



City of San Antonio

Agenda Memorandum

File Number:
{{item.tracking_number}}

Agenda Item Number: 4

Agenda Date: December 6, 2023

In Control: Tax Increment Reinvestment Zone No. 39 - Valley Sol Meeting

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: District 4

SUBJECT:

Authorizing payment of Invoice #2 to Lennar Homes of Texas Land and Construction, LTD, for a total amount of \$3,355,185.74 in allowable reimbursable expenses within the approved Development Agreement.

SUMMARY:

After Board approval, the Developer of record, Lennar Homes of Texas Land and Construction, LTD, shall receive up to \$3,355,185.74 for invoice #2 in future increment.

BACKGROUND INFORMATION:

Valley Sol TIRZ has a project site size of approximately 122 acres located southwest of the intersection of Interstate 35 and Fischer Road located in City Council District 4.

The project brings development of a masterplanned residential development consisting of 657

single family detached homes. Of the 657 units, approximately 526 will be single-story and approximately 131 will be 2-story units. The ratio of single-story to 2-story homes will be based on the current market data indicating greater demand for single-story homes. The proposed Valley Sol community will include off-street parking and front façade upgrades (this will include brick, stone, or stucco under all porch areas). Additionally, the Valley Sol community will contain a park with a pool and playground for future residents.

The Valley Sol Single Family houses will include at least fifty percent (50%) of single-family homes having a two (2) car garage, and all other single-family units containing a driveway of adequate length and width to accommodate at least two (2) standard size vehicles. Additionally, 329 or 50% of the single-family homes will be affordable housing (100%-120% of AMI).

Valley Sol is entirely contained within the Southwest Independent School District. A school district is not required to pay into the tax increment fund any of its tax increment produced from property located in a reinvestment zone unless they enter into an agreement to do so. Valley Sol will not have an agreement with Southwest Independent School District.

ISSUE:

Board consideration is requested to authorize payment of Invoice #2 to Lennar Homes of Texas Land and Construction, LTD, seeking reimbursement for allowable expenses for a total amount of \$3,355,185.74.

FISCAL IMPACT:

Lennar Homes of Texas Land and Construction, LTD, is seeking reimbursement for allowable expenses for a total amount of \$3,355,185.74. There is no fiscal impact to the General Fund. The funds come from the Valley Sol TIRZ increment fund.

ALTERNATIVES:

The Board could decide to not authorize payment of Invoice #2 to Lennar Homes of Texas Land and Construction, LTD, for allowable expenses for a total amount of \$3,355,185.74. This would result in delays or lead to the cancelation of the TIRZ.

RECOMMENDATION:

Staff recommends approval of the Resolution authorizing payment of Invoice #2 to Lennar Homes of Texas Land and Construction, LTD, for a total amount of \$3,355,185.74 from future increment for allowable reimbursable expenses within the approved Development Agreement.

