



SAGE

PUBLIC MARKET COMPLEX IMPLEMENTATION PLAYBOOK

Prepared by:

able.city

Architecture • Community Engagement
Planning • Economic Development

IN COLLABORATION WITH:







SAGE

James Nortey - Chief Executive Officer

Fernando Garcia - Chief Financial Officer

Lindsey Logan - Director of Programs & Partnerships

Chilaeya Ezell - Program Manager

Shamari Leung - Business Engagement Specialist

Able City

Mario Pena - Principal in Charge

Viviana Frank - Partner/Co-Founder

Samuel Haas - Studio Head

Mariela Valdivia - Studio Head

Alfonso Camacho - Project Manager

Sabrina Lopez - Community Engagement

Victor Montes - Architecture / Designer

Rogelio Rodriguez - Architecture / Designer

Stephanie Ortegon - Architecture / Designer

TXP

Travis James - Vice President - Project Lead Economist

able.city



EXECUTIVE SUMMARY



Conceptual Exterior Rendering

Project Overview

The SAGE Public Market Complex Implementation Playbook provides a phased, risk-managed roadmap for transforming the historic Friedrich Building into a mission-driven center for food access, small-business incubation, cultural programming, and community economic development. Building on the feasibility study's conditional green light, the Playbook recommends that SAGE advance the project through controlled phases, beginning with conditional site control, due diligence, coalition-building, and capital-stack development before acquisition and construction.

A NEW ECONOMIC AND CULTURAL ANCHOR FOR SAN ANTONIO'S EASTSIDE

The SAGE Eastside Public Market Complex represents an opportunity to transform the historic Friedrich Building at 1617 E. Commerce Street into a vibrant center for food access, entrepreneurship, culture, and community life. More than a real estate project, the Market is envisioned as a civic and economic anchor. Connecting Eastside residents and businesses to the growth occurring across Downtown San Antonio, the Market works to preserve the identity of the neighborhood while reigniting the historic commercial legacy of E. Commerce Street.

The feasibility study gives the project a conditional green light, finding that a conventional, profit-driven retail model would not be appropriate for the Eastside market. Instead, success depends on a mission-driven, nonprofit-operated model supported by a layered public, private, philanthropic, and tax-credit capital stack.

The Friedrich Building

After evaluating twelve properties and narrowing the analysis to three finalists, the Friedrich Building emerged as the strongest

long-term location for the Public Market Complex. Its approximately 73,000-square-foot, historic identity, visibility, and scale provide the capacity to accommodate fresh-food retail, vendor stalls, shared kitchens, cultural programming, workforce development, and community gathering. The site ranked first in both Program Alignment and Community Impact, demonstrating its potential to become a catalytic Eastside destination.

The estimated total development cost is approximately **\$24.3 million to \$31.3 million**, with an anticipated implementation period of approximately **48 to 60 months**.

A COMPELLING MARKET OPENING

The proposed Market responds to clear and documented community and economic needs. Food represents the strongest and most defensible source of local demand, particularly when programming is centered on fresh groceries, culturally relevant prepared foods, and affordable everyday essentials. The project can also draw from the Eastside's significant daytime workforce, creating an opportunity to capture weekday spending in addition to neighborhood and weekend demand. Community input was equally central to the project's value proposition. Approximately 370 interactions were conducted through surveys, focus groups, pop-ups, partner conversations, and an open house. That engagement shaped the project's guiding principles and placed the highest priority on community benefit, affordability, connectivity, cultural preservation, and support for legacy businesses.

A PATH FROM VISION TO EXECUTION

The Implementation Playbook converts the feasibility study's vision into a practical, risk-managed development strategy. Rather than undertaking the entire building at once, SAGE will advance through a series of controlled phases:

- **Phase 0:** Project Governance, Site Control, and Predevelopment (**0–9 Mos | \$485k–\$625k**)
Focus: Reauthorize SAGE Public Market Com-

mittee, secure conditional site control (options, right of first refusal) without over-exposure; fund 24 months of holding costs; assess early environmental and structural risks.

- **Phase 1:** Predevelopment, Coalition-Building, and Vendor Pipeline (**6–18 Mos | \$485k–\$625k**)
Focus: Launch the public “Eastside Market” campaign, pilot pop-up markets to prove and document vendor demand, start schematic designs, and procure a Construction Manager at Risk (CMAR).
- **Phase 2:** Capital Stack Assembly and Transaction Structuring (**12–24 Mos | \$2.43M–\$3.13M**)
Focus: Begin Federal and Texas Historic Tax Credit applications, finalize a New Markets Tax Credit (NMTC) package, engage local municipal programs (TIRZ 11, Chapter 380/EDIF), and initiate vendor business readiness training.
- **Phase 3:** Acquisition, Stabilization, and Minimum Viable Market Buildout (**24–60 Mos | \$13.34M–\$17.20M**)
Focus: Formally acquire the property, complete historic building stabilization, and construct the right-sized “Minimum Viable Product” that prioritizes the ground-floor market hall and shared back-of-house kitchen infrastructure.
- **Phase 4:** Long-Term Operations, Asset Management, and Expansion (**60+ Mos | \$7.52M–\$9.69M**)
Focus: Transition into long-term stewardship, track financial and public benefit metrics, manage tiered rent structures, and evaluate upper-floor expansion only after the first phase achieves financial stabilization.

