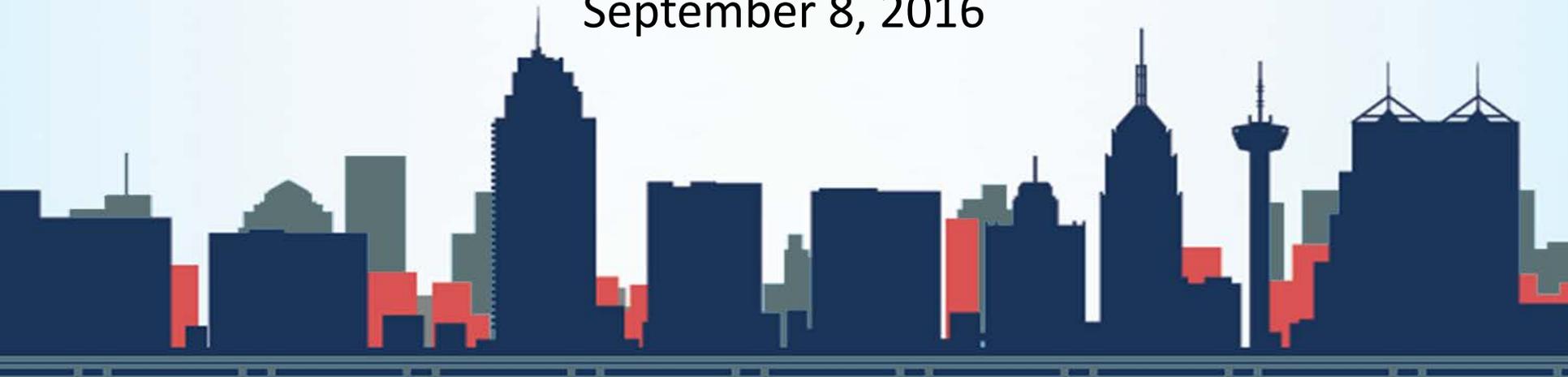


Annexation Program

Presented by Peter Zanoni, Deputy City Manager

City Council “A” Session
September 8, 2016



City of San Antonio, Texas

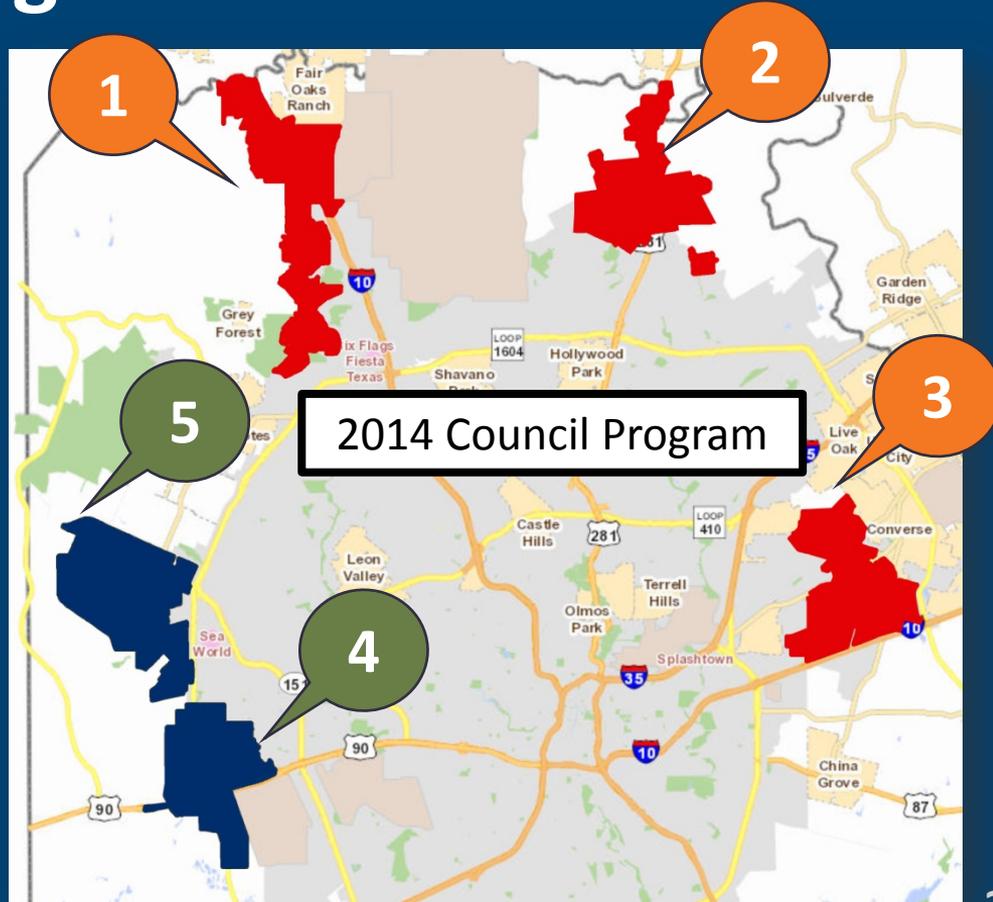
Today's Actions Initiate

1. Three year Annexation process for IH-10 West to be completed in September 2019
2. Annexation process for 281 Residential ultimately leading to a 17 year non-annexation agreement to be completed in February 2017
3. Annexation process for 281 Commercial Corridor to be completed by December 1, 2016
4. Voluntary Annexation process for 12 land tracts in South San Antonio to be annexed along with 19 sq. miles on November 10, 2016



Background

- City Council Approved the Annexation 360 Program in December 2014 and directed staff to proceed with plan
- June 15, 2016 “B” Session Council Consensus:
 - IH-10 West
 - 281 North in 2 stages
 - Continue to study Alamo Ranch and Hwy 90/Loop 1604 (Lackland Air Force Base Area)
 - No annexation for IH-10 East



