

A RESOLUTION **2012-12-13-0045R**

TO ADOPT THE EFFECTIVENESS STUDY AND ECONOMIC STRATEGIC PLAN FOR CITY SOUTH MANAGEMENT AUTHORITY AND THE RECOMMENDATION OF OPTION 2 TO PHASE OUT THE CITY SOUTH MANAGEMENT AUTHORITY IN COORDINATION WITH THE ADOPTION AND IMPLEMENTATION OF THE CITY'S REVISED ANNEXATION AND LAND USE CONTROL POLICIES, AND AUTHORIZING THE CITY SOUTH MANAGEMENT AUTHORITY BOARD OF DIRECTORS AND THE CITY MANAGER TO SUBMIT THE STUDY TO THE TEXAS LEGISLATURE PRIOR TO DECEMBER 31, 2012.

WHEREAS, in 2001, the 78th Texas Legislature passed the Defense Adjustment Management Authority (DAMA) Act, to foster economic opportunity, job generation and capital investment by promoting a favorable business climate and preparing the workforce for productive employment; and,

WHEREAS,, pursuant to Section 375.304 of the Act, a municipality may designate as a DAMA, an area in the same county as a military installation or base that is closed or realigned under the Defense Base Closure and Realignment Act of 1990 and in the extraterritorial jurisdiction of a municipality with a population of at least 1.1 million under Subchapter F, Chapter 43, Local Government code; and

WHEREAS, on May 19, 2005, City Council created the City South Management Authority to promote balanced growth by attracting new residents and businesses by promoting sustainable development and economic growth in an area rich with environmental, historical, human and economic resources; and

WHEREAS, on Senate Bill (SB) 1493, 82nd Legislature, Regular Session, 2011, became effective on September 1, 2012, that restructured the composition of a DAMA board, and required a report to the legislature on the effectiveness of the Authority to be submitted no later than December 31st of each even-numbered year; and

WHEREAS, on November 7, 2012, the City Council received a briefing on the Effectiveness Study Report and Economic Strategic Plan for City South Management Authority, which recommended Option 2 to phase out the City South Management Authority in coordination with the adoption and implementation of the City's revised Annexation and Land Use Control Policies.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SG
12/13/12
Item # 34

SECTION 1: The Effectiveness Study and Economic Strategic Plan for City South Management Authority is hereby adopted. A copy of the study is attached as **Attachment "A"** and made a part hereof and incorporated herein for all purposes.

SECTION 2. The Effectiveness Study and Economic Strategic Plan for City South Management Authority Option 2, recommending phasing out of the City South Management Authority, in accordance with the adoption and implementation of the City's Revised Annexation and Land Use Control Policies, is hereby adopted.

SECTION 3. The City South Management Authority Board of Directors and the City Manager are hereby authorized to submit the study to the Texas Legislature prior to December 31, 2012.

SECTION 4. This Resolution shall become effective immediately upon passage of eight or more affirmative votes; otherwise, it shall be effective on the tenth day after passage.

PASSED AND APPROVED this 13th day of December, 2012.


M A Y O R
Julián Castro

ATTEST:

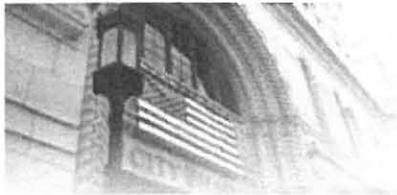


Leticia M. Vacek, City Clerk

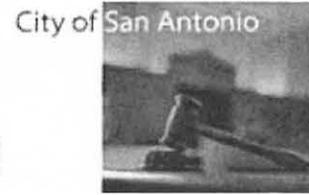
APPROVED AS TO FORM:



Michael D. Bernard, City Attorney
for



Request for
**COUNCIL
ACTION**



Agenda Voting Results - 34

Name:	10, 11, 12, 13, 15, 16, 17, 18A, 18B, 18C, 18D, 18E, 18F, 18G, 19A, 19B, 19C, 19D, 19E, 19F, 19G, 19H, 19I, 19J, 19K, 19L, 20, 21, 22, 24, 25A, 25B, 26, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37A, 37B, 37C, 37D						
Date:	12/13/2012						
Time:	03:04:01 PM						
Vote Type:	Motion to Approve						
Description:	A Resolution to adopt the Effectiveness Study and Economic Development Strategic Plan for City South Management Authority and to accept the recommendation of Option 2 to phase out the City South Management Authority in coordination with the adoption and implementation of the City's Revised Annexation and Land Use Control Policies, and authorizing the CSMA Board of Directors and the City Manager to submit the study to the Texas Legislature prior to December 31, 2012. [David Ellison, Assistant City Manager; John Dugan, Director, Planning and Community Development]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				x
Ivy R. Taylor	District 2		x				
Leticia Ozuna	District 3		x				
Rey Saldaña	District 4		x				
David Medina Jr.	District 5		x				
Ray Lopez	District 6		x			x	
Cris Medina	District 7	x					
W. Reed Williams	District 8		x				
Elisa Chan	District 9		x				
Carlton Soules	District 10		x				

Effectiveness Study & Economic Strategic Plan

**For the
City South Management Authority**

Fall 2012

ATTACHMENT "A"

12/13/12
ITEM NO. 34

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Executive Summary

As part of SB 1493, the 82nd Texas Legislature mandated an Effectiveness Study for all entities created under the Defense Adjustment Management Authority Act of 2001. In compliance with this requirement, the City of San Antonio retained a consulting team to conduct the Effectiveness Study for the City South Management Authority (CSMA). The consulting team began work in early 2012.

The City South area consists of 40,514 acres (63.3 square miles) just south of Loop 410 and between IH 37 and IH 35. This area is divided into seven subareas which are generally separated by major roadways or natural features. A third of City South falls within the city limits of San Antonio. The rest of the land falls within the City's extraterritorial jurisdiction (ETJ). All of City South is in Bexar County.

The report is divided into four main sections. The first section begins with a brief history of CSMA's structure and authority. This section also contains an economic, demographic, real estate, infrastructure, and land use policy assessment for the City South area. The quantitative data analysis was supplemented with public input and stakeholder interviews. The second section presents a strengths, weaknesses, opportunities, and threats (SWOT) analysis. The third section contains findings related to the effectiveness of the CSMA organization. The final section offers an economic development action plan for CSMA in order to enhance economic development opportunities in the region.

City South Assessment and Evaluation Summary

An objective of this study was to review growth in the City South area since its creation by the City of San Antonio in 2005. The analysis and evaluation section identified trends that will influence the type of growth projected for City South.

- Even though the population and employment base in City South has grown since CSMA implementation, the pace of development has not met expectations.
- Catalytic projects in and around City South should produce substantial local benefits and opportunities that could advance the goal of higher quality development in south Bexar County.
- The vision for City South does not always match existing market conditions, creating a mismatch between long-term planning goals and short-term real estate trends.
- The area's infrastructure varies substantially by subarea, creating challenges for prioritizing future spending while meeting the needs of all CSMA residents.
- The regulatory framework for land use and zoning in City South is complex and confusing, exacerbating the perception that development in City South is not worth pursuing.
- Within the City South community there is not strong agreement regarding the level of desired development over the next ten years.

CSMA SWOT Analysis Summary

The SWOT analysis highlighted key internal and external forces influencing CSMA both as an organization and as a region. The strengths and weaknesses links directly to the effectiveness evaluation, while the opportunities and threats reflect issues that go beyond the direct control of CSMA.

Strengths

- Residential and commercial projects have been successfully developed in and around City South.
- The City South community is generally supportive of CSMA overseeing planning and zoning issues for the area.
- The CSMA Board is an engaged and dedicated group of individuals.
- CSMA has the ability to generate its own resources through imposition of a sales and use tax.
- Long-term population and employment forecasts for the CSMA area predict strong growth.

Weaknesses

- City South has not attracted residential and commercial developments at the pace anticipated by the community.
- For many, the City South development process is complicated, complex, and time consuming.
- City South lacks adequate infrastructure to support development on the scale envisioned.
- There is a significant amount of floodplain in the City South area (21.1 percent of the total geographic area is within a floodplain).

Opportunities

- Key geographic nodes and industry sectors have emerged as potential catalysts for CSMA.
- The CSMA boundary and role could be modified to focus on the highest opportunity areas and potential for annexation.
- Narrow the mission and focus of CSMA to match financial resources and organizational powers.
- Coordinate funding from all public sector groups within CSMA (city, county, state, and utilities).

Threats

- Strong competition exists for economic development projects (both commercial and residential) throughout the San Antonio MSA.
- CSMA is not an obvious location for many of the region's target industries.
- There continues to be a lack of buy-in from other public sector organizations and the real estate community.
- Stalled major residential developments in and around City South create uncertainty.

CSMA Effectiveness Assessment Summary

The effectiveness of CSMA has been mixed. The area has not achieved the level of residential and commercial growth envisioned by residents and landowners. Based on the economic and demographic trends within CSMA over the past five years, public input, and the effectiveness assessment, three potential paths have emerged for CSMA. When evaluating the options, stakeholders will need to make assumptions about future funding, changes

to zoning, and overall community support. These assumptions have a material impact on whether CSMA can be effective and should continue to exist.

Because the CSMA Board cannot force partner organizations to interact and fund CSMA, Option 2 represents the best approach to achieve the community's long-term goals for the area. A well-coordinated phase out of CSMA would enable stakeholders to revise and streamline planning and zoning guidelines while minimizing undesirable development patterns. This approach balances the desire to protect the area's environmental and historical character with promoting sustainable economic development.

- Option 1: Narrow the Mission and Geographic Size of the City South Management Authority (Continuation)
With this scenario, CSMA would narrow its focus to land planning and advocacy for the region. Under this option, CSMA would modify land use and zoning guidelines to attract more development while protecting core elements of past plans. The Board would also work closely with leaders of San Antonio and Bexar County to strengthen the organization's position as lead advocate for the City South area related to future bond programs, infrastructure planning, and goal prioritization.
- Option 2: Phase out CSMA in Coordination with the Adoption and Implementation of the City's Revised Annexation and Land Use Control Policies (Transition)

For this option, it is assumed the city would likely annex a portion of CSMA based on its revised annexation policies and strategies. In the interim, the CSMA Board would continue overseeing planning and zoning in the area. Limited purpose and/or full purpose annexation of strategic areas should be in place before CSMA is dissolved.

- Option 3: Dissolve the City South Management Authority (Dissolution)
In this scenario, CSMA would no longer exist. Oversight of the area would return to the original management, planning, and advocacy bodies associated with the City and County.

Economic Development Strategic Plan Summary

Assuming CSMA continues to exist, the CSMA Board and partner organizations should consider implementing the following strategies. Depending on the path chosen, the recommendations might need to be adjusted.

- Strategy 1: Revise Economic Development Role and Priorities Given Resources Available
Without additional financial resources, staff, or incentive authority, CSMA will not have the ability to meaningfully improve economic development in this area. Based on resource availability, the CSMA Board will face a difficult decision regarding its role in economic development.

- Strategy 2: Shrink the CSMA Boundaries
The geographic size and diversity of land use, infrastructure, and development in City South is a hindrance to a focused, measured attempt to promote sustainable growth. Eliminating some parts of CSMA from its oversight would allow the Board to focus on key initiatives.
- Strategy 3: Improve Collaboration with Existing Partners
CSMA has had a challenging relationship with some local stakeholders. A revised mission and refocused, actionable priorities should help CSMA renew its collaborative partnership with all local actors.
- Strategy 4: Address Long-term Funding for CSMA as an Organization
One of CSMA's major constraints is the lack of a dedicated revenue source. Continued organizational funding, from the City, County, State, or other source, will help CSMA increase its impact in the local community in the future.
- Strategy 5: Adjust CSMA Land Use Policy to Encourage Development
The current land use and zoning policies for the City South area have been the subject of much debate amongst the development community, local property owners, and CSMA supporters. The effectiveness report identified a number of specific areas where the regulatory framework could be adjusted or reevaluated to facilitate the types of development most desirable in this area.
- Strategy 6: Prioritize Infrastructure Spending and Modify Land Use Planning within the Five Most Marketable Nodes
The project team has identified five nodes with the highest growth potential. Several of these locations require additional infrastructure investment in order to fulfill this potential. The best use of limited resources in the City South area would be investment focused on these nodes:
 - Higher Education Node at and around the Texas A&M University – San Antonio campus
 - Industrial Node centered on the Toyota Manufacturing Plant and its suppliers
 - Warehousing, Logistics, and Distribution Node in the northwest corner of CSMA
 - Energy Node along the eastern boundary of CSMA
 - Commercial Node along the northern boundary of CSMA
- Strategy 7: Rebrand and Market CSMA
A targeted public relations campaign that reaches out to residents and potential developers alike would allow CSMA to address existing concerns and misconceptions about the role and goals of the organization.
- Strategy 8: Develop a New Set of Performance Metrics for CSMA
Depending on the option and strategies adopted by CSMA, the role and goals of the organization may change significantly. As such, it would be prudent to simultaneously identify

new metrics and indicators for evaluating its future performance.

The CSMA Board and other public sector entities will need to make some difficult choices that directly impact what is achievable and realistic. Depending on which option or combination of options is selected, CSMA may not exist as an organization five years from now. In the short-term, the CSMA Board and elected officials will need to determine a path forward for the organization.

Despite the issues confronting CSMA, a number of catalytic projects are expected to accelerate economic development in this area. CSMA can play an active role in facilitating these projects while protecting the core values identified when the organization was created. The report outlines a number of options and recommendations for CSMA to improve its effectiveness and meet the challenges of this area.

Introduction

As part of SB 1493, the 82nd Texas Legislature mandated an Effectiveness Study for all entities created under the Defense Adjustment Management Authority Act of 2001. In compliance with this requirement, the City of San Antonio retained a consulting team to conduct the Effectiveness Study for the City South Management Authority.

The consulting team began work in January 2012. The Effectiveness Study report includes an analysis of demographic, economic, infrastructure, policy, and regulatory environment related to the City South area. It also incorporates public input from a range of stakeholders including residents, landowners, employers, land

developers, local economic development professionals, and regional elected officials. The study both documents trends in these areas and extrapolates from the data to create a SWOT analysis for City South. The third section contains findings related to the effectiveness of the CSMA organization. Finally, key findings and recommendations outline a path forward for CSMA.

The consulting team of TXP Inc., 1836 Asset Development, IDS Engineering Group, and Gateway Planning conducted the Effectiveness Study for the CSMA. The consulting team prepared this report with the intent of accurately describing the current issues facing City South and recommendations to improve the situation.



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City South Assessment and Evaluation

Key Findings

A number of findings emerged from the assessment phase that summarized the major issues impacting current and future development opportunities. Some of these issues are complex and require actions beyond CSMA's powers and influence. For others, CSMA has the ability to actively engage with, and offer solutions for, the issues identified.

Even though the population and employment base in City South has grown since CSMA implementation, the pace of development has not met expectations.

While CSMA has not established specific development targets, the general feeling is that growth is not occurring quickly enough to satisfy property owners in the area. Stakeholder groups have varying opinions as to the cause, including the economic recession, lack of infrastructure, and zoning regulations. The challenge facing any large scale planning initiative is to make sure the plan's goals and the public's expectations are properly aligned. Otherwise, these efforts will be deemed failures even if external forces are the primary impediment. City South residents remain supportive of the organization, but citizens are frustrated with the lack of progress beyond the Toyota and Texas A&M University-San Antonio campuses.

Catalytic projects in and around City South should produce substantial local benefits and opportunities that could advance the goal of higher quality development in south Bexar County. Over the long term,

these catalytic projects can help achieve CSMA's goals and objectives, but only to the extent that the benefits remain in the local area. San Antonio and Bexar County have been willing to offer incentives and use other planning tools such as TIFs and PIDs to promote growth. There is a limit to CSMA's ability to accelerate the development timeline. Texas A&M University-San Antonio's growth, for example, is largely driven by state funding for new buildings. The issue facing City South is to make sure residential and commercial developers are prepared to quickly take advantage of these opportunities before employees locate in other parts of the San Antonio MSA.

The vision for City South does not always match existing market conditions, creating a mismatch between long-term planning goals and short-term real estate trends.

With existing market demand supporting modest levels of relatively inexpensive housing, City South will struggle to attract additional large master development projects beyond what has already been planned. The development community will likely monitor activity in the Mission del Lago, Hunter's Pond, and Verano developments to better understand what the market will support in terms of cost, design, and amenities.

The area's infrastructure varies substantially by subarea, creating challenges for prioritizing future spending while meeting the needs of all CSMA residents. City South requires significant

investment in roads and utilities to achieve the vision of higher quality growth in south Bexar County. Objectively, City South covers such a large area that it will be decades before all needed infrastructure to fully support development throughout the region is in place. Compounding the infrastructure challenge is the large amount of floodplain in the region. CSMA is in a difficult position in that the organization is viewed as the group primarily responsible for infrastructure investment, but many of the necessary projects are sufficiently expensive to require substantial additional resources.

The regulatory framework for land use and zoning in City South is complex and confusing, exacerbating the perception that development in City South is not worth pursuing. Residents, developers, and land owners understand the goal of higher quality development and its potential benefits. There is also general agreement that the complexity and lack of clarity with regards to the regulatory environment is a significant barrier to growth. There is widespread belief that the zoning requirements add additional costs to any projects in City South. While the extra costs will vary depending on project specifics, the perception is enough to cause developers to focus on other areas. This is reinforced by the fact that the market does not yet support values that can bear higher development costs. Stakeholders have also questioned the uniqueness of the CSMA structure as an additional burden on a single part of the San Antonio region. Added together, the factors above have created a common perception that real

estate investment is more profitable in other areas of the region.

Within the City South community there is not strong agreement regarding the level of desired development over the next ten years. Based on public input, some residents preferred a more rural built environment, while others hoped for more commercial development that provides closer shopping and entertainment options. These different views are shared by residents and landowners throughout the City South area. In general, there was some consensus that is both likely and desirable that more dense development occur along the major highways and interstates in the area. The differences tend to arise regarding development focus on the City South interior and in environmentally sensitive areas.

Organization, Structure, and Powers

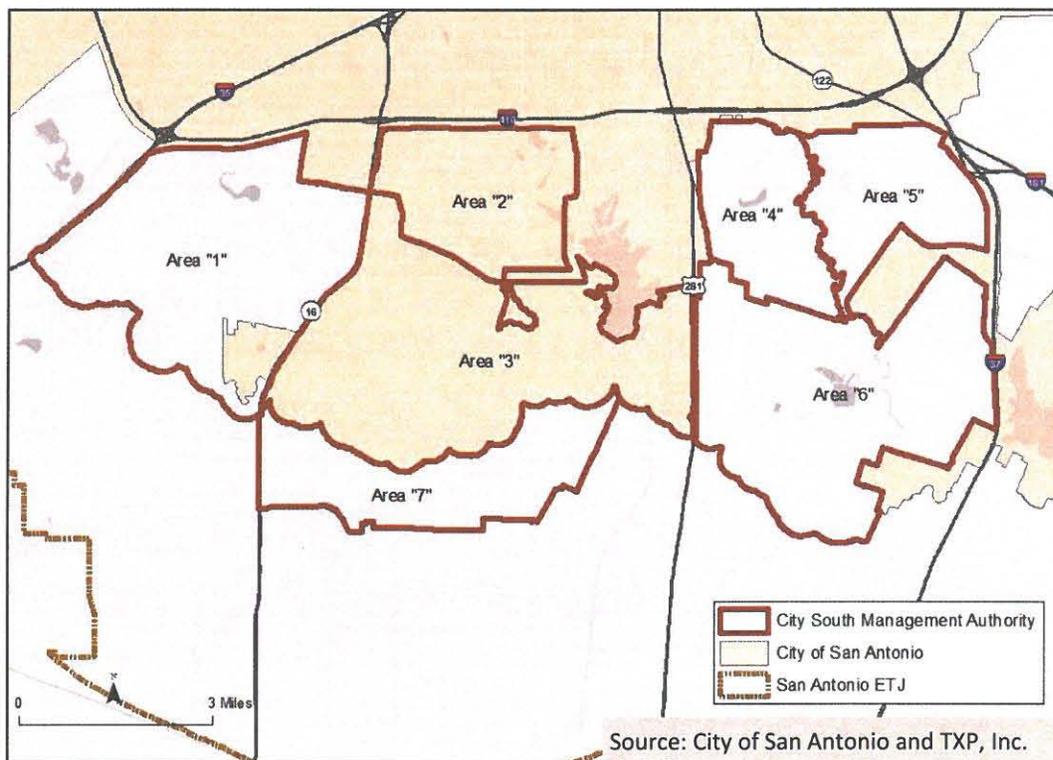
The City South Management Authority was enacted by the Texas Legislature in 2003 as part of the Local Governance Code (Sec. 375.301 through Sec. 375.315; Subchapter O of Title 12; "Defense Adjustment Management Authority") and created by the City of San Antonio in 2005 as a means to guide planning for the eventual annexation of the City South. It was created to "encourage balanced growth by promoting sustainable development and economic growth in an area rich with environmental, historical, human and economic resources." The enabling legislation was amended in 2011 by SB 1493.

The City South area consists of 40,514 acres (63.3 square miles) just south of Loop 410

and between IH 37 and IH 35. This area is divided into seven subareas which are generally separated by major roadways or natural features. A third of City South, Subareas 2 and 3, falls within the city limits of San Antonio. With the rest of the land falling in the City's ETJ. All of City South is in Bexar County.

CSMA is overseen by an 11-member board. The City of San Antonio and Bexar County each appoint four members of the Board. The remaining three members are appointed by San Antonio area Independent School Districts. The board members appointed by the City and County are subject to residency and/or property ownership restrictions. That is, three of the four seats allocated to the City

Figure 1: City South Area



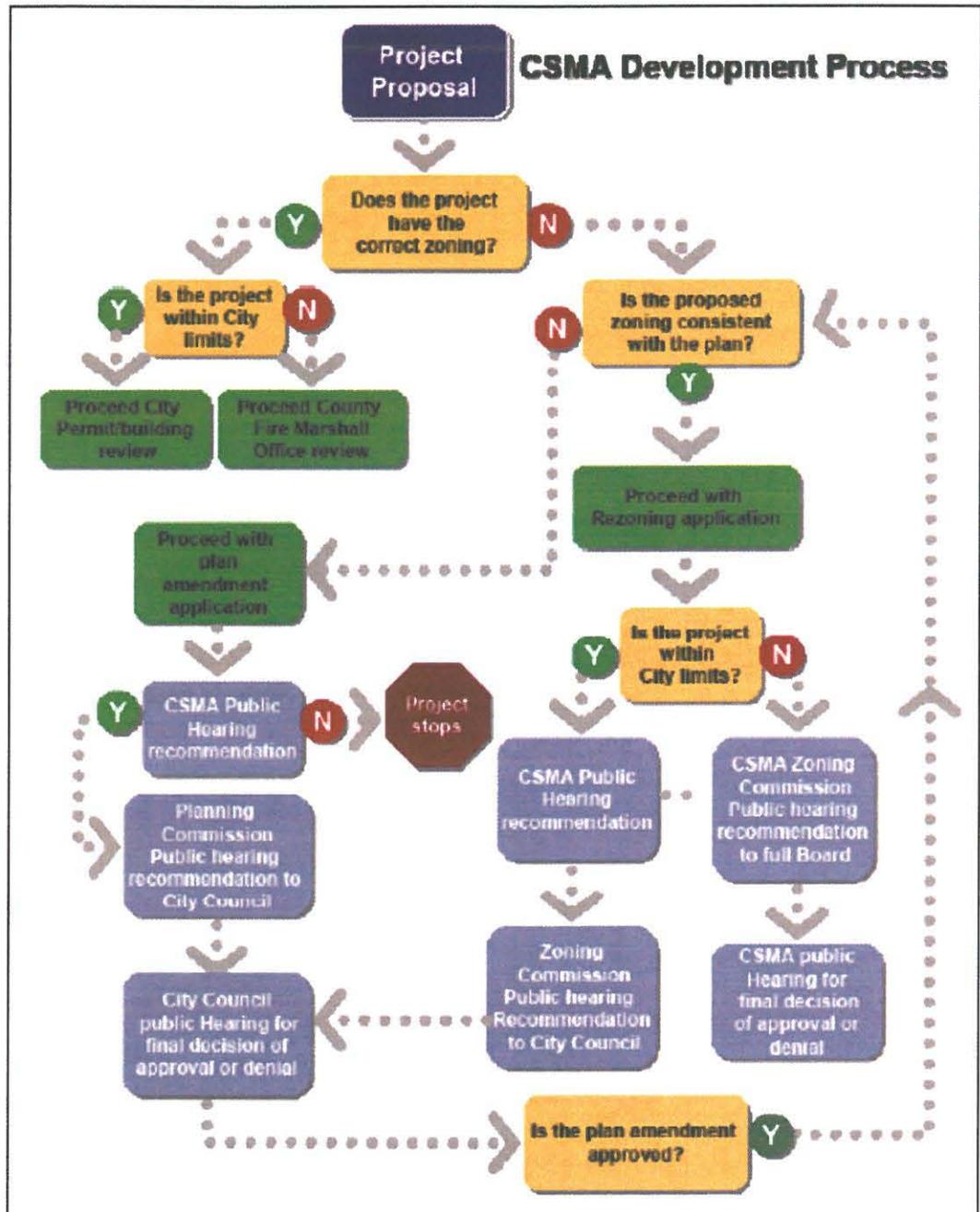
and County must be filled by residents or property owners in the City South area. The fourth City and County seat must be an owner of stock of a corporate owner of property in City South; owner of a beneficial interest in a trust that owns property in City South; or an agent, employee, or tenant of a person who owns property in or owns stock or a beneficial interest in a trust that owns property in City South. The board members serve two-year terms, with the current term running through December 31, 2013.

