

RECOMMENDING THE CITY OF SAN ANTONIO GRANT ITS CONSENT TO THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT TO BE CALLED THE “ESPINO SPECIAL IMPROVEMENT DISTRICT” BY BEXAR COUNTY; SUBJECT TO A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SAN ANTONIO AND MASTERSON 90 INVESTORS, LP, LANDOWNERS OF THE APPROXIMATELY 241.815 ACRE PROPERTY GENERALLY LOCATED SOUTHEAST OF THE INTERSECTION OF W US HIGHWAY 90 AND MASTERSON ROAD (7580 MASTERSON ROAD) IN THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS.

WHEREAS, the Texas Local Government Code Chapter 382 allows a county to create a Public Improvement District (PID) pursuant to Section 52, Article III, and Section 59, Article XVI of the Texas Constitution and for the purposes of creating a program to engage in economic development projects as provided in Section 52-a, Article III, Texas Constitution; and

WHEREAS, the Texas Local Government Code Chapter 382 provides that if one purpose of a political subdivision, which includes a PID, is to supply fresh water for domestic or commercial use or to furnishing sanitary sewer services, roadways, or drainage, a municipality in whose extraterritorial jurisdiction (ETJ) the subdivision is located must give its written consent by ordinance or resolution in order for the subdivision to be created; and

WHEREAS, Masterson 90 Investors, LP (Landowner) owns approximately 241.815 acres of land generally located southeast of the intersection of W US Highway 90 and Masterson Road (7580 Masterson Road) in the City of San Antonio’s ETJ (the “Property”), more particularly described, and depicted in the PID Petition attached as **ATTACHMENT “A”**; and

WHEREAS, the Landowner proposes a single-family residential development consisting of 986 to 1,010 housing units. The project also includes both on-site and off-site improvements, such as individual lot enhancements (clearing and grading), water improvements, drainage systems, utility installations (electric, gas, street lighting, telephone, internet, etc.), collector streets, landscaping, and the development of parks and open spaces. Said improvements are depicted in the PID Summary and Master Development Plan (MDP) included in **ATTACHMENT “A”**. Costs for the improvements specified herein are to be paid for through reimbursements by the PID once it has been created; and

WHEREAS, on September 13, 2024, the Landowner filed a petition with Bexar County (County) and on October 1, 2024 filed an Amended and Restated Petition requesting that the County create the Espino Special Improvement District under Chapter 382 of the Local Government Code, authorize the PID to impose certain taxes within the PID, and delegate the powers of a road district and the powers to construct water, wastewater, and drainage facilities to the PID; and

WHEREAS, on October 9, 2024, the Landowner submitted a petition, then submitted a revised petition on January 15, 2025 to the City requesting the City’s consent to the creation of the PID by the County in accordance with Section 382.101 of the Local Government Code; and

WHEREAS, on October 29, 2024, the County Commissioners Court approved a resolution stating their intent to create the PID; and

WHEREAS, in consideration of the City's consent to the creation of the PID by the County, the Landowner has agreed to enter into a 30-year Development Agreement, enclosed in substantially final form as **ATTACHMENT "B"**, which will set forth the conditions of the City's consent, including the City's authority to enforce development regulations and city ordinances applicable to other land within the City's ETJ, and will provide terms for the voluntary annexation of the District Property upon expiration of the term of the Development Agreement; 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 Landowner will 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 multifamily unit, which in the Landowners' estimation amounts to approximately One hundred Seventy-two thousand, Five hundred fifty and No/100 (\$172,550.00) U.S. Dollars to One hundred Seventy-six thousand, Seven hundred fifty and No/100 (\$176,750.00) 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 Landowner 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.

WHEREAS, the San Antonio Planning Commission held a public hearing on January 22, 2025, and at the conclusion thereof, determined that, subject to the conditions set forth herein, the City should grant its consent to the creation of the PID.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF SAN ANTONIO:

SECTION 1. The San Antonio Planning Commission recommends that the City of San Antonio grant its consent to the creation by Bexar County of the Espino Special Improvement District ("PID") as detailed in the Landowner's petition attached as **ATTACHMENT "A"** in accordance with Section 382.101 of the Local Government Code and to the County's delegation to the District the powers granted by Section 52, Article III of the Texas Constitution, the powers and duties of a road district and the power to construct water, wastewater and drainage. The Planning Commission does not recommend that the City's consent include the powers to exercise eminent domain, annexation, expansion, division, or exclusion of property from the District.

SECTION 2. The San Antonio Planning Commission further recommends that the City Council approve a 30-year Development Agreement, attached in substantially final form as **ATTACHMENT "B"** between the City and Masterson 90 Investors, LP, Landowner of the PID property, which includes provisions for the voluntary annexation of the property upon expiration of the term of the Development Agreement and that establishes services and terms for future annexation of the PID property.

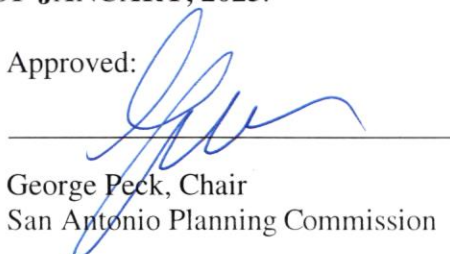
PASSED AND APPROVED ON THIS 22ND DAY OF JANUARY, 2025.

Attest:



Executive Secretary
San Antonio Planning Commission

Approved:



George Peck, Chair
San Antonio Planning Commission