Annexation Benefits



Allows for regional planning



Obtain financial resources
from users

Annexation Benefits



Finances urban level services
and capital projects

5



Promotes economic growth

Annexation Benefits

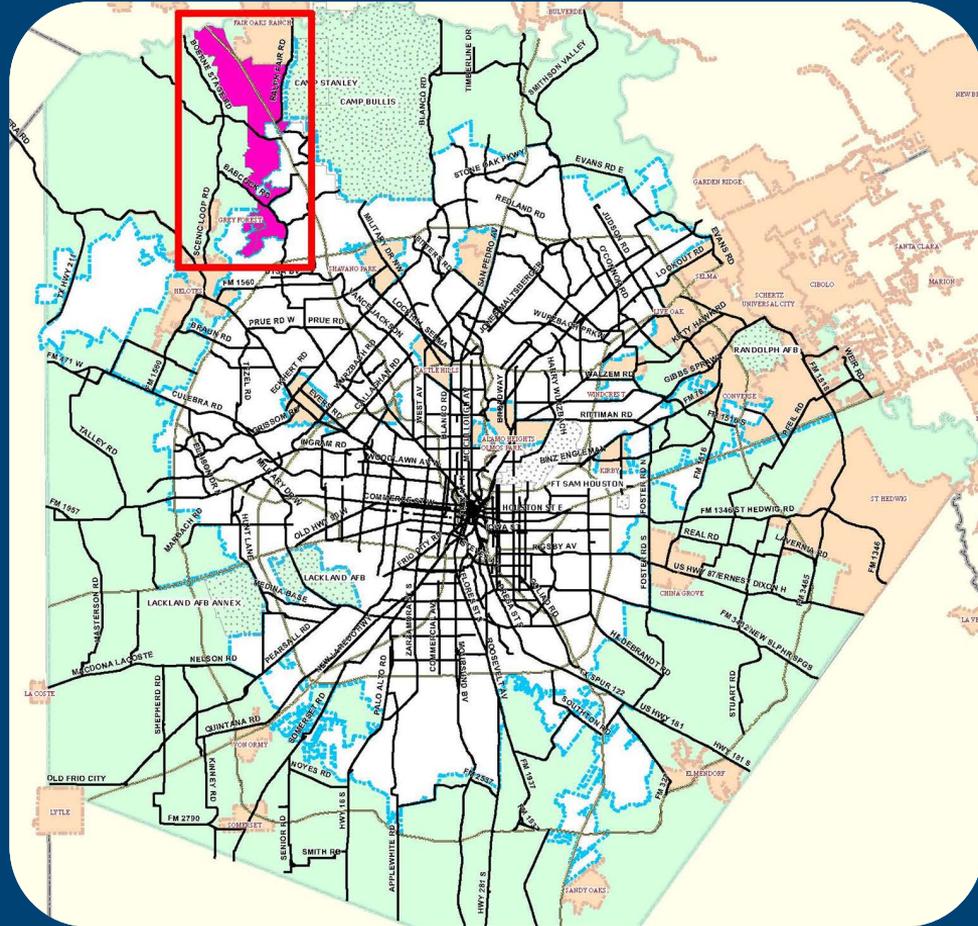


Provides for orderly growth and
6 development



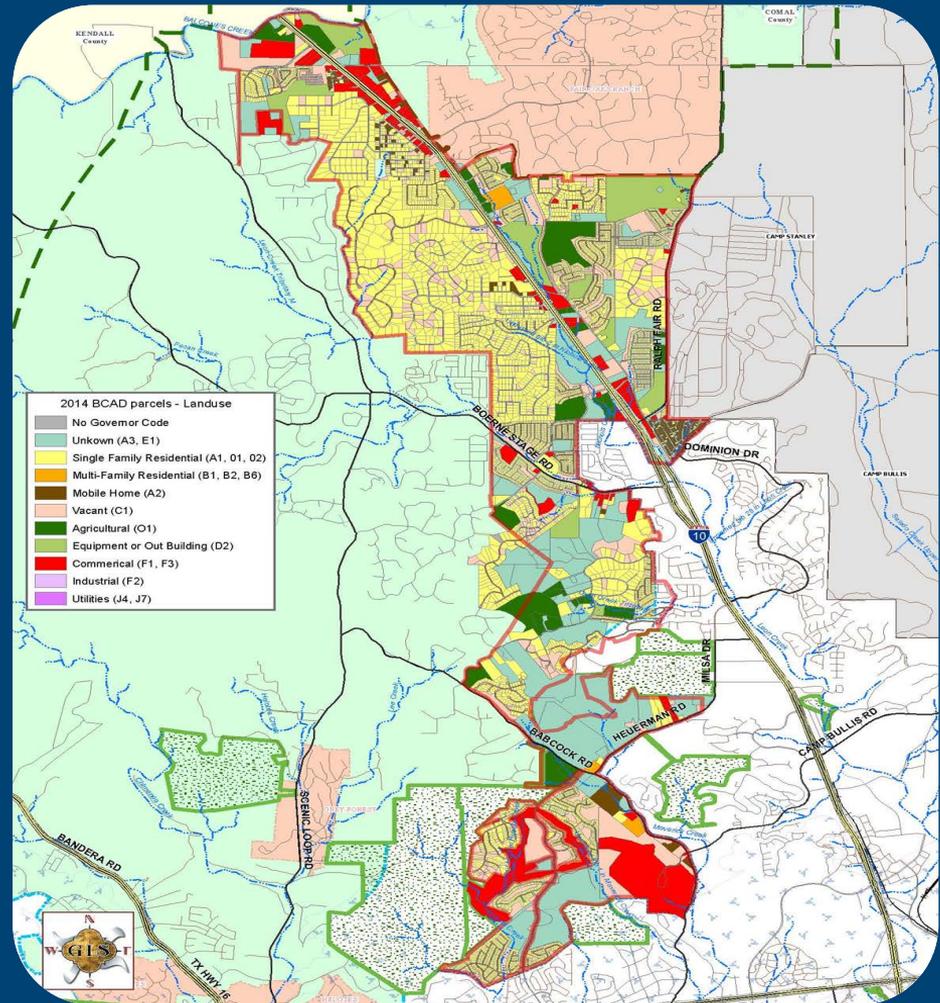
Protects military
installations

IH-10 West Annexation



IH-10 West

- IH-10 West Area to be placed into 3-year Annexation Plan
- During three years, residents remain in ETJ, will not pay City property taxes and will not vote in municipal elections
- Zoning will offer development protection for Camp Bullis/Stanley



