



# City of San Antonio

## Agenda Memorandum

**File Number:** 15-4288

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**Agenda Item Number:** 15.

**Agenda Date:** 8/20/2015

**In Control:** City Council A Session

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**DEPARTMENT:** Parks and Recreation Department

**DEPARTMENT HEAD:** Janet Martin, Acting Director

**COUNCIL DISTRICTS IMPACTED:** City Wide

**SUBJECT:** Edwards Aquifer Protection Program - United States Department of Agriculture Conservation Grant

### **SUMMARY:**

This ordinance ratifies the submission of a grant application to the United States Department of Agriculture Natural Resources Conservation Service's Agricultural Conservation Easement Program by the City's Edwards Aquifer Protection Program division, and authorizes the acceptance of grant funds upon award not to exceed \$2,905,000.00 to be used toward the acquisition of a conservation easement on the 1,105 acre parcel of land known as Rancho Blanco in Bexar County.

Furthermore, this ordinance authorizes the Director of the Parks and Recreation Department, and his assigns, to initiate, negotiate, and execute any and all necessary documents and a cooperative agreement contract to effectuate the application and acceptance of the referenced grant.

### **BACKGROUND INFORMATION:**

In May of 2000, voters approved the first aquifer protection 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 state 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.

In May 2015, City staff submitted an application to the United States Department of Agriculture (USDA) Natural Conservation Resource Service (NRCS) seeking matching grant funds from the Agricultural Conservation Easement Program (ACEP) to be used toward the acquisition of a conservation easement on the Rancho Blanco property in Bexar County. The application was for an amount of \$2,905,000.00. In a letter dated July 16, 2015, the NRCS notified the City that the grant request had been awarded in its full amount. This grant will be leveraged with \$4,000,000.00 of Edwards Aquifer Protection Program funds for a total purchase price of \$6,905,000.00 for a conservation easement on the 1,105 acre Rancho Blanco property in Bexar County.

The City Council-appointed Conservation Advisory Board, which oversees the Edwards Aquifer Protection Program, voted unanimously at its July 22, 2015 meeting to recommend that City Council authorize the ratification of this grant application.

## **ISSUE:**

Conservation easements in Bexar County over the Recharge and/or Contributing Zones of the Edwards Aquifer are difficult to acquire for various reasons. Primarily, there are relatively few large parcels such as Rancho Blanco that remain undeveloped in Bexar County, and finding sizeable tracts in the area with landowners who are willing to participate in the program is a challenge. Additionally, the costs associated with the protection of large parcels such as this can be prohibitive. This grant allows the City to leverage aquifer protection funds with federal match dollars from the USDA ACEP program to purchase a conservation easement on a 1,105 acre tract of land in an area of Bexar County that is becoming increasingly urbanized.

The Office of EastPoint and Real Estate requests City Council authorization to ratify the submission of the grant application and authorization to accept up to \$2,905,000.00 to be used toward the acquisition of a conservation easement on the 1,105 acre parcel of land known as Rancho Blanco in Bexar County, and to authorize staff to initiate, negotiate, and execute any and all necessary documents and a cooperative agreement contract to effectuate the application and acceptance of the referenced grant.

## **ALTERNATIVES:**

If ratification of this grant application is not authorized, the City of San Antonio, through its Edwards Aquifer Protection Program, could consider funding the full \$6,905,000.00 for the acquisition of a conservation easement on the Rancho Blanco property. This alternative would result in a missed opportunity to leverage City venue tax funds with federal grant dollars.

Another alternative would be to deny ratification of the grant application with the purpose of not acquiring a conservation easement at all on the Rancho Blanco property; however, this would be counter to the goals of the Proposition One Edwards Aquifer Protection Venue Project.

## **FISCAL IMPACT:**

The Edwards Aquifer Protection Program requests City Council ratification for the submission of a grant application and requests authorization to accept funds upon award in an amount not to exceed \$2,905,000.00 from the USDA Natural Conservation Resource Service for participation in the Agricultural Conservation Easement Program to be used toward the acquisition of a conservation easement on an 1,105 acre tract of land in Bexar County known as Rancho Blanco.

There is a match requirement for this program, and through the City's Edwards Aquifer Protection Program, the City plans to contribute \$4,000,000.00 toward the purchase price of the Rancho Blanco conservation easement.

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 2015-2020 Capital Budget.

**RECOMMENDATION:**

Staff recommends approval of an Ordinance ratifying the submission of a grant application to the USDA NRCS and authorizing the acceptance of funds upon award in an amount up to \$2,905,000.00, and authorizing staff to initiate, negotiate, and execute any and all necessary documents and a cooperative agreement contract to effectuate the application and acceptance of the referenced grant.