The CSMA Board has the power to impose a sales and use tax, oversee zoning and planning regulations, enter into regional development agreements, and develop and finance projects within its boundaries.

Typically, the ETJ is not subject to the planning and zoning regulations of the City of San Antonio, but in the case of the CSMA, Texas legislation allows the CSMA Board to serve as the planning and zoning authority. Where a planning or zoning board is required to review any plans in the ETJ within the CSMA jurisdiction, a sub-committee within the Board reviews plans for development. If a ruling is required for approval or denial in the ETJ, the full CSMA Board reviews for approval or denial, this is typically performed by the City Council within the city's jurisdiction. If the land lies within the city limits and changes to the zoning are required, the CSMA Board has a hearing to recommend action to the City Council, who makes the final ruling on the change. The following chart shows the approval process for zoning changes in City South.

Currently, CSMA is supported by staff from the City of San Antonio. Staff from the City's Department of Planning and Community Development are allocated to this organization. CSMA does not currently have its own dedicated funding source.

Figure 2: Development Process for Properties within the CSMA Boundaries



Demographic and Economic Trends Analysis

Data Sources

An objective of this study was to review growth trends in the City South area since its creation by the City of San Antonio in 2005. In addition, the study identified trends that will influence the type of growth projected for City South.

To better match the City South area with available data from the US Census Bureau and other publicly available data sets, a study area was created from the eight census block groups which most closely align with the CSMA boundaries. For each decennial census, the US Census Bureau reassesses population patterns and will subdivide, combine, or re-name census block group boundaries. The data source used for this analysis provided the 1990 Census data in the 2000 Census boundaries, allowing for easy comparison. Though three of the census block groups were renamed between 2000 and 2010, the geographic area comprising each census block group, as well as the total area, did not change. For maps of the census block group boundaries, please see the Appendix.

The eight census block group study area covers a slightly larger total geographic area than the actual CSMA boundary. In order to account for this, the Census data was calibrated based on estimated resident population using the location of residential parcels from the Bexar Appraisal District. The "CSMA area" data in the following tables reflect this calibrated total for the City South area.

The figures discussed in this section will be compared to the same datasets for Bexar County, the San Antonio Metropolitan Statistical Area (MSA), and the state of Texas. The San Antonio MSA is an 8-county region with close economic ties, centered on the City of San Antonio. It consists of Atascosa, Bandera, Bexar, Comal, Guadalupe, Kendall, Medina, and Wilson counties. The data for these larger areas are provided to set a relative context for the trends in the City South study area.

Population and Household Size

In 2010, the estimated population of the City South area was 5,741 residents. Geographically, City South represents 5.0 percent of the total Bexar County area. In 2010, the City South area population made up 0.3 percent of the total Bexar County population.

Overall, this area has grown steadily in the past two decades. The total resident population in City South more than doubled between 1990 and 2010, with a growth rate more than twice that of the San Antonio MSA or the state of Texas. Population growth was more rapid between 2000 and 2010 than in the prior decade. City South has captured a proportionate share of San Antonio regional population growth but still remains a small percentage of the overall City population.

The average household size in the City South study area is larger than in the wider

San Antonio MSA. Average household size in Bexar County and the San Antonio MSA has been consistently close to the average household size for the state of Texas for the past two decades, with approximately 2.7 people per household. By contrast, the average household size in the City South study area has remained much higher, at 3.3 people per household, over the same time period.

With only 90.7 people per square mile in 2010, the City South study area is significantly less densely populated than other parts of the San Antonio area. Bexar County is home to 1,255.8 people per square mile, while the San Antonio MSA averages 290.2 people per square mile.

Given the large proportion of agricultural land and the overall size of the City South area, it is unlikely that City South will approach the density of the rest of the region for the foreseeable future.

On average, the City South area population is more female than the larger San Antonio area. There were 55.3 percent female residents in City South in 2010 compared to a 50.9 percent female population in the San Antonio MSA. This gender balance was a change from both 1990 and 2000 when the City South population was slightly more male.

The racial makeup of the City South population is very similar to the rest of San

Table 1: 1990 Demographic Data

Area	Total Population	Male	Female	Households	Av. HH Size
Texas	16,986,510	49.3%	50.7%	6,070,937	2.7
San Antonio MSA	1,407,745	48.6%	51.4%	487,073	2.9
Bexar County	1,185,394	48.5%	51.5%	409,043	2.8
CSMA area	2,822	50.9%	49.1%	843	3.3

Source: 1990 Decennial Census, US Census Bureau; ESRI

Table 2: 2000 Demographic Data

Area	Total Population	Male	Female	Households	Av. HH Size
Texas	20,851,820	49.6%	50.4%	7,393,354	2.7
San Antonio MSA	1,592,383	48.7%	51.3%	559,946	2.8
Bexar County	1,392,931	48.6%	51.4%	488,942	2.8
CSMA area	3,811	51.5%	48.5%	1,134	3.4

Source: 2000 Decennial Census, US Census Bureau; ESRI

Table 3: 2010 Demographic Data

Area	Total Population	Male	Female	Households	Av. HH Size
Texas	25,145,561	49.6%	50.4%	8,922,933	2.8
San Antonio MSA	2,142,508	49.1%	50.9%	763,022	2.7
Bexar County	1,714,773	49.0%	51.0%	608,931	2.8
CSMA area	5,741	44.7%	55.3%	1,764	3.3

Source: 2010 Decennial Census, US Census Bureau

Table 4: 2010 Race and Hispanic/Latino Ethnic Origin

Area	White	Black/African American	Asian	Other	Multi-Race	Hispanic or Latino	Not Hispanic or Latino
Texas	70.4%	11.8%	3.8%	11.2%	2.7%	36.2%	63.8%
San Antonio MSA	75.5%	6.6%	2.1%	12.5%	3.3%	52.0%	48.0%
Bexar County	72.9%	7.5%	2.4%	13.7%	3.5%	56.5%	43.5%
CSMA area	78.8%	2.1%	1.0%	15.3%	2.8%	79.5%	20.5%

Source: 2010 Decennial Census, US Census Bureau

Table 5: 1990 Age Distribution

Area	Total Population	19 years and younger	20 to 64 years	65 years and older	Ratio: Working Age to Non-Working Age	Median Age
Texas	16,986,510	31.7%	58.2%	10.1%	1.39	30.8
San Antonio MSA	1,407,745	32.5%	57.0%	10.5%	1.32	30.6
Bexar County	1,185,394	32.7%	57.4%	9.9%	1.35	30.0
CSMA area	2,822	36.8%	54.8%	8.4%	1.21	28.8

Source: 1990 Decennial Census, US Census Bureau; ESRI

Table 6: 2000 Age Distribution

Area	Total Population	19 years and younger	20 to 64 years	65 years and older	Ratio: Working Age to Non-Working Age	Median Age
Texas	20,851,820	31.4%	58.7%	9.9%	1.42	32.3
San Antonio MSA	1,592,383	31.5%	57.8%	10.7%	1.37	32.7
Bexar County	1,392,931	31.7%	57.9%	10.4%	1.38	32.1
CSMA area	3,811	35.6%	55.9%	8.5%	1.27	30.6

Source: 2000 Decennial Census, US Census Bureau; ESRI

Table 7: 2010 Age Distribution

Area	Total Population	19 years and younger	20 to 64 years	65 years and older	Ratio: Working Age to Non-Working Age	Median Age
Texas	25,145,561	30.5%	59.4%	10.1%	1.46	33.4
San Antonio MSA	2,142,508	30.1%	59.1%	10.8%	1.44	33.9
Bexar County	1,714,773	30.5%	59.3%	10.2%	1.46	32.7
CSMA area	5,741	34.3%	58.4%	7.2%	1.41	31.3

Source: 2010 Decennial Census and 2006-2010 American Community Survey, US Census Bureau

Antonio, though City South residents are generally more Hispanic. There are proportionally fewer African-Americans in the City South area than in the state of Texas population. A significantly larger portion of the City South population than the San Antonio MSA population (79.5 percent compared to 52.9 percent) self-identify as being of Hispanic or Latino ethnic origin.

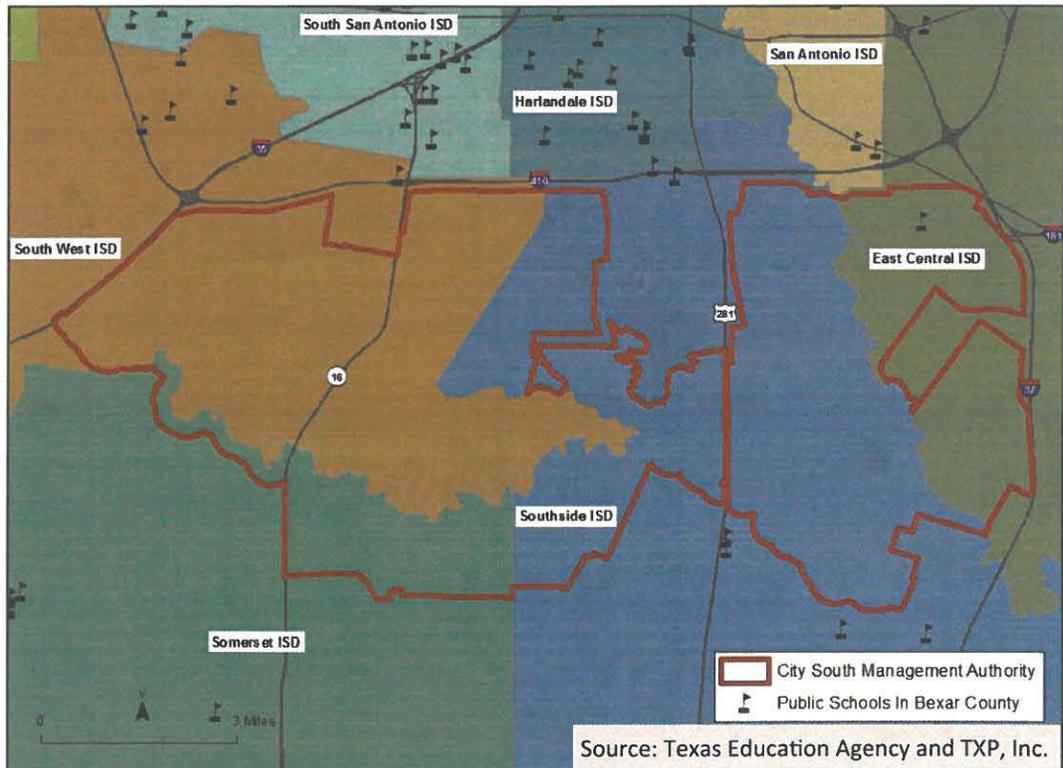
The population of the City South area is slightly younger than that of the greater San Antonio area. Of the total population, 65.6 percent is aged 20 years or older in City South, compared to 69.9 percent of the population in the San Antonio MSA. This age difference between City South population and that of the greater San Antonio MSA has remained consistent over the past two decades, as each area has aged slightly.

Though the age gap has declined since 1990, the City South area still has a substantial youth population. This brings its ratio of working age to non-working age population down to 1.41 compared to the Bexar County ratio of 1.46 in 2010. The young adult population of the City South area can be expected to continue to grow as the Texas A&M University-San Antonio campus expands its facilities.

School Enrollment and Educational Attainment

Currently there is only one school within the CSMA boundaries, the Bexar County Learning Center, which is an alternative junior and senior high school in East Central ISD. There is a multi-campus project planned by Southwest ISD for a site

Figure 3: Schools and School Districts in the City South Area



in City South. Within a mile of the CSMA boundary there are an additional 14 campuses, which are evenly divided between schools to the south of City South in Southside ISD and schools to the north of City South in Southwest, South San Antonio, Harlandale, San Antonio, and East Central ISDs. These 14 campuses consist of 9 elementary schools, 3 middle schools, 1 high school, and one combined junior and senior high school. In 2010, there were 1,244 residents in the City South area enrolled in grades K through 12, nearly all

of whom attend public schools.

The average educational attainment of City South residents has risen dramatically in the past two decades, with nearly double the proportion of college degrees in 2010 compared to 1990. Even so, the City South study area still lags behind other regions in terms of degree acquisition. In 2010, 75.4 percent of the City South study area population (aged 25 years or older) had received at least a high school diploma or equivalent.

Table 8: 1990 Educational Attainment

Area	No High School Diploma	High School Graduate	Some College, No Degree	Associate's Degree	Bachelor's Degree	Graduate or Professional Degree
Texas	27.9%	25.6%	21.1%	5.2%	13.9%	6.5%
San Antonio MSA	27.9%	25.6%	22.3%	5.4%	12.2%	6.7%
Bexar County	27.3%	24.5%	22.8%	5.6%	12.7%	7.0%
CSMA area	45.1%	33.4%	14.3%	3.4%	2.4%	1.5%

Source: 1990 Decennial Census, US Census Bureau; ESRI

Table 9: 2000 Educational Attainment

Area	No High School Diploma	High School Graduate	Some College, No Degree	Associate's Degree	Bachelor's Degree	Graduate or Professional Degree
Texas	24.4%	24.8%	22.4%	5.2%	15.6%	7.6%
San Antonio MSA	22.7%	25.1%	23.8%	6.0%	14.3%	8.1%
Bexar County	23.1%	24.3%	23.9%	6.0%	14.3%	8.3%
CSMA area	38.8%	31.6%	20.0%	3.4%	4.7%	1.5%

Source: 2000 Decennial Census, US Census Bureau; ESRI

Table 10: 2010 Educational Attainment

Area	No High School Diploma	High School Graduate	Some College, No Degree	Associate's Degree	Bachelor's Degree	Graduate or Professional Degree
Texas	20.0%	26.0%	22.0%	6.3%	17.3%	8.5%
San Antonio MSA	17.9%	26.4%	23.5%	7.0%	16.2%	9.0%
Bexar County	18.5%	25.7%	23.4%	7.0%	16.2%	9.1%
CSMA area	24.6%	38.1%	23.7%	3.5%	6.3%	3.7%

Source: 2010 Decennial Census and 2006-2010 American Community Survey, US Census Bureau

By comparison, 82.1 percent of the same population in the San Antonio MSA and 80.0 percent in the state of Texas were high school graduates (or equivalent). Similarly, post-secondary degree attainment in the City South study area population lags that of the San Antonio MSA and state of Texas. Only 13.5 percent of City South residents hold any post-secondary degree, while more than a third of the San Antonio MSA and the state of Texas populations hold at least one post-secondary degree.

The on-average lower educational attainment of City South study area residents may have an impact on future

growth. Both the number and type of available jobs can be impacted by employer decisions to locate or expand their operations based on the available potential employee base. The continued expansion of the Texas A&M University-San Antonio campus could offer this area increased access to post-secondary degrees and change the average educational attainment of City South study area residents, if students choose to stay in the area after graduation.

Employment and Income Trends

Households in City South tend to be less

Table 11: 1990 Labor Force Data for CSMA Residents

Geography	Civilian Labor Force	Employed	Military Labor Force	Out of Labor Force	Unemployment Rate
Texas	8,219,028	7,634,279	130,783	4,306,456	7.1%
San Antonio MSA	645,581	592,452	32,474	364,538	8.2%
Bexar County	543,624	497,202	31,285	301,486	8.5%
CSMA area	1,178	1,042	12	751	11.6%

Source: 1990 Decennial Census, US Census Bureau; ESRI

Table 12: 2000 Labor Force Data for CSMA Residents

Geography	Civilian Labor Force	Employed	Military Labor Force	Out of Labor Force	Unemployment Rate
Texas	9,830,559	9,234,372	106,591	5,680,22	6.1%
San Antonio MSA	728,593	687,014	26,858	434,878	5.7%
Bexar County	633,001	595,911	25,508	380,669	5.9%
CSMA area	1,524	1,442	4	1,227	5.3%

Source: 2000 Decennial Census, US Census Bureau; ESRI

Table 13: 2010 Labor Force Data for CSMA Residents

Geography	Civilian Labor Force	Employed	Military Labor Force	Out of Labor Force	Unemployment Rate
Texas	11,962,847	11,125,616	102,805	6,314,812	7.0%
San Antonio MSA	993,330	925,710	24,906	545,489	6.8%
Bexar County	793,358	738,564	22,975	433,102	6.9%
CSMA area	2,791	2,569	12	2,550	8.0%

Source: 2006-2010 American Community Survey, US Census Bureau; Nielsen Claritas (City of San Antonio calibration)

affluent than the rest of the San Antonio area. The majority, 55.7 percent, of households in City South in 2010 had an annual income of \$50,000 or less. While this is similar to the rate in the San Antonio MSA, where 50.7 percent of households had an income of \$50,000 or less, a larger proportion of City South study area households are at the lowest end of the income spectrum compared with the rest of the San Antonio MSA. Nearly a third of all households in the City South study area had income of less than \$25,000 per year; less than a quarter of all households in the San Antonio MSA had an annual income of less than \$25,000 in 2010.

While incomes in City South grew dramatically between 1990 and 2010, per capita income in the City South study area has grown at the same rate as the rest of the San Antonio MSA over the past decade. The per capita income in the City South study area has remained at approximately two-thirds of that of the wider San Antonio area population between 2000 and 2010.

The labor force in the City South area has represented approximately 0.2 to 0.3 percent of the San Antonio region labor force for the past two decades. Even so, the unemployment rate in City South changed considerably over this same time period. In 1990, the City South unemployment rate of 11.6 percent was significantly higher than

the rest of the San Antonio MSA. However, in 2000, at 5.3 percent, it was lower than that of the San Antonio MSA, which in turn was lower than the average for the state of Texas. In 2010, the San Antonio MSA maintained an unemployment rate lower than the state average, but the City South study area unemployment rate rose to 8.0 percent. Military employment in the City South area is significantly lower than in the rest of the San Antonio MSA region.

Over the past two decades, occupational employment has changed only marginally in the City South study area. More people working in the City South study area are employed in Natural Resource, Construction, and Maintenance occupations¹ than in the past; however, these types of jobs have been consistently among the highest proportion of occupations for City South residents. There are fewer white collar occupations, as a percentage of total jobs, in the City South study area when compared to the San Antonio MSA or the state of Texas. Natural Resource, Construction, and Maintenance and Production and Transportation type occupations accounted for 47.7 percent of all City South resident jobs, but only 21.1 percent of the total jobs in the San Antonio MSA.

As would be expected, the majority of employed City South residents work in the

1. The Census Bureau has changed the divisions of its typology of occupations between each Decennial Census. Between the 1990 and 2000, and again between the 2000 and 2010, Decennial Censuses, the Census Bureau combined occupations into broader categories. For clarity, this report will use the 2010 occupation typology in its analysis.
2. It is important to note that Decennial Census and American Community Survey data, used above, describes the employment status and occupations of residents in the CSMA area, regardless of where those employees work. The data provided by the Census Bureau's LEHD program, discussed below, examines the jobs within the CSMA area.

San Antonio MSA and the majority of employees working within the City South area live in and around the City.² However, there appears to be a mismatch between supply of jobs in City South and the demand for those jobs by residents. Only 4.2 percent of jobs in the City South area are filled by individuals who both live and work in City South. Even so, if all City South residents worked in the City South area, approximately a third of City South area

jobs would still need to be filled by workers from outside City South. This presents a challenge for new employers who wish to move into the City South study area and attract employees from the local resident labor force.

