



## AGENDA ITEM SUMMARY

### District Impacted

- ☐ 1 = Anzollitto
- ☐ 2 = Woolard
- ☐ 3 = Boyd
- ☐ 4 = Cisneros
- ☐ 5 = Colvin
- ☐ All

<b>AGENDA DATE</b>	<i>October 10, 2017</i>
<b>DESCRIPTION</b>	CONSIDER RESOLUTION NO. 2017-R95; A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AND MANAGE A FOURTH AMENDED DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF BOERNE AND LOOKOUT BOERNE HOLDINGS, LP., KENDALL COUNTY WATER CONTROL DISTRICT NO. 2, AND KENDALL COUNTY WATER CONTROL DISTRICT NO. 2-A.
<b>STAFF'S RECOMMENDED ACTION (be specific)</b>	Approve Resolution No. 2017-R95; A Resolution Authorizing The City Manager To Enter Into And Manage A Fourth Amended Development Agreement By And Between The City Of Boerne And Lookout Boerne Holdings, LP., Kendall County Water Control District No. 2, And Kendall County Water Control District No. 2-A.
<b>CONTACT PERSON</b>	JEFF THOMPSON
<b>SUMMARY</b>	<p>Over the past several months we have been discussing with Jim Plasek of the Lookout Group some proposed amendments to the Esperanza Development Agreement. As the subdivision continues to develop, changes have become necessary and this would be the 4<sup>th</sup> amendment to the development agreement approved by City Council in early 2008. One such change is that the Boerne ISD (BISD) no longer plans to construct a middle school in Esperanza as the school is now planned to be located in Bergheim. The BISD therefore had to re-convey the 16 acres previously allocated to BISD for the middle school back to the Lookout Group. The Lookout Group would like to use the 16 acres for residential development and staff expressed a desire for the future City park site to be expanded and reconfigured to be more useable as a park, adjacent to the elementary school.</p> <p>As such, the following are the proposed changes:</p> <ol style="list-style-type: none"> <li>1. Through Exhibit D-2A and D-2B, increase the Residential Land Use by the 16 acres received back from BISD;</li> <li>2. Reconfigure the future City Park for a more efficient use and increase the 22.7 acres to 26 acres for the amount of land located on the west side of the 20-acre elementary school site; and</li> <li>3. Increase the Bond Cap to \$250 million from \$213 million due to the increase in estimated construction costs and inflation.</li> </ol>

	<p>Schedules depicting these changes are attached:</p> <ol style="list-style-type: none"> <li>Current and proposed Exhibit D-2A;</li> <li>Current and proposed Exhibit D-2B;</li> <li>A schedule showing the differences between the current and proposed Exhibit D-2B; and</li> <li>A schedule showing the calculation of the \$250 million Bond Cap.</li> </ol> <p>Council should be aware that although more land is being conveyed for residential development, the cap on the maximum number of living unit equivalents remains at 2,480. Also, with the additional 3.3 acres of park land, the City will be able to re-shape the park into a better configuration which we believe will be more conducive to future uses.</p> <p>The increase in the bond cap will not negatively affect the City as we still have control of the issuance of bonds and the 15 year payoff limit will remain in effect. In other words, regardless of the higher cap, no bonds can be issued that are not supported by the value of homes on the ground with a maximum of 15 years payout.</p> <p>I believe the proposed changes to the DA make sense for both the Lookout Group and the City:</p> <ol style="list-style-type: none"> <li>Lookout can utilize the 16 acres that was re-conveyed by BISD as residential land - the cap on the maximum number of residential lots at 2,480 remains the same;</li> <li>The City receives 3.3 acres of additional park land for a total of 26 acres and a much better configuration which will provide for a more efficient layout; and</li> <li>Lookout Group receives an increase in the bond cap to cover its projected increase in reimbursable construction costs without increasing the time to pay off the debt.</li> </ol>
<b>COST</b>	
<b>SOURCE OF FUNDS</b>	
<b>ADDITIONAL INFORMATION</b>	4 <sup>th</sup> Amendment to the DA, Exhibits

This summary is not meant to be all inclusive. Supporting documentation is attached.