CITY OF SAN ANTONIO City Manager's Office Interdepartmental Correspondence

To:

Mayor and City Council

Through:

Terry M. Brechtel, City Manager

From:

Christopher J. Brady, Assistant City Manager

Copies:

File

Subject:

Transfer of SAWS Land

DATE: January 8, 2004

Summary and Recommendation:

An ordinance revising the approved Intrajurisdictional Agreement between the San Antonio Water System ("SAWS") and the City of San Antonio ("COSA") for the transfer of approximately 1,841 acres of land in Bexar County, Texas, from SAWS to COSA in exchange for the imposition of Conservation Easements on other properties including approximately 710 acres (the Chris Hill Conservation Easement) and approximately 855 acres to be acquired (the Lauder Conservation Easement), or other comparable value, in favor of SAWS and the assumption by COSA of certain obligations for payment of the acquisition of the Lauder property and further authorizing the subsequent transfer of approximately 637 acres out of the 1,841 acres to the City of San Antonio, Texas, Starbright Industrial Development Corporation to be used to fulfill a portion of the requirements of the Project Starbright Agreement.

Staff recommends approval.

Background Information:

The Intrajurisdictional Agreement between SAWS and COSA was passed by City Council on October 9, 2003. After City Council passed the ordinance approving the Agreement, SAWS objected to crediting the balance of the property transfer to a conservation easement on the Thrift tract. SAWS offered the City approximately 75 acres of additional land in lieu of the conservation easement on the Thrift tract. This revised agreement reflects the additional land offered by SAWS.

In order to meet the obligations of the Starbright Agreement, the property must be obtained prior to conveyance to Toyota. On September 23, 2003, Toyota requested that the entire project site be conveyed within 120 days; therefore, the property transfer will be considered by City Council on January 15, 2004.

SAWS will transfer the operation and control of four parcels of real property to the City, consisting of approximately 637 acres north of the Medina River, 1204 acres south of Medina River, and two parcels totaling approximately 75 acres south of Neal Road. SAWS will retain all surface water rights and permits on all parcels.

SAWS Board authorized the execution of the revised Intrajurisdictional Agreement to convey the property to the City at the meeting held on December 16, 2003.

Financial Impact:

SAWS has valued the properties at \$1,915,000. The City, through the Proposition 3 program, will provide conservation easements to SAWS in the amount of \$1,974,600. The property exchange will allow the City of San Antonio to meet its obligation in the Starbright agreement.

Coordination:

This ordinance has been coordinated with the City Attorney's office and Proposition 3 office.

Christopher J. Brady Assistant City Manager

Approved:

Terry M. Brechtel City Manager