AN INVESTABLE, MISSION-CONTROLLED STRUCTURE

The recommended structure separates real estate ownership from SAGE's core nonprofit operations. A dedicated holding entity would control the building, and an operator would manage the Public Market Complex, oversee vendor leasing, maintain affordability, curate the tenant mix, and protect the project's community-benefit mission. This approach limits organizational exposure while creating a clearer vehicle for grants, tax-credit investment, public incentives, philanthropic & private capital, and long-term asset stewardship. SAGE's role would extend beyond conventional property management. The organization would guide entrepreneurs through licensing, permitting, business readiness, stall assignment, operations, financial management, customer service, and property oversight. Effectively positioning the Market as an active small-business incubation platform in addition to a community hub.

AN INVESTABLE, MISSION-CONTROLLED STRUCTURE

The Playbook models a preliminary capital stack that includes federal and Texas Historic Tax Credits, New Markets Tax Credits, TIRZ 11 funding, Chapter 380 or EDIF support, CDFI or Section 108 financing, philanthropy, sponsorships, and private mission-aligned investment. These sources could substantially reduce the remaining funding gap. Investment in SAGE's Public Market Complex will support more than the rehabilitation of a historic building. It will advance affordable food access, minority- and women-owned business development, job creation, cultural preservation, neighborhood gathering, and long-term Eastside wealth-building.

TABLE OF CONTENTS

Implementation Purpose	15
Recommended Structure	21
Phasing Framework	27
Property Manager Business Plan	43
Funding Sources & Risk Management	47



Conceptual Exterior Rendering

year 1

year 2

year 3

year 4

year 5

year 6

MONTHS

MONTHS

MONTHS

MONTHS

MONTHS

01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60

PHASE 0
Project Governance, Site Control, and Predevelopment

PHASE 1
Predevelopment, Coalition-Building, and Vendor Pipeline

PHASE 2
Capital Stack Assembly and Transaction Structuring

PHASE 3
Acquisition, Stabilization, and Minimum Viable Market Buildout

PHASE 4
Long-Term Operations, Asset Management, and Expansion

IMPLEMENTATION PURPOSE



SAGE Public Market Complex at The Friedrich Building

1617 E. Commerce Street

Estimated Budget: \$24,260,310 - \$31,268,310

Estimated Timeline: 48-60 months

IMPLEMENTATION PURPOSE

The Implementation Playbook provides a phased roadmap for advancing the SAGE Public Market Complex at the Friedrich Building from preferred-site concept to fundable, buildable, and operable civic asset. Because SAGE is a nonprofit and should assume that nearly all acquisition, predevelopment, construction, and early operating costs must be raised through external sources, the project must be structured around disciplined phasing, layered funding, risk management, and clear decision points.

The Friedrich Building represents the strongest long-term opportunity for the Public Market Complex because of its scale, historic identity, iconic presence, and ability to support a full mixed-use market program. However, its complexity requires a careful implementation strategy. The project should not proceed as a complete real estate development. Instead, SAGE should advance through a series of controlled phases that allow the organization to secure site control, complete due diligence, build a vendor pipeline, test market demand, assemble the capital stack, and proceed only when funding and risk thresholds are met.



IMPLEMENTATION OBJECTIVES

1. Fundraising-first approach

No major obligation should be accepted until SAGE has identified credible funding sources for acquisition, holding costs, predevelopment, construction, and early operations.

2. Phasing Framework

Each phase should end with a clear go / no-go decision based on site control, due diligence, funding commitments, operating feasibility, and community support.

Layered capital stack: The project will require multiple public, private, philanthropic, and tax credit sources rather than one primary funder.

3. Protect SAGE's balance sheet

SAGE should avoid taking on excessive debt, unfunded holding costs, or direct environmental and building liabilities without dedicated reserves.

4. Mission-controlled real estate

The property should be controlled through a structure that preserves the community purpose of the project while limiting organizational exposure.

5. Revenue realism

Vendor rent alone should not be expected to support the full project, especially during early phases. Operating revenues should be supplemented by sponsorships, grants, event income, workforce contracts, and public-benefit funding.

6. Community benefit as a financing strategy

Food access, small business incubation, cultural preservation, local hiring, and Eastside wealth-building should be treated as both mission goals and funding justifications.



