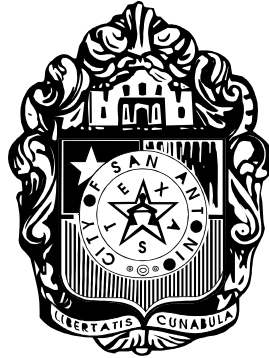


CITY OF SAN ANTONIO, TEXAS



Nabors Tax Increment Reinvestment Zone Number Thirty-Seven

**Participation Level:
City (85%)**

Finance Plan

**Preliminary: May 13, 2021
Final: December 13, 2021**

Nabors Development Tax Increment Reinvestment Zone #37 Final Finance Plan

Introduction

The Nabors Tax Increment Reinvestment Zone (TIRZ) Number 37 is located in the southeast quadrant of the City of San Antonio (the “City”). The property lies parallel to Old Corpus Christi Hwy and adjacent to Interstate 37, in City Council District 3. The development is located in the East Central Independent School District and encompasses approximately 203 acres. The Developer of the project is Bitterblue, Inc.

The total Public Infrastructure Improvements and related capital costs are estimated at \$17,817,075. The Tax Year 2021 Beginning Assessed Value is estimated at \$4,298,170 and the projected Tax Year 2045 Year End Assessed Value is \$178,192,212 net of exemptions.

The project plans to construct 637 single-family homes, 340 units of multi-family, commercial, retail, park, and recreation community with an average home sales price of \$205,000. Construction will be completed by the end of Fiscal Year 2029. The life of the Tax Increment Reinvestment Zone (“TIRZ”) is projected to be 25.38 years with the TIRZ being in existence through Fiscal Year 2046.

Public Infrastructure

The Public Infrastructure Improvements and related capital costs (the “Public Improvements”) include streets and sidewalks, grading and soil mitigation, drainage, water off-site and on-site, sewer off-site and on-site, CPS Energy and streetlights, entry, landscape and parkway, Storm Water Pollution Prevention, engineering and platting fees, geotechnical, environmental, cultural assessment, and project contingency. The Public Improvements are estimated at \$17,817,075.

Finance Plan

The Tax Year 2021 Beginning Assessed Value of the TIRZ is estimated at \$4,298,170. Projected Captured Values will be taxed to produce revenues to pay for the TIRZ expenses forecasted to commence in Tax Year 2022 with collections commencing in Tax Year 2022 (Fiscal Year 2023). The City’s Captured Taxable Values are expected to grow from \$9,395,808 in Tax Year 2022 to an estimated amount of \$173,894,042 in Tax Year 2045.

The City is the only participating taxing entity, and the City’s current participation is at 85% of the current tax rate which is \$0.558270 in Tax Year 2021. Annual tax increment is projected to grow from \$43,694.16 in Fiscal Year 2023 to \$808,674.96 in Fiscal Year 2046. No growth in tax rate or Assessed Values is assumed at this time.

The Designation Fee of \$50,000 is due once designated, and annual administrative expenses of the lesser of 20% of the Fiscal Year increment or \$45,000 are anticipated to be paid when increment is available. The Public Improvements estimated at \$17,817,075 will be incurred by the Developer and reimbursed by the TIRZ funds.

Revenues derived from the TIRZ will be used to pay costs in the following order of priority of payment:

- (i) to reimburse eligible Designation Fee;
- (ii) to pay all other ongoing Administrative Costs to the City;
- (iii) to reimburse the City for costs of the repair, replacement, or re-construction of public infrastructure and associated costs as described in the Development Agreement;
- (iv) to reimburse the City under any reclaim of funds pursuant to the Development Agreement; and
- (v) to reimburse the Developer for eligible expenses, on an annual basis, as provided in the Development Agreement to the extent that funds in the Tax Increment Fund are available for this purpose.

The Developer shall receive up to a maximum reimbursement of \$17,817,075 for Public Improvements.

The TIRZ collections for this project shall not extend beyond September 30, 2046 and may be terminated earlier once the City has deposited its respective maximum dollar amount or reached its maximum length of contribution as described in the table below.

