



# City of San Antonio

## Agenda Memorandum

**File Number:** 13-1100

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**Agenda Item Number:**

**Agenda Date:** 11/21/2013

**In Control:** City Council A Session

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**DEPARTMENT:** Capital Improvements Management Services

**DEPARTMENT HEAD:** Mike Frisbie

**COUNCIL DISTRICTS IMPACTED:** City Wide

**SUBJECT:** Edwards Aquifer Protection Program - Conservation Easement Acquisitions

### SUMMARY:

Consideration of the following ordinances associated with 10 conservation easements totaling 6,787 acres over the Edwards Aquifer Recharge and Contributing Zones for a grand total of \$7,058,524.93.

- A) An Ordinance authorizing payment in the amount of \$752,150.23 to Texas Heritage Title Company, as escrow agent for title on a conservation easement, for land, due diligence and closing costs on a 792-acre tract of land known as the McNair Ranch located in Uvalde County, Texas.
- B) An Ordinance authorizing payment in the amount of \$2,398,755.55 to Mission Title Company, as escrow agent for title on a conservation easement, for land, due diligence and closing costs on a 2,057-acre tract of land known as the Dehnisch Ranch located in Uvalde County, Texas.
- C) An Ordinance authorizing payment in the amount of \$1,544,267.31 to Mission Title Company, as escrow agent for title on a conservation easement, for land, due diligence and closing costs on a 2,015-acre tract of land known as the Concan Ranch located in Uvalde County, Texas.
- D) An Ordinance authorizing payment in the amount of \$2,363,351.84 to Mission Title Company, as escrow agent for title on conservation easements, for land, due diligence and closing costs on seven (7) tracts of land, totaling 1,923 acres, known as the Story Ranch parcels, situated in Uvalde County, Texas.

This Ordinance, necessary under the Proposition One Edwards Aquifer Protection Venue Project, authorizes the execution of documents to accomplish said acquisition.

### BACKGROUND INFORMATION:

In May of 2000, City of San Antonio voters approved the first program, a 1/8-cent sales tax venue up to \$45 million, for the acquisition of lands over the Edwards Aquifer, for parks and watershed protection. That program, also referred to as “Proposition Three,” ran from 2000 through 2005, was limited to Bexar County and acquired more than 6,500 acres as Natural Areas for the City of San Antonio.

The current program is an extension of that initial endeavor, although the scope was narrowed to watershed protection and, due to a change in the legislation, funds could be expended outside of Bexar County. The purpose of the Edwards Aquifer Protection Program is to obtain property rights by fee-simple purchase, conservation easements or donations of land over the sensitive zones of the Edwards Aquifer. This program, referred to as “Proposition One,” also is funded with the 1/8-cent sales tax up to the amount of \$90 million.

All of the following properties, collectively known as the Blanco Creek Ranches, first were targeted through the use of the Scientific Evaluation Team’s GIS-Spatial Model (SET Model). Subsequent site visits identified previously undocumented faults and recharge features on each property. Over 5.5 miles of the Blanco Creek flow across these properties. All of these properties are located within the Blanco Creek and Brushy Creek watersheds, which are important recharge contributors in the area. The properties contribute to surface water runoff quality, due to the current undeveloped state of each ranch, and the Edwards Aquifer Authority has issued geological assessments of the properties confirming that preservation of the Blanco Creek Ranches would provide moderate-to-high water quality benefit and moderate-to-high water quantity benefit to the City of San Antonio. The Blanco Creek Ranches are adjacent to numerous properties also protected by conservation easements held by the City and would result in the protection of over 23,000 acres of contiguous land within the Blanco River watershed under conservation easements with the City of San Antonio’s aquifer protection program.

The proposed Blanco Creek Ranches would constitute the 42<sup>nd</sup> to the 51<sup>st</sup> conservation easement acquisitions under the current program. Inclusion of the 6,787 Blanco Creek Ranches would bring the total of protected lands under the City’s aquifer protection program to 116,706 acres.

A) The purchase of a conservation easement on the McNair Ranch is presented for consideration to the City Council under the Proposition One Edwards Aquifer Protection Venue Project which was approved by San Antonio voters in November 2010. The City Council-approved Conservation Advisory Board has reviewed and recommended this acquisition.

This property is located over the Recharge Zone in Uvalde County. Much of the land is located outside of the flood plain and was suitable for rural residential development, prior to the City’s agreement to purchase a conservation easement.

B) The purchase of a conservation easement on the Dehnisch Ranch is presented for consideration to the City Council under the Proposition One Edwards Aquifer Protection Venue Project which was approved by San Antonio voters in November 2010. The City Council-approved Conservation Advisory Board has reviewed and recommended this acquisition.

This property is located over the Recharge Zone in Uvalde County. Much of the land is located outside of the flood plain and was suitable for rural residential development, prior to the City’s agreement to purchase a conservation easement.

