

A RESOLUTION 2004-34-31

EXPRESSING THE CITY OF SAN ANTONIO'S INTENT TO CONSIDER THE CREATION OF A TAX INCREMENT FINANCING (TIF) REINVESTMENT ZONE TO FINANCE PUBLIC IMPROVEMENTS IN SUPPORT OF THE HALLIE HEIGHTS DEVELOPMENT (CITY COUNCIL DISTRICT 4) BOUNDED ON THE WEST BY LACKLAND SUBDIVISION UNIT 40, TO THE NORTH BY SUN VALLEY ELEMENTARY SCHOOL, TO THE SOUTH BY RAY ELLISON BOULEVARD, AND TO THE EAST BY S.W. LOOP 410 FOR THE PURPOSE OF SUPPORTING MARKET RATE HOUSING, COMMERCIAL DEVELOPMENT AND OTHER AMENITIES FOR THE AREA; PROVIDING FOR WAIVERS OF THE 2004 TIF GUIDELINES FOR SECTION VI (C), USE PATTERNS AND SPECIAL DISTRICTS AND SECTION VI (E), LIMITATIONS OF THE TIF PROGRAM; AUTHORIZING AND DIRECTING DISTRIBUTION OF A WRITTEN NOTICE OF THE CITY'S INTENTION TO CONSIDER THE CREATION OF THE PROPOSED REINVESTMENT ZONE TO EACH TAXING UNIT THAT LEVIES A TAX IN THE PROPOSED ZONE; AUTHORIZING A REQUEST TO EACH TAXING ENTITY FOR THE APPOINTMENT OF A REPRESENTATIVE TO MEET WITH THE CITY TO DISCUSS THE PROJECT; AND DELEGATING AUTHORITY TO CALL AND HOLD MEETINGS WITH REPRESENTATIVES OF EACH TAXING UNIT.

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WHEREAS, tax increment financing is an economic development tool authorized by the Tax Increment Financing Act, Texas Tax Code, Chapter 311 (the "Act"), used by municipalities to finance needed public improvements and enhanced infrastructure within certain areas of the municipality by leveraging private investment for certain types of development activities; and

WHEREAS, since 1998, the City of San Antonio has developed and adopted Tax Increment Financing ("TIF") and Reinvestment Zone Guidelines and Criteria ("Guidelines") in accordance with the requirements of the Act; and

WHEREAS, in September 2002, the City Clerk received two applications for the use of TIF in accordance with the Guidelines from HLH Development, L.P., for the Hallie Heights and Heathers Cove Projects; and

WHEREAS, City staff and the applicant worked between September 2002 and May 2003, to bring the application forward for Council consideration of a Resolution of Intent to consider designation of a TIF reinvestment zone in May 2003; and

WHEREAS, in May 2003, City staff was directed by the City Council to revise the Guidelines and place all pending projects on hold until the revisions were approved; and

WHEREAS, the Hallie Heights Project (the "Project") Master Development Plan, which incorporates acreage for commercial developments and is adjacent to an elementary school, was approved in June 2003, in accordance with the requirements of the 2002 Guidelines; and

WHEREAS, on January 8, 2004, by Ordinance No. 98663, the City Council adopted the 2004 Guidelines, invited all projects currently on hold to reapply under the 2004 Guidelines, and provided that the application fee be waived for said projects; and

WHEREAS, in June 2004, the City Clerk received an application from HLH Developments, L.P., for the use of TIF in accordance with the 2004 Guidelines, for the Project, located in City Council District 4, outside S.W. Loop 410 near Medina Base Road, in the Secondary TIF Target Area; and

WHEREAS, the application proposes public improvements for the Project, including site work, streets and approaches, drainage, sewer, water, sidewalks, street signs/traffic signals, and street lights; and

WHEREAS, in subsequent correspondence, the applicant has requested waivers of the 2004 Guidelines requirements for Section VI (C), Use Patterns and Special Districts, as the plan approved in June 2003 does not currently meet any of the specified Use Patterns or Special Districts, and Section VI (E), Limitations of TIF Program, as the applicant has submitted more than one TIF application this year; and

WHEREAS, based on the timing of the previous application for the Project and the subsequent Guidelines revisions, as well as the progress of the Project achieved prior to the Guideline revisions, City staff recommends the waiver of the two referenced Guideline requirements; and

WHEREAS, the Act requires the City, prior to the creation of a reinvestment zone, to hold a public hearing on the creation of the proposed zone and its benefits to the City and the property within the proposed zone; and

WHEREAS, pursuant to Section 311.003(e) of the Act, before holding the public hearing on the creation of the proposed zone, the governing body of the City must provide written notice of the City's intent to consider designation of such zone to the governing body of each taxing unit that levies real property taxes in the proposed reinvestment zone, unless such notice is waived by the taxing units, not later than the 60th day before the date of the public hearing to designate the reinvestment zone; and