IH-10 WEST OVERVIEW

AREA DETAILS

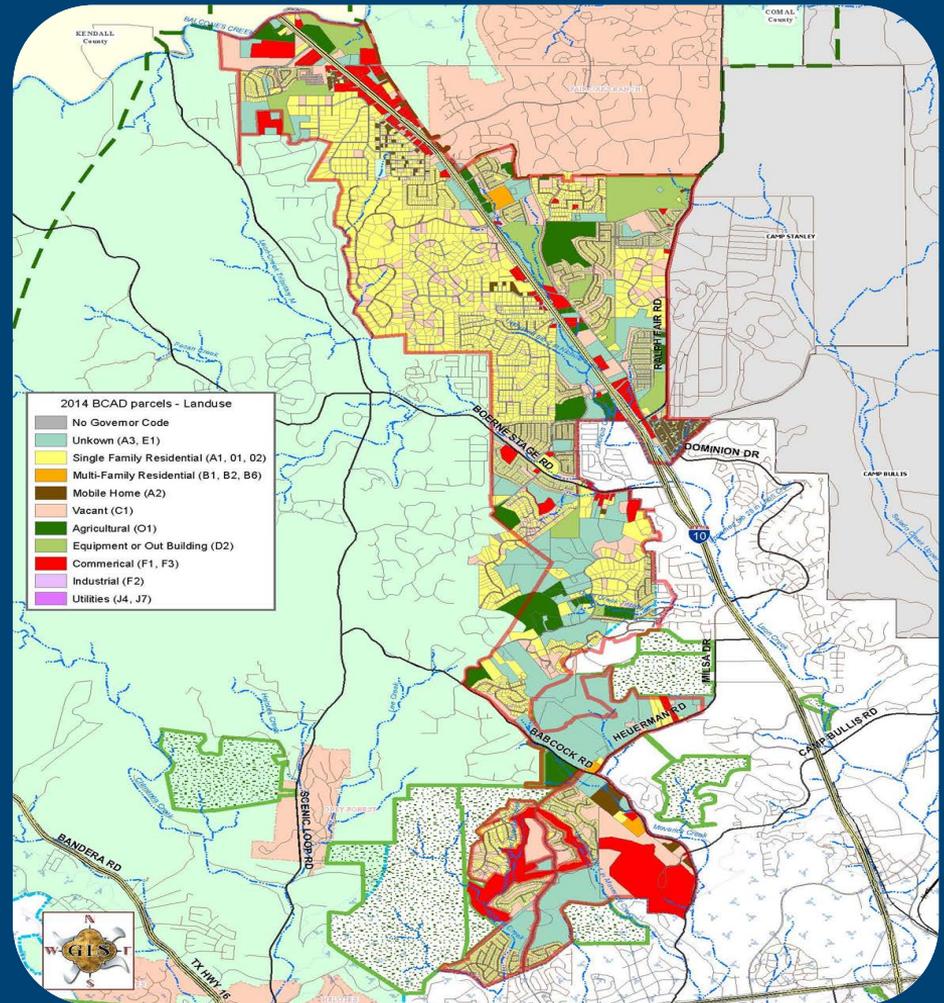
	Year 1	Year 20
Area in Sq. Miles	14.95	14.95
Population	16,250	22,658
Residential Homes	5,634	7,752
Multifamily Acres	49.3	77
Commercial Acres	749	827

EXISTING PROPERTY VALUES

Average Home Value	Multifamily Value Per Acre	Commercial Value Per Acre
\$336,239	\$2,039,267	\$172,146

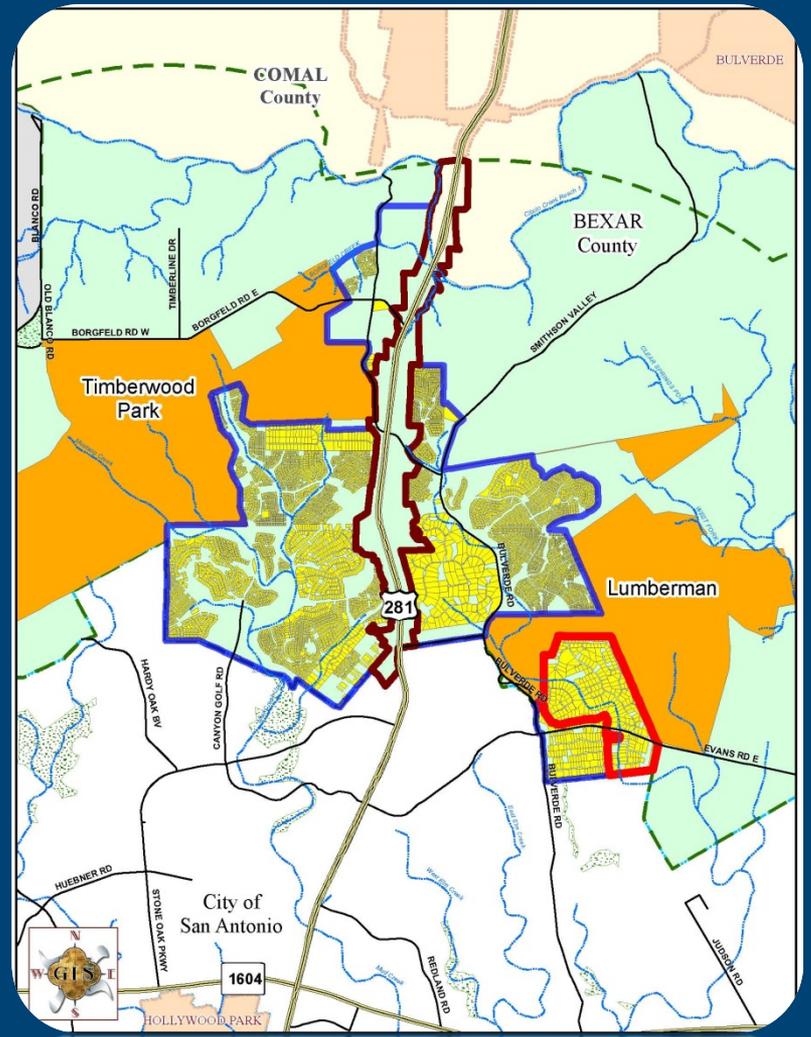
IH-10 West

- **September 8, 2016:** Place in three-year Municipal Annexation Plan through Council action
- **2017:** Conduct Inventory of Services and Develop Service Delivery Plan
- **2017:** Hold two City Council public hearings in October/November
- **September 2019:** City Council considers Annexation Ordinance
- **October 2019:** Area brought into City Limits



281 Residential Non-Annexation Agreement

- State Annexation Law requires the City to initiate 3-year Annexation Plan
- Ultimately a 17-year Non-Annexation agreement will be negotiated
- Comes into the City limits in 2034 with subsequent Council vote
- Since June 15 “B” Session, three neighborhoods added to the 281 Residential annexation area
 - Fossil Ridge
 - Fossil Creek
 - Northwood Hills



