

# CITY OF SAN ANTONIO, TEXAS

## ANNEXATION POLICY



Department of Planning and Community Development  
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## **PART ONE: OVERVIEW**

### **I. PURPOSE AND INTENT**

The purpose of this document is to describe the City of San Antonio Annexation Policy, Program, and Plan.

The Annexation Policy provides the guidance and rationale for the consideration of areas within the City of San Antonio extraterritorial jurisdiction (ETJ) for annexation.

The Annexation Program describes the process for identifying areas for potential annexation and results in a Program document that illustrates and describes these areas.

The Annexation Plan is a document, required by state statute, which must be adopted before certain types of annexation may be pursued by the City. This document is referred to as the "Municipal Annexation Plan."

The intent of the Annexation Policy is to implement the Comprehensive Plan by providing City Council with specific, objective, and prescriptive guidance for making decisions about annexation and other issues within San Antonio's extraterritorial jurisdiction (ETJ).

The intent of the Annexation Program is to enable the City of San Antonio to be proactive in analyzing and identifying areas for potential annexation by providing for a regularly updated Ten-Year Annexation Program.

The intent of the Municipal Annexation Plan is to meet statutory requirements for the annexation of territory.

### **II. BACKGROUND, HISTORY, AND STRATEGIES**

Annexation is the legal process that adds land to the corporate limits of a city. Annexation allows formerly unincorporated properties to receive municipal services such as police protection, fire protection, and garbage collection.

Controlled annexation can yield a more logical land development pattern responding to population growth and economic development opportunities, while minimizing urban sprawl and ensuring effective delivery of services.

#### BACKGROUND

The extraterritorial jurisdiction (ETJ) is a legally designated area of land located a specific distance beyond a city's corporate boundaries that a city has authority to annex. State statutes define the size of the ETJ boundaries according to a city's population. The statutes allow a five-mile ETJ for cities in excess of 100,000 in population. San Antonio, with a population of 1.3 million (per 2010 U.S. Census), has a five-mile ETJ. Cities with smaller populations have smaller ETJs.

#### Impact of Annexation

- Annexation provides for the more efficient provision of public services and infrastructure necessary to develop land and consequently the tax base for the City, the region, and the state.
- After land is annexed, the City can apply zoning to the property. Through subsequent application of City zoning controls, annexation prevents the establishment of incompatible development patterns, while protecting existing and future land uses. Annexation therefore can be used as a growth

management tool by promoting orderly development patterns which results in increased property values.

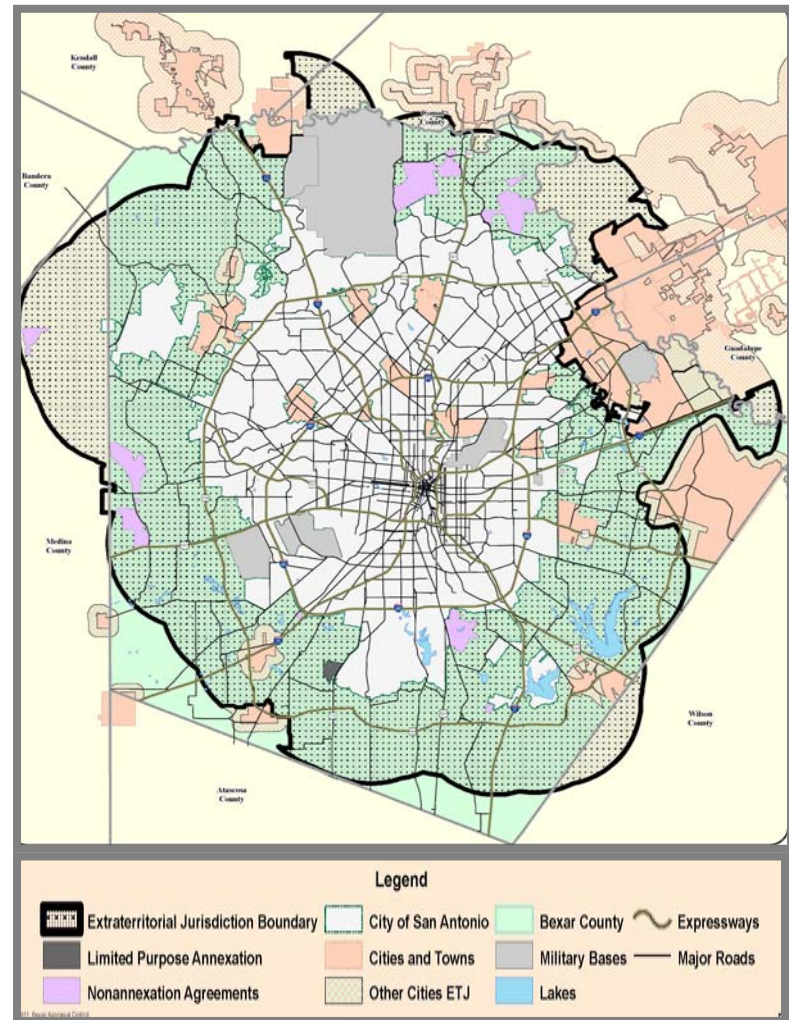
- In some cases, the City of San Antonio has approved limited-purpose annexations with appropriate zoning for which full city services are not extended and city taxes are not imposed.