RECOMMENDED STRUCTURE



RECOMMENDED STRUCTURE

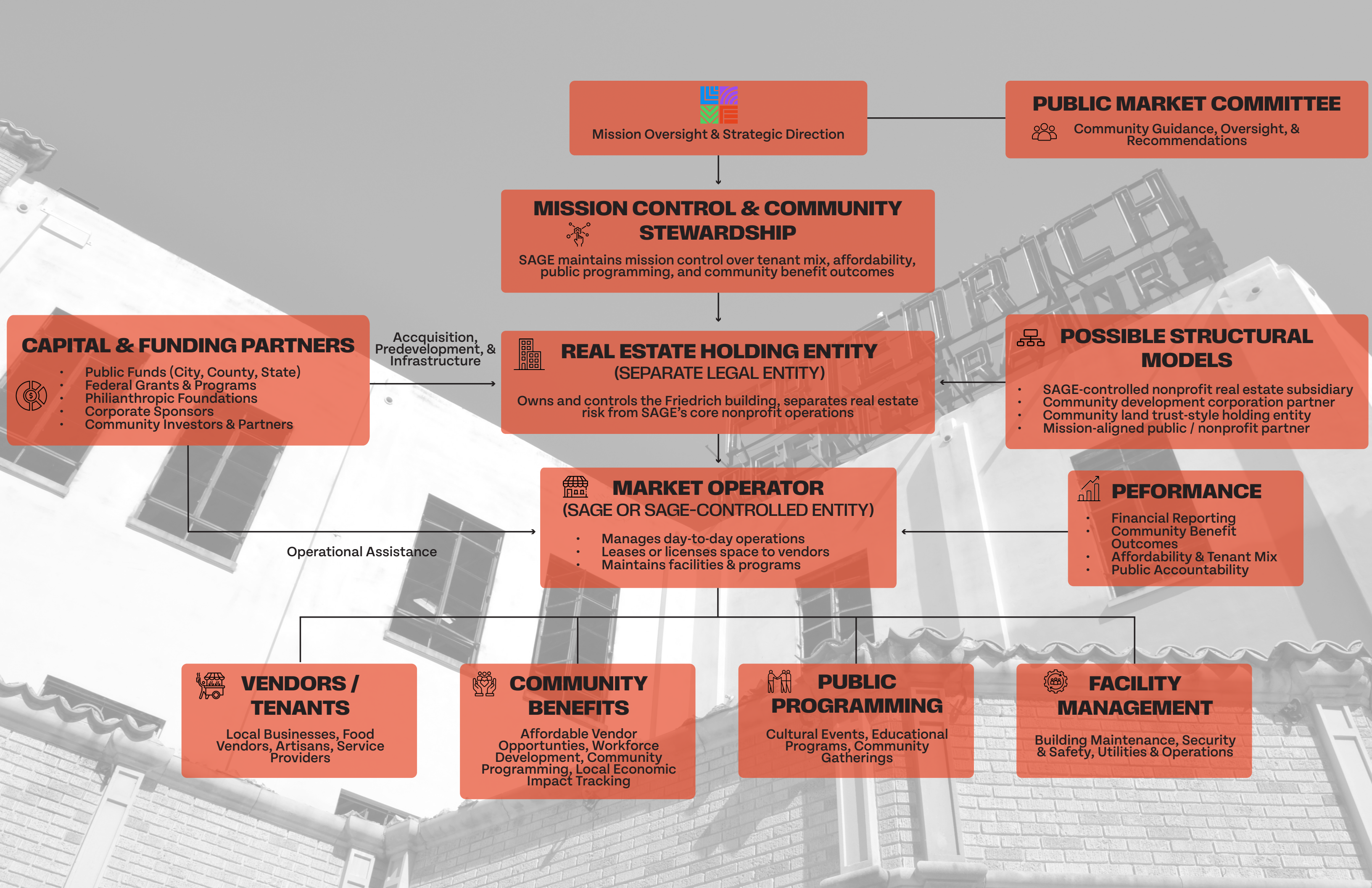
SAGE should consider creating (or partnering) with a dedicated real estate holding entity to control the Friedrich Building while separating real estate risk from SAGE's core nonprofit operations. This could include a SAGE-controlled nonprofit real estate subsidiary, a community development corporation partner, a community land trust-style holding entity, or a mission-aligned public / nonprofit partner.

- A dedicated holding entity controls the building.
- SAGE or a SAGE-controlled operator manages the Public Market Complex.
- Public and philanthropic funds support acquisition, predevelopment, and community-benefit infrastructure.
- Vendors lease or license space from the market operator.
- SAGE maintains mission control over tenant mix, affordability, public programming, and community benefit outcomes.
- Ensure the public market committee continues

This structure helps limit SAGE's direct exposure to real estate risk while creating a clearer framework for tax credits, grants, public incentives, and long-term asset stewardship. It also positions SAGE as a mission-driven property manager and community economic development operator, rather than a conventional retail



- **Align requirements of the 2026 HHS Community Economic Development (CED) implementation grant to ensure that assumptions, documentation, and outputs meet funder expectations. To ensure funder compliance, the project's design and business plan are mapped to HHS milestones:**
 - **Low-Income Job Creation:** The market will serve as a community economic development platform. Vendor spaces, shared kitchen infrastructure, and property operations will be tied directly to measurable, long-term employment opportunities for low-income individuals on the Eastside.
 - **Minority and Women-Owned Business Enterprise (MWBE) Business Incubation:** Capitalizing on partnerships with LiftFund, Launch SA, and local training providers, the market will systematically transition unvetted entrepreneurs from cottage food production into permanent retail spaces.
 - **Sustainable Execution:** By separating public-benefit infrastructure from direct retail subsidies, SAGE ensures federal grants fund eligible, lasting capital improvements (e.g., utility grids, cold storage).



