



City of San Antonio

Agenda Memorandum

File Number:19-4240

Agenda Item Number:

Agenda Date: 5/22/2019

In Control: Planning Commission

DEPARTMENT: Planning

DEPARTMENT HEAD: Bridgett White, AICP

COUNCIL DISTRICTS IMPACTED: Citywide and City Council District 6

SUBJECT:

Consideration of a request from Red Bird Legacy Ranch, LP for 1) the City's consent to the creation of two fresh water supply districts to later be converted to two water control and improvement districts on an approximately 1,019.6 acre parcel of land to be named The Summit at Redbird Ranch Project; 2) the approval of a development agreement between the City and Red Bird Legacy Ranch, LP; 3) a tentative strategic partnership agreement which will be approved in final form at a future date.

SUMMARY:

Public hearing and consideration of a resolution recommending the City of San Antonio's (City) consent to the creation of two fresh water supply districts to later be converted to two water control and improvement districts on an approximately 1,019.6 acre parcel of land to be named The Summit at Redbird Ranch Project; and the approval of a development agreement between the City and Red Bird Legacy Ranch, LP, owner of the property which is generally located south of SR 16 and west of SR 211, on the border of Bexar County and Medina County, in the extraterritorial jurisdiction (ETJ) of the City of San Antonio, Texas; and a tentative strategic partnership agreement which will be approved in final form at a future date.

BACKGROUND INFORMATION:

Red Bird Legacy Ranch, LP ("landowner") filed a petition with the City Clerk requesting the City's consent for Bexar and Medina counties' creation of two fresh water supply districts ("FWSD"), encompassing 1,019.6 acres, which would then be converted by the Board of Directors of those districts to two water control and improvement districts ("WCID"). The Board of Directors is appointed by the county in which the district is located.

The intended purposes of the districts are to provide water, wastewater, sewer and drainage infrastructure, as well as road facilities, parks, recreational facilities and other improvements within the district areas.

The creation of these particular types of districts is necessary to accomplish the landowner's objectives because the law limits the types of special utility districts that can be created when the property being developed is located in more than one county.

The Texas Water Code provides a landowner with the ability to petition a county to create Fresh Water Supply Districts (FWSD) and Water Control and Improvement Districts (WCID) as they are types of special utility districts that provide funding mechanisms through ad valorem and sales taxation, special assessments and the issuance of bonds to fund infrastructure and improvements necessary to serve residential and/or commercial development within the districts' boundaries. If the creation of a district is approved by the county, the county appoints a board of directors who will govern the district, essentially operating as a limited authority governmental entity. Typically, the board fixes rates paid by water users, decides the terms on which water can be furnished, and makes rules regarding water use and distribution. The revenue earned is used for operation and maintenance expenses or to help pay debts or interest on bonds. The board also has the power to acquire rights-of-way for the construction of pipelines, levees, sewer systems, bridges, and other structures through private and public land, and it awards contracts to the lowest and best bidders for such construction.

If a proposed FWSD or WCID will be located within a municipality's ETJ, the property owner requesting the creation of the district must obtain the written permission of the municipality in order for the district to be created.

Chapter 212 of the Texas Local Government Code allows a municipality and a land owner to enter into a written agreement to govern the development of land located in the City's ETJ. Among the terms that can be included in the agreement are that the City can extend its planning authority, establish development regulations including land use and development standards, and provide requirements for the construction of water, sewer and drainage infrastructure and other improvements. The agreement may also provide for the annexation or non-annexation of the property on terms agreed to by the City and the landowner.

ISSUE:

This is a public hearing and consideration by the Planning Commission to adopt a resolution recommending that City Council grant its consent to the creation of the two FWSDs which will later be converted by the landowner to WCIDs for the purpose of The Summit at Redbird Ranch Project by Bexar and Medina Counties and within the City's ETJ. The resolution, if adopted, will also recommend the approval of a Development Agreement between the City and the property owner, McCombs Enterprises, along with a tentative strategic partnership agreement which will be further negotiated and approved separately at a future date. The Development Agreement has been attached as "Attachment A." The tentative strategic partnership agreement is an attachment to the Development Agreement.

ALTERNATIVES:

A recommendation to the City Council to not consent to the creation of the districts would result in the districts not being created by Bexar and Medina Counties. This action would require that the landowner follow a different statutory process to have the districts created and seek a different financing mechanism for the development of the Districts.

FISCAL IMPACT:

There is no fiscal impact associated with the passage of this Resolution.

RECOMMENDATION:

Staff recommends approval of the Resolution recommending the City's consent to the creation two fresh water supply districts to later be converted to two water control and improvement districts on an approximately 1,019.6 acre parcel of land to be named The Summit at Redbird Ranch Project; and the approval of a development agreement between the City and McCombs Enterprises; and a tentative strategic partnership agreement which will be approved in final form at a future date.