281 North Residential Overview

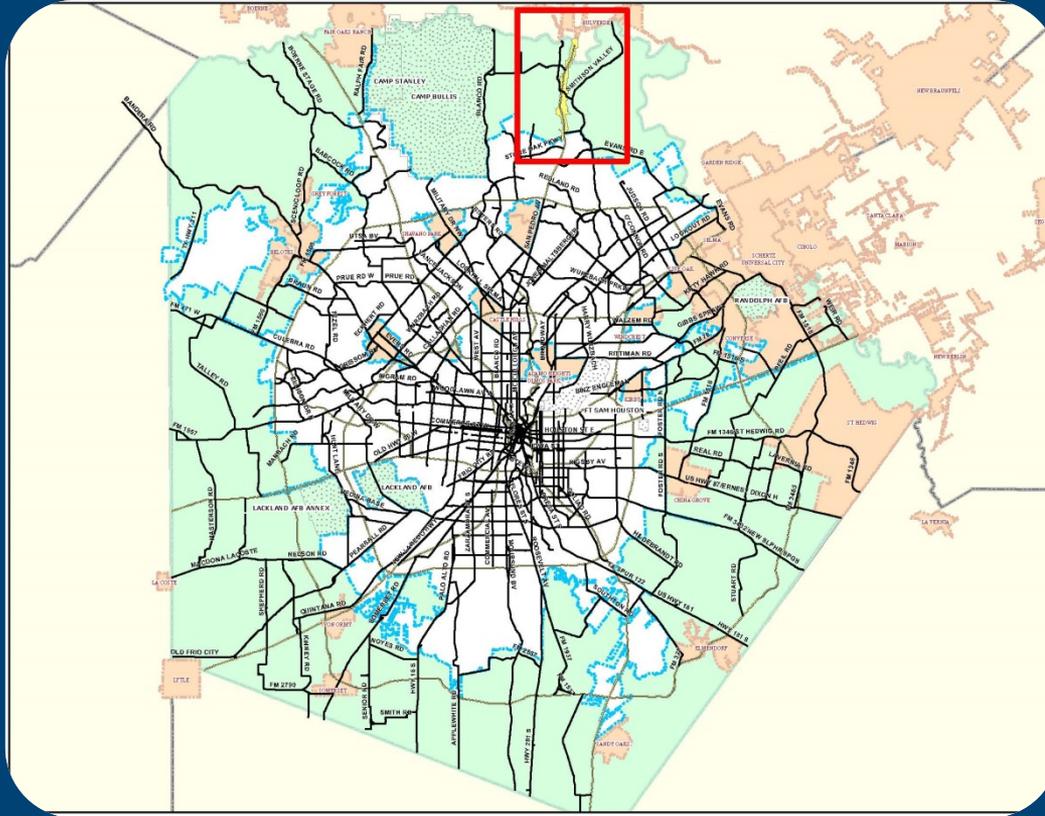
AREA DETAILS

	Year 1	Year 20
Area in Sq. Miles	11	11
Population	28,372	48,483
Residential Homes	9,950	17,435
Multifamily Acres	77	97
Commercial Acres	393	433

EXISTING PROPERTY VALUES

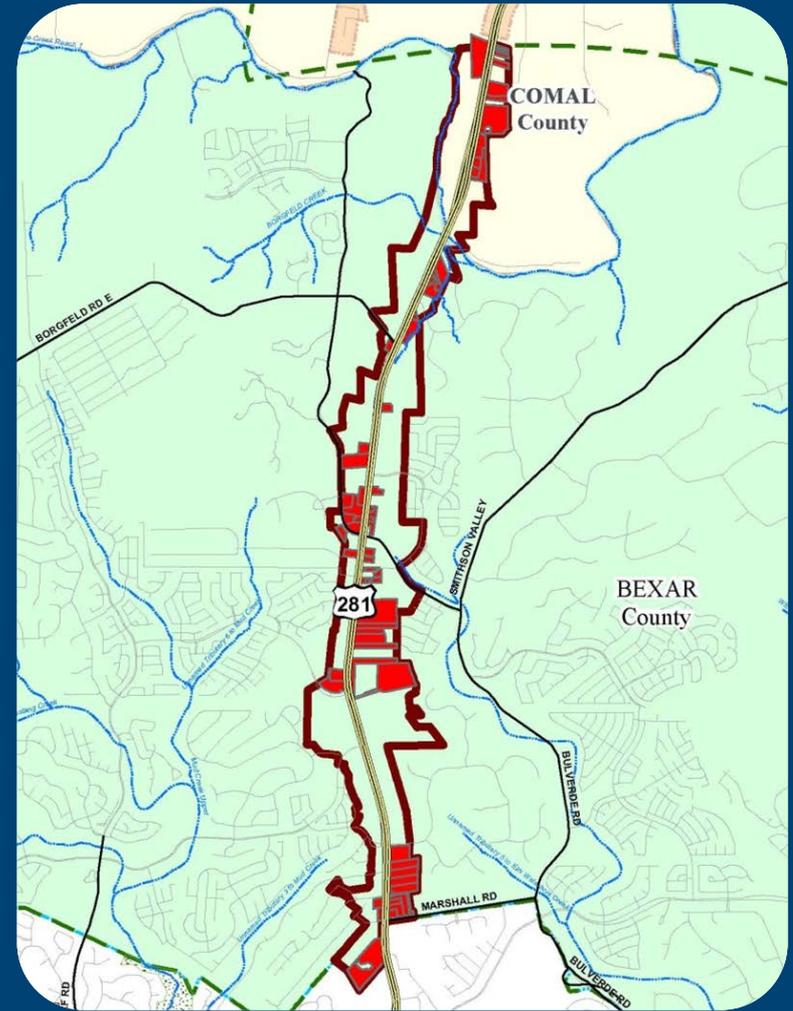
Average Home Value	Multifamily Value Per Acre	Commercial Value Per Acre
\$317,126	\$1,934,746	\$146,556

