



City of San Antonio

Agenda Memorandum

File Number:
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Agenda Date: September 14, 2022

In Control: Planning Commission Meeting

DEPARTMENT: Planning Department

DEPARTMENT HEAD: Bridgett White

COUNCIL DISTRICTS IMPACTED: District 4

SUBJECT:

The City of San Antonio's consent to the expansion by Bexar County of the Briggs Ranch Special Improvement District and amendment to an associated Development Agreement.

SUMMARY:

A public hearing and resolution recommending: the City of San Antonio's consent to the expansion by Bexar County of the Briggs Ranch Special Improvement District, generally located northeast of the intersection of State Highway 211 and US Highway 90 in the extraterritorial jurisdiction (ETJ) of the City of San Antonio, and a first amendment to Development Agreement between the City of San Antonio and the owners, Convergence Brass, LLC and Pulte Homes of Texas, LP.

BACKGROUND INFORMATION:

On November 19, 2020, the Bexar County Commissioners Court approved a resolution stating their intent to create the Briggs Ranch PID, with road district powers and authority to impose taxes on future landowners located within the PID's boundaries. Then on December 3, 2020, the City

Council of San Antonio granted its consent to the creation of the Briggs Ranch Special Improvement District by Bexar County (County); and approved a Development Agreement (Agreement) with the owners (Convergence Brass, LLC) of the PID. The district was officially created by the County on January 13, 2021. The original approved Briggs Ranch Special Improvement District consists of 866.977 acres, generally located north of Highway 90 West, east of State Highway 211, and west of Grosenbacher Road in the ETJ of the City of San Antonio.

On April 14, 2022, the PID's board of directors (Board) filed a petition and application to the County to grant their consent to revise the existing PID's boundaries by including the Pulte Homes of Texas, LP property. On July 11, 2022, the Owners also petitioned the City to grant its consent to the expansion of the PID with road district powers in its ETJ as required by State law. As a condition of the City's consent, Convergence Brass, LLC (Original PID Owner), Pulte Homes of Texas, LP (Expansion PID Owner), and the City will amend the original development agreement, which includes development and land use regulations, voluntary annexation for the PID extension land and the framework of a SPA. At the May 2023 election, voters in the PID will confirm the revised boundaries of the PID.

The proposed PID Expansion Property consists of one tract, consisting of 56.65 acres of land, adjacent to the original PID boundaries, generally located northeast of State Highway 211 and US Highway 90. With the addition of the 56.65 acres, the acreage of the PID will increase to approximately 923.627 acres. The PID Expansion Property is located within the water and sewer Certificates of Convenience and Necessity (CCNs) of SAWS. Furthermore, the PID expansion will be a residential development with 254 single-family residential units. This development has proposed no commercial use. The proposed individual lot improvements (onsite), collector roadway, drainage improvements, sanitary sewer collection system, and water distribution system are estimated to cost \$6.5 million. The proposed PID Expansion's revenue is estimated at \$8.7 million.

ISSUE:

If approved, this resolution recommends the City's consent to the expansion of the Briggs Ranch PID by the County. The 30-year Development Agreement (Agreement) between the City and the Owner will be amended to include the PID expansion of 56.65 acres. The written consent of the City by resolution, which includes the delegation of the road district powers along with the powers to construct water, wastewater, and drainage facilities, is required by state law for this PID to exercise those powers. The terms of the City's consent are provided in the original Development Agreement. The City's consent will not include the following:

- The power to exercise eminent domain by the PID; and
- The power to annex, expand or exclude land into the PID's existing boundaries.

The Agreement sets the conditions of the City's consent, as mentioned above, and includes the following terms and obligations between the City and the Owner with respect to the development of the PID property:

- The PID Board will approve the expansion via Resolution, which will be submitted to the City along with other documentation.
- The Owner will pay to the City a \$7,500 Special District application fee.

- The Owners will pay to the City an operations fee of \$175 per each built residential unit, totaling \$44,450.
- The proposed PID Expansion's tax rates shall not exceed the City's tax rates.
- The City will guarantee the continuation of the extraterritorial status of the PID expansion property for a period of 30 years.
- The Owner agrees that the Agreement constitutes a petition consenting to annexation at the City's discretion at the end of the Agreement's term.
- The Agreement includes a Written Services Agreement between the Owner, subsequent Owners, and the City under Chapter 43 of the Local Government Code.
- The Owner agrees to comply with all municipal regulations, ordinances, and other laws applicable to all properties located within the City's ETJ during all phases of development and construction of the PID Expansion Project and during the term of the Agreement.
- The Owner will reimburse the City for the recordings of the development agreement with Bexar County Real Property Records.
- The Agreement includes the proposed framework of a SPA between the City and the PID, which will include the following provisions:
 - The Board's Resolution, accepting the PID Expansion, will include the application of the proposed SPA framework to the PID Expansion area. This will be submitted to the City along with other documentation.
 - The PID will pay for costs related to the SPA and limited purpose annexation and will reimburse the City for legal recordings of the SPA with Bexar County Real Property Records.
 - Commencing after the effective date of the limited purpose annexation of the commercial property, the City will remit to the PID an amount equal to 25% of the Sales Tax Revenues collected within the annexed commercial property.

The proposed timeline for the establishment of the proposed PID Expansion is as follows:

Dates	Schedule of Action
September 14, 2022	San Antonio Planning Commission public hearing and recommendation
October 20, 2022	City Council's consideration and action
November 2022	Commissioners Court consideration to expand the original PID
May 2023	PID Election (Revised Boundaries) and approval of PID's taxes and bonds

ALTERNATIVES:

A denial of the Resolution would result in the PID Expansion not being approved by the County. This action may result in the project being delayed because the Owner would have to seek a different financing mechanism for the development of the expansion.

City Council may require staff to re-negotiate the terms of the amended Agreement, which would delay the activation of PID expansion development.

RECOMMENDATION:

Staff recommends approval of a Resolution recommending the City's consent to the expansion of the Briggs Ranch Special Improvement District by including 56.65 acres subject to the amendment to the 30-year Development Agreement between the City and owners, Convergence Brass, LLC and Pulte Homes of Texas, LP.