

CONDITIONAL USE PERMIT / ALTERNATIVE COMPLIANCE (GENERAL) APPLICATION



Updated: March, 2023

CONTACT INFORMATION

Applicant's Name	Shannon Mattingly	Property Owner	See attached
Company	The Drenner Group	Company	
Applicant's Mailing Address	2705 Bee Cave Road, Suite 100 Austin Texas 78746	Owner's Mailing Address	See attached
Applicant's Phone #	830-6439453	Owner's Phone #	See attached
Applicant's Email	smattingly@drenner group.com	Owner's Email	

PROPERTY INFORMATION

Subject Property Address: See attached

Zoning District: CD-5D Tax ID #: R See attached

Legal Description: Lot _____ Block _____ Subdivision See attached

DESCRIPTION OF REQUEST

Please use this space to describe the proposal. Attach additional pages as needed.
Alternative Compliance to allow 7 stories in the CD-5D zoning district.

AUTHORIZATION

I certify that the information on this application is complete and accurate. I understand the fees and the process for this application. I understand my responsibility, as the applicant, to be present at meetings regarding this request.

Initial Filing Fee \$1,000*	Technology Fee \$15	<u>TOTAL COST \$1,015</u>
Renewal/Amendment Filing Fee \$750*	Technology Fee \$15	<u>TOTAL COST \$765</u>

*Nonprofit Organization fees are 50% of the adopted fee listed for Conditional Use Permits

Submittal of this digital Application shall constitute as acknowledgment and authorization to process this request.

PROPERTY OWNER AUTHORIZATION

I, **See Attached** _____ (owner name) on behalf of
_____ (company, if applicable) acknowledge that I/we
am/are the rightful owner of the property located at
_____ (address).

I hereby authorize _____ (agent name) on behalf of
_____ (agent company) to file this application for
_____ (application type), and, if necessary, to work with
the Responsible Official / Department on my behalf throughout the process.

Signature of Owner: _____ Date: _____

Printed Name, Title: _____

Signature of Agent: _____ Date: _____

Printed Name, Title: _____

AGREEMENT TO THE PLACEMENT OF NOTIFICATION SIGNS AND ACKNOWLEDGEMENT OF NOTIFICATION REQUIREMENTS

The City of San Marcos Development Code requires public notification in the form of notification signs on the subject property, published notice, and / or personal notice based on the type of application presented to the Planning Commission and / or City Council.

- Notification Signs: if required by code, staff shall place notification signs on each street adjacent to the subject property and must be placed in a visible, unobstructed location near the property line. It is unlawful for a person to alter any notification sign, or to remove it while the request is pending. However, any removal or alteration that is beyond the control of the applicant shall not constitute a failure to meet notification requirements. ***It shall be the responsibility of the applicant to periodically check sign locations to verify that the signs remain in place had have not been vandalized or removed. The applicant shall immediately notify the responsible official of any missing or defective signs. It is unlawful for a person to alter any notification sign, or to remove it while the case is pending; however, any removal or alteration that is beyond the control of the applicant shall not constitute a failure to meet notification requirements.***
- Published Notice: if required by code, staff shall publish a notice in a newspaper of general circulation in accordance with City Codes and the Texas Local Government Code. ***If, for any reason, more than one notice is required to be published it may be at the expense of the applicant. The renotification fee shall be \$150 plus a \$15 technology fee.***
- Personal Notice: if required by code, staff shall mail personal notice in accordance with City Codes and the Texas Local Government Code. ***If, for any reason, more than one notice is required to be mailed it may be at the expense of the applicant. The renotification fee shall be \$150 plus a \$15 technology fee.***

I have read the above statements and agree to the required public notification, as required, based on the attached application. The City's Planning and Development Services Department staff has my permission to place signs, as required, on the property and I will notify City staff if the sign(s) is/are damaged, moved or removed. I understand the process of notification and public hearing and hereby submit the attached application for review by the City.

Signature: Shannon Mattingly Digitally signed by Shannon Mattingly
Date: 2024.12.30 14:31:13 -06'00'

Date: _____

Print Name: Shannon Mattingly

PROPERTY OWNER AUTHORIZATION

I, Rodney Poole (owner name) on behalf of
NCSH SMTX LLC (company, if applicable) acknowledge that I/we
am/are the rightful owner of the property located at
210 - 222 Hutchinson Street (address).

I hereby authorize Shannon Mattingly (agent name) on behalf of
Drenner Group, PC (agent company) to file this application for
CUP & Alternative Compliance (application type), and, if necessary, to work with
the Responsible Official / Department on my behalf throughout the process.

Signature of Owner:  Date: 12/30/2024
Rodney Poole (Dec 30, 2024 14:43 EST)

Printed Name, Title: Rodney Poole Manager

Signature of Agent:  Date: 12/30/2024

Printed Name, Title: Shannon Mattingly Director of Land Use and Entitlements

Form Updated October, 2019

PROPERTY OWNER AUTHORIZATION

I, Dennis PHILLIPS (owner name) on behalf of
First United Methodist Church (company, if applicable) acknowledge that I/we
am/are the rightful owner of the property located at
202 W. Hutchison St. (R41662) (address).

I hereby authorize Shannon Mattingly (agent name) on behalf of
The Drenner Group (agent company) to file this application for
Development Permits / Processes (application type), and, if necessary, to work with
the Responsible Official / Department on my behalf throughout the process.

Signature of Owner:  Date: _____

Printed Name, Title: Dennis PHILLIPS, Board Chair, TRUSTEES

Signature of Agent:  Date: 12/30/2024

Printed Name, Title: Shannon Mattingly

Form Updated October, 2019

PROPERTY OWNER AUTHORIZATION

I, Carl Simek (owner name) on behalf of _____ (company, if applicable) acknowledge that I/we am/are the rightful owner of the property located at 213 - 215 Pat Garrison St. (R27403) (address).

I hereby authorize Shannon Mattingly (agent name) on behalf of The Drenner Group (agent company) to file this application for Development Permits / Processes (application type), and, if necessary, to work with the Responsible Official / Department on my behalf throughout the process.

Signature of Owner: *Carl Simek* Date: _____
Carl Simek (Jan 27, 2025 12:59 CST)

Printed Name, Title: Carl Simek

Signature of Agent: *Shannon Mattingly* Date: 12/30/24

Printed Name, Title: Shannon Mattingly

Form Updated October, 2019

PROPERTY OWNER AUTHORIZATION

I, Donald W. Graham (owner name) on behalf of _____

(company, if applicable) acknowledge that I/we
am/are the rightful owner of the property located at
209 Pat Garrison St. (R28571) (address).

I hereby authorize Shannon Mattingly (agent name) on behalf of
The Drenner Group (agent company) to file this application for
Development Permits / Processes (application type), and, if necessary, to work with
the Responsible Official / Department on my behalf throughout the process.

Signature of Owner:  Date: 01/27/25
Printed Name, Title: Donald W. Graham

Signature of Agent:  Date: 12/30/24
Printed Name, Title: Shannon Mattingly

Form Updated October, 2019

PROPERTY OWNER AUTHORIZATION

I, W. Shane Glosson (owner name) on behalf of
TWWG, LLC (company, if applicable) acknowledge that I/we
am/are the rightful owner of the property located at
324 N. Commanche (R27404) (address).

I hereby authorize Shannon Mattingly (agent name) on behalf of
The Drenner Group (agent company) to file this application for
Development Permits and Processes (application type), and, if necessary, to work with
the Responsible Official / Department on my behalf throughout the process.