281 Commercial Corridor Annexation



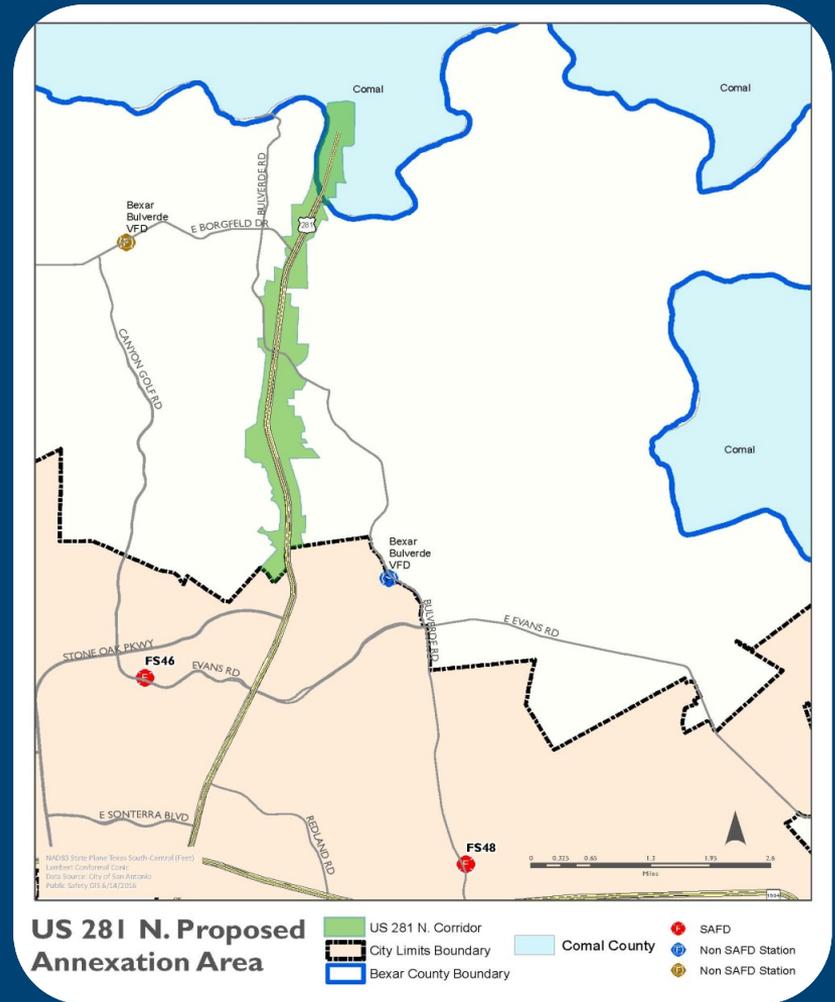
281 Commercial Corridor

- Just under 2 sq. miles/minimum of 1,000 ft. in width
- Exempted from three-year annexation plan because contains fewer than 100 separate residential tracts of land
- Population of approximately 400
- Includes 18 single family residential parcels



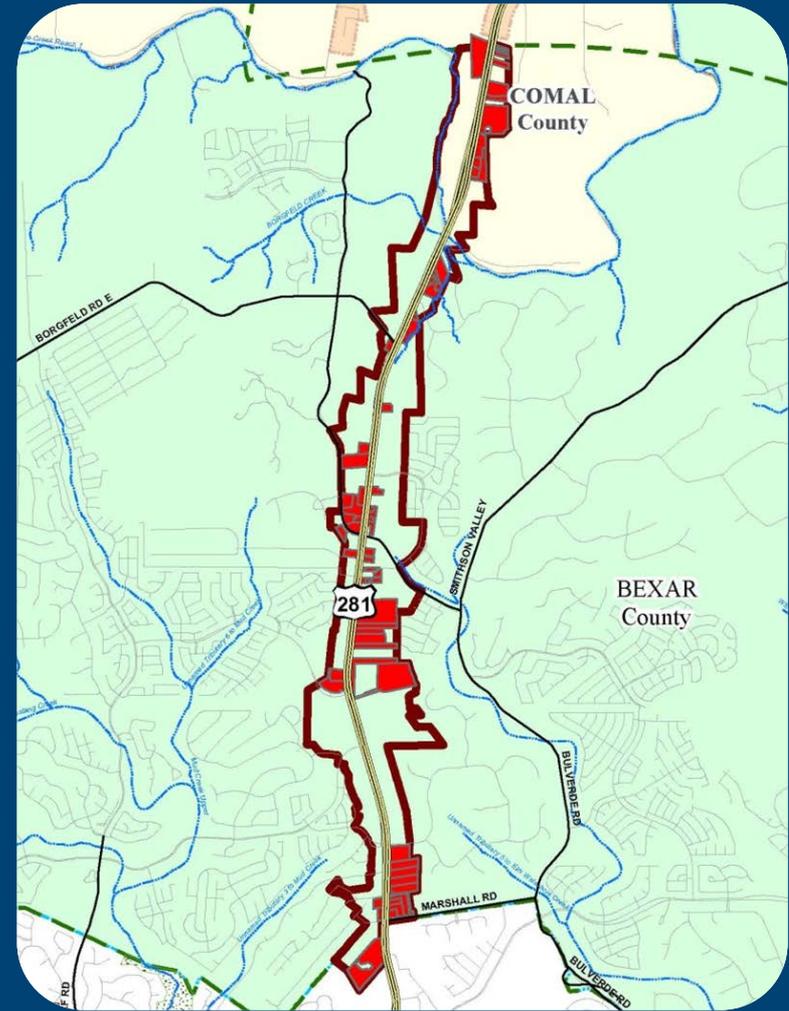
281 Commercial Corridor Public Safety

- First Response Fire Service through Bexar/Bulverde Fire Department
 - City currently negotiating agreement
- City to provide all EMS Transport
- 7 San Antonio Police Officer positions added to provide law enforcement



281 Commercial Corridor

- **September 8, 2016:** Council direction to prepare Service Plan
- **September 2016:** Planning Commission Briefing on Annexation and Neighborhood Plan Amendment
- **October 2016:** Planning Commission Public Hearing
- **October 2016:** Zoning Commission on recommended Zoning
- **November 2016:** Two City Council Public Hearings
- **December 1, 2016:** City Council considers Annexation Ordinance and Approves Fire Service Agreement
- **December 31, 2016:** Area brought into City limits



Fiscal Analysis of Annexations

20 Year Net Balance (\$ in Millions)		
		Base Model
IH-10 West Commercial and Residential	Projected future dollars	\$95.4
	Discounted Cash Flow	\$65.8
US 281 N Commercial Only	Projected future dollars	\$4.48
	Discounted Cash Flow	\$3.05
Two areas Combined	Projected future dollars	\$99.88
	Discounted Cash Flow	\$68.85

Capital Infrastructure Cost

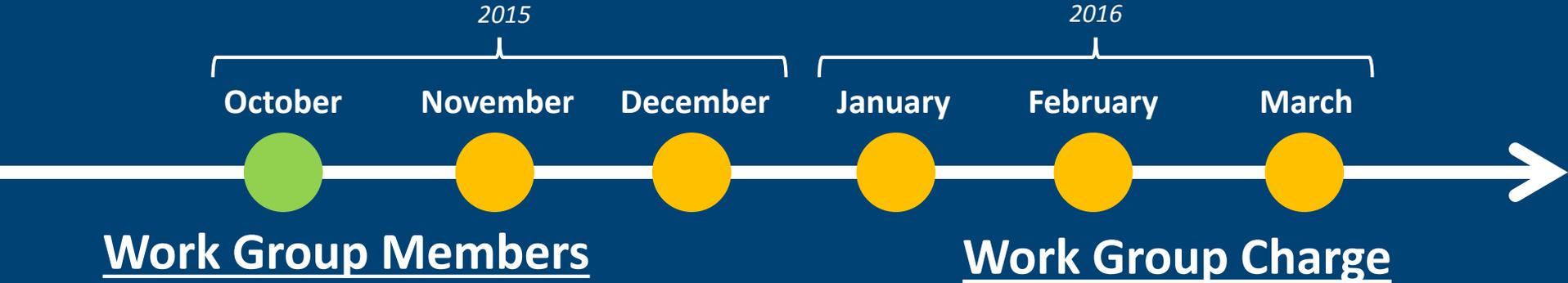
(\$ in Millions)

