

**CITY OF SAN ANTONIO
NEIGHBORHOOD ACTION DEPARTMENT
CITY COUNCIL AGENDA MEMORANDUM**

TO: Mayor and City Council

FROM: David D. Garza, Director, Neighborhood Action Department

SUBJECT: Appointments to Tax Increment Reinvestment Zone Board Number
Twenty-One – Heathers Cove

DATE: May 5, 2005

SUMMARY AND RECOMMENDATIONS

This ordinance will appoint Kimberly Lynn Bush, William O. Sagoonik, Gabriel Ioane Wiltz and Lori Deane Wiltz to the Board of Directors for Tax Increment Reinvestment Zone Number Twenty-One (21), City of San Antonio, Texas, known as Heathers Cove, for two-year terms beginning January 1, 2005. This ordinance will also provide for waivers, for these terms only, of Section 2-402 of the City Code regarding the process for at-large appointments for these appointees, and of Section 2-403(c) of the same article regarding the City residency requirement for William O. Sagoonik. Pursuant to Ordinance Number 100187, passed and approved on December 16, 2004, City Council authorized the designation of the Heathers Cove reinvestment zone to support new housing development on approximately 47.002 acres of land located in the southwest section of the City, on the northwest corner of Southwest Loop 410 and Medina Base Road. Each year the board of directors of a reinvestment zone shall elect one of its members to serve as presiding officer for a term of one year.

Staff recommends approval of this ordinance.

BACKGROUND INFORMATION

Soon after Board appointments are approved by the City Council, the Board will convene to consider the Final Project and Final Finance Plans and to complete the TIRZ creation process by executing all the necessary legal documents.

This Reinvestment Zone was designated following the submission of a petition to the City by property owners in the proposed zone. When the City designates a TIRZ, the TIF Act requires that the City Council establish a reinvestment zone board of directors. Amended in 2001, the TIF Act states that the board of directors of a TIRZ created pursuant to a petition shall consist of at least nine (9) members, unless a greater number is necessary to comply with the statute. The TIF Act provides a formula for calculating the number of seats an entity may have based on its anticipated pro rata contributions to the zone fund.

In compliance with the formula for board composition in the Act, the board is composed of five (5) directors appointed by the City for two-year terms and two (2) directors appointed by Bexar County. Additionally, the State Senator and State Representative in whose districts the zone is located shall also be members of this Board, except that either may designate another individual to serve in the member's place at the pleasure of the member. In the event that other taxing entities wish to participate by contributing their increment to the TIRZ Fund or that the City wishes to appoint all the directors to which it is entitled (up to a total of seven (7)), the Board composition will be adjusted up to eleven (11) board members, with appointments based on a pro-rata share of the total projected revenue. All appointees will continue to serve until reappointed or replaced by City Council action, or else removed for noncompliance by the City Clerk. State law prescribes that to be eligible for appointment, a person must: "(1) be a qualified voter of the municipality; or (2) be at least 18 years of age and own real property in the zone or be an employee or agent of a person that owns real property in the zone."

POLICY ANALYSIS

On December 16, 2004, City Council passed and approved Ordinance Number 100199, which governs the creation and operation of all boards and commissions created by ordinance or resolution passed by the City of San Antonio City Council. It has been the City's policy, and continues to be, that the boards and commissions policies of the City of San Antonio apply to TIRZ Boards, except as provided otherwise by state law.

Due to the unique nature of TIRZ boards, and in an effort to comply with the amended City Code, staff requests that for these terms only, these appointees to this board be exempted from Section 2-302 of the City Code, regarding the process for at-large appointees to boards and commissions, and William O. Sagoonik be exempted from Section 2-403(c), regarding the requirement that all board appointees be residents of the City.

While TIRZ Board members by state law are not City officials, it is City policy to require them to comply with the Financial Disclosure Report statement provision of the City Ethics Code. All board and commission members must file a Financial Disclosure Report with the Office of the City Clerk upon appointment, and annually thereafter, throughout the member's term and any possible holdover status. Failure to file a Financial Disclosure Report within the time required by the City Ethics Code will be considered an automatic removal.

Staff advertised for Applications for Appointment to TIRZ Boards in January 2005. Four (4) applications were received. All applicants meet Statutory requirements. The four (4) applicants are:

Applicant

Kimberly Lynn Bush
William O. Sagoonik
Gabriel Ioane Wiltz
Lori Deane Wiltz


These appointments will serve a term of two years that will begin retroactively on January 1, 2005 and expire on December 31, 2006.

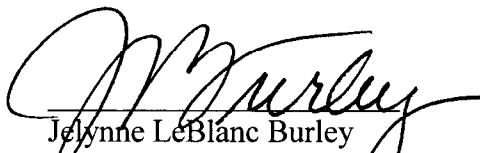
FISCAL IMPACT

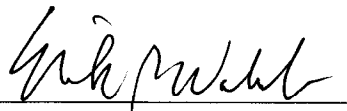
There is no fiscal impact associated with this item.

COORDINATION

This item has been coordinated with the City Attorney's Office and the City Clerk's Office.

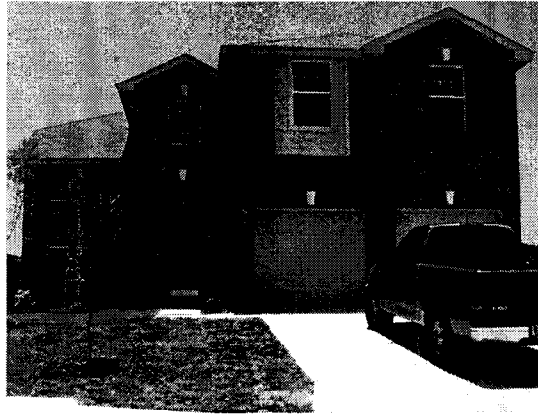

David D. Garza
Neighborhood Action Department


Jelynn LeBlanc Burley
Assistant City Manager

for 
J. Rolando Bono
Interim City Manager

Heathers Cove

Tax Increment Reinvestment Zone Number 21



BACKGROUND:

- **Designated:** December 16, 2004
- **Location:** Inside Loop 410 near Medina Base Road
- **Developer:** HLH Developments, LP
- **City Council District:** 4
- **Local School District:** Northside ISD, Southwest ISD
- **Bexar County Precinct:** 1
- **State Representative District:** 117
- **State Senator District:** 19
- **Proposed Developments:** 174 single-family homes
- **Zone Term:** 24.81 Years
- **Participating Taxing Entities:** City, Bexar County
- **Size:** 47 Acres

Construction Schedule

Year	Phase	Proposed Development Single-Family	Actual Development Single-Family
2004	I	59	30
2005	II	68	7
2006	III	47	0
2007	IV	Commercial 5.9 acres	
Total		174	37

- **Next steps:** Appoint TIRZ Board, TIRZ Board consideration of Final Project, Finance Plans and Legal documents, and City Council consideration of Final Project, Finance Plan and Legal documents.