Signature of Owner:  Date: 1-28-25

Printed Name, Title: Shane Glosson, Manager, TWWG, LLC

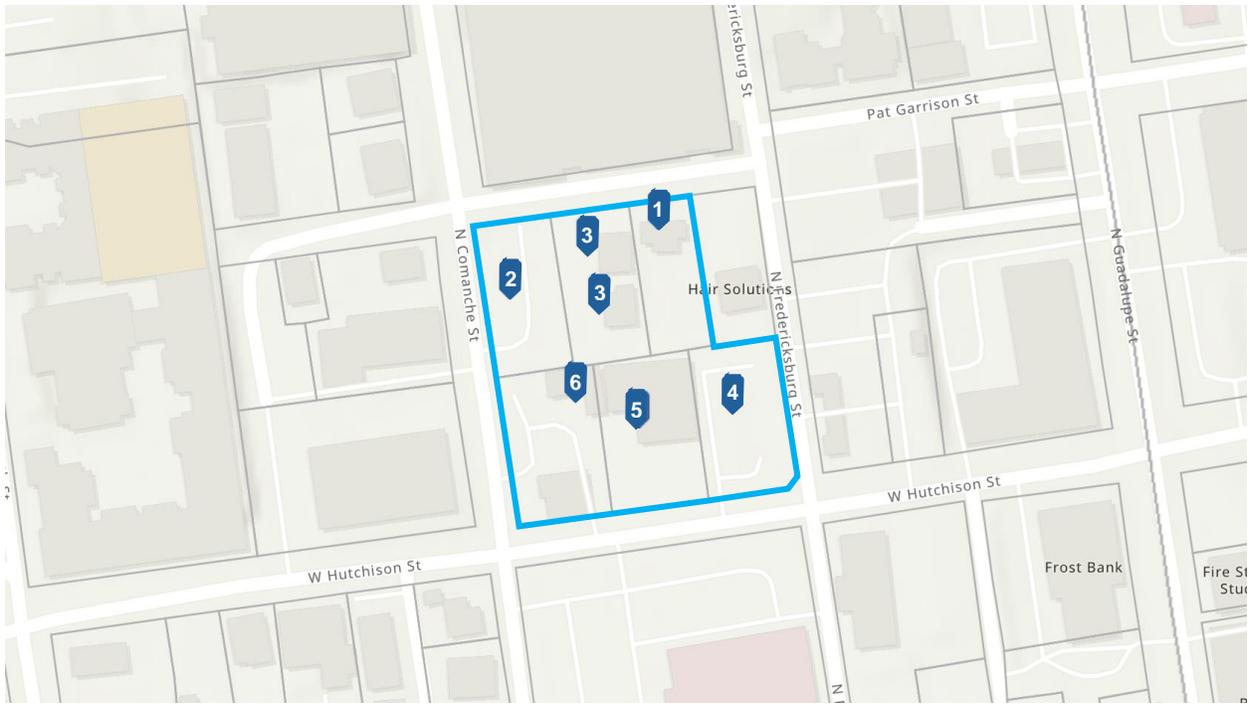
Signature of Agent:  Date: 12/30/24

Printed Name, Title: Shannon Mattingly

Form Updated October, 2019

Property Owners

Tract #	HCAD ID Number	Parcel Address	Owner	Legal Description	Acreage (Provided by client)	Current Use
1	R28571	209 Pat Garrison St. San Marcos, Tx 78666	Donald W. Graham 901 Highland Terrace San Marcos, Tx 78666	Lot 1 Graham Sub.	0.33 Acres	Don Graham & Assoc Office
2	R27404	324 N. Comanche St. San Marcos, Texas 78666	TWWG, LLC 323 N. Comanche St San Marcos, Texas 78666	Farm Lot 6- 52, PT of 21, OTSM	0.329 Acres	Funeral Home Parking Lot
3	R27403	213-215 Pat Garrison St. San Marcos, Tx 78666	Carl Simek 301 Main PLZ New Braunfels, Tx 78130	Farm Lot 6- 53 Part of 21 OTSM	0.328 Acres	Two Rental Homes
4	R41662	202 W. Hutchison St. San Marcos, Texas 78666	First United Methodist Church 129 W Hutchison St., San Marcos, Texas 78666	OTSM, BLOCK 26, Lot 1 & PT OF 2	0.39 Acres	Parking Lot
5	R41663	210 W. Hutchison St. San Marcos, Tx 78666	NCSH SMTX LLC 2516 Waukegan Rd, Suite 343, Glenview, IL 60025	W. Pt of Lot 2 and E. Pt of Lot 3 Block 26, OTSM	0.40 Acres	Vacant Office Building
6	R41664	220 W. Hutchison St. San Marcos, Tx 78666	NCSH SMTX LLC 2516 Waukegan Rd, Suite 343, Glenview, IL 60025	Lot 4A Block 26, OTSM	0.42 Acres	Vacant Office Building





Shannon Mattingly
direct dial: (512) 807-2904
smattingly@drennergroupp.com

January 28, 2025

Amanda Hernandez
Planning Director
City of San Marcos
630 East Hopkins
San Marcos, TX 78666

Via Electronic Delivery

Re: CUP 25-02 and AC 25-02. Conditional Use Permit and Alternative Compliance request applications for the property bounded by W. Hutchison, Commanche St, Pat Garrison St. and Fredericksburg St. in the City of San Marcos, Hays County, Texas (the "Property")

Dear Ms. Hernandez:

As representatives of the owner of the Property, we respectfully submit the enclosed applications for a Conditional Use Permit for purpose-built student housing and an Alternative Compliance request to allow for up to 7 stories on site.

The purpose of the PBSH CUP application is to allow the construction of a multifamily project containing 1, 2, 3, 4, and 5 bedroom units. The inclusion of 4- and 5-bedroom units will provide for a unit mix that can satisfy the diverse needs of those in the community who are looking for a pedestrian friendly living arrangement with true walkability.

Our request includes an application for Alternative Compliance to allow a seven-story development. The project will provide 0.83 parking spaces per bedroom, exceeding the 0.70 average spaces per bedroom outlined in a recent parking study. This increase equates to approximately 75 additional parking spaces beyond the study's recommendation. To accommodate this, the project will incorporate three full floors of structured parking. The proposed design is thoughtfully aligned with the adjacent seven-story Cypress apartment project. Along Hutchison Street, the façade will feature a stair-stepped massing design, ensuring compatibility with surrounding structures.

As you are probably aware, for the first time in Texas State University's (TXST) 125-year history, more than 40,000 students are enrolled for the 2024 school year. The 2024 enrollment of 40,598 surpasses the previous record and is an increase of 1,879 students, or 4.8%, over Fall 2023. Based on a housing demand study by TXST "We're short somewhere

about 10 to 12,000 beds in the community as a whole.” per Bill Mattera in a 2024 interview on KTSW.

The development team met with TXST to further discuss this shortage, TXST’s projected growth and its immediate and future housing needs. The representatives reaffirmed the need for additional student-oriented housing within walking or biking distance of the campus and expressed the need for a wide unit mix to allow rents to be affordable for all students.

The project is ideally located adjacent to the University, across the street from H-E-B, one block from the future hotel and retail development, and just two blocks from the Square. This prime location offers true walkability to key student destinations—school, dining, and social activities—supporting both daily and evening routines.

By enabling higher-density student housing in strategic locations like this, the city is actively addressing common community concerns, including:

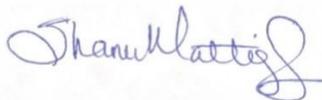
- Reducing "student sprawl" by concentrating on student housing in appropriate areas.
- Minimizing vehicle dependence, thereby decreasing traffic congestion and pollution by reducing the number of cars and buses needed for daily commutes.

In addition to ample parking, the project will enhance the pedestrian experience with a well-connected street network designed to accommodate increased foot traffic. The developer is also partnering with a third-party vendor to expand alternative transportation options, including secure bike storage, professional on-site bike maintenance, and e-scooters—similar to those found on many other college campuses. These features will offer students convenient, eco-friendly mobility solutions, further reducing traffic congestion.

There are few sites near TXST that can achieve what this project will offer. To illustrate its scale and compatibility, we have provided a 3D rendering showcasing the building's height in relation to surrounding properties. With the height allowance and CUP approval, we are confident that this development will meet a significant portion of TXST’s housing needs while also enhancing quality of life in San Marcos. By reducing traffic congestion and minimizing student sprawl, the project will contribute to a more connected and balanced community. We have plans to meet with the Fire Chief and Fire Marshall and will incorporate all their recommendations to improve fire safety and access to the site.

Please let me know if you or your team members require additional information or have any questions. Thank you for your time and attention to this project.

Very truly yours,



Shannon Mattingly

**Alternative Compliance Criteria Responses
Submitted by applicant 3/7/25**

Section 4.3.4.6 Additional Stories or Height

A. Alternative Compliance Findings. The City Council may in accordance with Section 2.8.4.1 allow additional stories in the CD-5 or up to two additional stories in CD-5D zoning districts, subject to the following considerations:

1. The project is consistent with the objectives and guidelines from the City's Comprehensive Plan and Downtown Master Plan where applicable.

The project is located with the Downtown Core design context and reflects compliance with the architectural elements contained therein. The project is compatible with the existing seven story structure located immediately to the north, across Pat Garrison Street and reflects an appropriate visual three-story transition across Commanche Street. In addition, the height of this structure will not result in a visual barrier from the courthouse square area due to the existing building heights to the north. It is important to note that this project will be under 75 feet which is currently allowed by right in CD-5D. We are only asking for 7 stories but not an increase in the actual height above what is currently allowed by code.

2. For a residential project, the additional stories provide an opportunity to include a minimum of ten (10%) percent of the project as affordable housing under Section 4.3.1.1;

The project will be designed to provide attainable housing through additional unit sizes.

3. For a residential project, the additional stories provide an opportunity to include a minimum of twenty (20%) percent of the project as workforce housing under Section 4.3.1.1;

It is anticipated that a substantial number of project residents or households will meet the definition of workforce housing as defined by Section 4.3.1.1. of the LDC.

4. The additional stories provide an opportunity for additional professional office or commercial space providing employment opportunities.

The project will offer professional and commercial space providing employment opportunities. If after using commercially reasonable efforts the space remains unoccupied prior to the building's completion, the developer would active this space with other supportive uses to prevent having vacant space along a newly constructed streetscape.

5. The additional stories provide an opportunity to deliver a building that is rated a minimum of a silver in the LEED green building program.

The building will not be LEED certified but the finished design will include many sustainable features and elements.

6. The additional stories provide an opportunity to include childcare within the facility.

The project design includes an area on the first floor that will be available for professional and commercial space. The owner will contact and discuss this with First United Methodist Day School before being able to fully agree to make this available for childcare. We don't want to add services that compete with our neighbor.