TABLE – TIRZ Contributions		
Participating Taxing Entity	Maximum Dollar Contribution	Maximum Length of Contribution
City of San Antonio	\$18,947,075	September 30, 2046
Maximum Contribution Amount	\$18,947,075	

Limited Obligation of the City

The City shall have a limited obligation to impose, collect taxes, and deposit such tax receipts into a TIRZ fund so long as the project is viable and capital costs incurred by the Developer have not been fully reimbursed. The TIRZ collections for this project shall not extend beyond September 30, 2046, and may be terminated prior to September 30, 2046, upon reimbursement of Public Improvements incurred by the Developer up to \$17,817,075. Furthermore, any default of the terms contained in the Development Agreement that is not cured within the timeframe contained in the Development Agreement may also result in TIRZ termination.

Any costs incurred by the Developer are not and shall never in any event become general obligations or debt of the City. The Public Improvements costs incurred by the Developer shall be paid solely from the TIRZ revenues and shall never constitute a debt, indebtedness or a pledge of the faith and credit or taxing power of the State, the City, any political corporation, subdivision, or agency of the State.

**City of San Antonio, Texas
Nabors
Tax Increment Reinvestment Zone #37
Summary Fact Sheet**

	Preliminary Finance Plan - FY 2021		Final Finance Plan - FY 2022	
Site Area (Acres)	202.79 +/-		202.79 +/-	
Single Family Homes	120.44 +/-		120.44 +/-	
Multi-family	14.96 +/-		14.96 +/-	
Retail	8.04 +/-		8.04 +/-	
Industrial	50.00 +/-		50.00 +/-	
Open Space	9.04 +/-		9.04 +/-	
Flood Plain	9.30 +/-		9.30 +/-	
Beginning Assessed Value (2020) ¹	\$ 4,298,170 (Market Value)		\$ 4,298,170 (Market Value)	
	\$ 27,990 (Ag/Timber Value)		\$ 27,990 (Ag/Timber Value)	
Project				
Single Family Homes	\$178,000-\$232,000 (45% of homes under \$200,000)			
	Projected Completion Fiscal Year	Projected Single Family Homes	Projected Average Assessed Value ²	Projected Single Family Homes
	2022	48	\$ 200,000.00	48
	2023	75	\$ 206,800.00	75
	2024	90	\$ 213,831.00	90
	2025	90	\$ 221,101.00	90
	2026	90	\$ 228,619.00	90
	2027	90	\$ 236,392.00	90
	2028	90	\$ 244,429.00	90
	2029	64	\$ 252,740.00	64
	Total:	637		637
Multi-family (14.96 acre site)	2028	340 units	\$ 28,500,000.00 ³	340 units
Retail (1.23 acre site)	2030		\$ 885,000.00 ⁴	
Retail (1.67 acre site)	2032		\$ 950,000.00 ⁵	
Retail (5.14 acre site)	2034		\$ 2,500,000.00 ⁶	
Developer	2020 FI Nabors, LLC			
Performance Bonds	Per Texas Government Code Chapter 2253			
Payment Bonds	Per Texas Government Code Chapter 2253			
Assumptions				
Captured Value	\$ 173,894,042.00		\$ 173,894,042.00	
Growth Factor	0.00%		0.00%	
Collection Rate	98.00%		98.00%	
Estimated Total Tax Increment Revenues	\$ 15,914,160.65		\$ 15,914,160.65	
Estimated TIF Life (Years)	25.38 +/- (05/13/2021 to 9/30/2046)		25.38 +/- (05/13/2021 to 9/30/2046)	

¹ Based on the Tax Year 2020 Values. The Tax Increment Base for the Proposed Nabors TIRZ will be the total value of all real property taxable by the City and located in the TIRZ, determined as of January 1, 2021. These values are subject to the appeals and certification of the 2021 appraisal roll.

² Projected Assessed Value includes base lot price of \$4,254. For example, the FY2022 assessed value per home of \$200,000 includes base lot value of \$4,254 and new value of \$195,746.

³ Projected Assessed Value of \$28,500,000 includes base lot price of \$330,000 and new value of \$28,170,000.

⁴ Projected Assessed Value of \$885,000 includes base lot price of \$30,000 and new value of \$855,000.

⁵ Projected Assessed Value of \$950,000 includes base lot price of \$35,000 and new value of \$915,000.

⁶ Projected Assessed Value of \$2,500,000 includes base lot price of \$115,000 and new value of \$2,385,000.

