



City of San Antonio

Agenda Memorandum

File Number:
{{item.tracking_number}}

Agenda Item Number: 3

Agenda Date: January 31, 2024

In Control: Tax Increment Reinvestment Zone No. 17 - Mission Creek Meeting

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: District 3

SUBJECT:

Resolution authorizing payment of up to \$1,175,852.33 for interest allowable under the Development Agreement.

SUMMARY:

Upon Board approval, the Developer of record, Hausman Holdings, LTD, shall receive the permitted payment of interest of up to \$1,175, 852.33 out of available tax increment funds.

BACKGROUND INFORMATION:

The Mission Creek TIRZ is a Petition-Initiated TIRZ in Council District 3, which was designated on December 9, 2004. Participating taxing entities are the City of San Antonio, and Bexar County. The TIRZ will terminate September 30, 2029. The Mission Creek Subdivision is located in the southeast section of the City of San Antonio. The project boundaries includes Brooks City-Base to the north, and Texas A & M Extension Office to the east. The development is in the San

Antonio Independent School District and encompasses approximately 101 acres.

At the request of the original Developer of record HLH Developments, L.P, and subsequent approval by the Mission Creek TIRZ Board and City Council, the benefits, rights and obligations arising from the Development Agreement was assigned to Hausman Holdings, Ltd. in September 2014.

The Development Agreement maximum reimbursement allowed is \$5,358,759, and the reimbursement to developer to date is \$4,065,668.75. Per the Development Agreement, the developer shall receive interest on eligible project costs, if any, not to exceed \$2,370,853, and the total interest calculated from all units equals up to \$1,175,852.33.

ISSUE:

The Board is required to authorize payment of the permitted interest on eligible project costs, if any, of up to \$1,175,852.33 to go to the Developer of record, Hausman Holdings, LTD.

FISCAL IMPACT:

There is no impact to the General Fund.

ALTERNATIVES:

If the Board does not authorize payment of the permitted interest on eligible project costs of up to \$1,175,852.33, to go to the Developer of record, Hausman Holdings, LTD., there will be a payment delay of funds for the Mission Creek TIRZ housing subdivision in Council District 3.

RECOMMENDATION:

Staff recommends the Board authorize payment of interest in an amount up to \$1,175,852.33 allowable under the Development Agreement.