



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 43

Agenda Date: December 16, 2021

In Control: City Council A Session

DEPARTMENT: Public Works Department

DEPARTMENT HEAD: Razi Hosseini

COUNCIL DISTRICTS IMPACTED: District 1

SUBJECT:

Funding Agreement for the Houston Street Board of Directors of Tax Increment Reinvestment Zone #9 for Dolorosa Street (Frio Street to Flores Street) and Flores Street (Cesar Chavez to Martin Street)

SUMMARY:

An ordinance authorizing the execution of two Funding Agreements with the Houston Street Board of Directors of Tax Increment Reinvestment Zone #9, granting up to \$22,000,000.00 for the design and construction of the Dolorosa Street (Frio Street to Flores Street) project and \$14,000,000.00 for the design and construction of Flores Street (Cesar Chavez to Martin Street) project located within TIRZ boundaries in Council District 1; and, authorizing the appropriation and amending of the FY 2022- FY 2027 Capital Improvements Program with Houston Street Tax Increment Reinvestment Zone (TIRZ) funds in the reimbursable amount up to \$22,000,000.00 to Dolorosa Street (Frio Street to Flores Street) and \$14,000,000.00 to Flores Street (Cesar Chavez to Martin Street). This will also include the reimbursable amount up to \$330,000 for Dolorosa St and \$210,000 for Flores St for Public Art for a total of \$540,000.

BACKGROUND INFORMATION:

Dolorosa Street (Frio Street to Flores Street) and Flores Street (Cesar Chavez to Martin Street) were both included in the Downtown Transportation Study that was approved by City Council in November 2012. Dolorosa Street is envisioned in the plan to be a multimodal urban street with reduced traffic lanes, transit, wider pedestrian improvements, bike facilities, landscaping and streetscaping improvements. Flores Street is envisioned in the plan to be converted to a reduced street section to allow for wider sidewalks along portions of this corridor that have very narrow sidewalks. This would also potentially allow for landscaping and streetscape amenities where adequate right of way is available. Both projects reside within the Zona Cultural District that will require distinct design elements to be included as well.

On November 15, 2021, Public Works Department presented to the Houston Street Board of Directors of Tax Increment Reinvestment Zone #9 regarding the project status and the request for full funding of the design and construction of the Dolorosa Street (Frio Street to Flores Street) and Flores Street (Cesar Chavez to Martin Street) projects. On November 16, 2021, the Houston Street Board of Directors of Tax Increment Reinvestment Zone #9 approved the two Resolutions attached authorizing the execution of the Funding Agreements for reimbursable Houston TIRZ funding for these projects.

The Dolorosa Street (Frio Street to Flores Street) and Flores Street (Cesar Chavez to Martin Street) were initially submitted for consideration as part of the 2022 Bond Program; however, it was determined to utilize existing TIRZ funds to fully fund the design, management, and construction of these two projects.

Upon approval of the funding agreement, the design is anticipated to begin in May 2022. The construction of these projects is estimated to start in Fall 2023 and be completed in late 2025.

ISSUE:

This ordinance authorizes the execution of two Funding Agreements with the Houston Street Board of Directors of Tax Increment Reinvestment Zone #9, granting up to \$22,000,000.00 for the design and construction of the Dolorosa Street (Frio Street to Flores Street) project and up to \$14,000,000.00 for the design and construction of Flores Street (Cesar Chavez to Martin Street) project located within TIRZ boundaries in Council District 1; and, authorizes the appropriation and amending of the FY 2022- FY 2027 Capital Improvements Program with Houston Street Tax Increment Reinvestment Zone (TIRZ) funds in the reimbursable amount up to \$22,000,000.00 to Dolorosa Street (Frio Street to Flores Street) and up to \$14,000,000.00 to Flores Street (Cesar Chavez to Martin Street). This will also include the reimbursable amount up to \$330,000 for Dolorosa St and \$210,000 for Flores St for Public Art for a total of \$540,000.

The Dolorosa Street project includes full roadway and sidewalk reconstruction, pedestrian amenities including lighting and streetscape, landscaping and joint-bid utilities. This reconstruction will enhance pedestrian, bike mobility/safety, improved landscaping and aesthetics

and will provide connectivity to downtown major cultural, educational and entertainment destinations. A project location map is included as an attachment.

The Flores Street project includes full roadway and sidewalk reconstruction, potential pedestrian amenities including lighting and streetscape, landscaping and joint-bid utilities. This reconstruction will enhance pedestrian, safety, improve landscaping and aesthetics and will provide connectivity to downtown major cultural, educational and entertainment destinations. A project location map is included as an attachment.

Chapter 311 of the Property Tax Code authorizes the municipality that designated a TIRZ to enter into agreements and construct public improvements necessary to implement the TIRZ project plan. Of the public improvements identified in the Downtown Transportation Study the redevelopment of Dolorosa Street (Frio Street to Flores Street) and Flores Street (Cesar Chavez to Martin) are a critical piece of downtown and Zona Cultural and is of high priority.

Approval of this ordinance will be a continuation of the City's commitment to maintaining and improving existing infrastructure in collaboration with other governmental agencies.

ALTERNATIVES:

As an alternative, City Council could choose not to approve these funding agreements; however, without the acceptance of the funding from the Houston Street Board of Directors of Tax Increment Reinvestment Zone #9 TIRZ the design and construction of these projects will not be funded and the proposed improvements for the projects will not be constructed.

FISCAL IMPACT:

This ordinance authorizes the execution of a Funding Agreement with Houston Street Board of Directors of Tax Increment Reinvestment Zone to provide funding in the amount up to \$22,330,000.00 of Certificates of Obligation in reimbursable Houston Street TIRZ #9 funds for the design and construction of Dolorosa Street (Frio Street to Flores Street) project and up to \$14,210,000.00 of Certificates of Obligation in reimbursable Houston Street TIRZ #9 funds for the design and construction of Flores Street (Cesar Chavez to Martin Street) project.

This ordinance also authorizes the appropriation and amending of the FY 2022- FY 2027 Capital Improvements Program with funds in the reimbursable total amount up to \$36,540,000.00 from Houston Street TIRZ #9 Fund for the following projects:

Project Name	TIRZ Amount
Dolorosa Street (Frio Street to Flores Street)	\$22,000,000
Flores Street (Cesar Chavez to Martin Street)	\$14,000,000
Public Art	\$540,000

Total Project Cost Estimate	\$ 36,540,000
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This ordinance also authorizes amending the Houston Street Tax Increment Reinvestment Zone (TIRZ) Project Plan and Finance Plan to include the Dolorosa Street Project, Flores Street Project, and the Public Art; and providing for a reimbursement from the Houston Street TIRZ up to \$36,540,000 in principal amount and associated interest for the Certificates of Obligation.

RECOMMENDATION:

Staff recommends approval of two Funding Agreements with the Houston Street TIRZ for funding of the design and construction of Dolorosa Street (Frio Street to Flores Street) and Flores Street (Cesar Chavez to Martin Street) projects, located within TIRZ boundaries in Council District 1, in a total amount up to \$36,540,000.00 in reimbursable funds from Houston Street TIRZ #9 funds.