



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 22

Agenda Date: November 18, 2021

In Control: City Council A Session

DEPARTMENT: Parks & Recreation Department

DEPARTMENT HEAD: Homer Garcia III

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Edwards Aquifer Protection Program Acquisition

SUMMARY:

An ordinance authorizing payment in the amount of \$7,940,643.65 from Proposition 1 of the Edwards Aquifer Protection Sales Tax fund included in the FY 2022 - FY 2027 Capital Improvement Program, to Western Title Company of Bandera as escrow agent for title on a conservation easement, due diligence and closing costs on a 3,457-acre tract of land known as the Middle Verde Ranch Addition located in Bandera and Medina Counties, Texas.

This action also authorizes the execution of necessary documents to accomplish said acquisition.

BACKGROUND INFORMATION:

The purpose of the Edwards Aquifer Protection Program is to obtain property rights by fee simple purchase, conservation easements or donations of land over the sensitive zones of the Edwards Aquifer. This program was initiated in May 2000 when voters approved Proposition 3, a 1/8-cent sales tax venue up to \$45 million for the acquisition of lands over the Edwards Aquifer for parks and watershed protection. Proposition 3 ran from 2000 through 2005 and was limited to Bexar

County.

The 2005 Proposition 1 program was an extension of the initial voter-approved Edwards Aquifer protection endeavor and was extended by voters in 2010 and renewed again in 2015. Changes in state legislation allowed watershed protection activities to expand outside of Bexar County.

The proposed purchase of the conservation easement on the Middle Verde Ranch Addition is located over the Edwards Aquifer Contributing Zone and consists of 3,457 acres in Bandera and Medina Counties, Texas. The property was initially identified through use of the Scientific Evaluation Team's GIS Spatial Model and subsequent site visits identified favorable recharge features on the property. The Middle Verde Ranch Addition acquisition will add 3,457 acres to the 2,830-acre Phase 1 acquisition in 2017. Both phases of the Middle Verde Ranch is located in the Middle Verde Creek/Frio River watershed which contributes to significant recharge of the Edwards Aquifer. The Edwards Aquifer Authority issued a geological assessment of the property confirming that preservation would provide a range of high-to-very high water quantity and very high water quality benefit for the City of San Antonio. The Middle Verde Ranch Addition is located contiguous to existing conversation easement properties through the Edwards Aquifer Protection Program which will result in greater aquifer protection.

ISSUE:

This ordinance authorizes payment in the amount of \$7,940,643.65 to Western Title Company of Bandera as escrow agent for title on a conservation easement, due diligence and closing costs on a 3,457-acre tract of land known as the Middle Verde Ranch Addition located in Bandera and Medina Counties, Texas. Acquisition cost for this easement is less than the appraised value of \$10,890,000.00, resulting in a significant bargain sale to the City.

Acquisition of this property is consistent with the policy for implementation of the Proposition 1 Edwards Aquifer Protection Venue Project as approved by voters and will increase the total protected lands under the City's aquifer protection program by 3,457 acres for a total of 171,991 acres. The City Council-appointed Conservation Advisory Board has reviewed and recommended this acquisition.

ALTERNATIVES:

An alternative would be to defer this acquisition until a later date subject to the property owner's willingness to sell real estate interests and future market conditions. Additionally, other properties could be targeted for acquisition foregoing this conservation easement and losing the geological benefits, bargain sale opportunity, and the protection of additional acreage within the Middle Verde Creek/Frio River watershed in Bandera and Medina Counties.

FISCAL IMPACT:

This acquisition is a one-time expenditure in the amount of \$7,940,643.65 for purchase of a 3,457 acre conservation easement located in Bandera and Medina County over the Edwards Aquifer Contributing Zone funded through the voter approved 2015 Sales Tax Proposition 1 Edwards Aquifer Protection Program. Funds for the acquisition of this conservation easement have been appropriated through Proposition 1 of the Edwards Aquifer Protection Sales Tax fund included in the FY 2022 - FY 2027 Capital Improvement Program.

RECOMMENDATION:

Staff recommends approval of the acquisition of a conservation easement on the 3,457 acre Middle Verde Ranch Addition in the amount of \$7,940,643.65 under the Proposition 1 Edwards Aquifer Protection

Venue

Program.

The Contracts Disclosure Forms required by the Ethics ordinance are attached.