PHASING FRAMEWORK



NOTES ON SEQUENCING

Site control should precede acquisition

- Phase 0 should focus on conditional site control, due diligence, and predevelopment funding. Full acquisition should occur only after SAGE has confirmed environmental risk, ownership structure, holding-cost funding, and a credible capital stack.’

Tax credits should begin early but close later

- Federal and Texas Historic Tax Credits should begin in Phase 0 and Phase 2, but proceeds are typically realized through the construction process.

NMTCs require early positioning

- SAGE should begin in Phase 0 or Phase 1, but NMTC closing will likely occur in Phase 3 with the full financing package.

Public funds should be tied to public-benefit uses

- Chapter 380 / EDIF, TIRZ, Section 108, bond / CIP, and PID sources should be framed around infrastructure, adaptive reuse, utilities, public realm, workforce, food access, and small business incubation rather than direct retail subsidy.

Operating sources should not be used to justify overbuilding

- Vendor rents, event revenue, kitchen revenue, and sponsorships should be used to support operations after demand is proven, not to carry the full cost of acquisition or historic rehabilitation.

Fundraising fills the gaps

- Philanthropic and private funding will likely be needed across every phase, especially for predevelopment, non-QRE costs, operating reserves, vendor affordability, food access, and community programming.

Phase advancement should be risk attuned

- SAGE should not move from one phase to the next until the required funding, due diligence, staff capacity, and reserves for that phase are in place.



PHASE 0: PROJECT GOVERNANCE, SITE CONTROL, AND PREDEVELOPMENT

Estimated Timeline: 0–9 months

Estimated Phase Budget(2%): \$485,000 - \$625,000

Primary Objective: Secure conditional control without overexposing SAGE.

Core Actions

- Reauthorize SAGE Public Market Committee
- Negotiate conditional site control through a purchase option, exclusive negotiation agreement, right of first refusal, conditional master lease, or phased acquisition agreement
- Conduct preliminary legal, environmental, structural, title, zoning, insurance, and historic credit eligibility review
- Develop a dedicated acquisition and holding-cost budget
- Begin conversations with City of San Antonio, Bexar County, TIRZ 11, CDEs, CDFIs, historic tax credit advisors, non-profits, and local banks
- Programming and Concept Design (See Feasibility Study)
- Pre-Development Meeting with the Office of Historic Preservation (OHP)

Funding

- HHS planning funds.
- Philanthropic & private capital
- Federal and state food access, health equity, small business, and community development grants
- CDFI predevelopment loans
- Early City / TIRZ participation for eligible planning or due diligence activities, if available

Risks (Do not proceed unless)

- Site control terms are favorable and conditional
- Environmental risks are understood
- Structural conditions are sufficiently documented
- Holding costs are funded for at least 24 months
- SAGE has identified a viable ownership / holding entity
- Funders understand the project and express preliminary interest



PHASE 1: PREDEVELOPMENT, COALITION-BUILDING, AND VENDOR PIPELINE

Estimated Timeline: 6–18 months

Estimated Phase Budget(2%): \$485,000 - \$625,000

Primary Objective: Build the coalition and prove market demand before construction.

