



Project Outlook Overview

➤ Project

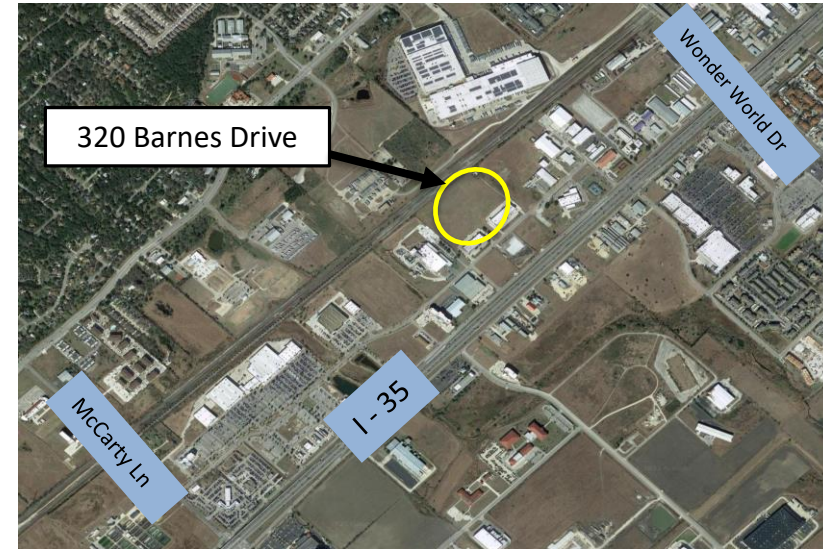
- Proposed speculative shell buildings to be located at 320 Barnes Drive
- Lease to light manufacturing, office, warehouse, showroom, and research & development users
- Total square footage of 135,000+ square feet
- Projected construction timeline is 3rd Quarter 2021 to 2nd Quarter 2022

➤ Estimated Investment

- \$14,000,000 in real property

➤ Incentive

- 3-year rebate of City real property tax; year 1 – 100%, year 2 – 75%, year 3 – 50%
- Incentive voids as buildings become leased; no incentive at 100% occupancy





Project Spec

Council approved in October 2020

➤ Project

- Three speculative shell buildings - 1551 Clovis Barker Rd.
- Lease to commercial, office, warehouse, and light industrial users
- Total square footage of 174,515
- Projected construction timeline is November 2020 to October 2021

➤ Incentive

- Same rebate structure as Project Outlook
- Developer received same incentive in 2013 - did not utilize because property leased

Update: 33% Leased before marketing



Missed Opportunities – FY21

- **Requests for Information received - unable to respond due to lack of existing properties in desired size range**
 - Existing facility in the 100,000 to 250,000 square foot range
 - Existing 125,000 sq. ft. facility
 - Existing 100,000 sq. ft. building
 - Existing expandable building of at least 250,000 sq. ft.
 - Minimum 100,000 to 200,000 sq. ft. manufacturing facility
 - Minimum 200,000 sq. ft. facility

Potential jobs, tax valuation, sales tax generation, economic activity



Project Outlook Incentive

➤ Estimated Incentive and Revenues

- 3-year rebate of real property tax - phase out as buildings are occupied

Year	1	2	3	4 and beyond	10 Year Total
Rebate (%)	100%	75%	50%	0%	
Rebate (\$)	\$12,280	\$31,490	\$36,150	\$0	\$79,920

City Revenue	\$0	\$19,050	\$44,700	\$92,750	\$713,010
SMCISD Revenue	\$26,280	\$89,870	\$154,730	\$189,370	\$1,596,430
Hays Co Revenue	\$7,800	\$26,670	\$45,920	\$56,190	\$473,740
Revenue Total	\$34,080	\$135,590	\$245,350	\$338,310	\$2,783,200

Economic Development San Marcos recommended approval (vote 9 to 1)

STAFF RECOMMENDS APPROVAL OF THIS INCENTIVE

sanmarcostx.gov