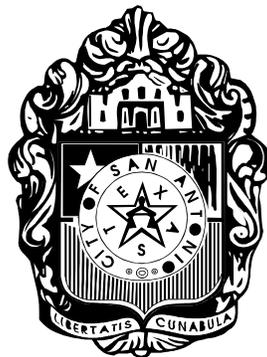


CITY OF SAN ANTONIO, TEXAS
Neighborhood Action Department



Plaza Fortuna - TIF Reinvestment Zone Twelve
FINAL FINANCE PLAN

**Participation Levels of City (100%), Bexar County (100%
of Operation and Maintenance portion of tax rate), and
ACCD (50%)**

August 25, 2005

Plaza Fortuna Subdivision Tax Increment Reinvestment Zone – Plan of Finance

Introduction

The Plaza Fortuna subdivision is located in the west section of the City of San Antonio, on the northwest corner of Fortuna and Hortencia. The development is in the Edgewood Independent School District and encompasses approximately 9.82 acres. The 2001 base value is \$76,700 and the projected captured tax incremental value is \$4,956,100 net of exemptions. The project includes 76 single-family homes with sales prices ranging between \$69,000 to \$85,600. The total public infrastructure capital cost is estimated at \$421,187. The Developer is HLH Development LP who has experience in the development and construction of such projects. Performance and payment bonds will be provided in connection with public infrastructure improvements associated with the project. The life of the Tax Increment Reinvestment Zone (TIRZ) is projected to be 23.81 years with the TIRZ being in existence through fiscal year 2025.

Public Infrastructure

The public infrastructure improvements and related capital costs include site work, streets, drainage, utilities, drainage impact, water/sewage impact and platting/zoning fees, engineering expenses, sidewalks, construction management, City Public Service Board (CPSB) electric, right of way landscaping and legal and formation fees. The capital cost is estimated at \$421,187.

Plan of Finance

The 2001 base value of the TIRZ is \$76,700. Projected captured values that would be taxed to produce revenues to pay for the capital costs of the public infrastructure improvements commences in tax year 2001 with collections commencing in tax year 2003 (fiscal year 2004). Captured values grow from \$922,400 in tax year 2002 to \$4,956,100 net of exemptions in tax year 2024.

The taxing jurisdictions and tax rate per \$100 valuation utilized in the analysis include: City of San Antonio at \$0.578540; Bexar County at \$0.281519 and the Alamo Community College District at \$0.053525. This produces annual revenues of \$35,069 in fiscal year 2004, \$42,107 in fiscal year 2005, \$43,146 in fiscal year 2006 through 2016 and \$41,560 in fiscal years 2017 through 2025. No growth in tax rate or values is assumed.

The cost of the public infrastructure improvements is incurred by the Developer and paid over time from revenues produced by the TIRZ. In addition to the capital costs, other costs to be paid from TIRZ revenues include the City's Financial Advisor and certain City of San Antonio and/or Administrator fees. Revenues derived from the TIRZ will be

used to pay costs in the following order of priority of payment: (i.) first, to the payment of eligible costs incurred by the Participating Governmental Entities in the TIRZ; (ii.) second, all other ongoing administrative fees pertaining to the City; and (iii.) to the Developer, on an annual basis, as TIRZ revenues are available for such payments.

The Developer’s capital cost incurred for public infrastructure improvements is \$421,187. Revenues from the TIRZ are used to pay this amount plus financing costs if any on the unpaid balance at a rate of 4.54%. It is projected that the Developer would not receive any payments until fiscal year 2004. The earliest projected payoff of the capital cost would occur in fiscal year 2025 and includes an estimated Developer contribution of \$82,651. The TIRZ collections for this project shall not extend beyond September 30, 2025 and may be terminated earlier once each taxing entity has deposited its respective amount described in the table below.

TABLE – TIRZ Contributions		
Participating Taxing Entities	Maximum Dollar Contribution	Max. Length of Contribution
City of San Antonio	\$ 653,132.42	September 30, 2025
Bexar County	\$ 317,748.46	September 30, 2025
Alamo Comm. College District	\$ 37,591.10	September 30, 2016
Maximum Reimbursable Amt.	\$ 1,008,471.98	

Limited Obligation of the City or Participating Governmental Entities

The City and Participating Governmental Entities shall have a limited obligation to impose, collect taxes, and deposit such tax receipts into a TIRZ fund so long as the project is viable and capital costs incurred by the Developer have not been fully paid. The TIRZ collections for this project shall not extend beyond September 30, 2025, and may be terminated prior to September 30, 2025, upon payment of public improvements capital costs incurred by the Developer totaling \$421,187 or for the failure of the Developer to perform. The City may elect to terminate a TIRZ if 50% of the housing and/or commercial construction projected for years 1, 2, and 3 from date the TIRZ is created is not complete. Only housing and/or commercial components count towards completion of the construction schedule, infrastructure construction does not. Furthermore, any default of the terms contained in the Interlocal and/or Development Agreements that is not cured within the timeframe contained in the Interlocal and/or Development Agreements may also result in Zone Termination.