7. The additional stories provide an opportunity to add public parking in or adjacent to the downtown.

After meeting the parking needs of our residents, we would make any excess parking available to the public.

8. The additional stories provide an opportunity to include on-site publicly accessible open space in excess of the open space required under Section 3.10.1.2.

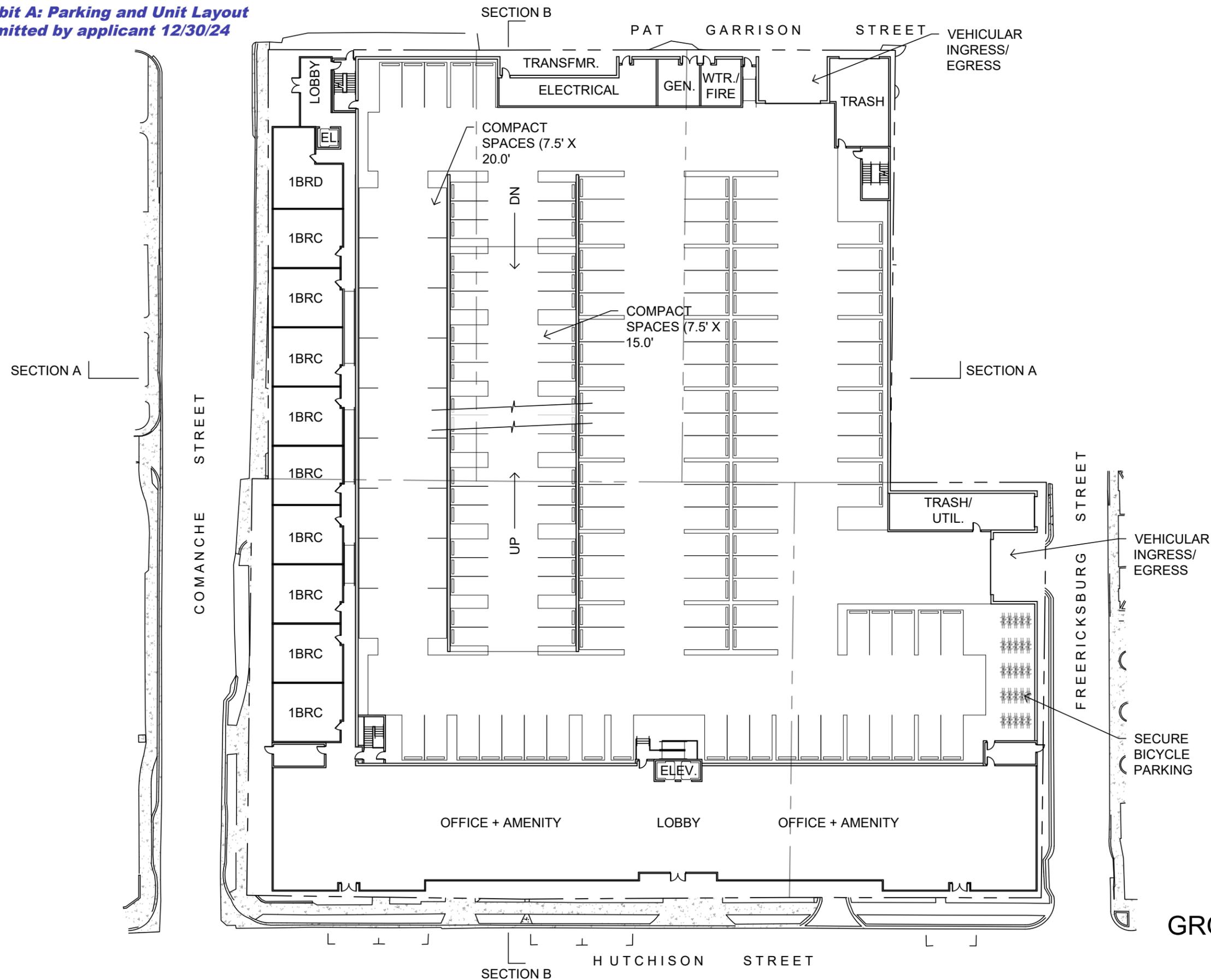
The project design will include a publicly accessible plaza at the Downtown Gateway intersection of Commanche and Pat Garrison Streets. The sizing of this area will be determined once the final architectural and engineering plans are completed. These features could include a water filling station, bike repair area, shaded benches and potentially a mural that could provide a depiction of the San Marcos high school which was once located here.

9. In CD-5D and the five downtown Design Contexts, the approved alternate conforms to the Downtown Design Guidelines; and

The project is located with the Downtown Core design context and reflects compliance with the architectural elements contained therein. The project is compatible with the existing seven story structure located immediately north across Pat Garrison Street and reflects an appropriate visual three-story transition across Commanche Street. In additions the height of this structure will not result in a visual barrier from the courthouse square area due to the existing building heights to the north. It is important to note that this project will be under 75 feet, which is currently allowed by right in CD-5D. We are only asking for 7 stories but not an increase in the actual height above what is currently allowed by code.

10. The project proposes architectural elements that mitigate any effects on adjacent properties or the pedestrian experience from the street level.

The project design will reflect compliance with the architectural elements of the San Marcos Land Development Code and the Downtown Design Manual. These include varied massing, activation, and vertical / horizontal expression elements. Commanche Street will reflect a residential street with town-home style design and architecture providing a visual height transition to the west.

