



CITY OF SAN ANTONIO

P.O. BOX 839966
SAN ANTONIO, TEXAS 78283-3966

April 13, 2012

Request for Proposal (RFP) for Inner City Tax Increment Reinvestment Zone Number 11 Development Projects dated February 3, 2012, due May 7, 2012.

ADDENDUM II:

The following questions were received in accordance with Section VIII, Restrictions on Communication. The questions are restated below, followed by the response:

Question 1 Dignowity Hill was not specifically mentioned as one of the neighborhood plans. Dignowity Hill has an approved NP. Is Dignowity Hill a part of this process?

Response: The link to the Dignowity Hill Neighborhood Plan/Eastside Reinvestment Plan is listed on page 5 of the RFP. The boundary of that plan is partially within the TIRZ boundary. Projects within the Dignowity Hill Boundary should implement one or more of the priorities listed for that plan, in addition to meeting the general criteria listed in the RFP.

(http://www.sanantonio.gov/planning/npud/dignowityHill/pdf/DignowityHillNP_FinalDec2009.pdf)

Question 2 Clarification: The number of copies being requested is 9

Response: The number of copies is identified on page 17 of the RFP - Section VII A

Question 3 Can the audio of the March 23rd pre-submittal conference be emailed?

Response: Yes, please email Debra Ordaz with the request.

Question 4 Is there a listing of the Board Members?

Response:

1. Councilwoman Ivy Taylor, Dist 2
2. Mario Salas, Vice-Chair
3. Councilman Diego Bernal, Dist 1
4. Councilman David Medina, Jr., Dist 5
5. Aurora Sanchez
6. Commissioner Tommy Adkisson
7. *Vacant*
8. Melvin L. Braziel
9. James Howard

10. Larry Keller
11. Laura Dixon
12. Denver McClendon
13. *Vacant*
14. Kathleen Vale
15. Troy Elliott

Question 5 Is there a list of pre approved TIRZ projects?

Response: Click http://www.sanantonio.gov/planning/TIF/PDFs/Innercity_projectplan_T11.pdf on for a full listing of approved projects.

Question 6 What is the current TIRZ Number 11 Fund Balance?

Response: As of April 9, 2012 the estimated ending fund balance (surplus) after all obligations is \$4.6 million. This is only a projection and is subject to change. The award amount and the number of projects to be selected will be determined by the TIRZ Board once project proposals are received and reviewed.

Question 7 Is there a maximum dollar amount for projects?

Response: No, at this time there is not a maximum on the dollar amount or the number of projects to be selected. Both will be determined by the TIRZ Board once projects are received.

Question 8 If an applicant has 3 projects and Council selects all 3 will the applicant be required to pay 3 different Processing Fees of \$40,000.00?

Response: Staff will need to review on a case by case basis if multiple projects by one entity are selected by Council.

Question 9 What is the current expected amortization period for a project?

Response: Once a project is selected, a payment schedule is negotiated in the Development Agreement.

Question 10 Does the City guarantee full reimbursement of a project after the expiration of the TIRZ?

Response: No, City funds will be used or offered as a guarantee, once a TIRZ has expired payments to that point would stop. However, the life of a TIRZ may be extended in accordance with the TIF Act and at the discretion of City Council and the governing body of any participating taxing entity.

Question 11 I read through the TIRZ manual and have a couple of questions regarding eligibility as follows:

On page 3 paragraph 1 of the TIRZ Manual, it states that the RFP seeks catalyst projects that will

- 1) generate TIRZ Fund revenue,

- 2) implement the goals of previous planning studies which incorporate parcels from the Inner City TIRZ, and
- 3) meet the special development use patterns in compliance with the current 2008 TIF Manual adopted by the City Council on October 16, 2008.

Item 1 concerns me that, as a public entity, the University Health System relies primarily on tax revenue to fund its operation. Since we are a taxing entity, we do not pay property taxes so we would not generate tax revenue for the Downtown TIRZ. That is one of the key qualities of projects considered by the TIRZ board.

On page 3, paragraph 3, it says “By leveraging private investment for certain types of development within a targeted area, TIF can assist in financing needed public improvements and enhancing infrastructure. A TIRZ should act as an economic stimulus to the neighborhoods, districts and corridors within and surrounding the zone. Again, my concern is that we have no private funding in our development so the 1 to 5 ratio does not exist. Again, as a public entity, we have no private investment in our CIP.

Please advise me if any of our publicly funded projects might be considered as a qualifying project. You can either call me on my cell phone or reply to this email.