Any costs incurred by the Developer are not and shall never in any event become general obligations or debt of the City or any of the Participating Governmental Entities. The public improvement infrastructure costs incurred by the Developer shall be paid solely from the TIRZ revenues and shall never constitute a debt, indebtedness or a pledge of the faith and credit or taxing power of the State, the City, the Participating Governmental Entities, any political corporation, subdivision, or agency of the State.

Developer's Risk

All financing, developmental costs, construction costs, improvements, damages, or other costs incurred with respect to this project are at the sole risk of the Developer. Neither the City nor any Participating Governmental Entity shall incur any risk whatsoever associated with the development, construction, completion or failure of the project. In the event that the project fails, is abandoned by the Developer or for any reason is not completed, the City shall have the right to terminate the TIRZ and any funds remaining in the TIRZ account shall be distributed to the City and Participating Governmental Entities on a pro rata basis in accordance with each entity's participation level.

Compliance

The Developer shall comply with all federal, state and local laws, rules and regulations including the 2000 TIF Guidelines.

Reporting

The Developer shall submit a project status report and financial report on a quarterly basis (January 15th, April 15th, July 15th and October 15th) to the City.

Inspection

The City, Participating Governmental Entities, or Administrator shall have the right to inspect the project site or sites and the premises of the Developer without notice.

City of San Antonio
Plaza Fortuna - TIF Reinvestment Zone
Summary Fact Sheet
July 26, 2005

Agenda: Final Finance Plan

Plan of Finance:	Site Area	9.82	Acres
	Single Family Development	9.82	Acres
	Base Value (2001) In City	\$ 76,700	
	Average Initial Single Family Home Price	\$69,000-\$85,600	Per home

Project Year:			
Single Family Development	2001	25	Single Family Homes
	2002	51	Single Family Homes
Total		<u>76</u>	

Experience of Housing Developer

HLH Development LP,
San Antonio, Texas

HLH Development LP was formed over 6 years ago.
Harry Hausman is the principal operations officer of the partnership.
SEDA Consulting Engineers, Inc. are the architect/engineers.
HLH Development LP and SEDA Consulting Engineers, Inc. have completed the following projects:

- La Coste Heights, 57 homes, La Coste, TX
- Legend Oaks, 80 homes, San Antonio, TX
- Hunters Oaks, 15 homes, San Antonio, TX

Multi Family Housing Development Team: N/A

Performance Bonds: See Development Agreement

Payment Bonds: See Development Agreement

Assumptions	Captured Value	\$ 4,956,100	
	Assessed Value Growth Factor	0.00%	
	Collection Rate	97.50%	
	Estimated Total TIF Revenues	\$ 925,821	
	Estimated TIF Life (12/13/2001 to 9/30/2025)	23.81	Years