Core Actions

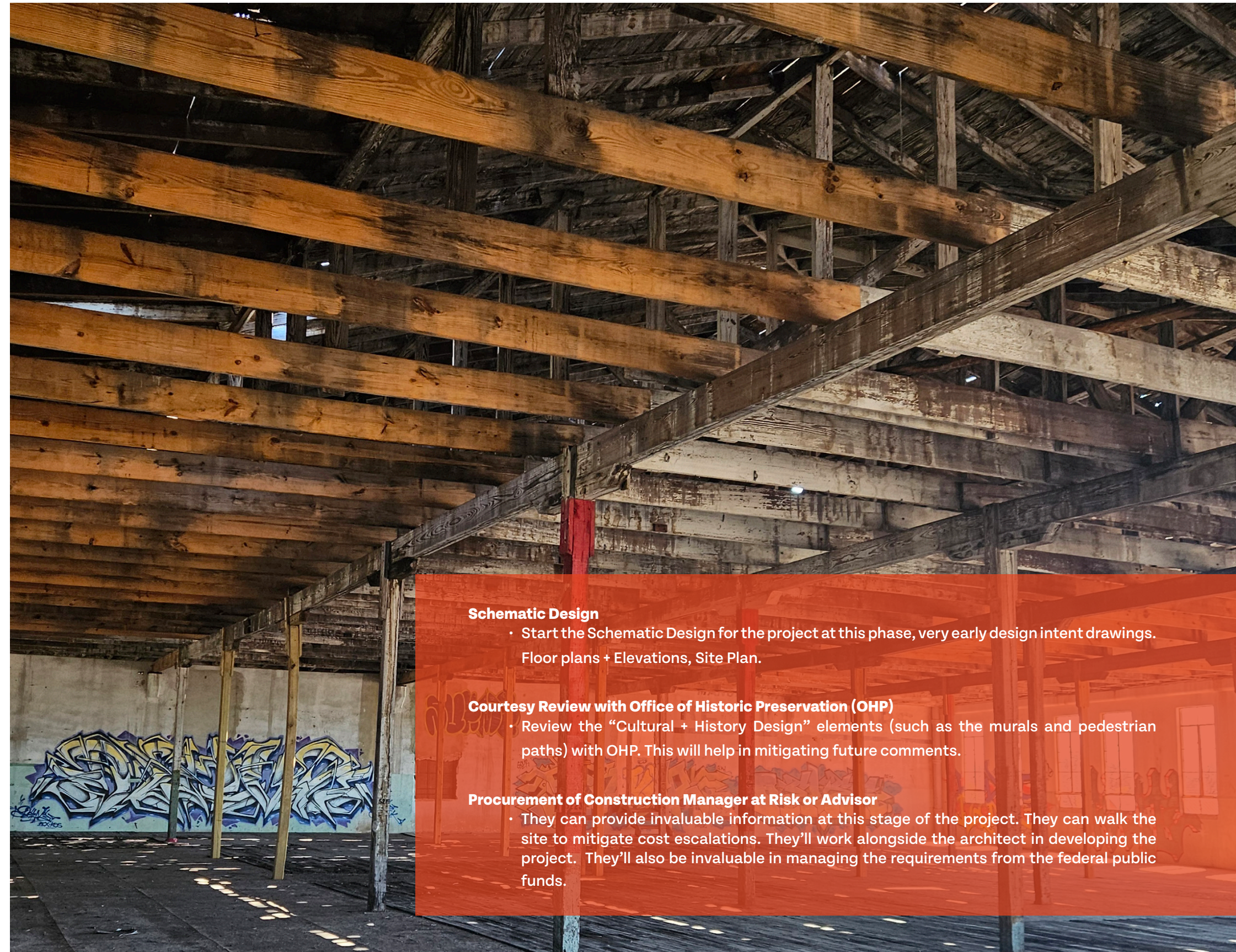
- Finalize the preferred ownership and operating structure.
- Marketing Campaign Begins
- Launch a public-facing “Eastside Market” campaign.
- Recruit and document prospective vendors through a formal interest campaign.
- Host pop-up markets, food access events, cultural programming, and vendor showcases (Program Pilot).
- Secure letters of interest from vendors, workforce partners, cultural partners, and institutional partners.
- Begin preliminary design focused on a minimum viable first phase.
- Continue fundraising for predevelopment, due diligence, and holding costs.
- Schematic Design Start

Funding

- Philanthropic & private capital.
- Federal and state food access, health equity, small business, and community development grants.
- Sponsorships from banks, healthcare institutions, universities, and corporations.
- Vendor participation fees from Program Pilot.
- City arts, culture, and community event support.
- Small business and entrepreneurship grants.
- CDFI predevelopment support.

Risks (Do not proceed unless)

- Vendor demand is documented.
- Community support remains strong.
- Environmental and structural risks are manageable.
- Preliminary project costs are updated.
- SAGE has identified a credible first-phase program that can open without requiring full building buildout.



Schematic Design

- Start the Schematic Design for the project at this phase, very early design intent drawings. Floor plans + Elevations, Site Plan.

Courtesy Review with Office of Historic Preservation (OHP)

- Review the “Cultural + History Design” elements (such as the murals and pedestrian paths) with OHP. This will help in mitigating future comments.

Procurement of Construction Manager at Risk or Advisor

- They can provide invaluable information at this stage of the project. They can walk the site to mitigate cost escalations. They’ll work alongside the architect in developing the project. They’ll also be invaluable in managing the requirements from the federal public funds.

PHASE 2: CAPITAL STACK ASSEMBLY AND TRANSACTION STRUCTURING

Estimated Timeline: 12–24 months

Estimated Phase Budget (10%): \$2.43M – \$3.13M

Primary Objective: Convert the concept into a financeable project.

Core Actions

- Identify historic tax credit qualified rehabilitation expenditures
- Begin federal and Texas Historic Tax Credit applications
- Prepare a New Market Tax Credit project package
- Develop a City of San Antonio Chapter 380 / EDIF strategy
- Develop a TIRZ 11 request for related eligible costs
- Explore Bexar County workforce or economic development support
- Identify CDFI lenders and mission-aligned bridge financing
- Launch vendor readiness programming focused on permitting, food safety, bookkeeping, insurance, pricing, marketing, and operations

Funding

- Federal Historic Tax Credits
- Texas Historic Preservation Tax Credits
- New Markets Tax Credits
- TIRZ 11 public improvement funding
- Chapter 380 / EDIF support
- Bexar County workforce support, if applicable
- CDFI loans
- Program-related investments
- Philanthropic & private capital
- Federal and state food access, health equity, small business, and community development grants
- Corporate sponsorships
- Naming rights

Risks (Do not proceed unless)

- Phase financing sources are committed or highly probable
- Public funding commitments are aligned with eligible project components
- Tax credit timing and compliance are understood
- Environmental risks are resolved or funded
- Construction cost escalation is accounted for
- An operating reserve is included.
- A permanent property manager / operator model is finalized



Develop Design Package for HDRC Review

- Architecture team to develop the design package to review with HDRC.