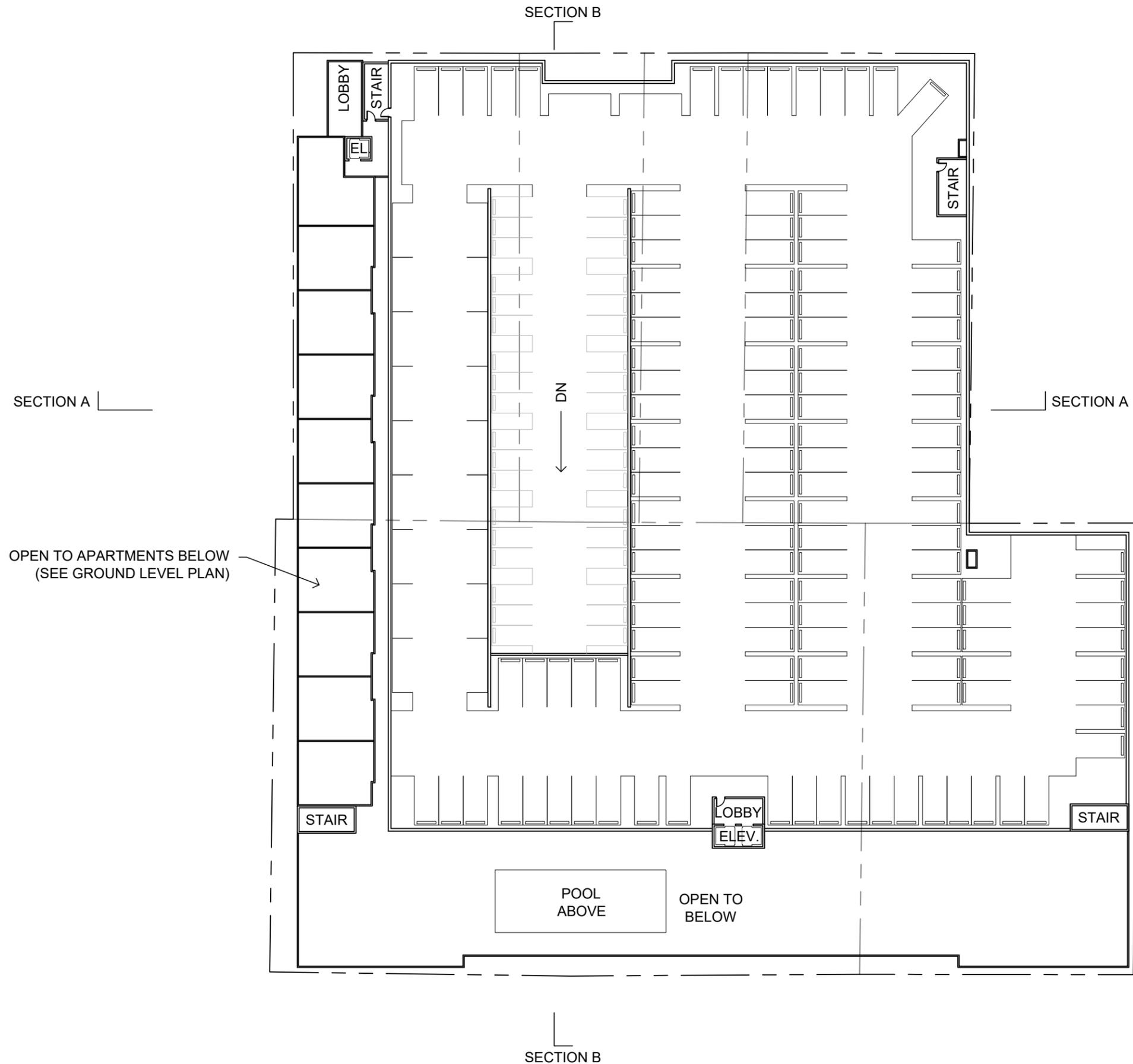


GROUND LEVEL

SCALE: 1" = 40'-0"
DECEMBER 27, 2024



A1.1

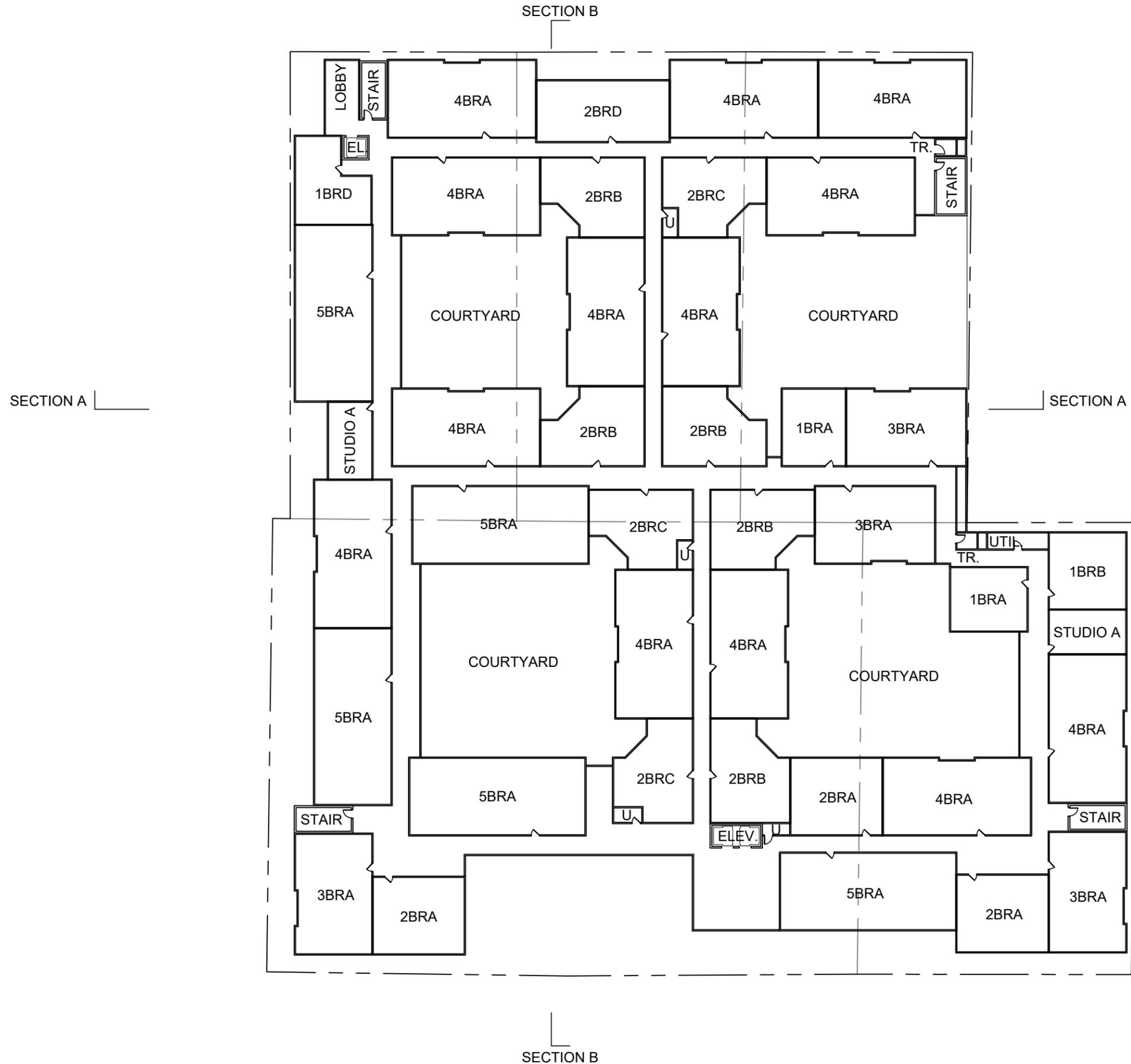


NORTH ↑

SECOND LEVEL

SCALE: 1" = 40'-0"
DECEMBER 27, 2024

A1.2

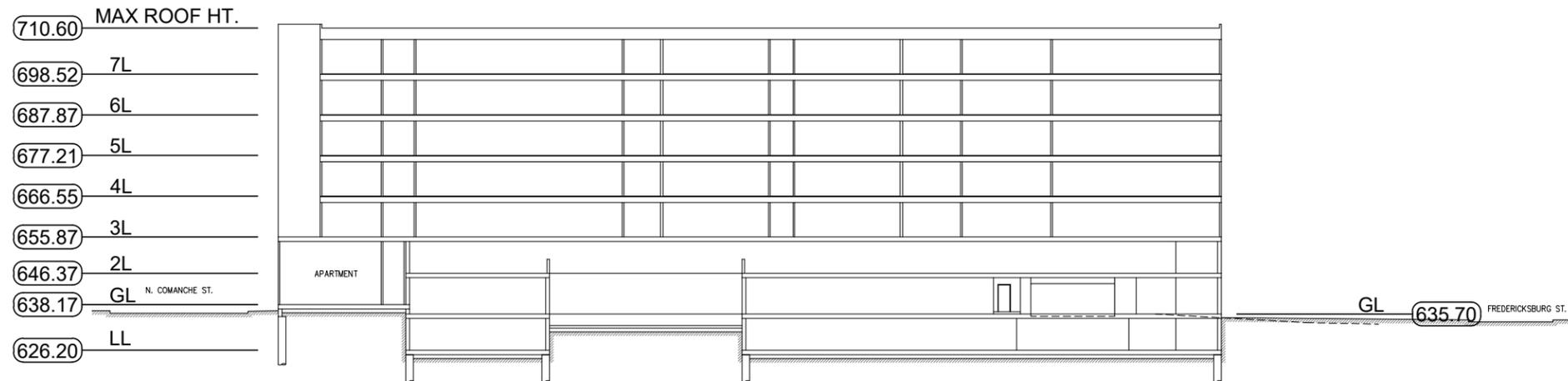


FOURTH-SEVENTH LEVEL

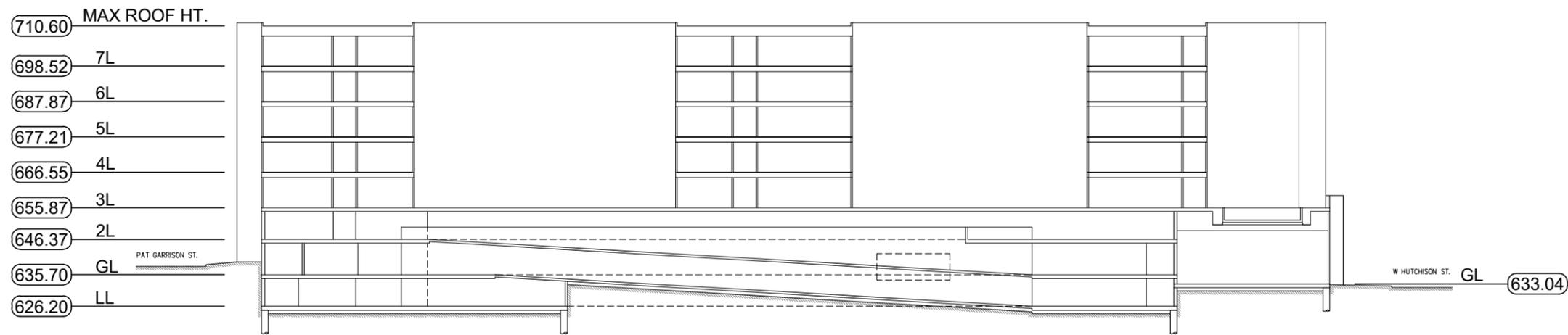
SCALE: 1" = 40'-0"
 DECEMBER 27, 2024



A1.4



SECTION A



SECTION B

FLOOR ELEVATIONS (FT)	
MAX ROOF HEIGHT	710.60
SEVENTH LEVEL	698.52
SIXTH LEVEL	687.87
FIFTH LEVEL	677.21
FOURTH LEVEL	666.55
THIRD LEVEL	655.87
SECOND LEVEL	646.37
GROUND LEVEL	VARIES
AVERAGE GRADE	635.60
LOWER LEVEL	626.20

SECTIONS

SCALE: 1" = 40'-0"
DECEMBER 27, 2024

A3.0

Exhibit B: Perspective Views
Submitted by applicant 2/28/25



CONTEXT VIEW
LOOKING NORTHEAST

NO SCALE
FEBRUARY 28, 2025

A1.0

202 HUTCHISON
SAN MARCOS, TEXAS

CONCEPTUAL

217 S. NEIL STREET SUITE D
CHAMPAIGN, ILLINOIS 61820
P 217.355.8731 | E josh@mode3arch.com
IL. PROF. DESIGN FIRM #184.006697

M O D E 3

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CONTEXT VIEW
LOOKING SOUTHWEST

NO SCALE
FEBRUARY 28, 2025

A1.1



PERSPECTIVE VIEW
PEDESTRIAN GATEWAY

NO SCALE
FEBRUARY 28, 2025

A1.2



HUTCHISON STREET

FREDERICKSBURG STREET

CANOPY IN LIEU OF
SHADE TREES

PERSPECTIVE VIEW
FREDERICKSBURG ROW

NO SCALE
FEBRUARY 28, 2025

A1.3

202 HUTCHISON
SAN MARCOS, TEXAS

CONCEPTUAL

217 S. NEIL STREET SUITE D
CHAMPAIGN, ILLINOIS 61820
P 217.355.8731 | E josh@mode3arch.com
IL. PROF. DESIGN FIRM #184.006697

M O D E 3

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202 W Hutchison St. “202 Hutch”

City Council

CUP 25-02, AC 25-02

April 15, 2025



Aerial map



Hutchison Frontage – Designed for its time with historical character



SEVEN STORY MODEL SHOWN. FIVE STORY MODEL IS EXACTLY THE SAME HEIGHT AS THE SEVEN STORY MODEL.