Plaza Fortuna - Tax Increment Reinvestment Zone

<u>Sources and Uses</u>			
Sources of Funds			
TIF Revenues at	\$	925,821	
Developer Contribution	\$	82,651	
Total Sources of Funds	<u>\$</u>	<u>1,008,472</u>	
 Uses of Funds			
	Phase I	Phase II	Total
	2001	2002	Infrastructure
	2001	2002	Improvements
Begin Construction	25	51	76
Single Family			
Public Improvements			
Hard Cost			
Site Work	\$ 721	\$ 600	\$ 1,321
Streets & Approaches	\$ 10,014	\$ 125,036	\$ 135,050
Drainage	\$ 3,169	\$ 8,609	\$ 11,778
Sewer	\$ 18,893	\$ 32,611	\$ 51,504
Water	\$ 10,156	\$ 36,276	\$ 46,432
Sidewalks	\$ -	\$ 32,040	\$ 32,040
Street Lights	\$ -	\$ 6,198	\$ 6,198
ROW Landscaping	\$ -	\$ -	\$ -
Park Improvements	\$ -	\$ -	\$ -
Sewer Impact Fees	\$ 10,675	\$ -	\$ 10,675
Water Impact Fees	\$ 9,000	\$ -	\$ 9,000
Platting/Zoning Fees	\$ 3,651	\$ 5,117	\$ 8,768
*CPSB (Electricity)	\$ 7,896	\$ -	\$ 7,896
Mail Boxes	\$ 2,133	\$ 2,555	\$ 4,688
Hard Cost Total	<u>\$ 76,308</u>	<u>\$ 249,042</u>	<u>\$ 325,350</u>
Soft Cost			
Engineering-Surveying	\$ 9,920	\$ 32,375	\$ 42,295
Contingency	\$ 6,105	\$ 19,923	\$ 26,028
Construction Management	\$ 3,052	\$ 9,962	\$ 13,014
Soft Cost Total	<u>\$ 19,077</u>	<u>\$ 62,260</u>	<u>\$ 81,337</u>
Total Public Improvements	<u>\$ 95,385</u>	<u>\$ 311,302</u>	<u>\$ 406,687</u>
Legal and Formation Fees	\$ 14,500	\$ -	\$ 14,500
Grand Total	<u>\$ 109,885</u>	<u>\$ 311,302</u>	<u>\$ 421,187</u>
Total Infrastructure	\$ 421,187		
Financing Cost @ 4.54%	\$ 281,285		
Total Payments to Plaza Fortuna	\$ 702,472		
Total Admin. Expenses	\$ 306,000		
Grand Total	<u>\$ 1,008,472</u>		
Project Financing Surplus (Shortage)	\$ 0		

* City Public Service Board (CPSB)

Plaza Fortuna - TIF Reinvestment Zone

Projected Tax Increment Revenue

Tax Year	Tax Increment Zone				City of San Antonio			Bexar County			Alamo Community College District*****			Combined TIF Collections	Fiscal Year Ending	
	Beginning Assessed Value*	Annual Value of New Development	Projected Year-End Assessed Value	Projected Captured Value	Captured Taxable Value	Tax Rate Contribution	Tax Increments	Captured Taxable Value	Tax Rate Contribution**	Tax Increments	Captured Taxable Value	Tax Rate Contribution	Tax Increments			
2001	76,700	922,400	76,700	-	-	0.578540	-	-	0.320756	-	-	0.104600	-	-	2002	
2002	76,700	3,017,300	999,100	922,400	922,400	0.578540	-	922,400	0.320952	-	922,400	0.107050	-	-	2003	
2003	999,100	1,016,400	4,016,400	3,939,700	3,874,700	0.578540	21,856	3,889,700	0.320952	12,172	3,909,700	0.053525	1,040	35,069	2004	
2004	4,016,400	-	5,032,800	4,956,100	4,826,100	0.578540	27,223	4,856,100	0.281519	13,329	4,896,100	0.053525	1,555	42,107	2005	
2005	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	1,586	43,146	2006	
2006	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	1,586	43,146	2007	
2007	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	1,586	43,146	2008	
2008	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	1,586	43,146	2009	
2009	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	1,586	43,146	2010	
2010	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	1,586	43,146	2011	
2011	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	1,586	43,146	2012	
2012	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	1,586	43,146	2013	
2013	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	1,586	43,146	2014	
2014	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	1,586	43,146	2015	
2015	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	1,586	43,146	2016	
2016	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	-	41,560	2017	
2017	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	-	41,560	2018	
2018	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	-	41,560	2019	
2019	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	-	41,560	2020	
2020	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	-	41,560	2021	
2021	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	-	41,560	2022	
2022	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	-	41,560	2023	
2023	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	-	41,560	2024	
2024	5,032,800	-	5,032,800	4,956,100	4,956,100	0.578540	27,956	4,956,100	0.281519	13,604	4,956,100	0.053525	-	41,560	2025	
2025						0.578540	-		0.281519	-		0.053525	-	-	2026	
2026						0.578540	-		0.281519	-		0.053525	-	-	2027	
2027						0.578540	-		0.281519	-		0.053525	-	-	2028	
2028						0.578540	-		0.281519	-		0.053525	-	-	2029	
	\$ 4,956,100						\$ 608,203			\$ 297,572		\$ 20,046		\$ 925,821		
Existing Annual Value Growth Factors					Participation Level			100%	Participation Level**			100%	Participation Level			50%
Years 2001-2002				0.00%	Tax Rate Growth Factor			0.00%	Tax Rate Growth Factor			0.00%	Tax Rate Growth Factor			0.00%
Thereafter				0.00%	Tax Rate Collection Factor			97.50%	Tax Rate Collection Factor			97.50%	Tax Rate Collection Factor			97.50%
Combined Compound Growth Rate				0.00%												

* Total acreage is 9.82.