C) The purchase of a conservation easement on the Concan Ranch is presented for consideration to the City Council under the Proposition One Edwards Aquifer Protection Venue Project which was approved by San Antonio voters in November 2010. The City Council-approved Conservation Advisory Board has reviewed and recommended this acquisition.

This property is located over the Recharge Zone in Uvalde County. Much of the land is located outside of the flood plain and was suitable for rural residential development, prior to the City’s agreement to purchase a

conservation easement.

D) The purchase of conservation easements on the seven (7) tracts of land known as the Story Ranch parcels, situated in Uvalde County, is presented for consideration to the City Council under the Proposition One Edwards Aquifer Protection Venue Project which was approved by the voters in November 2010. The City Council-approved Conservation Advisory Board has reviewed and recommended this acquisition.

These properties are located over the Recharge Zone in Uvalde County. Much of the land is located outside of the flood plain and was suitable for rural residential development, prior to the City's agreement to purchase a conservation easement.

**ISSUE:**

Consideration of the following ordinances associated with 10 conservation easements totaling 6,787 acres over the Edwards Aquifer Recharge and Contributing Zones for a grand total of \$7,058,524.93.

- A) An ordinance authorizing payment in the amount of \$752,150.23 to Texas Heritage Title Company, as escrow agent for title on a conservation easement, for land, due diligence and closing costs on a 792-acre tract of land known as the McNair Ranch located in Uvalde County, Texas.
- B) An ordinance authorizing payment in the amount of \$2,398,755.55 to Mission Title Company, as escrow agent for title on a conservation easement, for land, due diligence and closing costs on a 2,057-acre tract of land known as the Dehnisch Ranch located in Uvalde County, Texas.
- C) An ordinance authorizing payment in the amount of \$1,544,267.31 to Mission Title Company, as escrow agent for title on a conservation easement, for land, due diligence and closing costs on a 2,015-acre tract of land known as the Concan Ranch located in Uvalde County, Texas.
- D) An ordinance authorizing payment in the amount of \$2,363,351.84 to Mission Title Company, as escrow agent for title on conservation easements, for land, due diligence and closing costs on seven (7) tracts of land, totaling 1,923 acres, known as the Story Ranch parcels, situated in Uvalde County, Texas.

The acquisition of these properties is necessary to accomplish the Proposition One Edwards Aquifer Protection Venue Project.

**ALTERNATIVES:**

An alternative would be to defer acquisition until a later date. By not acquiring these conservation easements at this time, they may not be available at a later date or for the same purchase price.

Another option would be not to acquire the conservation easements; however, this would be counter to the goals of the Proposition One Edwards Aquifer Protection Venue Project.

**FISCAL IMPACT:**

- A) This is a one-time expenditure in the amount of \$752,150.23 for this acquisition. It will be funded by the 1/8-cent sales and use tax in the Edwards Aquifer Protection (Proposition One) Sales Tax funds included in the Fiscal Year 2014-2019 Capital Budget.
- B) This is a one-time expenditure in the amount of \$2,398,755.55 for this acquisition. It will be funded by the 1/8-cent sales and use tax in the Edwards Aquifer Protection (Proposition One) Sales Tax funds included in the Fiscal Year 2014-2019 Capital Budget.

- C) This is a one-time expenditure in the amount of \$1,544,267.31 for this acquisition. It will be funded by the 1/8-cent sales and use tax in the Edwards Aquifer Protection (Proposition One) Sales Tax funds included in the Fiscal Year 2014-2019 Capital Budget.
- D) This is a one-time expenditure in the amount of \$2,363,351.84 for these acquisitions. It will be funded by the 1/8-cent sales and use tax in the Edwards Aquifer Protection (Proposition One) Sales Tax funds included in the Fiscal Year 2014-2019 Capital Budget.

In round numbers, the acquisition protection fund has \$28 million available today. This item programs over \$7 million leaving \$21 million in available funds.

**RECOMMENDATION:**

- A) Staff recommends approval authorizing placement of a conservation easement on the 792-acre McNair Ranch for a total of \$752,150.23 in connection with the Proposition One Edwards Aquifer Protection Venue Project in order to protect the quality and quantity of water entering the Edwards Aquifer.
- B) Staff recommends approval authorizing placement of a conservation easement on the 2,057-acre Dehnisch Ranch for a total of \$2,398,755.55 in connection with the Proposition One Edwards Aquifer Protection Venue Project in order to protect the quality and quantity of water entering the Edwards Aquifer.
- C) Staff recommends approval authorizing placement of a conservation easement on the 2,015-acre Concan Ranch for a total of \$1,544,267.31 in connection with the Proposition One Edwards Aquifer Protection Venue Project in order to protect the quality and quantity of water entering the Edwards Aquifer.
- D) Staff recommends approval authorizing placement of conservation easements on the 7-tract, 1,923-acre Story Ranch parcels for a total of \$2,363,351.84 in connection with the Proposition One Edwards Aquifer Protection Venue Project in order to protect the quality and quantity of water entering the Edwards Aquifer.