Currently, the vast majority, 75.4 percent, of employers in the City South area employ fewer than 10 employees. There are some larger employers with hundreds or even a

Table 14: 1990 Employment by Occupation for Employed CSMA Residents

Geography	Types of Occupations				
	Management, Business, Arts, & Science	Service	Sales & Office	Natural Resource, Construction, & Maintenance	Production & Transportation
Texas	30.0%	28.6%	13.5%	14.3%	13.6%
San Antonio MSA	29.8%	30.2%	14.9%	13.0%	12.1%
Bexar County	30.7%	30.9%	15.2%	11.6%	11.6%
CSMA area	17.1%	17.2%	23.7%	21.4%	20.6%

Source: 1990 Decennial Census, US Census Bureau; ESRI

Table 15: 2000 Employment by Occupation for Employed CSMA Residents

Geography	Types of Occupations				
	Management, Business, Arts, & Science	Service	Sales & Office	Natural Resource, Construction, & Maintenance	Production & Transportation
Texas	33.3%	14.6%	27.2%	11.6%	13.2%
San Antonio MSA	32.7%	15.7%	29.5%	10.9%	11.2%
Bexar County	32.9%	16.0%	29.9%	10.5%	10.6%
CSMA area	18.2%	13.7%	30.6%	16.8%	20.8%

Source: 2000 Decennial Census, US Census Bureau; ESRI

Table 16: 2010 Employment by Occupation for Employed CSMA Residents

Geography	Types of Occupations				
	Management, Business, Arts, & Science	Service	Sales & Office	Natural Resource, Construction, & Maintenance	Production & Transportation
Texas	33.7%	16.9%	25.7%	11.6%	12.1%
San Antonio MSA	34.0%	17.6%	27.3%	11.0%	10.1%
Bexar County	33.7%	18.1%	27.9%	10.4%	9.8%
CSMA area	14.5%	13.7%	23.7%	26.2%	21.5%

Source: 2006-2010 American Community Survey, US Census Bureau; Nielsen Claritas (City of San Antonio calibration)

Figure 4: Home Location of CSMA Employees

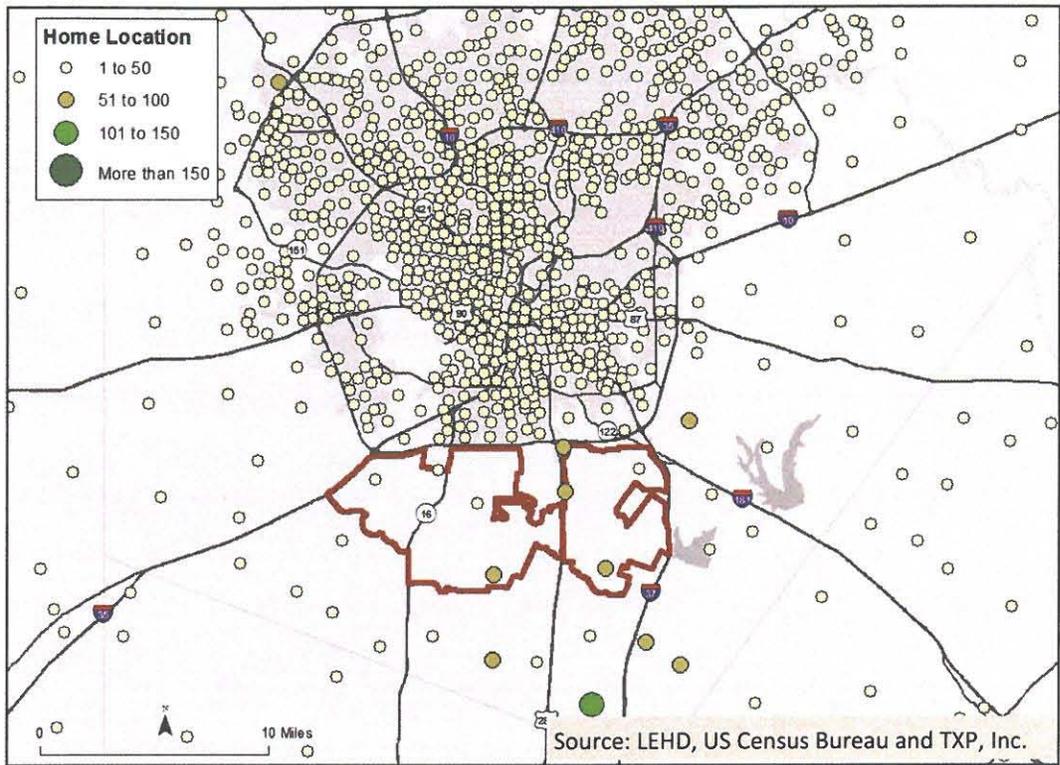
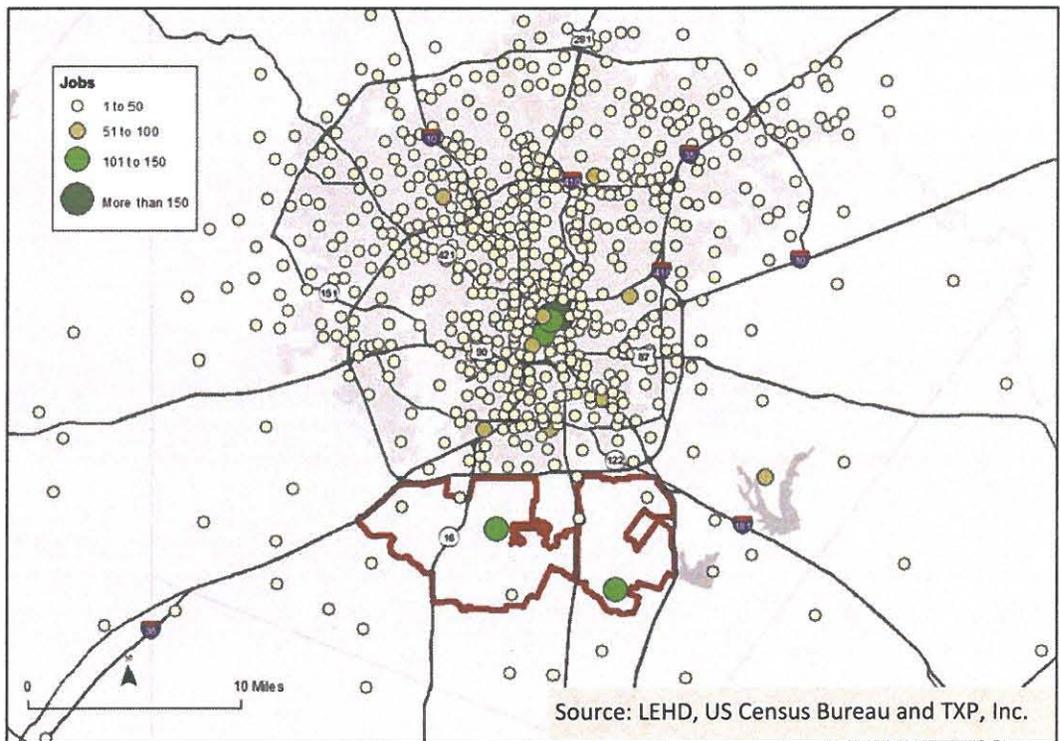


Figure 5: Work Location of CSMA Residents



few thousand employees located within the City South area; these include Toyota Motor Manufacturing, Alvarez Interior Technologies, and Bexar County Correctional Facilities. Even so, the majority of employers in the City South area are small businesses. Future growth in this area will require addressing issues common to small businesses including access to financing, workforce development, and the rising cost of health care.

The City South area has a noticeably different industry mix than the wider San Antonio region. In 2010, more than half of workers in the City South study area (59.0 percent) were employed in the Manufacturing or Educational Services industries. By contrast, these industries only account for 16.5 percent of all employees in Bexar County and 17.2 percent of employees in the San Antonio MSA. The largest proportion of total workers in Bexar County and the San Antonio MSA are employed in the Health Care and Social Assistance industry, (15.9 and 15.6 percent, respectively). This industry only accounts for 1.9 of the total workers in the City South area.

Over the past five years, City South has seen significant shifts in the industry composition of the jobs located in this area compared to other parts of San Antonio. Part of this is due to the fact that the total employment in City South has increased by more than 100 percent, while Bexar County and the greater San Antonio MSA have seen much more modest growth (4.5 and 4.7 percent, respectively) over this time period.

Manufacturing and Educational Services have remained the top industries in terms of proportion of employees in the City South area over the past five years. However, the manufacturing industry's share of total workers in City South more than doubled from 20.5 percent to 44.9 percent of total area employees. This is a reflection of the new Toyota plant and related suppliers opening during this time period. It is indicative of the impact that a single large catalytic project can have on the employment and economic potential of the City South area.

Major Employers

The larger employers in and around the City South area are all relatively recent arrivals to the area. All of these businesses opened their facilities after 2005. These companies represent major economic development catalysts for the area. Some of these employers chose to locate just outside of the CSMA boundaries. While this might be indicative of an overly restrictive regulatory environment, it is not necessary for all projects and employers to be located within the CSMA boundaries for the City South community to benefit from these developments.

Toyota and Suppliers

The 2,000-acre Toyota manufacturing plant started production in 2006 in the heart of the City South area. In just over five years of operation it has become a major employer and economic impetus in the City South area. A total of 5,700 people are currently employed at this location, with 2,900 workers at the Toyota plant and an

Figure 6: Location of Employers within City South

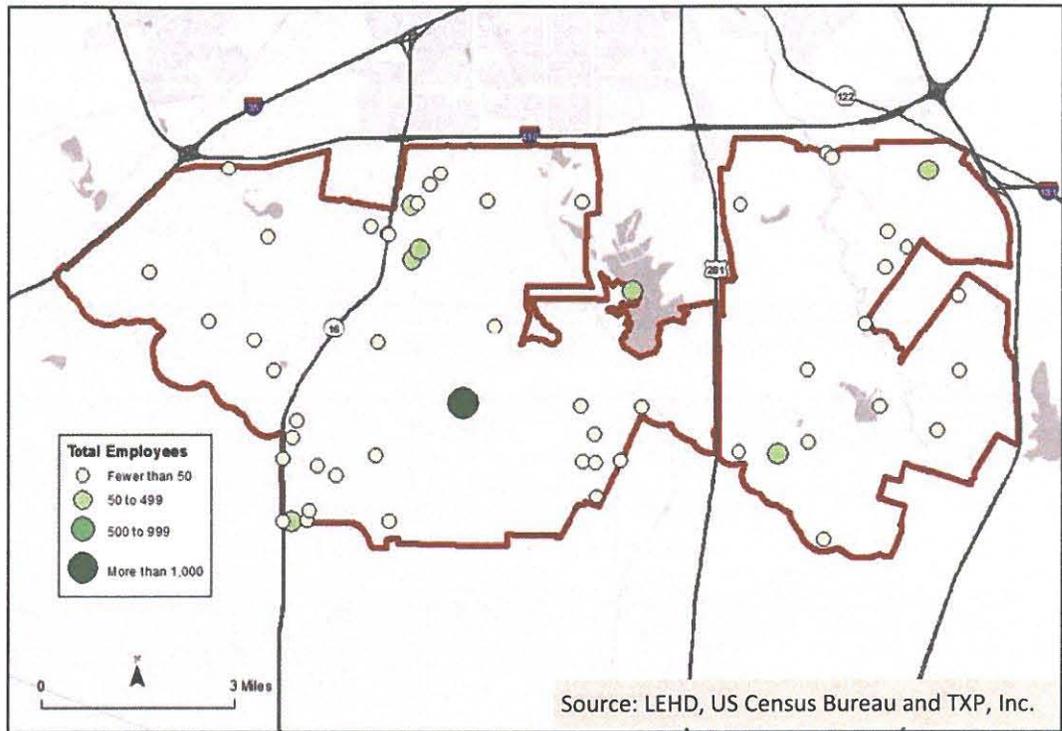
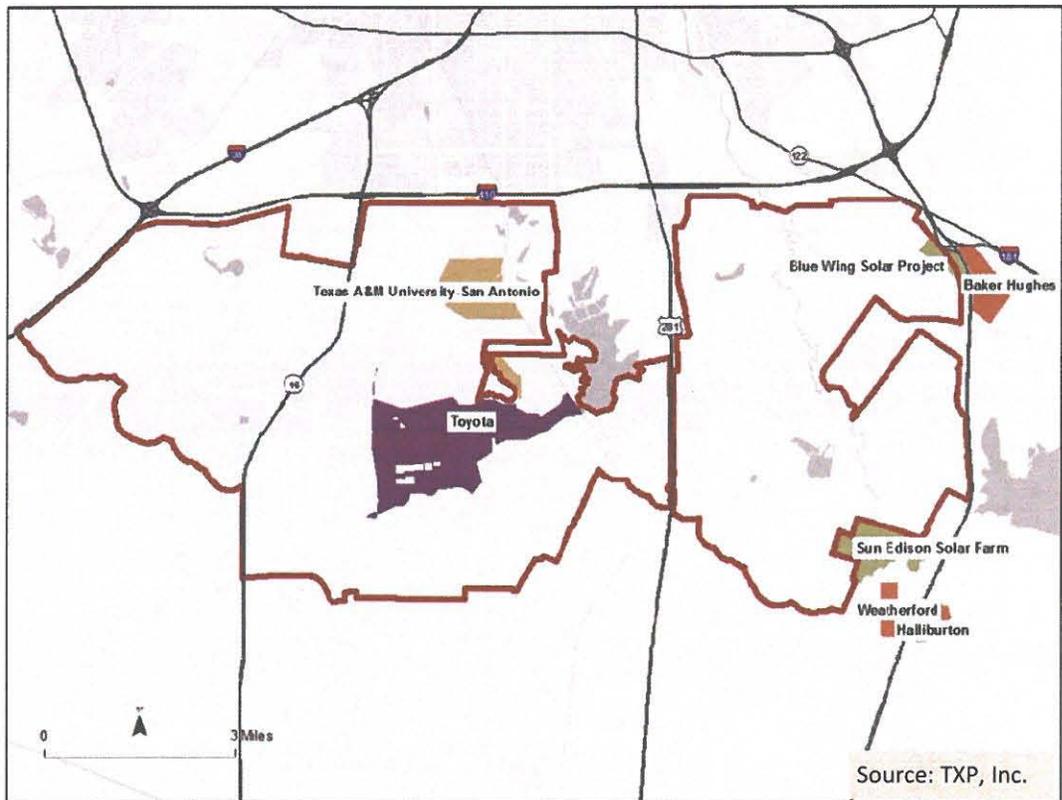


Figure 7: Major Employers and Current Development Projects in the City South Area



additional 2,800 workers at the 21 on-site suppliers. At the plant, Toyota employs a wide range of skilled employees; including 2,445 production workers (requires high school diploma), 225 multi-skilled workers (requires a 2-year degree), 120 engineers (requires 4-year degree), and 110 administrative staff. Additionally, the layout of the site was specifically designed to leave space for future expansion. The Toyota plant has the potential to at least double the size of its operations with the current site layout.

Texas A&M University–San Antonio

The Texas A&M University campus in the City South area opened in 2000. Over the past decade the campus has grown to 234 full-time faculty and an estimated 4,200 students in the 2012-2013 academic year. The university intends to continue its expansion; design is currently underway on two new academic building which will triple the campus size. They are scheduled for completion for the 2014-2015 academic year, the first year that this campus will achieve accreditation as its own separate educational institution. Within the next five years, Texas A&M–San Antonio intends to consolidate all operations on the campus within the CSMA boundaries and begin offering courses and housing for all levels of undergraduate students.

Eagle Ford Shale

Oil and gas activity in southern Bexar County has expanded dramatically since the discovery of Hawkville Field in 2008. The total impact of the oil and gas sector in the area in 2011 was the creation of 505 new jobs, the retention of an additional 50

jobs, and \$66.5 million in capital investment. The economic impact of Eagle Ford Shale operations by 2020 is estimated to account for \$21.5 billion in total revenues, support 68,000 full-time jobs, and provide more than \$1.1 billion of annual state revenues across the multi-county area. This includes the new Baker Hughes, Weatherford Shale, and Halliburton facilities located immediately outside of the CSMA boundaries.

Solar Power

San Antonio's CPS Energy has made a significant commitment to increasing the proportion of solar-powered electricity. Southern Bexar County is well-positioned to take advantage of this growing local industry. Duke Energy's Blue Wing Solar Farm is the first solar farm in the San Antonio area and the largest array in Texas. The 14-megawatt installation is capable of producing nearly 30,000 megawatt-hours of electricity per year—enough to power approximately 2,000 homes. CPS Energy has a 30-year power purchase agreement with this project. The 140-acre site began full operation in November 2010.

CPS Energy is contracting with SunEdison for an additional 30 megawatts of solar power. SunEdison's offices and solar farm in City South are currently under development. Additionally CPS Energy is in talks with OCI Solar Power to build a new 400 megawatts operation and headquarters in the San Antonio area. This will be the largest solar power project in Texas.

Real Estate Trends

Over the past few decades, real estate development in San Antonio has predominantly occurred in the north central portion of the city, and further out, along IH 10, Loop 1604, and US 281. The combination of large employment centers such as the medical center, USAA, Valero, UTSA, and the JW Marriott San Antonio Hill Country Resort and the natural beauty of the Texas Hill Country have attracted large residential developments such as Stone Oak, Alamo Ranch, and Encino Park. Continual investment in utilities and transportation projects encourage growth patterns along the US 281, IH 10 and SH 151 corridors.

Prior to the establishment of CSMA, southern San Antonio had not seen the development which had occurred in these other parts of the metro area. The floodplain that benefited the predominant agricultural activity in this area also hindered other types of development as it drives up the cost of infrastructure needed for commercial and residential development. This has led to existing development efforts focusing on areas along the major interstates on the periphery of City South.

Immediately adjacent to City South (north of Loop 410 and south of US 90), the southern area of San Antonio experienced strong growth over the past few decades due to the proximity of three military installations. The civilian workforce providing services to the military, along with easy access to the central business district, attracted residential and retail

developments. With the closure and repurposing of two of the military installations, the area still required much needed infrastructure improvements to facilitate redevelopment. The improvements to Military Drive between IH 35 and IH 37, for example, provided a high level connector between the two interstates. This assisted in the development of Brooks City Base and the attraction of large national retailers, such as Best Buy, Home Depot, and Target. These national credit tenants also greatly incentivize the development of retail projects and other commercial services. In other areas of San Antonio, including the City South area, neighborhood service centers are, to date, the predominant retail presence. In essence, the large number of rooftops and the connecting thoroughfares providing access to employment and commercial services provided the foundation for additional development in the area to the north of City South. These development conditions do not exist for the rest of City South. Furthermore, it should be noted that much of this infrastructure reinvestment was paid for by the City of San Antonio.

The City South area has a tremendous amount of land that has yet to be developed. The majority, or 59.9 percent, of the total City South land is identified as Agricultural or Farm Land. There is also a substantial amount of the property that is exempt from paying property taxes; 17.8 percent of the total acreage in the City South area is owned by Bexar County, the City of San Antonio, or another tax exempt entity.

Figure 8: Land Use in the City South Area

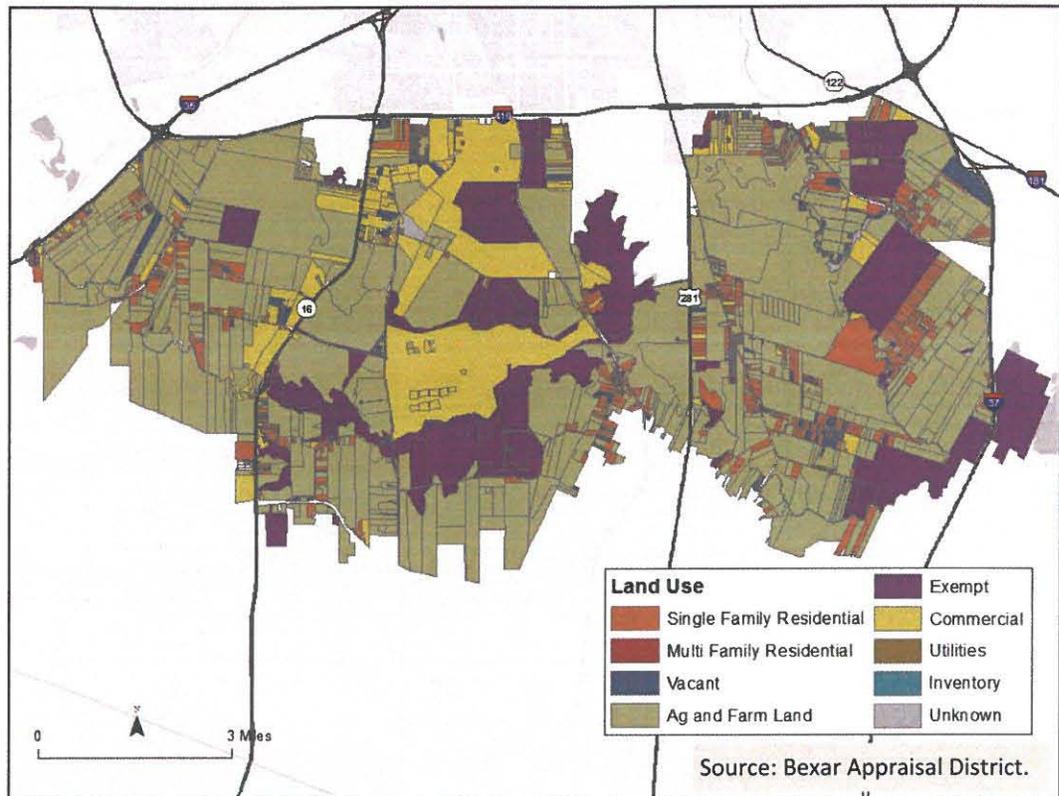


Table 17: Land Use in City South

Land Use	Number of Parcels	Total 2011 Appraised Value	Total Acres	Average Value Per Property
Single-family Residential	1,380	\$124,147,146	3,354.4	\$89,962
Multi-Family Residential	17	\$9,770,140	17.4	\$574,714
Vacant	601	\$20,481,716	985.3	\$34,079
Ag/Farm Land	729	\$202,136,241	28,405.0	\$277,279
Totally Exempt	219	\$47,591,820	8,441.3	\$217,314
Commercial/Industrial	229	\$280,687,000	5,947.6	\$1,225,707
Utilities	2	\$6,730	14.1	\$3,365
Residential Inventory Lot	169	\$2,734,890	20.0	\$16,183
Unknown	35	-	274.3	-
Total	3,381	\$687,555,683	47,459.5	\$203,359

Source: Bexar Appraisal District

Note: The Land Use discussed in this section is based on the State Land Use Code and determined by the Appraisal District. The "Totally Exempt" land use was created during analysis for property tax liability evaluation.

The majority of City South property value is concentrated in a few larger commercial properties. These commercial properties account for only 12.5 percent of the total City South area acreage, but 40.8 percent of the total property value. All of the properties in City South account for approximately 6 percent of the total acreage of Bexar County, but only 0.7 percent of the County's total property value. This indicates a potential opportunity for growth and real estate development in the City South area. As the City South area develops, the area taxing entities can expect to see additional tax revenue.

The total number of housing units in the City South study area has grown over the past two decades. In 2010, the City South area had nearly 2,000 housing units, with an occupancy rate of 80.3 percent. Between 1990 and 2010, the total number of available housing units in the City South area more than doubled. This growth rate far outpaced those of the San Antonio MSA, 47.9 percent, and the state of Texas, 38.7 percent, during the same period. Even so, the total housing units in City South in 2010 only represent 0.3 percent of the total in Bexar County.

Of the occupied housing units in the San Antonio MSA and Bexar County, between 60 and 65 percent are owner-occupied. This has been consistent for the past decade, but is an increase from 1990. Over the same period, the owner-occupancy rate in the City South area climbed from 75.3 percent in 1990 to 78.9 percent in 2000. Over the past decade it has declined to only to 65.1 percent, in line with the rest of the San Antonio MSA region. This could indicate a younger demographic shift in the City South area. It could also demonstrate the impact of the recent economic recession on homeownership rates in the City South area.

The overall vacancy rate in the City South study area rose from 8.9 percent in 2000 to 19.7 percent in 2010. This is well above the regional average; the San Antonio MSA had an occupancy rate of nearly 90 percent in 2010. However, it is expected that housing demand, and thus occupancy, will increase significantly as a result of the Eagle Ford Shale oil and gas explorations. It is likely

Table 18: 1990 Housing Data

Area	Total Housing Units	Occ. Rate	Owner Occupied	Renter Occupied
Texas	7,008,999	86.6%	3,695,115	2,375,822
San Antonio MSA	548,023	88.9%	295,092	191,981
Bexar County	455,832	89.7%	236,411	172,632
CSMA area	949	88.9%	635	209

Source: 1990 Decennial Census, US Census Bureau; ESRI

Table 19: 2000 Housing Data

Area	Total Housing Units	Occ. Rate	Owner Occupied	Renter Occupied
Texas	8,157,575	90.6%	4,717,294	2,676,060
San Antonio MSA	599,772	93.4%	354,788	205,158
Bexar County	521,359	93.8%	299,171	189,771
CSMA area	1,245	91.1%	894	239

Source: 2000 Decennial Census, US Census Bureau; ESRI

Table 20: 2010 Housing Data

Area	Total Housing Units	Occ. Rate	Owner Occupied	Renter Occupied
Texas	9,718,470	87.9%	5,537,188	3,002,018
San Antonio MSA	810,455	89.6%	476,402	250,100
Bexar County	642,854	90.3%	362,686	217,538
CSMA area	1,985	80.3%	1,037	557

Source: 2010 Decennial Census & 2006-2010 ACS, US Census Bureau

that the current vacancy rate in the City South study area is already lower than these figures as the oil and gas related companies have ramped up their operations in the 18 months since the 2010 Decennial Census was completed.

The value of homes in City South tends to be lower than that of homes in the greater San Antonio MSA region. In 2010, the vast majority, 88.7 percent, of homes in City South were valued at less than \$200,000. There are more high-value homes in the San Antonio MSA, where only 77.7 percent of homes are valued at lower than \$200,000. Home values in City South tend

to be more concentrated at the lower end of the spectrum. This is less pronounced in 2010, when 21.9 percent of homes were valued at less than \$50,000, and then in 1990 when 66.3 percent of all homes in City South were valued at less than \$50,000.

