



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

Broadway East by Encore Midtown TIRZ #31

City Council A-Session | Item #36
November 18, 2021
Verónica R. Soto, FAICP, Director

Summary



- Consideration of a Development Agreement with the Midtown TIRZ Board of Directors, Encore Multi-Family, LLC and the City of San Antonio for eligible public improvements for an amount not to exceed \$7,000,000 for the 1203 Austin Street Project.

Background



Council District 2 **1203 Austin St.**

Encore Multi-Family, LLC is a full-scale multifamily developer established in 2008.

Project will consist of redevelopment of an underutilized/vacant property generally located east of N. Alamo between W Carson and E Grayson Streets

On August 31, 2021, the Midtown TIRZ Board of Directors approved a Development Agreement with Encore Multi-Family, LLC for eligible public improvements for an amount not to exceed \$7,000,000.

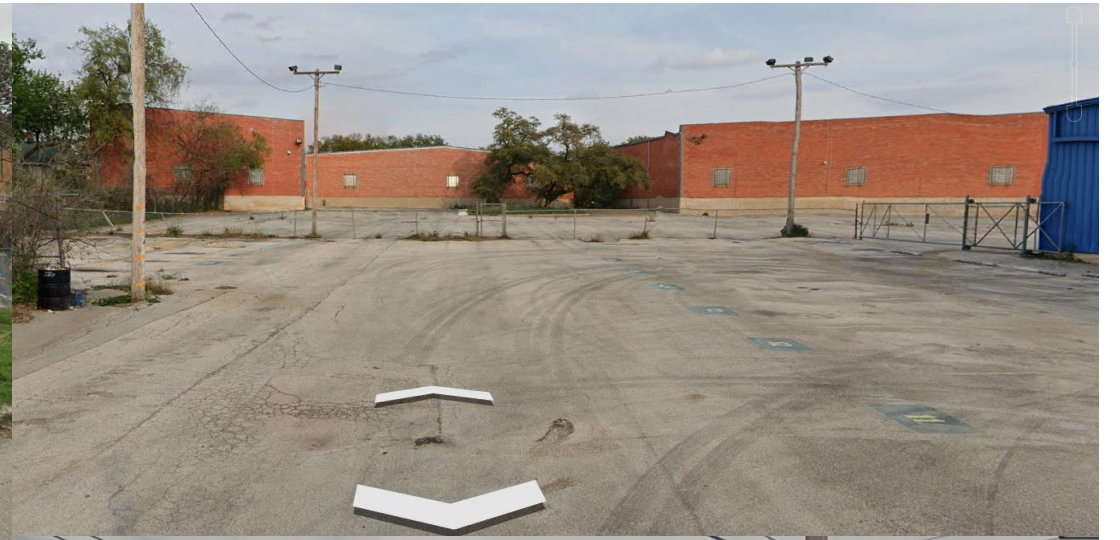
Project Location – 1203 Austin Street



The NW Corner of Austin St & Carson St



Existing Conditions



Master Development Plan



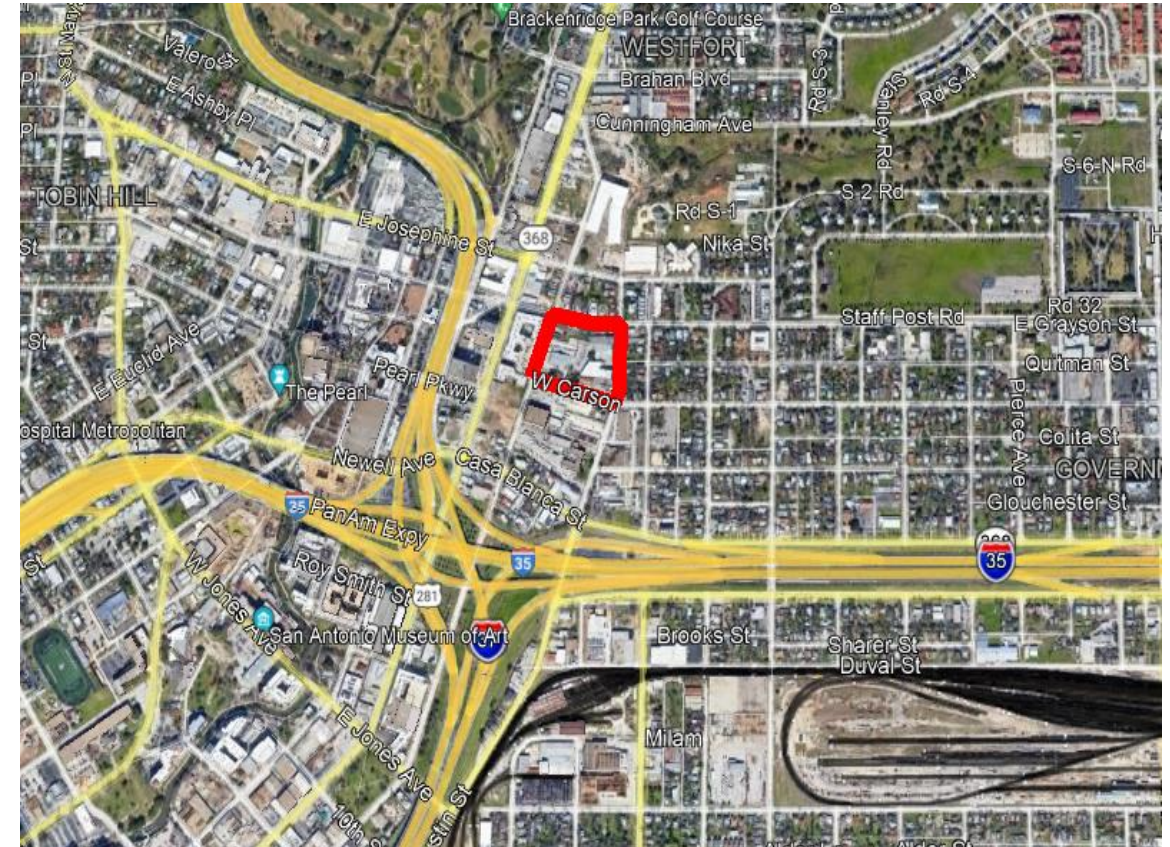
- On August 17, 2017, per Ordinance 2017-08-17-0581, City Council approved the rezoning of the Broadway East Master Development.



