



City of San Antonio

Agenda Memorandum

File Number:14-595

Agenda Item Number: 27.

Agenda Date: 4/10/2014

In Control: City Council A Session

DEPARTMENT: Department of Planning & Community Development

DEPARTMENT HEAD: John Dugan

COUNCIL DISTRICTS IMPACTED: None

SUBJECT:

Extraterritorial Jurisdiction Agreement with the City of Somerset

SUMMARY:

An ordinance authorizing the City Manager to execute an extraterritorial jurisdiction agreement with the City of Somerset for the release of approximately 1.8 square miles (1,163 acres) of land from the City of San Antonio to the City of Somerset.

BACKGROUND INFORMATION:

State law allows cities with fewer than 5,000 inhabitants, such as Somerset, to have a one-half mile ETJ (Somerset has approximately 1,671 residents.) Texas cities may expand their ETJ via population growth or by expanding their corporate limits and hence extending their ETJ area outward. Cities also may expand their ETJ to area contiguous to their existing ETJ beyond the distance allowed by state law, if the property owner requests to be added into their ETJ. State law also permits cities to seek the release of another city's existing ETJ area with the written consent from the releasing city's governing body.

The City Council of the City of Somerset approved a resolution in April 2012 authorizing the request to the City of San Antonio for the release of ETJ to extend the City of Somerset ETJ one-half mile north of its present city limits. By doing so, the City of Somerset would possess a full one-half mile ETJ around its entire perimeter. A similar request from the City of Von Ormy was approved by City Council on September 1, 2011. ETJ was also released to the community of Sandy Oaks on November 21, 2013 to support a request for incorporation.

The majority of the subject area is located within an area governed by the Atascosa Rural Water Supply Corporation (WSC) Certificate of Convenience and Necessity (CCN) for water services, though an area of approximately 408 acres is in the former Bexar Met service area, which is now served by the San Antonio Water System. The City of Somerset is currently served by the San Antonio Water System. Other services in the subject area are provided by:

- CPS Energy
- Bexar County Sheriff's Office
- Somerset Volunteer Fire Department
- Jarrett Volunteer Fire Department
- Emergency Services District (ESD) 5
- Acadian Ambulance Services, a Bexar County contractor, provides emergency medical services (EMS).

ISSUE:

The requested release was evaluated based criteria provided in the City's annexation policies. The annexation policies are to promote the City's strategic goal of promoting orderly and sustainable growth and provision of municipal services; preserve the fiscal sustainability of the City; protect the City's ability to expand its limits; and maintain clear and logical planning boundaries.

The proposed release provides a logical planning boundary as it is concentrated around the existing city limits of Somerset and is more closely identified with Somerset than with San Antonio. Additionally, the subject area is on the edge of San Antonio's ETJ and is unlikely to become part of the City of San Antonio. Existing land use for the area is 12% single family residential, 87% agriculture, and 1% commercial. There is limited potential for growth in the subject area based on the current layout and road network. Growth would most likely be residential in nature; though it is likely some limited commercial growth would take place along Somerset Road and Loop 1604, where the existing commercial land uses are located.

ALTERNATIVES:

An alternative is an exchange of ETJ with the City of Somerset. Currently, there is not an area within Somerset's jurisdiction recommended by staff to be sought for an equivalent exchange.

FISCAL IMPACT:

This request is fiscally neutral. There is no general fund revenue loss for the City of San Antonio associated with this release. The property is currently in the Extraterritorial Jurisdiction of the City of San Antonio where neither property tax nor sales tax is collected. The City of San Antonio does collect fees for plats and Master Development Plans processed in the ETJ, but since this is a fee for service, there is no fiscal impact if the service is not provided and the associated fee is not collected. CPS Energy fees would continue to apply to the subject property.

Bexar Appraisal District's valuation of land and improvements of the subject area is approximately \$14,535,760.00. If the City of San Antonio were to annex this area, \$82,227.34 would be added to the City's ad valorem tax base. However, due to the subject area being 2.1 miles from the current San Antonio city limits, annexation of this area in the foreseeable future is unlikely.

RECOMMENDATION:

Staff and Planning Commission recommend approval of the ETJ agreement with the City of Somerset. The Planning Commission recommended approval of the release and agreement on February 26, 2014. The Infrastructure and Growth Committee will consider the request on March 19, 2014.