**Bexar County is participating at 100% of their Operation and Maintenance tax rate not the total tax rate.

*** This project has no executed Development Agreements therefore there has been no tax increments collected.

****Captured Taxable Value for each Participating Taxing Entities differ due to the exemption by each Taxing Entities.

***** ACCD's tax increment reflects contribution after withholding of \$1,000 per year for Administrative Expenses.

***** Revenue projections are subject to fluctuate annually with future tax rates.

**Plaza Fortuna - TIF Reinvestment Zone
Reimbursement for Public Improvements**

Fiscal Year Ending	TIF Revenue	Cumulative TIF Revenues	Expenses for Pub. Imp. Infrastructure	Admin. Exp.*	Interest on Deficit	TIF Fund Balance	
1-Sep-02	2002	-	-	15,323	30,000	-	(45,323)
1-Sep-03	2003	-	-	15,323	12,000	(2,058)	(74,703)
1-Sep-04	2004	35,069	35,069	15,323	12,000	(3,391)	(70,348)
1-Sep-05	2005	42,107	77,176	15,323	12,000	(3,194)	(58,757)
1-Sep-06	2006	43,146	120,322	18,823	12,000	(2,668)	(49,101)
1-Sep-07	2007	43,146	163,468	17,164	12,000	(2,229)	(37,348)
1-Sep-08	2008	43,146	206,614	17,073	12,000	(1,696)	(24,970)
1-Sep-09	2009	43,146	249,760	31,982	12,000	(1,134)	(26,939)
1-Sep-10	2010	43,146	292,907	32,210	12,000	(1,223)	(29,226)
1-Sep-11	2011	43,146	336,053	32,393	12,000	(1,327)	(31,800)
1-Sep-12	2012	43,146	379,199	32,530	12,000	(1,444)	(34,628)
1-Sep-13	2013	43,146	422,345	31,622	12,000	(1,572)	(36,676)
1-Sep-14	2014	43,146	465,491	30,714	12,000	(1,665)	(37,910)
1-Sep-15	2015	43,146	508,638	29,806	12,000	(1,721)	(38,291)
1-Sep-16	2016	43,146	551,784	28,898	12,000	(1,738)	(37,782)
1-Sep-17	2017	41,560	593,343	25,990	12,000	(1,715)	(35,928)
1-Sep-18	2018	41,560	634,903	25,173	12,000	(1,631)	(33,172)
1-Sep-19	2019	41,560	676,463	26,356	12,000	(1,506)	(31,475)
1-Sep-20	2020	41,560	718,023	25,448	12,000	(1,429)	(28,792)
1-Sep-21	2021	41,560	759,582	24,540	12,000	(1,307)	(25,079)
1-Sep-22	2022	41,560	801,142	23,632	12,000	(1,139)	(20,290)
1-Sep-23	2023	41,560	842,702	22,724	12,000	(921)	(14,375)
1-Sep-24	2024	41,560	884,262	21,816	12,000	(653)	(7,284)
1-Sep-25	2025	41,560	925,821	20,908	12,000	(331)	1,037
1-Sep-26	2026	-	-	-	-	-	-
1-Sep-27	2027	-	-	-	-	-	-
1-Sep-28	2028	-	-	-	-	-	-
1-Sep-29	2029	-	-	-	-	-	-
		<u>\$ 925,821</u>	<u>\$ 581,094</u>	<u>\$ 306,000</u>	<u>\$ (37,690.98)</u>		

* Annual Administrative Expenses from FY 2003 - FY 2025 includes a \$2,000 annual administrative expense for Bexar County

**Plaza Fortuna - TIF Reinvestment Zone Combined
Participation**

Entity	Tax Rate	Level of Participation	Tax Rate Based on Participation	% of Combined Weight	TIF Revenues*	TIF Expenses**
San Antonio	0.5785400	100%	0.5785400	64.76%	\$ 608,203.08	\$ 653,132.42
Bexar County	0.2815190	100%	0.2815190	31.51%	\$ 297,572.12	\$ 317,748.46
Alamo Community College	0.1070500	50%	0.0535250	3.73%	\$ 20,046.24	\$ 37,591.10
Total	0.9671090		0.9135840	100.00%	\$ 925,821.44	\$ 1,008,471.98

* TIF Revenues are the projected revenue amount collected by each taxing entity through the term of the zone.

** TIF Expenses are allocated by the share of the TIRZ project cost projected for each taxing entity based on participation levels.

