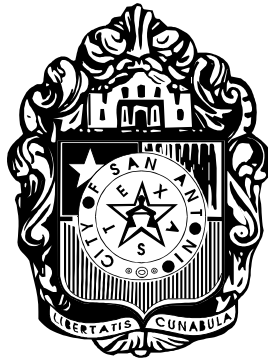


**FINAL PROJECT PLAN
FOR**

**REINVESTMENT ZONE NUMBER TWELVE
CITY OF SAN ANTONIO, TEXAS**

“Lackland Hills”



**Prepared by:
City of San Antonio**

November 22, 2005

TABLE OF CONTENTS

- I. EXECUTIVE SUMMARY
- II. PROJECT PLAN
 - A. Project Plan Objectives
 - B. Location
 - C. Land Use & Existing Conditions
 - D. Project Details
- III. ECONOMIC FEASIBILITY
- IV. BOARD OF DIRECTORS
- V. EXHIBITS
 - A. Universal Design Policy Ordinance
 - B. Vicinity/School Districts Map
 - C. Boundary/Flood Plain Map
 - D. Existing Land Use Map/Master Site Plan

I. EXECUTIVE SUMMARY

The City of San Antonio’s Tax Increment Reinvestment Zone No. Thirteen (“TIRZ” or “Zone”) created on December 13, 2001 through ordinance 95055, will help facilitate the development of an approximately 39.006-acres of land, of which will contain approximately 184 single-family homes with estimated sales prices ranging from \$87,000 to \$94,000. The residential subdivision is known as Lackland Hills. The planned development will have 4000 square foot lots.

The proposed Lackland Hills development is located inside Loop 410 in the southwestern portion of the city within City Council District 4. The developer of the property is Lackland Hills Joint Venture and is requesting the City of San Antonio and Bexar County to participate in the TIF.

The proposed public infrastructure improvements for this project include: site work, drainage, street & approaches, sewer, water, electric, streetlights, platting fees, and water impact fees. The costs for this project are as follows:

Project Cost	
Total Infrastructure	\$1,696,850
Financing Cost	\$1,010,002
Total Project Cost	\$2,706,852
Total Admin. Expenses	\$435,000
Grand Total	\$3,141,852

The Lackland Hills Joint Venture has arranged the financing for this project through private funding sources for all infrastructure and site improvements.

The Board of Directors for Lackland Hills Tax Increment Reinvestment Zone No. Thirteen met on November 22, 2005, and approved the Final Project Plan and Final Financing Plans. The life of the Tax Increment Reinvestment Zone (TIRZ) is projected to be 24.81 years with the TIRZ being in existence through fiscal year 2026.

In summary, the proposed Lackland Hills TIRZ will enable the developer to construct 184 affordable and market rate single-family homes. Additionally, the TIRZ will enhance the quality of life for the residents of the neighborhood, and the City will gain a self-sustaining single-family neighborhood in an area that would not otherwise be developed.

II. PROJECT PLAN

A. Project Plan Objectives

The Lackland Hills Project Plan describes project goals and details, and demonstrates how the TIRZ project complies with the City of San Antonio's Master Plan, Universal Design, the Unified Development Code, TIF Guidelines, and other City codes, ordinances and policies.

SCRUB TEAM

An interdepartmental team has evaluated this application for project viability and feasibility. This team coordinated with the developer, neighborhood organizations, and the Neighborhood Action Department to gather and evaluate information, and ensure that the project meets City goals. The City departments that performed the analysis of the Lackland Hills project were: City Attorney's Office; Development Services, Environmental Services, Finance, Fire, Neighborhood Action, Office of Management & Budget, Parks & Recreation, Planning, and Public Works.

MASTER PLAN GOALS

The promotion of targeted infill housing in neighborhoods, particularly older neighborhoods located inside Loop 410 is highly encouraged by the Master Plan (Housing: Policy 4a).

