

*ULI Advisory Services Panel
San Antonio Southside Initiative Area - Revised Report (ed. 3)
Edited version, 2/13/03*

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**An Advisory Services Panel Report
San Antonio, Texas**

Urban Land Institute

**San Antonio, Texas
Southside Balanced Growth Initiative**

**October 6--11, 2002
An Advisory Services Panel Report**

**ULI--the Urban Land Institute
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The panel extends special thanks to Mayor Ed Garza and City Manager Terry Brechtel for providing the leadership to identify and advance the opportunity for more balanced growth in the city.

Finally, the panel thanks the city and county officials, city staff, school district officials, citizens, business leaders, transportation representatives, developers, builders, real estate agents, and many others for their candid and extremely helpful discussions during the interview process.

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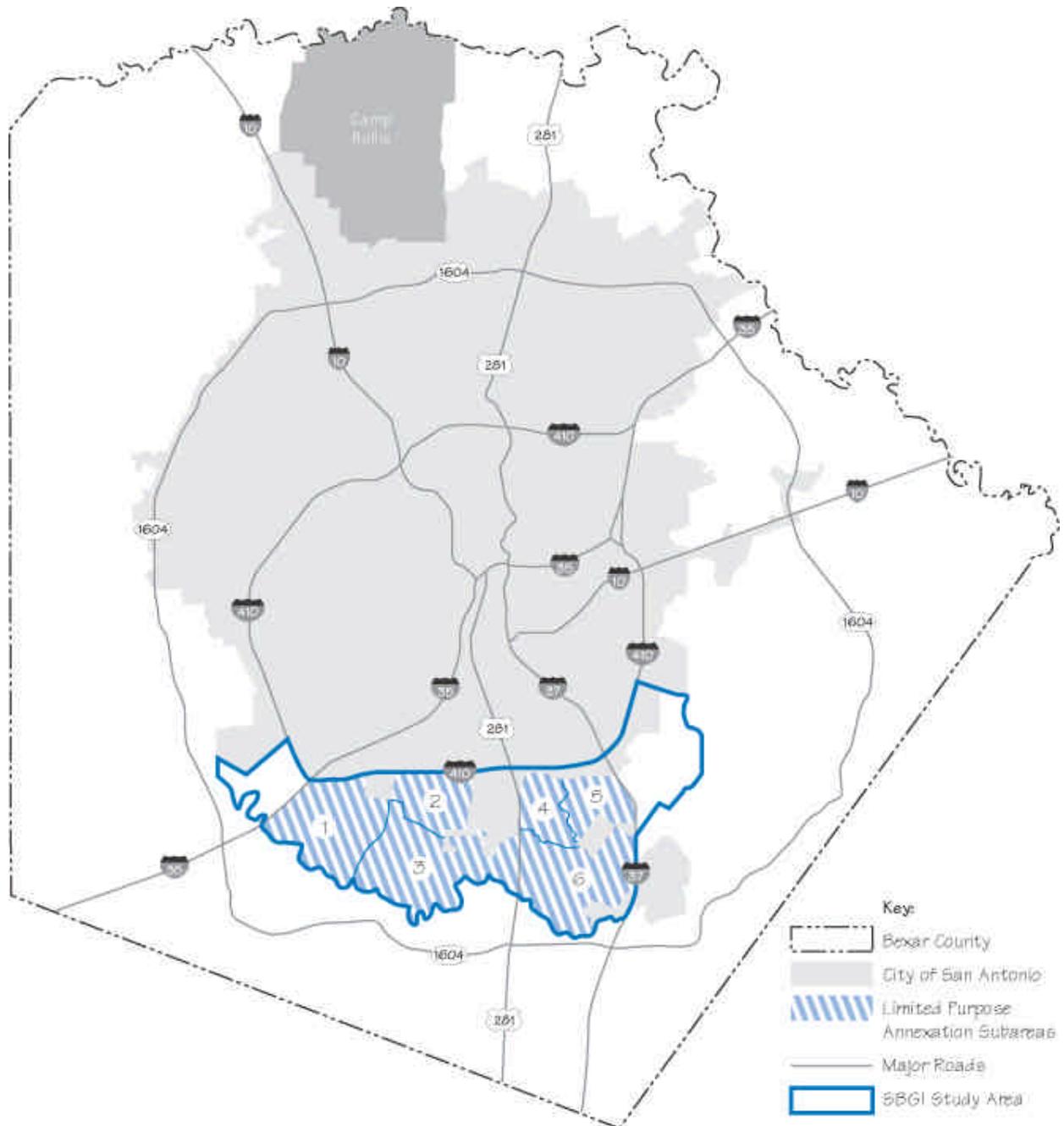
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Foreword: The Panel's Assignment



Settled in the 1700s by Spanish missionaries, San Antonio has grown to be the eighth-largest city in the United States and the second-largest city in Texas, with a population of more than 1.2 million.

Although the city is perhaps best known as home to the Alamo---where Texas defenders fell to Mexican General Santa Anna in 1836---and the lively Riverwalk, these sites are nonetheless only a small part of this major metropolitan area. Geographically, San Antonio covers 430 square miles and is located in Bexar County in south central Texas. The city's population has grown at an annual average of 2 percent over the past decade and is expected to continue to grow at that rate for the foreseeable future. The city is located a little more than an hour's drive from the state capital in Austin and a half-day's drive from Dallas, Houston, and the Gulf of Mexico.

San Antonio's major industries are health care/biotechnology, tourism, the military, and agribusiness. Other growing economic sectors include research and development, technology, telecommunications, and international trade.

The city of San Antonio, with an annual budget of about \$1.4 billion, operates under a council/manager form of municipal government. The city council is comprised of ten elected district representatives and the mayor, each of whom is limited to two two-year terms. The city manager carries out the policies established by the city council.

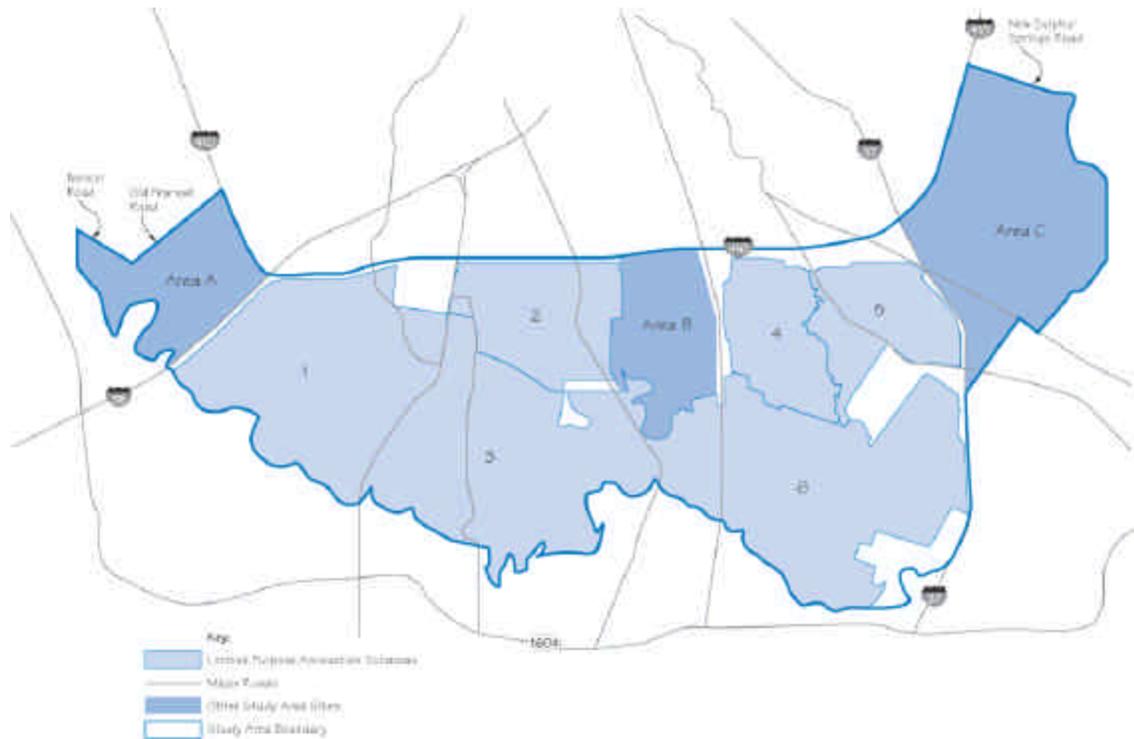
During recent decades, the northern and western sectors of the city of San Antonio have experienced tremendous residential and commercial growth. In contrast, the southern sector has seen very little growth and economic development over the years. Without new investment, southern San Antonio has suffered, while congestion and sprawl now threaten environmentally sensitive areas in the northwest sector of the city, such as the Edwards Aquifer Recharge Zone.

In response to this unbalanced growth trend, Mayor Ed Garza initiated the Southside Balanced Growth Initiative (SBGI). The focus of the SBGI is an approximately 90-square-mile (57,600-acre) area located 7.5 miles south of downtown. Within the SBGI study area, the city has designated six subareas (known as Areas 1 through 6), totaling about 57.03 square miles (36,500 acres), for limited-purpose annexation effective

January 5, 2003. Limited-purpose annexation allows the city to extend regulatory authority for the limited purpose of applying its planning, zoning, and health and safety ordinances in the area. However, the city may not impose a property tax in the area until the property is annexed for all purposes, which typically happens within three years of limited-purpose annexation. Under state law, the land must be fully annexed within three years unless the property owners make an agreement with the city to extend the timeline for full-purpose annexation. Ultimately, whether the area is fully annexed or not annexed is a local policy decision.

The primary goal of the SBGI is to encourage balanced growth in San Antonio, foster investment in the city's southern sector, and direct development away from the city's environmentally sensitive areas. The city is seeking to establish a growth policy for south San Antonio that will develop the SBGI study area as an integral part of San Antonio and create an overall pattern of more sustainable development.

The SBGI study area is bounded to the north by the southernmost portion of Loop 410, to the south by the edge of a 1,350-foot buffer from the Medina River center line, to the east by New Sulfur Spring Road, and to the west by Pearsall and Nelson roads.



The city of San Antonio asked the ULI Advisory Services panel to develop a vision, evaluate the market potential, create planning and design concepts, and recommend a development and implementation strategy for the SBGI study area. Because most of the study area is underdeveloped, the city asked the panel to address how, when, and where it could “jump start” development as part of its balanced growth strategy to encourage investment in underserved parts of the greater San Antonio Metropolitan Statistical Area (MSA). The panel sought to envision what the area could become, given its abundant natural resources, existing rail lines and roadways, and the potential to protect and plan for large areas with the designation of the limited-purpose annexation area---while also taking into consideration the massive scale of the SBGI study area and the challenges it must overcome. The panel has articulated a long-term vision for the study area and recommended next steps to further refine that vision in ways that will enable the city to attract new commerce and residents to the area.

Overview and Summary of Recommendations

The panel's vision is that the SBGI study area---with its accessible and convenient location and its unique environmental features---can attract major employers, significant commerce, and thousands of new residents and visitors over the next several decades, providing educational and recreational opportunities for all San Antonians. Under this vision, the SBGI study area would evolve over time into several diverse communities, each with its own distinct neighborhoods and features such as shops and restaurants, places of worship, schools, and parks. Children would walk to neighborhood schools and parks, parents would walk to neighborhood shops, and the entire family could walk, jog, or bicycle along a network of trails linking the area's neighborhoods and communities. The family car would spend more time at rest.

Over the next 50 to 100 years, the SBGI study area would become home to as many as 400,000 new residents and hundreds of new businesses. Its population would be diverse and would include teachers, firefighters, business executives, managers, carpenters, lawyers, doctors, police officers, daycare workers, administrative assistants, and architects. It would become an integral part of San Antonio and would play a significant role in the dynamic growth of the city and the region. Through careful planning and integration of the area's cultural and natural resources with new development, it would become a popular place to live, work, and play, well known and enjoyed by all San Antonians.

The Panel Process

The panel began by studying the briefing materials provided by the sponsor before the commencement of the five-day panel. Upon arrival in San Antonio, panel members took an in-depth driving tour of the SBGI study area. They also interviewed more than 100 stakeholders, including community residents, public officials, public agency heads and

staff, business groups, developers, property owners, and other members of the community. Panelists also requested and reviewed additional information from city staff, including maps, reports, plans, and studies.

The panel then began formulating its conclusions and preparing its oral presentation and written report. What follows is a summary of the panel's key recommendations for the future of the SBGI study area. Later sections of this report describe each of these recommendations in detail.

Summary of Recommendations

In addition to providing a physical description and market context for the SBGI study area, the panel has divided its recommendations into four categories: market conditions, planning, strategies, and implementation.

Market Conditions

The panel's market recommendations take into consideration the fact that the development strategies for the SBGI study area should anticipate an extended absorption period, since the area possesses much more developable land than will be required for many decades. The city should:

- Reinforce the positive residential development activity beginning to occur within the Southside neighborhood north of the SBGI study area and along major corridors leading to and adjacent to the study area, such as Military Drive, the Mission Trails, the San Antonio River, and the Roosevelt Avenue areas.

- Facilitate the development of a new demonstration mixed-price community.
- Work with the developers of Mission del Lago to properly position this project within the marketplace.
- Gain a better understanding of the interplay among demand, the cost to build, and alternative planning concepts.
- Undertake a comprehensive research and planning effort to create the appropriate development program and associated regulatory standards for the demonstrated market and the vision for the SBGI study area.
- Undertake the appropriate initiatives to enhance the long-term attractiveness of the SBGI study area.
- Address the fact that predicted market demand indicates that a portion of the SBGI study area likely would be developed as very low-density subdivisions.