**Plaza Fortuna - TIF Reinvestment Zone
Projected New Value of Tax Increment**

Tax Year	Phase I 2002	Phase II 2003	2004	2005	2006	Total
2000						\$ -
2001						\$ -
2002	\$ 922,400					\$ 922,400
2003		\$ 3,017,300				\$ 3,017,300
2004			\$ 1,016,400			\$ 1,016,400
2005						\$ -
2006						\$ -
2007						\$ -
2008						\$ -
2009						\$ -
2010						\$ -
2011						\$ -
2012						\$ -
2013						\$ -
2014						\$ -
2015						\$ -
2016						\$ -
2017						\$ -
2018						\$ -
2019						\$ -
2020						\$ -
2021						\$ -
2022						\$ -
2023						\$ -
2024						\$ -
2025						\$ -
	<u>\$ 922,400</u>	<u>\$ 3,017,300</u>	<u>\$ 1,016,400</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,956,100</u>

\$ - Commercial New Value
 \$ 4,956,100 Residential New Value
 \$ - Multi Family New Value
\$4,956,100 Total New Value

Plaza Fortuna - TIF Reinvestment Zone

**Projected Uses of Tax Increment
Construction Completed Cost**

Year	Phase I 2001	Phase II 2002	2003	2004	2005	2006
2000	\$ 109,885					
2001		\$ 311,302				
2002						
2003						
2004						
2005						
2006						
2007						
2008						
2009						
2010						
2011						
2012						
2013						
2014						
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
	\$ 109,885	\$ 311,302	\$ -	\$ -	\$ -	\$ -

Plaza Fortuna - TIF Reinvestment Zone

Projected Tax Increment Revenue

07/26/05

Principal and Interest Requirements

Date	Principal	Interest Rate	Interest	Semi-annual Debt Service	Annual Debt Service
09/01/99					
03/01/00				-	
09/01/00	-	4.54%	-	-	-
03/01/01	-		-	-	
09/01/01	-	4.54%	-	-	-
03/01/02	-		7,661	7,661	
09/01/02	-	4.54%	7,661	7,661	15,323
03/01/03	-		7,661	7,661	
09/01/03	-	4.54%	7,661	7,661	15,323
03/01/04	-		7,661	7,661	
09/01/04	-	4.54%	7,661	7,661	15,323
03/01/05	-		7,661	7,661	
09/01/05	-	4.54%	7,661	7,661	15,323
03/01/06	-		7,661	7,661	
09/01/06	3,500	4.54%	7,661	11,161	18,823
03/01/07	-		7,582	7,582	
09/01/07	2,000	4.54%	7,582	9,582	17,164
03/01/08	-		7,536	7,536	
09/01/08	2,000	4.54%	7,536	9,536	17,073
03/01/09	-		7,491	7,491	
09/01/09	17,000	4.54%	7,491	24,491	31,982
03/01/10	-		7,105	7,105	
09/01/10	18,000	4.54%	7,105	25,105	32,210
03/01/11	-		6,697	6,697	
09/01/11	19,000	4.54%	6,697	25,697	32,393
03/01/12	-		6,265	6,265	
09/01/12	20,000	4.54%	6,265	26,265	32,530
03/01/13	-		5,811	5,811	
09/01/13	20,000	4.54%	5,811	25,811	31,622
03/01/14	-		5,357	5,357	
09/01/14	20,000	4.54%	5,357	25,357	30,714
03/01/15	-		4,903	4,903	
09/01/15	20,000	4.54%	4,903	24,903	29,806
03/01/16	-		4,449	4,449	
09/01/16	20,000	4.54%	4,449	24,449	28,898
03/01/17	-		3,995	3,995	
09/01/17	18,000	4.54%	3,995	21,995	25,990
03/01/18	-		3,587	3,587	
09/01/18	18,000	4.54%	3,587	21,587	25,173
03/01/19	-		3,178	3,178	
09/01/19	20,000	4.54%	3,178	23,178	26,356
03/01/20	-		2,724	2,724	
09/01/20	20,000	4.54%	2,724	22,724	25,448
03/01/21	-		2,270	2,270	
09/01/21	20,000	4.54%	2,270	22,270	24,540
03/01/22	-		1,816	1,816	
09/01/22	20,000	4.54%	1,816	21,816	23,632
03/01/23	-		1,362	1,362	
09/01/23	20,000	4.54%	1,362	21,362	22,724
03/01/24	-		908	908	
09/01/24	20,000	4.54%	908	20,908	21,816
03/01/25	-		454	454	
09/01/25	20,000	4.54%	454	20,454	20,908
03/01/26	-		-	-	
09/01/26	-	4.54%	-	-	-
	<u>\$ 337,500</u>		<u>\$ 243,594.00</u>	<u>\$ 581,094</u>	<u>\$ 581,094</u>