Nabors
Tax Increment Reinvestment Zone #37
Sources & Uses

	Preliminary	Final
	Finance Plan - FY 2021	Finance Plan - FY 2022
Sources of Funds		
Tax Increment Revenues	\$ 15,914,160.65	\$ 15,914,160.65
Interest Earned in TIRZ Fund	-	-
Developer Contribution	2,969,931.44	2,969,931.44
Total Project Funds	\$ 18,884,092.09	\$ 18,884,092.09
Uses of Funds		
	Projected Total Costs	Projected Total Costs
Public Improvements		
Streets and Sidewalks	\$ 4,883,448.00	\$ 4,883,448.00
Grading/Soil Mitigation		
Drainage	1,055,650.00	1,055,650.00
Water Off Site/ On Site	1,684,543.00	1,684,543.00
Sewer Off Site/ On Site	4,077,265.00	4,077,265.00
CPS Energy & Streets Lights	1,601,400.00	1,601,400.00
Entry/Landscape/Parkway	835,000.00	835,000.00
Storm Water Pollution Prevention ("SWPP")	60,000.00	60,000.00
Engineering/Platting Fees	1,815,017.00	1,815,017.00
Geotechnical/Environmental/Cultural	268,800.00	268,800.00
Project Contingency	1,535,952.00	1,535,952.00
Total	\$ 17,817,075.00	\$ 17,817,075.00
Total Public Improvements	\$ 17,817,075.00	\$ 17,817,075.00
Payments to Developer	\$ 17,817,075.00	\$ 17,817,075.00
Administrative Expenses		
Designation Fee	\$ 50,000.00	\$ 50,000.00
Annual Admin Fee	1,017,017.09	1,017,017.09
	\$ 1,067,017.09	\$ 1,067,017.09
Total TIF Expenses ¹	\$ 18,884,092.09	\$ 18,884,092.09
Project Financing Surplus	\$ -	\$ -

¹ The difference between Maximum Contribution of \$18,947,075.00 and estimated Total TIF Expenses of \$18,884,092.09 is made up of the maximum Administrative Costs of \$1,130,000.00 and the projected Administrative Expenses of \$1,067,017.09.

