



City of San Antonio

Agenda Memorandum

File Number:19-2748

Agenda Item Number: 19.

Agenda Date: 3/27/2019

In Control: Planning Commission

DEPARTMENT: Planning

DEPARTMENT HEAD: Bridgett White, AICP

COUNCIL DISTRICTS IMPACTED: Extraterritorial Jurisdiction - The nearest City Council District is 6.

SUBJECT:

Amendment to a Development Agreement between the City and the Talley Road Extension Revitalization Initiative, LLC. and S & P Land Holdings, LLC.

SUMMARY:

A public hearing and consideration of a Resolution recommending the City Council consent to the inclusion of an approximately 204.83 acre parcel, generally located northwest of the intersection of Tameron Pass and Talley Road and within the extraterritorial jurisdiction ("ETJ") of San Antonio in Bexar County, Texas; and approve the first amendment to the Talley Road Special Improvement District Development Agreement between the City of San Antonio and Talley Road Extension Revitalization Initiative, LLC. and S & P Land Holdings, LLC.

BACKGROUND INFORMATION:

On November 29, 2018, the City Council granted its consent to the creation of a public improvement district named the Talley Road Special Improvement District (PID) by Bexar County (County); and approved a Development Agreement (Agreement) with the Wayne Lee Benke and Talley Road Extension Revitalization Initiative LLC (Owners). The 232.314 acre PID consists of three parcels of land including the 222.6 acre "Benke tract." The PID property is generally located east of the intersection of Cartwright Trail and Talley Road in the ETJ of San Antonio. The Agreement included terms and conditions in the City's consent to the creation to the PID that deferred annexation of the PID for thirty years until November 29, 2048 and provided the Owner's consent to annexation at the expiration of the agreement.

On December 4, 2018, the County established the PID, appointed the PID's Board of directors (Board) and

granted the PID the power to impose ad valorem taxes and use the tax revenues to finance public improvement for the residential development within the PID. After the County established the PID, Wayne Lee Benke conveyed the Benke Tract to the PID Owners.

In February 2019, the Owners with the PID's board of directors petitioned the County to revise the existing PID's boundaries. The Owners propose to include an approximately 204.83 acre parcel, which is currently owned by S & P Land Holdings LLC to the existing PID's boundaries. Upon approval of the expansion of the PID property, S & P Land Holdings LLC plans to convey the land to the PID's Owners. The proposed extension is generally located northwest of the intersection of Tamaron Pass and Talley Road and to east of the Bexar-Medina County line. The PID acreage would increase to 437.144 acres.

The Owners propose to provide and construct public infrastructure on both parcels. The proposed development on 204.83 acre parcel consists of 1,023 single-family residential units with an average housing price of \$200,000. Proposed improvements in the expanded area include a 6.14 acre park, right-of-way dedication for Talley Road and one mile of a collector road with 70 feet of right of way, which will serve as a west-to-east connector from the future State Highway 211 to Talley Road. Costs for the collector road; street, water, sewer and drainage infrastructure are projected at \$37.76 million. The PID's revenue is estimated to \$38.5 million over a 30 year period.

The Owner also petitioned the City to amend City Council's consent and the Agreement, prior to their election in May 2019. This election will to confirm the establishment of the PID and approve its ad valorem tax rate. Bexar County Commissioners Court will consider action on this item on March 26, 2019. Planning Commission will hold a public hearing and provide their recommendation to City Council on March 27. City Council will consider approving the First Amendment to the Agreement, on April 18, 2019.

ISSUE:

The amendment will revise the existing PID boundaries by adding the 204.83 acres to the original 232.314 acres, which will increase the PID property to 437.144 acres. This proposed amendment also will apply the conditions of the City's consent and the terms and provisions of the Amended Agreement with respect to the development of the entire PID property.

The existing agreement and proposed amendment are consistent with the City's Annexation Policy, which includes the following considerations for issuing development agreement.

Non-Annexation Agreements:

- May be offered for Industrial Districts, Public Improvement Districts, and other Special Districts.
- Shall require a statement that the property owner consents to voluntary annexation at the end of the term of the agreement or if the agreement is violated.
- Should consider services in lieu of annexation to extend City regulations and requirements in anticipation of annexation at some point in the future. For residential developments, additional criteria such as mixed uses, mixed housing types, higher connectivity ratios, enhanced park and open space dedications, pedestrian and biking paths, signage and appearance standards, and dedicated conservation areas, should be considered in lieu of annexation.
- Shall be reviewed by the Planning Commission for adherence to these policies.

ALTERNATIVES:

An alternative is not to consent to the proposed Amendment. This action may result in that the project is delayed. City Council may require Staff to re-negotiate the terms of the agreement which would delay the activation of development in the PID.

FISCAL IMPACT:

There is no direct fiscal impact to the City associated with the passage of this resolution. The amended development (non-annexation) agreement is with the owners of a public improvement district located outside of the City's limits in an unincorporated area of western Bexar County.

RECOMMENDATION:

Staff recommends that approval of resolution recommending City Council approval of the Amendment to a Development Agreement between the City and the Talley Road Extension Revitalization Initiative, LLC. and S & P Land Holdings, LLC.