

CITY OF SAN ANTONIO, TEXAS



Hemisfair Tax Increment Reinvestment Zone Number Thirty-four

Participation Levels:

City (100%)

FINANCE PLAN

Preliminary: February 2, 2017

Final: September 21, 2017

Hemisfair Tax Increment Reinvestment Zone #34 Final Finance Plan

Introduction

The Tax Year 2016 Assessed value is estimated at \$412,329,497.00. The Projected Captured value for Tax Year 2036 is \$653,958,651.00 net of exemptions. The term of the zone is projected to be 20.66 years with the TIRZ being in existence through September 30, 2037.

Eligible Expenses

This TIRZ can reimburse eligible expenses in accordance with Chapter 311.

The Hemisfair Tax Increment Reinvestment (TIRZ) Zone Number 34 will provide partial funding needed to support the operations of Hemisfair Park Area Redevelopment Corporation (HPARC) and additional assistance for public improvements and economic development activities associated with revitalization in the Hemisfair Park and adjacent areas. This is in accordance with the Project Plan, pursuant to Section 311.011 of the Texas Tax Code.

Finance Plan

The Tax Year 2016 Assessed value of the Hemisfair TIRZ is estimated at \$412,329,497.00. Projected Captured values are expected to grow from \$1,211,310.00 in Tax Year 2018 to \$653,958,651.00 in Tax Year 2036.

The City is the only participating taxing entity contributing tax increment to the Hemisfair TIRZ at this time, subject to future participation of other taxing entities. The City's current tax rate per \$100 valuation at \$0.55827. This is expected to produce annual revenues of \$6,627.13 in Fiscal Year 2019 to \$3,577,837.86 in Fiscal Year 2037. A 3.25% growth in values is assumed based on analysis of historic and projected valuation growth.

The City and the TIRZ Board may use Tax Increment Fund to pay eligible expenditures in the following order of priority of payment:

1. To pay interest and principal should the City issue any debt instrument such as bonds, notes, certificates of obligation or other public debt to cover Project Costs;
2. To fully reimburse eligible Designation Fee;
3. To pay all ongoing Annual Administrative Fees to the City for administering the Tax Increment Fund and/or the Zone;
4. To reimburse the City for costs of the repair, replacement, or re-construction of public infrastructure and associated costs as described in any applicable development agreement.
5. To reimburse the City under any reclaim of funds pursuant to any applicable development agreement; and

6. To reimburse developers for eligible expenses, including financing costs and organizational costs, as provided in the applicable Development Agreements and in the Project Plan to the extent that funds in the Tax Increment Fund are available for this purpose.

TIRZ collections for this project shall not extend beyond September 30, 2037 and may be terminated earlier.

TABLE – TIRZ Contributions		
Participating Taxing Entities	Maximum Dollar Contribution *	Maximum Length of Contribution
City of San Antonio	N/A	September 30, 2037

* Hemisfair TIRZ is a City Initiated TIRZ, therefore doesn't have a Maximum Dollar Contribution. The City's participation rate and maximum contribution shall be based on the overall impact to the City's Operational Budget and Debt Plan, and the Finance Plan must not adversely impact the City's ability to deliver services or its debt capacity.

Limited Obligation of the City or Participating Taxing Entities

The City shall have a limited obligation to impose and collect taxes, and deposit such tax receipts into the Hemisfair TIRZ fund so long as the project is viable and capital costs incurred by the City and/or a developer (if any) have not been fully paid. Hemisfair TIRZ collections for this project shall not extend beyond September 30, 2037, and may be terminated prior to September 30, 2037, upon payment of all public improvement capital costs incurred by the City and/or a developer (if any), or for the failure of the TIRZ Project to perform as projected in the Project and Finance Plans.

Any costs incurred by a developer (if any) are not and shall never in any event become general obligations or debt of the City or any of the Participating Taxing Entities. The eligible expenses including organizational costs incurred by a developer shall be reimbursed solely from the Hemisfair 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 Taxing Entities, any political corporation, subdivision, or agency of the State.