Planning

The panel's planning recommendations suggest how the city can prepare the SBGI for successful development during the three-year limited-annexation period. The city should:

- Create a 50-year vision plan for the entire San Antonio metropolitan area, using the 1997 *San Antonio Master Plan and Policies* document as a starting point. This vision plan will be a key foundation for the development of a vision plan for the SBGI study area.

- Create a community-based vision plan for the SBGI study area in relation to the metropolitan vision plan.
- Establish sustainable design principles and practices.
- Create sustainable urban form.
- Plan for greenways along new roads in the SBGI study area by developing an open-space and trail network, buffering and/or eliminating blight, and expanding access to recreational water amenities.
- Create a regional transportation infrastructure for the SBGI study area by transforming highways into parkways, providing major east/west connector arterials, establishing high-tech infrastructure, providing rail spurs where feasible, and planning for alternative transportation networks.
- Incorporate progressive land use patterns and limit sprawl/leapfrog development by implementing smart growth strategies, ensuring a jobs/housing balance, stimulating regional retail development, promoting traditional neighborhood elements, establishing civic and public spaces, and creating attractive neighborhood streets.
- Set aside as much as 25 percent of the developable land within the SBGI study area for agricultural use to maintain the area's rural character and encourage compact development. Explore opportunities to integrate alternative energy sources such as solar and/or wind farms within more traditional agricultural uses.
- Create regional character by supporting urbanist traditions, incorporating traditional building styles, and designing with nature.

Strategies

The panel's strategy recommendations advise the city on key initiatives to accompany the planning process. The city should:

- Identify parcels in the SBGI study area to land bank strategically until the market is ready to absorb the anticipated growth, rather than offer incentives for development. A residential demonstration project (see below) and appropriate, job-generating industrial development would be exceptions for which incentives would be appropriate.
- Pursue a new demonstration housing project of 1,000 to 1,500 homes and apartments in the mid term (three to five years) to be developed in Area 1 of the SBGI study area---by at least two high-quality merchant homebuilders---and offer incentives for its development. Although 10 to 25 percent of this demonstration project could be developed using traditional neighborhood design, it likely would be cost prohibitive to expect the entire project to adhere to that type of development.
- Offer consistent, predictable incentives for developers and owners of industrial properties in the SBGI study area. Applicants who fulfill stated requirements should qualify automatically for available incentives, and should not have to be reviewed on a case-by-case basis.

Implementation

The panel's implementation recommendations offer details, in chronological order, about how the city and other SBGI study area stakeholders should advance the planning and development of the SBGI study area. They should:

- Examine how the city government structure should be organized to manage most effectively the planning and implementation of development in the SBGI study area.
- Engage all of the SBGI study area stakeholders and increase stakeholder participation.
- Create an identity for the SBGI study area.
- Collaborate with the three independent school districts in the SBGI study area, Bexar County, the Texas A&M University system's proposed San Antonio campus, and Palo Alto Community College---as well as area citizens, businesses, and civic organizations---to advance innovative approaches to education.
- Support existing communities in the SBGI study area.
- Pursue urban revitalization in the neighborhoods just north of the SBGI study area.
- Commission the development of a master plan, a market study, and a fiscal impact study, based on the panel's recommendations and the community-based vision plan for the SBGI study area.
- Incorporate new development with existing development.

Physical Characteristics

The SBGI study area's physical character---along with the city's social and economic objectives---played a significant role in the panel's consideration of the area. This area generally can be characterized as a largely undeveloped rural area lying just outside the southern edge of San Antonio's urbanized area. Its physical attributes provide both opportunities for and constraints to development and the implementation of a vision plan. For this reason, the panel presents the following brief description of the area's existing topography, land uses, drainage, vegetation, and access/circulation.

The area is relatively flat and generally slopes from northwest to southeast. It is characterized by broad areas of gently undulating terrain broken by numerous shallow drainage courses. The Medina River---along the area's southern boundary---is the only drainage with a more incised channel. As a result of its relatively flat terrain, views across the area are unbroken and extensive.

Land Uses

Open agricultural and grazing lands interspersed by natural tree cover characterize the area. Small existing neighborhoods sit along the area's northern boundary, adjacent to Loop 410. Rural residences also are scattered within the balance of the area. Other land uses include several major public uses: three wastewater treatment facilities, a power plant, and a water filtration facility. The northern part of the area also contains a number of automobile recycling and storage facilities.

Drainage

A series of drainage courses divides the area. These follow the general topographic slope of the land from northwest to southeast. The four principal drainage courses, from

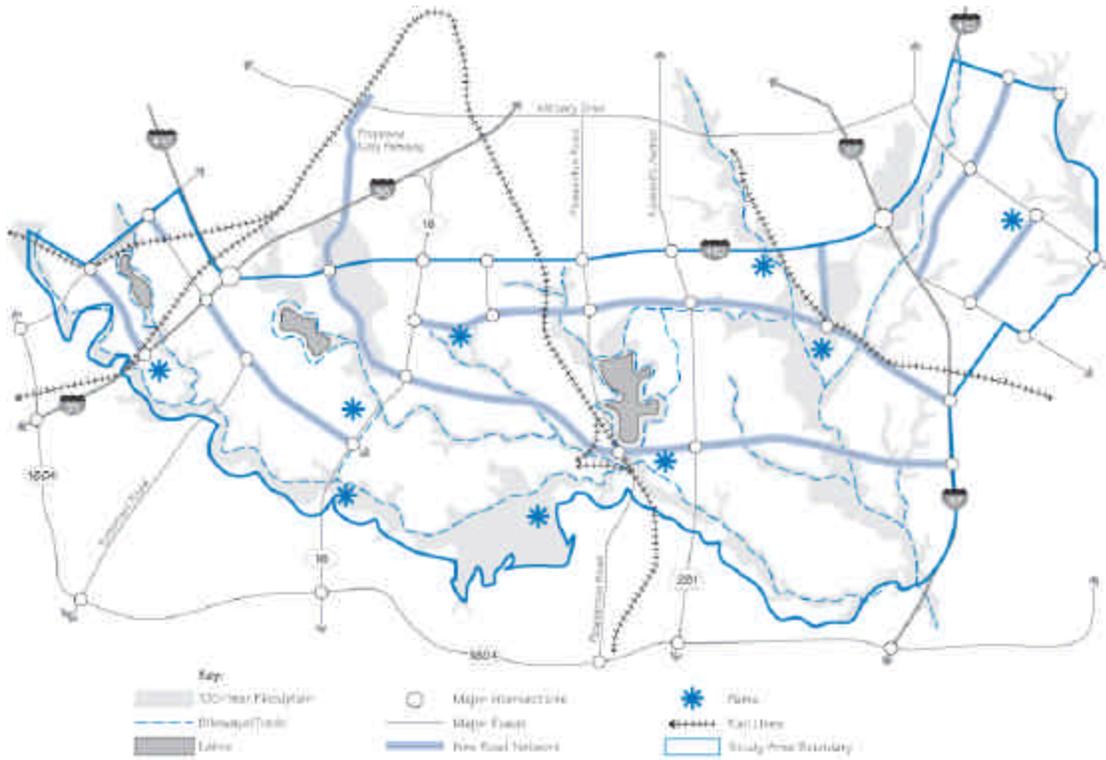
west to east, are the Medina River, the Leon Creek, the San Antonio River, and the Salado Creek. Other smaller tributaries flow into these principal drainage courses, which create a series of discreet development areas, separated by the varying widths of their drainage basins. The area also contains a number of small and large lakes.

Vegetation

The area's natural vegetation appears to have been a low shrub type of cover with dense underbrush. Much of this vegetation has been removed for agricultural purposes, and rows of trees have been planted along many property lines as windrows. The result is a visually interesting checkerboard pattern of larger and smaller farm plots with intervening areas of tree cover. More natural-appearing vegetation and tree stands follow drainage courses in the curvilinear patterns of the watercourses, which contrast with the straight property-line windrows.

Access/Circulation

Although it is relatively undeveloped, a variety of existing roadways provide access to the SBGI study area. These include the east/west southernmost section of Loop 410 along the northern boundary, the north/south Interstate 35 (I-35) in the western portion, the north/south I-37 in the eastern portion, and the north/south State Routes 281 and 16 (S.R.281 and S.R.16) in the central portion. The area also contains some minor roads, which provide limited internal circulation and access to properties.



Market Context

San Antonio participated in the economic upturn and associated population boom enjoyed by Texas and the rest of the United States during the 1990s, although not quite to the same extent. During that decade, the state of Texas increased in overall population by 25.1 percent. The San Antonio Metropolitan Statistical Area (MSA) increased by 22.5 percent, closely tracking the state increase. Other markets that surround the region grew even faster: about 80 miles to the north, the Austin-San Marcos metropolitan area grew by 54.4 percent, leading the state during the decade, while the McAllen-Brownsville area 300 miles to the south grew by 52.6 percent. Elsewhere in the state, the population of the Dallas area increased by 35.6 percent, Fort Worth by 28.3 percent, and Houston by 28.4 percent.

There can be little question that the San Antonio area will continue to grow for the foreseeable future. The solid economic foundation of the market---underpinned by a combination of biotechnology, medical services, tourism, defense, insurance, telecommunications, energy, and agriculture---provides ample support for a healthy economy under normal circumstances. Equally important, the overall economy in the state is projected to grow significantly. The mid-level population forecast suggests that Texas's total population will increase by nearly 8.7 million people by 2025 and by approximately 14.1 million people by 2040. The majority of this increase will occur in the triangle defined by San Antonio, Houston, and Dallas/Fort Worth. Much of the balance of this growth will occur in the lower Rio Grande Valley area, to the south of San Antonio.

San Antonio Market Demographics

According to data published by the Texas A&M Real Estate Center, the San Antonio MSA ended the last decade with a population of nearly 1.6 million and an employment base of about 750,000. The average household size was 2.78 persons and the approximate distribution of multifamily and single-family housing was 37 percent and 63 percent, respectively. The market included approximately 53.5 million square feet of industrial space, 22 million square feet of office space, and 22 million square feet of retail space.

Local market analysts told the panel that San Antonio has enjoyed a consistent annual population and employment growth rate of approximately 2 percent. Simple extrapolation of this growth rate out 50 years indicates that the MSA will contain more than 3.3 million people and nearly 2 million jobs. This is slightly more than twice the current level. Current trends suggest an even higher population and job base by 2050.

Significant Economic Events

A number of significant economic events have been and continue to be of great importance to the future well-being of San Antonio. The panel considered the following events as part of its market analysis for the SBGI study area.

Military Base Closure and Reuse Issues

The Kelly USA and the Brooks City-Base initiatives include 14,000 and 3,570 employees, respectively. The city has been very proactive in supporting the conversion of these former U.S. Air Force bases to business/technology/industrial parks and appears to be on track to retain and expand this important set of facilities. Given the

close proximity of these installations to the study area, their continued success is of special interest to area landowners and current and future residents.

The NAFTA Corridor

The NAFTA (North American Free Trade Agreement) corridor, associated with I-35, has considerable significance for the city over the long term. This highway, which extends from the Mexican border to the Canadian border, constitutes the major north/south transportation corridor for goods carried by truck. Because I-35 passes through the SBGI study area, activities associated with this highway also are of major interest to area stakeholders.

The Growth of University Facilities

The steady expansion of the University of Texas at San Antonio, the continuing evolution of the educational facilities associated with the San Antonio Medical Center, and the emerging involvement of the Texas A&M system campus demonstrate the educational community's and the state and city leadership's strong commitment to higher education. The fact that the Texas A&M system campus has identified a specific location within the SBGI study area as the site for a proposed campus---which ultimately will serve 25,000 students---is of keen interest to area stakeholders.

Future Industrial Development

The city's current discussions with Toyota Motor Corporation demonstrate the attraction of San Antonio for major industrial firms. The proposed Toyota manufacturing plant, if located in San Antonio, is expected to require about 2,600 acres of land and to support approximately 4,500 direct workforce employees. The proposed sites under consideration are reported to be in the SBGI study area, demonstrating yet another major initiative that could affect the development of this area.

San Antonio Market Overview

The panel’s review of market activity in the San Antonio MSA indicates that the average annual absorption of real estate products in the region is as shown in Figure 1. As further detailed in Figure 2, the estimated average amount of land consumed annually for all types of new development in the MSA is approximately 3,000 acres.

Figure 1
Annual Absorption, San Antonio MSA

| Product Type | Annual Absorption | |
|---|--------------------------|--|
| Single-family units* | 7,200--7,800 | |
| Multifamily units* | 3,500--4,000 | |
| Industrial (in square feet) | 1,000,000 | |
| Office (in square feet) | 450,000-- 500,000 | |
| Retail (all categories, in square feet) | 450,000-- 500,000 | |

*Residential figures indicate number of unit starts per year.

Residential Market

San Antonio's residential market enjoyed a record year in 2002. Local real estate analysts report that single-family starts should approach 9,000 homes, a level nearly 30 percent above the recent historical averages for the market. New home prices in the market are very modest by national standards. According to local analysts, approximately 70 percent of the total single-family housing starts are priced at \$150,000 or lower. About 30 percent of the total homes sold are priced at or below \$100,000.

Most of the market's housing starts take place in the greater San Antonio "horseshoe," which is defined as the area beginning at I-35 on the western side, extending around to the north, and ending at I-10 on the east. Much of the area's high-end housing is being developed in the northwestern section of the horseshoe, generally between I-10 and S.R.281. Approximately two-thirds of the area's housing starts are estimated to be on the western side of the horseshoe, with nearly one-third located on the east.

