

AN ORDINANCE

AUTHORIZING THE CITY OF SAN ANTONIO TO EXECUTE A DEVELOPMENT AGREEMENT BETWEEN THE CITY AND GALLAGHER CONCOURSE, LP, LTD., D-W 381 PARTNERS, LLC, AND GOLDFINCH FARMS, LLC, OWNERS OF APPROXIMATELY 625.348 ACRES IN MEDINA COUNTY AND APPROXIMATELY 42.442 ACRES IN BEXAR COUNTY, GENERALLY LOCATED SOUTHWEST OF THE INTERSECTION OF TAMARON VALLEY AND LEGEND FALLS, IN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS.

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WHEREAS, Gallagher Concourse, LP, Ltd., D-W 381 Partners, LLC., and Goldfinch Farms, LLC, (Owners) own approximately 625.348 acres in Medina County and approximately 42.442 acres in Bexar County, totaling approximately 667.79 acres of land, which are referred to as the “Gallagher Tracts”, generally located southwest of the intersection of Tamaron Valley and Legend Falls, in the extraterritorial jurisdiction (ETJ) of the City of San Antonio (City); and

WHEREAS, on October 27, 2020, the Owners filed a petition with Medina County, Texas to create a Fresh Water Supply (FWSD) consisting of 625.348 acres of land to be named the Medina County FWSD No. 4 and to delegate the powers of a road district and the power to construct roads, water, sewer and drainage facilities as required by section 42.042 (a) of the Texas Local Government Code; and

WHEREAS, on November 9, 2020, the Owners submitted a petition to the City requesting the City’s consent to the creation of Medina County FWSD No. 4, and the delegation of the powers set forth in these recitals a copy of which is attached hereto as **Attachment “A”**; and

WHEREAS, the Owners have also requested the City’s consent to the Medina County FWSD No 4’s conversion to a Water Control Improvement District (WCID) once the FWSD has been created as well as the expansion of the WCID through the WCID’s annexation of the 42.442 acres owned by the Owners that are located in Bexar County and also within the City’s ETJ. A description of the 625.348 acre tract, the 42.442 acre tract and the entire district property after the Bexar County property has been annexed by the WCID is set forth in the field notes attached hereto as **Attachments “B”, “C” and “D”**; and

WHEREAS, in order to protect the City’s planning goals in the ETJ, the City Council finds it is prudent to condition the City’s consent to the creation of the Medina County FWSD No. 4, the subsequent conversion to a WCID and annexation of 42.442 acres of land in Bexar County by the WCID on the Owners’ execution of a Development Agreement containing mutually agreeable terms relating to the development of the property, voluntary annexation at the end of the term of the Development Agreement; the municipal services to be provided to the area within the WCID in the event of full annexation by the City; and a Strategic Partnership Agreement (SPA) for limited purpose annexation and revenue sharing by the City of sales and use taxes imposed within commercial areas of the district pursuant to Chapters 43 and 212 of the Local Government Code; and

WHEREAS, the San Antonio Planning Commission held a public hearing on March 10, 2021, and recommended that the City consent to Medina County’s creation of the Medina County FWSD No. 4, the subsequent conversion to a WCID and the annexation by the WCID of additional 42.442 acres of land located in Bexar County, subject to the execution of a development agreement with the Owners providing terms and conditions designed to protect the aforementioned interests of the City; and

WHEREAS, the City Council adopted a resolution consenting to the creation of the FWSD, conversion to the WCID and the annexation of 42.442 acres of land within Bexar County by the WCID once the district has been converted, conditioned upon the execution of a development agreement as specified in the recitals therein on March 18, 2021, but withheld its consent to the FWSD or WCID’s exercise of the powers of eminent domain, annexation - except as provided in this ordinance - and exclusion of property; and

WHEREAS, Owners have or will remit payment to the City of a Special District Application Fee in the amount of \$7,500 and a Special District Operations Assessment in an amount calculated based on the number of units erected within the WCID area, as verified by staff; as well as reimbursement of all costs paid by the City for recording of the development agreement in the Medina and Bexar Counties property records; and

WHEREAS, Owners intend to sell the Property if Medina County approves the creation of the FWSD and has requested that the City authorize a one-time assignment of the Development Agreement so that the terms of the Development Agreement will continue to apply to the buyer of the Property after the closing of the sale transaction.

NOW THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager, or his designee, is authorized to execute the Development Agreement between the City of San Antonio and Gallagher Concourse, LP, Ltd., D-W 381 Partners, LLC, and Goldfinch Farms, LLC, the Owners, attached hereto as **Attachment “E”**, containing the terms and conditions governing the development of property within the Medina County FWSD No. 4 and the subsequent WCID (hereafter referred to as “the district”); preserving the extraterritorial status of the district property during the term of the Development Agreement; and establishing the Development Agreement as a voluntary petition for annexation providing the City with the option of annexing the district property in the event of default of the Development Agreement by the Owners, subsequent owner(s) or end-buyers of properties developed within district in the future or upon the termination date of the Development Agreement; the framework for a proposed SPA for limited purpose annexation and revenue sharing by the City of commercial properties in the district boundaries; and any and all other terms and conditions agreed to by the parties that the City Manager finds to be in the City’s best interest.

SECTION 2. The City Council of the City of San Antonio ordains that its consent to the County’s creation of the district and other actions requested by the Owners will remain in effect so long as the Owners comply with the terms of the Development Agreement and remits payment as specified in this ordinance.

SECTION 3. The City Council approves the assessment and collection of a Special District Application Fee in the amount of \$7,500.00, a Special District Operations Assessment in the amount based on the number of units erected within the district property as verified by staff and the reimbursement by the Owners of all costs paid by the City for the recordings of the Development Agreement in the property records of Medina County and Bexar County.

SECTION 4. The City further authorizes a one-time assignment of the Development Agreement from the Owners to its intended buyer of the Property if the district is created by Medina County. Any subsequent assignments of the Development Agreement must be approved by ordinance of the City Council.

SECTION 5. Fund 11001000, Internal Order 250000000000 and General Ledger # 4406578 are designated for the Special District Application Fee in the accounting for the fiscal transaction in authorization of this agreement.

SECTION 6. Fund 11001000, Internal Order 223-260, and General Ledger #4401844 are designated for the Special District Operations Assessment in the accounting for the fiscal transaction in authorization of this agreement.

SECTION 7. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager’s designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary for the purpose of this Ordinance.

SECTION 8. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED on this 18th^d day of March 2021.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FOR

Tina Flores, City Clerk

Andrew Segovia, City Attorney