Service Category	IH-10 West
Fire Station	\$8.9
Streets, Sidewalks, & Drainage	\$69.1
Park(s) and Library	\$10.0
Total Need	\$88.0

- Debt Service portion on City property tax rate more than covers estimated capital infrastructure needs with over \$100 million in debt capacity

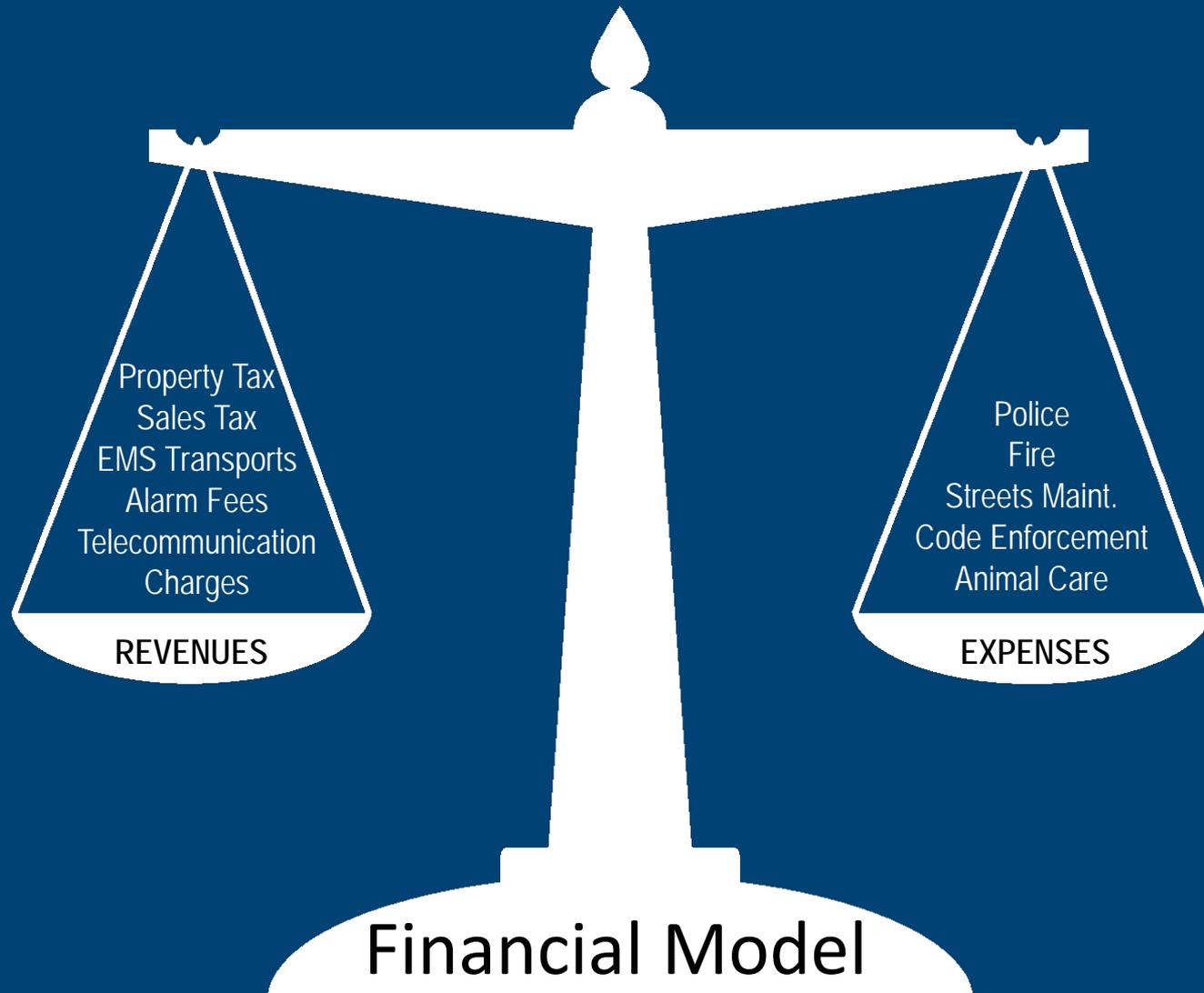


City Manager Annexation Technical Work Group

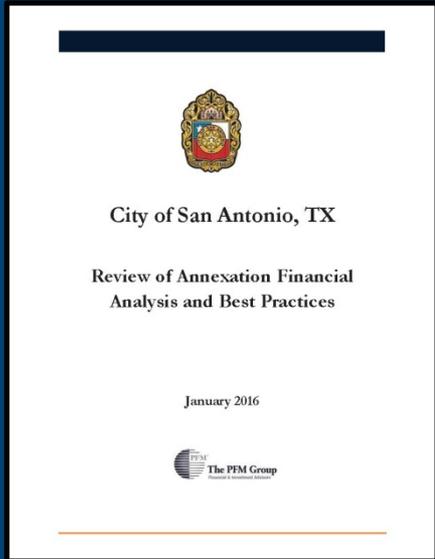


- Roger Arriaga
- Dr. Afamia Elnakat
- Laurie Griffith
- Jennifer Martinez
- Lew Moorman
- Dr. Steve Nivin
- Steve Patmon

Review and provide input on City staff's assumptions for 3 annexation areas within 20-Year Financial Annexation Impact Study



Annexation Technical Work Group Resources



- Work Group also used information in the two independently commissioned reports on our financial modeling