Almost no new housing activity occurs in the far south section of San Antonio, although some activity is emerging in the area between the southernmost part of Loop 410 and Military Drive. A few new home projects, including Lago Vista and Brookside, have been started and have sold more than 100 homes per year each. Some exurban housing activity also has been reported south of Bexar County.

Residential Product Types. Many of the new homes that have been offered in south San Antonio are priced between \$70,000 and \$110,000 and range in size from 900 square feet to more than 2,600 square feet. Virtually all of these homes have either three or four bedrooms, and may have a one- or two-car garage. The panel learned that a number of production builders are actively involved in this market segment and expect to be even more involved in the future. These builders believe that a great deal of

market demand exists at the lower price points, and that the products they can bring to the market can satisfy this demand.

While the recent period of skyrocketing real estate prices in many major metropolitan markets in the United States created a dire shortage of affordably priced housing in many parts of the country, San Antonio has notably not been part of this trend. The local residential market has continued to offer affordably priced housing, reflecting, in part, the city's sympathetic view of such housing and builders' innovative efforts to design, construct, and deliver homes for this market segment. Not only have local builders found a way to meet the needs of this market niche, they actually have been able to do so while achieving profit margins similar to those for higher-priced housing products.

Homebuyers The San Antonio market enjoys the benefit of appealing to three separate groups of buyers: those looking for primary homes, those seeking second homes, and those in search of retirement homes. In the course of its interviews, the panel heard that affluent Mexican nationals form the base for much of the second-home market. Interviewees reported that these homebuyers typically seek houses located in the established growth areas of the city's northern section. Significant numbers of these buyers have purchased homes in projects such as the Dominion near Loop 1604 and I-10 and Sonterra near S.R.281 on the north side of San Antonio. Very few of these buyers tend to seek out the southern area of the city.

Retirees relocating to the San Antonio market tend to be more evenly distributed around the area, although most of the housing being marketed to these buyers tends to be in exurban locations such as Bandera, Boerne, and New Braunfels. Like the second-home buyers, very few retirement home buyers seek out the city's southern section.

Primary home buyers are reported to make up the majority of buyers for new housing in the Southside neighborhood just north of the SBGI study area. Interviewees reported

that most of the people attracted to this housing grew up in this neighborhood and wish to return. Builders also indicated that they have been successful in attracting some buyers who once lived in the Southside neighborhood but had relocated to other areas. The primary interest of such buyers, builders reported, is to live closer to their friends and relatives.

SBGI Study Area Development Profile

The SBGI study area includes almost 58,000 acres and is bordered on the north by the southernmost stretch of Loop 410, with I-37 passing through it on the eastern side and I-35 on the western side. The southernmost section of Loop 1604 runs immediately to the south of the study area. The city of San Antonio has located its major wastewater treatment plants in this area, which also contains a number of automobile salvage yards and similar uses scattered in its midst. For the most part, however, the land is essentially agricultural in character. Much of it is relatively flat. A significant amount of the land lies within floodplains and low areas, which contain or are near a substantial amount of tree cover.

Using mapping information provided by the city, the panel reviewed the land area and developed a rough approximation of the developable land located within the SBGI study area. As indicated in Figure 3, approximately 37,000 acres of the SBGI study area appear suitable for development. (This acreage figure, and others that the panel used for planning purposes, are based on calculations achieved using a planimeter on the SBGI study area base maps provided to the panel. However, these acreage estimates differ from the surveyed acreage. This difference is accounted for in Figure 3's "adjustment" row.) Roughly 18,400 acres are classified as floodplain or open space and an additional 1,400 acres are deemed unsuitable for development because they consist of oil and gas well fields.

On the basis of the materials provided to the panel and the panel's interviews---particularly those with builders, developers, lenders, and real estate agents---the panel has concluded that because of its vast size, the SBGI study area will take many decades to absorb, given its location in the region and the associated market demand in the subregional area. While the panel's recommendations largely cover a 50-year time frame, the panel believes the SBGI study area will continue to play a major role in the region over the very long term, beyond the next 50 years.

In the normal scheme of things, market forces will remain concentrated on the developable land within Loop 410 for a number of years. The SBGI study area currently has the appeal of good infrastructure and low prices, but these attributes also can be found on the city's southwest, southeast, and east sides. The SBGI study area also must compete with exurban towns located farther south, which currently are attracting residents and homebuilders in small but growing numbers.

Thus the biggest challenge for the city will be to keep the SBGI study area intact until significant development pressure arrives. Otherwise, the more likely outcome would be a gradual breakup of parcels into uncoordinated small subdivisions as landowners seek to cash in on their holdings. The only thing that will keep this land off the market will be landowners who believe they can get a much higher price later and thus will wait to sell it.

With this in mind, the city's mid-term strategy should be to protect as much of the open land south of Loop 410 from any development until high-quality development in the area can be supported. This really is the growth management issue confronting the city. One way to accomplish this might be to offer a revocable conservation easement to landowners that essentially would eliminate property taxes for 20 to 50 years in exchange for an agreement to warehouse the land.

To illustrate the need for long-term planning, Figure 4 outlines an aggressive scenario for single- and multifamily residential development. This is not a projection, but rather presents an ambitious potential outcome for the entire MSA and the SBGI study area. Even with the assumption of steady growth illustrated in Figure 4, it still would take many decades to reach the number of households and population that would develop under the urban density of six single-family units per acre described in Figure 5.

Although the panel believes that an overall density of six units per acre throughout the study area is unlikely, certain neighborhoods and communities within the SBGI study area could achieve overall densities greater than six units per acre. For example, multifamily neighborhoods could contain more than 20 units per acre, while traditional neighborhood developments with mixed uses could include more than eight to ten units per acre.

Positive Attributes. As indicated previously, a number of attributes associated with the SBGI study area are clearly beneficial. These include:

- Excellent transportation infrastructure, such as I-35, I-37, Loop 410, and Loop 1604;
- Major rail service;
- Adequate water and sewer capacity within close proximity;
- Abundant natural areas nearby, including the Land Heritage Institute;
- Proximity to major employment centers, such as Kelly USA (the former Kelly Air Force Base), Lackland Air Force Base, Brooks City-Base (the former Brooks Air Force Base), and downtown San Antonio;
- An abundant supply of inexpensive, developable land; and
- Significant residential development activity already occurring south of Loop 1604.

All of these factors bode well for the long term. Many communities are not nearly so well served. The issues that the city must address with regard to the orderly development of the SBGI study area will be far more focused on market demand considerations.

Development Challenges. Despite the positive attributes described above, the SBGI study area clearly has not yet experienced much demand for most types of development. The challenges that confront this area---as reported to the panel---include the following:

- No significant demonstrated residential market at any price point;
- The availability of relatively low-cost residential land in other submarkets;
- A perceived school quality issue;
- A perceived serious crime issue in the area north of the southernmost stretch of Loop 410;
- Environmental issues associated with city wastewater treatment facilities, power plants, landfills, automobile recycling places, oil wells, and so forth;
- The threat of flooding; and
- The presence of a Bexar County correctional facility.

Although people unfamiliar with the area often cite concerns about school quality, the more likely impediment to new residential development in the SBGI study area in the near term is the ready availability of abundant, reasonably priced, developable land in or near more established market corridors. There is simply little reason for builders to pursue development in the southern part of San Antonio when they can profitably build and sell moderately priced housing in established market areas that also have the benefit of well-regarded school districts and other amenities.

Market Dynamics. As previously mentioned, a few production homebuilders are beginning to develop and market new home products in the area north of the SBGI study area. They report annual sales of about 100 homes per project, which is a very respectable absorption rate by nearly any measure, in any market. Demand also has been observed for housing in the areas south of Loop 1604. One manufactured-housing project mentioned to the panel reportedly sold almost 4,000 units between 1993 and 2001.

Builders who are active in the area indicate that the residential market consists almost entirely of existing residents of the inner-city Southside neighborhood north of the SBGI study area. The school quality issue does not deter such residents, since they already live in these school districts and are aware of their strengths and weaknesses. For the foreseeable future, the vast majority of demand for new housing likely will continue to come from this market. This also suggests that much of the obvious demand will remain centered in the neighborhood north of the study area, where retail, churches, and other community services already exist. This area is reported to contain a fairly large amount of vacant land that could be used for new infill housing development.

Although near-term residential housing demand in the Southside neighborhood clearly will be priced in the lower quartile of the new home market range, this should not be taken to mean that demand could not be induced at other price points. While the panel does not believe that there would be a market for strict new urbanist/traditional neighborhood development projects at the very lowest price points of the new housing market, such planning initiatives could appeal to other market segments. This appeal may be sufficient to induce such prospects to consider a well-planned, well-executed project in the far south section of San Antonio.

Land Use Consumption Analysis. The panel conducted a more detailed evaluation of the potential development capacity of the developable land located within the SBGI study area. Figure 5 summarizes the results of this analysis. In general, the analysis suggests that after approximately 24 percent of the developable land is reserved for agricultural purposes and an additional 10 percent is reserved for industrial, office, and retail uses, approximately 19,000 acres would remain available for residential development.

Depending upon the assumed overall densities of the potential residential development mix (see Figure 5), it would be possible to construct approximately 53,000 to 140,000 homes on the available land, representing a total potential residential population of about 147,000 to 390,000. The mid-range estimates in Figure 5 indicate that the developable acreage in the SBGI study area also could accommodate approximately 9 million square feet of industrial space, about 1.2 million square feet of office space, and about 3.7 million square feet of retail space, while still reserving approximately 9,000 acres for agricultural use.

This preliminary carrying capacity analysis demonstrates that the SBGI study area can accommodate a wide range of uses, including industrial and agricultural ones. Moreover, the analysis documents that the farther reaches of the study area likely will eventually become urbanized, albeit over a very long period of time. Based on the residential development scenario shown in Figure 4, the buildout period for other types of development likely will last at least 50 years and possibly longer. The challenge for the city is to formulate and implement an urban development master plan that will allow the area to develop progressively over time, culminating in an overall developed area that gets better with each passing decade.

Market Condition Recommendations

It is clear that the SBGI study area contains much more developable land than will be required for many decades, even under accelerated absorption rates. Development strategies and supporting policies should anticipate an extended absorption period. The panel's general recommendations include the following. The city should:

- Reinforce the positive residential development activity beginning to occur within the Southside neighborhood, north of the southernmost stretch of Loop 410 and the SBGI study area.
- Facilitate the development of a demonstration, mixed-price community of 1,000 to 1,500 units in Area 1 to attract major production builders and generate a sufficient base to support neighborhood retail, places of worship, an elementary school, and recreational facilities. Approximately 200 to 300 of these units could be developed as a test market for traditional neighborhood design. This demonstration site also could be the focal point for development interest that arises prior to the completion of the vision plan for the SBGI study area.
- Work with the developers of Mission del Lago to position this project properly within the marketplace. The panel recommends an in-depth market study to help turn the project around. The city and the developers then will need to implement the market analysis recommendations, which may include reconfiguration of the Phase I design. Finally, the development requires a qualified project manager committed to regular oversight of this effort. By working with Mission del Lago's developers to create a successful project, the city will support future development initiatives in the area. But the panel does not believe that Mission del Lago would be appropriate as the demonstration project recommended above.

- Gain a better understanding of the interplay among demand, development costs, and alternative planning concepts. Until it does this, the city should refrain from adopting a particular community plan or home design strategy. Given the size of the planning area, a variety of design strategies may be more appropriate than a single one.
- Undertake a comprehensive research and planning effort to address more precisely the appropriate development program and associated regulatory standards for the demonstrated market and the vision for the study area.
- Put in place the appropriate initiatives to enhance the long-term attractiveness of the study area: establish a greenbelt system along floodways; clean up nuisance uses and environmental sites; implement a flood-control system; and support efforts to improve the funding, performance, and image of the area's school districts.
- Address the fact that predicted market demand indicates that a portion of the study area likely would be developed as very low-density subdivisions. The manner in which this occurs could be quite detrimental to the orderly development of the area as a whole. This pattern of development would result from the absence of demand for other product types and uses and the likelihood that large-lot subdivisions will be in demand in the near and mid terms, as well as from the size of the study area and the available land within it.

In summary, a wide range of outcomes is possible, as demonstrated by the wide range of possibilities set out in Figures 4 and 5, the projected length of the development period, and the variety of development plans that could be pursued. The city should conduct a comprehensive analysis to determine the best way to frame and implement land regulation policies for the SBGI study area.

Planning

The panel's planning recommendations suggest how the city can prepare the SBGI study area for successful development during the three-year limited-annexation period.

Develop a 50-Year Vision Plan for the Metropolitan Area

The future of San Antonio is no doubt a bright one. Expanding the city's *San Antonio Master Plan and Policies* to cover the next 25 to 50 years and aligning various programs and policies in a single document will help the MSA to realize its potential. The city also recently has undertaken the preparation of several documents, such as the *Strategic Plan for Enhanced Economic Development* and a housing plan for the region. These documents provide a good basis from which to develop a plan for the future of San Antonio. The 50-year vision plan for the greater San Antonio area should address forthrightly the goal of balanced growth in San Antonio and should direct its implementation by fostering investment in the southern sector and directing development away from environmentally sensitive areas of the city.

Ideally, a vision plan document will demonstrate the commitment of the region's leaders and public bodies to make the vision a reality. The vision document should include the following components:

- Text stating the vision and major goals---listed by subject area---including cultural and community values as well as land use and economic goals;
- A graphic illustration of the region that shows an "end state" desired urban form and generalized land uses; and

- Quantifiable goals in basic areas such as population, housing, jobs, and education.