Formal HDRC Submittal & Approval

- Submit for formal review with OHP. The goal is to secure the official Certificate of Appropriateness from HDRC.

PHASE 3: ACQUISITION, STABILIZATION, AND MINIMUM VIABLE MARKET BUILDOUT

Estimated Timeline: 24 - 60 months

Estimated Phase Budget (55%): \$13.34M – \$17.20M

Primary Objective: Activate a right-sized first phase without overbuilding

Core Actions

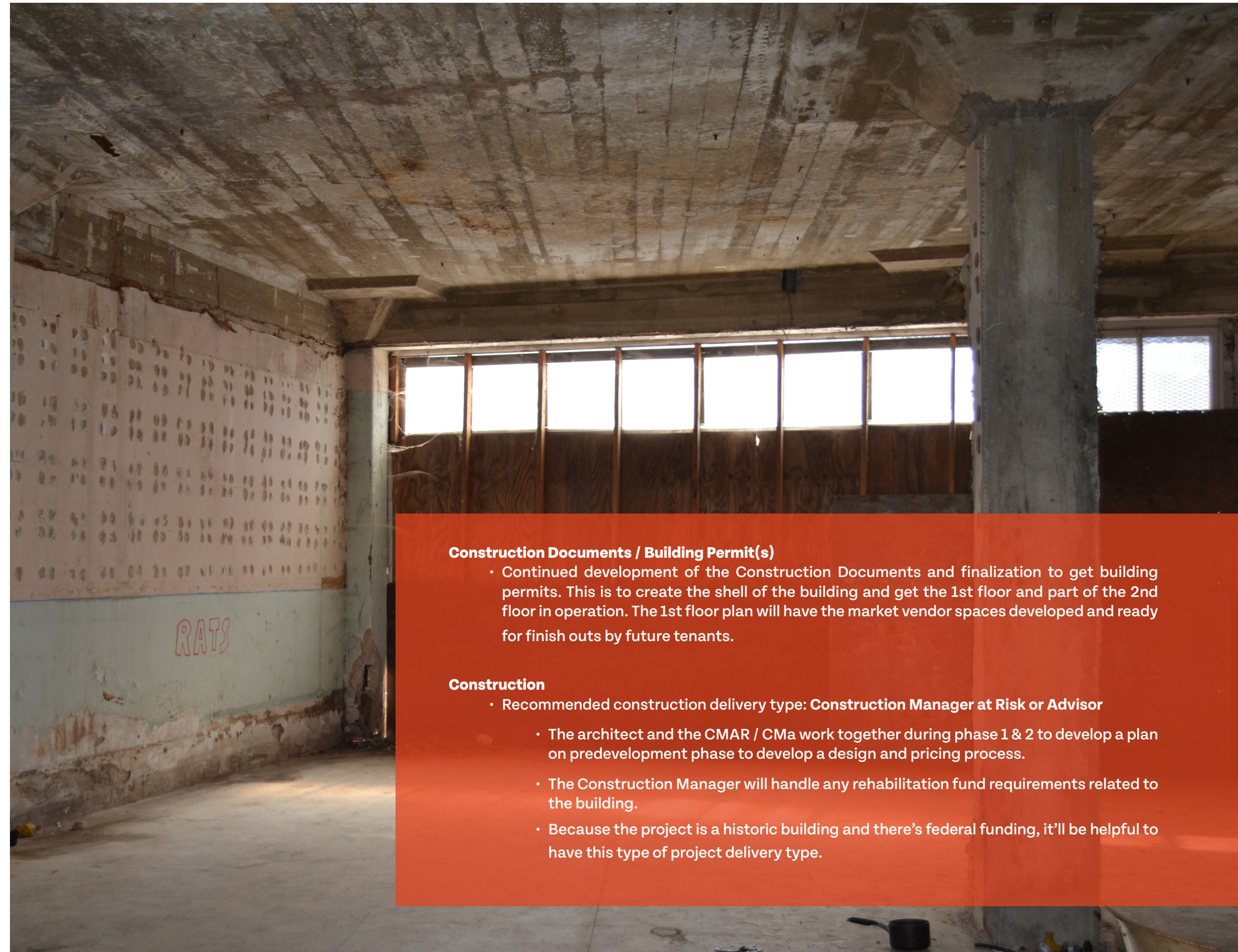
- Acquire the building
- Stabilize the building and complete shell improvements for occupancy
- Prioritize the ground-floor market hall and shared back-of-house infrastructure
- Establish annual fundraising for affordability, programming, and maintenance reserves
- Finalize vendor license agreements and leases
- Create an operating manual for maintenance, security, loading, waste, events, and community use
- Launch with a curated vendor mix
- Set goal occupancy rates and key performance indicators to ensure added community benefit is realized
- Construction Documents + Building Permits