**Nabors
Tax Increment Reinvestment Zone #37
Revenues**

Tax Year	Tax Increment Zone				City of San Antonio							Total Tax Increment	Fiscal Year
	Beginning Assessed Value	New Values	Appraisal Growth	Year-End Assessed Value	Less Exemptions	Year End Taxable Value	Base Taxable Value	Captured Taxable Value	Tax Rate Contribution	Actual Tax Increment	Projected Tax Increment		
2021				\$ 4,298,170.00	\$ -	\$ 4,298,170.00	\$ 4,298,170.00	\$ -		\$ -	\$ -	\$ -	2021
2022	4,298,170.00	9,395,808.00	-	13,693,978.00	-	13,693,978.00	4,298,170.00	9,395,808.00	0.474530	-	43,694.16	43,694.16	2022
2023	13,693,978.00	15,190,950.00	-	28,884,928.00	-	28,884,928.00	4,298,170.00	24,586,758.00	0.474530	-	114,337.99	114,337.99	2023
2024	28,884,928.00	18,861,930.00	-	47,746,858.00	-	47,746,858.00	4,298,170.00	43,448,688.00	0.474530	-	202,053.31	202,053.31	2024
2025	47,746,858.00	19,516,230.00	-	67,263,088.00	-	67,263,088.00	4,298,170.00	62,964,918.00	0.474530	-	292,811.37	292,811.37	2025
2026	67,263,088.00	20,192,850.00	-	87,455,938.00	-	87,455,938.00	4,298,170.00	83,157,768.00	0.474530	-	386,715.98	386,715.98	2026
2027	87,455,938.00	20,892,420.00	-	108,348,358.00	-	108,348,358.00	4,298,170.00	104,050,188.00	0.474530	-	483,873.86	483,873.86	2027
2028	108,348,358.00	49,785,750.00	-	158,134,108.00	-	158,134,108.00	4,298,170.00	153,835,938.00	0.474530	-	715,396.97	715,396.97	2028
2029	158,134,108.00	15,903,104.00	-	174,037,212.00	-	174,037,212.00	4,298,170.00	169,739,042.00	0.474530	-	789,352.59	789,352.59	2029
2030	174,037,212.00	855,000.00	-	174,892,212.00	-	174,892,212.00	4,298,170.00	170,594,042.00	0.474530	-	793,328.67	793,328.67	2030
2031	174,892,212.00	-	-	174,892,212.00	-	174,892,212.00	4,298,170.00	170,594,042.00	0.474530	-	793,328.67	793,328.67	2031
2032	174,892,212.00	915,000.00	-	175,807,212.00	-	175,807,212.00	4,298,170.00	171,509,042.00	0.474530	-	797,583.78	797,583.78	2032
2033	175,807,212.00	-	-	175,807,212.00	-	175,807,212.00	4,298,170.00	171,509,042.00	0.474530	-	797,583.78	797,583.78	2033
2034	175,807,212.00	2,385,000.00	-	178,192,212.00	-	178,192,212.00	4,298,170.00	173,894,042.00	0.474530	-	808,674.96	808,674.96	2034
2035	178,192,212.00	-	-	178,192,212.00	-	178,192,212.00	4,298,170.00	173,894,042.00	0.474530	-	808,674.96	808,674.96	2035
2036	178,192,212.00	-	-	178,192,212.00	-	178,192,212.00	4,298,170.00	173,894,042.00	0.474530	-	808,674.96	808,674.96	2036
2037	178,192,212.00	-	-	178,192,212.00	-	178,192,212.00	4,298,170.00	173,894,042.00	0.474530	-	808,674.96	808,674.96	2037
2038	178,192,212.00	-	-	178,192,212.00	-	178,192,212.00	4,298,170.00	173,894,042.00	0.474530	-	808,674.96	808,674.96	2038
2039	178,192,212.00	-	-	178,192,212.00	-	178,192,212.00	4,298,170.00	173,894,042.00	0.474530	-	808,674.96	808,674.96	2039
2040	178,192,212.00	-	-	178,192,212.00	-	178,192,212.00	4,298,170.00	173,894,042.00	0.474530	-	808,674.96	808,674.96	2040
2041	178,192,212.00	-	-	178,192,212.00	-	178,192,212.00	4,298,170.00	173,894,042.00	0.474530	-	808,674.96	808,674.96	2041
2042	178,192,212.00	-	-	178,192,212.00	-	178,192,212.00	4,298,170.00	173,894,042.00	0.474530	-	808,674.96	808,674.96	2042
2043	178,192,212.00	-	-	178,192,212.00	-	178,192,212.00	4,298,170.00	173,894,042.00	0.474530	-	808,674.96	808,674.96	2043
2044	178,192,212.00	-	-	178,192,212.00	-	178,192,212.00	4,298,170.00	173,894,042.00	0.474530	-	808,674.96	808,674.96	2044
2045	178,192,212.00	-	-	178,192,212.00	-	178,192,212.00	4,298,170.00	173,894,042.00	0.474530	-	808,674.96	808,674.96	2045
	\$173,894,042.00									\$ -	\$ 15,914,160.65	\$ 15,914,160.65	2046
	Existing Annual Value Growth Factors				Participation Level								
	Thereafter				Tax Rate Growth Factor								
	Combined Compound Growth Rate				Tax Rate Collection Factor								

¹ Based on the Tax Year 2020 Values. The Tax Increment Base for the Proposed Nabors TIRZ will be the total value of all real property taxable by the City and located in the TIRZ, determined as of January 1, 2021. These values are subject to the appeals and certification of the 2021 appraisal roll.