In keeping with the Master Plan, the City has worked with developers in past projects to create design guidelines for appropriate infill. These design guidelines are developed to "complement the architectural design and character of the neighborhood" when designing new housing (Neighborhoods: Policy 4a). In the Lackland Hills project, the new homes are built to correspond with the exterior materials, average home sizes, garage options, and porch design of surrounding neighborhoods.

UNIVERSAL DESIGN

The Master Plan also calls for efforts to facilitate the provisions of choice in housing for special needs populations (Neighborhoods: Policy 4d). Efforts to meet this policy may include ensuring homes are visitable or easily adaptable to disabled persons. Policy 4i requires the community to explore the full range of options to allow people to remain in their homes throughout their lives. The Fair Housing Act Amendments of 1988 and Section 504 of the Rehabilitation Act of 1973 complement the Master Plan Policies by requiring accessibility in all new multi-family housing. An even stronger incentive for assuring housing is universally designed to allow all people to live in the neighborhood of their choice is Senate Bill 623. This legislation requires that all single family affordable housing funded in whole or in part by state or federal funds must be designed to be universally usable to all people regardless of age or disability. The necessary design guidance to achieve this part of the legislation became effective September 1999.

The Lackland Hills project must comply with the Universal Design Policy as shown in Exhibit A: Universal Design Policy Ordinance. The City of San Antonio adopted a Universal Design Policy (Ord. No. 95641) on April 18, 2002, requiring that any person receiving financial assistance from city, state, or federal funds administered by the City of San Antonio for the construction of new single family homes, duplexes, or triplexes, shall construct the units in accordance with specific features including entrance with no

steps, wider doorways (2' 8"), lever door handles, lever controls on kitchen and lavatory faucets, and light switches and electrical receptacles within reachable height.

UNIFIED DEVELOPMENT CODE (UDC)

This project must meet all provisions of the UDC. To comply with the UDC, the project is reviewed and approved by all appropriate agencies at various stages, from initial master planning through platting, plan review, permitting and inspections.

TIF GUIDELINES

The City of San Antonio is dedicated to the revitalization of inner-city neighborhoods and commercial districts, particularly in those areas located inside Loop 410 and south of Highway 90, by using a tiered system of incentive tools, such as Tax Increment Financing (TIF). A TIF project should act as an economic stimulus to the surrounding areas. By leveraging private investment for residential and commercial development within a targeted area, TIF can be a tool used to assist in financing needed public improvements and enhancing infrastructure. Since this project was designated on December 13, 2001, it must comply with the 2000 TIF Guidelines.

The City of San Antonio has adopted a position to encourage the provision of safe, decent, comfortable, and affordable housing as a reality for all the citizens of San Antonio. The TIF provides a mechanism that promotes the city's housing goals by providing reimbursement to the developer for public improvements related to the construction of residential or commercial developments that meet delineated criteria as set forth in the application. It is hoped that utilization of a TIF would buy down costs for the developer encouraging development that would not otherwise have happened given existing conditions.

Lackland Hills meets the TIF Guidelines because of its location in Level 2, inside Loop 410; and by because of its nature as an infill project that supports community revitalization in a neglected area. The City will participate up to 100% for TIRZ that include residential development, business parks for targeted industries, office development, and retail/commercial development in Level 2. The Lackland Hills TIRZ, as a residential project, will provide the financing for infrastructure improvements needed to develop 184 single-family homes on the southwest side of San Antonio.

TIRZ BOARD

TIRZ Board responsibilities are to provide direction to the TIF Unit on issues related to TIRZ project and ensure that the developer provides accurate and quarterly reports (project status reports) to the TIF Unit (due the 15th of October, January, April and July or the first business day thereafter) that includes, but are not limited to: copies of publicly bid documents for public improvements, detailed invoices related to project costs, disclosure of any relevant changes in project, ownership, financial stability, or any anticipated assignment. Furthermore, a TIRZ Board must comply with Robert's Rules of Order, all City resolutions, and Ordinances for Boards and Commissions.

