

Development Agreement

PDA-14-03

Cotton Center



Summary: The applicant is requesting approval of a development agreement by the City Council for approximately 2,358 acres out of the William Pettus League Survey, generally located north of Martindale to FM 1966 and east of the San Marcos Airport to State Highway 142. (B. Melland)

Applicant: Metcalfe, Wolff, Stuart & Williams
221 W. 6th Street
Austin, TX 78701

Property Owners: Walton Development, LP
9811 S. IH-35, Building 3, Suite 4-200
Austin, TX 78744

Notification: Notice of Public Hearing was published on October 30th, 2016.

Response: No comments received as of the staff report date.

Property/Area Profile:

Legal Description: Approximately 2,358 acres out of the William Pettus League Survey

Location: Located north of Martindale to FM 1966 and east of the San Marcos Airport to State Highway 142.

Existing Use of Property: Undeveloped

Proposed Use of Property: Mixed-Use

Preferred Scenario Map: Area of Stability

Existing Zoning: No Zoning; Property located in Extraterritorial Jurisdiction (ETJ)

Proposed Zoning: Land Use identified through Development Agreement

Utility Capacity: The City of San Marcos will not provide water service to the site. However, the development is proposed to be served by City of San Marcos wastewater. The property is located within Maxwell Water Supply Corporation and Martindale Water Supply Corporation service boundaries.

Area Zoning and Land Use Pattern:

	Zoning	Existing Land Use	Preferred Scenario
N of Property	Public (P)	Airport	Employment Center
S of Property	ETJ	Undeveloped	Area of Stability
E of Property	ETJ	Undeveloped	Area of Stability
W of Property	ETJ	Undeveloped	Area of Stability

Case Summary

The purpose of a Development Agreement is to enable development of land in the City's Extraterritorial Jurisdiction (ETJ) to occur at urban densities that require public water and wastewater services; and as such, require standards similar to those applicable inside the City limits. The purpose of requiring such standards is to ensure adequate levels of public service over time and to ensure land use compatibility with surrounding development once the development is annexed into the City limits.

The Land Development Code divides the process of approving a Development Agreement into two (2) steps:

- 1) Approval of a petition for a Development Agreement (completed September 2014); and
- 2) Approval of the final Development Agreement.

The purpose of the petition is to provide the Planning and Zoning Commission and the City Council the opportunity to authorize City Staff to proceed with negotiating the specific terms of the Development Agreement. Once the terms of the agreement are fully negotiated, the draft agreement is delivered back to City Council for final approval.

A petition for a Development Agreement was approved by the Planning & Zoning Commission in September of 2012 and approved by the City Council in October of 2012 for the original Cotton Center request.

Subsequently, a revised petition for a development agreement was submitted in July of 2014 and was approved by Planning & Zoning Commission in August of 2014 and by City Council in September of 2014. Key Elements of the revised petition included:

- An increase in the project area of the development from 1,206 acres to 2,358 acres.
- A request for City of San Marcos wastewater services. The original petition did not request water or wastewater services.

The City approved a Consent Agreement in December of 2014 for the formation of a Municipal Utility District (Cotton Center MUD #1) on the subject property. The MUD is expected to provide for the construction of a number of improvements including roads, water and wastewater infrastructure. Among the conditions of the approved Consent Agreement, is the requirement to complete the Development Agreement process with the City.

This request for approval of a Development Agreement is accompanied by a separate request for extension of the Consent Agreement deadline for the formation of a Sub-District.

Planning Department Analysis

The draft Development Agreement proposes a 2,358-acre mixed-use development referred to as “Cotton Center” located within the north east portion of the City’s ETJ, just east of the Airport. The land is currently undeveloped and used for agricultural purposes. On the Preferred Scenario Map the property is indicated as an Area of Stability. The Airport is located to the east and is an Employment Center.

TERM OF AGREEMENT & ANNEXATION

The draft Agreement carries a 45-year term, which is the anticipated build-out period for the entire development. With the exception of the Industrial and Regional Commercial land (illustrated in Exhibit B), the development is immune from annexation by the City throughout the term of the Agreement, unless the City assumes 90% of the debt owed by the associated Municipal Utility District(s) existing within the project area, and the debt is paid in full.

LAND USE

As illustrated in Exhibit B, the mixture of uses proposed includes single-family, multifamily, commercial, and industrial. Approximately 50% of the total 2,358 acre project area is proposed for residential uses. 1,146-acres are planned for single-family use with a maximum of 6,246 single-family units. 78-acres are planned for multifamily use with a maximum of 1,875 units.

The remaining 50% of the project area is planned for non-residential uses including parks and open space. 70-acres are planned for community-oriented commercial uses and 57-acres for regional commercial uses. 49-acres are planned for office use and 220 acres for industrial uses. Total acreage planned for parks and open space is approximately 550 acres, which equates to roughly 20% of the total project area, and is comparable to other large developments within the City. The project also provides for several school sites and 2 public safety facility sites.

