



CITY OF SAN ANTONIO
**NEIGHBORHOOD & HOUSING
SERVICES DEPARTMENT**

Inner City Tax Increment Reinvestment Zone Extension

**City Council A Session
January 12, 2023 - Item #14**

Veronica Garcia, Director, NHSD

Background Information

- The Inner City Tax Increment Reinvestment Zone was designated in 2000 to support redevelopment and public infrastructure improvements within the boundaries of the Enterprise Community Enterprise Zone; Eastside Enterprise Zone and Southside Enterprise Zone.
- Throughout its history, the Inner City TIRZ has supported a wide variety of projects
 - Historic Renovations,
 - Public Facilities,
 - Healthcare Services,
 - Infrastructure Improvements,
 - Economic Development,
 - Multifamily Housing and Single-Family Housing.
- The Inner City TIRZ is scheduled to terminate on September 30, 2025.

Issue

- Staff is recommending the termination date of the Inner City TIRZ currently set to expire on September 30, 2025 be extended through September 30, 2035.
- This will increase capacity in the TIRZ that will be used to finance additional projects to incentivize redevelopment within the Inner City boundaries.
- The City is the sole taxing entity in the Inner City TIRZ and participates at 100%.

Fiscal Impact

- From Fiscal Year 2001 to Fiscal Year 2022, the Inner City TIRZ captured approximately \$59,000,000 in tax increment and is projected to capture an additional \$28,000,000 in increment before its current termination date of September 30, 2025.
- With the approaching termination date and in consideration of possible future projects, such as the TRTF Velocity Texas Project, City staff conducted a financial analysis for a ten-year extension of the TIRZ. This analysis projects an estimated \$158,000,000 in total tax increment could be collected during that ten-year extension.

Recommendation

- Staff recommends approval of a ten-year extension of the Inner City Tax Increment Reinvestment Zone
- If approved, the updated termination date would be September 30, 2035.



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