B. Location

Lackland Hills TIRZ is located in the southwest quadrant of the city, about 8.5 miles west of downtown San Antonio and within close proximity to Loop 410. The TIRZ lies within City Council District 4 and within the boundaries of the South San Antonio and Southwest Independent School Districts. The TIRZ is roughly bounded by Medina Base Road to the north; Palm Valley to the west; Apple Valley Drive to the south; and an old abandoned railroad spur right of way (ROW) to the east.

Access to Unit 1 of the zone is provided Palm Valley Dr. and Apple Valley Dr. Access to Unit 2 of the zone is provided through Medina Base Road and a stub out will be located off of the railroad spur ROW located on the east.

The location of the zone is shown in Exhibit B: Vicinity/School Districts Map. The boundaries of the zone are shown in Exhibit C: Boundary/Floodplain Map.

EMERGENCY SERVICE PROVISION

The San Antonio Fire Department has, through its planning efforts, attempted to maintain a satisfactory level of emergency response across the entire city. The goal is to locate facilities so as to position the first arriving pumper truck within 4.25 minutes travel time to 90% of all city blocks. The Lackland Hills TIRZ Project is located in an area that is currently served by the San Antonio Fire Department with existing resources. Fire Station number 36 will serve the Lackland Hills zone

C. Land Use and Existing Conditions

SURROUNDING LAND USE

The land uses surrounding the TIRZ are primarily residential and public land. The Lackland City subdivision consists of single-family homes built between 1960 and 1980. The existing land uses of the zone are shown in Exhibit C: Existing Land Use Map.

- West, East and South: Lackland City Subdivision surrounds the TIRZ
- North: Indian Creek City Park and Lackland Air Force Base

CURRENT ECONOMIC CONDITIONS

The TIRZ is located in Census Tract 1615.02. According to the 2000 Census, the population of this tract is 6,893. The median household income for this tract is \$31,869. Thirty-percent (30%) of the households in this Census tract had an income that was less than \$19,999 and 23% of the population were below the poverty level.

LAND AND IMPROVEMENT VALUES

In 1990 the median housing value in Census tract 1615.02 was \$37,900 and it grew to \$43,400 in 2000, a 14% increase. In comparison the City's median housing value was \$49,700 in 1990 and it grew to \$68,800 in 2000, a 38% increase. The median housing value in the project's census tract has grown slower than the City as a whole.

According to the 2000 Census, about 69 percent of the housing in the census tract was owner-occupied compared to 58 percent for the city as a whole.

CURRENT ZONING

On February 18, 2005, the TIRZ zone was classified R-4 (Residential Single-Family).

ENVIRONMENTAL CONDITIONS

As part of the application process, the developer provided a Phase I Environmental Site Assessment (ESA) for the project site by Neathery Environmental Services, 900 NE Loop 410 Suite D-315 San Antonio, TX 78209. Based on the report, the assessment concluded the following:

- “There is significant amount of debris in portions of the SITE. The debris at the SITE consisted of carpet, mattresses, wood, sheet rock, roofing material, floor tile, concrete, a car fender, a large piece of unidentified metal, a slide from a swing set, barbeque pits, a door, a fiberglass tub enclosure, wire cable clothes, garden hose, glass, hubcaps, bottles, cans and paper.”
- “Some the roofing material and some of the floor tile may contain asbestos. Asbestos was commonly used in the floor tile and the mastic used to glue the floor tile to the concrete. Asbestos was also used in the tar found on some roofing materials.”
- “There is a portion of the SITE that is located within the 100 year flood plain. Evidence of significant flooding was observed in the field

“Neathery Environmental Services did not find any other significant environmental conditions on the SITE or on adjacent properties that would adversely impact the SITE. Based on the results of this assessment, Neathery Environmental Services would recommend proper removal and disposal of the debris. Upon removal of the debris Neathery Environmental Services would assign a low level of environmental risk to the SITE.”

D. Project Details

The project site consists of 39.006 acres of vacant land. The project proposes to construct 184 single-family units over three phases commencing in 2005 and completing in 2006. The average sales price of the homes is \$90,500 with lot sizes of 4,000 square feet.

