

Agenda Item #12

**CITY OF SAN ANTONIO
CITY COUNCIL AGENDA MEMORANDUM**

TO: Sheryl Sculley, City Manager

FROM: Jelynn LeBlanc Burley, Deputy City Manager

SUBJECT: South Lake Development Project

DATE: June 29, 2006

SUMMARY AND RECOMMENDATIONS

This Ordinance authorizes actions in connection with the South Lake Development Project.

- A. A resolution consenting to the formation of an approximately 532.59 acre Public Improvement District ("PID") by Bexar County, to be named Crosswinds at South Lake Special Improvement District, located at the southwest corner of State Highway 16 and Watson Road.
- B. An ordinance approving an agreement with Fermin Rajunov of Presto Tierra Ltd., and Crosswinds at South Lake, L.P., extending the Limited Purpose Annexation of the South Lake Development project area that consists of approximately 532.59 acres and postponing the date for full-purpose annexation until December 31, 2035.

Staff recommends approval of this resolution and ordinance.

BACKGROUND INFORMATION

On January 5, 2006 City Council approved Ordinance 2006-01-05-3 which authorized the execution of a development agreement with Fermin Rajunov of Presto Tierra Ltd., and Crosswinds at Southlake, L.P. The development agreement provides for project development to occur with the flexibility to allow certain amendments and exceptions to the Flex Zoning District Provisions and provides the City the ability to extend and enforce land use and development regulations, provide for infrastructure, authorize enforcement of environmental regulations, and consider the terms for future annexation.

On May 15, 2006 a petition for creation of a public improvement district to be named Crosswinds at South Lake Special Improvement District was submitted to the Commissioners Court of Bexar County, Texas.

South Lake is a proposed 532.59 acre development in City South, located at the southwest intersection of State Highway 16 and Watson Road. Information provided to the City shows that the development includes the construction of approximately 1,200 single family homes, approximately 360 apartment units, and public improvements to be made in phases aggregating to an estimated \$32,698,211. It is estimated that the City will receive \$215,980 for platting fees, \$542,820 in drainage fees, \$1,897,200 in sewer impact fees, \$1,426,300 in water impact fees and payments to gas and electric of \$908,064. Developer plans are that construction would commence in 2007 with single family home and apartment build out completed in 2013.

Pro forma cash flows, which assumes no growth and no commercial investments, provided by the developer indicate that over the thirty (30) year period the cumulative estimated revenues to be received by the County are \$16,211,712, the University Health System are \$11,908,594, the Alamo Community College District are \$5,229,900 and the Southwest Independent School District are \$79,049,128.

In consideration for the City's agreement to non-annexation of the area until December 31, 2035, the City is in negotiations with the developer and the County to create an escrow fund to be named the "Municipal Service Infrastructure Fund" into which shall be deposited at least annually an amount of money that shall accumulate over the life of the non-annexation agreement. This fund will be utilized solely for the payment, in whole or in part, for the construction of public facilities which shall be approved by the City. The amount of annual deposit into the Municipal Service Infrastructure Fund shall be an amount that is acceptable to all parties. The City may, at its discretion, accept an alternate option to the creation of the Municipal Service Infrastructure Fund. If the agreement cannot be finalized and executed within thirty (30) days of City Council action, the City's agreement with Fermin Rajunov of Presto Tierra Ltd., and Crosswinds at South Lake, L.P., extending Limited Purpose Annexation of the South Lake Development project and postponing the date for full purpose annexation until December 31, 2035 automatically terminates.

POLICY ANALYSIS

This action complies with the City South Community Plan adopted by the City in June 2003 as a regulatory component of the City's Master Plan and with the intent and spirit of City South and the Flex District Ordinance which call for (1) mixed-use neighborhood centers consisting of residences, retail, small office and neighborhood services that are accessible by walking, biking or driving from nearby housing, (2) open space preservation through cluster development, (3) protection of riparian areas, (4) preservation of greenways with interconnecting trail systems, and (5) scenic roadway buffers.

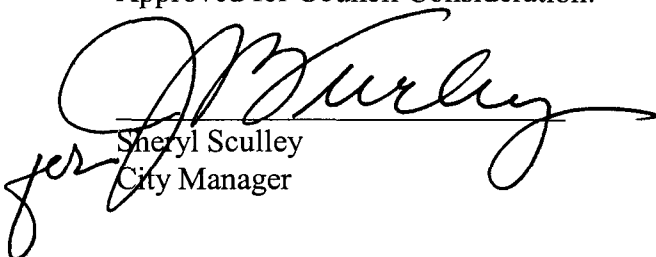
FISCAL IMPACT

This action has no fiscal impact.

COORDINATION

This resolution and ordinance has been coordinated with the City Attorney's Office, Bexar County, and the City South Management Authority's Office.

Approved for Council Consideration:


Sheryl Sculley
City Manager