



## AGENDA ITEM SUMMARY

<b>Agenda Date</b>	January 27, 2026
<b>Requested Action</b>	APPROVE RESOLUTION NO. 2026-R04; A RESOLUTION AMENDING THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF BOERNE AND BUC-EE'S.
<b>Contact Person</b>	Kristy Stark, Assistant City Manager
<b>Background Information</b>	<p><b><u>Agreement Background:</u></b></p> <p>The original unanimously approved 2016 Development Agreement between the City of Boerne and Buc-ee's Ltd included a provision for the parties to enter into a separate agreement to provide for changes relating to utility extensions and other items. On April 13, 2020, the City issued a funding request letter to Buc-ee's under Article II, Section 8 of the agreement. The City proposed that Buc-ee's front the costs of utility extensions and Buc-ee's Way construction, with reimbursement distributed over five years. This structure was intended to keep the project on schedule by ensuring that infrastructure obligations could be met without delay.</p> <p>In summer 2023, as the TxDOT IH10 project concluded, and the Buc-ee's team began the process of officially purchasing the required right-of-way from the state, the need for a formal amended agreement was evident. Staff began drafting this separate amending agreement in early 2024.</p> <p>As the First Amendment to the Development Agreement moved closer to Council consideration, previous verbal commitments and project enhancements agreed upon by all parties were memorialized in the document. This new document was presented to City Council during executive session at the October 27 council meeting, followed by a brief public presentation of the key amendment highlights.</p> <p><b><u>Key Amendment Highlights:</u></b></p> <ul style="list-style-type: none"><li>• <b>Utility Changes:</b> Developer constructs sewer and ROW improvements; City reimburses costs over five annual installments.</li><li>• <b>Deletions:</b> Removes provisions related to the supplemental project, economic development grant, and city fee credits.</li></ul>

- **Project Description:** Buc-ee's travel center includes up to 54,000 square feet, creates 200 FTE jobs, no more than 100 gas/diesel fueling positions, 26 or more electric charging stations; no tractor-trailers permitted.
- **Open Space:** Developer dedicates +/- nine acres of open space to the City, plus includes an additional natural buffer.
- **60 Ft. Sign:** Freestanding sign height reduces to 60 feet, contingent on ROW acceptance and TxDOT guide signage.
- **Landscaping:** Enhanced native, drought-tolerant landscaping exceeds City standards and reflects prior Design Review approval.
- **Security Fencing:** Developer installs eight-foot, see-through security fence to protect City-owned open space and limit access.
- **Site Lighting Plan:** Dark-sky compliant lighting with reduced pole heights throughout the site and perimeter.
- **HVAC Condensate Recovery System:** Project includes HVAC condensate recovery and irrigation system to promote water conservation.
- **Construction Timeline:** Construction to begin within required timeframe and project to open within 36 months of construction commencement.
- **Exhibits:** Update Exhibits A, B, C, E, G; add Exhibits X, Y, Z

**Prior Council Action (October 27, 2025):**

Following executive session and the public presentation, City Council approved Resolution No. 2025-R83 amending the Buc-ee's economic development agreement and authorized the City Manager to continue negotiations, finalize the amended agreement, and return to Council if additional issues require consideration prior to execution.

**Current Council Consideration (January 27, 2026):**

For transparency purposes, the updated First Amendment to the Development Agreement is on the agenda for final Council approval. This document contains all current exhibits, as well as enhanced language for the landscaping and site lighting sections to memorize these plans meeting, and in some cases, exceeding the city's current UDC requirements:

- **Enhanced Landscaping:** As shown on Exhibit Y, attached hereto, Developer is providing enhanced landscaping and planting areas that incorporate native, drought tolerant plant selections throughout the Property which exceeds the City's minimum landscaping requirements. Unless utility or drainage conflicts exist, the final landscape design shall closely represent the more detailed plan sheets previously approved by the City of Boerne

	<p>Design Review Committee Creative Alternative (2021-1009) on 12/9/2021. Tree preservation efforts exceed both the 2019 Zoning Ordinance and current UDC tree preservation requirements. The preservation of existing onsite trees and planting trees above minimum tree planting requirements result in no fee in lieu of mitigation payments by Developer to the Tree Restoration Fund;</p> <ul style="list-style-type: none"> <li>• <b>Site Lighting Plan:</b> Developer shall implement the site lighting plan previously approved under City review authority and attached as <u>Exhibit Z</u> which includes dark-sky compliant fixtures and prevents light spillage to adjacent properties. The Site Lighting Plan incorporates the Illuminating Engineering Society's (IES) recommended lighting levels for parking facilities and gas station canopies, and the incorporation of IES recommendations results in compliance with current UDC Dark Sky Regulations.</li> </ul> <p>Other than those listed above, there are no additional changes to the agreement Council reviewed and approved on October 27, 2025.</p>
<b>Strategic Alignment</b>	F2: Investing in and maintaining high-quality infrastructure. F3: Maintaining a balanced and diversified economy. B2: Advancing master plan recommendations.
<b>Financial Considerations</b>	
<b>Citizen Input/Board Review</b>	
<b>Legal Review</b>	Our legal team helped draft and review the DA amendment.
<b>Alternative Options</b>	
<b>Supporting Documents</b>	Resolution No. 2026-R04 Amended Development Agreement Redline Amended Development Agreement