VESTING

In order to provide certainty for a period of time, the Agreement proposes a five (5) year vesting window which would take effect upon approval of the Agreement by City Council. Any Preliminary Subdivision Plat submitted within the first five (5) years after approval of this agreement will be subject to City Codes currently in place.

Following the five (5) year anniversary of the Agreement’s approval by Council, the project will be subject to then current City Codes for Connectivity, Lot and Site Design, Architectural Design, Parking and Building Permits. Proposed code waivers will also expire at that time. Provisions where the Development Agreement will continue to govern include items such as parks and open space where the applicant is providing more than what is required by code, annexation, and provisions for public safety services.

PHASING & SUB-DISTRICTS

Cotton Center currently consists of one primary Municipal Utility District. The Agreement anticipates the project will be divided into 5 Sub-Districts, as illustrated in Exhibit B-1. These Sub-Districts are proposed to be consistent with Chapter 70 of the City Code of Ordinances. The various Sub-Districts will be responsible for issuing debt for improvements within its individual boundaries.

Submittal of a Subdivision Concept Plat is required for each Sub-District following its creation. This is to ensure that each Sub-District complies with the Concept Land Use Plan (Exhibit B) or

the entire development. Preliminary and Final platting within each Sub-District is anticipated to be incremental and will occur at the owners discretion.

DEVELOPMENT STANDARDS

Development standards are contained within the draft Agreement which will govern the design of the development from plat to permitting. Many elements of proposed Code SMTX, the proposed Transportation Master Plan update, and previous Master Planned developments within the City of San Marcos have been incorporated into this Agreement. These elements are further summarized below:

Article VII Circulation & Connectivity:

- Street section designs are consistent with those proposed in the City of San Marcos Transportation Master Plan update.
- Standards relating to subdivision design, such as requirements for “stub-streets” and “cross-access,” and “block perimeter” are consistent with those proposed within Code SMTX.
- Driveway standards for residential and non-residential uses are consistent with the proposed within Code SMTX.

Article VIII Lot Standards and Site Design:

- Lot Design standards such as setbacks and lot area requirements are consistent with Code SMTX and the recently approved Trace-Highpointe PDD.
- Transitional landscape buffering between uses is consistent with proposed Code SMTX.

Article IX Architectural Design:

- Standards applying to single family residential development, similar to the recently approved Trace-Highpointe PDD, that require separation between repeating floor plans and variation in materials and roof design are included.

Article X Parking and Access:

- Standards addressing parking lot design, landscaping, and access are consistent with proposed Code SMTX

OPEN SPACE AND PARKLAND

Open Space and Parkland requirements within the Agreement will apply throughout the term of the agreement and are summarized below:

- 20% of total project is devoted to open space.
- Five (5) “Neighborhood Parks”; each no less than eight (8) acres in area.
- 5 acres of “Pocket Parks”; each no less than ¼ acre.
- 8.8 miles of improved trails.
- Requirement that all homes must be within ¼ mile of a neighborhood park, pocket park, or trail.

Noteworthy of these provisions, the Agreement provides for both the dedication and improvement of all proposed open space and parkland by the developer. Additionally, the quantity of the proposed open space and parkland is consistent with the provisions of proposed Code SMTX.

PUBLIC SAFETY FACILITIES

Two public safety facilities are proposed to be constructed within the project area as development occurs. The first facility is required to be constructed when the development reaches 2,000 single-family utility connections. The second is required at 4,000 single-family utility connections.

It is anticipated that these facilities will be used by the Emergency Services Districts (ESD's) that the development is located within. It is also anticipated that these facilities will become City facilities at the time of annexation. Therefore, the facility locations are consistent with the City's long-term Fire Station Planning Model and the facilities will be required to be constructed to City Standards. Exhibit B-2 illustrates the locations of these facilities.

These facilities are proposed to be constructed at the Owner and/or the ESD's expense.

FIRE, EMS, & POLICE SERVICES

In addition to the construction of public safety facilities, the draft agreement includes provisions that ensure sufficient Levels of Service for Fire, EMS, and Police protection until the time of annexation by the City. The specific provisions for these services within the Agreement are as follows:

Fire and EMS Service:

- Service is anticipated to be provided by the ESD's that the project is located within.
- A Memorandum of Agreement (MOA) shall be agreed upon between each Sub-District and the City, which ensures that the City is reimbursed for any "incidents" that the City responds to.

Police Service:

- Service is anticipated to be provided by the Caldwell County Sheriff's Department.
- A supplemental service contract will be required between Sub-District(s) and the Caldwell County Sheriff's Department if the level of police service falls below 1 officer per 1,000 residents.

Staff recommends approval of the attached Development Agreement.

Prepared by:

Brandon Melland, AICP

Senior Planner

November 2, 2016

Name

Title

Date