The average 2011 appraised value for all single-family homes in the City of San Antonio was \$118,307 and in Bexar County was \$133,146. By contrast, the average 2011 appraised value for the 1,380 single-family homes in the City South area was \$89,962. Of these homes, 495 were built after 1999 and their average value is

Table 21: 1990 Home Value Distribution Data (Owner-occupied Housing Units)

Area	Median Home Value	Less than \$50k	\$50k to \$99k	\$100k to \$199k	\$200k to \$299k	\$300k to \$499k	\$500k or more
Texas	\$59,627	39.0%	42.8%	14.4%	2.3%	1.0%	0.5%
San Antonio MSA	\$57,013	42.0%	42.2%	12.9%	1.8%	0.7%	0.3%
Bexar County	\$56,317	42.6%	42.0%	12.5%	1.8%	0.8%	0.3%
CSMA area	\$42,011	66.3%	27.0%	6.2%	0.6%	0.0%	0.0%

Source: 1990 Decennial Census, US Census Bureau; ESRI

Table 22: 2000 Home Value Distribution Data (Owner-occupied Housing Units)

Area	Median Home Value	Less than \$50k	\$50k to \$99k	\$100k to \$199k	\$200k to \$299k	\$300k to \$499k	\$500k or more
Texas	\$82,500	22.7%	40.6%	26.9%	5.8%	2.7%	1.2%
San Antonio MSA	\$77,100	24.9%	43.4%	24.5%	4.4%	2.0%	0.8%
Bexar County	\$74,100	26.4%	44.3%	22.4%	4.0%	2.0%	0.8%
CSMA area	\$47,993	54.5%	33.3%	9.4%	2.1%	0.0%	0.0%

Source: 2000 Decennial Census, US Census Bureau; ESRI

Table 23: 2010 Home Value Distribution Data (Owner-occupied Housing Units)

Area	Median Home Value	Less than \$50k	\$50k to \$99k	\$100k to \$199k	\$200k to \$299k	\$300k to \$499k	\$500k or more
Texas	\$123,500	13.2%	25.2%	38.3%	12.5%	7.2%	3.5%
San Antonio MSA	\$122,200	10.4%	29.2%	38.1%	12.3%	6.8%	3.2%
Bexar County	\$117,100	9.7%	31.7%	39.2%	10.9%	5.9%	2.6%
CSMA area	\$97,521	21.9%	33.0%	33.9%	6.5%	3.0%	1.0%

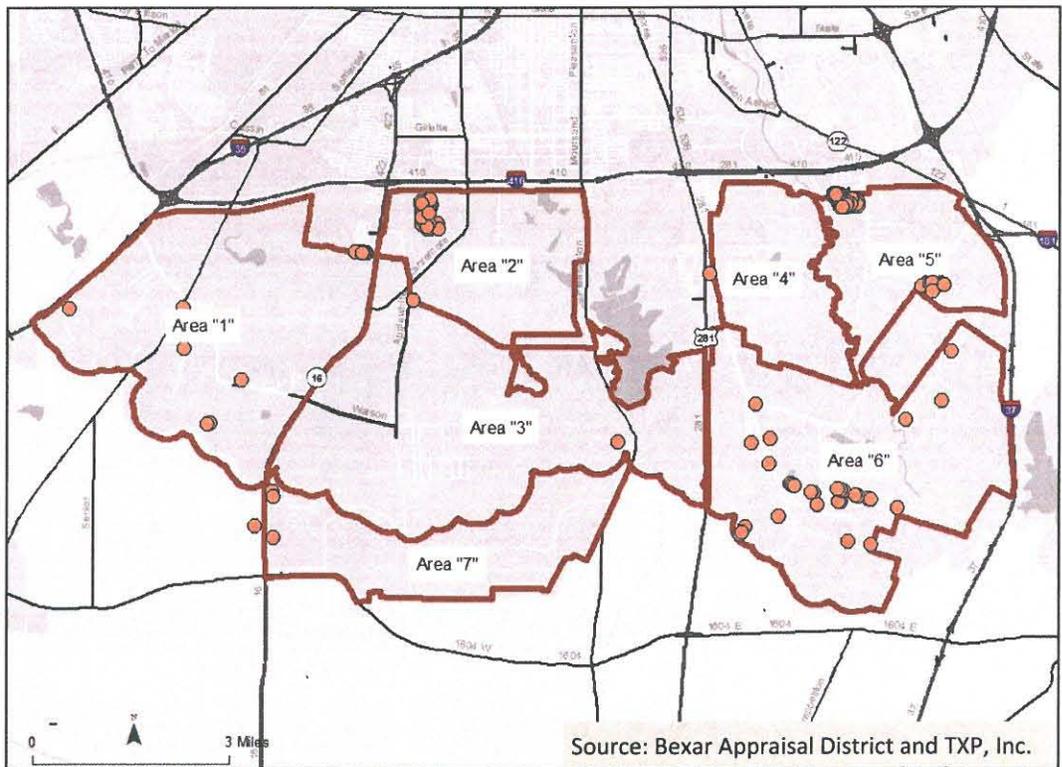
Source: 2010 Decennial Census and 2006-2010 American Community Survey, US Census Bureau

Table 24: Single-Family Homes in CSMA by Year Built and Subarea

Year	CSMA Subarea							CSMA as % of Total Built in City
	1	2	3	4	5	6	7	
2005	9	24	0	1	44	6	1	1.1%
2006	3	37	0	0	26	9	1	1.0%
2007	8	20	1	0	38	6	1	1.9%
2008	0	18	0	0	27	5	1	2.2%
2009	1	8	0	0	24	1	0	1.7%
2010	1	4	0	0	12	2	0	1.3%

Source: Bexar Appraisal District; TXP, Inc.

Figure 9: Single-Family Homes Built in City South in 2005 or Later



Source: Bexar Appraisal District and TXP, Inc.

\$144,639. Between 2004 and 2005, there is a noticeable increase in both the number of homes built, as well as the average value of these homes. While this level of building activity was not sustained over the following years, this is consistent with the real estate sector in the wider City of San Antonio area. More than half of the homes built in the City South area between 2005 and 2010 were built in Subarea 5.

Existing Major Residential Projects

Over the past decade City South has seen a number of significant projects planned. Unfortunately, activity after the planning stage for many of the projects has been slow in actual implementation. For instance, single-family homes built in the City South area, according to the Bexar Appraisal District records, account for between 1 and 2 percent of total single-family homes built in the City of San Antonio between 2005 and 2010.

Two master planned developments in City South that have managed to gain traction are the Verano master-planned community and Hunter's Pond, a more traditional residential community. Verano, a "generational" project, which was granted its own TIRZ in 2009 is comprised of 2,700 acres and has a plan for over 7,000 residential units and over 5 million square feet of retail. In 2011, Texas A&M University opened the first of a series of buildings for its San Antonio Campus. Hunter's Pond, which was granted TIRZ status in 2006, has had the highest number of building permits pulled in the past few years compared to any subdivision in City South. This

development has seen 77 homes sold since 2004. Plans for Hunter's Pond include 352 single-family homes with an additional 97 garden and townhome options.

Two other large communities that have little, to no activity since their Master Development Plans were filed are the Preserve at Medina River and the Espada Conservation Subdivision, which filed for MDPs in 2007 and 2008 respectively. The recent downturn of the real estate market caused a stagnation in residential building permits in the City South area. More residential construction activity occurred in the Mission del Lago development (which sits immediately outside City South) than for the entire City South area between 2007 and 2011. However, Mission del Lago first filed for its MDP in 1988. The real estate development projects within the CSMA boundaries are more recent and thus still in the earlier phases of the development process.

A number of multi-family projects have been developed within or just outside of the CSMA boundary in the past decade. These include the Marshall Meadows, Rancho Sierra, and Rosemont at University Park complexes which together account for nearly 800 units.

Population and Employment Forecast

The Alamo Area Council of Governments (Alamo COG) is an association of local governments comprised of Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, and Wilson counties. The Alamo COG

created a 30-year forecast of population and employment for five of these counties (Bexar, Comal, Kendall, Guadalupe, and Wilson) at the Traffic Area Zone (TAZ) level, based on 2005 estimates.

There are 21 TAZs in the City South area which best fit the CSMA boundaries, but it is not an exact match. For example, these 21 TAZs pick up residential subdivisions to the north of City South along Loop 410, such as Heritage Oaks and Palo Alto Trails, as well as to the east along IH 37, such as Southton Village, which are not included in the City South area. Even so, this dataset depicts overall long-term growth patterns for the City South area, particularly in comparison with the wider San Antonio area.

City South is projected to continue growing rapidly over the next few decades. By 2035, it is estimated that there will be nearly 55,000 residents and more than 26,000 jobs in the City South area (though the Alamo COG figures were calculated prior to the recent economic recession). In addition, most long-term forecasting assumes some

level of public infrastructure investment, without specifying the location and size of the infrastructure projects assumed.

Alamo COG anticipates disproportionate growth to occur within City South over the next two decades compared to the wider San Antonio MSA. Both population and employment in the City South area are expected to increase faster than in Bexar County or the overall 5-county forecast area. Over this 30-year period, it is anticipated that the population in the City South area will increase from 0.6 percent to 2.5 percent of total Bexar County population.

The Alamo COG forecasts do not take into consideration all catalytic projects which could locate in the City South area. These types of projects could cause employment, and by extension population, in City South to increase at an even faster rate than this forecast predicts.

Table 25: Alamo COG Population Forecast

Geography	2005	2015	2025	2035	Percentage Change
CSMA	9,677	18,402	36,148	53,883	456.8%
Bexar County	1,518,393	1,739,937	1,944,729	2,149,142	41.5%
5 County Forecast Area	1,786,265	2,126,421	2,476,635	2,827,330	58.3%

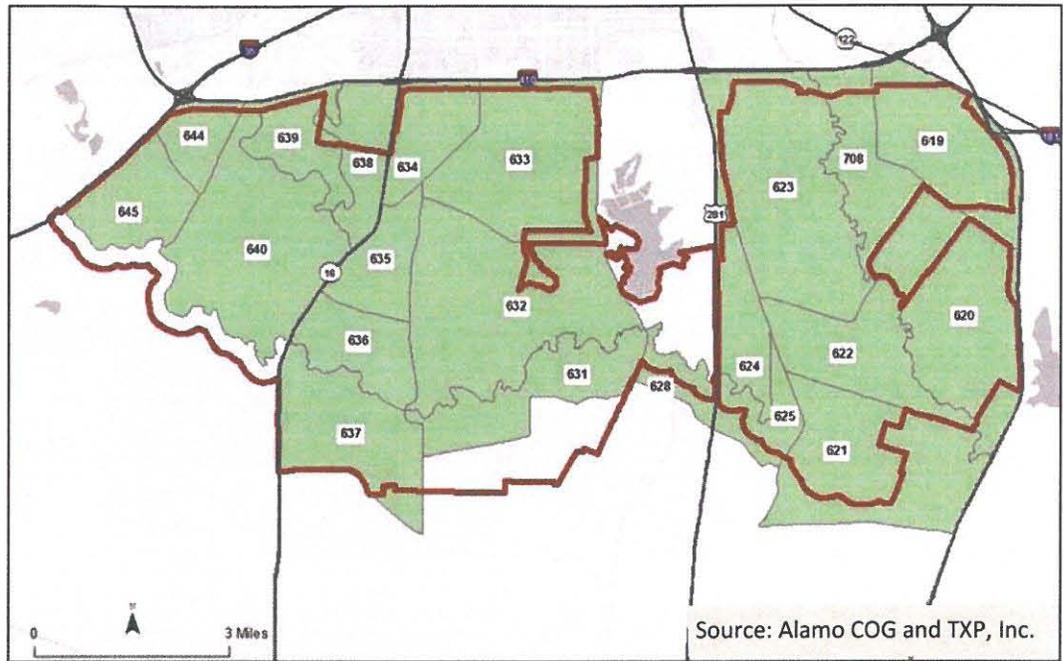
Source: Alamo Council of Governments

Table 26: Alamo COG Employment Forecast

Geography	2005	2015	2025	2035	Percentage Change
CSMA	1,585	10,875	17,975	26,040	1542.9%
Bexar County	731,325	902,923	1,022,573	1,162,044	58.9%
5 County Forecast Area	807,471	1,015,415	1,182,963	1,371,245	69.8%

Source: Alamo Council of Governments

Figure 10: TAZs in the City South Area



Infrastructure and Utilities Evaluation

Existing Infrastructure

This assessment is based on public input, information provided by public entities and general observations of the study area. The purpose of this assessment is to guide policy decisions and identify possible areas for future, more-detailed studies.

Transportation

Existing transportation options within City South are limited. There are multiple roadways that traverse the entirety of City South from north to south. Those roadways include IH 35, Somerset Road, SH 16, Applewhite/Zarzamora, Pleasanton Road, US 281, and IH 37. In contrast, there is only one option for east and west travel: Loop 410 along the northern border of City South. In order to commute in an east and west direction through the middle of City South, one would have to travel on eight different streets. The journey would start on Fischer Road/Watson Road/Lone Star Pass to Applewhite Road to Neal Road to Pleasanton Road to FM 2537/Martinez-Losoya to FM 1937 to Blue Wing Road and finally to Southton Road. Although Loop 1604 is not contiguous with the southern boundary of City South, it could also be considered an east-west route for this region.

The following tables depict traffic count statistics published by the City of San Antonio, Bexar County, and TXDOT for roadways in and immediately adjacent to City South and taken within the timeframe of City South's existence. The traffic counts confirm a significant increase in traffic on

only a few roads. Applewhite, Jett, and Zarzamora have all experienced increases due primarily to Toyota. Southton, US 281, and Blue Wing have all experienced increases due to new single-family developments.

The combination of the opening of Toyota, the opening of the Union Pacific Multimodal center near IH 35 and Fischer Road, and the emergence of activity associated with the Eagle Ford Shale, there has been a marked increase in truck traffic on the disjointed east/west streets connecting IH 35 and IH 37. This observation is based on public input and not based on a formal traffic study.

Public transit options are also limited and focused in the north-south directions. VIA Metropolitan Transit Authority has routes along 5 corridors within City South. The routes are along SH 16, US 281, FM 1937, US 181, and Zarzamora/Verano Pkwy.

There are two railroad lines operated by Union Pacific located within City South. Both lines are currently only used for freight. The Corpus Christi line bisects City South and has a north-south alignment. The line is also designated by the Lone Star Rail District (LSTAR) as a potential route that would connect the LSTAR system to the Texas A&M University – San Antonio campus. The Rockport line is in the far northeast corner of City South.

Drainage

City South contains several significant floodplains. They include the San Antonio

Figure 11: Major North-South and East-West Roadways in the City South Area

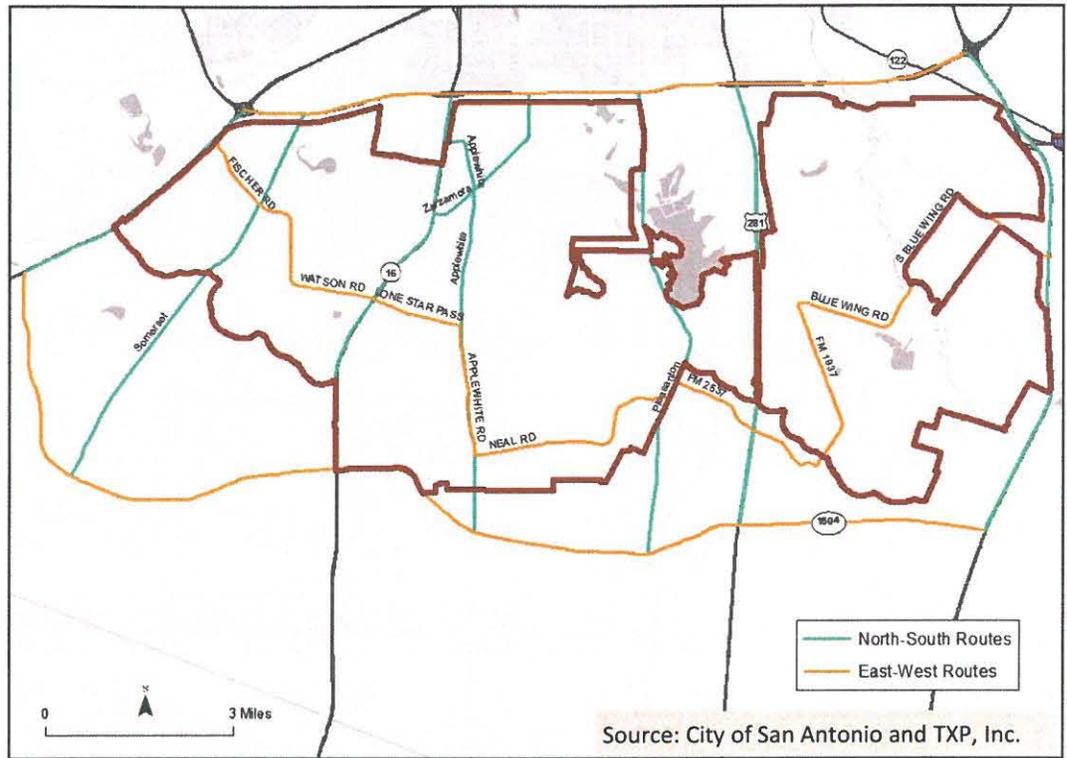


Figure 12: Railroad Lines and VIA Routes in the City South Area

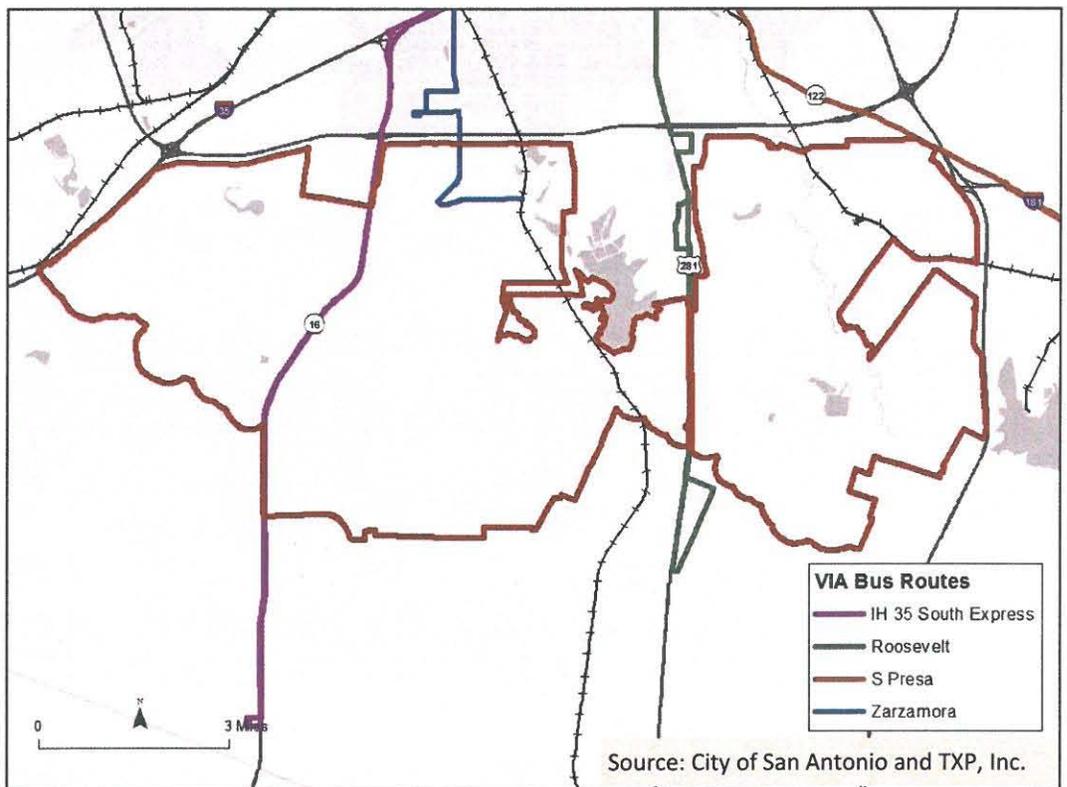


Table 27: City of San Antonio Traffic Counts (Average Daily Traffic)

Major Street	Location	Minor Street	Direction	Date Counted	Volume
Applewhite Rd	S of	Zarzamora	NB	10/18/2010	1,260
Applewhite Rd	N of	Zarzamora	SB	10/18/2010	1,863
FM 1937 Rd	E of	US 281S	WB	10/4/2006	78
Southton Rd	S of	Loop 410 (SE)	SB	2/11/2008	2,107
Southton Rd	S of	Loop 410 (SE)	NB	12/11/2008	1,789
Walsh Rd	E of	Zarzamora	EB	5/22/2008	53
Walsh Rd	E of	Zarzamora	WB	5/22/2008	314
Zarzamora	W of	Applewhite	EB	10/18/2010	271
Zarzamora	E of	Applewhite	WB	10/18/2010	3,642
Zarzamora	N of	Applewhite	NB	10/26/2006	347
Zarzamora	N of	Applewhite	SB	10/26/2006	2,225

Source: City of San Antonio

Table 28: Bexar County Traffic Counts (Average Daily Traffic)

Location	STA#	2005	2006	2007	change from 2005 to 2007
Applewhite Rd North of Zarzamora Rd	454	1,818	1,687	2,222	22%
Applewhite Rd South of Jett Rd	460	213	1,235	2,012	845%
Applewhite Rd South of Loop 1604	463	852	855	927	9%
Blue Wing Rd East of FM 1937	476	527	570	448	-15%
Blue Wing Rd North of Whitney Ave	480	263	277	191	-27%
Blue Wing Rd South of IH 37	487	449	487	447	0%
Blue Wing Rd Southwest of Southton Rd	482	427	431	983	130%
Fischer Rd West of Somerset Rd	444	2,380	2,738	2,653	11%
Jett Rd North of Loop 1604	452	367	272	413	13%
Jett Rd West of Applewhite Rd	459	168	241	260	55%
Neal Rd East of Applewhite Rd	461	149	145	153	3%
Neal Rd West of Pleasanton Rd	468	228	211	217	-5%
Pleasanton Rd South of Mauermann Rd	467	2,914	2,450	2,931	1%
Quesenberry Rd South of FM 2790	744	410	382	569	39%
Rabel Rd East of FM 1937	764	251	241	234	-7%
Southton Rd Northwest of Blue Wing Rd	479	1,181	1,284	1,097	-7%
Southton Rd South of S.A. City Limits	478	2,334	2,929	2,903	24%
Southton Rd Southeast of Blue Wing Rd	481	883	1,052	1,356	54%
Walsh Rd Southeast of Zarzamora Rd	757	867	646	865	0%
Watson Rd East of Somerset Rd	446	3,498	3,670	3,633	4%
Watson Rd West of SH 16 South	449	2,764	2,232	2,358	-15%
Wright-Carpenter Rd East of FM 1937	763	253	245	255	1%
Zarzamora Rd East of SH 16 South	453	1,078	1,358	2,012	87%

Source: Bexar County

Table 29: TXDOT Traffic Counts (Average Daily Traffic)

Location	2007	2008	2009	2010	change from 2007 to 2010
I35 @ Medio Creek	40,000	39,000	41,000	42,000	5%
FM 2709 @ Fischer	5,200	5,700	5,500	5,200	0%
FM 2709 @ CR 5243	3,900	4,100	3,900	3,500	-10%
SH 16 @ Leon Creek	0	15,700	15,700	16,300	4%
SH 16 @ CR 5308	0	13,900	14,000	14,100	1%
Lone Star Pass @ SH 16	0	4,200	2,700	4,500	7%
Loop 410 @ East of FM 2790	31,000	31,000	30,000	32,000	3%
Loop 410 @ East of SH 16	38,000	34,000	28,000	33,000	-13%
US 281 @ FM 1937	17,400	17,400	17,800	19,500	12%
FM 1937 @ US 281	3,600	3,200	3,400	3,500	-3%
CR 122 @ Salado Creek	4,200	3,700	5,200	3,700	-12%
Loop 410 @ East of US 281	39,000	35,000	33,000	45,000	15%
I37 @ US 181	51,000	51,000	58,000	50,000	-2%

Source: TXDOT

and Medina Rivers in addition to Leon Creek, Salado Creek, and Mitchell Lake. City South contains a total of 40,606 acres and approximately 8,586 acres (21.1 percent) are within the floodplain. Of the 3,381 parcels in the City South area, there are 824 parcels, or 24 percent, which at least partially overlap the floodplain and 122 parcels that are completely contained within the floodplain.