Annexation Technical Work Group Conclusions

1

- Development growth assumptions were reasonable

2

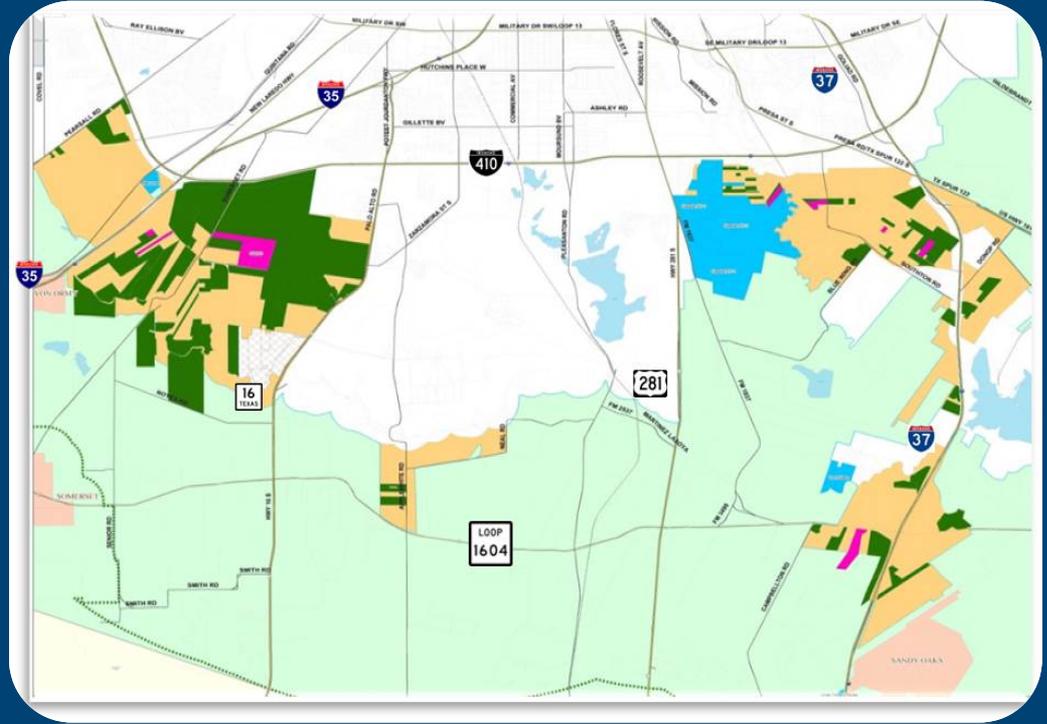
- Financial model as amended was robust and sound

3

- Financial results over 20 year period are positive for IH-10 W and US 281 N; IH-10 E is negative; in aggregate all three areas are positive

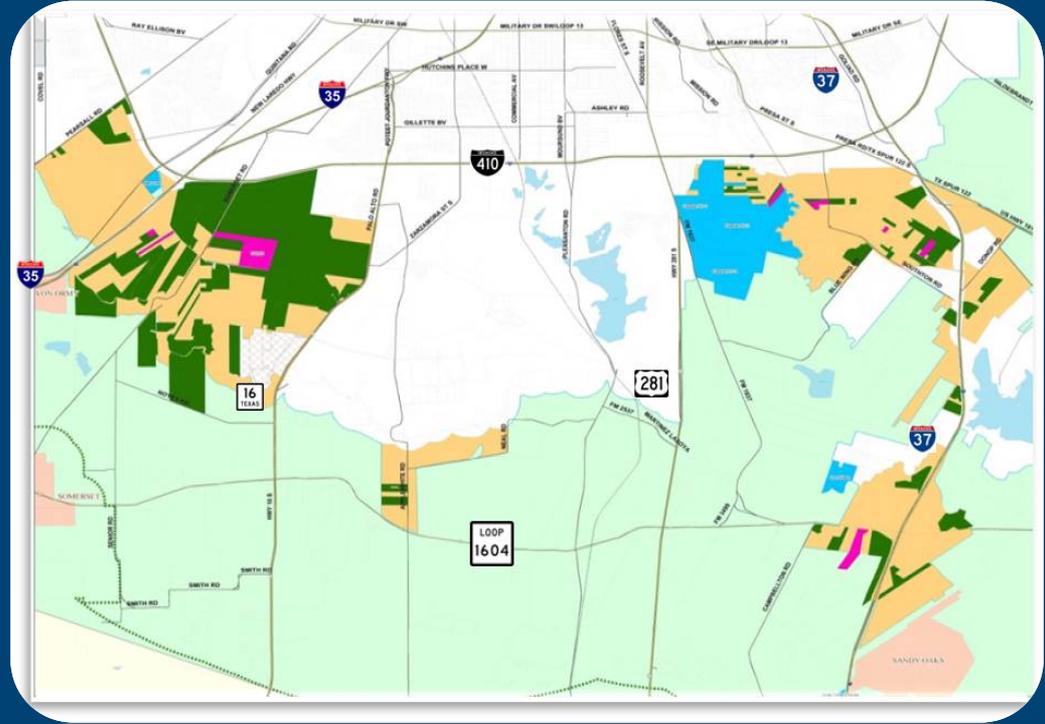
South San Antonio Annexations

- Today's action initiates Voluntary Annexation process for 12 land tracts
- 11 properties voluntarily consented to be annexed as land is no longer agricultural exempted
- 12th property is expiring non-annexation agreement with Southwest ISD
- Totals .70 sq. miles and will be annexed along with 19 sq. miles placed into 3-year annexation program by City Council in January 2014



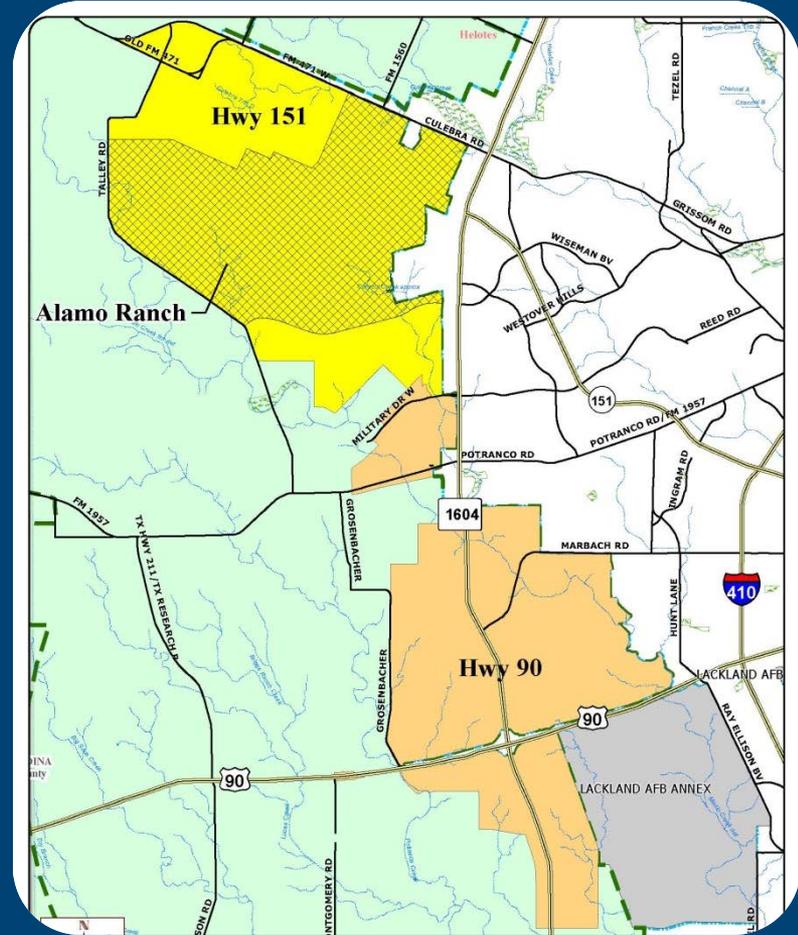
South San Antonio Annexations

- **September 8, 2016:** City Council Initiates Annexation Action
- **October 12 & 19, 2016:** Two City Council Public Hearings for Voluntary Annexation Areas
- **November 10, 2016:** City Council Consideration of Ordinance for all South SA Areas
- **December 31, 2016:** Annexation Ordinance Effective for all South SA Areas