Implementation

To be annexed, the land must be within the annexing municipality’s ETJ and must be contiguous to the City limits, unless the land is owned by the City. As a home rule city, San Antonio may implement annexations in one of two ways:

- Full-purpose annexation incorporates an area into San Antonio and provides full municipal services including emergency response, public facilities, and maintenance of roadways and stormwater/drainage services. The City enforces all ordinances and assesses property taxes as well as sales taxes.
- Under limited-purpose annexation, San Antonio enforces planning and zoning ordinances, and selected city codes. The property owners do not pay City property taxes, and the City does not provide police or fire protection, roadway maintenance, or other services. Residents can vote in City Council and charter elections, but not bond elections, and cannot run for office. The City must annex areas for full purposes three years after limited-purpose annexation, unless a majority of the affected landowners and the City agree to extend the deadline, or as otherwise stated in the Texas Local Government Code Section 43.127.

Annexations can be initiated by either the property owner or the City.



**San Antonio  
City Limits and ETJ**

- **Owner-Initiated:** A process initiated by private property owners who petition the City to annex their property into its corporate limits.
- **City-Initiated:** A process in which the City initiates annexation where the affected property owners may not desire to initiate a petition. The City may initiate annexation to correct boundary irregularities, encourage desired economic development, or to regulate development that could be detrimental to orderly growth or have adverse impacts on the City.

#### History of Annexation Until 1980

The City of San Antonio was organized into a city in 1837 and its City limits were established in 1838 to encompass 36 square miles. In 1940 San Antonio had approximately 253,854 people within its 36 square miles.

Between 1940 and 1959, the City expanded on all sides, filling in Loop 410 which was built during this same period. Annexation during this period also included the San Antonio Airport that was built in 1953.

From 1960 through 1979, San Antonio expanded primarily north and west. These annexations incorporated the University of Texas at San Antonio (UTSA) Loop 1604 campus that was built in the 1970's, and Lackland Air Force Base.

#### History of Annexation Since 1980

In 1980, the City had approximately 786,023 people and covered 267 square miles. Between 1980 and 1999, most of the growth continued north and west, filling in the portions of Loop 1604. Development continued beyond Loop 1604 in the Hill Country to the north, and annexation followed. Portions around IH-10 to the

east were also annexed which allowed the City's ETJ to be extended beyond the cities of St. Hedwig and Schertz.

Since 2000, San Antonio annexed approximately 42 square miles of which approximately 21 square miles was around the Toyota manufacturing plant in City South, and another 16 square miles was for Government Canyon State Natural Area in northwest Bexar County. In 2012, the City was approximately 473 square miles with a population of approximately 1.3 million.

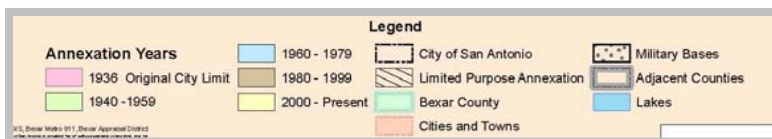
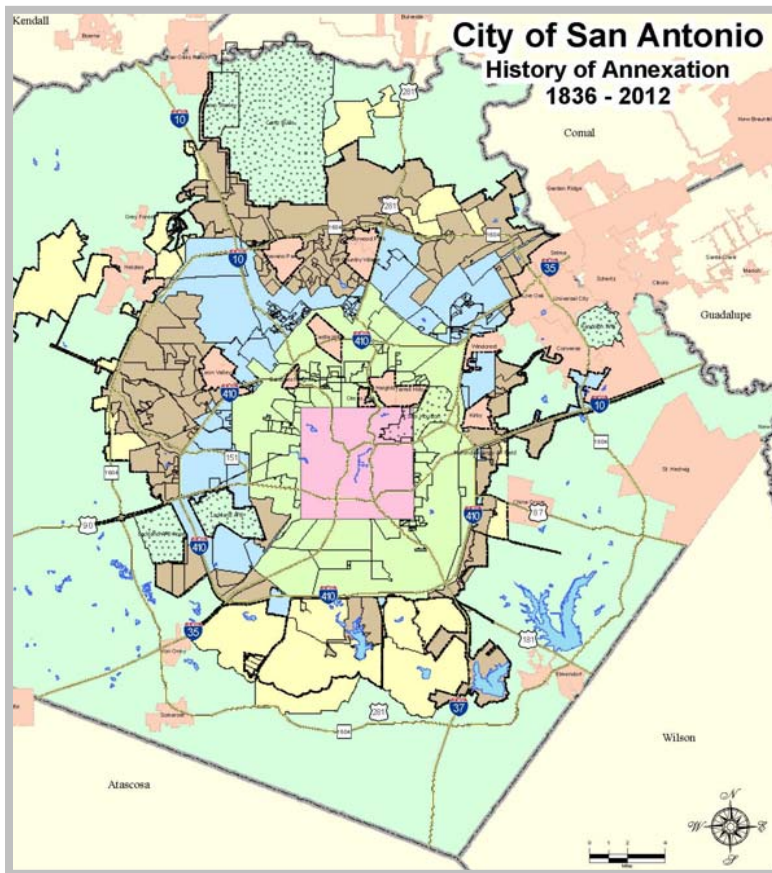
#### Annexation Policy

