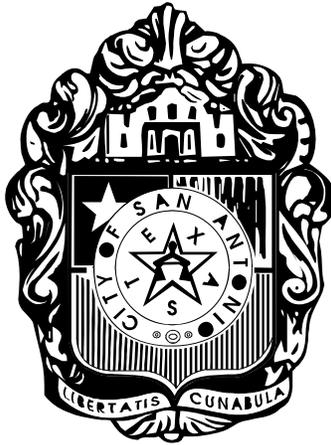


CITY OF SAN ANTONIO, TEXAS
Department of Planning and Community
Development



Inner City
Tax Increment Reinvestment Zone Eleven

Participation Level of City (100%)

March 10, 2011

Inner City Redevelopment Project Tax Increment Reinvestment Zone No. 11 Final Plan of Finance

Introduction

The Inner City Tax Increment Reinvestment Zone is located in the eastside of the City and encompasses approximately 1842.33 parcel acres. The approximate boundaries of Tax Increment Reinvestment Zone Number Eleven (“TIRZ 11”) lie approximately one block north of IH-35 on the north between Broadway on the west and Coliseum Rd. on the east, then south on Coliseum Rd. to Commerce St., then west along Commerce St. to New Braunfels St., then south to Iowa St., then east to Hoefgen Ave., then south to Westfall Ave., then west on Westfall Ave. into Star Blvd. to Probrandt St., then north on Probrandt to Alamo St., then northeast on Alamo St. to St. Mary’s St., then north on St. Mary’s into Navarro St., and continuing north on Navarro St. to Commerce St., then east to Bowie St., and going north on Bowie St. to Alamo St., and continuing northeast on Alamo St. to Jones Ave., then west on Jones Ave. to Broadway, and then north on Broadway to IH-35. The purpose of the TIRZ 11 is to fund public improvements and encourage economic development. The life of TIRZ 11 is projected to be 14.79 years with a termination date of September 30, 2015 (Fiscal Year).

Public Infrastructure

The public infrastructure improvements and related capital costs include streets, drainage, utilities, sidewalks, and park improvements and other costs approved by the TIRZ Board and City Council. The TIRZ 11 will provide a source of funding for public improvements. Annual construction of public improvements will be made in the amount of the TIRZ 11 revenues received through September 30, 2015. The estimated TIRZ 11 revenue to be received through September 30, 2015 is \$17,642,501.00. The TIRZ 11 revenues in excess of the estimated increment received through September 30, 2015 may be allocated to other projects as directed by the TIRZ 11 Board of Directors.

Plan of Finance

The tax year 2000 base value of the TIRZ 11 is \$304,204,890.00. Projected captured values that would be taxed to produce revenues to pay for the capital costs of the public infrastructure improvements commence in tax year 2001 with collections commencing in tax year 2001 (fiscal year 2002). Captured values grow from \$13,111,197.00 in tax year 2001 to \$406,893,741.00 in tax year 2014.

The City of San Antonio is the sole taxing jurisdiction participating in TIRZ 11. The City's participation level is 100% and the City's current tax rate per \$100 valuation is \$0.56569. This produces annual revenues of \$1,219,749.00 in fiscal year 2008 to \$2,244,213.00 in fiscal year 2015. Assessed values are increased at 1.50% per year with no projected increases in the tax rate.

The cost of the public infrastructure improvements and other approved costs will be paid annually from revenues produced by the TIRZ 11. In addition to the capital costs, other costs to be paid

from the TIRZ 11 revenues include City annual administrative fees. Revenues derived from the TIRZ 11 will be used to pay costs in the following order of priority of payment: (i) administrative fees pertaining to the City; and (ii) second, to fund public improvements, on an annual basis, as TIRZ 11 revenues are available for such payments.

Limited Obligation of the City or Participating Governmental Entities

The City shall have a limited obligation to impose, collect taxes, and deposit such tax receipts into a TIRZ 11 fund. The TIRZ 11 collections shall not extend beyond September 30, 2015, and may be terminated prior to September 30, 2015. The public improvement infrastructure costs incurred shall be payable from the TIRZ 11 revenues or other sources of funding that may become available.

Reporting

The City shall submit a project status report and financial report at least annually to the City Council. The City shall also submit a project status report, financial report, or any other report as requested by the City Council within thirty (30) days of such request.

Inspection

The City shall have the right to inspect a project site or sites without notice and request information from developers.

Inner City Tax Increment Financing Zone
Sources and Uses of Funds
January 7, 2011

Sources of Funds	
Projected TIF Revenues	\$ 17,642,501
TIF Interest	\$ 9,989
Total Sources of Funds	\$ 17,652,490
Proposed Projects	
Eastside Sports Complex (1), (2)	\$ 1,832,992
Quiet Zone (3)	\$ 587,070
Victoria Commons	\$ 3,362,169
Barrio Comprehensive	\$ 1,700,000
Staybridge	\$ 1,000,000
Eastside Cemeteries	\$ 152,787
SouthTown	\$ 694,002
Hays Street Bridge	\$ 200,000
University of the Incarnate Word	\$ 1,242,220
1511 E. Commerce	\$ 153,000
Friedrich Soft Costs	\$ 100,000
Printing	\$ 145
E. Thurman Walker Senior Living	\$ 700,000
Total Project Expenses	\$ 11,724,385
Public Improvements	\$ 11,724,385
Debt Expenses	\$ -
Administrative Costs	\$ 140,000
Total TIF Expenses	\$ 11,864,385
Total Ending TIF Fund Balance	\$ 5,788,105

(1) The TIRZ fund will only reimburse up to \$1,832,992 for "user fees" for the Eastside Sports complex, \$249,148 in tax year 2007, \$218,148 in tax years 2008-2011, and \$237,084 in tax years 2012-2014.

