

# Does Your Rent Or Property Tax Increase Every Year?

Tax breaks for developers are partly to blame.

By Rebecca Flores

Did you know that 5 San Antonio City Council members who are on the board of the Public Facility Corporation (PFC) having absolute and final voting power, give developers MILLIONS of \$\$ in property tax exemptions? (Note: The PFC is just one of many city committees that giveaway our property taxes to developers.)

They do this in the name of “affordable” housing, BUT of 3,406 apartments built from 2015 to 2020 under this giveaway program, only 69 were affordable for families earning up to \$39,000 a year—or \$20/hr—the rest are for people earning \$57,000/year or more! Our minimum wage is \$7.25/hr or \$15,080 per year.<sup>1</sup>

And, none of these buildings pay property taxes! For example: The Baldwin located on Center St. east of I-37, is valued at over \$37 million, their estimated property taxes are over \$1 million, but they pay \$0 in taxes with their exemptions.<sup>1</sup>

Recently, reports indicate that Lone Star Brewery that is being developed by Grey Street Partners and Midway were recently granted \$24 million in tax breaks for 15 years by another City Tax Giveaway committee. District 5 City Council member Shirley Gonzales said: “I know the community is really looking forward to it.” Judge Wolff has “no patience for sniping about the spillover effects of big, successful developments like the Pearl.” The Judge wants to replicate the Pearl’s “success” at the Lone Star Brewery on the south side. Wolff added: “Their property values have gone up a lot more than their taxes”.<sup>2</sup>

Has either Gonzales or Wolff talked to people in this neigh-

borhood who worry about rising property taxes? Everybody in this city and in the state knows we have a deeply unfair system based on steep property taxes. We have good reason to be concerned about what the Lone Star Brewery development means for our ability to stay in our homes, as renters and homeowners.

Still, the city fails to provide for affordable housing for the low-income workers it always promotes to attract businesses. Of the 301 apartments that will be built at the Lone Star Brewery, 256 will be for residents earning up to 80% of the AMI, which is \$41,550 (or \$20/hr) for a 1 person household. Minimum wage is \$7.25 an hour, or \$15,080 per year, before taxes. Where is the housing for these workers? The city continues to give money away to developers, making them richer, and ekes out money sparingly to those who need it the most.

To learn more contact: SA4thepeople@gmail.com

## Footnotes

1. Public Facility Corporation and the Section 303.042(f) Tax Break for Apartment Developments. A boon for affordable housing or Windfall for Apartment Developers? A report by UT School of Law, Entrepreneurship and Community Development Clinic. Heather K. Way, Clinic Director
2. SA Express News article, May 5, 2021. “Lone Star makeover to cost \$709 million, start this year” p. B1

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Photo: mapio.net

## Who Benefits? **THE DEVELOPERS.**

Companies like Grey Street Partners, and Midway. NRP, based in Cleveland, Ohio, pioneered these exemptions, but many more are eager to join them. NRP has received most of these giveaways.

## Who loses? **ALL OF US.**

- Renters looking for affordable housing.
- Homeowners with rising property taxes.
- University Health System.
- Alamo Colleges.
- Bexar County and the City of San Antonio and School districts.

At the current rate, San Antonio schools will lose \$\$millions PER YEAR in the future.

The majority of these developments are in the San Antonio Independent School District.