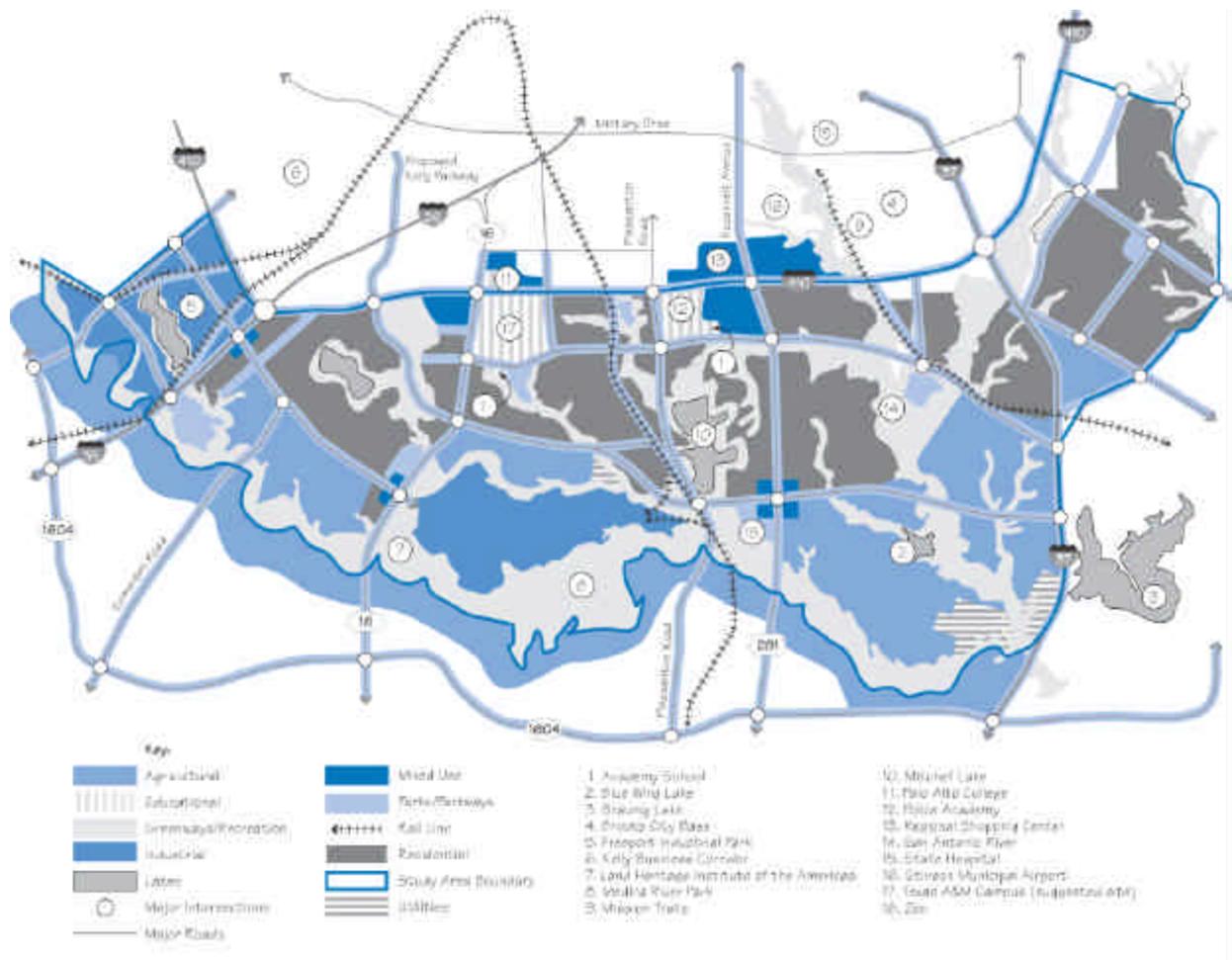
This vision plan also should address how the city will seek to:

- Foster a continued growing and diverse economy;
- Balance land uses and transportation;
- Provide and protect open space and natural systems;
- Provide adequate utilities;
- Provide cultural and recreational opportunities;
- Protect a high quality of life;
- Encourage schools that sustain the economy and the fulfillment of personal potential;
- Balance jobs and housing;
- Ensure social equity and balance;
- Provide of a mix of housing; and
- Demonstrate a commitment to strong neighborhoods.

Certain components of this regional vision plan should be updated every few years, to reflect progress on meeting the stated goals and to revamp statistics and projections based on demographic and economic trends. The city should adopt these projections and use them consistently for capital investment, planning, and phasing of public facilities. The goals should include the community and cultural values, major amenities, and urban form that the community hopes to achieve. The regional vision plan can provide the basis to develop a generalized concept of urban form and land use, help guide the provision of needed infrastructure, and guide the development of city programs and any annexation efforts over the longer term. Ideally, it should guide the region for the next 50 years, with a major review every ten years.

Create a Community-Based Vision Plan for the SBGI Study Area

The vision plan for the SBGI study area should recognize and reflect the goals of the metropolitan vision plan described above, as well as the panel’s recommendations. The panel’s vision for the SBGI study area is described below.



Broadly, the city is seeking to establish a growth policy for south San Antonio that will develop the SBGI study area as an integral part of San Antonio and create an overall

pattern of sustainable development. To support community decision making and implementation, however, the vision and rationale for the annexation of the SBGI study area needs to be more effectively articulated and communicated. For example, a vision plan for the SBGI study area could address whether all six subareas should be annexed permanently, or whether permanent annexation should occur in phases. If it is phased, the city should consider redefining the smaller annexation areas, based on the vision plan, infrastructure, fiscal impact, and market absorption analyses. Whether or not Toyota decides to locate a manufacturing plant in the area---as well as the extensive land planning that is done---will be of critical importance to this issue. Prior to the completion of this vision plan for the SBGI study area, development interest that arises should be directed to Area 1, around the residential demonstration project recommended earlier in this report.

Regional goals that can be supported by the SBGI include:

- Balancing growth patterns between the northern and southern parts of the city;
- Providing adequate land for future economic growth and housing needs;
- Nurturing and protecting the environment and natural systems;
- Creating opportunities for diverse and balanced housing;
- Reducing congestion and time spent commuting;
- Providing cultural and recreational facilities;
- Providing opportunities for a high quality of life and economic success; and
- Demonstrating innovative building practices and sustainable development concepts.

In addition, the SBGI study area can play a unique role in achieving other regional goals, most importantly:

- Protecting cultural resources through acquisition and other mechanisms;

- Creating open-space and recreational amenities that will enhance the regional quality of life and differentiate the SBGI study area from other parts of the region;
- Expanding regional amenities that enhance the community, such as the Mission Trails, the Land Heritage Institute, wildlife areas, recreational lakes and trails, and a demonstration farm and zoo;
- Providing expanded opportunities for residents by improving the funding, performance, and image of the area's school districts; and
- Connecting the SBGI study area to the fabric of the city north of the southernmost part of Loop 410.

Establish Sustainable Design Principles and Practices

During the past 50 years, San Antonio has developed outward from its core, to the north, east, and west, in a largely typical suburban growth pattern, with vital mixed-use nodes interspersed throughout. The SBGI study area, however, has not enjoyed the same prosperity as the rest of the region. It has remained rural and open, to accommodate a preponderance of the rest of the growing city's utility needs (including sewer, power, and trash removal services). Imbalanced development has contributed to the generally negative perception of the study area. The city is enjoying robust growth that is projected to continue for at least the next 20 years. The study area should play a more integral role in accommodating its share of that growth and eventually should become a vital node in its own right, thereby promoting balanced growth and more integrated land use within the city.

To this end, Mayor Garza has articulated a vision for the SBGI study area that challenges government and the business, institutional, and private sectors to work together to create more sustainable development patterns with greater equity among classes, economic prosperity for the region, and an improved regional ecology.

Some of the goals of sustainable development include:

- Minimizing the consumption of land for new development;
- Minimizing the consumption of energy and nonrenewable materials;
- Recapturing the potential of existing underutilized systems, including roads, utilities, buildings, and neighborhoods;
- Promoting a sense of place, with its potential for greater human interaction;
- Improving access to and choices of places to live, work, and play; and
- Encouraging the use of renewable resources.

Eventually, the SBGI study area should become as prominent and as important to the regional consciousness of the city as the airport, the Northside, and the Riverwalk. It has the potential to be transformed into a vibrant series of subdistricts offering a full array of land uses, including traditional residential neighborhoods; regional and community retail offerings; major employment centers; universities, colleges, and academies; agriculture; and regional open-space networks.

Create a Sustainable Urban Form

The panel recommends a “garden city” urban form for the SBGI study area. The characteristics of this urban form would include a series of greenways and parks running east/west across the SBGI study area, with radial boulevards running north/south through the site, across the greenways. Density would be layered, from highest---near downtown---to lowest, eventually ending in agrarian uses with green buffers along the Medina River.

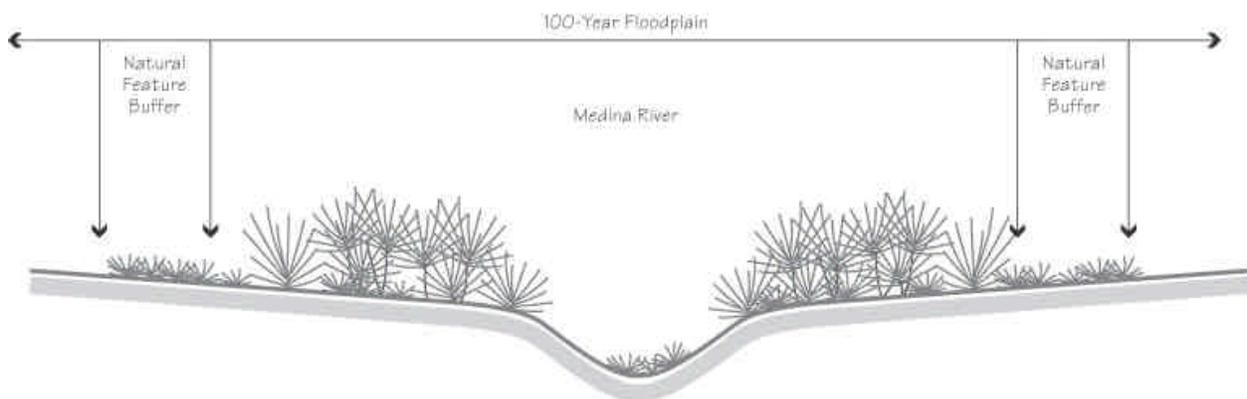
The panel believes that the garden city form is an appropriate regional template for future growth. The characteristics of Loop 410---its length, proximity to downtown, and prominent visibility---give it excellent potential at key locations for vertical and adjacent mixed-use nodes that integrate housing, offices, and retail space with transit linkages and urban open spaces. These nodes should be developed in conjunction with the adaptive use and infill redevelopment of existing neighborhoods directly to the north, to create vital connections to the existing city. Surrounding these nodes, the market may include moderate-density housing and, perhaps, developments featuring traditional neighborhood design (TND).

As a developing market, the SBGI will be especially price sensitive. Because developments featuring TND typically are located close to already-developed areas and generally are more expensive to produce than other types of development, it will require more time (probably 50 years or more) to establish TND in the SBGI study area. The TND test in the demonstration residential development recommended earlier could include elements such as pedestrian-friendly streets and a mix of housing types, schools and parks, open space and trails, sidewalks and street trees, narrower streets, more compact configurations, and higher-quality overall design. To keep development costs down, the panel recommends that this test TND project not include costly amenities, alleys, offices, or retail facilities.

Farther south and west, big industrial uses that take advantage of the large contiguous developable sites available with immediate rail and road access can create major new employment centers for the region within a relatively short (five- to ten-year) time frame.

As much as 25 percent of the developable land within the SBGI study area should be set aside for agricultural use. Not only is the demand such that this will not be difficult to do for at least the next several decades, but it is important to maintain the rural spirit of the land, encourage compact development patterns, and buffer the city from leapfrog development and endless sprawl, which often occur without proper government control.

Along the Medina River, the opportunity exists to provide a green buffer that integrates many of the existing agricultural uses along it while mitigating the negative effects of agricultural runoff and linking this buffer to existing open-space networks such as the Mission Trails. This concept marks the beginning of a regional open-space network that will include hiking and biking trails, water access, and other recreational amenities. This asset will provide real incentives for more balanced development patterns in the SBGI study area, while helping to mitigate the effects of the tremendous growth that is projected for the region.



Plan for Greenways and Concentrate Infrastructure Investments

The existing land development pattern in San Antonio, especially in the northern part of the city, reflects piecemeal land acquisition for preservation. A regional approach to land planning---in which land is set aside in a coherent manner as part of an open-space network---can reinforce a more compact land development pattern, limit sprawl, focus investment for service areas, and add value to underutilized districts such as the SBGI study area. To create greenways and concentrate infrastructure investment in the study area, the city should:

- *Develop an Open-Space and Trail Network.* The preservation and enhancement of the study area's natural features is essential to defining its

character and assuring ecological diversity and stability, economic well being, educational opportunity, historic value, and quality of life. Natural features include wetlands, watercourses, floodplains, woodlands, habitat for threatened or endangered species, groundwater recharge areas, and historic/cultural sites. These elements should be integrated into a comprehensive regional open-space network that provides interconnected hiking/biking and equestrian trails; interpretive, cultural, environmental, and educational facilities; playing fields; riparian areas; boating opportunities; campsites; and the city zoo.