Within these floodplains, there are 11 designated low water crossings within City South. They include Mauermann Road, Neal Road, Shane Road, Nancy Carol Way, Espada Road, Southton Road, Henze Road, Goeth Road, and Blue Wing Road. The presence of these low water crossings creates a dangerous condition for local residents, hampers access to and from properties, and can prevent emergency vehicles from reaching locations during inclement weather.

Additionally, soils can have a significant effect on drainage. Approximately two-thirds of City South is situated on hydrologic soil group B. The B soils are primarily composed of sand with some clay and loamy components. The soil has a moderately low runoff potential. The remaining one-third of City South has Type C and D soils which contain higher levels of clay and exhibit higher runoff potential. In stormwater management, the B soils are more receptive to infiltration types of conveyances (i.e. pipes or channels). The C/D soils tend to require conveyances with more capacity versus the B soils.

Water

For almost its entire existence, City South has had two water providers within its boundary. In 2011, Bexar Met Water District (BMWD) was dissolved and incorporated into San Antonio Water

Figure 13: Floodplain in the City South Area

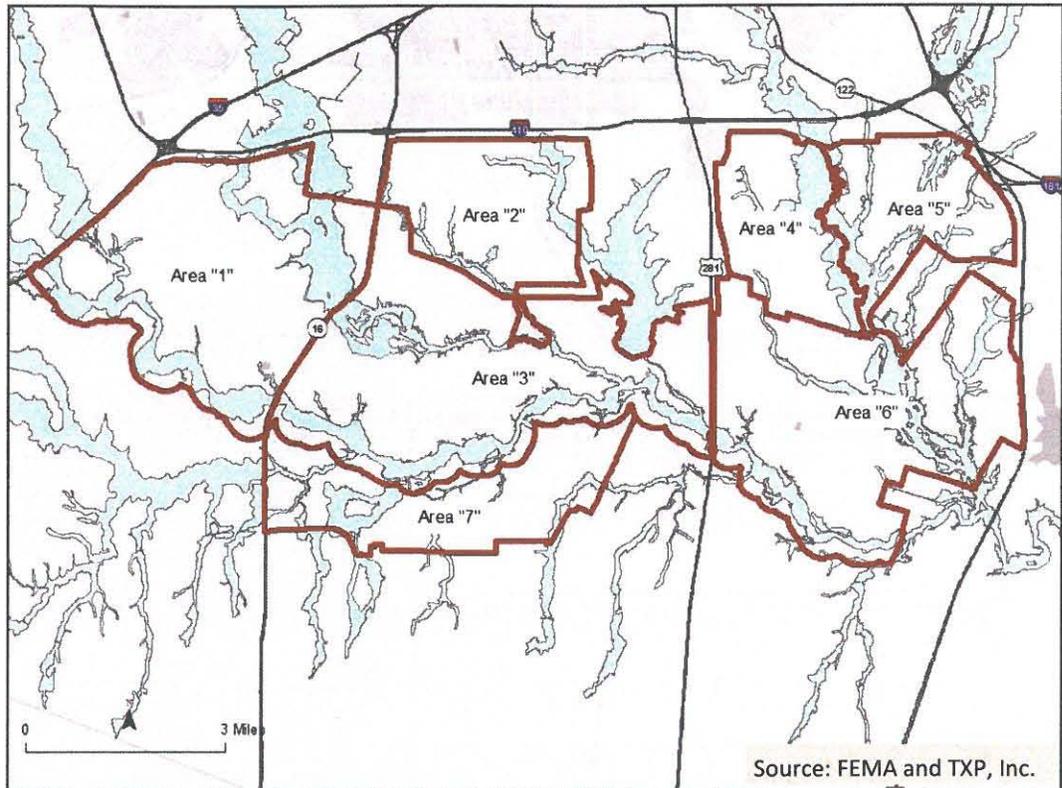
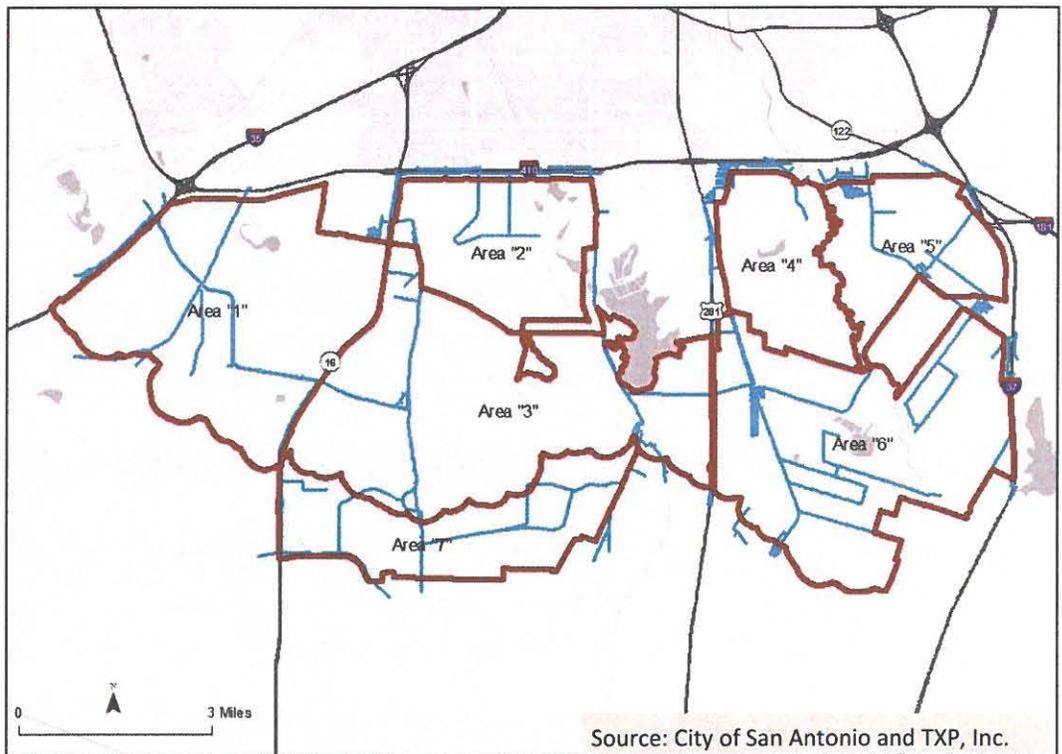


Figure 14: Water Pipelines in the City South Area



System (SAWS) leaving SAWS as the only water provider to City South.

Water mains smaller than 12 inches in diameter are typically used strictly for local distribution, while mains 12 inches and greater are typically used for regional transmission and are typically needed for minimum commercial fire protection. Mains larger than 12 inches in diameter are in portions of several roadways. Some of the individual roads that have larger mains in them include IH 35, Loop 410, SH 16, Pleasanton Road, Mauermann Road, Zarzamora Road, Applewhite Road, Lone Star Pass, Somerset Road, Fischer Road, Watson Road, University Way, and Verano Pkwy. There is also a cross-county 24 inch main connecting FM 1937 to Pleasanton Road immediately south of the Mitchell Lake dam.

In general, most of the major roadway corridors have major water lines that appear able to support current and future developments. There will be future needs for additional storage tanks to meet the Texas Commission on Environmental Quality (TCEQ) requirements for the number of connections. An engineered model for the existing system should be performed to more definitively determine if the existing system can accommodate the proposed number of future connections identified in the master land plan of City South.

Sanitary Sewer

Except for properties that utilize onsite sewage treatment facilities (i.e. septic systems), SAWS is the sole provider of

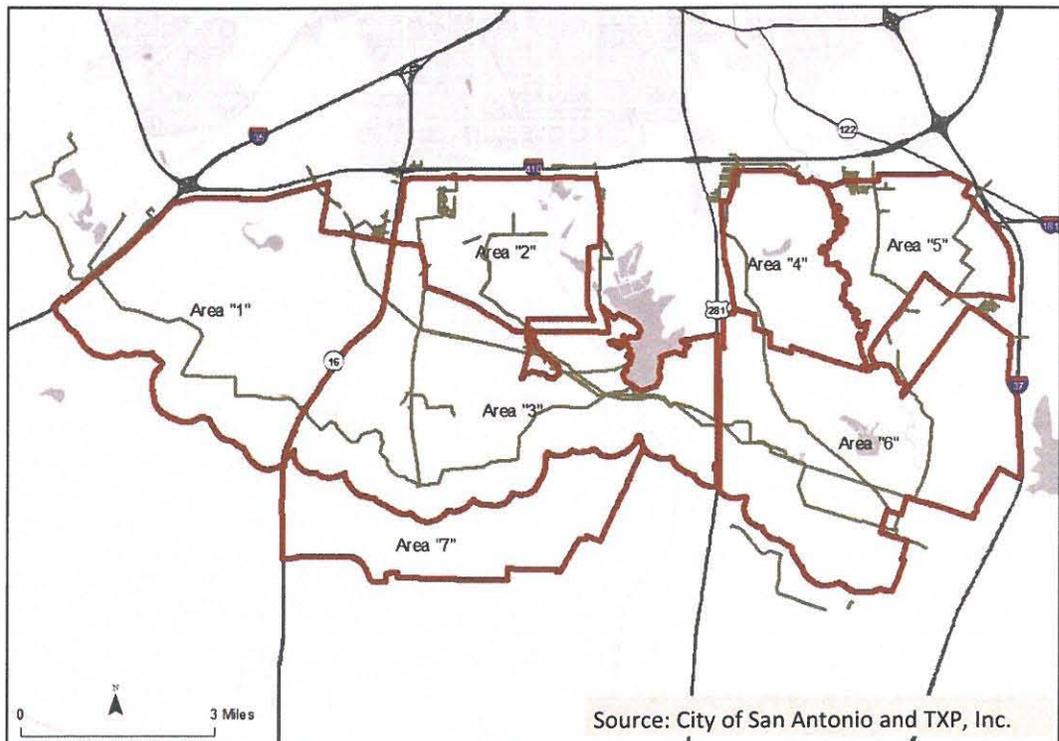
sanitary sewer treatment and collection within City South. With two of SAWS primary wastewater treatment plants and recycling centers near City South, there are several large diameter transmission mains cutting through City South. Because of the sheer size of these mains, any connections to them must be coordinated with SAWS. The Leon Creek treatment plant located on Mauermann Road receives sewage from a main that ranges in diameter from 54 inches to 78 inches and has a general alignment along Leon Creek. The Dos Rios treatment plant located east of FM 1937 receives flows from a main that ranges in diameter from 60 inch to 90 inch along the general alignment of Salado Creek and another 90 inch main that has a general alignment along the San Antonio River.

There is currently a new main under construction named the Southwest Bexar Sewer Pipeline (aka Medina River Sewer Outfall) that ranges from 66 inch to 96 inch in diameter and generally follows the Medina River and terminates at the Dos Rios plant. It is expected to be completed by the end of 2013. In general, most of the sanitary sewer mains are located between IH 37 and SH 16 and generally north of the Medina River. Because of the large voids between existing mains, most properties will need to extend offsite mains to connect.

Electricity and Gas

CPS Energy is the sole provider of gas and electric in City South. Due to security reasons CPS Energy was not able to provide any maps showing existing

Figure 15: Sanitary Sewer System in the City South Area



facilities within City South or other coverage data.

Green Infrastructure

There are currently four park/trail facilities within City South. The largest is the Medina River Natural Way and Greenway that extends along the Medina River from SH 16 to the far east end of the Toyota plant. The Greenway has plans to be extended to the Mission del Lago Golf Course. The other three include the Spicewood Park off of SH 16, the Villa Coronado Park and Community Center off of US 281, and Hildago Park located near FM 1937. City South also contains more than 1,500 acres of lakes, including Mitchell and Blue Wing Lakes. The Land Heritage Institute has also created a 1,200-acre conservation preserve along the Medina River.

Infrastructure Investments

City of San Antonio

Since the creation of City South in 2005, four primary infrastructure projects received City funds. The first was for \$1.5 million in improvements to Zarzamora and Applewhite Road in connection to the Toyota manufacturing plant. The second is \$5.0 million for Fire Station #50 located near the Toyota plant. The third is \$15.0 million for street and utility infrastructure to serve the Texas A&M University–San Antonio campus and Verano master planned development. The fourth is \$6.5 million for the Medina Greenway project. The first three projects were completed at the time of this report; the Medina Greenway project is continuing into 2012. There are no projects in the 2012 Bond program identified for City South.

Figure 16: Parks and Trails in the City South Area

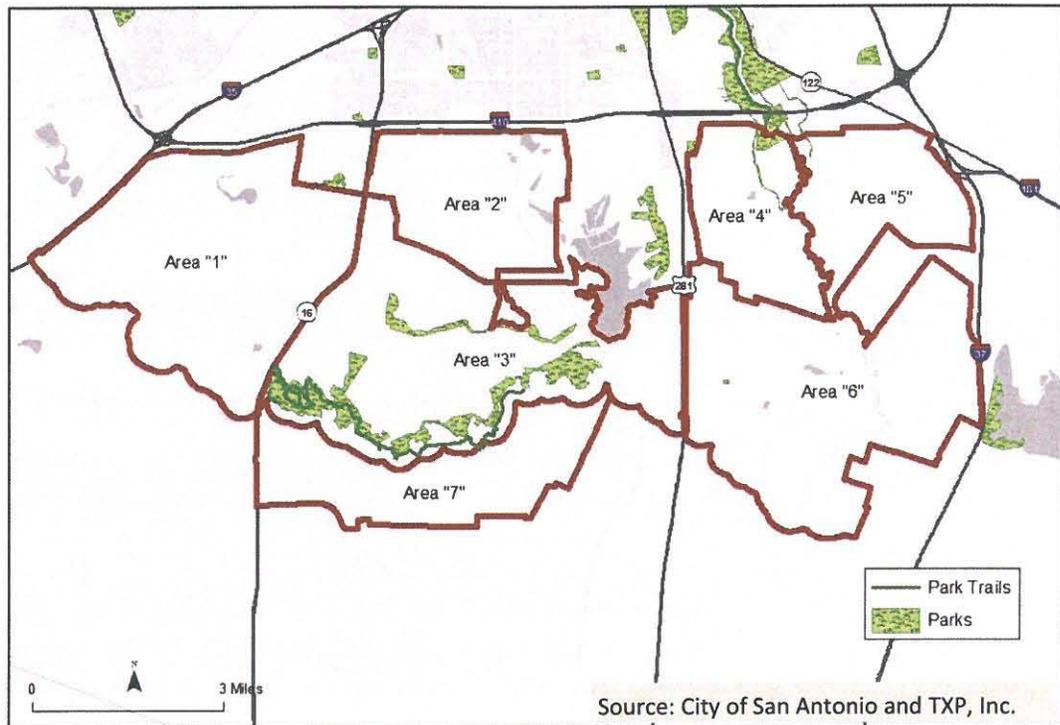


Table 30 shows a comparison of the total annual capital improvement budgets for the City of San Antonio versus what was allocated for City South.

In addition to the capital improvements, the City's Public Works Department has performed some maintenance work to Pleasanton Road and Southton Road since 2005. Additional maintenance work is

expected for Pleasanton Road in 2013. All the roads within the Hunters Pond subdivision are expected to be sealed in 2016.

Bexar County

Bexar County has invested approximately \$4 million on two flood control projects within City South since 2005. The Henze Road low water crossing project is

Table 30: Capital Improvement Plan Allocation

	2005	2006	2007	2008	2009	2010	2011
Total CIP Alloc. (millions)	\$397.1	\$479.5	\$502.1	\$605.1	\$772.5	\$715.6	\$711.0
CSMA CIP Alloc. (millions)	\$0.1	\$20.5	\$13.4	\$20.3	\$24.6	\$34.4	\$19.3
% Allocated to City South	0.03%	4.28%	2.67%	3.35%	3.18%	4.81%	2.71%
Per Capita Total CIP Alloc.	\$347	\$419	\$439	\$529	\$675	\$625	\$621
Per Capita CSMA CIP Alloc.	\$26	\$5,379	\$3,516	\$5,327	\$6,455	\$9,027	\$5,064

Source: City of San Antonio

Note: Per Capita figures use 2000 Decennial Census population for the City of San Antonio and City South area as the denominator.

currently in design and will raise three low water crossings out of the 100-year floodplain along Henze Road. The second project, the Shane Road Low Water Crossing, is complete and raised one low water crossing out of the floodplain.

TXDOT

TXDOT has invested almost \$19.0 million in roadway improvements within City South since 2005 and has approximately \$5 million scheduled for 2012. The roadways that received funds for expansion include IH 35, SH 16, and US 281. Several roads received maintenance related funds.

VIA Metropolitan Transit

VIA has added an additional route since the inception of City South. That new corridor is along Zarzamora and Verano Pkwy and serves the Texas A&M University – San Antonio campus. One other route was modified from being along FM 1937 to stay entirely on US 281.

San Antonio Water System and Bexar Met

These entities have made water infrastructure improvements to serve several of the recent developments of City South since 2005. SAWS extended 12 inch/16 inch water mains along Loop 410 to serve the Union Pacific Multimodal Terminal. It also extended 16 inch/20 inch water mains along Applewhite Road and Lone Star Pass for the Toyota plant. SAWS also extended a 24 inch water main along FM 1937 to Pleasanton to create redundancy in their system.

BMWD upgraded the water mains in Zarzamora to 20 inch diameter. They also

extended 12 inch and 16 inch diameter water mains in University Way and Verano Way to serve the Texas A&M University – San Antonio campus and the Verano development.

Significant sanitary sewer improvements made by SAWS in City South since 2005 include a main that ranges in diameter from 12 inch to 20 inch along Applewhite Road serving the Toyota plant. Also constructed was a bypass main to transfer flows from the decommissioned Salado Creek treatment plant to the Dos Rios plant. SAWS also installed a main ranging in diameter from 18 inch to 24 inch connecting the Texas A&M University – San Antonio campus and Verano development to the Leon Creek treat plant. SAWS is currently constructing the Southwest Bexar Sewer Pipeline along the Medina River that will provide service to City South in addition to southwest Bexar County.

CPS Energy

CPS Energy has had one major infrastructure project in City South since 2005 and that is to provide electricity and gas to the Texas A&M University – San Antonio campus and Verano development. CPS installed new high voltage transmission lines that connected existing facilities on Toyota to a new substation installed on Mauermann Road. In addition, CPS installed major underground electrical duct banks, 6 inch/8 inch diameter gas mains, and street lights along both University Way and Verano Pkwy. Overall CPS Energy has invested approximately \$28 million in the zip codes that are within and adjacent to City South over the last 5 years.

Infrastructure Scorecard by Subarea

CSMA is divided into seven subareas which are generally separated by major roadways or natural features. Each of these subareas faces its own specific challenges with regards to infrastructure and development.

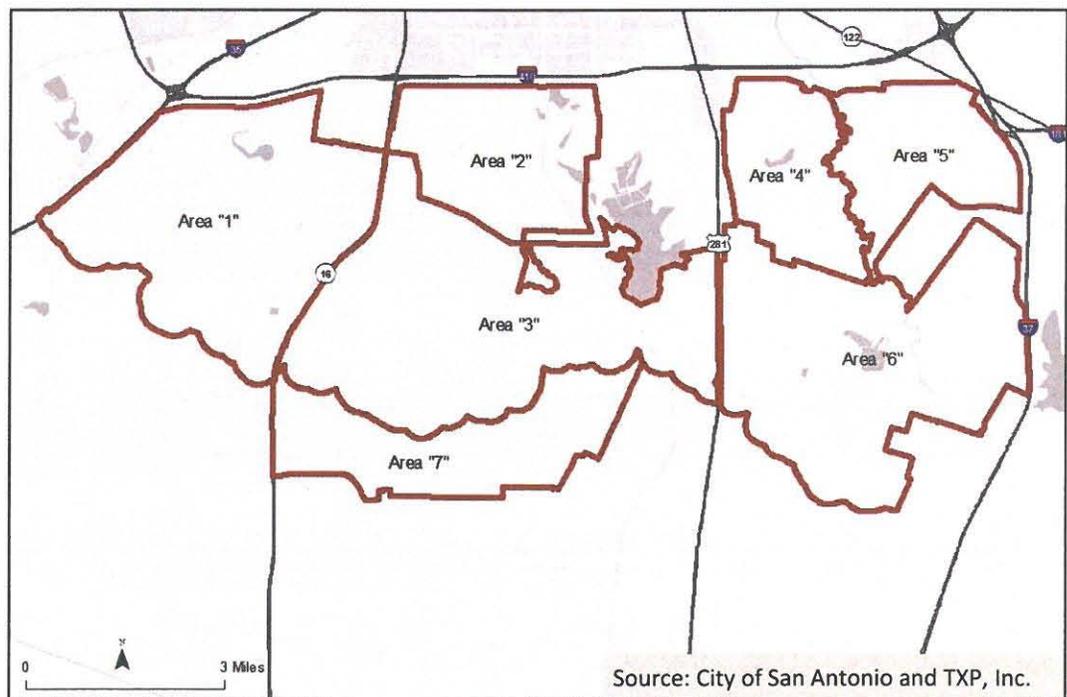
Subarea 1 has the improved roadways of IH 35, Loop 410, and SH 16 along its edges but the internal roads remain substandard. The area has three major floodplains in the Medina River, Medio Creek, and Leon Creek but each are pushed to its outer edges. The subarea has large diameter sewer mains along both the Medina and Leon but no sewer mains internal. Water mains are located along both Watson and Somerset but not anywhere else.

Subarea 2 has a good transportation network with the improved roadways of SH 16, Zarzamora, Loop 410, Verano Pkwy, and

University Way. Mauermann and Pleasanton remain substandard. A rail line also runs through the subarea. Subarea 2 has benefited from investments in both water and sewer serving both Toyota and Texas A&M University – San Antonio. The subarea has plenty of large tracts of land not impacted by floodplain and what floodplains are in the subarea have relatively smaller watersheds than the remainder of City South.

Subarea 3 has benefited the most from recent infrastructure investments to serve the Toyota plant with road and utility enhancements to Applewhite and Lone Star Pass. The subarea also benefits from the most extensive park and trail system in City South along the Medina River. The subarea has two of the larger floodplains in the Leon and Medina.

Figure 17: Subareas in City South



Subarea 4 is one of the most lacking subareas in terms of infrastructure. There are no internal roadways and only Loop 410 and FM 1937 along its edges with FM 1937 being a substandard roadway. Utilities are also lacking with the only significant water main being located in FM 1937 and the only sewer main paralleling near FM 1937. A large percentage of the subarea is covered in floodplain from the San Antonio River.

Subarea 5 has a good network of roads although each road has a substandard cross section. There are several large diameter sewer mains running through the subarea. Water mains in the subarea are primarily 8 inches in diameter and therefore may limit future development. The subarea is the most affected by floodplains with the San Antonio River and Salado Creek covering large areas.

Subarea 6 has a limited network of roadways. Only IH 37 and US 281 have been widened with all other roadways being substandard in cross section with little connectivity. The only existing sewer

mains are the large diameter mains leading to the Dos Rios treatment plant. Existing water is limited to smaller diameter pipes that will limit future development. The subarea contains the San Antonio River and Medina River floodplains, and cover large portions of the subarea. The San Antonio River poses a significant obstacle to connectivity from east to west.

