



City of San Antonio

Legislation Details (With Text)

File #: 13-1026

Type: Miscellaneous Item

In control: City Council A Session

On agenda: 12/5/2013

Title: An Ordinance authorizing the First Amendment to the September 2007 Agreement with Cumberland Potranco Joint Venture, Cumberland 211, Ltd., Navigators Stevens Ranch L.P., KD CIRI I, L.L.C., CIRI Land Development Company and Cumberland 90, Ltd. [Peter Zanoni, Deputy City Manager; John Dugan, Director, Planning and Community Development]

Sponsors:

Indexes:

Code sections:

Attachments: 1. Draft Ordinance, 2. Ordinance 2013-12-05-0877

Date	Ver.	Action By	Action	Result
12/5/2013	1	City Council A Session		

DEPARTMENT: Planning and Community Development

DEPARTMENT HEAD: John Dugan

COUNCIL DISTRICTS IMPACTED: City-wide

SUBJECT:

First Amendment to the September 2007 Agreement with Cumberland Potranco Joint Venture, Cumberland 211, Ltd., Navigators Stevens Ranch L.P., KD CIRI I, L.L.C., CIRI Land Development Company and Cumberland 90, Ltd.

SUMMARY:

This Ordinance authorizes the execution of the First Amendment to the “Agreement for Services in lieu of Annexation Between the City of San Antonio and Cumberland Potranco Joint Venture, Cumberland 211, Ltd., Navigators Stevens Ranch L.P., KD CIRI I, L.L.C., CIRI Land Development Company and Cumberland 90, Ltd.,” for the Westside 211 Special Improvement District located in the City’s extraterritorial jurisdiction. This Amendment extends the term of the agreement five years to December 30, 2042, and amends the Property Owners, by removing Navigators Stevens Ranch L.P.

BACKGROUND INFORMATION:

City Council authorized the City manager to enter into the “Agreement for Services in lieu of Annexation” on September 20, 2007. The primary purpose of the Westside 211 Special Improvement District is to pay for public improvement costs related to State Highway 211 and Potranco Road, which were approved for Pass-Through Financing by the Texas Department of Transportation. Bexar County will issue bonds that will be repaid by TxDOT, with the Westside 211 Special Improvement District committed to covering finance costs associated with the bond issuance. The PID revenues will first offset bond financing costs for State Highway 211 and Potranco Road, and then will reimburse the developers. State Highway 211 is currently in the Design phase. Section 212.172 of the Texas Local Government Code allows up to a 45 year term.

ISSUE:

Due to the economic downturn, the developer experienced unexpected delays with the project due to a bankruptcy of one of the partners who owned Stevens Ranch, where the property went into receivership, and was subsequently purchased by Cumberland, who is a current partner in the development; therefore, the build-out schedule has been lengthened, which means it will take longer to pay for the infrastructure costs. A letter from the County Manager supports the extension of the Special Improvement District term.

ALTERNATIVES:

One alternative is to not consent to the extension of the term, and place the property in the City’s annexation program at the expiration of the agreement. However, this may impact the Special Improvement District’s ability to pay the debt service for the bond to fund the construction of State Highway 211 and Potranco Road.

FISCAL IMPACT:

There is no direct financial impact associated with the passage of this Ordinance.

RECOMMENDATION:

Planning Commission recommendation is pending. The Planning Commission will consider this item at its December 4, 2013 meeting.

Staff recommends approval authorizing the City Manager to execute this First Amendment to the “Agreement for Services in lieu of Annexation Between the City of San Antonio and Cumberland Potranco Joint Venture, Cumberland 211, Ltd., Navigators Stevens Ranch L.P., KD CIRI I, L.L.C., CIRI Land Development Company and Cumberland 90, Ltd.”