- *Buffer/Eliminate Blight.* The existing auto salvage sites and junkyards clustered along Loop 410 in the study area contribute to a negative impression that the city must address before substantial development can occur there. A phased approach will require first buffering the existing auto salvage sites and junkyards with landscape features and eventually eliminating them.
- *Expand Access to Recreational Water Amenities.* Lakes and other water features are important visual and recreational attractions for residential development. As soon as possible, Mitchell Lake should be made accessible to the public, in conjunction with the adjoining residential development, Mission del Lago. Indian Creek presents another opportunity for the development of a water amenity coupled with adjoining neighborhood development.

Create a Regional Infrastructure for the SBGI Study Area

One of the primary challenges affecting San Antonio today is the negative impact of sprawl throughout the city. Although the city is well served by north/south connections, east/west connections are underdeveloped, particularly in the southern part of the city. Metropolitan coordination of major highways and arterials is necessary to coordinate

infrastructure investment and promote social equity throughout the city. The panel recommends the following actions to extend the regional infrastructure to the SBGI study area:

- *Transform Highways into Parkways.* The existing north/south highways through the study area---I-35, S.R.16, U.S. 281, and I-37, as well as Loop 410--- should be transformed into visual and open-space amenities by integrating 30- to 50-foot easements for high-quality streetscapes that include trees, lighting, and coordinated signage, as well as walkways, trails, and bikeways along both sides of the public right-of-way. These parkways also should feature access points, with interpretive exhibits, to major features of the open-space network, including the Medina, Leon, San Antonio, and Salado waterways.
- *Provide Major East/West Connector Arterials.* At full buildout, the panel recommends that at least two new major arterials be built to accommodate east/west traffic flow and to link the subareas within the SBGI study area. Parkway standards, as described above, also should be implemented for these roads.
- *Establish High-Tech Infrastructure.* Utilities and high-tech infrastructure should be provided to the study area as unobtrusively as possible, in a pattern consistent with planned development. Landscape features should buffer electrical substations from view. Fiber-optic cabling should be made available to development parcels throughout the study area.
- *Improve Sewer, Water, and Stormwater Drainage Facilities.* This infrastructure will be essential for the study area's long-term development prospects.

- *Provide Rail Spurs into the Area Where Feasible.* Light industrial uses should be allowed in designated areas to accommodate rail spur linkages, but should be buffered from adjoining uses with trees and other landscape features.
- *Plan for Alternative Transportation Networks.* Light rail, bus routes, and bikeways should be integrated into the study area, traveling through the area into the city center and beyond and linking the area to other major regional destinations.

Incorporate Progressive Land Use Patterns

The geographic isolation of economic classes is a regional problem that can be solved by greater integration of high-quality services within less-developed areas such as the SBGI study area. Development should cluster around shared services such as retail, civic, cultural, and recreational uses, with transit linkages to downtown and other large employment centers. The panel suggests the following techniques to create enlightened land use patterns:

- *Implement Smart Growth.* Opportunities for mixed-use infill development within existing neighborhoods near the SBGI study area should be explored where appropriate. This development will, in turn, support new development in the study area. The primary sites to consider for this type of development are located at the interchanges of Loop 410 with U.S. 281, and S.R.16.
- *Ensure a Jobs/Housing Balance.* A balance between the numbers of jobs and residences in the SBGI study area will reduce vehicle trip demand within the study area, reduce commute times, and support a healthy ecosystem.

- *Encourage Regional Retail.* The study area currently is underserved by retail facilities and should be able to accommodate a regional commercial district along the Roosevelt and South Flores corridor that is linked to enhanced public transit and streetscape improvements connecting the area with the city center.
- *Promote Traditional Neighborhood Design.* Traditional neighborhood design (TND) involves a blend of land uses that includes shopping, entertainment, employment centers, restaurants, schools, and a mix of housing types. While cost constraints may make it infeasible to closely follow this model in the short term, the residential demonstration site offers an opportunity to showcase this pattern of development. The ideal size for a walkable neighborhood is about one-half-mile square, with a definable center and edges. The core of the traditional neighborhood should promote adjacent and---where possible---vertical mixed-use nodes, where community services and public open space would be clustered.
- *Establish Civic and Public Spaces.* Development should delineate public spaces such as performing arts facilities, libraries, public squares, parks, and playgrounds. Primary public spaces should provide gathering places for social and cultural activities such as farmers markets, flea markets, bake sales, community celebrations, and the like.
- *Create Attractive Neighborhood Streets.* Streets that accommodate bicyclists as well as drivers and those that feature wide sidewalks, street trees, and on-street parking increase pedestrian activity and reinforce the spirit of community. A tight block structure within neighborhoods creates better connections among uses and shortens pedestrian routes. The Texas A&M system's proposed new campus can be an important element in jump-starting development of the SBGI study area and, perhaps more importantly, can serve as a community node within the area. The panel recommends that this campus

be located centrally within Area 2, specifically in the southeast quadrant bounded by Loop 410 and S.R.16.

- *Reserve Agricultural Land and Integrate Agricultural Land Uses.*
In order to preserve the essential character of the SBGI study area, a sizable percentage of land should be set aside for agricultural use. The vision plan for the SBGI study area should prioritize the areas for this designation, which should be coordinated with natural buffers to mitigate the negative effects of agricultural runoff into rivers and streams. Agriculture should be integrated in a band running across the study area, generally between the areas south of new development clusters and the Medina River. Opportunities to integrate alternative energy sources, such as solar and/or wind farms, within more traditional agricultural uses should be explored.

Create Regional Character

The building traditions developed in the San Antonio area are unique to the climate and culture of the region. Good urbanism does not result from adhering to a single universal style or building tradition, but rather from a consciousness of a regional approach to the making of a city. One of the most important opportunities for the SBGI study area is to recognize and build on San Antonio's regional architectural character.

- *Support Urbanist Traditions.* Attitudes about the traditional design of streets, blocks, and squares are part of the regional consciousness and should be respected in the conceptualization of any new development.
- *Incorporate Traditional Building Styles.* These include the Spanish traditions reflected in the San Antonio Missions, the Spanish Governor's Palace,

and throughout the Central District; the federal and streamlined traditions of the downtown; and the wood building traditions of the King William Historic District, as well as other distinct neighborhoods throughout the city, are fine examples of a strong regional architectural vernacular. While they should not be copied literally, they offer inspirational cues for the design of similar building types.

- *Design with Nature.* San Antonio's unique climate, with its warm temperatures and distinct rainy and dry seasons, should inform the design of habitable spaces. Minimizing energy use and pollution; maximizing water conservation; using materials such as wood, glass, concrete, metal, and stone; and integrating indigenous plant materials all are appropriate applications of a regionally focused design approach.

Strategies

The panel's strategy recommendations advise the city on key initiatives to accompany the planning process. These include land banking in certain strategic areas until the market is ready for development, providing incentives for the development of a demonstration housing project in Area 1, applying existing incentive programs, and offering consistent new incentives for industrial development.

Bank Land in Certain Strategic Areas

Rather than offering incentives for development, the panel recommends land banking parts of the SBGI study area until the market is ready for development. Minimal residential demand within the study area will result in de facto land banking until the market is ready. Perhaps the city could offer landowners a revocable conservation easement that essentially would eliminate property taxes for 20 to 50 years in exchange for an agreement to warehouse the land. It is quite possible that the study area will remain fallow for many years, with only small and potentially unplanned developments occurring. However, the city should bank land in certain areas to build an agricultural reserve and greenbelt. Of course, if a Toyota manufacturing facility locates in the study area, this land banking recommendation will become obsolete in some areas, and more difficult to accomplish in others.

Because of the lack of residential market demand in the study area, the panel debated at length concerning incentives to jump-start residential development there. Since creating a market where none exists is almost impossible—and certainly very costly—the panel decided not to recommend major incentives, viewing them as unproductive and not cost effective. Demonstration projects, the panel determined, are more effective in proving or building a residential market. As a result, the panel does not recommend any widespread incentive support for residential development, with the exception of that

discussed below. In addition, the panel does not recommend any incentives for commercial developments, since these uses generally follow the development of residential units and the demand that they subsequently create.

Provide Incentives for a Demonstration Housing Development

The panel suggests that the city provide incentives for the development of a new demonstration housing project of significant scale to be built in Area 1 in the mid term. Some market analysts and a few substantial builders feel there may be sufficient market demand to introduce a housing product there. The question is, how deep is this market, and how many annual sales will it sustain? To validate and test this demand, the panel recommends that the city encourage at least two high-quality, merchant homebuilders already operating in the San Antonio market to develop a new demonstration housing project of significant scale (1,000 to 1,500 homes and apartments) in the mid term (three to five years) in Area 1. The best thing that could happen to the SBGI study area is a successful building program: nothing attracts builders to a market area better than the success of another builder.

The city can encourage developers in the SBGI study area to work toward sustainable design concepts through a program of education, expertise, and experience. To harness the latter two elements, the city should issue a request for proposals (RFP) to a list of national developers specializing in sustainable design. The city will need to craft attractive incentives to get the best responses to this RFP.

A common saying in the building industry is, “if you don’t have a competitive advantage, don’t compete.” The city should focus on offering development incentives within this demonstration area to provide the competitive advantage needed to make this demonstration project successful. These incentives should include a tax increment financing (TIF) district, development and building fee waivers, money from the city’s first-time buyer assistance program, and a streamlined approval and permitting process. In addition, the city should bring adequate water and sanitary sewer service and

improved road access to the site. The builders would be responsible for purchasing the land and constructing the subdivisions.

To provide additional appeal for homebuyers, the panel suggests that the city purchase land for an elementary school within the proposed demonstration development and donate this land to the school district, with the provision that the district construct and staff the school in a timely manner. This measure also would help to counter the perception that the SBGI study area is plagued by poor schools.

While it may be tempting to consider making the Mission del Lago subdivision the demonstration housing development through the use of the incentives described above, the panel does not recommend this option. A fresh start is needed in the SBGI study area. The Mission del Lago plan was not market oriented and, to date, its execution has not met with success.

The panel recommends that the city also provide incentives to foster the development of housing in the adjoining area just north of the SBGI study area and inside Loop 410. Successful development and redevelopment in this area will help the Southside neighborhood as well as the SBGI study area, and will be cost effective for the city. Since this area already has most of the necessary infrastructure in place, incentives here will produce more immediate benefits for the city and a greater return on investment for builders and businesses located there. Incentives may include all of those mentioned for the demonstration development above, except access and infrastructure improvements and the school site purchase.

Lastly, the city should streamline its subdivision zoning, planning, approval, and permitting processes, and should staff these departments with customer service--oriented personnel.

Apply Existing Incentive Programs and Offer New Ones

The panel recommends that the city apply its existing incentive programs and offer consistent, routinely applicable new incentives for industrial development in the SBGI study area. In contrast to its recommendation not to offer incentives for residential or commercial development, the panel does recommend providing incentives for industrial uses based on job creation and tax base enhancement. To grant these incentives, the city should create an expedient, standardized formula that will be routinely applied and predictable for developers and/or owners. These incentives should include:

- Tax abatements or the creation of TIF districts;
- Fee waivers; and
- Access and infrastructure service improvements.

Having such a policy in place will take politics out of the incentive process and will make the process easier, both for the city and for industrial user applicants.

In addition, the panel notes that the city already has an impressive number of economic incentives and business development programs that may be available to assist with industrial development in the SBGI study area. These include:

- Tax phase-in incentives for targeted industries;
- Industrial development bonds;
- A variety of small-business assistance programs;
- Tax increment financing;
- Tax increment reinvestment zones;
- Tax abatement; and
- Sewer impact-fee waivers/rebates.

The city also currently is developing an incentive tool kit to identify, consolidate, and establish criteria and performance requirements for all existing development

incentives based on broad development categories. Some incentives, such as specific fee waivers that are scalable, would be awarded based on a standard project scorecard. Incentive types would include:

- Tax incentives;
- Financing incentives;
- Fee reduction, waivers, or rebates;
- Regulatory reduction or exemption; and
- Workforce development/business advocacy.

These programs and others---such as tax increment financing, tax abatements, infrastructure assistance programs, fee waivers, direct grants, and expedited permit processing---presumably could be made available to help desirable projects.

Implementation

The panel's implementation recommendations, offered in approximate chronological order, detail how the city and other SBGI study area stakeholders should advance the planning and development of the study area. Limited-purpose annexation allows the city to extend regulatory authority for the limited purposes of applying its planning, zoning, and health and safety ordinances in the area. However, the city may not impose a property tax there until the property is fully annexed---which typically happens within three years. Annexation of the majority of the land within the study area stands to support many of the city's long-term goals for the area. The immediate benefits of limited-purpose annexation include the opportunity to:

- Control land uses and prevent unwanted ones;
- Conduct a more complete inventory of environmental issues and begin to clean up less desirable land uses such as auto salvage yards, landfills, abandoned buildings, and so forth;
- Market large tracts of land to major employers and institutions that can create future opportunities for the region's citizens;
- Develop a service plan for the study area;
- Examine how the city government structure could best support the planning and development of the study area;
- Engage all stakeholders and increase stakeholder participation;
- Create an identity for the study area;
- Collaborate with the study area's three independent school districts, Bexar County, the Texas A&M system campus, Palo Alto Community College, and area citizens, businesses, and civic organizations to advance the delivery of innovative approaches to education;
- Support the study area's existing communities;
- Pursue urban revitalization in adjacent neighborhoods; and

- Commission the development of a master plan, market study, and fiscal impact study, based on the panel's recommendations and the community-based vision plan for the SBGI study area.

