

Rezone of 3230/3224 Hillcrest



Proposal

- City received an unsolicited proposal for a loft-style multifamily development in November 2012
- City adopted the Community Revitalization Plan in January 2013 which supported new multifamily housing initiatives
- Provisional lease was signed by City and NRP contingent on HUD approval (Jan)
- Application was turned in to the State for Housing Tax Credits by NRP in the spring (pre-app: Jan, app: Mar)
- Currently awaiting decision by the State on the Tax Credits (July/Aug)

Why does the City support this?

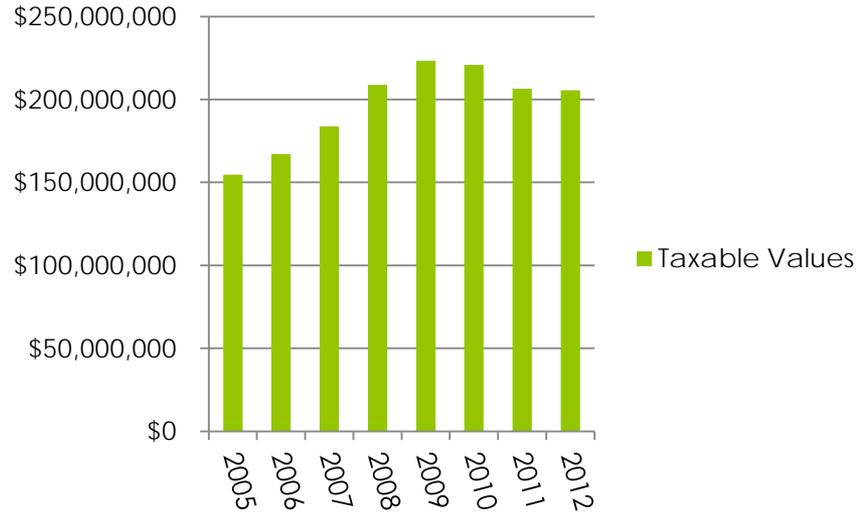
- Will add between \$25,000 - \$35,000 to the tax rolls (conservatively)
- Will bring new, quality development to the area
- Apartment market is hot in San Antonio Metro Area! (mortgage crisis, relocations, etc.)

- ***one cent on the tax rate generates approx \$23,000; this development is the equivalent of each of the 236 homeowners in the City adding \$25,000 of improvements to their homes**

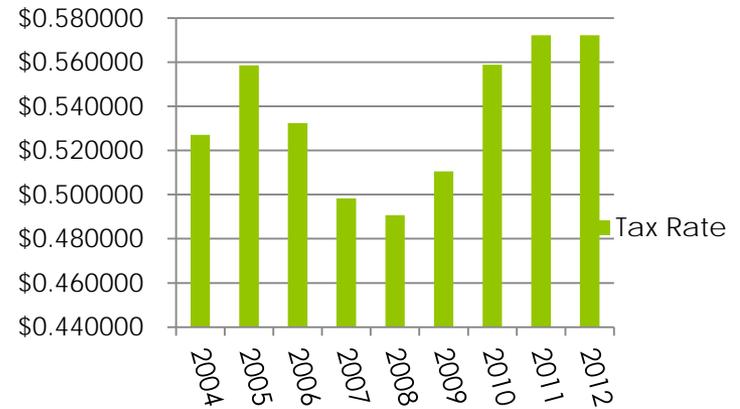
- 90% of the City's housing stock is 34 years old or older
- Consistent with the Master Plan
- Zero-tolerance property rules related to crime, disturbance, etc.

When Values Go Up, Tax Rate Goes Down

Taxable Values



Tax Rate



But what about the Fire Station?



- A Fire Station, Convention Center or other municipal facility does not generate income for the City
- The City does not currently have funding sources available to construct new facilities
- Without new revenue streams, existing City facilities and services are at risk
- Bottom line: City (ie, non-taxable) facilities are not the best and highest use for this property



So why haven't I heard anything?

- Council has been working to vet the details, trying to determine if it's a proposal they could support
- Council has been hammering out details during Executive Session, trying to secure favorable terms
- Rezoning requires 15 days' publication notice, but public hearings are being scheduled by Council

Tonight's Action

- Seeking PUD zoning that is specific to this particular development
- Should Council ultimately disapprove the proposal, other submissions would not be automatically eligible under this zoning
- More hearings will be held specifically related to the development, tonight is about rezoning the property