



City of San Antonio

Agenda Memorandum

File Number:14-711

Agenda Item Number: 12.

Agenda Date: 4/17/2014

In Control: City Council A Session

DEPARTMENT: Office of EastPoint & Real Estate

DEPARTMENT HEAD: Mike Etienne

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT: Edwards Aquifer Protection Program - Conservation Easement Acquisitions

SUMMARY:

Consideration of the following ordinances associated with three conservation easements totaling 2,789 acres over the Edwards Aquifer Recharge and Contributing Zones.

- A) An ordinance authorizing payment in the amount of \$5,587,248.05 to Alamo Title Company, as escrow agent for title on a conservation easement, for land, due diligence and closing costs on an 822-acre tract of land known as the McNeel Ranch located in Bexar and Medina Counties, Texas.
- B) An ordinance authorizing payment in the amount of \$2,384,678.82 to Garner Abstract and Land Company, as escrow agent for title on a conservation easement, for land, due diligence and closing costs on a 645-acre tract of land known as the Cypress Roots Ranch located in Uvalde County, Texas.
- C) An ordinance authorizing payment in the amount of \$1,128,608.95 to Mission Title Company, as escrow agent for title on a conservation easement, for land, due diligence and closing costs on a 1,322-acre tract of land known as the Urso Ranch located 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, 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, 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.

A) The purchase of a conservation easement on the McNeel Ranch 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. This property is located over the Recharge Zone in Bexar and Medina Counties. Much of the land is located outside of the flood plain and suitable for residential development.

This property first was targeted through use of the Scientific Evaluation Team’s GIS-Spatial Model (SET Model). Subsequent site visits identified previously undocumented faults and other recharge features on the property. Approximately 1.3 miles of the San Geronimo Creek transects the property. All of the McNeel Ranch is located within the San Geronimo Creek watershed, which is an important recharge contributor in the area. The property contributes to surface water runoff quality, due to the current undeveloped state of the property, and the Edwards Aquifer Authority issued a geological assessment of the property confirming that preservation of the McNeel Ranch would provide a moderate water quality and quantity benefit to the City of San Antonio, would prevent water quality impacts from development in the region, and would protect the quality of water recharged on and downstream of the property. This ranch is near other protected properties owned by the City, as well as Government Canyon State Natural Area, and would contribute to the overall health of the aquifer Recharge Zone in the region.

B) The purchase of a conservation easement on the Cypress Roots Ranch 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. This property is located over the Contributing Zone in Uvalde County. Much of the land is located outside of the flood plain, has standing water, and is suitable for rural residential development.

This property first was targeted through use of the Scientific Evaluation Team’s GIS-Spatial Model (SET Model). Subsequent site visits identified previously undocumented faults and other recharge features on the property. Approximately 2,250 feet of the Sabinal River transects the property. The entire Cypress Roots Ranch is located within the Sabinal River watershed, which is an important recharge contributor in the area. The property contributes to surface water runoff quality, due to the current undeveloped state of the property, and the Edwards Aquifer Authority issued a geological assessment of the property confirming that preservation of the Cypress Roots Ranch would provide a water quality benefit to the City of San Antonio by preventing runoff and pollution from development along the river channel on the property. This ranch is very close to other properties also protected by conservation easements held by the City, as well as several properties currently under consideration for inclusion in the program, and would serve as an important link between some of the program’s larger protected properties.

C) The purchase of a conservation easement on the Urso Ranch 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. This property is located over the Recharge Zone in Uvalde County. Much of the land is located outside of the flood plain and suitable for rural residential development.

This property first was targeted through use of the Scientific Evaluation Team’s GIS-Spatial Model (SET Model). Subsequent site visits identified previously undocumented faults, sinkholes and other recharge features

on the property. Approximately 2,800 feet of the Dry Frio River transects the property. The entire Urso Ranch is located within the Frio and Dry Frio River watersheds, both of which are important recharge contributors in the area. The property contributes to surface water runoff quality, due to the current undeveloped state of the property, and the Edwards Aquifer Authority issued a geological assessment of the property confirming that preservation of the Urso Ranch would provide a high water quality benefit and high water quantity benefit to the City of San Antonio. This ranch is adjacent to other properties also protected by conservation easements held by both the City and SAWS and would result in the protection of over 16,000 acres of contiguous land within the Frio and Dry Frio River watersheds under conservation easements with the City of San Antonio and SAWS.

The proposed McNeel Ranch, Cypress Roots Ranch, and Urso Ranch tracts would constitute the 50th, 51st, and 52nd conservation easement acquisitions under the current program. Inclusion of these proposed 2,789 acres would bring the total of protected lands under the City's aquifer protection program to 122,636 acres.

ISSUE:

- A) An ordinance authorizing payment in the amount of \$5,587,248.05 to Alamo Title Company as escrow agent for title on a conservation easement, for land, due diligence and closing costs on an 822-acre tract of land known as the McNeel Ranch located in Bexar and Medina Counties, Texas.
- B) An ordinance authorizing payment in the amount of \$2,384,678.82 to Garner Abstract and Land Company, as escrow agent for title on a conservation easement, for land, due diligence and closing costs on a 645-acre tract of land known as the Cypress Roots Ranch located in Uvalde County, Texas.
- C) An ordinance authorizing payment in the amount of \$1,128,608.95 to Mission Title Company, as escrow agent for title on a conservation easement, for land, due diligence and closing costs on a 1,322-acre tract of land known as the Urso Ranch located 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 \$5,587,248.05 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 not to exceed \$2,384,678.82 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 not to exceed \$1,128,608.95 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) The Edwards Aquifer Protection (Proposition One) Sales Tax funds has approximately \$20 million in available resources. This item will utilize over \$9 million, leaving an available balance of approximately \$11 million.

RECOMMENDATION:

- A) Staff recommends approval authorizing placement of a conservation easement on the 822-acre McNeel Ranch for a total of \$5,587,248.05, 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 645-acre Cypress Roots Ranch for a total of \$2,384,678.82, 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 1,322-acre Urso Ranch for a total of \$1,128,608.95, 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.