**Hemisfair
 Tax Increment Reinvestment Zone #34
 Summary Fact Sheet**

	Preliminary		Final
	Finance Plan - FY 2017		Finance Plan - FY 2017
Finance Plan			
Site Area (parcel acres)	121.63		121.63
Beginning Assessed Value (2017) in City ¹	\$ 412,329,497.00		\$ 412,329,497.00
Assumptions:			
Captured Taxable Value (FY 2037)	\$ 653,958,651.00		\$ 653,958,651.00
Growth Factor	3.25%		3.25%
Collection Rate	98.00%		98.00%
Estimated Total Tax Increment Revenues	\$ 42,233,998.40		\$ 42,233,998.40
Estimated TIF Life (2/2/2017 to 9/30/2037)	20.66 yrs.		20.66 yrs.

¹ Based on the Tax Year 2016 Values. The Tax Increment Base for the Hemisfair TIRZ will be the total value of all real property taxable by the City and located in the TIRZ, determined as of January 1, 2017. These values are subject to the appeals and certification of the 2017 appraisal roll.

**Hemisfair
 Tax Increment Reinvestment Zone #34
 Sources and Uses**

Sources of Funds		Preliminary	Final
		Finance Plan - FY 2017	Finance Plan - FY 2017
	Total Tax Increment Revenues	\$ 42,233,998.40	\$ 42,233,998.40
	Interest Earned in TIF Fund	-	-
Total Sources of Funds		\$ 42,233,998.40	\$ 42,233,998.40
Uses of Funds			
	Projects ¹		
	Available for Other Eligible Reimbursements	\$ 40,255,872.13	\$ 40,255,872.13
	Total Eligible Reimbursements	\$ 40,255,872.13	\$ 40,255,872.13
	Designation Fee and Administrative Fees	\$ 1,978,126.27	\$ 1,978,126.27
Total Uses of Funds		\$ 42,233,998.40	\$ 42,233,998.40
Project Financing Surplus/(Shortage)		\$ -	\$ -

¹ Subject to change. The Hemisfair TIRZ can reimburse eligible expenses to be approved by the TIRZ Board.