Many of the above advantages, of course, also would be beneficial in the case of permanent annexation. In addition, permanent annexation would:

- Provide an expansion area for future development that will move toward balancing growth in the region;
- Present an opportunity to create regional recreational and cultural facilities by planning for future control/acquisition of sensitive environmental, cultural, and recreational sites;
- Provide the tax base to improve services, particularly the schools in the study area; and
- Create opportunities for improved development standards and more balanced communities featuring high-quality neighborhood design and sustainable development practices.

Examine City Government Structure

The panel suggests that the city examine how its government structure could best support the planning and development of the SBGI study area. Specifically, the panel believes the city should review how certain structural changes would support the implementation of its recommendations. These include:

- Examining the limitations of term limits for elected officials;
- Streamlining the development approval process;
- Examining opportunities to coordinate and communicate more effectively among numerous city departments;

- Seeking to improve communication and build better relationships between city agencies and the public, particularly the business and development community; and
- Consolidating and streamlining planning-related committees.

Examine the Limitations of Term Limits

Several people interviewed by the panel lamented the problems that term limits for elected officials have created with regard to effective public policy development and implementation. The current two-year terms of office, coupled with a lifetime limit of two terms, means that elected officials and city staff spend an inordinate amount of time helping newly elected officials adjust to the dynamic demands of public office. Because of this lack of continuity on the part of elected officials, staff members frequently are pulled into the public policy development role, which they often find uncomfortable and inappropriate. As a result, legislative and executive roles get reversed from time to time, which is contrary to the letter and spirit of the city charter and the city manager form of government.

The proposed 37,000-acre annexation property offers a case study that illustrates the need for elected officials to serve longer terms. This specific proposal---which may be one of the most significant public policy proposals in the city's recent history--will require a considerable time investment, not only to develop the annexation concept but also to carry it through the three years necessary to complete the limited-purpose annexation phase. Yet, under current city charter constraints, officials would need to be elected twice---and thereafter would be term-limited for life---just to serve long enough to shepherd the project through this initial phase, and likely would have no opportunity to vote on the permanent annexation decision.

While there are a number of ways to deal with this issue, perhaps the most direct would be to look closely at the term limit provisions of the city charter. Municipalities throughout the United States have taken many different approaches to the term limit issue. Probably the most commonly followed practice is for local elected officials to serve four-year terms rather than two-year ones, often with no lifetime exemption.

Streamline the Development Approval Process

Streamlining the development approval process---while providing clear communication and education about advances in this process---offers another opportunity to encourage development in the SBGI study area. Several respected members of the land development community---who have worked with this city and others---indicated that San Antonio's development approval system needs to be improved and made easier to use. Although the city's commitment to establishing a "one-stop" permit program housed in a new building is commendable, it also is clear that widespread communication about this program will be needed to help users appreciate fully and benefit from this innovation once it is in place.

Improve Coordination and Communication Among City Departments

To provide the effective and coordinated economic development delivery system that the SBGI study area requires, the panel recommends that the city examine opportunities for more efficient coordination and communication among numerous city departments.

For example, several departments currently handle responsibilities related to the city's economic development. The assistant city manager for economic development oversees the departments of economic development and development services, as well as other major areas, such as aviation, management and budget (including the capital

improvement program), international affairs, Brooks City-Base and linear parks development. Yet scattered throughout other city departments are agencies that also would typically be associated with---and supportive of---economic development, such as the departments of public works; planning, housing and community development; community initiatives; and code compliance, plus the Housing and Neighborhood Action Team. The panel recommends the development of strong cross-departmental channels of communication and coordination among these agencies to support the city's economic development function.

Build Better Relationships Between City Agencies and the Public

A healthy public service ethic and good communication between city agency employees and the public should always be a priority. Yet members of the San Antonio development and business community interviewed by the panel often were critical of city agency attitudes in public encounters. The panel recommends that city agencies observe and review the quality of agency/public interactions and identify ways to build better relationships---such as promoting incentive programs and emphasizing good listening skills---particularly with the business and development community.

Consolidate and Streamline Planning-Related Committees

The planning-related committees that deal with development need to be consolidated and streamlined. Policy decision making currently is fragmented, a situation that leads to ineffective decision making at times and the potential for conflicted recommendations. This is an essential element for the effectiveness of all city planning and development functions.

Engage All Stakeholders and Increase Stakeholder Participation

Engaging the broader community in the planning, discussion, and decision-making processes will go a long way toward ensuring that this plan is well understood, well thought out, and has the support and commitment of the community. Development of the SBGI study area is unlikely to succeed without a thoughtful process to involve the community.

Who Should Be Involved?

A broad range of stakeholders must be consulted on these issues. Their concerns need to be heard and incorporated into the planning process as much as possible. The following groups should be included:

- *Citizens in the SBGI study area* are faced with the biggest potential changes to their environment and need to have some sense of input into and control of their community. Among the issues they are likely to raise are concerns about tax impacts, how city controls will affect their lifestyles, displacement, and changes in the character of the community.
- *Citizens in other parts of the city* likely will be concerned that their tax dollars will be diverted to the SBGI study area and that the quality of their services will be decreased, or that their taxes may go up. Residents of some areas, such as the inner-city Southside neighborhood, may worry that their concerns will be overlooked and city resources diverted to the SBGI study area.
- *Landowners* will have an important stake in the outcome of this initiative. Landholders stand to gain or lose in very real terms, and in many cases have long-term goals for their property and investment.

- *Members of the development and financial community* will be taking on a major role in turning the vision for the SBGI study area into reality. They will be concerned about the regulatory environment and the practicality of the plan in terms of markets, financing, and investment. Their input and support will be critical to both the short- and long-term success of this effort. While local real estate professionals certainly should be involved, outreach to national firms on an initiative of this scale also would be appropriate.
- *Civic leaders, government officials, and public agencies* will be key players in the decision-making process. They and the organizations they represent have a stake in individual properties and investments. This includes representatives of cultural and educational organizations and other groups whose plans must be incorporated in the overall planning and vision.

How Should these Groups Be Engaged?

The public and specific target groups can be involved in the planning and development process in many ways. The city needs to develop documents that outline the process, the vision, and the specific goals for the development of the SBGI study area. As various studies and reports become available, summaries should be provided to the public. Advisory committees could be set up to examine certain issues, and a steering committee or task force to guide the whole process also should be considered.

Elements of the public information campaign could include:

- Town meetings;
- Focus groups;
- Marketing brochures;
- Media coverage;
- Advisory committees on certain subjects;

- Public hearings; and
- Summary documents for review.

The city should consider hiring an independent, professional community relations firm---selected via request for qualifications (RFQ) and RFP processes---to guide the process. The ultimate goal is a successful effort that addresses the needs of the community and creates a better living environment for all of the San Antonio metropolitan area's residents and businesses. To be effective, this undertaking will take much groundwork. The key goals should be to:

- Educate the community about the purpose of the SBGI and the major elements of the process.
- Listen to concerns and address them as well as is practical.
- Create coalitions of interest groups. (This is an important way to ensure success and commitment to the vision.)
- Seek to change negative perceptions of the area.
- Create excitement and momentum toward a shared vision that will move the process along and increase the likelihood of success.

Create an Identity for the SBGI Study Area

The city should seek to create a n "identity" for the SBGI study area. The panel's initial work suggests that opportunities exist to position the study area as unique in its combined celebration of natural, cultural, recreational, and educational resources. While some individuals interviewed by the panel suggested that this identity could be achieved by implementing specific neighborhood designs, the panel believes---given the extremely large scale of the study area and the long time frame for absorption---that committing to such designs at this time would be risky.

As a sidebar to this discussion of identity, however, the panel recognized a pattern of confusion among the individuals it interviewed about the location and scope of the SBGI. While this confusion was due in part to a lack of communitywide discussion on the most recent iteration of the SBGI, some confusion also could be attributed to the Southside Balanced Growth Initiative name itself. Many individuals consider Southside to be the inner-city neighborhood located north of the southernmost section of Loop 410. The panel realized that many of the comments offered regarding the SBGI study area were, in fact, comments on this neighborhood. The panel recognized, and the city must confront the reality, that even though the geographic areas are technically distinct, responses to the SBGI study area likely will be influenced by perceptions of the existing inner-city Southside neighborhood. The panel therefore suggests that, sometime soon, the city consider a new name for the initiative (without somehow disassociating the SBGI study area from its southerly geographic location, which could be viewed as contrived and would be to the detriment of the SBGI). This name change---which could perhaps be achieved strategically, through public involvement---should eliminate the current confusion and create a close connection between the new name and the area's geographic location.

Collaborate to Advance Educational Initiatives

The panel recommends that the city collaborate with the three independent school districts in the SBGI study area, Bexar County, the Texas A&M system campus, Palo Alto Community College, and area citizens, businesses, and civic organizations to advance the delivery of innovative approaches to education. The importance of education to the area's quality of life and the perceptions of the three independent school districts that serve the study area was a topic that arose frequently during the course of the panel's interviews. Over the past several years, parents, the business community, and government leaders throughout the United States have taken an increased interest in primary and secondary education. Texas and San Antonio are no

exception. The SBGI study area contains rich potential for innovative, collaborative educational efforts among the groups listed above.

Primary and secondary education resources are critical to the success of the study area. Actively including the independent school districts at the very earliest stages of the vision, planning, and implementation process will be essential to achieve the city's vision for the study area. This effort can start with a partnership agreement between the city and the independent school districts that serve the study area.

The panel's initial vision for the study area proposes an intimate integration of school sites into residential neighborhoods and parkland. The initial conceptual plans, as well as final development plans, should identify prospective school sites. This process also will facilitate the opportunity for the city or other entities to provide for the acquisition or donation of school sites. The benefits to the school districts of new taxes---whether from residential, commercial, retail, or industrial development---will be substantial. If and when the city prepares a phased annexation plan, it should consider concentrating phased development on a district-by-district basis.

It should be noted that these school districts have, at times, experienced conflicts as stakeholders sought to influence or change the management of the independent districts. All parties, however, are focused on one important process---the education of the community's children. Developers, homebuilders, and real estate agents all recognize that the quality of the educational system is a very important element in a homebuyer's decision about where to live. While hard data is available for evaluations of school quality, people's assessments all too often are based on perception, misinterpretation of school accountability data, or anecdotal, outdated information.

The three independent school districts that serve the study area encompass large rural areas as well as portions of the inner city. Those districts that have a low tax base were helped when the state legislature reformed school finance in 1993 through passage of

the so-called "Robin Hood Act," which seeks to equalize the distribution of tax funds to schools. Many of the perceptions offered to the panel during the interview process were based on test scores and facilities that pre-date the Robin Hood Act.

The panel applauds the efforts of the mayor and the independent school districts in the study area to open lines of communication in order to work together for the better education of these districts' current and future students. The panel encourages the mayor and the city to reinforce that dialogue and to reach a partnership agreement that will outline specific ways that the city can assist the districts. The panel suggests that this assistance could be financial, such as city acquisition of school sites in newly developing areas. It also could involve facilitating the formation of new academies, such as the Aerospace Academy. Academies can provide educational opportunities that can be integrated into development in the study area to attract residents from existing neighborhoods as well as new residents. Prime sites for consideration include areas clustered around the S.R. 281/Loop 410 interchange (to offer proximity to existing neighborhoods to the north and to be part of the mixed-use node) and the S.R.16/Loop 410 interchange (to take advantage of its proximity to Palo Alto Community College and the proposed Texas A&M system campus).

The panel also commends the outreach programs of Palo Alto Community College and the University of Texas at San Antonio. The panel was struck by the passion and energy of the programs and individuals associated with these institutions, and encourages the reinforcement and expansion of these programs. It also recommends that these institutions participate in the city's partnership with the school districts. The panel anticipates that as the Texas A&M system expands its presence in San Antonio, it also will become a major contributor to this process.

The panel encourages the business community and, in particular, the development community, to increase its assistance to and partnering efforts with the school districts. The panel notes that the school districts have demonstrated a commitment to be

responsive to the business community. For example, the panel understands that the Aerospace Academy was formed within two years after the need for such an academy was identified through dialogues with the business community.

Support Existing Communities in the SBGI Study Area

The SBGI study area includes a wide variety of existing communities, with single-family homes on large lots, small-lot subdivisions, mobile home parks, and industrial parks. The area's large scale and its long time frame for buildout should provide ample time to address how to incorporate these existing uses. In many cases, existing communities can be folded into the plan for the study area. At the appropriate time, landowners and homeowners, the city, and future developers and homebuilders should work cooperatively to discuss enhancement, redevelopment and, perhaps in some cases, even relocation. The panel notes that this issue will not be at the forefront for quite some time.

