

**ORDINANCE**

**AUTHORIZING THE CITY OF SAN ANTONIO’S EXECUTION OF A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SAN ANTONIO AND LGI HOMES-TEXAS LLC., OWNER OF APPROXIMATELY 111.274 ACRE PROPERTY GENERALLY LOCATED SOUTHWEST OF HIGHWAY 90 BETWEEN WEST MONTGOMERY ROAD AND STRAUSS MEDINA ROAD IN THE EXTRATERRITORIAL JURISDICTION OF THE CITY SAN ANTONIO, BEXAR COUNTY, TEXAS .**

\* \* \* \* \*

WHEREAS, LGI Homes-Texas, LLC., (Landowners) own approximately 111.274 acres of land generally located southeast of Highway 90 between West Montgomery Road and Strauss Medina Road within the City of San Antonio's ETJ (the "Property"), more particularly described and depicted in the PID Petition attached as **ATTACHMENT "A,"**; and

**WHEREAS**, on February 8, 2024, the Owner filed a petition with Bexar County (“County”) to create a Public Improvement District to be named the Lucero Special Improvement District (“District”) under Chapter 382 of the Local Government Code and requested the City’s consent to the creation of the District, and the County’s delegation of certain powers and duties with respect thereto, which the City granted by resolution on June 20, 2024; and

**WHEREAS**, in order to protect the City’s planning goals and infrastructural interests in the ETJ, as a condition of the City’s consent to the County’s creation of the District, the City Council determined that it is prudent to require the Owners to enter into a Development Agreement (“Agreement”) containing mutually agreeable terms relating to the development of the property within the District, assessment of taxes within the District, voluntary annexation at the end of the term of the Agreement or upon violation of the Development Agreement; municipal services to be provided by the City within the District in the event of annexation; and a Strategic Partnership Agreement (“SPA”) for limited and full purpose annexation and revenue sharing by City of sales and use taxes imposed within commercial areas of the District pursuant to Chapters 43 and 212 of the Local Government Code; and

**WHEREAS**, in addition to compliance with the terms of the Agreement referenced herein, Owners are required to pay an application fee in the amount of \$7,500.00 and will pay an Operations Assessment Fee in the amount of \$175.00 per residential lot and multi-family unit, which in the Owner’s estimation amounts to approximately One Hundred and Two Thousand, Twenty- Five and No/100 (\$102,025) U.S. dollars, and which shall be paid annually based on the number of units built within the District reflected in an annual report provided by the Owners and as verified by staff; and shall reimburse the City for all costs paid by City for the recording of this Agreement and related documents in the Bexar County property records. **NOW, THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The City Manager, or his designee, is authorized to execute a Development Agreement (“Agreement”) between the City of San Antonio and LGI Homes-Texas, LLC., (Owner), containing the terms and conditions governing the development of the Lucero Special Improvement District (“District” or “PID”) property, preserving the extraterritorial status of the District property during the term of the Agreement, establishing the Agreement as a voluntary petition for annexation providing the City with the option of annexing the District property in the event of default of the Agreement by the Owner, a subsequent owner or end-buyers of properties developed within the District or upon the termination date of the Agreement; agreeing to the assessment of taxes within the District, providing for municipal services to be provided to the District property in the event of annexation; and providing for a Strategic Partnership Agreement for limited purpose annexation and revenue sharing by City of sales and use taxes imposed within commercial areas of the District, if applicable, which will be attached in substantial form to the Agreement; and all other terms and conditions the City Manager finds to be in the City’s best interest. A copy of said Agreement is attached hereto as **Attachment “B”**.

**SECTION 2.** The City Council of the City of San Antonio ordains that its consent to Bexar County’s creation of the District will remain in effect so long as the Owner complies with the terms of the Agreement.

**SECTION 3.** The City Council approves the assessment and collection of a Special District application fee in the amount of \$7,500.00 and an Operations Assessment Fee in the amount of \$175.00 per residential lot and multi-family unit, which in the Owner’s estimation amounts to approximately One Hundred and Two Thousand, Twenty- Five and No/100 (\$102,025) U.S. dollars, and which shall be paid annually based on the number of units built within the District reflected in an annual report provided by the Owner and as verified by staff; and shall reimburse the City for all costs paid by City for the recording of this Agreement and related documents in the Bexar County property records to be deposited as specified in this Ordinance.

**SECTION 4.** Funds received for this Ordinance for Special District application fee will be deposited in Fund \_\_\_\_\_, Internal Order \_\_\_\_\_ and General Ledger \_\_\_\_\_.

**SECTION 5.** Funds received for this Ordinance for Special District Operations Assessment fees will be deposited in Fund \_\_\_\_\_, Internal Order \_\_\_\_\_ and General Ledger - \_\_\_\_\_.

**SECTION 6.** Section 3: Funds received for reimbursement of costs for legal recordings fees will be deposited in Fund \_\_\_\_\_, Internal Order \_\_\_\_\_ and General Ledger \_\_\_\_\_.

**SECTION 7.** The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager’s designee, correct allocations to specific

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06/20/2024  
Item No.

Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

**SECTION 8.** This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

**PASSED AND APPROVED on this 20<sup>th</sup> day of June, 2024.**

**M A Y O R**  
**Ron Nirenberg**

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Debbie Racca-Sittre, City Clerk

\_\_\_\_\_  
Andrew Segovia, City Attorney

JW  
06/20/2024  
Item No.

**ATTACHMENT "A"**  
Petition for City's Consent

JW  
06/20/2024  
Item No.

**ATTACHMENT "B"**  
Development Agreement