An annexation policy for the City of San Antonio was created in 1978 and updated in 1993 and 2002. The 2012 update responds to changes in state law, the most significant of which was the mandatory delay of three years for City-initiated annexations that provides affected property owners the opportunity to participate in negotiations related to the provision of municipal services. To prepare the City for the initiation of annexation under the new regulations, and in keeping with the intent of increased public participation, the 2012 Annexation Policy:

- Provides for preparation of a ten-year Annexation Program that identifies areas the City may wish to consider for annexation in the future; and
- Improves external communication by holding additional public information meetings and soliciting comments from affected property owners, existing City residents, and pertinent local government agencies, prior to initiating formal annexation hearings.

#### Annexation Program

The City will involve property owners and community organizations from the ETJ and within the City itself in the formulation of the



Annexation Program. City staff will conduct information meetings with interested local government agencies and affected property owners to answer questions and receive comments. As a non-legally binding document, inclusion of an area in the Program does not obligate the City to annex that area, nor does absence of an area from the program preclude the City from annexing the area.

The ten-year annexation program is to be incorporated into the Comprehensive Plan and reviewed on a biennial basis to determine if other properties should be considered for potential annexation during the succeeding ten years. Areas are placed in the Program based upon criteria defined in the Annexation Policy and feasibility of providing City services. The City’s Planning Commission and the City Council also hold public hearings before adopting the Annexation Program as part of the Comprehensive Plan.

Annexation Plan

State law requires cities to identify areas with 100 or more separate residential lots or tracts that the City intends to annex for full purposes in the City’s Annexation Plan. Full purpose annexation of any areas in the plan must be completed before the 31<sup>st</sup> day after the third anniversary of the area’s inclusion in the annexation plan. However, some annexations can be approved without being included in the Annexation Plan, such as sparsely developed areas with less than 100 residential tracts or owner-initiated annexations.

STRATEGIES

San Antonio can demonstrate how the annexation process can be administered as a positive tool for guiding development in its ETJ and implementing its Comprehensive Plan. The strategies listed below should help the City achieve its strategic goal of promoting orderly and sustainable growth.

### Promote Economic Development

San Antonio should use annexation, where appropriate, as a tool to facilitate public-private partnerships intended to stimulate local and regional economic growth and implement sound capital improvement programming.

- The City should use its ETJ as a planning resource by anticipating candidate areas for annexation. Such areas would primarily consist of raw land, be accessible to public utilities and services provided by San Antonio, and be within three years of being developed.
- Prior to annexation, the City should coordinate with the property owners in developing a service plan for the logical extension of infrastructure and services to the proposed development.

### Facilitate Long Range Planning

San Antonio should use annexation to manage and regulate development on the fringe of the City in accordance with the Comprehensive Plan.

- As unincorporated areas become more densely developed, the Comprehensive Plan should identify additional growth centers in the ETJ, which should be considered for annexation.
- The Comprehensive Plan should address linkages to future growth centers in the ETJ. Consideration should be given to key thoroughfares and their impact on new development patterns as they extend into the ETJ.

### Protect Future Development

San Antonio should use annexation as a means of extending the City's land use regulations and building codes to protect future development from inadequate design and construction standards that may proliferate in unincorporated areas.

- Planning, zoning, building inspections, code compliance, and other enforcement jurisdictions of the City of San Antonio are extended to annexed territories on the effective date of the annexation ordinance.
- As part of an owner-initiated or limited-purpose annexation, the Department of Planning and Community Development should prepare a report recommending the locations and types of zoning districts to be established based on the Comprehensive Plan, and provide a copy of the report to the Zoning Commission, Planning Commission, and the City Council for their evaluation at public hearings.

### Foster Intergovernmental Cooperation

San Antonio should use annexation as an approach for alleviating jurisdictional conflicts with abutting municipal and county governments, and for coordinating service delivery arrangements with emergency response providers.

