



# Item #33

**January 27, 2022**

**City of San Antonio  
City Council Meeting**

Midtown TIRZ

# Summary

- Extend the Midtown TIRZ
- Amend the TIRZ Project and Finance Plan to reflect the 10 Year Extension
- Restructure and Appoint 5 Members to the Midtown TIRZ Board of Directors

# Background

- September 29<sup>th</sup> B Session: Initial Presentation on 2022 Bond Program.
- October 13<sup>th</sup> B Session: 2<sup>nd</sup> Presentation on 2022 Bond Program. Recommended funding \$77 million from 4 separate TIRZ's. To include city owned facilities like La Villita, Guadalupe Cultural Center, and Ella Austin.
- October 21<sup>st</sup> letter to Mayor and Council from City Manager: Recommended an additional \$57 million in amendments and introduced the Midtown TIRZ extension to fund the city owned cultural projects.
- October 28<sup>th</sup> Special Session: 3<sup>rd</sup> Presentation on Bond Program to include Midtown TIRZ Extension recommendation that accommodated additional funding for district projects.

# TIRZ Funding Strategy

## Midtown TIRZ

- Shift focus on supporting 4 city owned assets
  - The Witte Museum
  - San Antonio Zoo
  - San Antonio Botanical Garden
  - Brackenridge Park
- Extend TIRZ Term thru 2041
- Restructure TIRZ Board to ensure consistent application and use of funding.
  - City Facilities
  - City Financing

## Funding Strategy

- Partnership
  - City of San Antonio
  - The Witte Museum
  - San Antonio Zoo
  - San Antonio Botanical Garden
  - Brackenridge Park Conservancy
- Outline funding needs for community owned assets over the next 10 years
- Address Public Benefit and identify other leveraged funding sources

# Draft Funding Strategy

Phase 1 Improvements					
Partner	Project	Project Cost	Fundraising and Other	<sup>1</sup> 2022 Bond	Midtown TIRZ
Zoo	Entrance and exhibit improvements	\$ 67	\$ 47	\$ 10	\$ 10
Brackenridge Conservancy	Sunken Garden	\$ 62	\$ 37	\$ 5	\$ 15
Botanical Garden	Improvements to conservatory, greenhouses, lighting, and development of a master plan	\$ 8.3	\$ 0.8	\$ 2.5	\$ 5.0
The Witte	Renovation and upgrades to auditorium	\$ 6.0	\$ 3	\$ -	\$ 3
City Parks and Recreation	Complete 2017 Bond Projects	\$ 7.0	\$ -	\$ 2.5	\$ 4.5
<b>Total</b>		<b>\$ 150.3</b>	<b>\$ 87.8</b>	<b>\$ 20.00</b>	<b>\$ 37.50</b>

<sup>1</sup>These projects were recommended by the Bond Committees after the public engagement process with the understanding that TIRZ Funding would supplement the amounts.

# Extension and Amendments to Project Plan and Finance Plan

- Extend the Midtown TIRZ thru 2041
  - Currently expires in 2031
  - Increase capacity in the TIRZ to fund the facility needs for our community owned assets
- Amend the TIRZ Projects and Finance Plan to reflect the 10 Year Extension
  - Any debt issuance will require City Council approval.
  - All projects and funding agreements require City Council approval.

# Board Structure

- 5 Member Board (4-year terms)
  - City Manager or his designee (Lori Houston)
  - Director of Parks and Recreation (Homer Garcia)
  - Director of Finance (Troy Elliott)
  - 2 representatives from two of the following 4 organizations: Witte Museum, Brackenridge Park Conservancy, San Antonio Botanical Garden, and the San Antonio Zoo (Marise McDermott, The Witte Museum and Suzanne Scott, Brackenridge Park Conservancy)
    - The two representatives will rotate among the entities every four years

# Board Structure (Amended)

- 7 Member Board (4-year terms, all voting members)
  - City Manager or his designee (Lori Houston)
  - Director of Parks and Recreation (Homer Garcia)
  - Director of Finance (Troy Elliott)
- Representatives from two of the following organizations: Witte Museum, Brackenridge Park Conservancy, San Antonio Botanical Garden, and the San Antonio Zoo (Marise McDermott, The Witte Museum and Suzanne Scott, Brackenridge Park Conservancy)
  - The two representatives will rotate among the entities every four years.
- Appointee by the District 1 Councilmember that is a resident of the River Road Neighborhood.
- Appointee by the District 2 Councilmember that is a resident of the Mahncke Park Neighborhood
  - The President of the River Road Neighborhood Association and the Mahncke Park Neighborhood Association will serve as an alternate in the event the appointee has not been identified or is unable to attend the meeting.
  - All four amenities reside within these 2 neighborhood associations



# Projects (Future Action)

- Staff will return on February 10<sup>th</sup> with the recommended funding amounts for four of the projects along with a request to negotiate and execute the funding agreements with each of the entities responsible for the project.
  - The Witte Museum
  - San Antonio Zoo
  - San Antonio Botanical Garden
  - City Parks and Recreation
- The Sunken Garden Project and the agreement with the Brackenridge Park Conservancy will return to City Council at a later date after more public engagement.

# Funding Agreements (Future Action)

- DRAFT TERMS
  - Quarterly progress reports
  - Public engagement plan
    - Some projects may require additional public engagement due to the public nature of the project.
  - Traffic Impact Analysis
  - HDRC Approval
  - Federal, State, and Local laws and ordinances related to competitive procurement, prevailing wage rates, small business participation and environmental requirements.

# Funding Agreements (Future Action)

- DRAFT TERMS

- The issuance of any debt and disbursement of any funding will not occur until the project is fully funded and philanthropic contributions are secured via donation agreement/letter.
- All funding for each project must be secured by June 1, 2025. If the project is not fully funded by June 1, 2025, the Midtown TIRZ will reallocate funds to another project identified in the partnership plan.
  - If funding for Sunken Gardens is not identified by June 2025, the \$15 million will go to projects within Brackenridge Park as identified by the Department of Parks and Recreation and Brackenridge Conservancy. This will also apply to the \$5 Million in the 2022 Bond Program.

# Next Steps

- **Week of January 31st** Midtown TIRZ Meeting
- **February 10th** City Council Consideration of Project and Finance Plan and Funding Agreements for San Antonio Zoo, Witte Museum, City of San Antonio Parks and Recreation, and Botanical Garden
- **DATE TBD** City Council Consideration of the Sunken Garden Project or Brackenridge Park Improvements after more public engagement



# Midtown TIRZ Recommendation

- **Approve the extension of the Midtown TIRZ**
- **Amend the Project Plan and Finance Plan to reflect the 10-year extension**
- **Approve the proposed board structure as amended and presented by staff**