



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 34

Agenda Date: April 6, 2023

In Control: City Council A Session

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: District 10

SUBJECT:

Development Agreement for the Prescribed Pediatric Extended Care Center

SUMMARY:

This ordinance approves a Development Agreement between the Northeast Corridor Tax Increment Reinvestment Zone Number Thirty-Three Board of Directors, the City of San Antonio, and Bitterblue, Inc. in an amount not to exceed \$995,000 for public improvements and public infrastructure necessary for the Prescribed Pediatric Extended Care Center Project located in Council District 10.

BACKGROUND INFORMATION:

In February 2022, the Developer, Bitterblue, Inc., applied for funding from the City's Tax Increment Financing ("TIF") Program to construct a daycare located at Tool Yard Road and Wurzbach Parkway in the Longhorn Quarry, San Antonio, Texas, in Council District 10, and within the boundary of the Northeast Corridor TIRZ. The Prescribed Pediatric Extended Care Center (PPECC) will allow medically fragile children from birth through age 20 with complex conditions to receive daily medical care in a non-residential setting. When prescribed by a physician, patients can attend up to a maximum of 12 hours per day to receive medical, nursing, psychosocial, therapeutic and developmental services appropriate to their medical condition and

developmental status.

The Project consists of the design, construction, installation and implementation of public improvements and public infrastructure necessary to complete the Project including underground utilities. Public improvements include sidewalks, crosswalk, drainage, curb cuts, sitework, utilities, landscaping, exterior lighting and other costs. The sidewalks and exterior lighting will serve patrons of Longhorn Quarry by providing safe access to adjacent lots. The Project will also spark investment in and development of Longhorn Village, the former Longhorn Cement Plant, by providing and extending underground utilities, thus generating increment tax revenue. The Project is anticipated to begin in April 2023 and be completed by December 31, 2024.

On September 16, 2022, the Northeast Corridor Tax Increment Reinvestment Zone Number Thirty-Three Board of Directors adopted Resolution T33 2022-09-16-01R authorizing the Development Agreement to provide reimbursement for eligible expenses in an amount not to exceed \$995,000.00.

ISSUE:

City Council consideration is requested for the approval of a Development Agreement between the Northeast Corridor Tax Increment Reinvestment Zone Number Thirty-Three Board of Directors, the City of San Antonio, and Bitterblue, Inc. for an amount not to exceed \$995,000.00 for the Prescribed Pediatric Extended Care Center.

ALTERNATIVES:

If City Council chooses not to approve the Funding Agreement, Bitterblue, Inc. will need to seek an alternate funding source for project. This may delay or lead to the cancellation of the project.

FISCAL IMPACT:

Funding for this agreement is available through the tax increment produced by the Northeast Corridor #33 TIRZ. There is no immediate fiscal impact to the City's General Fund.

RECOMMENDATION:

Staff recommends approval of a Development Agreement between the Northeast Corridor Tax Increment Reinvestment Zone Number Thirty-Three Board of Directors, the City of San Antonio, and Bitterblue, Inc. in an amount not to exceed \$995,000.00 for public improvements and public infrastructure necessary for the Prescribed Pediatric Extended Care Center Project located in Council District 10.