The City should consider requests for boundary adjustments from adjacent municipalities where an exchange of territories of equivalent value, or an exchange for other considerations of equivalent value, could occur between the cities. The requesting municipality should have adequate land use controls to maintain development standards equivalent to those of the City of San Antonio. It can be anticipated that such adjustments will not be adopted if the area to be released would result in a reduction to the City of San Antonio's revenue stream or if the area contains environmental, cultural or economic resources vital to San Antonio's interests.

## PART TWO: ANNEXATION POLICY

### III. POLICY INTRODUCTION

The City of San Antonio has the authority to annex areas within its extraterritorial jurisdiction (ETJ) that are contiguous to the City limits.

The Annexation Policy applies to all three types of annexation: Full Purpose, Limited Purpose, and Voluntary.

San Antonio should consider **Full Purpose annexation** in a manner that is consistent with the Annexation Policies contained in this document. Full Purpose annexation requires the City to provide City services, and in exchange, may collect City taxes.

San Antonio should also consider **Limited Purpose annexation** for areas that are considered for future Full Purpose annexation. Limited Purpose annexation allows the extension of planning and zoning ordinances, and other selected City codes – but does not require the extension of City services, nor allows the collection of City taxes.

San Antonio should also consider **Voluntary annexation** for Full or Limited Purpose Annexation, upon request from property owners, when the request is consistent with this Annexation Policy.

### IV. POLICY STATEMENTS

The following policy statements comprise the City of San Antonio Annexation Policy. Both City-initiated and Property Owner-initiated annexations are subject to these policy statements.

#### A. EVALUATION OF AREAS FOR ANNEXATION BASED ON EXISTING OR PLANNED LEVEL OF DEVELOPMENT

*The City of San Antonio should consider annexation of:*

1. **Undeveloped areas.**
2. **Areas for which dense development activity is anticipated.**
3. **Areas planned or designated in the Comprehensive Plan as Mixed Use or Regional Growth Centers.**
4. **Areas that have become developed.**

#### B. EVALUATION OF AREAS FOR ANNEXATION BASED ON SERVICE DELIVERY NEEDS

*The City of San Antonio should consider annexation to provide municipal services to:*

1. **Residential, commercial and industrial land uses that would benefit from a level of service calibrated for a city rather than an unincorporated area.**
2. **Jurisdictional Islands to provide logical planning and/or service delivery boundaries.**
3. **Territories that do not adversely impact services to areas already within the City limits.**
4. **Territories that establish contiguity required for strategic expansion of the City and its services.**



**C. EVALUATION OF AREAS FOR ANNEXATION BASED ON NEED TO PROTECT PUBLIC HEALTH, SAFETY, AND WELFARE**

*The City of San Antonio should consider annexation to:*

1. *Provide zoning, land use, building codes, and other development regulations to promote and maintain safe living and working conditions and sustainable development.*
2. *Extend regulations before development occurs, on undeveloped land, where growth is anticipated.*
3. *Areas that, without regulations, could have an **adverse impact on adjacent areas within the City.***
4. *Areas where unregulated development could have an **adverse environmental impact.***
5. *Areas where unregulated development could have an **adverse impact on Military missions/operations.***

**D. EVALUATION OF AREAS FOR ANNEXATION BASED ON INTERGOVERNMENTAL RELATIONS**

*The City of San Antonio should:*

1. *Protect its ability to expand its City limits.*
2. *Consider **annexing City-owned properties (including those belonging to City-owned utilities), as soon as practical after acquisition to provide municipal authority over the property.***

3. *Consider annexation to **preclude the creation of other competing political jurisdictions.***
4. *Consider the **impact** on the City's ability to expand in the future and potential economic competition **when evaluating requests for incorporations of new cities or expansion of existing cities** within San Antonio's ETJ.*
5. *Consider the **impact on the City-owned utilities** when evaluating requests for **Utility Districts or other Special Districts** in the ETJ.*
6. *Ensure that **Special Districts in the ETJ do not create regulations that would not be in the best interest of the City.***
7. *Consider the following **factors prior to releasing any portion of its corporate limits or ETJ** to another jurisdiction, or **accepting territory** from another jurisdiction:*
  - a. ***The exchange of areas of equivalent value** with the other jurisdiction;*
  - b. ***Adequate land use control** by the other municipality (as determined by the City) to protect the subject property and surrounding area;*
  - c. *The existence of **clear and logical planning boundaries** that define the current or proposed City limits and ETJ;*
  - d. *Potentially significant **negative fiscal impacts on the City's budget will not result** if an area is released or accepted;*

- e. *The need for **City protection of environmental or other resources**;*
- f. *The long-term **effects of cumulative ETJ releases** to other jurisdictions.*

