

CITY OF SAN ANTONIO
External Relations Department
Interdepartmental Correspondence Sheet

TO: Mayor and City Council

FROM: Jim Campbell, External Relations Director

THROUGH: Terry M. Brechtel, City Manager

COPIES: Christopher J. Brady, Assistant City Manager; Robert Ojeda, Fire Chief; Emil Moncivais, Planning Director; Andrew Martin, City Attorney; File

SUBJECT: Emergency Services District (ESD) #4

DATE: February 5, 2004

SUMMARY AND RECOMMENDATION

An ordinance approving the terms and conditions and authorizing the execution of an agreement with Bexar County which establishes certain terms by which the City of San Antonio will consent to the creation of Emergency Services District #4 within the City's extraterritorial jurisdiction for the provision by the District of fire suppression and emergency medical services for individuals residing within its boundaries.

Staff recommends approval of this ordinance.

BACKGROUND

In August of 1999, Bexar County, on behalf of petitioners in the unincorporated area near Converse, requested the use of the City's ETJ to create an Emergency Services District, referred to as ESD #1, Bexar County. ESDs were authorized in 1989 by the Texas Health and Safety Code to provide fire suppression and emergency medical services for individuals residing within such districts. Residents in these districts were given the authority to impose a tax on their property of up to ten cents per \$100 valuation, to fund the operations of an ESD. Although these districts have been created in other Texas cities, this was the first such request for Bexar County.

City staff identified concerns regarding the creation of ESDs, including: 1) a requirement that a municipality compensate an ESD for the pro-rata share of the district's indebtedness at the time the area is annexed, and 2) a requirement that a municipality purchase from an ESD, at fair market value, any real or personal property used to provide emergency services in the area that is being annexed.

To address these concerns, City staff recommended the following guidelines that were later approved by City Council on February 17, 2000:

- The City recognizes the value of ESDs in providing enhanced levels of fire suppression and emergency medical services.
- The creation of an ESD should be consistent with the Annexation Program and Master Plan policies.
- The City should consider the feasibility of providing emergency services on a contractual basis, but should not subsidize costs associated with providing services in unincorporated areas.
- The City should oppose any action that would result in making future annexations more costly.

In 2000, state law did not allow a municipality or county to enter into an agreement with the petitioners of a proposed district that would later compel the ESD to honor commitments made prior to its formation. Additionally, if a municipality denied use of its extraterritorial jurisdiction, the ESD could still be formed by petition of at least 50 percent of the property owners of the proposed district, but only after the adoption of such a measure at a subsequent election.

In June 2000, the City received an application from property owners in the Camp Bullis area to create ESD #2. Two months later, City Council approved a Memorandum of Understanding (MOU) between the City of San Antonio, City of Converse and Bexar County that included implementation review procedures designed to address the City of San Antonio's concerns with the formation of ESD #1, Bexar County. The MOU included a moratorium provision on the creation of future ESDs, subject to the City's and County's efforts to amend state law granting the City greater authority to negotiate ESD limitations in exchange for having final approval on the use of the City's ETJ. In November 2000, City Council approved the enabling resolution creating ESD #1, Bexar County.

In 2001, the City and County successfully lobbied state lawmakers in passing HB 3191, which gave the City authority to have limited input, through the County, in the design of future ESDs. This input, however, was restricted to ESDs within Bexar County.

Since the passage of HB 3191, the City has established prerequisites for the approval of ESDs in Bexar County, which include debt limitations, equipment compatibility and City involvement in station locations. On March 20, 2003, City Council formally adopted the terms and conditions that were set forth in its agreement with Bexar County and petitioners residing in the far northern part of the County. The boundaries of ESD #3 stretch east of Camp Bullis, includes the area of the proposed PGA Village resort, and ends northwest of the City of Selma. That same day, the Council Intergovernmental Relations Committee reviewed the ESD #2 agreement and directed City staff to move forward with the agreement as well as recommending its adoption by the full Council. City Council formally adopted the ESD #2 agreement on April 3, 2003.

Three more applications to create ESDs in the San Antonio metropolitan area have recently been approved. On September 25, 2003, the City Council approved the creation of ESD #5 in the

- Requires ESD #4 to enter into a regional mutual aid agreement; and
- Grants the City the authority, upon its request to the board of ESD #4, to have any City-owned property or property the City is acquiring removed from within the district's boundaries.

Each of these provisions will be included on the ballot proposition to approve the creation of ESD #4. The election will be held on May 15, 2004. All costs pertaining to the election will be paid by Bexar County.

FINANCIAL IMPACT

Creation of ESD #4 in Bexar County will have no foreseeable impact on the City's General Fund, but could make future annexations more expensive.

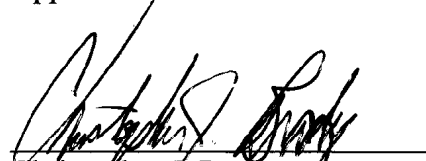
It is undetermined what the assessed property tax value of ESD #4 is at this time. The Bexar County Fire Marshall is working with the Bexar Appraisal District to determine this figure. Under current law, the annual revenue that could be raised by an ESD to fund its operations could range from 1 cent to 10 cents/\$100 valuation.

COORDINATION

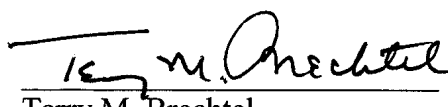
This item has been coordinated with the City Attorney's Office, Finance, Management and Budget, Planning, and the San Antonio Fire Department.


Jim Campbell, Director
External Relations

Approved:


Christopher J. Brady
Assistant City Manager

Approved:


Terry M. Brechtel
City Manager