Subarea 7 appears to have the least benefit of existing infrastructure. Only Applewhite and SH 16 have been widened for increased capacity with all other roadways having substandard cross sections. There is no sewer in the entire subarea and the only significant water appears to be along Applewhite and Loop 1604. The subarea also has several fingers of floodplain that significantly breakup the property.

To summarize the infrastructure situation within City South, the following table will subjectively rate on a scale from 0 (inadequate) to 5 (excellent) for each infrastructure category in the 7 CSMA subareas.

Table 31: Current Infrastructure Rating in CSMA Subareas

CSMA Subarea	Transportation	Drainage	Sanitary Sewer	Water	Electric	Gas	Green Infrastructure	Average
1	3	3	2	3	n/a	n/a	3	2.8
2	5	4	4	4	n/a	n/a	0	3.4
3	4	3	5	4	n/a	n/a	5	4.2
4	0	2	1	2	n/a	n/a	2	1.4
5	4	1	4	2	n/a	n/a	0	2.2
6	3	2	3	3	n/a	n/a	0	2.2
7	2	2	0	2	n/a	n/a	0	1.2

Source: CSMA Effectiveness Consulting Team

Land Use and Zoning Policies Review

Historical Context

The regulatory framework for planning and zoning in CSMA has evolved over the Authority's lifetime. The 2004 Southside Initiative Community Plan was the original plan for land use and zoning within the CSMA boundaries. In 2010, the Heritage South Sector Plan (Sector Plan) was adopted to replace the Community Plan, establishing a tier-based system of land use planning.

The Heritage South area includes a significant portion of south Bexar County beyond City South, though the CSMA boundary is completely contained within the Heritage South area. The Sector Plan currently provides the overall vision and policy guidance for regulations in this area, including zoning policy. As such, the Sector

Plan takes precedence over previous variances or zoning decisions in the area. Currently, City South zoning allows for flexibility in the planning process as well as a variety of building patterns.

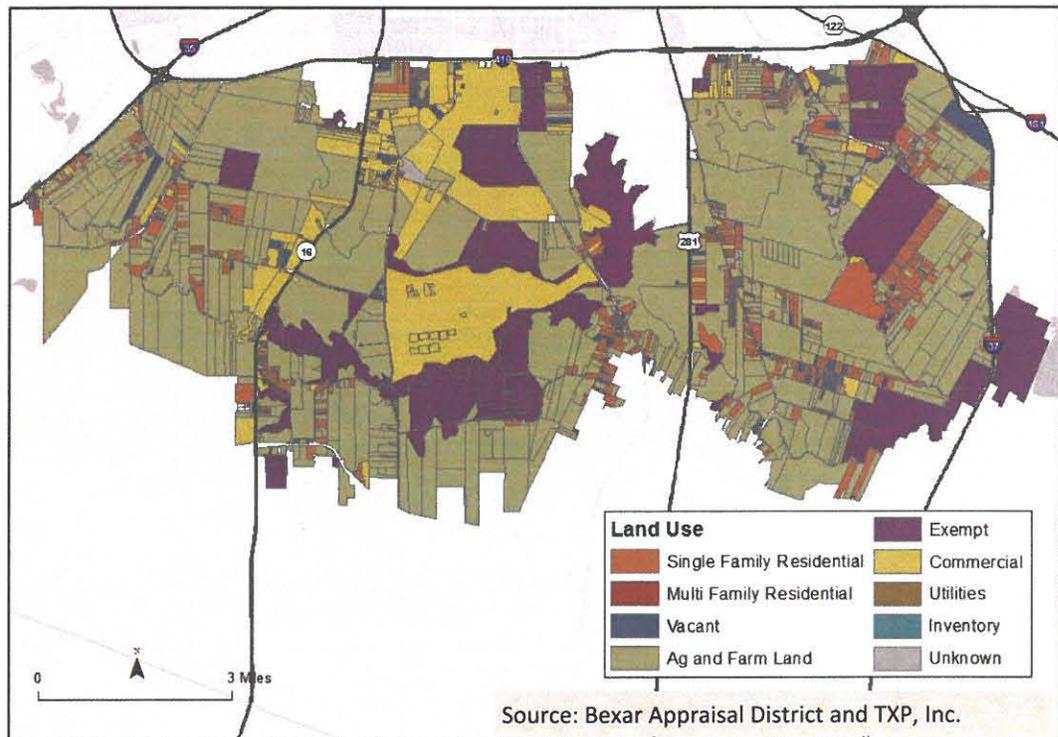
Over the past two years, City South zoning has been amended based on developer and landowner input and requests. The CSMA Board and City Staff have worked to accommodate concerns and decrease the restrictive nature of current zoning, while still maintaining the overall vision for development in this area.

Land Use: Existing and Proposed

Existing Land Use

Current land use in the CSMA area is generally rural, farm, ranch, and

Figure 18: Current Land Use in the City South Area



agricultural. There are select locations that have a dominance of other types of development. The Toyota facility is a heavy industrial area. Texas A&M - San Antonio is developing a new campus to the north of the Toyota property. Pocket locations of commercial and strip center retail have emerged along Loop 410 at the northern edge of City South. An energy corridor is developing along the eastern CSMA boundary. Finally, along the Medina River at the southern end of City South there is a conservation and preservation area.

Future Land Use

The original land use plan was created in 2004 as a part of the Southside Initiative Community Plan adopted by City Council. It established base land uses, including urban living areas to the north along Loop 410, more agricultural uses along the rivers, and conservation areas along the southern boundary. Along major highways, but further from Loop 410, are rural living and light industrial uses. The Toyota property represents the only heavy industry permitted in the area. CSMA has since updated the Future Land Use Plan, due to the adoption of the Heritage South Sector Plan and other requested changes.

The December 2011 Land Use map from the Sector Plan depicts the revisions to the initial plan. This included allocating land uses in accordance to parcel boundaries and integrating the Major Thoroughfare Plan (MTP) elements to show future major arterials for the CSMA area. The map also reflects the land uses and general planning vision established by the Heritage South Sector Plan. The land uses are renamed

“tiers” or “centers” to represent the Sector Plan’s goals. The Sector Plan re-envisioned many of the previous “urban living” areas with suburban, country, and rural estate tiers in order to transition any urban development to the “natural tier” along the Medina River.

The sector plan established a number of development “centers” to the plan. In addition, the “heavy industrial” category became a “specialized center” area. The Civic Center land use was expanded to incorporate the new Texas A&M - San Antonio campus.

Heritage South Sector Plan Tiers & Centers

This system establishes “tiers” that range in density from urban to natural. “Centers” were established in order to locate preferred areas for coordinated investment. These included new Mixed-Use and Regional Centers as well as the incorporation of existing features such as the Specialized and Civic Centers, which comprise Toyota’s property and the Texas A&M - San Antonio campus, respectively. Each tier and center includes specifically allowed uses, but they are more generally a policy element. It is the zoning regulations which proscribe the entirety of permitted and prohibited uses.

The MTP sets policy regarding the location and types of major roadways to be constructed in the future. Currently, the MTP is used to locate major and minor nodes for commercial development and regulate the location of densities in regards to the zoning.

Figure 19: Future Land Use Plan (2005)

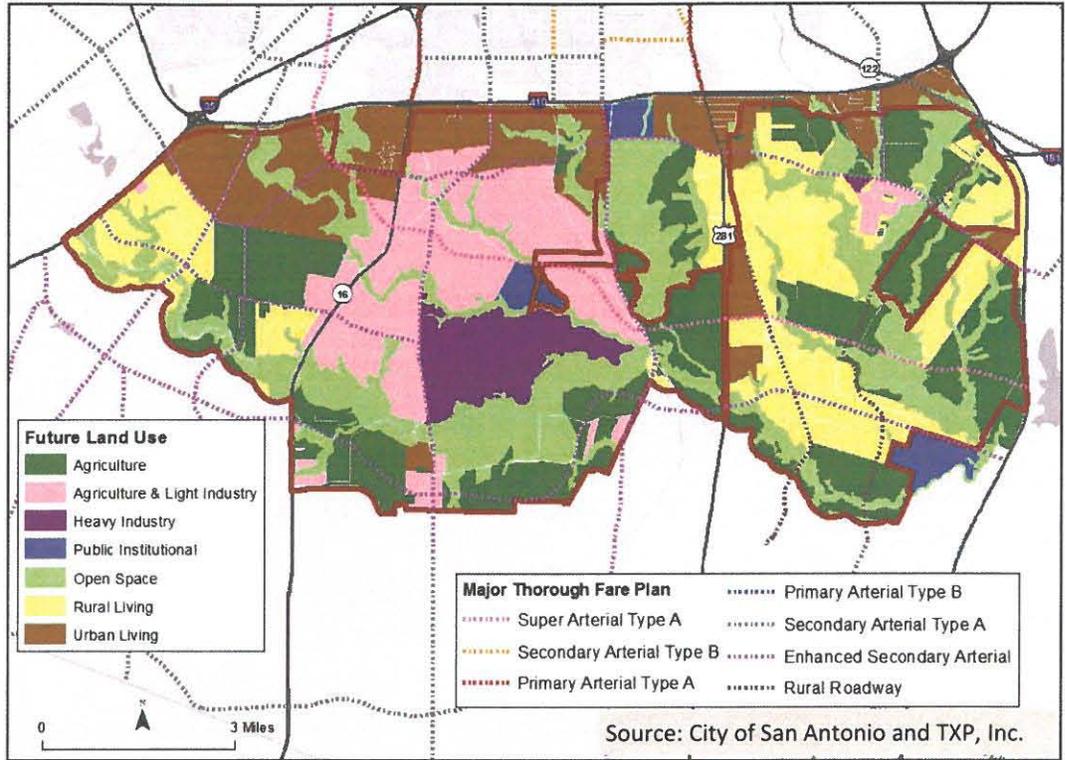
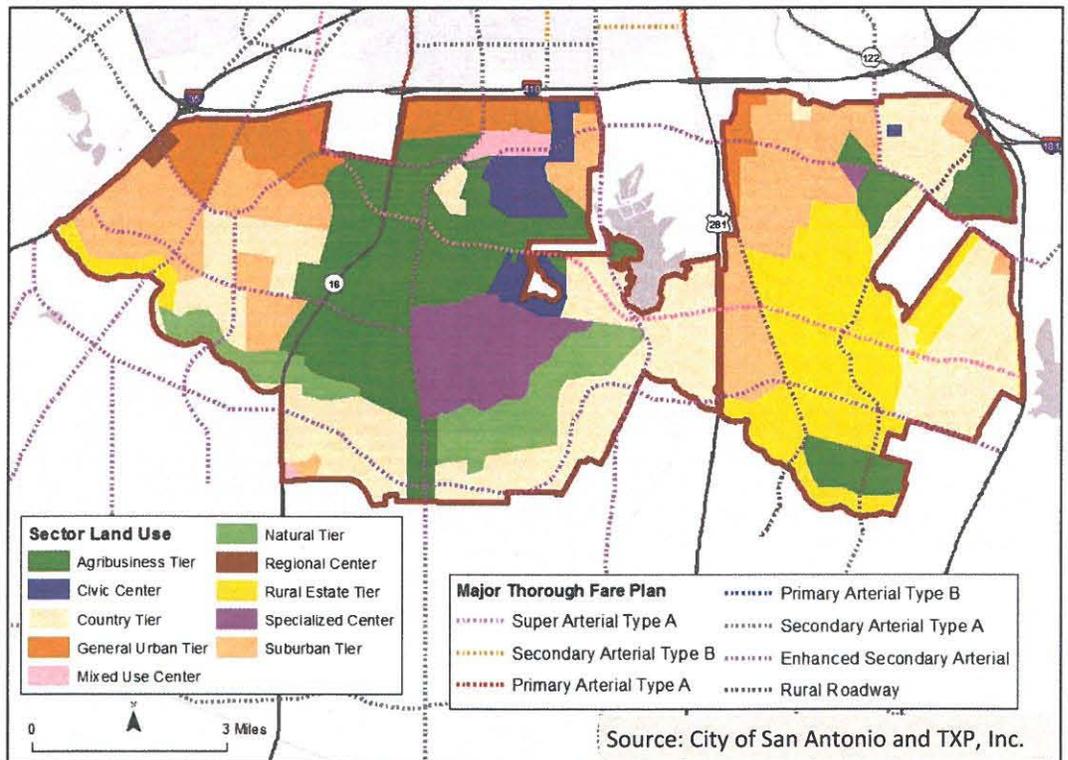


Figure 20: Heritage South Sector Land Use Plan (December 2011)



The following table summarizes details of the tiers and centers as they relate to planning and zoning overall in the City South area. The purpose of this table is to focus on the potential conflicts that can emerge when the tier and center system created in the Heritage South Sector Plan's Future Land Use Plan is compared to the existing zoning regulations. In doing so the key regulatory and planning issues — both in the zoning ordinance and the Heritage South Sector Plan — which may need to be reevaluated or revised are highlighted. The intention is to point out phrasing or policy construction that could be confusing for a non-planning expert.

Table 32: Conflicts between the Heritage South Sector Plan and Current Zoning

<i>Tier/Center from Sector Plan</i>	<i>Land Uses Permitted per Sector Plan</i>	<i>Sector Plan Permitted Zoning</i>	<i>Differences and Potential Conflicts between Sector Plan and Zoning</i>
Natural Tier			
Residential	None permitted	RP	1 dwelling unit per 10 acres permitted in zoning.
Non-Residential	Limited: Facilities required for active and/or passive open space and recreational uses	RP	None
Country Tier			
Residential	Rural Homestead: Detached SF, greater than 10 acres	FR RP	None Minimum residential density is 1 du per 25 acres Conservation Subdivision: incentive of increased residential density that cannot be utilized, as residential with lots less than 10 acres are not permitted by the sector tier.
Non-Residential	Agriculture, Commercial: Farms, ranches, nurseries, bed and breakfasts, small restaurants, neighborhood sized stores. *Commercial uses should be located at the intersection of arterials and collectors or rural roads, or clustered into rural commercial villages.	RP FR	Commercial uses permitted are child daycare and Farm and Truck garden. No other mention of permitted agricultural commercial uses. Commercial uses not permitted except as a Village Center. VC required along an arterial, but not at the intersection of two arterials. Sector Plan recommends commercial to be at the intersection of an arterial and collector/rural road. There are no planned collectors in the MTP, only arterials. This creates confusion and prevents planning for collectors that are essential to all zoning categories.
Rural Estate Tier			
Residential	Low Density Residential Estate: lots greater than ½ acre	RP RD	Lot minimum is 10 acres Lot minimum is 1 acre Conservation Subdivision: incentivized increased residential density cannot be utilized, since residential with lots less than ½ acre are not permitted by the sector tier. Flexible Development Plans: <ul style="list-style-type: none"> • TND: Higher density residential and multi-family is not permitted by the sector tier • MXD: Higher density multi-family is not permitted by the sector tier. 25 units per acre
Non-Residential	Neighborhood Commercial: convenience stores, service stations, professional offices, restaurants, bed and breakfasts, and other small business	RP RD	Commercial uses are not permitted in zoning Sector Plan specifies small scale; zoning permits commercial buildings in excess of 90,000 SF, depending on thoroughfare locations. <ul style="list-style-type: none"> • Flexible Development Plans: <ul style="list-style-type: none"> • TND: Higher density commercial is not permitted by the sector tier • MXD: Higher density commercial is not permitted by the sector tier

Table 32: Conflicts between the Heritage South Sector Plan and Current Zoning (continued)

<i>Tier/Center from Sector Plan</i>	<i>Land Uses Permitted per Sector Plan</i>	<i>Sector Plan Permitted Zoning</i>	<i>Differences and Potential Conflicts between Sector Plan and Zoning</i>
Suburban Tier			
Residential	Low to Medium Density: attached and detached single family, multifamily housing (2, 3 and 4-unit), townhouses, garden homes, and condos	RD	Townhouses and Multi-family not permitted Minimum lot size is 1 unit per acre Conservation Subdivision: multi-family not permitted.
		UD	None
Non-Residential	Neighborhood and Community Commercial: detached retail services such as service stations, professional offices, bakeries, restaurants, bookstores, supermarkets, clinics, hotels, and other retail stores.	RD	None
		UD	Scale of uses permitted are higher in UD, Sector plan does not permit the higher commercial density.
General Urban Tier			
Residential	Medium to High Density	UD	None
Non-Residential	Neighborhood and Community Commercial	UD	None
Urban Core Tier			
Residential	Mixed-Use	N/A	N/A
Non-Residential	Mixed-Use	N/A	N/A
Agribusiness/RIMSE (Research, Industrial, Manufacturing, Sport and Entertainment) Tier			
Residential	Farm Homestead: Large Tract (25 acres or greater) detached single family, farm worker housing	RP	Zoning permits 1 dwelling unit per 10 acres
		FR	None
		MI-1	No residential permitted in zoning. Zoning permits accessory dwellings but residential is not permitted, this is a conflict.

Table 32: Conflicts between the Heritage South Sector Plan and Current Zoning (continued)

<i>Tier/Center from Sector Plan</i>	<i>Land Uses Permitted per Sector Plan</i>	<i>Sector Plan Permitted Zoning</i>	<i>Differences and Potential Conflicts between Sector Plan and Zoning</i>
Agribusiness/RIMSE (Research, Industrial, Manufacturing, Sport and Entertainment) Tier (continued)			
Non-Residential	Agriculture, Light Industrial, Manufacturing, Sports and Entertainment	RP	No commercial permitted in zoning
		FR	Commercial uses not permitted except as a Village Center land use pattern. VC required along an arterial, but not at the intersection of two arterials. Sector Plan requires commercial to be at the intersection of an arterial and collector or rural road. There are no planned collectors in the MTP, only arterials. This creates confusion and prevents planning for collectors that are essential to all zoning categories.
		MI-1	Commercial uses not permitted except as a Village Center land use pattern.
Mixed Use Center			
Residential	Very High Density	UD	None
Non-Residential	Community Commercial, Office, Mixed Use	UD	None
Regional Center			
Residential	High Density	UD	None
Non-Residential	Regional Commercial, Office	UD	None
Specialized Center			
Residential	None	MI-1	None
		MI-2	None
Non-Residential	Heavy Industrial, Business Park/Office	MI-1	Commercial uses are permitted in Village Center and FDP. VC required along an arterial, but not at the intersection of two arterials. Sector Plan requires commercial to be at the intersection of an arterial and collector or rural road. There are no planned collectors in the MTP, only arterials. This creates confusion and prevents planning for collectors that are essential to all zoning categories. VC requires pedestrian orientation for commercial uses, which normally are not compatible with heavy industrial uses.
		MI-2	Commercial uses are permitted in only Village Center land use pattern and in FDP.
Civic Center			
Residential	Dorms, Student Housing	Any	None
Non-Residential	Office, Education, Government, Religious	Any	None

Review of Existing Zoning

Zoning in CSMA was established based on the general vision and policies of the Sector Plan and sets out the rules for achieving the land uses desired in the area. The zoning map, below, was originally established as part of the Zoning Ordinance’s flexible districts zoning in 2004 and has undergone numerous updates and changes since then to support and promote growth in the area, including the adoption of policies and goals of the Sector Plan. Whenever a zoning rule is challenged or amended, the policies of the Sector Plan are reviewed and interpreted to determine if the proposed change meets the original intent of the Sector Plan. Table 33 summarizes the flex zoning updates.

Base Zoning

In general, the CSMA base zoning is coordinated by the use of a flexible (or

“flex”) zoning policy in an effort to encourage efficient land use practices. According to the CSMA, the flexible zoning districts “take into account a flexible approach with regard to allowing commercial uses and a range of industrial uses, but also protect the integrity of the area by implementing signage and buffer provisions.” In essence, the zones expand the mix of uses beyond what is seen in a conventional zoning strategy. This is accomplished through signage and buffer standards which allow for commercial and industrial uses to be separate but in close proximity to residential and natural resource conservation uses. Thus the area is referred to as governed by a “hybrid” zoning technique that takes mixture of conventional and form-based zoning elements to constructively allow for a mixture of opportunity.

Figure 21: Zoning and Major Thoroughfare Plan (2004)

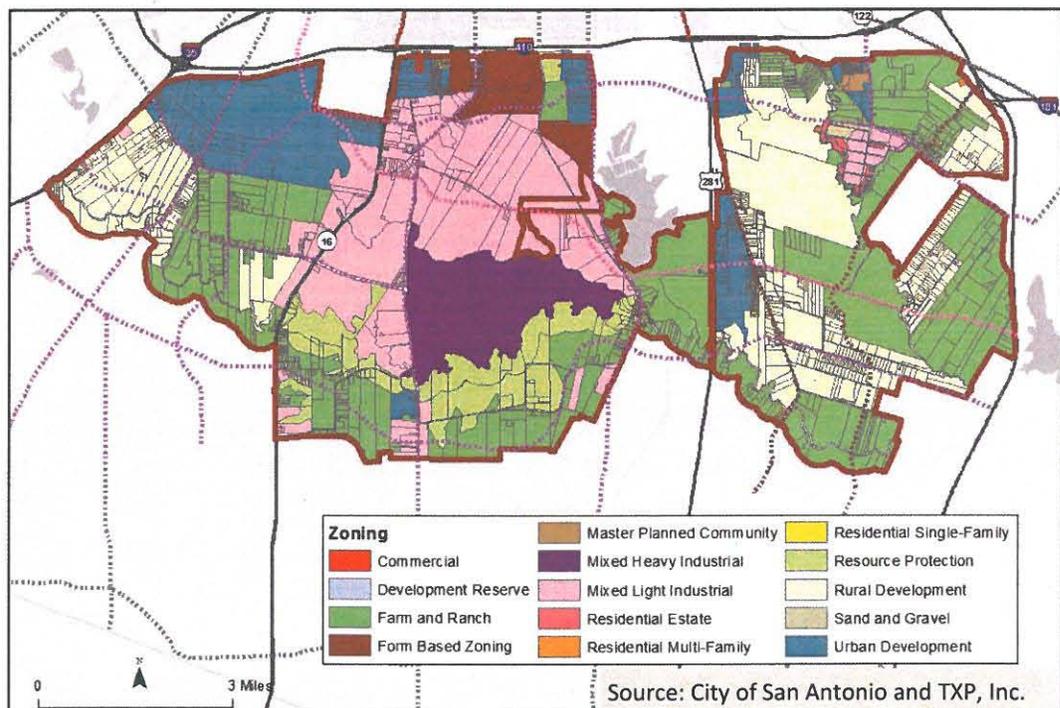


Table 33: Flex District Substantive Amendments

Subject	UD	RD	FR	MI-1	M1-2
Block Length	Clarify measurement process when abutting lot is undeveloped, exempt blocks abutting expressways, exempt civic uses	N/A (no RD standard)	N/A (no FR standard)	N/A (no MI-1 standard)	N/A (no MI-2 standard)
Multi-Family Blocks	Streamline requirements by deleting total units by block and average lot depth requirements to MF	N/A (multi-family not permitted)	N/A (multi-family not permitted)	N/A (multi-family not permitted)	N/A (multi-family not permitted)
Commercial Access Points	Allow wider access points at signalized intersections to accommodate turn lanes	Allow wider access points at signalized intersections to accommodate turn lanes	N/A (no FR standard)	N/A (no MI-1 standard)	N/A (no MI-2 standard)
On-Premises Freestanding Signs	Clarify that signs are not permitted on local streets; increase height and message area for expressway signs	Clarify that signs are not permitted on local streets; increase height and message area for expressway signs	Clarify that signs are not permitted on local streets; increase height and message area for expressway signs	Clarify that signs are not permitted on local streets; increase height and message area for expressway signs	Clarify that signs are not permitted on local streets; increase height and message area for expressway signs
Residential Density	No changes proposed	Add 3 density bonus options to allow greater density with conservations subdivisions; 1 acre min. lot size to remain for conventional development	No changes proposed	N/A (residential not permitted)	N/A (residential not permitted)
Village Center Building Configurations	N/A (Village Center not a recognized option)	N/A (Village Center not a recognized option)	Streamline design standards by deleting requirement that principal entrance open to a plaza or green (remains an option but no longer required)	Streamline design standards by deleting requirement that principal entrance open to a plaza or green (remains an option but no longer required)	Streamline design standards by deleting requirement that principal entrance open to a plaza or green (remains an option but no longer required)
Permitted Uses	Update uses to reflect approved changes to conventional use matrices that were not carried over to flex district use matrices, combine ">90,000 sf" and "<90,000 sf" tiers into single "UD Major Node" tier, change name of "<6,000 sf" tier to "UD Minor Node" tier	Update uses to reflect approved changes to conventional use matrices that were not carried over to flex district use matrices, combine ">90,000 sf" and "<90,000 sf" tiers into single "RD Major Node" tier, change name of "<6,000 sf" tier to "RD Minor Node" tier	Change name of "FR" tier to "FR Ag Commercial" for clarity, add "FR Minor Node" to "Village Center FR" tier to allow uses permitted in village center (away from intersections) to also be permitted in minor nodes (at intersections)	Change name of "MI-1 <3,000 sf" tier, expand uses permitted in "MI-1 Minor Node tier" to more closely match uses permitted in UD & RD Minor Node tiers	Change name of "MI-2 <3,000 sf" tier, expand uses permitted in "MI-2 Minor Node tier" to more closely match uses permitted in UD & RD Minor Node tiers

Source: City of San Antonio

The flex district base zoning has been utilized by private planners and developers in the CSMA area. Two Master Plan Developments (MDP) have been planned within the Flexible District zones, though neither has broken ground. The Preserve at Medina utilized the two pattern developments of Conservation Subdivision and the Flexible Development Plan within the RD Flex zone requirements. The Espada utilized only a Conservation Subdivision Pattern Development in its analysis of the majority of its RD zoned property.