**E. EVALUATION OF AREAS FOR ANNEXATION BASED ON FISCAL CONSIDERATIONS**

*The City of San Antonio should consider:*

1. *An Annexation Program that is **fiscally feasible for both operating and capital improvements**.*
2. *Annexation to ensure that areas benefitting from proximity to a large urban City are contributing revenue to offset the cost of providing services within an urban environment.*
3. *The impact of **additional population** within the City limits to help procure **federal funding** for transportation and other services that are provided on a per capita basis.*
4. *Annexation of areas that have a **mix of residential and commercial land uses** that generate revenues to support future services.*
5. *Annexation to keep **economic activity**, and associated tax revenues, within the City limits.*
6. *Consider opportunities for **agreements with other municipalities or regional/area service providers** to assist with provision of services.*

**F. CONSIDERATIONS FOR THE ISSUANCE OF NON-ANNEXATION AGREEMENTS**

**Non-Annexation Agreements:**

1. *Shall be offered to property owners, within a proposed Municipal Annexation Plan, that have **Agricultural Exemptions**, in accordance with state law.*
2. *Issued for **Special Districts** shall include a statement that the property owner consents to future voluntary annexation and a negotiated **annexation schedule** shall be included.*
3. *Should consider **services in lieu of annexation** to extend City regulations and requirements in anticipation of annexation at some point in the future.*
4. *Should consider **revenue sharing options** in exchange for the agreement, in areas that have taxing authority.*
5. *Shall be reviewed by the **Department of Planning and Community Development** for adherence to these policies.*
6. *Shall be **placed in the City's Annexation Program** for future potential annexation.*

## PART THREE: ANNEXATION PROGRAM

### V. TEN-YEAR ANNEXATION PROGRAM

#### A. Preparation

The Annexation Program provides an opportunity for analysis of the ETJ to inform policy makers of areas for potential annexation consideration during the succeeding ten-year period. Preparation of the Program shall be coordinated by the Department of Planning and Community Development with cooperation from other pertinent Departments and agencies. The Program may estimate the year in which each annexation might occur.

The Annexation Program shall be reviewed by the Planning Commission and adopted by City Council as a component of the City's Comprehensive Plan. **Inclusion of an area in the Ten-Year Annexation Program does not obligate the City to annex that area. Conversely, exclusion of an area from the Program does not preclude the City from annexing that area.** The Annexation Program shall be updated once every two years.

The Process to create the Annexation Program shall involve Annexation Coordinators appointed by all pertinent Departments and outside agencies that provide, or assist the City in providing, the municipal services listed in Section C. The steps in the process are:

Step 1. Collect data for analysis. Unless otherwise directed, all areas in the ETJ that are contiguous to the City limits will be considered. Data will be needed that

is referenced in Section B: Location Selection Criteria below.

Step 2. Analyze and evaluate all of the geographic data with respect to the Annexation Policy Statements. The outcome of this analysis will be a set of specific geographic areas for further analysis.

Step 3. Determine the level of service, infrastructure, operation and maintenance that will be needed for the proposed geographic areas.

Step 4. Once the geographic areas are selected and the service delivery needs determined, the Office of Management and Budget will conduct a Fiscal Impact Analysis as outlined in Section D.

Step 5. Review all of the information generated in the previous steps and balance the Policy, Administrative, and Fiscal implications for each of the proposed areas to determine a set of proposed areas for inclusion in the Annexation Program for City Management review.

Step 6. Forward the recommended Annexation Program to the City's Executive Leadership Team (ELT) for review, review with the City Manager, then share with City Council in a B-Session prior to initiating public meetings for comment and review.

Step 7. Draft the Annexation Program document that will be forwarded through the public process that includes: Public Information Meetings, Planning

Commission recommendation, and final action by City Council.

The final document will include a map of areas proposed for potential annexation; a corresponding table of basic information about the area (e.g. acreage, land use), the rationale for inclusion in the Program, the year the area should be considered for annexation, and the capital improvements that would be needed to serve the area.

## **B. Location Selection Criteria**

The Annexation Policies shall be utilized in the creation of the Annexation Program. Within the six areas of the Annexation Policies, the following general factors shall be evaluated to determine specific areas for inclusion in the City's Annexation Program. All of the factors listed should be considered but are not listed by order of importance.