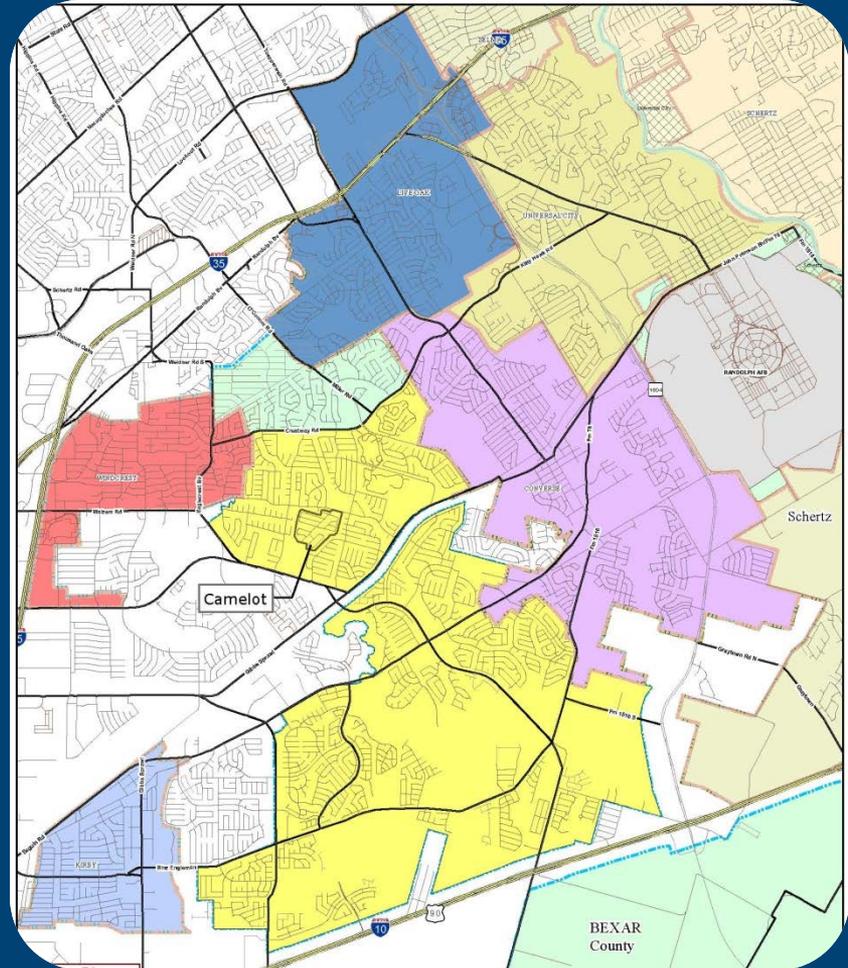
Next Steps for Alamo Ranch & Lackland AFB Areas

- Update 20-year Financial Analysis Modeling
- Develop Population estimates and projections and 20 year development assumptions
- Conduct field surveys
- Review appraisal district data and aerial maps; TxDOT roadway plans; SAWS Utility Service Agreements
- Review proposed boundaries and adjust/realign as warranted
- Develop preliminary land use and zoning plans
- Meet with Lackland AFB to assess military issues/concerns



IH-10 East Solutions

- City staff working with Bexar County and four urban cities of Kirby, Windcrest, Converse and Live Oak for regional solutions to service area
- Meetings currently set with Converse and Kirby
- Alternatives to be discussed including contractual service agreements, boundary line adjustments, annexations by suburban cities, sales tax revenue sharing in exchange of annexation or services



IH-10 East Solutions

- San Antonio currently providing garbage and recycling services to Camelot II neighborhood
- Evaluate use of Defense Adjustment Management Authority tool in coordination with Bexar County to regulate Zoning
- Staff to have initial recommendations to City Council later this fall



Recommendation

Staff recommends approval to begin:

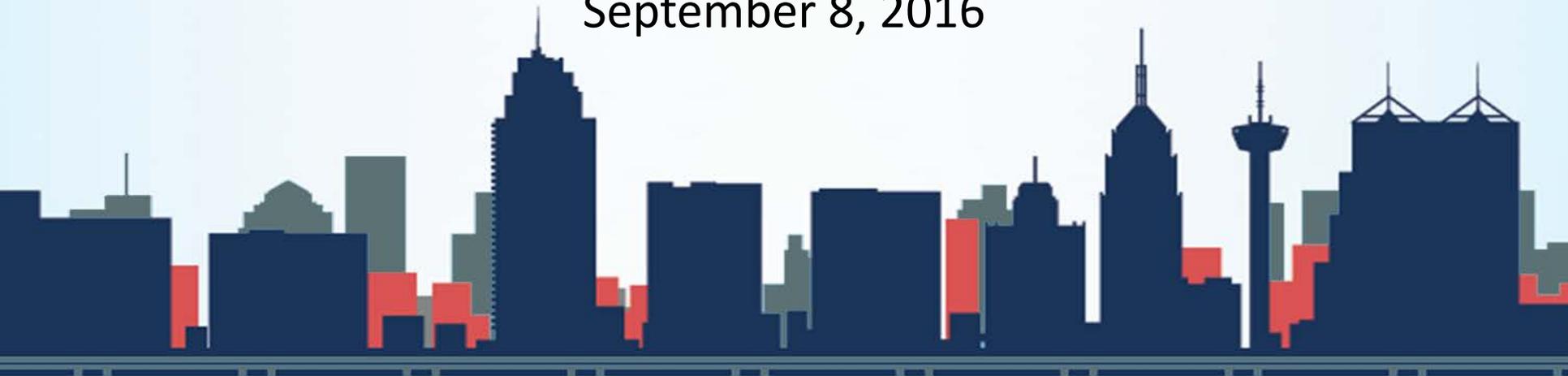
- 4A.
 - Three year Annexation process for IH-10 West
 - Annexation process for 281 Residential leading to a 17 year non-annexation agreement
- 4B.
 - Annexation process for 281 Commercial Corridor
- 4C.
 - Voluntary Annexation process for 12 land tracts in South San Antonio



Annexation Program

Presented by Peter Zanoni, Deputy City Manager

City Council “A” Session
September 8, 2016



City of San Antonio, Texas