13, 2023.

Borden River Road, L.P. is now requesting an assignment of all rights and obligations under the Development Agreement to Borden River Road Owner, LLC. Borden River Road Owner, LLC is wholly owned by Borden River Road, LP.

On April 15, 2024, the Midtown TIRZ Board of Directors through Resolution T31 2024-04-15-01R approved the assignment of the Development Agreement for the Borden Park Project to Borden River Road Owner, LLC.

ISSUE:

City Council consideration is requested to authorize the assignment of all rights and obligations under the Development Agreement for the Borden Park Project, a mixed-use development in the Midtown TIRZ, be assigned from Borden River Road, L.P. to Borden River Road Owner, LLC.

ALTERNATIVES:

If City Council chooses to not authorize the assignment, this would result in delays in property tax reimbursement, payment to an incorrect entity, and may subject the Developer to additional costs.

FISCAL IMPACT:

Funding for the Borden Park Project was previously approved by the Midtown TIRZ Board in September 2019 and City Council in October 2019. There is no fiscal impact to the City's General Fund.

RECOMMENDATION:

Staff recommends approval.