



# City of San Antonio

## Agenda Memorandum

**File Number:** 16-4273

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**Agenda Item Number:** 4B.

**Agenda Date:** 9/8/2016

**In Control:** City Council A Session

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**DEPARTMENT:** Planning and Community Development

**DEPARTMENT HEAD:** Bridgett White, AICP

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

Direction to prepare a Service Plan for the US 281 North Commercial Corridor consisting of approximately 1.89 square miles, generally north of Marshall Road and Northwind Boulevard and extending to north of the Bexar-Comal County line.

### **SUMMARY:**

This Resolution directs the Department of Planning and Community Development to prepare a Service Plan regarding the annexation of the US 281 North Commercial Corridor consisting of 1.89 square miles generally located north of Marshall Road and Northwind Boulevard extending to north of the Bexar-Comal County line.

### **BACKGROUND INFORMATION:**

On February 14, 2013, City Council adopted the City of San Antonio Annexation Policy that provides guidance and rationale for the consideration of areas within the City of San Antonio's extraterritorial jurisdiction (ETJ) for annexation. The policy recommends the development of an Annexation Program to be proactive in analyzing and identifying areas for potential annexation for a period of ten years.

In December 2014, the City Council approved a policy plan to initiate annexation for five annexation priority areas. The five areas identified were separated into two phases. Phase 1 included three areas: IH-10 West, US Highway 281 North, and IH-10 East. Phase 2 included two areas: US Highway 90/Loop 1604 and US Highway 151. Annexation open house sessions for Phase I areas were held in August 2015 and the public hearing process was initiated. On October 20, 2015, the Annexation 360 Preliminary Fiscal Analysis was presented to the City Council.

In November 2015, the City Manager convened a panel consisting of seven professionals representing a diverse group of community and business stakeholders to review the City's growth assumptions. The Annexation Technical Work Group analyzed the City's financial and growth assumptions within the City's 20 Year Financial Annexation Impact Study and reviewed two third-party reports that evaluated the City's financial assumptions and annexation policies.

The Work Group unanimously agreed that the financial model with certain adjustments is robust and the development growth assumptions are reasonable. Based on the recommendations made by the Work Group the financial results over a 20 year period are positive for IH-10 West and US 281 while the IH-10 East area continues to be financially negative. In the aggregate, the three areas are positive over the 20 year study period.

The Annexation Policy was a component of the SA Tomorrow Comprehensive Plan and was evaluated during the Comprehensive Plan development process. The SA Tomorrow Technical Working Group Members evaluated the City's existing Annexation Policy and provided recommended changes to ensure the policies were consistent with the Comprehensive Plan policies. The Work Group's revised annexation policies provide a more focused basis for annexation and provide numerous reasons for annexation but make no specific recommendations on the five areas.

The US 281 North Corridor consists of 1.89 square miles within San Antonio's extraterritorial jurisdiction (ETJ) in Bexar and Comal Counties and extends a minimum of 1,000 feet along the US 281 corridor. The corridor's primary existing land use is commercial, vacant and agricultural use. It contains 213 parcels, of which only 18 are single family residential. Approximately 75% of the US 281 North Corridor lies over the Edwards Aquifer Recharge Zone.

A Service Plan will be prepared for the US 281 North Corridor annexation area. Generally, the intent of service plans is to provide specifics on the full services provided by the municipality after the area has been annexed for full purposes. The service plan will be made available to the public and will be displayed at different locations in the annexation area. City staff including Fire Chief Charles Hood, currently are negotiating with Bexar/Bulverde Fire Department to provide fire services to this area.

On June 15, 2016 at a City Council "B" Session, City staff presented an alternate scenario for the U.S. Highway 281 area. [See attached map.] The commercial corridor along U.S. 281 North is proposed for full purpose annexation and is exempted from a three-year Municipal Annexation Plan because it contains less than 100 separate tracts of land where one or more residential dwellings are located. This annexation would be effective on December 31, 2016.

## **ISSUE:**

This City Council resolution will authorize the Department to prepare the service plan as required by State law. Texas Local Government Code, Section 43.065(a) requires that prior to the publication of the notice of the first required public hearing, the City Council must direct its Planning Department to prepare a service plan for areas exempted from a Municipal Annexation Plan. The proposed annexation will expand San Antonio's municipal boundaries and the public service area. The Service Plan will address City services to be implemented and capital improvements.

State law requires that the municipality follow other annexation provisions which includes the publication of the public hearing notification, two public hearings by the governing body, and the adoption of the annexation ordinance. Additionally, the City Charter requires consideration by the Planning Commission, and the publishing of the annexation ordinance 30 days prior to the final adoption. Below is a proposed schedule for the annexation area.

<b>2016 Dates</b>	<b>Required Actions</b>
<b>September 8</b>	– City Council’s Direction to Prepare Service Plan
<b>September 29</b>	– Provide written notice <i>(30 days before public hearing)</i>
<b>October 14-16</b>	– Publish notice for Public Hearing <i>(11 to 20 days before each public hearing)</i>
<b>October 12</b>	– Planning Commission’s Hearing and Consideration
<b>October 18</b>	– Zoning Commission’s Consideration of zoning
<b>November 3</b>	– Publish the Ordinance <i>(30 days before approval of ordinance)</i>
<b>November 3</b>	– First City Council Public Hearing <i>(40 to 21 days before Council Action)</i>
<b>November 10</b>	– Second City Council Public Hearing <i>(40 to 21 days before the Council Action)</i>
<b>December 1</b>	– City Council’s Consideration and Action on Annexation Ordinance
<b>December 31</b>	– Date Annexation Ordinance is Effective <i>(complete within 90 days after City Council initiation of annexation - approval of the Annexation Ordinance).</i>

**ALTERNATIVES:**

A denial of the resolution would result in the subject property remaining within the unincorporated area of Bexar and Comal Counties.

**FISCAL IMPACT:**

The City’s 20 year fiscal analysis of the US 281 North Commercial Corridor shows the area to be positive to the City. When all additional revenues and expenditures are considered for the area, the net ending balance over the 20 year period ranges from \$5.25 million to \$5.57 million in today’s dollars.

**RECOMMENDATION:**

Staff recommends approval of the Resolution directing the Department of Planning and Community Development to prepare a Service Plan regarding the annexation of the US 281 North Corridor consisting of approximately 1.89 square miles generally located north of Marshall Road and Northwind Boulevard, and north of the Bexar-Comal County line.