Summary



- 5-story, 386 multi-family unit complex on 4.2 acres
- This will be the first phase of the overall 23-acre Broadway East master planned community
- **Public Improvements:**
 - utility improvements
 - street reconstruction
 - environmental remediation
 - demolition of vacant buildings
 - landscaping, new sidewalks, ramps and covered walkways
 - parking garage green walls and screening
 - enhanced lighting
 - archeological study and reporting
 - design costs and fees
- Project start November 2021 and completed no later than December 31, 2023



Tax Increment Finance Purpose

Governed by Chapter 311 of Texas Tax Code

- An economic development tool used to spur development or redevelopment of blighted or underperforming areas that would otherwise remain stagnant.

Eligible Expenses

- Public improvement and Infrastructure Costs
 - Streets, Sidewalks, Public Utilities
- Public Parks
- Environmental Impact Studies
- Hard Costs/Soft Costs
- Real Property Assembly Costs
- Professional Services
- Relocation Costs

Project Cost & Agreement

- **Total Development Cost:** Approximately \$90,000,000
- **Funding Request:** \$7,000,000
- **Percentage Funded Through TIRZ:** 8%

- **Reimbursement Paid Over 10 Years**
 - **FY22 :** \$1M TIRZ Fund Balance
 - **FY23 :** \$1M TIRZ Fund Balance
 - **FY24 - FY31 :** Tax Rebate, 25% deposited into the Affordable Housing Fund*

- **Displacement Impact Study Contribution of \$20,000**
 - Analyze existing market trends to monitor change
 - Make recommendation on interventions in surrounding neighborhoods

*Staff analysis projects approximately \$3M in rebates to the developer

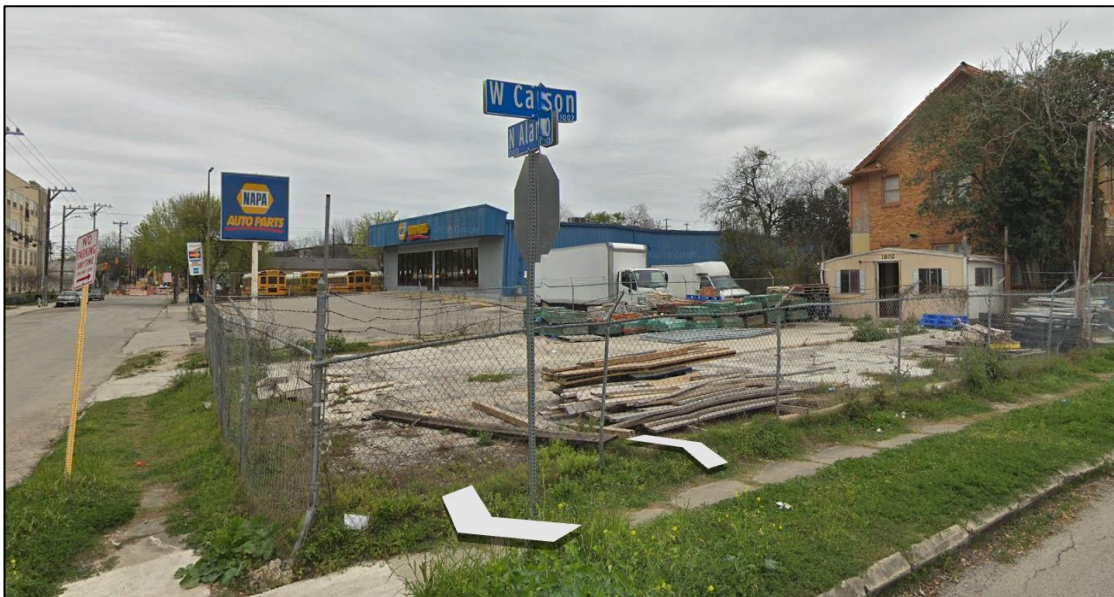
Project



The Broadway East Complex will feature an open-concept leasing and clubhouse area with a kitchen, coffee bars, a game room and a business center.

Fountains outside will pay homage to an acequia that runs underground along one of the community courtyards.

Present



Future



Community Benefits



Project Benefits

Clubhouse space for community organizations and neighborhood associations

Coordination with District 2 Office

Job creation of approximately 250 jobs during construction and 10 post construction jobs.

Work with local community to focus on hiring residents from immediate area

Fiscal Impact



- Funding for this agreement is available through the tax increment produced by the Midtown TIRZ #31.
- No impact to the General Fund.

Recommendation



- The project qualifies for funding under Chapter 311 of the Texas Tax Code.
- On August 31, 2021, the Midtown TIRZ Board of Directors approved a Development Agreement with Encore Multi-Family, LLC for eligible public improvements for an amount not to exceed \$7,000,000.
- Staff recommends approval of a Development Agreement with the Midtown TIRZ Board of Directors, Encore Multi-Family, LLC and the City of San Antonio for eligible public improvements for an amount not to exceed \$7,000,000 for the 1203 Austin Street Project.



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