



City of San Antonio

Agenda Memorandum

File Number:18-6199

Agenda Item Number: 14.

Agenda Date: 11/14/2018

In Control: Planning Commission

DEPARTMENT: Planning

DEPARTMENT HEAD: Bridgett White, AICP

COUNCIL DISTRICTS IMPACTED: Citywide and City Council District 6

SUBJECT:

City's conditional consent to the creation of the Westpointe Special Improvement District and a Development Agreement between the City and the Westpointe PID and Westlake property owners.

SUMMARY:

A Resolution and public hearing regarding the City's conditional consent to the creation of a Public Improvement District (PID), the proposed Westpointe Special Improvement District generally located west of West Loop 1604 and north of Highway 90 West within the Extraterritorial Jurisdiction (ETJ) of the City of San Antonio, by Bexar County; and a development agreement for the Westpointe PID and Westlake properties generally located south of US Highway 90 West and bisected by West Loop 1604 between the City of San Antonio (City) and the Westpointe PID property owners consisting of SPH Culebra, Ltd., Vise Oaks I, Ltd., Campbelton Road, Ltd., and Becker Ranch, Ltd. and the Westlake property owners, consisting of Peoples Verdes Ranch, Holding Co LTD and Vise SPH Ltd.

BACKGROUND INFORMATION:

Texas Local Government Code Chapter 382 allows for the creation of Public Improvement Districts (PIDs) and special purpose districts, by a city or county. PIDs are considered to be economic development tools used to pay or finance public improvements and economic development within (and that benefit) a defined geographical area which will ultimately become the PID. The general nature of the proposed work may include the improvement and construction of thoroughfares, collector and arterial roads, acquisition of right-of-way for road improvements, improvements to water, wastewater, and sanitary sewer facilities, drainage improvements, and/or trails, park and recreational improvements, located within the PIS boundaries. These PID or districts may levy a special assessment as a source of funding. Costs are apportioned and paid by land owners within the district that benefit from public improvements and/or services.

In order to create a PID in a county, more than 50 percent of owners of taxable real property liable for

assessment within the proposed District area, must submit a petition to the governing body of the county. If the proposed district is located within a city's ETJ, the municipality has the option to object to the formation of the districts pursuant to state law.

In accordance with Section 212.172 of the Texas Local Government Code, a municipality and a land owner may enter into a written agreement by which the municipality will extend the municipality's planning authority, establish development regulations including land use and development standards and provide for the infrastructure of the land.

The proposed Westpointe PID properties are owned by SPH Culebra, Ltd., Vise Oaks I, Ltd., Campbelton Road, Ltd., and Becker Ranch, Ltd. The Westpointe PID properties are generally located west of West Loop 1604 and are outside of the five-mile boundaries of both Lackland AFB and Medina Training Annex as described in **Exhibit "A"** and depicted in **Exhibit "B"**. The Westpointe properties consist of two tracts, referred to as Westpointe East, and Westpointe West, as well as certain right-of-way of Talley Road and Old FM 471 West used to connect the Westpointe Properties totaling approximately 2,382.9 acres.

The Westpointe properties have Master Development Plans (MDPs), which were approved by the City and Bexar County between 2010 and 2011. The Westpointe PID includes single family and multi-family residential as well as commercial land uses. The property owner plans to construct public improvements and infrastructure within and outside of the PID boundaries.

The Westlakes Properties are owned by Peoples Verdes Ranch, Holding Co LTD and Vise SPH Ltd. The Westlakes Properties consist of approximately 329 acres which are generally located south of US Highway 90 West and bisected by West Loop 1604 and located immediately to the west of the Lackland Air Force Base (AFB) Annex, also referred to as the Medina Training Annex. The Westlakes Properties consist of approximately 359.282 acres, consisting of the "Westlakes East of Loop 1604 - Northeastern Tract," the "Westlakes East of Loop 1604 - Southeastern Tract," and the "Westlakes West of Loop 1604 Tract," being more particularly described by **Exhibit "C"** and **Exhibit "D."**

The property owners have agreed to impose land use controls on Westlake properties to increase its compatibility with the land use regulation stated in the Lackland AFB Joint Land Use Study (JLUS). The land use controls in the Lackland AFB JLUS include restrictions on, type and density of land use, lighting, and sound attenuation standards.