CONTEXT VIEW
LOOKING NORTHEAST

CONCEPTUAL

Hutchison Street - Pedestrian friendly with active street level character

7 stories



SEVEN STORY MODEL
PERSPECTIVE VIEW
FREDERICKSBURG R.O.W.

5 stories



FIVE STORY MODEL
PERSPECTIVE VIEW
FREDERICKSBURG R.O.W.

BOTH BUILDINGS ARE 75 FEET TALL FROM AVERAGE GRADE

Comanche & Pat Garrison – Active street level with residential character at the Downtown Gateway

7 stories

5 stories



PAT GARRISON STREET AWNING/CANOPY PEDESTRIAN PLAZA COMANCHE STREET

PAT GARRISON STREET COMANCHE STREET

POTENTIAL WALL MURAL LOCATION

**SEVEN STORY MODEL
CONCEPTUAL**

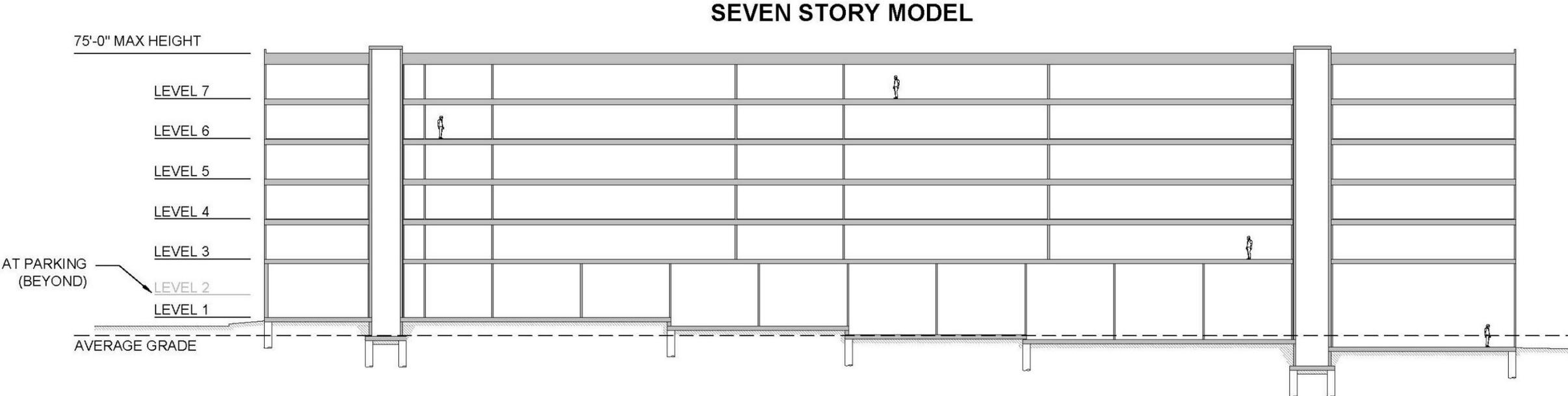
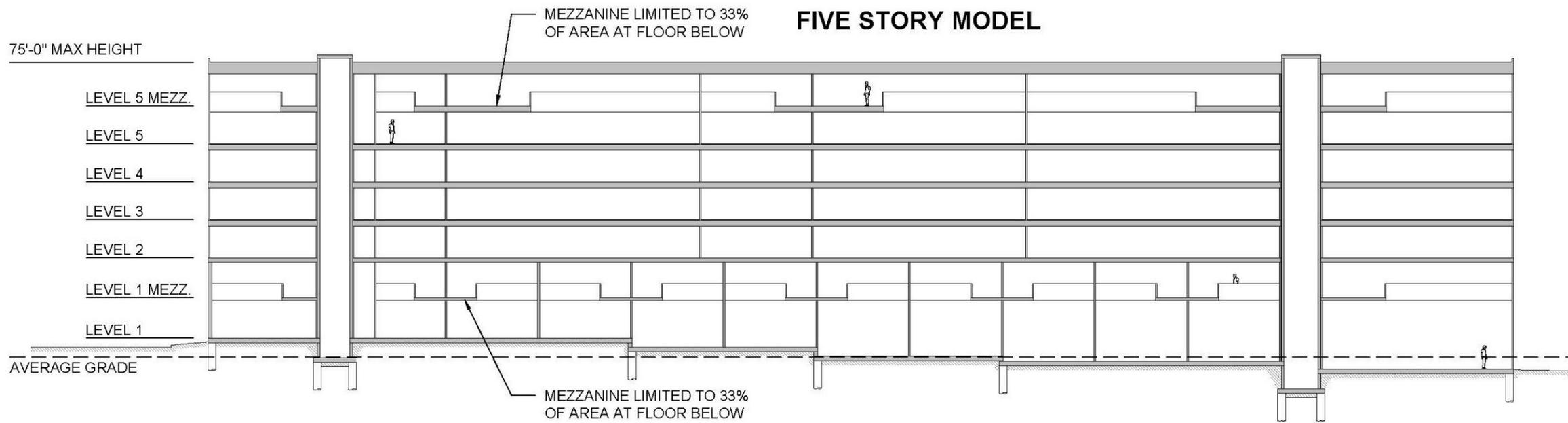
**PERSPECTIVE VIEW
PEDESTRIAN PLAZA**