The Project Plan and the Financing Plan will allow the developer to request reimbursement for site work, drainage, streets and approaches, sewer, water, electric, street lights, platting fees, sewer impact fees, water impact fees and some soft costs.

APPLICANT/DEVELOPER

Lackland Hills Joint Venture is the applicant and developer for this TIRZ. The contact for Lackland Hills Joint Venture is Gordon Woods, partner in the local homebuilding company Famco Construction, Inc.

NEIGHBORHOOD ASSOCIATIONS, LOCAL ORGANIZATIONS, AND TAXING ENTITIES

As part of project development, the South San Antonio Independent School District has been kept abreast of the project’s progress. Statutory Presentations were made to: Bexar County, the Alamo Community College District, and the South San Antonio ISD. The need for community involvement in the development of infill projects is stressed in the

City's Master Plan (Urban Design: Policy 1d). The project developer will continue to provide for community involvement in the development of the project.

MASTER SITE PLAN

A creek divides the site into two unconnected residential pods, a western section and a northeastern section. The western residential section consists of 99 single-family lots and connects to existing streets Palm Valley and Walnut Valley. The northeastern section, 84 lots, connects to Medina Base Road and stubs out onto an undeveloped railroad ROW.

RELOCATION

The Plan does not call for the relocation or displacement of residents.

PARKS AND RECREATION

The development under the Lackland Hills project does not lend itself to the incorporation of a park within the proposed boundaries. This is due to the size of the development. The developer has chosen to pay a fee-in-lieu of dedicating parkland. This fee of \$10,697.91 will be due at the time of plat recordation.

STORMWATER

The developer was required to provide a drainage study and other reports to the City detailing the effects of drainage on site and the surrounding tracts and identifying the area on site currently located within the 100-year flood plain. After the developer agreed to redesign the onsite detention, Storm Water Engineering staff submitted comments recommending approval of the Lackland Hills project on November 26, 2002.

III. ECONOMIC FEASIBILITY

Important to the success of this particular residential development is its ability to capture a share of the local and regional growth as well as effectively compete with comparable product on a number of attributes. Reviewing the components of a project's economic feasibility includes trends that effect short and long term demand for this product. Economic and market factors reviewed include demographic and housing data, including existing housing conditions, sales, and new construction as well as population mobility. The scope of the analysis includes an analysis of these factors for the market area against the larger community. Data provided has been aggregated the census tract, sub-market, and citywide level.

The San Antonio Housing Trust Foundation completed the "Market Analysis for Affordable Single Family Housing in San Antonio's Inner City" study in January 2000. The study presents a collection of information that profiles the housing and market conditions for a targeted area, inside Loop 410 and south of Highway 90. According to the study, among the 60,086 renters and 14,122 target renter households within the targeted area in 1999 there is an estimated pool of 8,100 potential homebuyers from renters. This point is based on the availability of sufficient single-family housing stock. The median housing value for owner occupied units within the City is approximately \$68,800 while the Census tract where this project is located is \$43,400.

The City of San Antonio has adopted a position to encourage the provision of safe, decent, comfortable, and affordable housing as a reality for all the citizens of San Antonio. The TIF provides a mechanism that promotes the city's housing goals by providing reimbursement to the developer for public improvements related to the construction of residential or commercial developments that meet delineated criteria as set forth in the application. It is hoped that utilization of a TIF would buy down costs for the developer encouraging development that would not otherwise have happened given existing conditions.

The Lackland Hills Tax Increment Reinvestment Zone (TIRZ) proposed development will take place on the southwest side of San Antonio, inside Loop 410, off of Medina Base Road, encompassing roughly a 39.006 acre tract of land, where the developer will build an estimated total of 184 single-family units. The estimated sales price per home is \$87,000 to \$94,000 contingent on implementation of the TIRZ.

The area surrounding the development is primarily vacant. There are some developed subdivisions however; most were built over 30 years ago. There are other Tax Increment Zone Applications for at least three project sites.

