



City of San Antonio

Agenda Memorandum

File Number:
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Agenda Item Number: {{item.number}}

Agenda Date: September 21, 2022

In Control: Tax Increment Reinvestment Zone No. 28 - Verano

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Interim Director

COUNCIL DISTRICTS IMPACTED: District 3|District 4

SUBJECT:

Developer update and South Star at Verano, LLC, invoice #1

SUMMARY:

Developer update on the progress of the Verano development and possible action to approve the South Star at Verano, LLC, invoice #1 for an amount not to exceed \$7,252,474.16

BACKGROUND INFORMATION:

The Verano TIRZ is a City-Initiated Tax Increment Reinvestment Zone (TIRZ) located near the southern section of the City of San Antonio, south of Loop 410 and west of Pleasanton Road. The development is in the Southside Independent School District (SISD), Southwest Independent School District (SWISD), South San Antonio School District (SSISD), and Harlandale Independent School District (HISD).

The Verano TIRZ was designated by City Council on December 6, 2007, to help facilitate the construction of development on the Southside of San Antonio. The Verano TIRZ boundary, originally 2,700 acres, has been amended to include portions of the area north of South Loop 410 to include Palp Alto College and surrounding properties. The Verano Development by South Star at Verano, LLC Project consists of 2,461 single-family residences, 2,500 multi-family apartments, 750 condominiums/townhouses, 925,000 square feet of office space, 665,000 square feet of retail, restaurant, and other commercial structures, a 1,225,000 square foot industrials area and 200,000 square feet of Institutional support structures.

This Verano TIRZ seeks to enhance the quality of life for the existing residents of the regions

The Public Improvements for this project consist of the following: site work, streets and drainage/retention, water, sewer, street lights, street signs, electrical, platting/zones fees, stormwater pollution prevention, park fees, drainage fee, off-site drainage, sewer/water impact fees, and environmental.

The developer has successfully built homes for families in the Southside of San Antonio and would like to update all Verano TIRZ Board of Directors with a project update up to this point.

In June of 2022, the developer submitted invoice #1 for review to the TIF program. TIF staff have reviewed the support documentation in full.

ISSUE:

The Board is being asked to consider and take action to approve the South Star at Verano, LLC, invoice #1 for an amount not to exceed \$7,252,474.16

FISCAL IMPACT:

There is no immediate fiscal impact to the City's General Fund. Funding for reimbursement of eligible expenses comes from the increment generated within the TIRZ.

ALTERNATIVES:

The Verano TIRZ board could chose to not authorize the payment of the invoice; however, that would jeopardize the project.

RECOMMENDATION:

Staff recommends the Board approve invoice#1 for this Development. With that authority, TIF Staff will reimburse for eligible expenses up to the approved amount in accordance with the terms

of the Development Agreement.