**FIVE STORY MODEL
CONCEPTUAL**

**PERSPECTIVE VIEW
PEDESTRIAN PLAZA**

BOTH BUILDINGS ARE 75 FEET TALL FROM AVERAGE GRADE

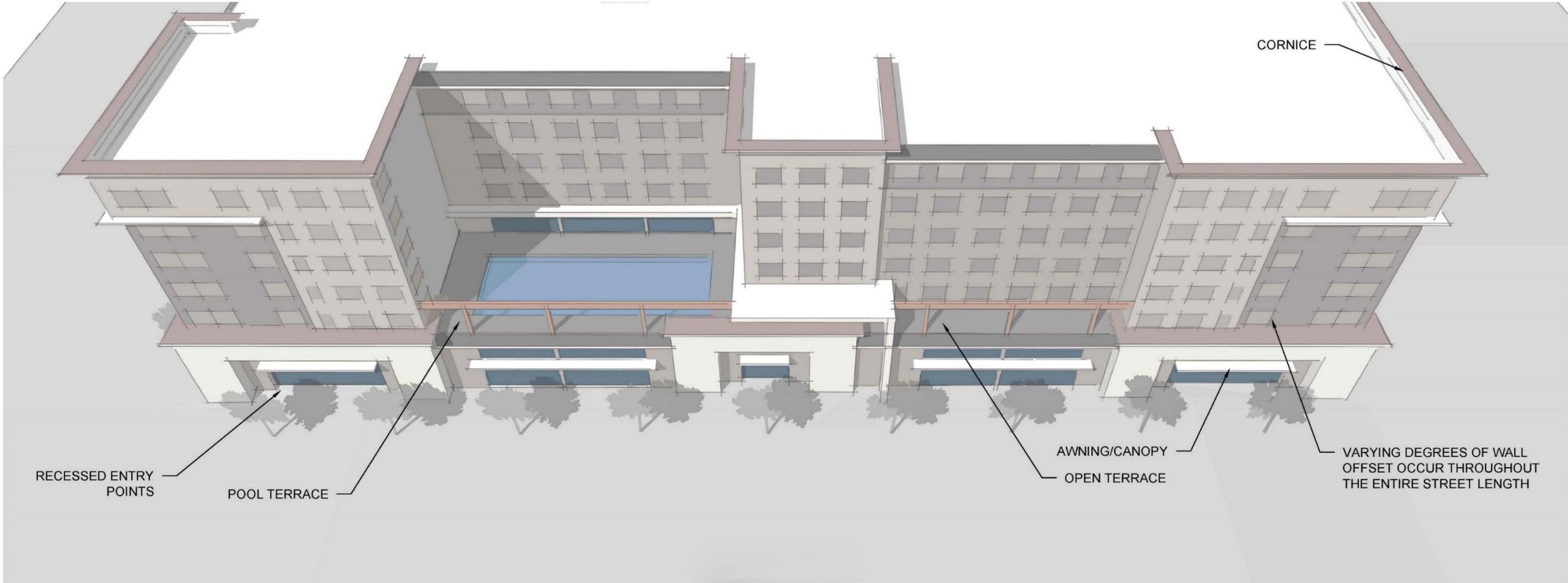
Building section by floor



CONCEPTUAL

SECTION
LOOKING EAST

Hutchison Street – Varying massing, large setbacks & outdoor spaces



Conceptual Design

Hutchison Street – Pedestrian friendly with street level character



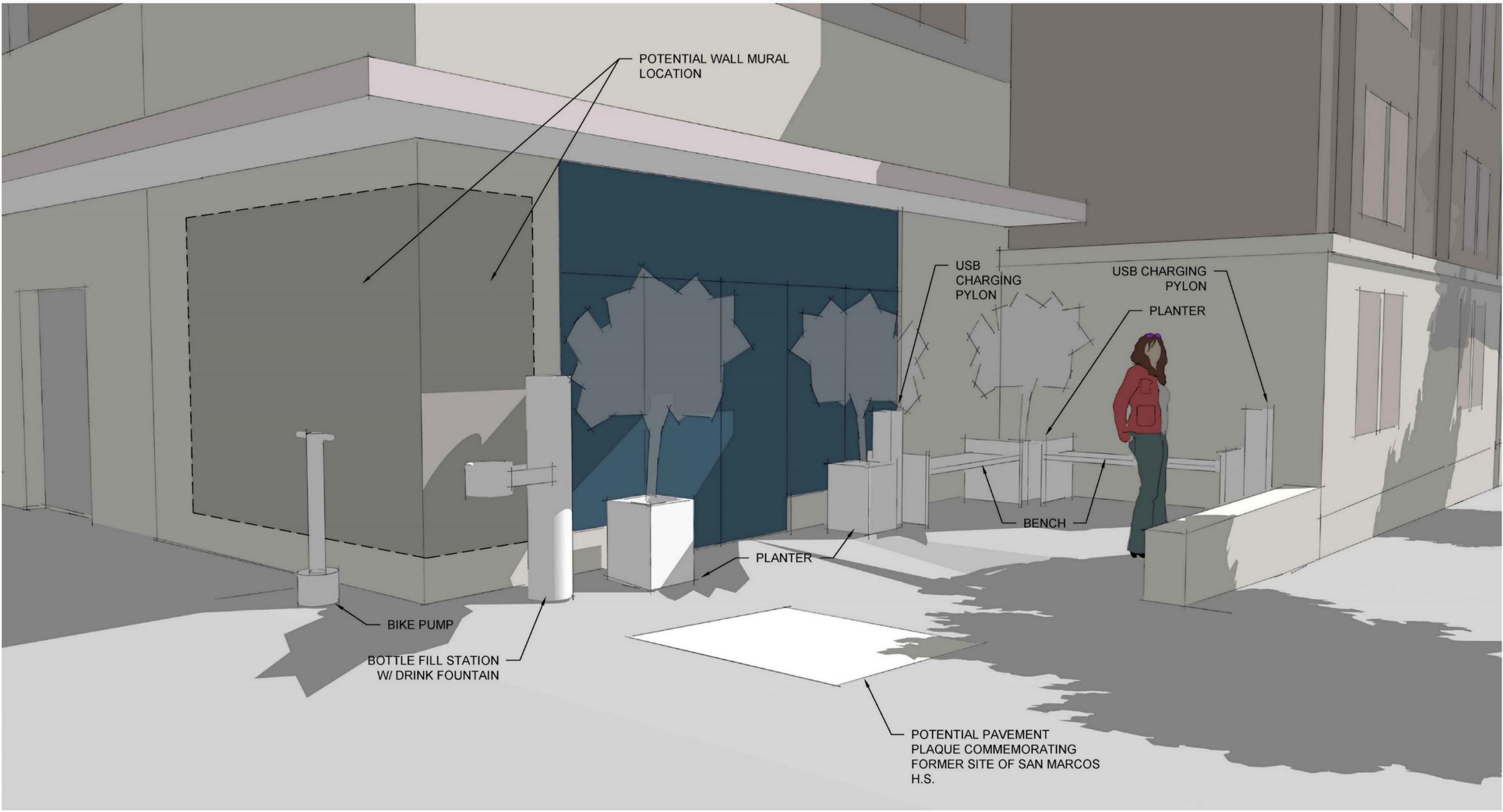
Conceptual Design

Comanche & Pat Garrison – Varying setbacks with residential character



Conceptual Design

Comanche & Pat Garrison – Active pedestrian plaza at the Downtown Gateway



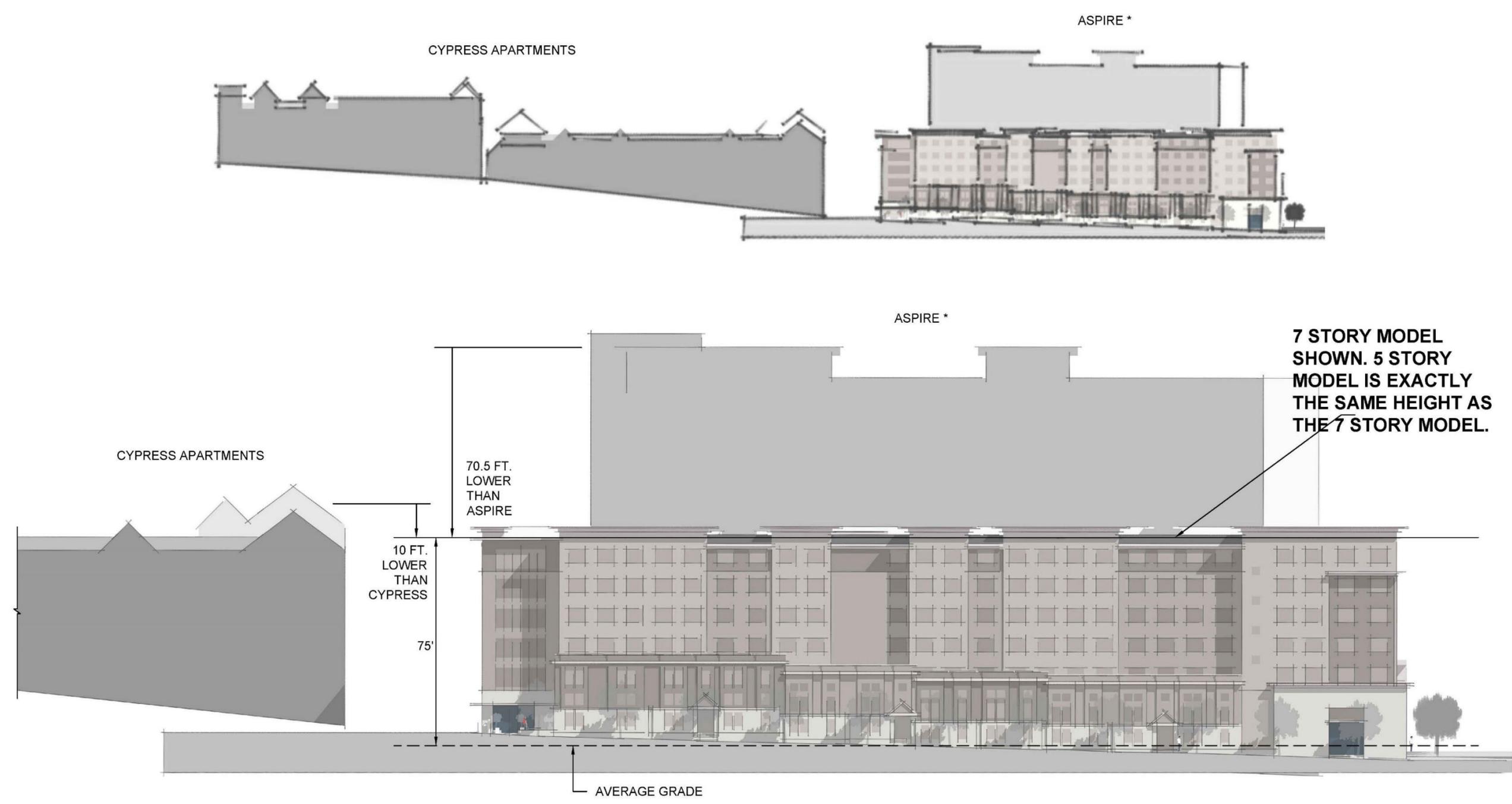
Conceptual Design

Comanche Street – Residential character at pedestrian level



Conceptual Design

Comanche Street – 10’ lower than Cypress supporting neighborhood context



CONCEPTUAL

COMPARISON OF TALLEST MEAN ROOF HEIGHT
 * LATERAL BUILDING PLACEMENT ADJUSTED TO FIT PAGE

BUILDING HEIGHT COMPARISON
 LOOKING EAST

CD-5D + CUP & Alternative Compliance

As Permitted by CD-5D:	Requested Alternative Compliance & CUP:	Resulting Change
<ul style="list-style-type: none"> ➤ Up to 75 Feet by right 	<ul style="list-style-type: none"> ➤ Up to 75 Feet by right 	<ul style="list-style-type: none"> ➤ <u>No change in permitted height</u>
<ul style="list-style-type: none"> ➤ FIVE Stories + TWO Mezzanine level that cover 33% above the 1ST floor and 33% above the 5th floor. 	<ul style="list-style-type: none"> ➤ SEVEN Stories ➤ Same Height allowed per Zoning Code 	<ul style="list-style-type: none"> ➤ More efficient layout with units/amenities on one floor versus lofted bedroom units and lofted amenity space ➤ Significantly greater parking
<ul style="list-style-type: none"> ➤ 1-3 bedroom units 	<ul style="list-style-type: none"> ➤ A more diverse unit mix to appeal to a greater range of tenants. 	<ul style="list-style-type: none"> ➤ A more diverse unit mix will include unit types greater than 3 bedrooms.
<ul style="list-style-type: none"> ➤ 1 parking space per UNIT 	<ul style="list-style-type: none"> ➤ 1.05 parking spaces per BEDROOM ➤ Significantly More Parking 	<ul style="list-style-type: none"> ➤ Significantly increases parking standard requiring off-site parking and/or a parking in lieu fee (\$7,500 per space) for parking not provided.
<ul style="list-style-type: none"> ➤ Already Zoned: Can be developed without conditions 	<ul style="list-style-type: none"> ➤ Potential additional conditions may be negotiated on property through CUP/AC process ➤ Can Negotiate Conditions 	<ul style="list-style-type: none"> ➤ Additional conditions on property as agreed
<ul style="list-style-type: none"> ➤ Real estate taxes based on 75ft building with up to 3-bedroom units. ➤ One parking spot per unit not bedroom. 	<ul style="list-style-type: none"> ➤ Real estate taxes based on 75ft efficient, well parked building with a greater mix of units and parking. ➤ Increased Taxes to City, County & School District 	<ul style="list-style-type: none"> ➤ Potential for increased assessment in annual real estate taxes

Economic benefits to the City of San Marcos

- Redevelopment of land bringing residents downtown to support local businesses
- Construction and permanent job creation
 - 100's of construction jobs
 - 10-15 permanent jobs to manage and operate the property
- Permit and impact fees
 - Building permit fees, impact fees, park and development fees, stormwater management fees