**Hemisfair
Tax Increment Reinvestment Zone #34
Revenues**

Tax Year	Tax Increment Zone				City of San Antonio							Total Tax Increment	Fiscal Year		
	Beginning Assessed		Appraisal Growth	Year-End Assessed Value	Tax Exemptions	Year-End Taxable Value	Total Base Taxable Value	Captured Taxable Value	Projected Tax Rate	Actual Tax Increment	Projected Tax Increment				
	Value	New Values													
2017 ¹	\$ -	\$ -	\$ -	\$ 412,329,497.00	\$(375,058,440.00)	\$ 37,271,057.00	\$ 37,271,057.00	\$ -	\$ 0.558270	\$ -	\$ -	\$ -	\$ -	2017	
2018	412,329,497.00	-	13,400,709.00	425,730,206.00	(387,247,839.00)	38,482,367.00	37,271,057.00	1,211,310.00	0.558270	-	6,627.13	6,627.13	6,627.13	2018	
2019	425,730,206.00	-	13,836,232.00	439,566,438.00	(399,833,394.00)	39,733,044.00	37,271,057.00	2,461,987.00	0.558270	-	13,469.64	13,469.64	13,469.64	2019	
2020	439,566,438.00	-	14,285,909.00	453,852,347.00	(412,827,979.00)	41,024,368.00	37,271,057.00	3,753,311.00	0.558270	-	20,534.54	20,534.54	20,534.54	2020	
2021	453,852,347.00	164,549,884.00	14,750,201.00	633,152,432.00	(426,244,888.00)	206,907,544.00	37,271,057.00	169,636,487.00	0.558270	-	928,089.02	928,089.02	928,089.02	2021	
2022	633,152,432.00	36,375,000.00	20,577,454.00	690,104,886.00	(440,097,847.00)	250,007,039.00	37,271,057.00	212,735,982.00	0.558270	-	1,163,888.34	1,163,888.34	1,163,888.34	2022	
2023	690,104,886.00	123,238,500.00	22,428,409.00	835,771,795.00	(454,401,027.00)	381,370,768.00	37,271,057.00	344,099,711.00	0.558270	-	1,882,585.35	1,882,585.35	1,882,585.35	2023	
2024	835,771,795.00	77,148,756.00	27,162,583.00	940,083,134.00	(469,169,060.00)	470,914,074.00	37,271,057.00	433,643,017.00	0.558270	-	2,372,480.89	2,372,480.89	2,372,480.89	2024	
2025	940,083,134.00	-	30,552,702.00	970,635,836.00	(484,417,054.00)	486,218,782.00	37,271,057.00	448,947,725.00	0.558270	-	2,456,213.66	2,456,213.66	2,456,213.66	2025	
2026	970,635,836.00	-	31,545,665.00	1,002,181,501.00	(500,160,608.00)	502,020,893.00	37,271,057.00	464,749,836.00	0.558270	-	2,542,667.73	2,542,667.73	2,542,667.73	2026	
2027	1,002,181,501.00	-	32,570,899.00	1,034,752,400.00	(516,415,828.00)	518,336,572.00	37,271,057.00	481,065,515.00	0.558270	-	2,631,931.56	2,631,931.56	2,631,931.56	2027	
2028	1,034,752,400.00	-	33,629,453.00	1,068,381,853.00	(533,199,342.00)	535,182,511.00	37,271,057.00	497,911,454.00	0.558270	-	2,724,096.47	2,724,096.47	2,724,096.47	2028	
2029	1,068,381,853.00	-	34,722,410.00	1,103,104,263.00	(550,528,321.00)	552,575,942.00	37,271,057.00	515,304,885.00	0.558270	-	2,819,256.73	2,819,256.73	2,819,256.73	2029	
2030	1,103,104,263.00	-	35,850,889.00	1,138,955,152.00	(568,420,491.00)	570,534,661.00	37,271,057.00	533,263,604.00	0.558270	-	2,917,509.71	2,917,509.71	2,917,509.71	2030	
2031	1,138,955,152.00	-	37,016,042.00	1,175,971,194.00	(586,894,157.00)	589,077,037.00	37,271,057.00	551,805,980.00	0.558270	-	3,018,955.90	3,018,955.90	3,018,955.90	2031	
2032	1,175,971,194.00	-	38,219,064.00	1,214,190,258.00	(605,968,217.00)	608,222,041.00	37,271,057.00	570,950,984.00	0.558270	-	3,123,699.10	3,123,699.10	3,123,699.10	2032	
2033	1,214,190,258.00	-	39,461,183.00	1,253,651,441.00	(625,662,184.00)	627,989,257.00	37,271,057.00	590,718,200.00	0.558270	-	3,231,846.45	3,231,846.45	3,231,846.45	2033	
2034	1,253,651,441.00	-	40,743,672.00	1,294,395,113.00	(645,996,205.00)	648,398,908.00	37,271,057.00	611,127,851.00	0.558270	-	3,343,508.58	3,343,508.58	3,343,508.58	2034	
2035	1,294,395,113.00	-	42,067,841.00	1,336,462,954.00	(666,991,082.00)	669,471,872.00	37,271,057.00	632,200,815.00	0.558270	-	3,458,799.74	3,458,799.74	3,458,799.74	2035	
2036	1,336,462,954.00	-	43,435,046.00	1,379,898,000.00	(688,668,292.00)	691,229,708.00	37,271,057.00	653,958,651.00	0.558270	-	3,577,837.86	3,577,837.86	3,577,837.86	2036	
		\$ 401,312,140.00	\$ 566,256,363.00									\$ -	\$ 42,233,998.40	\$ 42,233,998.40	
<u>Existing Value Growth Factors</u>															
Base Model Growth Factor				3.25%	Participation Level							100%			
Growth Factor Above Base				0.00%	Tax Rate Growth Factor							0.00%			
Combined Growth Rate				3.25%	Tax Rate Collection Factor							98.00%			

¹ Based on the Tax Year 2016 Values. The Tax Increment Base for the TIRZ will be the total value of all real property taxable by the City and located in the TIRZ, determined as of January 1, 2017. These values are subject to the appeals and certification of the 2017 appraisal roll.