(2) Tax year 2007 reimbursement to the Eastside Sport Complex for \$249,148 includes: \$218,148 plus a \$31,000 processing fee which is charged to the project.

(3) The TIRZ fund will reimburse the Quiet Zone for 40% of the Quiet Zone's total project cost, not to exceed \$800,000.

**Inner City Tax Increment Financing Zone
Projected Tax Increment Revenue**

Tax Year	(1) Tax Increment Zone										(2) City of San Antonio					Fiscal Year
	Beginning Assessed Value	Amended Assessed Value	Value Scheduled Improvements	Reappraisal Growth	Projected Year-End Assessed Value	Abatement Value Adjustment	Partial & Absolute Exemptions	Projected Year-End Taxable Value	Projected Captured Value	Captured Taxable Value	Tax Rate	Projected Tax Increments	Actual Tax Increments	Combined TIF Collections		
1998															1999	
1999															2000	
2000	304,204,890		791,500		304,204,890	(8,887,100)	(12,084,807)	295,297,893		0.57979					2001	
2001	304,204,890		310,500	735,787	315,118,664	(9,146,300)	(9,628,184)	296,344,180	13,111,197	0.57854	\$ 73,957	\$ 65,181	\$ 65,181		2002	
2002	315,118,664		1,391,775	4,130,735	322,182,412	(9,146,300)	(11,169,422)	301,866,690	18,589,707	0.57854	104,860	100,079	100,079		2003	
2003	322,182,412		9,507,500	18,677,853	349,033,829	(9,146,300)	(9,835,486)	330,052,043	46,775,060	0.57854	263,847	249,076	249,076		2004	
2004	349,033,829		4,650,000	306,590	370,332,400	(7,392,500)	(27,931,267)	335,008,633	51,731,650	0.57854	291,806	293,126	293,126		2005	
2005	370,332,400		8,543,600	31,286,971	386,796,485		(11,957,281)	374,839,204	79,057,711	0.57854	445,946	447,254	447,254		2006	
2006	386,796,485		54,230,000	11,984,718	477,699,486		(36,645,564)	441,053,922	#####	0.57854	819,448	833,565	833,565		2007	
2007	477,699,486		18,000,000	54,445,647	596,929,750		(83,430,181)	513,499,569	#####	0.57230	1,217,451	1,219,749	1,219,749		2008	
2008	596,929,750		330,000	#####	780,493,504		#####	643,393,453	#####	0.56714	1,924,834	1,940,675	1,940,675		2009	
2009	780,493,504		54,035,700	60,713,509	895,242,713		#####	676,146,927	#####	0.56569	2,100,564	2,038,263	2,038,263		2010	
2010	895,242,713	#####	2,164,339	13,428,641	909,025,643		#####	640,053,327	#####	0.56569	1,901,491		1,901,491		2011	
2011	909,025,643		6,856,769	13,635,385	929,517,796		#####	656,510,896	#####	0.56569	1,992,262		1,992,262		2012	
2012	929,517,796		15,232,000	13,942,767	958,692,563		#####	681,590,559	#####	0.56569	2,130,589		2,130,589		2013	
2013	958,692,563			14,380,388	973,072,952		#####	691,814,418	#####	0.56569	2,186,978		2,186,978		2014	
2014	973,072,952			14,596,094	987,669,046		#####	702,191,634	#####	0.56569	2,244,213		2,244,213		2015	
			176,043,683								\$ 17,698,246	\$ 7,186,968	\$ 17,642,501			
	Existing Value Growth Factors															
	Base Model Growth Factor											100%				
	Growth Factor Above Base											0.00%				
	Combined Growth Rate											97.50%				

(1) Tax year 2000 value based on estimated certified values of existing property within the proposed zone. (Provided by the City of San Antonio, Texas)
 Note: Base value adjusted from \$304,895,290 to \$304,204,890, from \$304,204,890 to \$304,186,890 from \$304,186,890 to \$303,650,690 and from \$303,650,690 to \$303,184,690.
 (2) Gaylord Container received an ad valorem tax abatement through tax year 2004. The land value is taxable, improvements value is abated.
 (3) Type of exemptions include Historic, Over-65, Disabled Vets and appraised value limitations. Length of tax exemptions also vary.
 (4) Projected value of proposed improvements based on compound annual growth rate of 1.50%.
 (5) Projected total taxable value increased over base year 2000 taxable value.