- Alternative Compliance and CUP approvals allow for:
 - Additional parking fees of \$7,500 per space not provided by the property will be paid to the City
 - Additional condition on the property
- Increased annual real estate taxes

Increased real estate tax benefits

2024 Tax

Parcel Address	Property Valuation
R41662	\$334,270 (exempt)
R41663	\$922,668
R41664	\$1,200,981
R27404	\$178,950
R27403	\$552,018
R28571	\$255,840
Total Value	\$3,180,475

Taxing Entity	Tax Rate	Tax Amount
City of San Marcos	.603	\$19,178
San Marcos CISD	1.015	\$32,282
Hays County	0.308	\$9,796
Total	1.926	\$61,256

Estimated Tax in 2027

Parcel Address	Property Valuation
Combined Total Value	\$52,644,766

Taxing Entity	Tax Rate	Tax Amount	Increase
City of San Marcos	.603	\$317,448	\$298,270
San Marcos CISD	1.015	\$534,344	\$502,062
Hays County	0.308	\$162,146	\$152,350
Total	1.926	\$1,013,938	\$952,682

Non-Tax-Exempt owned property will provide nearly \$1,000,000 in additional, annual real estate taxes

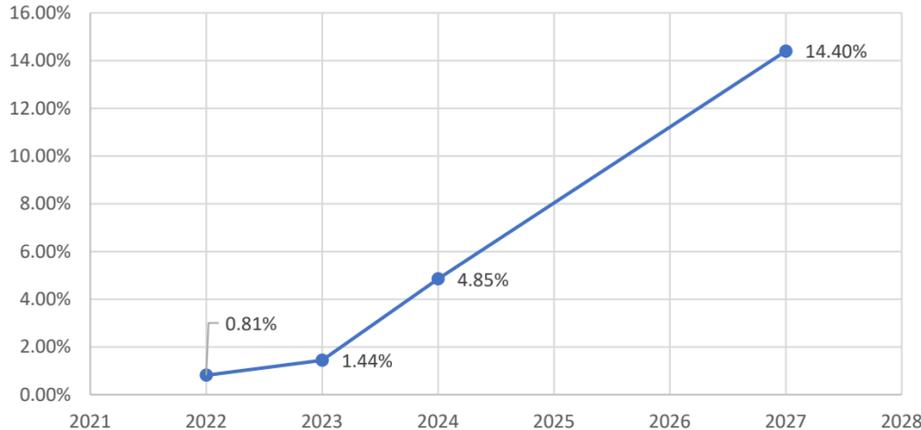
Property is in the Downtown TIRZ #5 allocating increased valuations to the TIRZ

Intangible benefits to the City of San Marcos

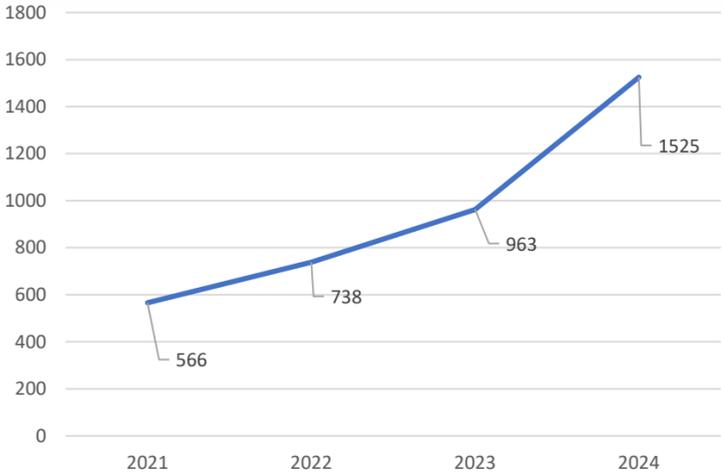
- Activation of the site and removal of some of the largest vacant buildings in the downtown core
- Improved street scape, landscaping and site lighting to activate the corridor
- New pedestrian amenities, bike repair, water and charging stations at the pedestrian plaza in the downtown gateway
- Significant increase in parking
- Reduce daily traffic into downtown San Marcos and surrounding neighborhoods
- Access to University and all downtown amenities from a truly walkable property
- Additional non-auto related transportation options like bicycles repair and rental and e-scooters on property in partnership with the City and Spin Cycle
- New property will improve stormwater quality from its current state
- Overhead utilities will be relocated underground
- Reduce student occupancy in San Marcos neighborhoods by providing alternative living in downtown and adjacent to the University

The need

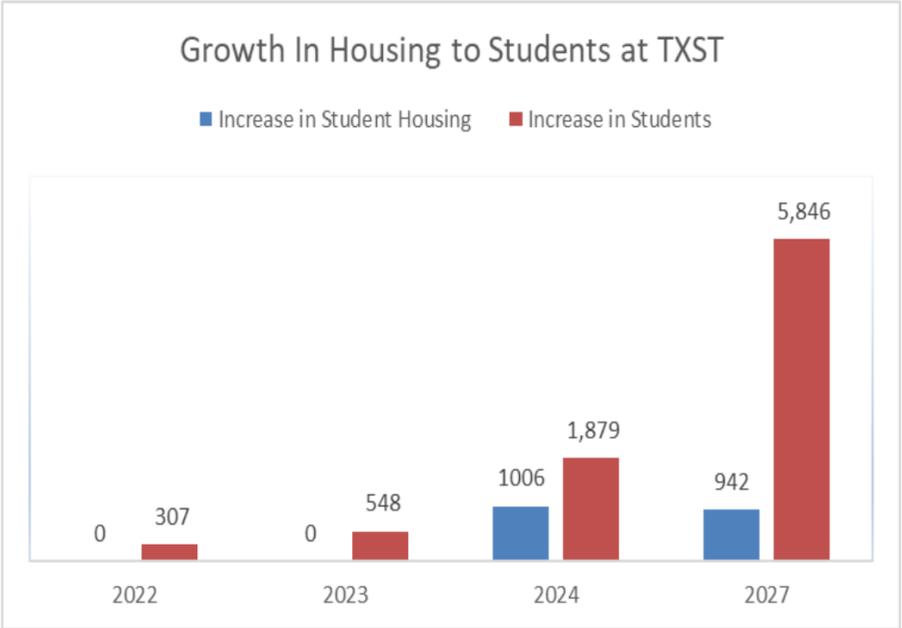
Total Enrollment Growth at TXST as %



International Enrollment Growth at TXST



Growth In Housing to Students at TXST



- TXST has shown strong historical and projected enrollment growth. Even with the addition of Hilltop Housing (1,006 beds in 2024) and Castor Housing (942 beds in 2025) the beds have not kept pace with the increase in students
- Per a 2024 TXST housing study, there is still a shortage of 10-12,000 professionally owned and managed bedrooms in the community
- The shortage will continue to grow as TXST projects another 5,846 additional students by 2027, when 202 Hutch is expected to open
- Sanctuary Lofts and the Vistas have transitioned to mainly upper classmen housing for students without cars displacing 1,086 students

TXST's historical and anticipated growth enrollment fueled by TUF

The Texas University Fund (TUF) is a constitutional amendment that created a \$3.9 billion permanent endowment to ensure sustainable funding in 2023. The funding is part of a broader effort to help Texas State, and the other three universities achieve national prominence as major research universities, drive the Texas economy, and bolster higher ed research beyond the state's two largest university systems.