### 1. Existing or Planned Level of Development

- a) Population
- b) Land Use (existing and future)
- c) Master Development Plans
- d) Utility extensions

### 2. Fiscal Considerations

- a) Fiscal Impact Analysis
- b) Impact to Operating and Capital annual budgets
- c) Loss of potential revenue due to presence of unincorporated population
- d) Loss of potential revenue to competing cities

### 3. Service Delivery Needs

- a) Location (contiguous to City limits)

- b) Geography and topography
- c) Road connectivity
- d) Floodplains
- e) Fire response and other services (see Section C for list of services)

### 4. Public Health, Safety and Welfare

- a) Environmental issues: water, tree preservation, habitat protection
- b) Protecting Military missions/operations
- c) Other City policies (such as the ICRIP)

### 5. Intergovernmental Relations

- a) Requests for incorporation
- b) Requests for ETJ release
- c) Requests for Special / Public Utility Districts
- d) Proximity of area to another jurisdiction

### 6. Non-Annexation Agreements

- a) Location of existing non-annexation agreements
- b) Property with Agricultural Exemptions

## **C. Municipal Services to be Provided**

For prospective areas to be annexed, the level of service, operation, infrastructure, and infrastructure maintenance needed must be considered for the following municipal services:

### Emergency Services

- Police Protection
- Fire Protection
- Emergency Medical Services

Infrastructure and Utilities

- Roads, streets, and street lighting
- Stormwater management
- Solid Waste Collection
- Water and wastewater

Community Facilities

- Parks and Recreation Facilities
- Libraries
- Health Care
- Animal Care

Development Services

- Code Compliance
- Zoning
- Building Permits

In addition to the services listed above, operations and maintenance of any other publicly owned facility, building, or service currently provided by the City shall be evaluated. Gas and electrical services are excluded.

**D. Fiscal Impact Analysis**

Once an area location has been selected, a Fiscal Impact Analysis must be conducted before the area is recommended for inclusion in the Annexation Program. The Fiscal Impact Analysis shall be conducted by the Office of Management and Budget, in cooperation with other pertinent Departments. The Fiscal Impact Analysis considers both revenues and expenditures for proposed areas. Below is the methodology that shall be used for the Fiscal Impact Analysis.

**1. Expenditures**

- a. Expenditures shall be considered for all municipal services to be provided.

- b. Expenditures shall include annual operation and maintenance costs.
- c. Expenditures shall include capital improvement costs.
- d. Expenditures shall be based on an assessment of the services to be delivered, the level of service to be delivered and the estimated costs of providing the service.
- e. Service delivery cost estimates shall be provided by the Department responsible for service delivery, in conjunction with the Office of Management and Budget.
- f. Expenditures may be estimated on a per capita, per acre, or per linear foot basis, as appropriate.

**2. Revenues** – the following shall be considered:

- a. Property taxes from existing land uses
- b. Property taxes for proposed future land use (based on current tax rate)
- c. Sales tax
- d. CPS revenue
- e. Other revenues (e.g. other local taxes, user fees, etc.)
- f. Revenues may be estimated on per capita or per acre basis, as appropriate

**3. Time Period of Analysis**

The Fiscal Impact Analysis shall extend a minimum of 10 years into the future. If necessary, the time frame should be extended to either:

- a. the year the areas are built-out, or
- b. the repayment period for any debt that would need to be assumed to more accurately reflect the applicable revenues and expenditures.

**4. Population Estimate**

To estimate population for an area, the number of housing units proposed for construction or annexation during the Time Period of Analysis shall be multiplied by the average household size (number of people per household) according to the latest U.S. Census for the City of San Antonio, or for a comparable area within San Antonio.

**5. Per Capita Data Sources**

- a. For per capita budget information, the most recently adopted Annual Budget shall be used.
- b. For total population and land use data, the Comprehensive Plan and/or U.S. Census data shall be used.

**6. Projected Land Use and Rate of Development**

For areas that are fully developed and/or subject to an approved Master Development Plan or Plat:

- a. The projected Land Use should be based on Development Phases provided by the property owner on the approved Plan or Plat.
- b. The anticipated Rate of Development should be based on the Development Phases provided by the property owner on the approved Plan or Plat.

For areas that are undeveloped and not subject to an approved Master Development Plan or Plat:

- a. The projected Land Use shall be as depicted in the Comprehensive Plan.
- b. The anticipated Rate of Development shall be based on the annual growth rate for that sector of the City or the adopted land use assumptions.

**7. Annexation Program Review during Annual Budget Cycle**

The costs associated with a future annexation proposed in the Annexation Program should be reviewed during the annual budget process.

**E. External Communication**

In formulating the Ten Year Annexation Program, the City shall involve property owners, neighborhood associations and community organizations within the City and the City's ETJ. The City shall also seek public comment during the biennial update of the Annexation Program.

## PART FOUR: ANNEXATION PLAN

### VI. MUNICIPAL ANNEXATION PLAN

#### A. GENERAL PROVISIONS

The City may annex territory that is within its Extraterritorial Jurisdiction (ETJ); contiguous to the City limits; and has a minimum land width of 1,000 feet. The City may annex up to 10% of its existing land area per year. If no annexations occur in a given year, the City may carry forward up to three years and annex 30% of its existing land area. In 2012, the City limits covered approximately 470 square miles.

