



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 26

Agenda Date: April 20, 2023

In Control: City Council A Session

DEPARTMENT: Planning Department

DEPARTMENT HEAD: Bridgett White

COUNCIL DISTRICTS IMPACTED: ETJ, District 3

SUBJECT:

Ordinance approving the execution of a Development Agreement between the City of San Antonio and the Owners of property, Medina Del Rey QOZB, LLC and SS 1604 Ranch, LLC, located in the City's Extraterritorial Jurisdiction (ETJ).

SUMMARY:

Ordinance authorizing the execution of a Development Agreement between the City of San Antonio and the Owners of property, Medina Del Rey QOZB, LLC and SS 1604 Ranch, LLC, of approximately 814.039 acres generally located North of the intersection of Pleasanton Road and Loop 1604 South, within the ETJ of San Antonio, in Bexar County.

BACKGROUND INFORMATION:

The City of San Antonio (City) initiated Limited Purpose Annexation of the South side area in 2014, and then completed Full Purpose Annexation of the area in 2016. As part of both annexation processes, Texas Local Government Code (LGC) required the City to offer Development Agreements to properties that had the applicable appraisal for ad valorem tax purposes as land for agricultural or wildlife management use or as timber land ("agricultural") as designated by the Bexar Appraisal District (BCAD).

In 2014 and 2016, prior to final Full Purpose Annexation of other properties in the South San Antonio Area, numerous owners of properties entered into Development Agreements with the City of San Antonio. These Agreements allowed their continued agricultural use, or other use as specified by the LGC, and guaranteed the extraterritorial status for the property as long as the property owner continued the use as described in the terms of the Agreement.

The nine parcels of land (totaling approximately 814.039 acres), which include eight parcels (totaling approximately 759.83 acres) subject to development agreements with the City, are now under different ownership. Now, the current Owners, Medina Del Rey QOZB LLC and SS1604 Ranch LLC, of the 814.039 acres (Subject Property) are petitioning the City for a new development agreement in anticipation of developing a solar utility project called “El Patrimonio Solar Project.” Operating a solar farm on the properties would violate the existing development agreements, hence the request for a new agreement with new terms and conditions which would allow the property to maintain its status in the ETJ.

The Subject Property is currently undeveloped and generally located North of the intersection of Pleasanton Road and Loop 1604 South, in the ETJ adjacent to City Council District No. 3. The portion of the most Northern parcel, adjacent to the Medina River, is currently in the city limits and within the same council district. The developer ("Developer") intends to build a 145 MW utility scale solar project, after responding to a CPS Energy’s FlexPower Request for Proposals (RFP) which provides CPS Energy with a fixed pricing proposal (giving power to CPS for fifteen years).

ISSUE:

The Planning Commission was briefed on this request on March 8, 2023 and considered the development agreement request on March 22, 2023. Planning Commission recommends approval. Action on the development agreement will be considered by City Council on April 20, 2023.

ALTERNATIVES:

The denial of this ordinance would result in the continuation of the existing Development Agreements, under which the use of a solar farm is not permitted.

FISCAL IMPACT:

No fiscal impact for this item.

RECOMMENDATION:

Staff and Planning Commission recommend approval of an ordinance authorizing the execution of a Development Agreement to be effective until December 1, 2035 between the City of San Antonio and the Owners of 814.039 acres, Medina Del Rey QOZB, LLC and SS 1604 Ranch,

LLC.