In consideration for such land use controls on the Westlake Properties, the property owners have requested for the City to consent to the creation by Bexar County (County) of a PID, and approve a thirty-year development agreement for the Westlakes and Westpointe properties.

On December 14, 2017, the City Council stated their intent to consent to the creation of the Westpointe PID by Bexar County. The Westpointe owners submitted a petition to the County, on December 15, 2017, and an application to the County, on January 17, 2018, to create a PID to be named the Westpointe Special Improvement District. On October 23, 2018, Bexar County approved a resolution stating their intent to create the PID. The County would authorize the PID to impose an ad valorem tax on future property owners within the PID boundaries.

ISSUE:

This resolution would recommend that the City grant conditional consent to the establishment of the Westpointe PID by Bexar County and authorize a Development Agreement (Agreement) with the Westlake and Westpointe PID Property Owners. [The Agreement has been attached as "Attachment A."]

The conditional consent of the City includes the delegation of road district powers and the power to provide

water, wastewater and drainage facilities, which is required by state law, in order for the PID to exercise those powers. However, the City does not consent to the following:

- the exercise of eminent domain powers by the PID;
- the power to annex, expand or exclude land into the PID’s existing boundaries; and
- the power to retail or sell water, waste water and drainage services.

The City and the Owner will enter into a proposed Agreement, after the PID election, scheduled in May 2019. The proposed Agreement will include the following terms and obligations between the City and the Owners with respect to the development of the properties:

- On the Westlakes Properties, the Owner agree to impose the land use and development controls including restrictions on, type and density of land use, lighting, and sound attenuation standards and amend the Westlake MDP as depicted in **Exhibit “D.”** In the Northeastern Tract, development may include commercial and/or industrial uses. The Western Tract will be limited to no more than 300 multi-family units, attached dwelling units, and/or detached dwelling units. In the Southeastern Tract, development within the front 1,000 feet of West Loop 1604 may consist of commercial uses and/or industrial uses. The remainder of Southeastern Tract would be limited two single-family residential structures and two manufactured homes. The City’s “MLOD-2” Military Lighting Overlay District and the “MSAO-2” Military Sound Attenuation Overlay District will be applied to all of the Westlake properties, except the two manufactured homes which will be applied with MLOD-2, but will be exempt from MSAO-2.
- The Owner agrees to comply with all municipal rules, regulations, orders, ordinances and other laws applicable to all properties within the City’s ETJ during all phases of development and construction of the PID Project and during the term of the Agreement.
- The Owner agrees to consent to annexation by the City upon the termination of the Agreement.
- In the event the properties are annexed by City in the future, the City and the Owners mutually have agreed to the services the City would provide to the subject property as required by the Texas Local Government Code.
- The City will guarantee the continuation of the extraterritorial status of the PID property.
- The City will not annex property within the PID boundaries for thirty (30) years, after the effective date of the development agreement;
- The City would have the option to annex the property upon the expiration or termination of the Agreement or a violation of the Agreement by the owner of the property.
- There is no financial participation between the PID and the City.

The proposed timeline for the formation of the PID by the County and approval of the Development Agreement is as follows:

Dates

Schedule of Action

December 14, 2017 – City’s intent to consent to the creation of the Westpointe PID by Bexar County

October 23, 2018 – Bexar County Commissioners Court Order stating their intent to create the PID

November 14, 2018 – San Antonio Planning Commission

November 29, 2018 – City Council Public Consideration and action

December 4, 2018 – Commissioners Court consideration to create the PID and appoint a board of directors

February 3 -15, 2019 – PID's Board of Directors organizational meeting and call an election
May 4, 2019 – Election to confirm the PID and approve the PID tax rates by property owners.

ALTERNATIVES:

A denial of the ordinance may result in that the Westlake MDP would not be revised according to the land uses regulations recommended in the Lackland AFB JLUS and associated Noise Study.

City Council can require Staff to re-negotiate the terms of the agreement which would delay the activation of development. This action would require the Property Owner to seek a different financing mechanism for the development of the property.

RECOMMENDATION:

Staff recommends Approval of Resolution recommending the City's consent to the creation by Bexar County of the proposed Westpointe PID; and the authorization of a Development Agreement between the City and the Owners of the Westlake and Westpointe PID Properties.