In addition to the Flex District Zoning, a form based zone was utilized for the Verano development, adjacent to the growing Texas A&M – San Antonio campus, is another example. The Verano development utilizes its own form-based regulations, within the bounds of the overall CSMA requirements of the Form Based Zone.

A number of potential conflicts exist in the current zoning regulations for City South. For example, commercial zoning in the City South area is regulated based on the location of such developments along collectors, arterials and highways and the size of commercial buildings, rather than form or specified locations. In regards to the street type allocation, the Major Thoroughfare Plan currently only includes planned arterials and not the required system of streets (collectors, etc.) that are referenced in the zoning. Without references to the placement of collector roads, it is difficult for developers to understand where the zoning allows the creation of commercial centers as well as major and minor nodes for commercial

development. Though many changes have been made to the zoning regulations for commercial development, specifically to reduce the restrictions faced by developers, issues such as these persist and can cause an additional planning burden. The lack of commercial development in City South can be attributable to a combination of zoning concerns, both real and perceived by developers, and difficult market conditions.

Development Patterns

Development patterns, a master planning tool, are typically designed for lots of 20 or more acres. They are intended as the preferred method of planning in the flexible zoning districts. If a development pattern is not used, the restriction on development would be far greater for the ability to mix uses, and also to increase density. The use of development patterns allows CSMA to provide incentives to developers that build in the desired pattern for purposes of conservation and reducing sprawl. Some attributes of the base zoning are passed through to the development pattern, establishing basic restrictions or incentives. There are two different types of development patterns permitted in City South, Conservation Subdivisions and Flexible Development Plans. Certain patterns are permitted within particular districts and some are not permitted in other districts. For example, Conservation Subdivisions are permitted in RD and FR districts, whereas they are not permitted in UD. The Flex Development Plan is permitted in all Districts, but certain restrictions apply.

Development Patterns offer an additional layer of flexibility to the base zoning in City South. Unfortunately, this comes at the cost of increased regulatory complexity. As such, it is easy to misinterpret the requirements of, or restrictions to, a development pattern when they are not all consolidated, per base zoning, in a matrix format. Table 310.15-6 of the UDC begins this approach, but it may be located in the wrong chapter and may need additional information to completely explain the relationship between the base zoning and the development patterns. Establishing a section in the zoning ordinance for each development pattern and type of flex district, will provide a better tool for developers to understand the intent and restrictions of the zoning regulations. Also this would allow comparative analysis between development patterns by an individual not familiar with zoning ordinances. This type of easy, comparative analysis of zoning tools will allow developers and their private planners to determine if the existing zoning fits their needs.

Development Pattern 1: Conservation Subdivision (Permitted in RD and FR)

Conservation subdivisions are intended to preserve open space by incentivizing developers to set aside land to remain undeveloped. According to the regulations in the RD flex district, the incentives increase the permitted density of development based on an incremental scale of the proportion of land preserved as undeveloped:

- 40 percent preserved is allowed a 9 dwelling unit per acre density

- 50 percent preserved is allowed a 12 dwelling unit per acre density
- 60 percent preserved is allowed a 18 dwelling unit per acre density

It is recommended that the incentives are tested to ensure that the maximum incentives can be achieved by a variety of development scenarios. Currently, there is no restriction to the minimum size for a conservation subdivision. Comparing a 10 acre lot versus a 20 acre, for example, could be shared with developers.

It is also unclear if the density incentives can be transferred to adjacent parcels. Upon speaking with the City Staff, it became clear that this is an acceptable method of utilizing the incentives; however, this is not explicitly included in the zoning regulations. The explanation of this option could encourage developers to use this development pattern.

In RD districts, the location of the regulations of conservation subdivision in the zoning ordinance falls under single-family development. This section does not clearly denote which development patterns are permitted within the district or whether multi-family is permitted in this development pattern. In the zoning regulations which discuss the FR type district, references to development patterns are clearly defined and mention the Conservation Subdivision section. It is important that there is a logical flow to the organization of these sections and consistency in the information and reference structure used.

The table for conservation subdivision within the RD Zoning for incentives at 40, 50, and 60 percent levels does not correspond to the text. Instead, the ordinance speaks of a 35 percent minimum being primary the conservation area and a 15 percent minimum being the secondary conservation area. These two regulations have the same intent, increased density incentives for increased land conserved as undeveloped, but they do not completely align. Consolidating all incentive allowances into one section, with a matrix for comparative analysis between different options, would help organize this process.

Currently, the City Staff are working on an amendment for the Conservation Subdivision ordinance; however, this amendment has not been evaluated as a part of this Effectiveness Study, as it is still in draft form and has not yet been adopted.

Development Pattern 2: Flexible Development Plans (FDP) Permitted zoning includes UD, RD, FR, MI-1, MI-2. There are three types of Flexible Development Plans permitted in the CSMA area. The traditional neighborhood development (TND) reflects the traditional development of the historic areas of San Antonio, by following form-based development techniques. The mixed use development (MXD) allows for a simpler approach and extends a less restrictive technique to master planning. Finally, The village center (VC) allows for smaller-scale commercial development.

- Traditional Neighborhood Development (TND)

The TND is based on a hybrid approach to planning and development. It

incorporates basic requirements for commercial development and its relationship to residential, civic, and open space uses. The development pattern has both conventional and form-based urban design elements.

Commercial center requirements:

There is a “commercial center” required with a minimum of 30,000 sf of commercial area for plans up to 250 units; for plans that exceed that number, there is a minimum of 120 sf per unit. The center is only permitted to be located on a Main Street. The Main Street type is not included in the MTP. This would require the developer to create the Main Street instead of being able to utilize an existing or planned thoroughfare.

Frontage-type requirements: Requiring frontage types is a typical form-based urban design approach, the difference between that and this TND is that there are usually many different frontage types to choose from. Stoops, forecourts, loggias, courtyards, etc. can all be utilized to create place-based frontages. Restricting frontage types to only accommodate one type of frontage, and requiring a higher percentage of that frontage, places a burden on developers.

Floor-to-area ratio requirements:

Setting minimum floor-to-area ratio and minimum densities for uses typically disrupts evolutionary development potential for a site. By setting a minimum that may not

conform to market demand, the zoning effectively prevents any evolutionary development of a place and requires development to leap above what may be feasible in the market.

The TND plan type has many similarities to the Form Based Code zoning. It is possible that the TND may not need to exist now that the Form Based Code zone is active and allows for the same, if not more form-based centric development regulations. Within the Form Based Zone, the development plan would carry with it, its own regulations, based on the requirements of the zoning ordinance.

- **Mixed Use Development (MXD)**

The Mixed Use Development Pattern follows a greater flexibility in uses placement and buffering restrictions, although it still refers to many of the development regulations of the base zoning. The standard benefits for the development of an MXD include the combined plat approval process, shared parking allowance, and high permitted density ratios. Also, it is more cost effective to submit for an MXD than a TND, due to the lack of infrastructure design standards. No evidence of potential issues with this type of development structure was determined in a review of the zoning ordinance.

- **Village Center (VC)**

The Village Center (VC) is permitted within the FR, MI-1 and MI-2 flex districts. It allows for a smaller scale

commercial development area that would focus on neighborhood services and local markets. This is a great commercial opportunity to support local and neighborhood serving retail and services. No evidence of potential issues with this type of development structure was determined in a review of the zoning ordinance.

The City South area zoning ordinance has been modified since its creation in 2004 to accommodate changing market conditions, respond to landowner requests, and promote growth in keeping with the original vision and the new policies of the Sector Plan for the area. Even so, a number of issues still remain with regards to the complexity and organization of the zoning regulation which have the potential to create confusion and increase the expense and burden of development planning with CSMA.

The following table identifies some regulations that may cause conflicts with current development practices and other regulations within the CSMA area. It is intended to draw attention to language and organization of the regulations with the potential to create misunderstandings, particularly for non-experts.

Table 34: Current Zoning Regulations and Concerns

<i>Zone</i>	<i>Regulation</i>	<i>Concern with Regulation</i>
Urban Development District "UD"		
Sec. 35-310.15 (a) (1)	<p>D. All dwelling units shall have a front entrance articulated by a covered front entry at the front of the house.</p> <p>E. At least seventy (70) percent of the single-family housing units along a single block face shall front the street and have front porches of at least eight (8) feet in depth along at least fifty (50) percent of the entire front facade of the house, including the garage width. For single-family housing units with a front-entry double-width garage on lots that are fifty (50) feet wide or less, the porch shall be at least eight (8) feet deep along one hundred (100) percent of the front facade of the house, excluding the garage width.</p>	<p>"D" states a covered entry, "E" specifies porches. May not be enough variety in the regulation to meet market conditions.</p>
Sec. 35-310.15 (a) (1)	<p>F. Single-family residential uses shall be located in a "build-to zone" defined by a minimum front building setback of ten (10) feet and a maximum front building setback of twenty (20) feet. Exceptions to F. above may be allowed on up</p>	<p>There is no visual representation of a "build-to-zone" this is a very intricate element to securing the basis of setback, building placement, frontage requirements and encroachment rules.</p>
Sec. 35-310.15 (a) (2)	<p>A. Multi-family units may be constructed along any major thoroughfare on the city's major thoroughfare plan, or main street or boulevard, as defined by this chapter at a density of thirty-three (33) units per acre.</p> <p>B. Multi-family units may be constructed along a collector or avenue not to exceed a density of fifteen (15) units per acre.</p>	<p>Maximum densities of multi-family do not reflect any boundary on placement of the building(s) or scale-factor of the building(s). A building height or story regulation would allow for multiple densities to occur and allow a fluid market approach to regulating multi-family development.</p>
Sec. 35-310.15 (a) (2)	<p>C. The front entries of all ground floor multi-family units adjacent to a collector or arterial street shall be oriented toward the street.</p>	<p>This requirement specifies front entries only on particular streets. Whereas, if a multi-family is not located on one of those particular streets, it becomes unclear which street, if any, the multi family unit's entrance should face.</p>

Table 34: Current Zoning Regulations and Concerns (continued)

<i>Zone</i>	<i>Regulation</i>	<i>Concern with Regulation</i>
Urban Development District "UD" (continued)		
Sec. 35-310.15 (a) (3)	<p>A. Major Node. Permitted uses... shall be located fronting on and within one-quarter (¼) mile of the intersection of the centerlines of any two (2) major thoroughfares (including boulevards, main streets and avenues) or within one-half (½) mile of the intersection of the centerlines of any two (2) major thoroughfares when one or more of these major thoroughfares is an expressway as defined by the city's major thoroughfare plan.</p> <p>B. Minor Node. Permitted uses... shall be located fronting on and within one-eighth (⅛) mile of the intersection of the centerlines of any two (2) collector streets or avenues as defined by the city's major thoroughfare plan. No drive-through uses/windows are allowed. Maximum building size for an individual building shall not exceed six thousand (6,000) square feet.</p> <p>C. Civic uses shall be permitted along any local street, avenue, main street, boulevard, or parkway (or conventional street classification equivalent).</p>	<p>These regulations for commercial placement are based on thoroughfare types that are not planned in the Major Thoroughfare Plan, as denoted prior.</p>
Sec. 35-310.15 (b) (5)	<p>B. No more than fifty (50) percent of the off-street parking area shall be located within the street yard of the front entrance of the building. This requirement shall not apply to flag lots.</p>	<p>This regulation does not explain whether it applies to commercial or residential. Where there is a "build-to-zone" regulation for buildings, it could restrict the ability to fit any parking into a street yard. In a walkable area, on-street parking and a wide sidewalk with the building fronting the sidewalk is preferable to a parking lot in front.</p>
Sec. 35-310.15 (b) (5)	<p>E. On-street parking shall be allowed within commercial use areas.</p>	<p>On-street parking should be permitted in all areas. Having on street parking in residential areas reduces the need for guest parking in the areas.</p>
Sec. 35-310.15 (f)	<p>"UD" Buffers</p>	<p>Only one element of the section actually applies to the "UD" district, all others are exempt.</p>
Sec. 35-310.15 (f) (3)	<p>Table 310.15-5: Adjoining Use Buffers</p>	<p>Table utilizes a series of letters to represent buffer types, but a key is not featured in the section.</p>
Sec. 35-310.15 (h)	<p>Master Plan Consistency: Flex development Plans</p>	<p>This section generally includes details that apply to all flex districts and does not apply to UD</p>

Table 34: Current Zoning Regulations and Concerns (continued)

<i>Zone</i>	<i>Regulation</i>	<i>Concern with Regulation</i>
Rural Development District "RD"		
Sec. 35-310.16 (a) (1)	<p>B. A density bonus shall be allowed when property is developed as a conservation subdivision pursuant to section 35-203 and subject to the following requirements:</p> <ol style="list-style-type: none"> 1. A minimum percentage of the property as specified in column B of Table 310.16-1 is contained within a conservation easement for agricultural land, ranch land, or open space. The easement shall be dedicated and maintained as required by section 35-203 2. The remainder of the property may be developed up to the maximum density specified in column C of Table 310.16-1. 3. Residential units shall be developed in accordance with the lot layout standards in subsection 35-203(f). 	<p>Conservation Subdivision regulations are scattered throughout various sections. Table of bonus options permitted conflict with conservation subdivision base regulations of bonuses.</p>
Sec. 35-310.15 (a) (3)	<p>A. Major Node. Permitted uses... shall be located fronting on and within one-quarter (¼) mile of the intersection of the centerlines of any two (2) major thoroughfares (including boulevards, main streets and avenues) or within one-half (½) mile of the intersection of the centerlines of any two (2) major thoroughfares when one or more of these major thoroughfares is an expressway as defined by the city's major thoroughfare plan.</p> <p>B. Minor Node. Permitted uses... shall be located fronting on and within one-eighth (⅛) mile of the intersection of the centerlines of any two (2) collector streets or avenues as defined by the city's major thoroughfare plan. No drive-through uses/windows are allowed. Maximum building size for an individual building shall not exceed six thousand (6,000) square feet.</p> <p>C. Civic uses shall be permitted along any local street, avenue, main street, boulevard, or parkway (or conventional street classification equivalent).</p>	<p>These regulations for commercial placement are based on thoroughfare types that are not planned in the Major Thoroughfare Plan, as denoted prior.</p>

Table 34: Current Zoning Regulations and Concerns (continued)

<i>Zone</i>	<i>Regulation</i>	<i>Concern with Regulation</i>
Farm and Ranch District "FR"		
Sec. 35-310.17 (a) (1)	Conservation Subdivision	Same as RD comment.
Sec. 35-310.17 (a) (3)	B. Village Center	This pattern development type should be defined and organized into a section with the TND and MXD pattern types.
Mixed Light Industrial "MI-1"		
Sec. 35-310.18 (a) (3)	B. Village Center	Same as FR comment.
Traditional Neighborhood Development		
Sec. 35-207 (f) (4)	Table 207-3	Frontage requirements are depicted as feet. Missing definition of frontage requirement and how relationship to build-to-zone or setback area. Maximum frontage is utilized.
Sec. 35-207 (j)	Table 207-5: Park and Open Space types	Parks and plazas are set at a very large minimum standard. With these regulations, every TND must have a minimum of 5% or 5 acres of park or square AND 30,000 SF of plaza.
Sec. 35-207 (o) (2)	Front Porches	Same as UD comment Sec. 35-310.15 (a) (1)

Stakeholder Input

The consulting team met or conducted telephone interviews with a wide range of stakeholders related to the CSMA area. This included regional economic development leaders, local elected officials, property owners, developers, and local residents.

In order to include as many people as possible into this process, the consulting team conducted two evening community meetings, in cooperation with City staff. These meetings provided a forum for area residents, property owners, and other stakeholders to learn about the CSMA Effectiveness Study project and to begin a dialogue with the consulting team regarding issues, opportunities, and challenges facing the CSMA area. The meetings were held on Wednesday, April 18 and Monday, May 14 in the Southside High School cafeteria after the end of the workday to facilitate the attendance of as many interested parties as possible. City staff sent out postcard notifications to all residents and property owners. Additionally, the City placed an ad in the local newspaper, issued a press release, and posted flyers in local food establishments, the Texas A&M—San Antonio Library, and Southside High School campus. During these two meetings, the same format was followed. City staff introduced the consulting team, who in turn introduced the Effectiveness Study, its timeline, and outlined areas of potential discussion. The floor was then turned over to any resident, property owner, or other stakeholder for any comments or questions they wanted to share with the City staff and consulting team.

The numerous conversations with local stakeholders generated the following overall themes of comments.

How to Develop the City South Area

Three distinct descriptions of the desired path for development in the City South area emerged as a part of the Public Input meetings. Some residents and landowners want to maintain the historic, rural character of the area. These individuals fundamentally are looking for little to no growth to occur in the CSMA area. The “no growth” advocates would like to focus on supporting, and even incentivizing, traditional agricultural uses for land and do not view restrictive zoning requirements as a problem. These individuals are generally concerned about the environmental and quality of life implications of the growth that has already occurred in City South over the past ten years (including the Toyota plant and activity related to Eagle Ford Shale oil and gas exploration).

At the other end of the spectrum, a second group of people emphasized a desire for growth to occur as quickly as possible. These individuals tend to be landowners who do not live in City South, but are interested in the increased value of their property vis-à-vis new development. The “pro-growth” advocates are very concerned that zoning restrictions and the overall regulatory environment in City South are preventing the promised progress on several major developments in the area, including Verano, Espada, and the Preserve at the Medina. Many of these

individuals are also concerned with the impact of the Toyota buffer on landowners and focused on the rights of property owners when making their case at the Public Input meeting. In this vein, the comment was made that the public sector or a non-profit should purchase land for the purpose of conservation, rather than impose restrictive zoning requirements on landowners. Additionally, there was concern expressed that this “pro-growth” point-of-view was not included into the previous planning efforts for the area, including the Community Plan and the Heritage South Sector Plan.

A third and final group of residents and landowners talked about a desire for growth that fell somewhere in between these other two groups. These “growth with conservation” advocates expressed a desire to promote growth and maximize the local tax base, but only if it could occur in a way that preserved the existing residential rural character of the City South area. These individuals would like to see clustered and low-impact type development to protect the existing natural resources while allowing for growth. A recurring comment was that residents did not want to see development occur in City South as it had on the north-side of San Antonio, without an overall vision or any planning controls. Several participants in the Public Input meetings agreed that new developments building single-family homes on half-acre lots were more in keeping with the desired character for the area than more dense development. It was noted that developers seem to favor the more dense

developments. Among this group, there were a number of individuals who were interested not only in balancing growth and conservation efforts, but also geographically balancing development throughout the seven subareas of CSMA. It was suggested that the CSMA create different development strategies to respond to each subarea’s unique challenges and opportunities. Additionally, stakeholders suggested using investment tools such as TIRZs and PIDs to market parts of CSMA that have not yet been a focus for developers and relocating employers.

Infrastructure Investment in City South

Among the stakeholders who are looking to promote some development and growth in the City South area, the issue of inadequate infrastructure was raised repeatedly. Many participants at the Public Input meetings emphasized the lack of basic communications infrastructure as well as public transportation in many areas south of Loop 410. When asked to suggest areas for major capital improvements, these participants listed everything from water, sewer, and roads, to the parks system and garbage collection.

Furthermore, regional economic development leaders stressed that the lack of adequate roadway, water, and sewer infrastructure was a consistent concern for developers and relocating employers. However, they also made clear that this was a standard issue for areas outside the city limits, rather than a problem unique to City South. It was suggested that most of southern Bexar County faced a massive

underinvestment in roads. This tied in with another concern that emerged from residents and economic development professionals alike: with the opening of the Toyota plant and Eagle Ford Shale related companies in and around City South, the traffic burden and resulting issues with road conditions have increased dramatically. These concerns included pedestrian and resident motorist safety, the designation of truck and hazmat routes, and the need for road expansions.

Eagle Ford Shale and its Impacts on City South

The potential impact of Eagle Ford Shale-related activity in southern Bexar County was also an issue which came up in almost every stakeholder conversation and meeting. Some individuals expressed concern as to the potential negative impacts of the rapid arrival of Eagle Ford Shale-related companies. These included environmental degradation as well as the increased truck traffic and its effect on the roadway network. Other individuals were interested to learn if any structured effort was being made to integrate the employees of these companies and their families into the local community and public services. The potential impact of the influx of these employees and their families on school enrollment was one such example. Other individuals focused on the ways in which City South would be able to positively benefit from the expected Eagle Ford Shale-related development over the next 10 to 20 years. Currently, Eagle Ford Shale-related activity around City South is limited to developments along major highway arterials. Many stakeholders focused on

encouraging these companies or their secondary suppliers to locate within the CSMA boundaries.

The Importance of a “Development Advocate” or “Development Expediter”

With their more specific focus on generating growth and promoting development throughout San Antonio and Bexar County, regional economic development leaders emphasized the importance of actively recruiting new employers to the area. They did indicate that increased information provided about the permitting, zoning, and development process would address the perception of a more difficult regulatory environment in City South. However, it was clear from these conversations that increased familiarity with the permitting process and zoning regulations would not be enough in itself to spur development within the CSMA boundaries. Multiple stakeholders encouraged the CSMA Board, or another entity, to actively engage in marketing and recruiting potential employers.

City South SWOT Analysis

The following SWOT analysis is designed to highlight the key internal and external forces affecting CSMA both as an organization and a region. The information presented in the Analysis and Evaluation Section provides a quantitative assessment of existing infrastructure as well as regional economic trends influencing the study area. The SWOT analysis takes the investigation one step further by providing qualitative context based on internal and external forces as well as the organization's stated goals. The strengths and weaknesses section links directly to the effectiveness evaluation, while the opportunities and threats reflect issues that go beyond the direct control of CSMA.