**Hemisfair
Tax Increment Reinvestment Zone #34
Reimbursements**

Tax Year	Actual	Projected	Cumulative	TIF Fund Interest Rate	Actual	Projected	Actual	Projected	Actual	Projected	Projected	Fiscal Year Cash flow Balance	Fiscal Year Fund Balance	Fiscal Year
	Tax Increment Revenues	Tax Increment Revenues	Tax Increment Revenues		Interest Earned in TIF Fund	Designation Fee ¹	Administrative Fees ¹	Available for Other Eligible Reimbursements ^{2,3}						
2017	\$ -	\$ -	\$ -	1.6250%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2017
2018	-	6,627.13	6,627.13	2.6250%	-	-	-	(6,627.13)	-	-	-	-	-	2018
2019	-	13,469.64	20,096.77	3.4375%	-	-	-	(13,469.64)	-	-	-	-	-	2019
2020	-	20,534.54	40,631.31	3.5000%	-	-	-	(20,534.54)	-	-	-	-	-	2020
2021	-	928,089.02	968,720.33	3.5000%	-	-	-	(9,368.69)	-	(128,126.27)	(790,594.06)	-	-	2021
2022	-	1,163,888.34	2,132,608.67	3.5000%	-	-	-	-	-	(120,000.00)	(1,043,888.34)	-	-	2022
2023	-	1,882,585.35	4,015,194.02	3.5000%	-	-	-	-	-	(120,000.00)	(1,762,585.35)	-	-	2023
2024	-	2,372,480.89	6,387,674.91	3.5000%	-	-	-	-	-	(120,000.00)	(2,252,480.89)	-	-	2024
2025	-	2,456,213.66	8,843,888.57	3.5000%	-	-	-	-	-	(120,000.00)	(2,336,213.66)	-	-	2025
2026	-	2,542,667.73	11,386,556.30	3.5000%	-	-	-	-	-	(120,000.00)	(2,422,667.73)	-	-	2026
2027	-	2,631,931.56	14,018,487.86	3.5000%	-	-	-	-	-	(120,000.00)	(2,511,931.56)	-	-	2027
2028	-	2,724,096.47	16,742,584.33	3.5000%	-	-	-	-	-	(120,000.00)	(2,604,096.47)	-	-	2028
2029	-	2,819,256.73	19,561,841.06	3.5000%	-	-	-	-	-	(120,000.00)	(2,699,256.73)	-	-	2029
2030	-	2,917,509.71	22,479,350.77	3.5000%	-	-	-	-	-	(120,000.00)	(2,797,509.71)	-	-	2030
2031	-	3,018,955.90	25,498,306.67	3.5000%	-	-	-	-	-	(120,000.00)	(2,898,955.90)	-	-	2031
2032	-	3,123,699.10	28,622,005.77	3.5000%	-	-	-	-	-	(120,000.00)	(3,003,699.10)	-	-	2032
2033	-	3,231,846.45	31,853,852.22	3.5000%	-	-	-	-	-	(120,000.00)	(3,111,846.45)	-	-	2033
2034	-	3,343,508.58	35,197,360.80	3.5000%	-	-	-	-	-	(120,000.00)	(3,223,508.58)	-	-	2034
2035	-	3,458,799.74	38,656,160.54	3.5000%	-	-	-	-	-	(120,000.00)	(3,338,799.74)	-	-	2035
2036	-	3,577,837.86	42,233,998.40	3.5000%	-	-	-	-	-	(120,000.00)	(3,457,837.86)	-	-	2036
	\$ -	\$ 42,233,998.40			\$ -	\$ -	\$ -	\$ (50,000.00)	\$ -	\$ (1,928,126.27)	\$ (40,255,872.13)	\$ -	\$ -	

¹ Designation Fee of \$50,000, due once designated, and annual administrative expenses of the lesser of 20% of the Fiscal Year increment or \$120,000. Both are anticipated to be paid when increment is available.

² Subject to change. The Hemisfair TIRZ can reimburse eligible reimbursements to be approved by the Hemisfair TIRZ Board.

³ Any amount not spent on Eligible Reimbursements will remain in the fund balance.

