

AN ORDINANCE

AUTHORIZING THE CITY OF SAN ANTONIO'S EXECUTION OF A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SAN ANTONIO AND CHESMAR HOMES, LLC, OWNER OF APPROXIMATELY 167.73 ACRES OF LAND, GENERALLY LOCATED SOUTHWEST OF IH-10 AND STATE HIGHWAY 46 AND WEST OF BOERNE STAGE ROAD, IN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS.

* * * * *

WHEREAS, Chesmar Homes, LLC (Owner) owns approximately 167.73 acres of land, also referred to as the Boerne Stage Road property, generally located southwest of IH-10 and State Highway 46 and west of Boerne Stage Road in the northern extraterritorial jurisdiction ("ETJ") of the City of San Antonio (the "City"), more particularly described and depicted in **Exhibit "A"** enclosed in **Attachment "A"** attached hereto and incorporated herein for all purpose; and

WHEREAS, on October 11, 2022 the Owner requested that Bexar County (the "County") establish a Public Improvement District ("PID") to be later be named the Boerne Stage Road Special Improvement District under Chapter 382 of the Local Government Codes, hence on November 1, 2022, Owner submitted a petition to the City requesting the City's consent to the creation of the PID; and the County's delegation of certain powers and duties with respect thereto, which the County granted by resolution on November 11, 2022; 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 PID, the City Council determined that it is prudent to require the Owner to enter into a Development Agreement ("Agreement") containing mutually agreeable terms relating to the development of the District property, assessment of taxes within the PID, voluntary annexation at the end of the term or upon violation of the Agreement; municipal services to be provided by the City within the PID in the event of annexation; and

WHEREAS, the Development Agreement will also include a Strategic Partnership Agreement (attached in substantial form as an exhibit to the Development Agreement attached hereto as Attachment "B"), which sets out the terms for limited purpose annexation by City of commercial property in the PID and revenue sharing of the of sales and use taxes collected within the PID; and

WHEREAS, the Owner has paid 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, which in the Owner's estimation amounts to approximately Twenty Two Thousand Nine Hundred Twenty Five and No/100 (\$22,925.00) U.S. dollars, and which shall be paid annually based on the number of units built within the PID 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; **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 Chesmar Homes, LLC ("Owner") containing the terms and conditions governing the development of the Boerne Stage Road Special Improvement District ("PID") and the property contained therein, , preserving the extraterritorial status of the PID

during the term of the Agreement, establishing the Agreement as a voluntary petition for annexation providing the City with the option of annexing the PID property in the event of default of the Agreement by the Owner, a subsequent owner or end-buyers of properties developed within the PID or upon the termination date of the Agreement; agreeing to the assessment of taxes within the PID, providing for municipal services to be provided to the PID property in the event of annexation; and providing for a Strategic Partnership Agreement (“SPA”) for limited purpose annexation and revenue sharing by City of sales and use taxes imposed within commercial areas of the PID, 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 San Antonio ordains that its consent to the County's creation of the Boerne Stage Road Special Improvement District will remain in effect so long as the Owner complies with the terms of the Development Agreement.

SECTION 3. The City Council authorizes the assessment and collection of a PID application fee in the amount of \$7,500.00; a Special District Operations Assessment in the amount of \$22,925.00 and the reimbursement by Owner of all costs paid by the City and the legal recording of the Development Agreement and the SPA in the real property records of Bexar County.

SECTION 4. Fund _____ and Internal Order _____ and General Ledger # _____ are designated for the Application Fee in the accounting for the fiscal transaction in authorization of this agreement.

SECTION 5. Fund _____ and Internal Order _____ and General Ledger # _____ are designated for the Special District Operations Assessment in the accounting for the fiscal transaction in authorization of this agreement.

SECTION 6. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary for the purpose of this Ordinance.

SECTION 7. 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 _____.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FOR

Debbie Racca-Sittre, City Clerk

Andrew Segovia, City Attorney