#### B. FULL PURPOSE ANNEXATION

Full Purpose Annexation requires the City to provide City services, and in exchange, to collect City taxes. While the level of services provided does not have to be the same throughout the City, it must be comparable to the level of service, infrastructure, and infrastructure maintenance available in other parts of the municipality with similar topography, land use, and population density.

To annex property for Full Purposes, per state law, the City must adopt a Municipal Annexation Plan that identifies the areas to be annexed. Annexation of an area under the plan must be completed before the 31<sup>st</sup> day after the third anniversary of the date the area was included in the annexation plan.

The general purpose of the Municipal Annexation Plan process is to identify the areas the City intends to annex; notify the property owners that their property is in the plan; prepare a Service Plan for the area; and hold public hearings. Below is a general outline of the steps required within the three year

period between adoption of the Municipal Annexation Plan and the annexation of territory:

#### Municipal Annexation Plan Three Year Process

1. **Adopt Municipal Annexation Plan (Day One)**
2. Notify property owners that are in the plan (within 3 months)
3. Compile inventory of existing services
4. Prepare proposed "Service Plan"
5. Conduct two public hearings
6. Begin negotiations with property owners (if necessary)
7. Finalize Service Plan
8. (Potential) Arbitration of service plan
9. Planning Commission hearing
10. City Council hearings
11. **Annexation may only occur in 37<sup>th</sup> month after plan is adopted – before the 31<sup>st</sup> day after the third anniversary of the date the area was included in the annexation plan.**

#### C. EXEMPTIONS TO MUNICIPAL ANNEXATION PLAN

State statute does allow some exemptions to the three-year Municipal Annexation Plan process for areas to be annexed for full purposes. These include exemptions if:

- a. *The area contains 99 or fewer residential tracts*
- b. *The annexation is by petition of the property owner*
- c. *The annexation is by petition of greater than 50% of property owners of the area to be annexed*
- d. *The area is located in a colonia as defined by state code*
- e. *The municipality determines that annexation is necessary to protect the areas to be annexed or the municipality from a) imminent destruction of property*

*or injury to persons or b) a condition or use that constitutes a public or private nuisance as defined by the State.*

The process for annexation of an area exempt from the Municipal Annexation Plan could take six months or more to complete and includes the following steps:

1. The City must prepare a Service Plan for the extension of municipal services to the area prior to the public hearings.
2. Before instituting annexation proceedings, two public hearings must be held.
3. Once annexation proceedings are instituted, through public reading of the ordinance to annex, the annexation must be completed within 90 days.

The decision to proceed with annexation of an area exempt from the Municipal Annexation Plan will be based upon an evaluation utilizing the Annexation Policy statements and Program steps found in Sections IV and V of this document.

#### **D. LIMITED PURPOSE ANNEXATION**

Limited Purpose Annexation does not require the City to extend services, nor does it allow the City to collect taxes. This type of annexation allows the City to apply City planning and zoning ordinances, and selected city codes to the area annexed. San Antonio should consider Limited Purpose Annexation for areas that are included in the Annexation Program for future Full Purpose annexation.

The process for Limited Purpose Annexation could take six months or more and requires the following steps:

1. A Planning Study must be completed that: Provides a ten-year projection regarding anticipated development; Describes the public benefits anticipated to result from the limited purpose annexation; Analyzes economic, environmental, and other impacts of the limited purpose annexation; and identifies the proposed zoning.
2. A Regulatory Plan must be completed that identifies the kinds of land use and other regulations that will be imposed in the area if it is annexed for limited purposes; and states the date of anticipated full purpose annexation prior to the public hearings.
3. After the Planning Study and Regulatory Plans are completed, and before instituting annexation proceedings, two public hearings must be held.
4. Once annexation proceedings are instituted, through public reading of the ordinance to annex, the annexation must be completed within 90 days.

The decision to proceed with Limited Purpose Annexation for an area will be based upon an evaluation utilizing the Annexation Policy statements and Program steps found in Sections IV and V of this document.



## PART FIVE: APPENDIX

### VII. DEFINITIONS

**Annexation** – The legal process by which a City extends its boundaries.

**Annexation Policy** – A set of guidelines for making annexation decisions.

**Annexation Program** – A component document of the Comprehensive Plan that identifies areas the City may consider for annexation. Inclusion of an area in the Program does not obligate the City to annex that area, nor does exclusion of an area preclude the City from annexing that area.

**Annexation Plan** – See Municipal Annexation Plan.

**Contiguous** – Sharing a common boundary or border, or abutting a municipality's city limits; however property will be considered contiguous to a city boundary/limit even if it does not actually touch that boundary/limit if an intervening property is subject to a development agreement guaranteeing temporary continued ETJ status, such as for an agricultural exemption.

**Developed** – Characterized by significant site improvements, such as utility installations, paving, and in many instances, the construction of one or more structures.

