

**WCID #3A WORK SHEET - DECEMBER 2, 2019**

*A Water Control and Improvement District (WCID) is a political subdivision of the State of Texas, and is empowered to purchase, construct, operate, and maintain necessary improvements to provide water, wastewater, drainage and other services and improvements, such as roadways in areas not typically served by a municipality. Preliminary discussions between the City of Boerne and a potential developer of the Biedenharn property, BoerneBak LLC began in 2016, but were put on hold pending acquisition of a viable water supply by the development. The Texas Legislature approved SB914 in 2017 creating Kendall County WCID #3 encompassing over 1,000 acres (the Biedenharn tract). On March 26th, 2018, an agreement was reached between the San Antonio Water System (SAWS) and WCID #3 to serve a 1,054 acre tract of (the Biedenharn property). WCID #3A also reached an agreement with the Guadalupe Blanco River Authority (GBRA) to serve the 1,054 acre tract beginning in 2038 when the SAWS agreement expires. The City of Boerne granted consent to creation of WCID #3A as to only 374.86 acres out of the 1,054 acre tract, and the City of Boerne consent must be requested in the future to create the District over the remainder of the property. In the 2019 Texas Legislative session, House Bill 2590 (a "MUD" bill) was modified to allow water control and improvement districts created by statute, such as Kendall County WCID #3, to use the Texas Local Government Code Chapter 42 process through the Texas Commission on Environmental Quality (TCEQ) to create or form a WCID without consent from the local government. Once a viable water supply was secured by BoerneBak, discussions between the City of Boerne and the developer started anew. At the same time, City staff, the Mayor and others reached out to our community partners, including Kendall County, the Boerne ISD and Cow Creek Groundwater Conservation District to gain their perspective as discussions continued. The stated goal of all involved, including representatives of BoerneBak, has been to create a development agreement that achieves the best result for the Boerne community.*

Category	Development Agreement Major Points	Advantage	Benefit
<b>Roadway and Mobility</b>	Road improvements to Valerie Lane, Corley Road and Scenic Loop Road based on updated Traffic Impact Analysis, City staff and County Engineer's department negotiations	Yes	Developer will be required to make improvements based on Traffic Impact Analysis and new Proportionality Ordinance plus have agreed to additional improvements requested by the County Engineer's office
<b>Water/ Environmental</b>	Will not access local groundwater supplies and agree to convey Cow Creek groundwater rights on the property to City of Boerne	Yes	Assures water used at the development is not from local groundwater sources, but from sources outside Kendall County protecting water resources in the area. Provision of wholesale wastewater treatment services by City insures no temporary or package treatment plant is built discharging to Balconies Creek. Type I treated effluent from the Wastewater Treatment and Recycling Center can be used to offset potable water uses
<b>Annexation</b>	Voluntary Annexation after 15 years at City's option	Yes	Eventual gain in Ad Valorem taxes. Note: Kendall County, BISD and Cow Creek Groundwater Conservation District will have full taxation immediately on all development on site
	Limited Purpose Annexation of 41 acre commercial and multifamily area proposed by WCID #3A to allow collection of sales tax	Yes	Potential new Sales Tax to City based on development on this site. 50% of development must be sales tax producing
	Expansion of ETJ to include 100% of WCID #3A	Yes	Allows City to apply all ordinances and regulations applicable in its ETJ, specifically the Subdivision Ordinance. Will also extend the "Boerne Wall" to protect encroachment from San Antonio
<b>School</b>	Designates a 19.4 acre site to be allocated for a school site	Yes	BISD must purchase site at cost but a location has been reserved
<b>Outside City Limits Development Mitigation</b>	Calls for a .75% development mitigation fee per house sale payable to City of Boerne	Yes	Approximately \$3,150,000 in additional one time revenue over 20 year buildout. This will equate to approximately \$157,500 per year which can be utilized to offset costs for Parks, Library, Streets, Police and Fire
<b>Natural Gas Service</b>	City of Boerne will have exclusive rights to serve Gas to development- Approximately 1,200 residential customers plus 400 commercial and multi-family LUEs	Yes	Guarantees City of Boerne 1600 LUE equivalent Natural Gas Customers and sole rights to provide retail gas service versus other provider or all electric option. Developer pays all costs for distribution system within the site (estimated at \$1.25M). Each home required to use gas for home heating and water heating plus one appliance. Allows gas system growth as well as new General Fund revenue
<b>Wastewater Treatment Service</b>	City of Boerne to provide permanent wholesale sewer service to the WCID #3A	Yes	Developer to make payments in lieu of impact fees over accelerated 8 year period following execution of the development agreement. The City will receive \$6.25M in first 5 years. City of Boerne serves development utilizing a new Wholesale Sewer Rate that approximates the revenue value of 1,600 LUEs plus 20% outside city limits premium. City to construct or expand all needed improvements from point of connection to wastewater treatment facility and expand the facility as needed to provide timely service to WCID #3A. Accelerated payments reduce current sewer customers need to fund major capital improvements of the wastewater system. Provision of wholesale wastewater treatment services by City insures no temporary or package treatment plant is built discharging to Balconies Creek. Type I treated effluent from the Wastewater Treatment and Recycling Center can be used to offset potable water uses

**Development Distribution:      Acreage:**

Residential:	312.98
Potential school site:	19.40
Commercial/Multifamily:	41.62
<b>Total WCID #3A:</b>	<b>374.00</b>
Density Projection (LUE's per acre):	4.3
WCID #3 Original Acreage:	1054.00

**General Notes:**

Approximately 1200 LUE's will be dedicated to residential and 400 LUE's to commercial/multi-family

The DA includes the Master Plan for the development to be approved as part of the development agreement; Planning and Zoning Commission will approve plats, phases and revisions ongoing

City of Boerne will have right of oversight for all public improvements and will eventually own them after annexation (15+ years)

Development will have to follow (per their agreement with SAWS) SAWS drought management plan, City of San Antonio Tree, LID and Dark Sky ordinances

Fire Protection will be provided by the District or agreement with City/County

Development will also follow the Subdivision Ordinance in effect at the time of execution

**Development Agreement-City/Community Advantages**

Additional roadway improvements to Scenic Loop Road, Vallerie Lane and Corley Road is achieved beyond requirements of the Traffic Impact Analysis and Proportionality Ordinance. 94' of right-of-way is dedicated and 2 lanes of primary collector roadway built on site. Traffic signal will be installed at Scenic Loop Road and primary collector

Protection of Cow Creek Groundwater resources and elimination of a temporary or package treatment plant in environmentally sensitive area. Treated effluent becomes Type I reclaimed water which can be used to offset potable water uses

50% or more of commercial area will be dedicated to sales tax generating uses and will be "annexed" for purposes of sales tax collection

BISD potential school site is designated

Development Mitigation fee collection of approximately \$3.15M over 20+ years helps offset cost impacts

City of Boerne is gas retail provider versus other provider or all electric option - Provides for growth of gas utility and payments to general fund for police, fire, parks, library, etc.

Developer contribution (in lieu of impact fees) totaling approximately \$8.4M that can be used towards already needed wastewater system improvements and expansions and alleviate cost burden to City sewer utility customers

City application of ordinances and regulation of development within the site