Funding

- Tax credit equity
- NMTC-supported debt or subsidy.
- TIRZ reimbursement for public infrastructure
- Chapter 380 funding for eligible public-benefit improvements
- CDFI construction / bridge loan
- Corporate sponsorships
- Naming rights for shared kitchens, classrooms, market hall, event spaces, or community rooms
- Equipment grants or donations
- Vendor deposits and pre-leasing commitments
- Operating reserve contributions
- Philanthropic & private capital

Risks (Do not proceed unless)

- Occupancy targets are met
- Vendor retention is stable
- Operating deficits are covered
- Event and sponsorship revenue is performing
- Maintenance costs are understood
- Public benefit metrics are being tracked
- Demand justifies additional space



Construction Documents / Building Permit(s)

- Continued development of the Construction Documents and finalization to get building permits. This is to create the shell of the building and get the 1st floor and part of the 2nd floor in operation. The 1st floor plan will have the market vendor spaces developed and ready for finish outs by future tenants.

Construction

- Recommended construction delivery type: **Construction Manager at Risk or Advisor**
 - The architect and the CMAR / CMa work together during phase 1 & 2 to develop a plan on predevelopment phase to develop a design and pricing process.
 - The Construction Manager will handle any rehabilitation fund requirements related to the building.
 - Because the project is a historic building and there's federal funding, it'll be helpful to have this type of project delivery type.

PHASE 4: LONG-TERM OPERATIONS, ASSET MANAGEMENT, AND EXPANSION

Estimated Timeline: 60+ months

Estimated Phase Budget (31%): \$7.52M – \$9.69M

Primary Objective: Transition from project delivery to long-term stewardship.

Core Actions

- Track vendor performance, community benefits, food access, local hiring, and financial performance
- Maintain tiered rent structures that support both affordability and sustainability
- Expand into upper floors only when demand and funding are confirmed*
- Build a long-term capital replacement reserve
- Publish an annual community impact report

Funding

- Vendor rents
- Event rentals
- Shared kitchen memberships
- Sponsorships
- Workforce training contracts
- Grants
- Philanthropic & private capital
- Naming rights
- Public-benefit service contracts
- CDFI refinancing, where appropriate
- Operating reserve and maintenance reserve contributions

Risks (Do not proceed unless)

- The first phase market is financially stable
- Operating reserves are funded
- Additional capital sources are identified
- Staff capacity is sufficient
- Expansion does not compromise affordability or mission

**Determine a key benchmark to expand (ex, using daily visitors per store and comparing to average visitor capacity per store and in the main building. If daily visitors per store are reaching above capacity, this should be one of the prompts to expand*



FUNDING GAP MODEL

Estimated Budget: \$24,260,310 - \$31,268,310
Model Estimate: \$27,764,310 (median)

Funding assumptions are preliminary placeholders used to model the order of magnitude of potential funding sources. Amounts are illustrative sizing assumptions used to show how the gap could narrow if SAGE successfully layered the likely sources identified in the feasibility report.

Funding Source	Assumed amount	Cumulative Funding	Remaining Gap	Notes on Assumption
Model Development Cost			\$27,764,310	
Federal + Texas Historic Tax Credits	\$9,600,000	\$9,600,000	\$18,164,310	Estimate using the report’s statement that federal and state HTC’s can total up to 45% of qualified rehabilitation expenditures (QREs), not total cost. The assumption discounted the gross credit potential into a rough net proceeds estimate.
New Markets Tax Credits	\$3,500,000	\$13,100,000	\$14,664,310	The area is qualifying for severe distress and the project has food access, job creation, small business, and community development outcomes. The amount represents an illustrative net project benefit, not the full NMTC allocation amount.
TIRZ 11 Funding	\$3,000,000	\$16,100,000	\$11,664,310	Sized as a mid-level public infrastructure contribution for utilities, façade, streetscape, lighting, sidewalks, pedestrian improvements, and public realm components.
City Chapter 380 / EDIF	\$1,250,000	\$17,350,000	\$10,414,310	Estimate based on eligible public-benefit uses such as infrastructure, adaptive reuse, utilities, jobs, and small business incubation.
CDFI / Section 108	\$4,000,000	\$21,350,000	\$6,414,310	Debt-capacity placeholder, assuming some repayment or takeout source exists. The actual amount depends on underwriting. This was deliberately kept below what Section 108 could theoretically support because debt capacity should be based on repayment, not just availability.
Gap			\$6,414,310	



PROPERTY MANAGER BUSINESS PLAN



PROPERTY MANAGER BUSINESS PLAN

SAGE or a SAGE-affiliated nonprofit operator should serve as the property manager, master lessee, or market operator. The operator would manage the market as a community economic development platform rather than a conventional retail center.

Fund a dedicated SAGE staff member to:

- Guide vendors through City of San Antonio (CoSA) licensing, food handlers' permits, and tax registration
- Submit vendor architectural and health department plans in unified batches to speed up City of San Antonio (CoSA) approvals.