Nabors
Tax Increment Reinvestment Zone #37
Reimbursements

Tax Year	Actual	Projected	Cumulative	TIRZ Fund Interest Rate	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Annual	Annual	Fiscal Year	
	Tax Increment Revenues	Tax Increment Revenues	Tax Increment Revenues		Interest Earned in TIRZ Fund	Designation Fee ¹ Expenses	Administrative ¹ Expenses	Developer Project Reimbursements	Cash Flow Fund Balance	Cumulative Fund Balance								
	\$	-	\$	-	\$	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	2021
2021	-	-	-	3.2500%	-	-	-	-	-	-	-	-	-	-	-	-	-	2022
2022	-	43,694.16	43,694.16	3.5000%	-	-	-	(43,694.16)	-	-	-	-	-	-	-	-	-	2023
2023	-	114,337.99	158,032.15	3.5000%	-	-	-	(6,305.84)	-	-	(31,606.43)	-	(76,425.72)	-	-	-	-	2024
2024	-	202,053.31	360,085.46	3.5000%	-	-	-	-	-	-	(40,410.66)	-	(161,642.65)	-	-	-	-	2025
2025	-	292,811.37	652,896.83	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(247,811.37)	-	-	-	-	2026
2026	-	386,715.98	1,039,612.81	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(341,715.98)	-	-	-	-	2027
2027	-	483,873.86	1,523,486.67	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(438,873.86)	-	-	-	-	2028
2028	-	715,396.97	2,238,883.64	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(670,396.97)	-	-	-	-	2029
2029	-	789,352.59	3,028,236.23	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(744,352.59)	-	-	-	-	2030
2030	-	793,328.67	3,821,564.90	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(748,328.67)	-	-	-	-	2031
2031	-	793,328.67	4,614,893.57	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(748,328.67)	-	-	-	-	2032
2032	-	797,583.78	5,412,477.35	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(752,583.78)	-	-	-	-	2033
2033	-	797,583.78	6,210,061.13	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(752,583.78)	-	-	-	-	2034
2034	-	808,674.96	7,018,736.09	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(763,674.96)	-	-	-	-	2035
2035	-	808,674.96	7,827,411.05	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(763,674.96)	-	-	-	-	2036
2036	-	808,674.96	8,636,086.01	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(763,674.96)	-	-	-	-	2037
2037	-	808,674.96	9,444,760.97	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(763,674.96)	-	-	-	-	2038
2038	-	808,674.96	10,253,435.93	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(763,674.96)	-	-	-	-	2039
2039	-	808,674.96	11,062,110.89	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(763,674.96)	-	-	-	-	2040
2040	-	808,674.96	11,870,785.85	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(763,674.96)	-	-	-	-	2041
2041	-	808,674.96	12,679,460.81	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(763,674.96)	-	-	-	-	2042
2042	-	808,674.96	13,488,135.77	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(763,674.96)	-	-	-	-	2043
2043	-	808,674.96	14,296,810.73	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(763,674.96)	-	-	-	-	2044
2044	-	808,674.96	15,105,485.69	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(763,674.96)	-	-	-	-	2045
2045	-	808,674.96	15,914,160.65	3.5000%	-	-	-	-	-	-	(45,000.00)	-	(763,674.96)	-	-	-	-	2046
	\$	-	\$ 15,914,160.65		\$	-	\$	-	\$	-	\$ (50,000.00)	\$	-	\$ (1,017,017.09)	\$	-	\$ (14,847,143.56)	

¹ Designation Fee of \$50,000, due once designated, and annual administrative expenses of the lesser of 20% of the Fiscal Year increment or \$45,000. Both are anticipated to be paid when increment is available.

**Nabors
Tax Increment Reinvestment Zone #37
Participation**

Taxing Entity	Tax Rate	Level of Participation	Tax Rate Based on Participation	% of Project	Tax Increment Revenues ¹	TIF Expenses
City of San Antonio	\$ 0.558270	85.0%	\$ 0.474530	100.00%	\$ 15,914,160.65	\$ 18,884,092.09
Total	\$ 0.558270		\$ 0.474530	100.00%	\$ 15,914,160.65	\$ 18,884,092.09

¹ Tax Increment Revenues exclude Interest Earned in TIRZ Fund.

**Nabors
Tax Increment Reinvestment Zone #37
Collections**

Taxing Entity	Maximum Length of Contribution	Maximum Dollar Contribution	Tax Increment Revenues Collected	Remaining (Refund)
City of San Antonio	September 30, 2046	\$ 18,947,075.00	\$ -	\$ 18,947,075.00
Total		\$ 18,947,075.00	\$ -	\$ 18,947,075.00

Nabors
Tax Increment Reinvestment Zone #37
New Values

Tax Year	Single Family Homes	Multi-family	Retail	Annual Total	Fiscal Year
2021				\$ -	2022
2022	9,395,808			\$ 9,395,808	2023
2023	15,190,950			\$ 15,190,950	2024
2024	18,861,930			\$ 18,861,930	2025
2025	19,516,230			\$ 19,516,230	2026
2026	20,192,850			\$ 20,192,850	2027
2027	20,892,420			\$ 20,892,420	2028
2028	21,615,750	28,170,000		\$ 49,785,750	2029
2029	15,903,104			\$ 15,903,104	2030
2030			855,000	\$ 855,000	2031
2031				\$ -	2032
2032			915,000	\$ 915,000	2033
2033				\$ -	2034
2034			2,385,000	\$ 2,385,000	2035
2035				\$ -	2036
2036				\$ -	2037
2037				\$ -	2038
2038				\$ -	2039
2039				\$ -	2040
2040				\$ -	2041
2041				\$ -	2042
2042				\$ -	2043
2043				\$ -	2044
2044				\$ -	2045
2045				\$ -	2046
\$ 141,569,042 \$ 28,170,000 \$ 4,155,000 \$ 173,894,042					