**Hemisfair
Tax Increment Reinvestment Zone #34
Designation Fee & Annual Administrative Fees**

Tax Year	Projected Tax Increment Revenues	Projected Annual Administrative Fees	Fiscal Year
	\$ -	-	2017
2017	-	-	2018
2018	6,627.13	1,325.43	2019
2019	13,469.64	2,693.93	2020
2020	20,534.54	4,106.91	2021
2021	928,089.02	120,000.00	2022
2022	1,163,888.34	120,000.00	2023
2023	1,882,585.35	120,000.00	2024
2024	2,372,480.89	120,000.00	2025
2025	2,456,213.66	120,000.00	2026
2026	2,542,667.73	120,000.00	2027
2027	2,631,931.56	120,000.00	2028
2028	2,724,096.47	120,000.00	2029
2029	2,819,256.73	120,000.00	2030
2030	2,917,509.71	120,000.00	2031
2031	3,018,955.90	120,000.00	2032
2032	3,123,699.10	120,000.00	2033
2033	3,231,846.45	120,000.00	2034
2034	3,343,508.58	120,000.00	2035
2035	3,458,799.74	120,000.00	2036
2036	3,577,837.86	120,000.00	2037
	\$ 42,233,998.40	\$ 1,928,126.27	
	Designation Fee	\$ 50,000.00	2017
	Total ¹	\$ 1,978,126.27	

¹ Designation Fee of \$50,000, due once designated, and annual administrative expenses of the lesser of 20% of the Fiscal Year increment or \$120,000. Both are anticipated to be paid when increment is available.

**Hemisfair
 Tax Increment Reinvestment Zone #34
 Participation**

Taxing Entity	Tax Rate	Level of Participation	Tax Rate Based on Participation	% of Project	Tax Increment Revenues	TIF Expenses
City of San Antonio ¹	\$ 0.55827	100%	\$ 0.55827	100.00%	\$42,233,998.40	\$ 42,233,998.40
Total	\$ 0.55827		\$ 0.55827	100.00%	\$42,233,998.40	\$ 42,233,998.40

¹ Tax Increment Revenues exclude Interest Earned in TIF Fund.

**Hemisfair
 Tax Increment Reinvestment #34
 Collections**

Taxing Entity	Maximum Length of Contribution	Maximum Dollar Contribution	Tax Increment Revenues Collected	Remaining / (Refund)
City of San Antonio ^{1,2}	09/30/2037	N/A	\$ -	N/A
Total		N/A	\$ -	N/A

¹ Tax Increment Revenues excludes Interest Earned in TIF Fund.

² Hemisfair TIRZ is a City Initiated TIRZ, and therefore doesn't have a Maximum Dollar Contribution.

**Hemisfair
Tax Increment Reinvestment Zone #34
New Values**

Tax Year	Northwest Quadrant		Southwest Corner	Eastern Quadrant		Easternmost	Labor Street	Annual Total	Fiscal Year
	220 S. Alamo	200 E. Market	300 S. Alamo	500 Hemisfair	700 Hemisfair	900 Hemisfair	200 N. Labor		
2017								\$ -	2017
2018								\$ -	2018
2019								\$ -	2019
2020								\$ -	2020
2021	\$ 76,987,271	\$ 87,562,613						\$ 164,549,884	2022
2022			\$ 36,375,000					\$ 36,375,000	2023
2023						\$ 36,375,000	\$ 86,863,500	\$ 123,238,500	2024
2024				\$ 14,550,000	\$ 62,598,756			\$ 77,148,756	2025
2025								\$ -	2026
2026								\$ -	2027
2027								\$ -	2028
2028								\$ -	2029
2029								\$ -	2030
2030								\$ -	2031
2031								\$ -	2032
2032								\$ -	2033
2033								\$ -	2034
2034								\$ -	2035
2035								\$ -	2036
2036								\$ -	2037
	<u>\$ 76,987,271</u>	<u>\$ 87,562,613</u>	<u>\$ 36,375,000</u>	<u>\$ 14,550,000</u>	<u>\$ 62,598,756</u>	<u>\$ 36,375,000</u>	<u>\$ 86,863,500</u>	<u>\$ 401,312,140</u>	