

SAN ANTONIO, TEXAS – Empowerment Zone Round III Application Summary

The San Antonio Empowerment Zone (EZ) designation represents a collaborative effort by the City of San Antonio and neighborhood groups and associations to reduce the level of poverty and improve the quality of life for EZ residents. According to their vision statement, they “*will achieve this by providing opportunities for education, jobs, neighborhood safety and revitalization, transportation and related social services support to make the neighborhoods within the Empowerment Zone ideal places in which to live, work and rear children and provide for sustainable community development.*”

The designated area consists of 20 census tracts, all having high poverty rates between 35% and 82%. The median household income of residents is \$10,273 and 60% of the residents are unemployed. As many as 28% of the residents do not speak English. The area has a high rate of teenage pregnancies and single-family households. With many homes substandard and the high numbers of abandoned properties, there are severe housing shortages in the area, which also continues to face long-term homeless problems. The closing of Kelly Air Force Base has further eroded the employment prospects of the nominated residents.

San Antonio introduced a Tax Incentive Utilization Plan (TIUP) that effectively maximizes the use of tax benefits authorized through EZ designation. It clearly demonstrates a strong understanding of how the tax incentives can benefit the Empowerment Zone area. The Plan also effectively describes how tax incentives will be used in the proposed Developable Sites. The specific merits of the TIUP are:

1. Provides a comprehensive linkage to EZ economic redevelopment strategies – describes strategies for promoting economic development in the EZ
2. Excellent marketing approach for tax utilization – identifies direct and indirect marketing strategies for targeted industries, local businesses and EZ residents
3. Effective performance measurement strategy – illustrates the applicant’s proposed monitoring process to ensure that job creation and business investment goals are met
4. Incorporates new EZ tax incentives – describes the agencies and organizations that will help with implementation
5. Bundles EZ tax incentives with existing economic incentives – provides a description of the existing state and local economic incentives that will be used in conjunction with EZ incentives

*San Antonio is currently a Round I Enterprise Community