Pursue Urban Revitalization in Neighborhoods North of the SBGI Study Area

The panel's assignment was to examine how the SBGI study area could be positioned to receive a portion of San Antonio's future growth. However, the panel feels that this focus has diverted, and may continue to divert, limited resources that could be directed toward redevelopment within the inner city. Revitalization and infill development of the Southside neighborhood will be important to the success of the adjacent SBGI study area. During the course of the panel's interviews, many members of the community indicated that they feel the city could do more to help revitalize the Southside neighborhood. The panel recommends that the city revisit its revitalization strategy and assign resources to address more effectively the needs of the inner-city Southside neighborhood. The panel feels it is important for the city to pursue urban revitalization north of the southernmost section of Loop 410 for the following three reasons:

- Revitalizing the inner city will meet the needs of existing residents as well as sustain housing stock for future generations.
- With existing infrastructure and close proximity to major employment centers such as Kelly USA and Brooks City-Base, the inner city is well located to receive some of the city's future growth. The city can take an important step in implementing its commitment to smart growth by focusing on redevelopment and infill in this area. Statistics in the recently completed Housing Market Analysis indicate that within the inner-city Southside neighborhood alone there are 2,300 vacant homes (1990 data), 2,600 vacant lots (2000 data), and 800 future lots (2001 data). The Housing Market Analysis also concludes that demand exists for about 750 homes per year for the next five years (2000 through 2005) within the inner city, representing nearly 10 percent of the citywide annual housing market. More than half of that projected demand is for market-rate, single-family housing.
- Lastly---but perhaps most critical to the SBGI study area---revitalization of the inner-city Southside neighborhood will be an important first step in positioning the study area for future growth. However, the negative perception of the “south side of town” expressed by many of the individuals interviewed by the panel is a significant deterrent to that effort. The city and SBGI study area stakeholders must address this issue proactively.

To help connect the part of the city north of the southernmost section of Loop 410 to the SBGI study area, the panel also recommends concentrating and expanding revitalization efforts in the near term (three to five years) between Military Drive and Loop 410 and along the Roosevelt Avenue corridor

The recent successes at Lago Vista and Brookside, both in the Military Drive area, demonstrate the demand for market-rate, for-sale housing. Additional efforts by

nonprofit housing organizations, as well as by the city, demonstrate opportunities for successful revitalization. The panel recommends that the city, nonprofit organizations, and inner-city developers meet regularly to discuss barriers and challenges to successful revitalization and infill development. The panel further recommends that the city act quickly and effectively to remove impediments within its purview in order to sustain the momentum of this vital element.

In addition, the panel offers the following recommendations to sustain infill development efforts:

- Create a comprehensive infill strategy;
- Within funding limits, reinforce and expand existing city programs;
- Use local governmental powers to create new housing projects with economies of scale;
- Reinforce and expand work with nonprofit organizations;
- Support homeowner-driven rehabilitation efforts;
- Encourage the construction of both affordable and market-rate homes while balancing the needs of the city's low-income households; and
- Encourage infill projects that reflect the architectural and cultural styles of existing neighborhoods.

Commission the Development of a Master Plan for the SBGI Study Area

Although the panel's recommendations represent a valid vision for the ultimate development of the SBGI study area, they have been developed with limited time and background information. The city should commission a master plan for the study area, by hiring an independent planning and design team and a market potential team (selected via RFQ and RFP processes), that will refine the panel's recommendations as well as reflect the community-based vision plan for the study area described in the "Planning" section of this report.

The purpose of the SBGI study area master plan should be to create a more accurate basis for subsequent cost and fiscal impact analyses. This planning effort should result in an opportunities and constraints map that includes the following features:

- A parcel base map;
- Topography;
- Floodplain and hydrology;
- Biology;
- Cultural/archaeology;
- Easements and encumbrances;
- Environmental issues;
- Ownership;
- Soils;
- Developable areas;
- View potential;
- Open-space and recreation features to be developed and preserved;
- Circulation (vehicular and nonvehicular, including rail, waterways, and so forth);
- Linkages to surrounding development areas (entries and gateways, edges and buffers);

- Land use allocation;
- Community structure;
- Streetscape; and
- A statistical summary of uses, areas, and yields.

This effort will require a planning and landscape architecture team working with a variety of subconsultants to address specific technical areas. Subconsultants should include hydrologists, biologists, archaeologists, geologists, traffic engineers, and civil engineers.

While the master plan is being developed, the city also should commission an independent market study of the SBGI study area. The results of this study will be used to further refine and validate the master plan's land use mix. The market study should focus on residential, commercial, and industrial use capacity and absorption.

The initial master plan will be the basis for the preparation of estimates for the capital costs of implementation and for operating and maintenance costs. The master plan also will provide insights into logical and orderly phasing of the development and will give the city the means to respond quickly to specific development proposals. The master plan also should include a phasing plan, cost estimates, a fiscal impact analysis, an infrastructure plan, a financing plan, a capital improvement plan, and development regulations and design guidelines.

Implementing a master plan requires comprehensive and careful planning to ensure that the vision of the plan can be realized over time. With the anticipated long buildout of the SBGI study area, it is reasonable to expect that the master plan will be revisited and revised as circumstances change over time. Such revisions also should entail a review of the implementation program, to ensure that it remains focused on achieving the objectives of the plan. The master plan should be prepared as a "living document," one that can be easily updated in response to changes in development patterns and

densities. The panel envisions that the city will oversee the implementation program, and thus recommends a city-staffed implementation team. This team will provide long-term consistency to the plan's implementation.

Master Plan Phasing

A master plan of this magnitude obviously will be implemented over a long period of time. Proper planning for what might be called "planned incremental development" will require a phasing plan that will allow city resources to be invested in a programmed manner to achieve an efficient extension of infrastructure. A phasing plan also will allow the private development community to know where the most cost-effective areas for development will be located.

An overall phasing plan for the entire project area should be developed that addresses the following key components:

- *Land Uses.* Land use phasing should relate to the market study absorption projections, and logically should be an extension of existing development patterns in the area north of Loop 410 that adjoins the SBGI study area. It also should build upon existing infrastructure investments within the study area. Exceptions to this phased approach may need to be made for special uses--- such as the Texas A&M system campus or the proposed Toyota plant---which have specific vocational needs and are of overriding benefit to the objectives of the plan, and therefore may need to be developed out of a logical phased sequence.
- *Infrastructure.* Infrastructure to serve the study area also must be phased in concert with land use development. This will require examining the overall infrastructure master plans designed to serve the entire study area and breaking

them down into phased improvement programs to serve the identified land use phasing. Again, exceptions to this approach may be needed to serve a special use---such as the university campus or the Toyota plant---that may be built outside of the currently developing phase.

- *Annexation.* Based on the refined master plan and identification of development phases, it may be advisable to adjust the already established annexation phasing boundaries so that they correspond with the subsequently developed land use phasing.

As a final comment about phasing, the panel notes that it will be necessary for development to start in more than one phase at a time. This flexibility to implement the plan---and especially to adapt it to significant events, like the siting of a new Toyota plant or a Texas A&M system campus---nonetheless must be done in light of available infrastructure and the plan's overall objectives.

Independent Fiscal Impact Analysis and Financing Plan

It is appropriate for the city to further refine its preliminary analysis of the potential costs and revenues involved with this extensive annexation. It will be extremely difficult to make good projections of growth for the SBGI study area, which has experienced little development, while other parts of the San Antonio MSA have experienced consistent, rapid growth.

One of the obvious challenges facing the city is how to finance the capital and service costs that will be required by the limited-purpose annexations but, more significantly, by the full annexation of subareas in the SBGI study area. According to a staff analysis of the costs and revenues associated with the limited annexation, the three-year cost would be about \$670,000. However, it is not clear to the panel how major infrastructure

expenses are to be funded, since the staff analysis makes no mention of these costs. A preliminary review of the water, sewer, gas, and electric service maps of the study area indicates that major services generally are available, although connections to these systems may be expensive. In order to fully develop the study area, new, extended, and improved major street systems must be built or improved. Lastly, it seems obvious that if the Toyota plant locates in the study area, it will be critical to assess accurately the financial needs of the full annexation.

Ample time will be available for this comprehensive analysis well before the three-year limited-purpose annexation period ends. Because of the complexity of this type of analysis, the panel recommends that the city engage the services of an independent consultant to conduct a fiscal impact analysis in order to determine the costs and revenues associated with the area's full or partial annexation.

Infrastructure Planning

To date, the city and utility providers have operated in a reactive mode; that is, they have expanded and improved infrastructure in response to new development. The SBGI affords the opportunity to be proactive in master planning infrastructure to accommodate future development. The preparation of the master plan will demonstrate the city's commitment to its vision for the study area. It also will facilitate discussions with landowners, prospective developers and homebuilders, businesses considering relocating to the study area, and startup businesses seeking to open there.

Capital Improvement Programming

Upon completion of the plans described above, the city and all service providers should develop a capital improvement program that provides for timely delivery of the infrastructure. As noted above, given the uncertainty of the start and pace of development, the capital improvement program must be fluid in responding to actual development efforts. Maintaining a capital improvement program will be a continuing demonstration of the city's and service providers' commitment to the success of the study area.

Tailored Development Regulations and Design Guidelines

The panel recommends that the city develop a set of tailored development regulations and design guidelines in order to achieve the desired objectives for “green” design, integration of open space and natural features, mixing of uses, and a design vocabulary for the SBGI study area. Some of these tools may be built into the city's new Uniform Development Code, but the panel recommends a review of that document to determine if additional provisions need to be created.

It also may be advisable to create a separate Development Standards and Design Guidelines document for the SBGI study area that clearly sets out all regulations and requirements for the study area in one place for the use of both city staff and private developers and builders. This technique also will help to streamline the development review process. Such a document typically contains the following components:

- Height, setback, and lot utilization requirements;
- Parking requirements and design standards;
- Landscaping requirements for private property;

- Buffer requirements adjoining drainage ways, natural areas, and agricultural areas;
- Urban area pedestrian path and natural area trail design guidelines;
- Building massing and articulation guidelines;
- Grading and drainage guidelines;
- Special street section design;
- Streetscape landscape design by street hierarchy;
- Signage;
- Rural street standards; and
- Lighting, especially adjacent to natural areas.

Conclusions

The panel commends Mayor Garza and the city for proactively striving for more balanced growth. The SBGI is a creative approach and can be a focal point for the future. The panel urges all stakeholders in the SBGI study area to work together in an organized way with the city to overcome concerns, improve communications, build consensus and trust, and assure a focused approach to future planning and implementation.

The three-year limited-purpose annexation period affords the city time to refine the panel's recommendations for the SBGI study area, create a long-term vision plan for the entire San Antonio metropolitan area, develop a community-based vision plan for the SBGI study area, and create a flexible master plan document for the SBGI study area. During this three-year period, the city also will have the opportunity to consider the master plan carefully, plan to implement it efficiently, and explore how the city can best leverage its social and financial resources to undertake the very significant long-term Southside Balanced Growth Initiative.

About the Panel

Franklin A. Martin

Panel Chair

Boise, Idaho<I>

Martin is president of Martin Community Development, LLC, where his primary responsibility is the development of Hidden Springs, Idaho, an 1,844-acre planned community in the Boise front foothills. Hidden Springs was the 2000 recipient of the “Best in American Living” Platinum Award for Smart Growth.

Between 1971 and 1997, Martin was responsible for the development of more than 3,000 homes, primarily in the metropolitan Chicago market. From 1991 to 1997, he was president of Shaw Homes, Inc., where he oversaw the development of several communities, including Homan Square and Prairie Crossing, both award-winning developments that have received national recognition.

Martin is a member of the Urban Land Institute’s Policy and Practice Committee and its Environmental Council, the National Association of Home Builders, and the Ada County, Idaho, Planning and Zoning Commission. He holds a bachelor’s degree from Hanover College and an MBA from the University of Chicago, and is a licensed real estate broker in Idaho and Illinois.

Nathan B. Cherry

Los Angeles, California<l>

Cherry is an associate vice president with RTKL Associates, Inc., a position he has held since 1997. He has 16 years of experience in urban design and architecture, focusing on large-scale mixed-use projects in both the United States and abroad. As a designer and project manager, he has worked extensively with multidisciplinary teams that have included developers, government agency representatives, and consultants.

Cherry has had experience with numerous downtown and redevelopment planning projects. These include a redevelopment master plan for the heart of the city of Redondo Beach, California; a redevelopment plan for Los Angeles's Little Tokyo; a central district specific plan for the city of Pasadena; the Central Boulevard Master plan for the city of Shanghai, China; a plan for the Araneta Center in Manila, the Philippines; a redevelopment plan for the Ensache District in Barcelona, Spain; and the Olympic Village Five Points Park Plan for Atlanta, Georgia. His experience with community and town center planning includes a master plan for the Resort at Green Valley Ranch in Henderson, Nevada; the Johor Perdana Capital City Master Plan for Johor, Malaysia; and plans for the new community of RiverPark in Oxnard, California. Cherry's urban housing experiences include projects in downtown Pomona and Fullerton, California, and Boulder, Colorado.

Cherry also has been involved with many land use and transit-related planning and design projects, including the Guangzhou Pearl Riverside Area Concept Plan and Urban Design in Guangzhou, China; Tech. Sys. Town Square in Richardson, Texas; General Dynamics Kearny Mesa--New Century Center in San Diego; Hawaii Loa College's Pacific Center for the Media Arts Master Plan; an expansion master plan for Route 146 in Worcester, Massachusetts; and the Portland AMTRAK Station Urban Design Study in Portland, Maine.

Cherry has worked in RTKL's Los Angeles office since 1995. Prior to that, he worked for TAMS Consultants; Harvard University Planning Group; Chat + Mohny Architects; and James Stewart Polshek Architects. He received a master of architecture in urban design from Harvard University and a bachelor of architecture from Tulane University. Cherry has lectured widely, written numerous books and articles, and received numerous awards, including the Ahwahnee Award, Government Adopted Plan, 1999; APA California Chapter Planning Project Award, 1999; Award of Merit Redevelopment Site Plan Award, 1999; Fresno Uptown Arts District Masterplan--APA California Chapter Planning Project Award, 2001; RiverPark Community, Gold Nugget Grand Award, Best Community Site Plan, 100 Acres or More, 2001; LA Sports and Entertainment District, APA Los Angeles Chapter Special Award of Merit 2002.