- TXST set a record for new doctoral students by admitting 136, a 22.5% increase over Fall 2023. Two new doctoral programs started accepting students in Fall 2024, with five more either approved or pending approval to go live in Fall 2025.
- New master's student admissions increased 12.5%, or 133, over Fall 2023.
- TXST created a new Bachelor of Applied Arts and Science in Aviation Sciences beginning Fall 2024.
- TXST set a new international enrollment in 2024 and has made a concerted effort to grow its international base by increasing its international recruiting agencies from two in 2022 to 39 in 2024, five of which are significant contributors of students to American Universities.
- TXST has continued its focus on raising its national research profile and achieving national prominence as an R1 university (Very High Research Activity) by 2027 and becoming a Tier One University thereby continuing to attract top quality students and enrollment in addition to the prestige associated with becoming a R1 university.

Why Us

- Emerge Here is a Majority Woman Owned business.
- At Emerge Here, we own, develop and manage our properties.
- At Emerge Here, our reputation is paramount to our success.
- At Emerge Here, our standard leasing practices exceed industry norms.
- Please find attached letters of recommendations from:
 - The City of Champaign Planning Department where we have developed, own and manage four student apartment buildings at the University of Illinois, Fighting Illini.
 - Halifax Hospital System where we have developed over 1,000 bedrooms in support of the hospital and local educational institutions.
 - The majority of our tenants in Daytona Beach are from ERAU; see attached reference letter.
 - Additional residents available upon request.



Emerge Here standard leasing practices

Items	Emerge Here Practices
Application	Our application process is our first opportunity to build trust. We provide a fair and consistent process for every applicant. Our standardized process eliminates bias, simplifies the experience (all on-line in a secure portal) and supports compliance with fair housing laws.
Application Fees	Disclosed in the application and lease and are not assessed until after the lease is fully approved.
Lease	We practice lease transparency using a Blue Moon template which is endorsed by national and local apartment associations. The number of pages vary to accommodate local ordinances and phase of the project.
Lease Execution	An electronic signature process shared with the resident and their parents and requires signature on every page.
Rent, Fees & Term	Fully disclosed in the first two pages of the lease.

Emerge Here standard leasing practices

Items	Emerge Here Practices
Security Deposits	We require security deposits. The amount of the deposit depends on local custom. We reserve the right to waive or provide aid in a hardship. Regardless of a tenant's deposit status we process notices to residents no later than 30 days after move-out.
Roommate Matching	If requested.
Unit Selection	Residents may select their unit provided they are not already leased and available.
Fair Housing	We are committed to upholding fair housing laws ensuring a respectful living environment for our residents. We provide our staff regular training to keep current on the laws.
Evictions	Evictions are costly and disruptive. We prioritize early communication and resolution whenever possible
Manager Transparency	Our name and information is on the first page of the lease and on the front door.



Letter of recommendation – City of Champaign, Illinois



Planning and Development Department • 102 N. Neil Street • Champaign, IL 61820 • 217-403-8800 • www.ci.champaign.il.us

March 7, 2025

Amanda Hernandez, AICP, CNU-A, CPM
Director of Planning & Development Services
Planning and Development Services
630 E. Hopkins, San Marcos, TX 78666
512.393.8237
AHernandez@sanmarcostx.gov

RE: Letter of Recommendation for Next Chapter Properties

Dear Amanda,

I would like to express my endorsement for Next Chapter Properties as a high-quality Development Group. Next Chapter Properties has done several projects in the City of Champaign, and each project has added value and quality housing stock to our community's housing inventory. In addition to the appreciation that I have for Next Chapter Properties continued investment in our community, I have found Next Chapter Properties easy to work with from a process standpoint. Their projects meet our community's codes and requirements for zoning and building codes, which makes the approval process straight forward and easy.

Additionally, Next Chapter Properties have chosen to exceed the City of Champaign's minimum requirements from a design standpoint and an infrastructure standpoint. Specifically, when we worked with Next Chapter Properties on 217 South Neil Street in Champaign, at the time the project was built, the City had not adopted a Downtown Streetscape Standard. The City had a standard that it had used in City projects, and staff was working towards a formal adoption. However, 217 South Neil Street was developed prior to the formal adoption. City Staff asked Next Chapter Properties if they would elect to make streetscape improvements that met the standard prior to the formal adoption, which Next Chapter elected to do, when they were not required to. This action really demonstrated Next Chapter Properties community minded approach to development, and their commitment to the greater improvement of the community as a whole. I would encourage any community considering business with Next Chapter Properties to take advantage of the opportunity.

I would note, this recommendation is based on my own personal experience and does not reflect views and opinions of the City of Champaign as a community or organization.

Sincerely,

Jeff Marino, AICP
Planning Manager
Planning and Development Department
City of Champaign

Letter of recommendation – Halifax Healthcare



HALIFAX
HEALTH

March 6, 2025

Amanda Hernandez
Director of Planning
City of San Marcos
630 E. Hopkins
2nd Floor, Building 3
San Marcos, TX 78666

Dear Ms. Hernandez:

I am Bill Griffin, Director of Strategy and Planning for Halifax Health in Daytona Beach, FL. Halifax Health is celebrating 96 years of service to our community. We are a large organization with 4,000 employees. I have been with Halifax for 43 years.

We have three major colleges and universities in our area, Embry Riddle Aeronautical University, Bethune Cookman University and Daytona State College within a radius of approximately one mile of our campus.

This letter is to share our experience working with Patrick and Kelly Quinn and their team in the development of student focused housing on land that we sold to Patrick's firm.

Patrick's team is close to completing the second phase of student-oriented housing on land previously owned by Halifax Health. The first phase was completed by Patrick's team on time and according to the plans shared with us and others in the community. The second phase is a repeat of the first phase – on time and a great project.

I have worked with many development companies. Patrick's team and company is unique. Their level of professionalism sets a remarkably high standard. Communications are always clear so that there has never been any misunderstanding. The level of transparency is greater than any of my prior experiences. This leads to a level of trust and comfort that our community is going to well served. Patrick's team has demonstrated commitment to our community and follow through to meet their stated commitment. Patrick's team has delivered a development project that is a real asset for the Daytona Beach area and for the colleges.

It has been a real pleasure to work with Patrick's team. I believe that we have developed a spirit of partnership to deliver a needed project that makes Daytona Beach proud. Please email me or call me if you have any questions.

A handwritten signature in black ink that reads "Bill Griffin".

Bill Griffin
Director of Strategy and Planning
Bill.griffin@halifax.org
386 425-4062

PO Box 2830
DAYTONA BEACH, FL 32120
T: 386.425.1000

halifaxhealth.org

Letter of recommendation – Embry-Riddle Aeronautical University

EMBRY-RIDDLE
Aeronautical University

Amanda Hernandez
Director of Planning
City of San Marcos
630 E. Hopkins

2nd Floor, Building 3
San Marcos, TX 78666

Dear Ms. Hernandez,

I share my experience working with EmergeHere/Next Chapter employees in hopes that you will consider them for developing a community in San Marcos to meet the needs of the growing Texas State University student population. As the Assistant Director for Student Union Operations at Embry-Riddle Aeronautical University, Daytona Beach, I work closely with students and know how important housing is to them and the surrounding community.

Students prioritize safe, clean, and accessible housing that supports their academic journeys. When created intentionally with previous student feedback, student housing design positively impacts students immeasurably. EmergeHere/Next Chapter strives to meet the needs of the students and will work with the city efficiently and professionally.

A partnership between the Student Union Operations and Events staff and the EmergeHere/Next Chapter employees started in 2019 and continues to strengthen year after year. They are collaborative, respectful, and communicative about the OnShore project with students. For this reason, it was easy to welcome them back onto campus to share about the development of phase 2, Ten60 Halifax. Like Onshore, Ten60 Halifax is showing signs of becoming a valuable space for our campus community with well-designed environments for living and learning.

This year, EmergeHere/Next Chapter is the exclusive sponsor of our Student Union program, Peppy Hour. Peppy Hour is a weekly student and staff social in the Student Union designed to provide a positive break for students, offering games and Dr. Pepper floats. The sponsors provide supplies, help promote the event, and are present weekly to interact with the attendees. In addition to Peppy Hour, their staff are at various campus events such as Halloween Spooktacular, the Off-Campus Housing Fair, and Stress Relief Week. We appreciate their involvement and continued support to create welcoming and student-focused environments on and off campus.

It has been a pleasure working with EmergeHere/Next Chapter. You will not be disappointed if you decide to work with their team. Do not hesitate to reach out if you have any questions.

Sincerely,



Melissa Hanson
Assistant Director for Student Union Operations
Student Engagement & Student Union
1 Aerospace Boulevard
Daytona Beach, FL 32114
386.481.9064
melissa.hanson@erau.edu

**Student Engagement &
Student Union**
dbsesu@erau.edu

Tel: 386-226-6039
Fax: 386-226-6083

March 20, 2025



1 Aerospace Boulevard
Daytona Beach, FL 32114-3900