WHEREAS, the City desires to notify the governing bodies that levy real property taxes in the proposed reinvestment zone, of the City's intent to consider designation of a TIF reinvestment zone; and

WHEREAS, pursuant to Section 311.003(f) of the Act, the City Council deems it advisable to: (i) request the opportunity to make a formal presentation to the governing body of Bexar County and each school district that levies real property taxes in the proposed reinvestment zone; and (ii) notify each taxing unit that levies real property taxes in the proposed reinvestment zone of presentations to be made before the county and each school district; and

WHEREAS, pursuant to Section 311.003(g) of the Act, the City Council deems it advisable to: (i) request each taxing unit that levies real property taxes in the proposed reinvestment zone to designate a representative from such unit to meet with the City staff to discuss the project plans and preliminary reinvestment zone financing plan for the proposed reinvestment zone; and (ii)

delegate to City staff the authority to call one or more meetings, as may be needed with the representatives of the taxing units; and

WHEREAS, approval of this resolution would authorize City staff to initiate an in-depth review of the project for consideration of designation of a TIF reinvestment zone; **NOW THEREFORE**:

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City of San Antonio ("City") hereby expresses its intent, based on preliminary review of the application of HLH Developments, L.P., to consider the designation, at a future time, of the area commonly known as Hallie Heights as a Tax Increment Financing ("TIF") reinvestment zone.

SECTION 2. The City's expression of this intent does not constitute actual designation of or an obligation to designate the Zone but merely indicates the intent of the City for the purpose of proceeding in the process of consideration of designation of a TIF reinvestment zone, and is based on a preliminary review of the information provided in the application.

SECTION 3. City staff is hereby authorized to provide written notice of the City's intent to each taxing unit that levies a tax in the proposed zone, request each of those taxing entities to appoint a representative to meet with City staff to discuss the proposed project, and to call and hold meetings with representatives of those taxing entities, as provided by Section 311.003 of the Act.

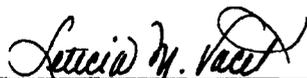
SECTION 4. The request of HLH Developments, L.P., on behalf of the Hallie Heights Project, for the waiver of the 2004 Guidelines requirements of Section VI (C), Use Patterns and Special Districts, because the master development plan approved in June 2003 does not currently meet any of the specified Use Patterns or Special Districts; and Section VI (E), Limitations of TIF Program, as the applicant has submitted more than one TIF application this year, is hereby granted.

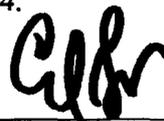
SECTION 5. This resolution does not preclude the City from continuing its evaluation of the TIF application of HLH Developments, L.P., or requesting additional information from the applicant.

SECTION 6. This resolution shall be effective on and after the tenth (10th) day after passage hereof.

PASSED AND APPROVED this 23rd day of September 2004.

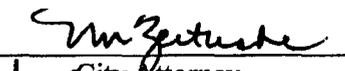
ATTEST:


City Clerk



M A Y O R
EDWARD D. GARZA

APPROVED AS TO FORM:


for City Attorney

Agenda Voting Results

Name: 39E.

Date: 09/24/04

Time: 12:26:50 AM

Vote Type: Multiple selection

Description: E. A Resolution expressing the City of San Antonio's intent to consider the creation of a Tax Increment Financing (TIF) Reinvestment Zone to finance public improvements in support of the Hallie Heights Development (City Council District 4) bounded on the west by Lackland Subdivision Unit 40, to the north by Sun Valley Elementary School, to the south by Ray Ellison Boulevard, and to the east by S.W. Loop 410 for the purpose of supporting market rate housing, commercial development and other amenities for the area; providing for waivers of the 2004 TIF Guidelines for Section VI (C), Use Patterns and Special Districts and Section VI (E), Limitations of the TIF Program; authorizing and directing distribution of a written notice of the City's intention to consider the creation of the proposed reinvestment zone to each taxing unit that levies a tax in the proposed zone; authorizing a request to each taxing entity for the appointment of a representative to meet with the City to discuss the project; and delegating authority to call and hold meetings with representatives of each taxing unit.

Voter	Group	Status	Yes	No	Abstain
ROGER O. FLORES	DISTRICT 1		x		
JOEL WILLIAMS	DISTRICT 2		x		
RON H. SEGOVIA	DISTRICT 3		x		
RICHARD PÉREZ	DISTRICT 4		x		
PATTI RADLE	DISTRICT 5		x		
ENRIQUE M. BARRERA	DISTRICT 6		x		
JULIAN CASTRO	DISTRICT 7		x		
ART A. HALL	DISTRICT 8		x		
CARROLL SCHUBERT	DISTRICT 9	Not present			
CHIP HAASS	DISTRICT_10	Not present			
MAYOR ED GARZA	MAYOR		x		