



City of San Antonio

Agenda Memorandum

File Number:
{{item.tracking_number}}

Agenda Item Number: 4

Agenda Date: September 29, 2023

In Control: Tax Increment Reinvestment Zone No. 30 - Westside Meeting

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: District 5|District 1

SUBJECT:

First Amendment to the Basila Frocks Project extending the completion date

SUMMARY:

This item will approve the first amendment to the Chapter 380 Economic Development Loan Agreement with the Westside Development Corporation dba Prosper West for the Basila Frocks Project extending the completion date of the Project. No additional funding is being requested.

BACKGROUND INFORMATION:

Prosper West currently owns a majority interest in the Basila Frocks Building located at 502 N. Zarzamora in San Antonio, Texas, in close proximity to the Westside TIRZ boundaries. Prosper West, in partnership with DreamOn Development Company, LLC, requested funding from the Westside TIRZ in an amount not to exceed \$575,000 to purchase the remaining interest in the property and \$370,000 funding for the rehabilitation of the building to add office space, retail space, and a community space.

On June 19, 2021, the Westside TIRZ Board authorized using the Westside TIRZ as the source of funding for a Chapter 380 Economic Development Agreement with Prosper West and to provide funding not to exceed \$945,000.00 for the purchase and rehabilitation of the Basila Frocks building. Under the terms of this agreement, Proposer West had up to 30 days from the Effective Date of the Agreement to begin construction of the project and was required to complete the project no later than 13 months after the commencement of the rehabilitation. The project should have been complete no later than June 14, 2023.

Due to the COVID pandemic, supply chain issues and the death of a principal of DreamOn, Prosper West is now requesting the completion date be extended. NHSD Staff has met with Prosper West and DreamOn to determine reasonable dates for the commencement and the completion of the project. The parties agreed on February 29, 2024 when the rehabilitation would commence and a completion date of December 31, 2024.

ISSUE:

Board consideration is requested to amend the Chapter 380 Economic Development Loan Agreement with the Westside Development Corporation dba Prosper West for the Basila Frocks Project to establish a commencement date of February 29, 2024 and completion date of December 31, 2024 for the project.

FISCAL IMPACT:

No additional funding is being requested.

ALTERNATIVES:

The Board could decide to not amend the current agreement. This would result in the Project being out of compliance with the terms of the current agreement which may delay or lead to the cancellation of the Project.

RECOMMENDATION:

TIF Staff recommends approval of the First Amendment to the Chapter 380 Economic Development Loan Agreement with the Westside Development Corporation dba Prosper West for the Basila Frocks Project to establish a commencement date of February 29, 2024 and completion date of December 31, 2024 for the project