



CITY COUNCIL CONSIDERATION ITEM
CITY OF FAIR OAKS RANCH, TEXAS
May 5, 2022

AGENDA TOPIC: Consideration and possible action authorizing the City Manager to initiate a request for the City of San Antonio to release a 112 +/- acre portion of their Extraterritorial Jurisdiction (ETJ) to the City of Fair Oaks Ranch.

DATE: May 5, 2022

DEPARTMENT: Administration

PRESENTED BY: Tobin E. Maples, AICP, City Manager
Lloyd A. "Laddie" Denton, Jr., Denton Communities

INTRODUCTION/BACKGROUND:

The purpose of this agenda item is to seek authorization for the City Manager to initiate a request for the CoSA to release approximately 112 acres +/- acres of their Extraterritorial Jurisdiction (ETJ) to the City of Fair Oaks Ranch (FOR). The CoSA has indicated they will consider a request of this nature if it is made by a city with annexation authority. As established by state law and the city charter, FOR has said authority. General details associated with the request are as follows:

- The property under consideration is known as the Noll Tract and encompasses approximately 283 acres. The Noll Tract is located in the Comal County portion of FOR, south of the intersection of Ammann Road and Ralph Fair Road (FM 3351) and northeast of Setterfeld Estates, along the east side of FM 3351 (Exhibit A).
- The Noll Tract is a unique property that is subject to overlapping jurisdictional authority. This uniqueness is one of the driving factors associated with the request to seek a release of a portion of the CoSA ETJ. Another key factor is the developers desire for the entire development to be part of the FOR community.
- 171 +/- of the total 283 acres is located in the City of Fair Oaks Ranch (FOR) ETJ. Development of said 171-acres is subject to a non-annexation agreement approved by City Council in 2017.
 - The purpose of the non-annexation agreement was to provide assurance that existing use of the property could continue without city interference or taxation while simultaneously preserving FOR's opportunity to apply adopted growth management tools at the time of development.
 - Said non-annexation agreement stipulates that the 171 acres will not be annexed by FOR for forty-five (45) years as long as the use remains undeveloped ranch land. Should the landowner, heirs, successors or assigns file for development permits for the area or change the existing use, then said action shall be deemed a request for annexation. Annexation is a legislative act, so the City Council has sole discretion to annex or not annex.

- The remaining 112 +/- acres is located in the City of San Antonio (CoSA) ETJ and subject to regulations as established by the CoSA and/or Comal County.
 - Zoning does not apply to land in an ETJ so the city's ability to apply adopted growth management tools is limited.
- Mr. Lloyd A. "Laddie" Denton, Jr., with Denton Communities, has the property under contract and plans to develop the property as a single-family residential neighborhood.
 - At this time, Mr. Denton is progressing through the FOR development review process with staff and the Planning and Zoning Commission.
 - Because the 112 acres portion is located within the CoSA ETJ, FOR cannot apply its adopted growth management tools.
 - If the 112 acres remains in the CoSA ETJ, FOR will have limited ability to influence development characteristics such as density, ingress, egress, drainage, etc. All of which will impact FOR regardless of jurisdictional boundaries.
 - From a place making perspective, Mr. Denton has expressed an interest in developing the entire 283 acres under FOR's authority as opposed to overlapping jurisdictions. This would provide the best opportunity to establish a new residential subdivision that is consistent with the characteristics of FOR and our comprehensive plan.
 - Staff concurs with this perspective.
- Accordingly, the purpose of this agenda item is to seek authorization for the City Manager to initiate a request for the CoSA to release the approximately 112 acres +/- portion of the Noll tract ETJ to the City of FOR.
 - If the CoSA releases the property, a petition from the landowner formally requesting annexation by FOR will be required before Council can take formal action to annex the 112 acres.
 - Based on the above, the release and/or annexation of the CoSA ETJ may warrant additional performance measures. For example, the CoSA may include a reversionary clause ensuring the property comes back into their ETJ if FOR decides to not annex. Annexation is a legislative act, so the City Council has the sole discretion to annex or not annex.

POLICY ANALYSIS/BENEFIT(S) TO CITIZENS:

1. Transparency regarding proposed development.
2. Opportunity to plan for and influence the physical buildout of an area outside of the city's authority.

LONGTERM FINANCIAL & BUDGETARY IMPACT:

TBD upon petition for annexation.

LEGAL ANALYSIS:

Not applicable at this time.

RECOMMENDATION/PROPOSED MOTION:

I move to authorize the City Manager Manager to initiate a request for the City of San Antonio to release a 112 +/- acre portion of their Extraterritorial Jurisdiction (ETJ) to the City of Fair Oaks Ranch.