Elizabeth Davison

Rockville, Maryland<l>

Davison is an urban economist who has spent her 25-year career in both the private sector---as a real estate and land use consultant---and the public sector---as a planner and manager of a range of community development programs. She currently is director of the Department of Housing and Community Affairs for Montgomery County, Maryland, a suburb of Washington, D.C. Davison directs the department, which has more than 120 staff members and a combined budget of more than \$25 million per year, in the arena of community development, consumer affairs, commercial revitalization, affordable housing programs, and land use policy. Prior to joining the county, Davison was a vice president with Hammer, Siler, George Associates and Real Estate Research Corporation.

Davison's academic training took place at George Washington University as an undergraduate and at Washington University in St. Louis for graduate study. She recently completed the Kennedy School of Government at Harvard University Program

for Senior Officials in State and Local Government. Davison is a member of the Urban Land Institute, the American Planning Association, and the honorary land economics society Lambda Alpha International.

James R. (Jim) Harris

Fort Worth, Texas<l>

Harris is president and owner of James R. Harris Partners, LLC, a single-family residential development company that has developed more than 17,000 residential lots in neighborhoods and master-planned communities in the Dallas/Fort Worth area since its founding in 1979. The company also has developed residential property in Austin and Tyler, Texas, and in Aspen, Colorado. The firm owns Village Homes, a custom homebuilding company specializing in urban and infill sites, and Sun Creek Homes, a partnership that develops manufactured home communities.

Harris has been a member of the Urban Land Institute for 20 years and a member of ULI's Residential Council for ten years. He also is a member of the ULI Leadership Group and a governor of the Urban Land Foundation, and has served as a member of two previous Advisory Services panels. A longtime member of the Fort Worth and Tarrant County Builders Association, he has held numerous committee positions, currently serves on the association's executive committee and board of directors, and has received the association's lifetime "SBGIke" award for his achievements. Harris also is a member of the board of directors of the Texas Association of Builders and has been active in the National Association of Home Builders.

Harris has served as a member of numerous boards and committees for the city of Fort Worth, including the Development Policy Review Committee, the Capital Cost Recovery Committee, the Water and Waste Water System Development Charge Committee, the Commercial Zoning Review Committee, and the Zoning Review Task Force. He is vice

chairman of the Board of Commissioners of the Fort Worth Housing Authority and a member of the board of directors of Wells Fargo Bank of Fort Worth. He has been chairman of the board of Trinity Terrace, a continuing care retirement community in Fort Worth, and is a member of the Downtown Fort Worth Rotary Club. Harris received a BA degree from Austin College and earned an MBA from Texas Christian University.

Joe LaCava

La Jolla, California

LaCava is vice president and founding principal of INTERRA Strategies, Inc., a real estate consulting/advisory firm. He brings project management, engineering, and financial analysis experience to the firm, with more than 25 years of experience in land development. While he has focused on suburban residential developments, LaCava's experience also includes residential infill, military base reuse, urban mixed-use, and resort/residential projects throughout the western United States. His experience in infrastructure analysis and master planning includes management roles on large-scale projects in Canada, China, and Papua New Guinea.

LaCava takes a multidisciplinary approach to land development problem solving, bringing together engineering, regulatory and land planning, and environmental knowledge. He employs teamwork and consensus among stakeholders to balance technical, financial, and environmental issues. Prior to forming INTERRA, LaCava was director of engineering for a San Diego--based consulting firm, where he was responsible for both land development and public works engineering. While there, he served as project manager on major private land projects. He also was responsible for numerous infrastructure projects for local and federal agencies throughout southern California.

LaCava is actively involved in education. He served on the Bird Rock School Site Council as well as the school's traffic and technology committees and recently was appointed to the Muirlands Governance Team. He is a registered civil engineer in California and received his bachelor of science in civil engineering from San Diego State University.

David Leininger
Addison, Texas<|>

Leininger joined Economics Research Associates (ERA) in July 1996 as a principal. In July 1999, he assumed responsibility for the firm's golf and recreational real estate strategic business unit and in this capacity he now coordinates the activities of ERA industry practitioners throughout the firm. He participates in engagements involved with market and economic feasibility and fiscal or public policy impact assessment of public, private, and resort real estate and recreational facilities, including ski, golf, tennis, marina, and equestrian complexes. In addition, he serves as an advisor on projects that include timeshare, fractional interest, or club membership products. Leininger has provided consulting services to clients throughout the world, in Canada, Mexico, South Africa, India, Thailand, Cyprus, Greece, Egypt, Italy, France, and Great Britain.

Prior to joining ERA, Leininger was associated for ten years with ClubCorp International, the largest operator of private clubs in the world. During his tenure there he served in a variety of capacities, including chairman and CEO of ClubCorp Realty, director of European business development for ClubCorp International, and vice president, new business, for Club Corporation of America.

Leininger was associated with several major commercial real estate development organizations in Dallas during the late 1970s and early 1980s. From 1983 to 1985, he held a number of positions---including executive vice president and chief operating

officer---with Triland International, a Dallas-based development group involved with master-planned communities in Dallas, Denver, and Atlanta. Prior to that, he was associated with Las Colinas, a 6,500-acre master-planned development located between Dallas and the Dallas/Fort Worth International Airport. He served as vice president and general manager of the Las Colinas Association, the management company formed to serve the project's property owners.

Leininger began his career in the public sector in 1971. From 1971 through 1978, he was employed by the city of Dallas in a variety of capacities, including budget director, assistant director of housing and urban rehabilitation, and director of economic development. Leininger has an AB in political science and economics from Benedictine College in Atchison, Kansas, and a MPA in city management from the University of Kansas. He pursued postgraduate courses in political economy at the University of Texas at Dallas (UTD). Leininger has served as an adjunct professor in public finance at Southern Methodist University and UTD. He is a member of the Urban Land Institute and its Recreational Development Council.

Donald Franklin McIntyre
San Clemente, California<|>

McIntyre is a self-employed urban affairs consultant. During his more than 30-year career in public administration, he held the positions of general manager of the Orange County Sanitation District (from 1995 to 2000); president/CEO of Los Angeles's Central City Association (1991 to 1995); consultant for the Santa Monica Mountains Conservancy (1990 to 1991); city manager for Pasadena, California (1973 to 1990), Vallejo, California (1970 to 1973), and Oak Park, Michigan (1967 to 1970); and town manager for the town of Los Gatos, California (1960 to 1967).

McIntyre has been involved with the Monterey Peninsula Water Management District's 2001 organizational audit; the Orange County Council of Governments organization's 2001 strategic planning effort; Orange County's ongoing urban runoff strategy development process; and the city of Pasadena's ongoing Rose Bowl area urban runoff study. He also provides financial consulting services to the Orange County Commission on Children and Families.

McIntyre received his BA in political science/history from Millikin University in Decatur, Illinois, and his MA in political science, public administration, from Michigan State University in East Lansing. He was a commissioned officer in the U.S. Navy and is a retired captain in the U.S. Naval Reserve.

**Roger W. Mobley
Irvine, California<l>**

Mobley is a vice president with RPG Planning and Development Services. He has a broad planning and management background---with more than 35 years of career experience---in both public and private sector planning organizations, which gives him a well-rounded combination of experience in public policy planning, planning program implementation, planning design, engineering, and environmental assessment. This background includes management, technical, and practical experience. Mobley has held key management positions with planning, architectural, and engineering firms. He also has served as a municipal planning director. Mobley's private sector experience has given him an understanding of client relationships and needs and of the dynamics of the real estate development process, while his public sector experience has given him an understanding of public administration dynamics and the governmental decision-making process.

Mobley's focus is on seeking out creative planning solutions that will meet client objectives and serve the public interest. He firmly believes that the most successful projects are those that support public policy direction, are soundly conceived both financially and fiscally, and build community character through high-quality design. Planning that meets these criteria creates both successful development projects and community assets. His broad work experiences range from planning large-scale master-planned communities---including the 18,000-acre Chino Hills Specific Plan and the 15,000-acre Rio Mesa Specific Plan in Madera County---to preparing site-specific design studies that demonstrate residential product yield. He also has prepared policy documents to implement master plans, such as the Tejon Industrial Complex-East Specific Plan and the Amerige Heights Specific Plan Design Guidelines, which won an Orange Section Award of Excellence from the American Planning Association.

Mobley holds a bachelor's degree in geography, a master's in business administration, and a certificate in environmental planning. His professional activities include lecturing at various colleges and universities, serving as an instructor in the University of California at Irvine Certificate Program for Light Construction and Development Management, and participating in land planning workshops at National Association of Home Builders conferences and at the Los Angeles Building Industry Seminar. He is a charter member of the American Institute of Planners and a member of the Urban Land Institute, where he is active in the Orange County District Council.

Ralph L. Nuñez
Southfield, Michigan<I>

Nuñez is design principal with Design Team Limited, a landscape architecture and planning firm he established in Houston, Texas, in 1984. He possesses a strong, well-rounded, multidisciplinary background and has consistently displayed achievements in wide-ranging areas of project development, including direction and management of land planning, landscape architecture, and land development projects in the private and

public sectors. Within tight time frames and budgets, he has brought complex projects on line for many large, nationally known organizations. He also has directed multidisciplinary teams in broad-based problem-solving assignments and has had significant personal involvement in the management and administration of large master plans throughout the United States and overseas.

Nuñez's efforts are focused on the development and implementation of forward-thinking, realistic, and practical action plans. His well-developed skills in project management and administration, knowledge of markets and trends, and keen sensitivity to bottom-line results have enabled him to successfully design, plan, and manage multimillion-dollar redevelopment projects. His responsibilities have encompassed the master planning of residential communities; park and recreation amenities; commercial, industrial, and office campuses; and resort developments ranging from ten to several thousand acres. The governor of Michigan appointed him chairman to the State Board of Landscape Architects. Nuñez received his bachelor of science from the Pennsylvania State University.

Appendix

Timeline, San Antonio Southside Balanced Growth Initiative Study Area

Short Term: One to Two Years

- Examine how the city government structure should be organized to most effectively manage the planning and implementation of the SBGI study area.
- Engage all of the SBGI study area stakeholders and increase stakeholder participation.
- Create an identity for the SBGI study area.
- Reinforce the positive residential development activity beginning to occur within the Southside neighborhood north of the SBGI study area and along major corridors leading to and adjacent to the study area, such as Military Drive, the Mission Trails, the San Antonio River, and the Roosevelt Avenue areas.
- Gain a better understanding of the interplay among demand, the cost to develop, and alternative planning concepts.
- Undertake a comprehensive research and planning effort to create the appropriate development program and associated regulatory standards for the demonstrated market and vision for the study area.
- Using the city's 1997 San Antonio Master Plan and Policies document as a starting point, create a 50-year vision plan for the entire San Antonio metropolitan area. This plan for the greater MSA will be a key foundation for the development of a vision plan for the SBGI study area.
- Create a community-based vision plan for the SBGI study area in relation to the metropolitan vision plan.

Mid Term: Three to Five Years

- Facilitate the development of a new demonstration, mixed-price community.
- Work with the developers of Mission del Lago to properly position this project within the marketplace.
- Undertake the appropriate initiatives to enhance the long-term attractiveness of the study area.
- Address the fact that predicted market demand indicates that a portion of the study area likely would be developed as very low-density subdivisions.
- Identify more sustainable design principles and practices to be implemented in development within the study area.
- Create regional character: support urbanist traditions, incorporate traditional building styles, and design with nature.
- Rather than offer incentives for development, the city should identify parcels in the study area to land bank strategically until the market is ready for development. The residential demonstration initiative mentioned below and appropriate, job-generating industrial development would be the exceptions to this rule.
- Provide incentives for the development of a new housing demonstration project with 1,000 to 1,500 houses and apartments in Area 1 by at least two high-quality merchant homebuilders. Although 10 to 25 percent of this project could consist of traditional neighborhood development, it likely would be cost prohibitive to expect the entire project to adhere to that type of development.
- Offer consistent, predictable incentives for developers and owners of industrial properties in the study area. Applicants who fulfill stated requirements would qualify automatically for available incentives, and would not have to be reviewed on a case-by-case basis.
- Collaborate with the study area's three independent school districts, Bexar County, the Texas A&M system's proposed San Antonio campus, Palo Alto

Community College, and area citizens, businesses, and civic organizations to advance the delivery of innovative approaches to education.

- Support existing communities in the study area.
- Pursue urban revitalization in neighborhoods just north of the study area.
- Commission the development of a master plan, market study, and fiscal impact study, based on the panel's recommendations and the community-based vision plan for the study area.
- Incorporate new development with existing development.
- Set aside as much as 25 percent of developable land within the study area for agricultural use to maintain the rural character of the area and encourage compact development. Explore opportunities to integrate alternative energy sources such as solar and/or wind farms within more traditional agricultural uses.
- Plan for greenways along new roads in the study area: develop an open-space and trail network, buffer and/or eliminate blight, and expand access to recreational water amenities.
- Work toward a more sustainable urban form.

Long Term: Five or More Years

- Create a regional infrastructure for the study area that will transform highways into parkways; provide major east/west connector arterials; establish high-tech infrastructure; improve sewer, water, and stormwater drainage facilities; provide rail spurs where feasible; and plan for alternative transportation networks.
- Incorporate progressive land use patterns and limit sprawl/leapfrog development by implementing smart growth strategies; ensuring a jobs/housing balance; stimulating regional retail development; promoting traditional neighborhood elements; establishing civic and public spaces; and creating attractive neighborhood streets.