It is the expectation of the developer to provide long-term improvements to the area by providing affordable and market rate housing to the local community, increased property values, and an injection of new homeowners in the area. Secondary benefits are expected from the additional housing will increase the possibility of new commercial and retail opportunities and in the long run create new jobs. Proposed improvements include infrastructure improvements for water and sewer lines, streets and drainage, sidewalks, street signs and street lights if needed.

MARKET AREA PROFILE

Population

	1990	2000
TIRZ	6,520	6,893
City	935,933	1,144,554

Change in Population Percentages

	1990-2000
TIRZ	6%
City	22%

Age

	1990	2000
0-17 yrs	39%	37%
18 - 64 yrs	58%	58%
65+ yrs	3%	5%

Educational Attainment

	TIRZ	City
Less than 12 th grade	35%	31%
H.S. Graduate	35%	24%
Some College	23%	27%
Bachelor Degree	6%	12%
Graduate + Degree	1%	6%

The city of San Antonio has been experiencing consistent growth in population of the past 30 years as well as a significant increase since 1980.

The area for the proposed Lackland Hills development has experienced only a slight increase in population over the last ten years, in part due to lack of available housing product. Recent investment in this area could promote an increase in population.

Figures indicate that more than half of the population is eligible members of an active workforce with income earning potential between the ages of 18 and 64 years of age.

The area surrounding the proposed development has a population where approximately 30% of all adults (25 yrs. and above) have achieved at least some secondary education.

The proposed Lackland Hills subdivision would be providing home prices estimated between \$87,000 to \$94,000 and would deviate slightly from current market activity promoting affordable housing. This effort would provide an infusion of new residents with higher education levels and thus be a catalyst for providing for the long-term sustainability of the subdivision.

IV. Lackland Hills TIRZ Board Members

(This roster will be updated as needed to reflect changes in membership and contact information.)

SIX (6) CITY APPOINTMENTS:

Frank Moreno
11339 El Sendero
San Antonio, TX 78233
(210) 922-5737
(210) 922-9599 fax
appointed 10/17/04

Ellen C. Moreno
11339 El Sendero
San Antonio, TX 78233
(210) 637-5516
(210) 599-7379 fax
appointed 10/17/04

Maria D. Reyes
4855 Casa Oro
San Antonio, TX 78233
(210) 656-0841
(210) 922-9599 fax
appointed 10/17/04

Donna Stewart
15 Walnut Grove
Boerne, TX 78006
(210) 558-2100
(210) 543-8553 fax
appointed 10/17/04

Gordon A. Woods
8227 Elm Glade
San Antonio, TX 78251
(210) 725-7840
(210) 543-8553 fax
appointed 10/17/04

Vacant Position

THREE (3) COUNTY APPOINTMENTS:

Pete Mireles
800 Vista Valet #105
San Antonio, TX 78216
(210) 260-9897
(210) 493-9916 fax

Moses Suarez
Bexar County Court House
100 Dolorosa, Suite 1.2
San Antonio, TX 78205
(210) 335-2611
(210) 335-2215 fax

Anastasia Valdes
Vista Verde Plaza
233 N. Pecos, Suite 420
San Antonio, TX 78207
(210) 335-3753
(210) 335-6755 fax

**STATE SENATOR & REPRESENTATIVE
(EX OFFICIO):**

The Honorable Frank Madla
State Senator, District 19
1313 SE Military Drive, Suite 101
San Antonio, TX 78214
(210) 927-9464
(210) 922-9521 (fax)
Capitol Phone: (512) 463-0119

The Honorable David M. Leibowitz
State Representative, House District 117
7323 Hwy 90W Suite 200
San Antonio, TX 78227
(210) 673-3236
Capitol Phone: (512) 463-0269
Capitol Fax: (512) 463-1608
Don Green, Designee
6454 Village Park
San Antonio, TX 78250
(210) 680-5701

V. Exhibits

- A. Universal Design Policy Ordinance
- B. Vicinity/School Districts Map
- C. Boundary/Flood Plain Map
- D. Existing Land Use map/Master Site Plan