**Disannexation** – The legal process by which territory is removed from the city limits for failure to provide services. (A majority of the qualified voters of an annexed area may petition the City Council to

disannex the area if the City fails to provide services to the area within the period specified by the service plan. Similarly, the City may seek to disannex an area if it determines that it is unable to provide municipal services to that area in accordance with state law.)

**Extraordinary Economic Development Project** – A commercial or industrial project that is eligible for property tax abatement and generates substantial benefit to the municipality.

**Extraterritorial Jurisdiction (ETJ)** – Unincorporated area that is contiguous to, and extends five miles from, the San Antonio City limits. In the ETJ, the City has the authority to annex and extend subdivision regulations. The area excludes other municipalities and their respective ETJs if any.

**Extraterritorial Jurisdiction (ETJ) Release** – An agreement to release ETJ boundary as agreed to jointly by written consent of two municipal entities.

**Full Purpose Annexation** – The legal process for annexing an area in order to provide full municipal services. The City enforces all ordinances, provides services as required by law, and assesses property and sales taxes.

**Incorporation** – The creation of a municipal corporation (i.e. "City").

**Industrial District** – An area containing an Extraordinary Economic Development Project for which a non-annexation agreement is often issued for up to 15 years and is renewable to delay annexation and the extension of City taxes.

**Infrastructure** – Facilities necessary to provide City services, usually referring to physical assets such as streets and utility lines.

**Jurisdictional Island** – An unincorporated area surrounded on most sides by the City of San Antonio and/or other municipalities.

**Limited Purpose Annexation** – The legal process for annexing an area in order to provide only certain regulatory services such as planning and zoning ordinances and other selected city codes. Full municipal services are not provided and property and sales tax is not collected. Residents may vote in City Council and charter elections, but not bond elections.

**Military Mission** – A mission or operation as identified in a Joint Land Use Study, by the San Antonio Joint Base Commander or by Military authorities.

**Mixed Use Centers** – An area that contains, or has the capacity to contain, compact and higher intensity urban land uses, as designated in the City’s Comprehensive Plan. It has many characteristics of a downtown: a concentration of jobs, housing units, schools, parks, and other public facilities, public transportation hubs, pedestrian activity and a sense of place. This mix of uses supports sustainable development, which seeks to balance access, mobility, affordability, community cohesion, and environmental quality.

**Municipal Annexation Plan** – A document required by state statute that identifies areas to be annexed. Adoption of the Plan by the municipality initiates a three-year process that includes a public process and the creation of a Service Plan for the provision of municipal services after annexation.

**Municipal Boundary Adjustment** – An adjustment to municipal boundaries agreed to jointly by written consent of two municipal entities.

**Non-Annexation/Annexation Agreement** – Agreements authorized by Chapters 43 and 212 of the Texas Local Government Code and negotiated with property owners and adopted by City Council. Such agreements are often used in conjunction with the following:

1. An Industrial District for Extraordinary Economic Development Projects,
2. A Special Utility District or Public Improvement District that has taxing authority to pay for infrastructure improvements, or
3. An agreement for Services in Lieu of Annexation that may be negotiated with property owners who do not want to be placed in a Municipal Annexation Plan but have areas for which the City would like to extend regulations and services.

An annexing municipality must offer non-annexation agreements to property owners who have Agricultural Tax Exemptions if the area is slated to be placed in a Municipal Annexation Plan. The agreement is only valid while an agricultural exemption is maintained and becomes void if development activity is pursued.

**Planning Study** – A document required for Limited Purpose Annexation which provides a ten-year projection regarding anticipated development, proposed zoning, and anticipated public benefits gained from the annexation.

**Regional Growth Centers** – An area that contains, or has the capacity to contain, compact and higher intensity urban land uses as designated in the City’s Comprehensive Plan. It is an area consisting primarily of industrial and commercial uses, with a high concentration of jobs. Related and supporting uses include office space and services. Unlike mixed-use growth centers, they tend to

support "big box" style retail that is less conducive to high density and pedestrian friendly residential areas.

**Regulatory Plan** – A document required for Limited Purpose Annexation that identifies regulations and land uses to be extended to the area.

**Service Plan** – A document required as part of the Three-Year Municipal Annexation Plan that outlines the schedule for the provision of municipal services to an area annexed for Full Purposes.

**Services in Lieu of Annexation** – A type of non-annexation agreement to guarantee the land's immunity from annexation for a period of up to 15 years; extends certain aspects of the city's land use and environmental authority over the land; and authorizes enforcement of land use regulations in addition to or in lieu of those that apply within the City.

**Special District** – A political subdivision of the state providing water, sewer, drainage, transportation and/or other utility and infrastructure services within a specified geographic area.

**Utility District** – A political subdivision of the state providing water, sewer, drainage and/or other utility services within a specified geographic area. Sometimes referred to as a Municipal Utility District.