Dedicate SAGE staff member to create and administer an operations manual to include:

- Oversight of Market staff
 - Budgeting and fee recommendations
 - Liaison with city agencies
 - Development and oversight of partnerships
 - Strategic planning
 - Program design and evaluation
 - Spokesperson and representation at meeting and conferences
 - Community and vendor relations
- Assign Operations Staff
 - Vendor intake and coordination
 - Stall assignment
 - Fee collection, cash deposits, and records maintenance. Financial management, including payroll, and accounting.
 - Rules enforcement
 - Customer service, including dispute resolution.
 - Property management, including oversight of cleaning, preparation of maintenance requests, and emergency response.



FUNDING SOURCES & RISK MANAGEMENT



Conceptual Interior Rendering

ADDITIONAL INFORMATION ON SELECT FUNDING SOURCES

Funding Source	Application Window	Average Timeline	Considerations
Federal Historic Rehabilitation Tax Credit https://www.nps.gov/subjects/taxincentives	Rolling	6–12 months for re-view and approvals Longer for complex projects	Submit federal historic tax credit application through the Texas Historical Commission (THC) and National Park Service (NPS)
Texas Historic Preservation Tax Credit https://thc.texas.gov/preserve/projects-and-programs/tax-incentives-for-preserving-historic-properties	Rolling	3–9 months depending on project complexity and THC review	Submit state tax credit application through the Texas Tax Credit Portal
New Markets Tax Credits (NMTC) https://www.cdfifund.gov/programs-training/programs/new-markets-tax-credit	• Project-driven • Begin 12–24 months before financial closing	12–24 months	Certified Community Development Entity (CDE)
City of San Antonio Chapter 380 / EDIF https://www.sa.gov/Directory/Departments/EDD/Programs-Grants/Industry-Incentives/Grants/Incentives	• Rolling • Application must occur before building permit, conditional permit, or certificate of occupancy	3–9 months	Submit City Joint Incentive Application and fee (\$2,500)
TIRZ 11 Funding https://www.sanantonio.gov/NHSD/TIF	• Project-driven • Timing depends on TIRZ Board meetings and City approvals	3–12 months	Must submit the TIF Funding Application to the City's Neighborhood and Housing Services Department
Public Improvement District (PID)	Project-driven	6–18 months to establish; annual updates thereafter	Must submit a formal petition to the City of San Antonio Planning Department or Bexar County
Community Development Financial Institutions Fund (CDFI) https://www.cdfifund.gov/programs-training/programs	• Project-driven • Should be pursued at each phase	2–9 months depending on underwriting and loan structure	Submitted through the CDFI Fund's Awards Management Information System (AMIS)
HUD Section 108 Loan Guarantee https://www.hudexchange.info/programs/section-108/	• Project-driven • The City as the CDBG entitlement grantee.	6–18 months	Requires City sponsorship and HUD approval

RISK MANAGEMENT

Risk Category	Description	Risk Mitigation Measures
Funding Risk	Capital stack is not fully committed or funding sources are delayed.	Build the capital stack before major commitments; separate funding sources by eligible use; secure public, private, philanthropic, and tax-credit commitments before construction.
Holding Cost Risk	Property costs begin before revenue or construction funding is available.	Use conditional site control before acquisition; create a dedicated holding-cost fund; avoid full acquisition until holding costs are funded.
Environmental Risk	The Friedrich site has completed a Phase II assessment. However, industrial legacy conditions may require additional remediation.	Complete environmental due diligence early; budget separately for remediation; avoid closing until environmental exposure is understood.
Construction Risk	Historic rehabilitation costs escalate or unknown building conditions emerge.	Complete structural and building systems assessments early; include contingency; build only a minimum viable first phase before full expansion.
Operating Risk	Vendor rents, event income, or shared kitchen revenue underperform.	Secure operating reserves before opening; diversify revenue through grants, sponsorships, events, public-benefit funding, and workforce contracts.
Market Risk	Customer demand grows more slowly than expected.	Use pop-ups, preview events, vendor showcases, and phased activation to test demand before permanent buildout.
Parking and Access Risk	The project is perceived as gentrifying, unaffordable, or disconnected from Eastside residents.	Address access, loading, delivery, mobility, and parking needs during site planning; pursue public infrastructure support where eligible.
Compliance Risk	Tax credits, NMTCs, public funding, and grant requirements create administrative burden.	Build a compliance calendar for all funding sources; use third-party legal, accounting, asset management, and tax credit advisors.
Capacity Risk	SAGE staff capacity is stretched by development, fundraising, property management, and programming responsibilities.	Separate real estate risk into a controlled entity; define staff roles early; use third-party asset management, property management, and tax credit advisors as needed.
Retail / Public-Benefit Funding Risk	Public funding may not be eligible for direct retail operations or vendor subsidies.	Separate public-benefit funding from retail operations; direct public funds toward eligible uses such as infrastructure, adaptive reuse, utilities, workforce development, and small business support.