**Inner City Tax Increment Financing Zone
TIF Revenues Available for Construction**

Fiscal Year Ending	TIF Revenue	Cumulative TIF Revenues	TIF Interest	TIF Admin. Exp.	Public Impr. Construction Funding	Cumulative Construction
2001	\$ -	\$ -		\$ -	\$ -	\$ -
2002	65,181	65,181		10,000	55,181	55,181
2003	100,079	165,260		10,000	90,079	145,260
2004	249,076	414,336		10,000	239,076	384,336
2005	293,126	707,462		10,000	283,126	667,462
2006	447,254	1,154,716		10,000	437,254	1,104,716
2007	833,565	1,988,281		10,000	823,565	1,928,281
2008	1,219,749	3,208,030		10,000	1,209,749	3,138,030
2009	1,940,675	5,148,705		10,000	1,930,675	5,068,705
2010	2,038,263	7,186,968	9,989	10,000	2,038,252	7,106,957
2011	1,901,491	9,088,459		10,000	1,891,491	8,998,448
2012	1,992,262	11,080,721		10,000	1,982,262	10,980,710
2013	2,130,589	13,211,310		10,000	2,120,589	13,101,299
2014	2,186,978	15,398,288		10,000	2,176,978	15,278,277
2015	2,244,213	17,642,501		10,000	2,234,213	17,512,490
	<u>\$ 17,642,501</u>		<u>\$ 9,989</u>	<u>\$ 140,000</u>	<u>\$ 17,512,490</u>	

**Inner City Tax Increment Financing Zone
Participation Levels**

<u>Entity</u>	<u>Tax Rate</u>	<u>Level of Participation</u>	<u>% of Project</u>	<u>TIF Revenues</u>	<u>TIF Expenses</u>
City of San Antonio	0.56569	100%	100%	\$ 17,642,501	\$ 11,864,385
	0.56569		100%	\$ 17,642,501	\$ 11,864,385

**Inner City Tax Increment Financing Zone
 Property Improvement Value
 (Property Values Added to Tax Roles)**

Fiscal Year	La Contessa Hotel	Holiday Inn Express	Best Western Hotel	Ruth's Chris Steakhouse	Victoria Commons	243 Center Street	Historic Gardens Phase II	McDonald's	Springview Hope I Project	Springview Hope II Project	Springview Hope III Project
2000											
2001				721,300				70,200			
2002								310,500			
2003							1,391,775				
2004							507,500		4,200,000	4,800,000	
2005											4,650,000
2006		1,800,000	2,313,600		4,430,000						
2007	23,000,000	1,800,000			4,430,000						
2008											
2009											
2010											
2011											
2012					4,181,369	1,975,400					
2013											
	\$ 23,000,000	\$ 3,600,000	\$ 2,313,600	\$ 721,300	\$ 13,041,369	\$ 1,975,400	\$ 1,899,275	\$ 380,700	\$ 4,200,000	\$ 4,800,000	\$ 4,650,000

Notes:

- La Quinta Inn/San Antonio Convention Center Inn and Suites project added. Current assessed value is \$6,709,600 (\$6,000,000 land value and \$709,600 improvement value).
- Historic Gardens Phase III property values are projected to come on the tax roles in FY 2009.

¹ Bexar Appraisal District records as of July 17, 2009.

Fiscal Year	La Quinta Convention Center Inn	Staybridge	Convention Center Condominium Project ¹	Historic Gardens Phase III	Riverbend Garage	Motel 1524 E. Commerce	1304 E. Commerce	E. Thurman Walker Senior Living 301 Spriggdale	Annual Total	Fiscal Year
2000									-	2000
2001									791,500	2001
2002									310,500	2002
2003									1,391,775	2003
2004									9,507,500	2004
2005									4,650,000	2005
2006									8,543,600	2006
2007	25,000,000								54,230,000	2007
2008		18,000,000							18,000,000	2008
2009				330,000					330,000	2009
2010			37,035,700	2,000,000	15,000,000				54,035,700	2010
2011				1,000,000		1,164,339			2,164,339	2011
2012							700,000		6,856,769	2012
2013								15,232,000	15,232,000	2013
	\$ 25,000,000	\$ 18,000,000	\$ 37,035,700	\$ 3,330,000	\$ 15,000,000	\$ 1,164,339	\$ 700,000	\$ 15,232,000	\$ 176,043,683	

**Inner City Tax Increment Financing Zone
 Improvements**

Tax Year	Improvements	Other Improvements	Total New Improvements Base Model
2000	\$ -	\$ -	\$ -
2001	791,500	-	791,500
2002	310,500	-	310,500
2003	1,391,775	-	1,391,775
2004	9,507,500	-	9,507,500
2005	4,650,000	-	4,650,000
2006	8,543,600	-	8,543,600
2007	54,230,000	-	54,230,000
2008	18,000,000	-	18,000,000
2009	330,000	-	330,000
2010	54,035,700	-	54,035,700
2011	2,164,339	-	2,164,339
2012	6,856,769	-	6,856,769
2013	15,232,000	-	15,232,000
	<u>\$ 176,043,683</u>	<u>\$ -</u>	<u>\$ 176,043,683</u>