Response: The purpose of the one to five public to private ratio is increase private investment within the TIRZ boundary. For every one dollar of public investment a project should have minimum of five dollars of private investment. Projects with a higher ratio of private investment will be scored favorably in the “Financial Information” category of the evaluation. The deadline for questions to the RFP contact person is **April 16th, 2012 at 3:00 p.m.** All questions received by that deadline and the responses will be posted on an addendum.

Question 12 Is 213 Lotus in the TIRZ?

Response: No, 213 Lotus is one parcel outside the Zone.

Question 13: Where can we locate the RFP Word documents?

Response: The RFP Word documents are on the City’s website for Bidding and Contract opportunities at <http://www.sanantonio.gov/RFPListings/Content.aspx?id=1476>

Question 14 Is the reference on page 33 to the City’s Master Plan suggesting the SA 2020 Master Plan?

Response: No. Adopted in 1997 the City’s Master Plan Policies are intended to provide guidance in the evaluation of future decisions on land use, infrastructure improvements, transportation, and other issues, and ordinances that are proposed and considered after the adoption of the Master Plan Policies should be consistent with the relevant goals and policies contained in the Plan. The Master Plan can be reviewed at http://www.sanantonio.gov/planning/npud/MasterPlan/pdf/master_plan.pdf

Question 15 Regarding the 1 to 5 public to private ratio, please provide the math on that?

Response: If the project is six million dollars then the applicant would have a minimum of five million dollars in private investment.

Question 16 If a project is receiving funding from the State or Federal level are those considered

Public dollars?

Response: Yes, any funding from local, State or Federal government is considered Public.

Question 17 Coming in as a consortium the background and experience of the members will need to be in the documents, but will the legal documents be signed by the Lead Agency?

Response: Yes, the Lead Agency should gather all of the information pertaining to the application and will submit and sign for the consortium.

Question 18 There are references to the 2006 TIF Manual. Is that a typo?

Response: Yes, the correct guidelines are actually the 2008 TIF Manual.

http://www.sanantonio.gov/planning/TIF/PDFs/08%20TIF%20Manual%20Council_FINAL_%202-5-09.pdf

Question 19 If we want to relocate a sewer line and update the water and sewer lines will that be an eligible cost?

Response: Yes, relocating a sewer line and upgrading the lines would be considered a part of eligible construction costs.

Question 20 Is Victoria Commons located in the Lavaca Neighborhood Plan and can reference be made to the Plan?

Response: Yes, Victoria Commons is in the Lavaca Neighborhood Plan and any support from Lavaca can be included in the application.

Question 21 Historically, how much has been awarded to TIRZ projects in the Inner City TIRZ?

Response:

Eastside Sport Complex	\$1,832,992
Victoria Commons	\$3,362,169
Staybridge Hotel	\$1,000,000
Barrio Comprehensive	\$1,700,000
Quiet Zone	\$587,070
Eastside Cemeteries	\$152,787
Hays Street Bridge	\$200,000
SouthTown	\$694,002
University of the Incarnate Word	\$1,242,220
1511 E. Commerce	\$153,000
Friedrich Soft Costs	\$100,000
E. Thurman Walker Senior Living	\$700,000
VIA Ellis Alley	\$560,000
Total Awards for Projects	\$12,284,386

Question 22 Once the applications have been received and selected how long will it take for the funding to flow?

Response: The funding of projects is on a reimbursement basis. Tax Increment is received on an annual basis in March with a small amount in August. Once received the City reimburses projects based on a priority of payments schedule which is outlined on a payment schedule in each Development Agreement. A proposed payment schedule is negotiated up front with the Development Agreement for each individual project.

Question 23 RE: Request for Proposal (RFP), Tax Increment Reinvestment Zone (TIRZ) Reimbursable Costs, RFP EXHIBIT 1, TIF Eligible Cost, Real Property, page 40.

In preparation for the construction of a new development center, several real property actions were completed during the timeframe 2010 through 2012 to include:

1. Acquisition
2. Demolition
3. Clearing and grading of land
4. Surveying
5. Replat of properties
6. Architectural planning/engineering
7. Legal services

If given approval as a TIRZ applicant, can an applicant claim any or all of the above cited real property development actions as reimbursable?

Response: No, any work performed prior to contract execution is deemed ineligible.

Question 24 Can the RFP due date be extended to May 21, 2012 to allow applicants the opportunity to leverage potential funding derived from the 2012 Bond election?

Response: The Department of Planning and Community Development will discuss the request with the Chair of the Inner City TIRZ and seek direction. If an extension is granted, an addendum will then be sent out announcing the new date and time.