



City of San Antonio

Agenda Memorandum

File Number: 14-2481

Agenda Item Number: 21.

Agenda Date: 11/6/2014

In Control: City Council A Session

DEPARTMENT: Planning and Community Development

DEPARTMENT HEAD: John Dugan, AICP

COUNCIL DISTRICTS IMPACTED: 3

SUBJECT:

Reading and consideration of an ordinance approving the extension of the City limits by limited purpose annexation of a 36.266 acre undeveloped tract, located at 3890 South Loop 1604; and adopting a Limited Purpose Annexation Regulatory Plan.

SUMMARY:

Reading and consideration of an ordinance approving the extension of the City limits by limited purpose Annexation of approximately 36.266 acres of undeveloped land, located at 3890 South Loop 1604, which is contiguous to the City of San Antonio limits and located within San Antonio's Extraterritorial Jurisdiction (ETJ); and adopting a Limited Purpose Annexation Regulatory Plan.

BACKGROUND INFORMATION:

In January 2014, the City Council approved by ordinance (2014-01-09-0002), a non-annexation agreement with Diamond Environmental Management LP, the owner of an approximately 36.266 acre undeveloped site, located at 3890 South Loop 1604, described as CB 4167A, BLK 1, LOT 4 (IVY SUBD), and depicted in Exhibit "A". The non-annexation agreement with Diamond Environmental Management provided the property owner's consent to limited purpose annexation and zoning, if there was any type of development on the property, or a change in the agricultural land use of the property. The properties abutting this site currently have non-annexation agreements for agricultural valuation for a period of 10 years.

In June 2014, Diamond Environmental Management sold the subject property to a new land owner (SMBC

Leasing & Finance Inc.). The developer, FMC Technologies, is constructing a well head rebuilds facility that will consist of a 60,000 square feet warehouse and yard storage. The operation will create approximately 200 jobs. Construction already has begun and is expected to be completed by March 2015.

The City's Development Services Department is coordinating the construction process with the developer and Bexar County to ensure higher quality development than would otherwise occur. If annexed for full purposes in the future, it would increase the City's tax base and generate additional revenue.

State law requires that the municipality to follow certain provisions for all annexation proceedings, which includes the publication of the public hearing notification, two public hearings by the governing body and the adoption of the annexation ordinance and a "Limited Purpose Annexation Regulatory Plan. The Texas Local Government Code Sec. 43-123 requires the City to prepare and release a "Planning Study" and "Regulatory Plan" for limited purpose annexation areas. The "Limited Purpose Annexation Regulatory Plan," which is attached as Exhibit "B" provides for the extension of planning, zoning, and health and safety ordinances, and states that the area will be fully annexed within three years.

In addition, the City of San Antonio Charter requires consideration of annexation by the Planning Commission, and the publishing of the annexation ordinance 30 days prior to the final adoption of the ordinance.

As required by State law, the notice regarding the public hearings was posted on the City of San Antonio Department of Planning and Community's (DPCD) internet web site, on September 12, 2014, and was published in the Daily Commercial Recorder newspaper on September 16 and 17, 2014. The notice regarding the availability of the "Planning Study" and "Regulatory Plan" was posted on the DPCD's internet web site, on September 12, 2014. These reports are available for public viewing at the DPCD Office, located at 1400 South Flores Street and are posted on the DPCD's internet web site.

On October 1 and 2, 2014, the City Council held public hearings regarding the proposed annexation of the subject property for limited purposes. On October 7, 2014, the City published the ordinance in the Daily Commercial Recorder newspaper, thirty days prior to passage of the ordinance, as required by the City of San Antonio charter.

ISSUE:

Reading and consideration of an ordinance approving the extension of the City limits by limited purpose Annexation of approximately 36.266 acres of undeveloped land, located at 3890 South Loop 1604, which is contiguous to the City of San Antonio limits and located within San Antonio's Extraterritorial Jurisdiction (ETJ); and adopting a Limited Purpose Annexation Regulatory Plan.

This annexation is proposed to capture economic development activity related to the Eagle Ford Shale. Limited Purpose Annexation is an interim annexation method that allows the municipality to control development in an area that it may fully annex. Limited purpose annexation enables the City to transition land use regulations, building and zoning codes within the area in order to capitalize on economic development opportunities occurring in the south Bexar County. The subject property will be considered for City's full purpose jurisdiction during three year period.

Staff proposes that the City annex and zone the subject property, according to the same provisions used for the recent limited purpose annexation and zoning of the surrounding area. To be consistent with the adjacent zoning districts, an "I-2" (Heavy Industrial District) zoning is proposed to be effective upon the date of

annexation. The associated plan amendment and zoning case will be considered after City Council action on annexation.

ALTERNATIVES:

An alternative is that Council denies extending the City limits by Limited Purpose Annexation and zoning of the subject property in which it would remain as an unincorporated area of the ETJ.

FISCAL IMPACT:

The expansion of City Limits through limited purpose annexation of the subject property will have a negligible fiscal impact. No significant fiscal impact related to services is anticipated due that it is contiguous to current City limits. For limited purpose annexation, state law requires procedural steps leading to full purpose annexation: By the end of the second year, the City must include the area in the long range financial forecast and its capital improvement program to identify future projects; and by the end of the third year, the City must identify potential sources of funding for capital improvements.

RECOMMENDATION:

Staff recommends the approval of the Limited Purpose Annexation , a 36.266 acre undeveloped tract, located at 3890 South Loop 1604, described as CB 4167A, BLK 1, LOT 4 (IVY SUBD) and as depicted in the exhibit in Exhibit "A", and the adoption of the Limited Purpose Annexation Regulatory Plan, which is attached as Exhibit "B."

On August 20, 2014, the Infrastructure and Growth Committee was briefed on the annexation.

On September 24, 2014, the Planning Commission held a public hearing regarding the annexation and land use plan amendment, and recommended approval.