Drawing on the broad goals and objectives outlined in reports such as the *Heritage South Sector Plan*, *City South Community Plan*, and the *ULI Southside Balance Growth Initiative*, the SWOT analysis concentrates on the top four to five issues in each category. Because SB 1493 requires CSMA to report to the legislature on the effectiveness of the authority at the end of each even-numbered year, it is important that the strategies and recommendations emphasize short-term opportunities and challenges as well as take into consideration the existing resources and power of CSMA. Otherwise, these types of studies result in a lengthy list of action items that are desirable, but are outside the purview or resource capacity of the organization for this time frame.

Strengths

Residential and commercial projects have been successfully developed in and around City South

New residential housing units (single-family and multifamily) and employment opportunities within CSMA have increased over the past decade. The residential growth has occurred in developments like Hunter's Pond and along major roadways. Employment drivers include a growing Texas A&M – San Antonio campus, a Toyota plant near capacity, and expanding Eagle Ford Shale-related operations on the periphery of the Study Area. These projects are an indication that City South can attract and support larger projects.

The City South community is generally supportive of CSMA overseeing planning and zoning issues for the area

In discussions with stakeholders, the majority of residents and landowners acknowledged the potential benefits of CSMA's ability to limit certain types of development. Even some stakeholders who questioned the efficacy of CSMA to this point were hesitant to advocate eliminating the Authority altogether for this reason. A supportive community, particularly one with a shared vision for the direction of future growth, is a vital asset to the success of CSMA.

The CSMA Board is an engaged and dedicated group of individuals

The members of the CSMA Board take their charge to work for the sustainable development of the City South area

seriously. They give thoughtful consideration to issues brought to their attention and appear to strive for transparency and engagement with local residents and landowners. The Board members seek out information and partnerships to address the challenges facing City South and try to examine these issues from multiple angles. They were active participants in the study and expressed repeated desire for input regarding how they can best serve the community and its growth goals.

CSMA has the ability to generate its own resources through imposition of a sales and use tax

As part of the original legislation which created the Management Authority structure, CSMA has the ability to impose a sales tax “to support or finance public infrastructure projects and [other] eligible projects.” The tax would need to be approved by the voters in City South. This offers the potential for CSMA to generate and maintain its own dedicated funding source in order to have a more active role in the infrastructure investment necessary to attract additional residential and commercial projects. Currently, there are not many sales tax payers with CSMA, but this could change as the economy improves, Texas A&M – San Antonio expands, and if zoning guidelines are modified to encourage commercial development.

Long-term population and employment forecasts for the CSMA area predict strong growth

Based on forecasts from the Alamo COG,

the City South area is expected to grow much faster than Bexar County or the overall 5-county forecast area. By 2035, over 50,000 residents and 26,000 jobs will be contained within the general CSMA boundary.

Weaknesses

City South has not attracted residential and commercial developments at the pace anticipated by the community

While the area has seen some growth since the implementation of CSMA, the majority of the planned residential developments have yet to materialize. Major master-planned projects such as the Preserve at Medina, Espada, and Verano have seen little to no growth since CSMA’s creation in 2005. Likewise, while the Texas A&M – San Antonio and Toyota developments have successfully created more than 6,000 jobs, the spillover impact of these potentially catalytic projects in the surrounding community has yet to be realized. This is not surprising, as many major developments can take 10 to 20 years for full-build out; however, the local community anticipated a faster pace of development from these projects.

For many, the City South development process is complicated, complex, and time consuming

The perception within the regional development community is that CSMA’s zoning and regulatory policies are far too difficult to navigate and threaten the financial feasibility of a new project. Until the perceptions are changed, real estate

development will be a hard sell. If demand were higher or if it were easier to navigate CSMA development regulations, residential and commercial development might occur more rapidly. There is widespread belief that it is easier to address historical preservation, environmental, and other public policy constraints in other parts of the city where demand is greater despite higher land costs.

For many, the zoning requirements for developing both residential and commercial projects in City South are very difficult to follow. There is sometimes a lack of clear connection or clarity between the land use established in the sector plan and the zoning that is currently in place. Because most of the zoning in CSMA is unique to this area, San Antonio developers are not experienced with navigating these rules and requirements.

In the end, it is debatable if this creates a “tipping point” for stopping a deal, but perception has often become reality in regards to CSMA.

City South lacks adequate infrastructure to support development on the scale envisioned

Though SAWS and other agencies continue to upgrade the infrastructure in the area, the overall City South infrastructure network will require significant additional investment to support and attract growth. The Subareas with the most developed infrastructure (Subareas 2 and 3) are within the San Antonio city limits. The other parts of CSMA face significant infrastructure challenges, but there are no immediate

plans to upgrade existing infrastructure systems. The lack of adequate infrastructure is a major barrier to realizing the vision of overall community development.

There is a significant amount of floodplain in the City South area

The presence of floodplain dramatically increases the cost of development. As nearly a quarter of the land within the CSMA boundary is in the floodplain, this poses a significant challenge for the continued development of the area. Having to include capital improvement costs in a project typically frontloads a development budget. This in turn, creates an unfavorable land basis which drives up exit costs, demands faster than normal construction, and requires accelerated sales. In short, it makes it difficult to make a deal pro forma in an acceptable manner to both the financial and target markets if it is disproportionately burdened by infrastructure costs.

Opportunities

Key geographic nodes and industry sectors have emerged as potential catalysts for CSMA

A number of industry sectors have the possibility of creating substantial employment opportunities within City South. All of the identified geographic nodes or locations build on existing activity, rather than requiring a completely new type of industry to locate in the area. The identification of these nodes allows CSMA and its Board to align economic

development efforts with those locations and sectors which have the greatest comparative advantage and potential for growth. The CSMA may need to make adjustments to the existing land use plan and zoning in order to take advantage of these nodes. The five emerging nodes include:

- A **Higher Education Node** centered on the expanding Texas A&M-San Antonio campus in Subarea 2
- An **Industrial Node** centered on the Toyota Manufacturing plant and its on-site suppliers in Subarea 3
- A **Warehousing, Logistics, and Distribution Node** related to the activity at the Union Pacific Multimodal Facility. This node would be located in Subarea 1, west of Somerset.
- An **Energy Node** combining the activities of both the Eagle Ford Shale-related companies, their suppliers, and the two emerging solar companies, all of which are located in Subareas 5 and 6, east of the San Antonio River and along IH 37
- A **Commercial/Retail Node** along Loop 410

The CSMA boundary and role could be modified to focus on the highest opportunity areas and potential for annexation

The 63.3 square miles which make up the current City South boundaries may simply be too large a geographic area for a single, coherent development agenda. It might be beneficial to remove certain Subareas which do not align with the identified Key Economic Development Nodes.

Additionally, the areas of City South which fall within the San Antonio city limits also have the opportunity to apply for funding and incentive programs (ex. Inner City Reinvestment / Infill Policy (ICRIP)) which are not available to areas outside of the city limits. By identifying the areas that could most benefit from annexation, CSMA could serve as a transitional structure for these areas while maintaining its current, or a modified, role for the other parts of City South.

Narrow the mission and focus of CSMA to match financial resources and organization powers

The CSMA Board has had some success in its oversight of land use and planning, but less effective in playing a direct role in the economic development progress of this area. As presently configured, the lack of financial resources is a compelling constraint on achieving the sustainable growth desired by local stakeholders. By limiting the scope of CSMA, the Authority might have the ability to advance the needs and desires of local stakeholders. This could help realign public perceptions and expectations with the resources and powers available to CSMA.

Coordinate funding from all public sector groups within CSMA (city, county, state, and utilities)

Because CSMA does not have its own dedicated resources, the CSMA Board could serve as the group tasked with prioritizing, advocating, and overseeing collaborative public sector projects in the area. Currently, the City of San Antonio and Bexar County do discuss and partner on

projects, but these organizations could defer or give greater weight to recommendations from the CSMA Board. The CSMA Board could also take the lead on meeting with state officials to strategize on issues including increasing state funding for roads, Texas A&M – San Antonio, nature conservancy, and environmental protection.

Threats

Strong competition exists for economic development projects (both commercial and residential) throughout the San Antonio MSA

South Bexar County is growing and attracting new businesses to the area, but CSMA itself is not seen as part of the value proposition. The negative perception about CSMA makes it easier for other sites within the San Antonio MSA to compete for these projects. The inability of existing residential developments within CSMA to attract employees working at Eagle Ford Shale-related businesses, Texas A&M – San Antonio, and the Toyota plant, for example, dampens demand for new retail and entertainment opportunities. All of these forces perpetuate the perception that CSMA is not the top location for large projects.

CSMA is not an obvious location for many of the region's target industries

Regional economic development organizations typically focus recruitment efforts on a small subset of industry sectors referred to as target industries. While not the only areas of potential growth, the

target industries represent the most likely prospects for recruitment that can leverage existing infrastructure, local labor force, and existing suppliers. The San Antonio Economic Development Foundation (SAEDF) has worked with businesses looking to expand or relocate their operations in the San Antonio area since 1975. SAEDF has identified seven key sectors where the San Antonio metro area has a comparative advantage for future growth. These include:

- Aerospace/Aviation
- Bioscience/Healthcare
- Environmental technologies/Green industries
- Financial Services
- IT/Cyber Security
- Manufacturing
- Military/Defense

These seven industry targets are appropriate for the San Antonio region as a whole. Unfortunately the City South area is not the ideal location for many of these industries. The Aerospace/Aviation and Military/Defense sectors, for example, typically prefer to locate near military installations or airports. The Bioscience/Healthcare sector also tends to cluster near existing healthcare facilities such as hospitals and medical schools. Other industries, such as Financial Services and IT/Cyber security, would require CSMA to compete with Brooks City-Base. CSMA has been effective, however, in recruiting manufacturing operations related to Toyota and some green industry projects related to renewable energy.

There continues to be a lack of buy-in from other public sector organizations and the real estate community

Without the support of all local stakeholders, it will be difficult for a unique structure such as CSMA to be successful. This is in part because CSMA is still in the process of defining the best role for it to fill in order to achieve its goals. Lack of public sector support to the overall CSMA vision will hinder efforts to collaboratively fund projects or obtain grant funding. Similarly, it is difficult for CSMA to be an active proponent for sustainable growth in the area if the real estate development community can only see it as a hindrance.

Stalled major residential developments in and around City South create uncertainty

There are a number of large, master planned developments within CSMA that have not broken ground. The real estate community is keeping close watch on the progress of these developments – which serve as a barometer or proxy for the type of demand and price point this submarket can support. Without the necessary residential inventory, however, the City South area will not have the capacity to retain and attract workers at nearby businesses. Until these projects move forward, it is unlikely another builder will invest significantly in land and infrastructure within CSMA.

CSMA Effectiveness Assessment

The CSMA effectiveness study covers a wide variety of topics ranging from objective assessment to subjective perceptions about the value of the organization. The state legislation mandates the effectiveness study should conclude with recommendations and strategies to improve the situation. To set the stage for the evaluation, the SWOT analysis served to outline the current situation facing CSMA as an organization and region. The strengths and weaknesses section of the SWOT should be viewed as part of the effectiveness assessment.

Because there is not widespread consensus on CSMA's role and performance, some residents and business leaders have been reluctant to fully embrace CSMA. Public input revealed, however, many other residents believe CSMA is the de facto organization responsible for improving regional infrastructure, promoting economic development, and strengthening environmental conservation efforts. From the community's perspective, CSMA has been most effective at preventing certain types of undesirable development in the ETJ portion of the area.

While CSMA was created with ambitious goals, there is a disconnect between these goals and the resources and authority needed to achieve desired outcomes. For example, a long-term financial commitment from the City of San Antonio, Bexar County, and the State of Texas would improve the CSMA Board's ability to reach objectives related to infrastructure and economic development. Granting incentive authority

directly to the Board would also strengthen the organization's efforts. However, implementation of these changes would then create larger questions around duplicating roles and responsibilities with other public sector jurisdictions and economic development groups as well as community oversight and accountability.

Benchmarking CSMA against comparable organizations is difficult because entities with similar structures, powers, and resources are not readily available. One of the reasons for the lack of peer comparisons is the fact that CSMA currently has no significant program-related resources at its disposal. Implicit in most public jurisdictions that manage spending with tax increment reinvestment zones (TIRZ), public improvement districts (PID), and municipal utility districts (MUD) is a clearly defined or well understood process to collect revenues to be used to accomplish a program of work that fulfills the organizations' mission and purpose. This is not the case for CSMA. This situation could change if the City of San Antonio or Bexar County allocated long-term financial resources directly to the CSMA Board, or if the Board chose to exercise its authority to raise taxes via a local election. At this point, neither has happened. Financial resources are a necessary, albeit not always sufficient, condition for creating the type of infrastructure capacity and economic development envisioned by those who see that as CSMA's mission. As a result, CSMA cannot meet these expectations under current conditions.

All of these factors influence how CSMA should move forward. Given the budget constraints facing San Antonio and Bexar County, it is unlikely CSMA will receive a significant injection of funds. In addition, it is presumed that CSMA will not be granted additional authority from the City of San Antonio, Bexar County, or the State of Texas. These assumptions have important ramifications for the findings and recommendations that follow.

This section of the report concludes with three options to improve CSMA's accountability to property owners in the CSMA jurisdiction. A continuation of the status quo is not preferred because of the mixed results to date and the lack of additional resources. Even with a new funding source, the current mission and geographic size of CSMA should be re-evaluated. Ultimately, community leaders and the CSMA Board will need to determine which option (or permutation thereof) is most appropriate.

Stakeholder View of CSMA

A number of specific and direct questions have been raised by the community regarding CSMA as an organization. These topics can be seen as a proxy for the community's view of the organization's effectiveness. The three most common themes or questions were:

- Is the organization meeting the community's expectations?
- Has CSMA achieved its intended goals and objectives?
- Should CSMA continue to exist as an organization?

Residents, land owners, developers, and public leaders each have a unique perspective that influences their answers. A resident who moved to south Bexar County for a more rural setting, for example, sees CSMA's land use and planning tools as protecting the natural environment and quality of life. Some elected officials and residents indicated CSMA prevented undesirable development that has historically located in this sector of the city. From these viewpoints, CSMA has been effective in achieving some of its goals and should continue to exist.

Conversely, others see CSMA as a burden not found in other parts of the city whose goals come at the expense of private property rights and progress. From their perspective, the overarching concept of CSMA does not create an environment that matches market conditions. Moreover, the geographic size of CSMA is so large that measurable positive impacts are challenging to find. Some real estate developers believe CSMA has not been an active player in terms of recruiting or enhancing the economic development competitiveness of the City South area. These critics believe the organization's objectives and policies are either too lofty or inappropriate, believing CSMA should be phased out.

While critics of CSMA argue that growth could and should have been greater, it is unfair to state that CSMA or the CSMA Board has stopped all development since its creation. The Board has been willing to adjust zoning to accommodate and support new projects. CSMA is sometimes

held responsible for decisions and agreements made by other public sector organizations that impact development patterns in the area, but the CSMA Board cannot adjust these policies.

CSMA Effectiveness Evaluation

Findings

The CSMA area has been part of numerous studies over the past ten years, each with slightly different goals, objectives, and success measures. As outlined above, a major obstacle for CSMA is that there is disagreement and confusion as to the primary purpose of CSMA. For example, is the organization's core focus to promote a specific type of development (traditional neighborhood design commonly referred to as new urbanism) or to spur higher quality development than what has occurred over the past few decades? If economic development is the main objective, how realistic is it for the CSMA Board to meaningfully influence the site selection process of companies looking to relocate or expand? Are City South's challenges and opportunities so different that existing economic development organizations are unable to meet the needs of this area?

The current mission of CSMA is to "encourage balanced growth by promoting sustainable development and economic growth in an area rich with environmental, historical, human and economic resources." In general, the CSMA's objectives fall into two broad categories: land planning including conservation and environmental protection and economic development (residential and commercial). Currently, the

board only has two tools available to achieve its mission: 1) regulate land use and zoning and 2) advocate on behalf of the area.

Land Use and Planning

Despite limited residential and commercial development activity within CSMA since its inception, the board has been willing to modify its land use and zoning policies for some projects. Clearly, the economic recession was a contributing factor to the lack of growth during this period. The current zoning requirements, however, can add to the cost of development, negatively influencing some projects. What is unclear is to what extent residents and landowners within CSMA would want to change residential zoning guidelines to promote short-term growth versus higher quality, long-term development projects.

One cannot draw a clear causal relationship between development that has occurred (residential and commercial) within CSMA and the organization's land use policies and zoning guidelines. In most communities, there is a philosophical disagreement over whether or not heightened planning and zoning requirements actually catalyze new projects. Adjacency predictability (meaning the landowner has some sense about how a nearby site can develop) is most helpful in CSMA areas outside of San Antonio's city limits since these parcels are not typically subject to municipal planning and zoning guidelines.

However, the dense walkable urbanist development vision that serves as a major

defining characteristic of the vision and mission for City South is too narrow for such a large greenfield area in south Bexar County. While there is no standard location or size for successful urbanist developments, communities must balance where to require these types of projects versus using incentives (ex. TIFs) and other public policy tools to encourage landowners to select this land use pattern. The challenge is to blend market conditions with long-term community goals and allow different types of real estate projects to occur, but encourage sustainability and tax base growth. Stakeholders are concerned that CSMA's zoning and planning regulations are too restrictive and do not allow for enough land use options.

Economic Development

Some large economic development projects have located just outside of CSMA. A number of site selection factors influence the final decision for projects of this type, including:

- cost of land
- transportation access and quality
- zoning and infrastructure capacity
- tax rates
- incentives

Existing land use and zoning policies (combined with limited infrastructure) would have made it difficult for these projects to locate within CSMA. Unless a project locates near Toyota (Subareas 2 and 3), the area is unlikely to attract another large manufacturing or industrial project. The CSMA Board does not have the power to offer incentives resulting in some companies preferring to locate outside of a

city to avoid paying municipal property taxes, creating a de facto tax incentive.

Advocacy

The CSMA Board also serves as an advocate for the region. However, the board composition of CSMA was altered by SB 1493 and not all current members have been appointed. As such, it is premature to evaluate the ability of the organization to advocate on behalf of the area. CSMA's advocacy role will largely be determined by the willingness of City of San Antonio, Bexar County, and other public sector agencies to defer to CSMA's goals, objectives, and priorities.

In sum, the effectiveness of CSMA has been mixed. The area has not achieved the level of residential and commercial growth envisioned by residents and landowners. The land use and zoning guidelines did prevent undesirable developments, but the restrictions may have discouraged projects that would have garnered public support. A major challenge facing CSMA is the lack of financial resources required to improve the basic infrastructure within all subareas and offer specific incentives to jumpstart development. Assuming financial resources are not provided, CSMA will be most effective by narrowing its mission to planning and zoning regulation, environmental stewardship, and general advocacy for development in south Bexar County. Land use policies will need to be adjusted to protect the community's core values while allowing a more diverse and less costly types of development to occur. Business recruitment and retention should be shifted to existing regional groups

tasked with economic development.

Options to Improve CSMA's Organizational Effectiveness

Based on the economic and demographic trends within CSMA over the past five years, public input, and the effectiveness assessment, three potential paths have emerged for CSMA. When evaluating the options, stakeholders will need to make assumptions about future funding, changes to zoning, and overall community support. These assumptions have a material impact on whether CSMA can be effective and should continue to exist. Therefore, three options were developed to improve the situation within CSMA. Each option is detailed below, including advantages and disadvantages.

Because the CSMA Board cannot force partner organizations to interact and fund CSMA, Option 2 represents the best approach to achieve the community's long-term goals for the area. A well-coordinated phase out of CSMA would enable stakeholders to revise and streamline planning and zoning guidelines while minimizing undesirable development patterns. For areas annexed, residents would gain access to additional city services and public sector investment. This approach balances the desire to protect the area's environmental and historical character with promoting sustainable economic development.

Option 1 – Narrow the Mission and Geographic Size of the City South

Management Authority (Continuation)

CSMA would narrow its focus to land planning and advocacy for the region. Too many of the existing goals and strategies are related to economic development, but without the resources needed to achieve success. Under this option, CSMA would modify land use and zoning guidelines to attract more development while protecting core elements of past plans. In addition, the CSMA Board would work closely with leaders of San Antonio and Bexar County to strengthen the organization's position as lead advocate for the City South area related to future bond programs, infrastructure planning, and goal prioritization. Any future public investments would be presented to the CSMA Board for comment and feedback prior to Council or Commission consideration. The CSMA Board would also recommend areas to remove from City South to emphasize high priority nodes for future development and natural resource conservation. CSMA would also need to coordinate with existing economic development groups to ensure the land use plans and regulations are consistent with the needs of projects likely to locate within the five nodes.

Option 2 – Phase out the City South Management Authority in Coordination with the Adoption and Implementation of the City's Revised Annexation and Land Use Control Policies (Transition)

Over the next few months, it is anticipated that San Antonio will adopt and update its citywide annexation policies. For this option, it is assumed the city would likely annex a portion of CSMA based on its

revised annexation policies and strategies. In the interim, the CSMA Board would continue overseeing planning and zoning in the area. Further, the CSMA Board and city should modify current planning and zoning regulations for the CSMA area to spur development pursuant to recommendations found elsewhere in this document. Limited purpose and/or full purpose annexation of strategic areas should be in place before CSMA is dissolved. The timeline and status of the various annexations will determine the remaining life of the authority. This option would also make all annexed areas eligible for city services, economic development incentives, and other public investment. Stakeholders and public sector organizations should keep in mind that for areas not annexed, limited planning and zoning regulation in the county might result in undesirable development adjacent to the current city limits.

Option 3 - Dissolve the City South Management Authority (Dissolution)

If CSMA is discontinued, there will be limited planning regulation and no zoning regulation in the ETJ portion of CSMA. This might allow more development to occur in the short-term, but this growth could be inconsistent with the values of local residents and property owners. Depending on the City's desire to fully annex some of this land, it might prefer to influence the land use through planning and zoning in the interim. Under this option, the city should still consider modifying the current planning and zoning regulations for the portions of CSMA within its city limits. An additional consideration is that the CSMA Board would

no longer serve as an advocate for the area. The residents would no longer have this vehicle to engage the city and county on local issues.

Economic Development Strategic Plan

The current mission of CSMA is to “encourage balanced growth by promoting sustainable development and economic growth in an area rich with environmental, historical, human and economic resources.” To improve CSMA’s ability to achieve its mission, an overarching economic development goal is outlined to guide future policy decisions and actions. This goal is both attainable (reachable outcomes that will require commitment) and sustainable (consistent with the long-term economic growth that does not harm the community’s unique character). While some communities have multiple economic development goals, CSMA is unique in that it does not have fulltime dedicated staff, financial resources, or incentive authority. In addition, CSMA plays a role in land use and advocacy that extend beyond traditional economic development. As the community determines the future of CSMA, a single goal will provide clarity and focus.

CSMA’s economic development goal should be to “**expedite sustainable development.**” This goal reinforces the notion that CSMA exists to attract more residents and businesses to the area while increasing the variety and quality of development. This goal also positions CSMA as an advocate of growth, rather than a hindrance. This goal will require CSMA to build widespread community awareness and support of the organization’s mission.

Assuming CSMA continues to exist under either Options 1 or 2 (or some combination thereof), the CSMA Board and partner

organizations should consider implementing the following economic development strategies. Many of the strategies assume CSMA has ongoing financial resources, support from the public sector, and dedicated staff. The CSMA board will need to identify specific action items once the organization’s future has been resolved related to the effectiveness study.

Strategies and Tasks

Strategy 1 – Remove Traditional Economic Development as a CSMA Priority

Part of the original scope of work for this effort assumed CSMA would remain the leading voice for economic development in the CSMA area. Unfortunately, CSMA does not have the financial resources, staff, or incentive authority to meaningfully improve the situation. While the role of land use authority and community advocate overlaps with economic development, CSMA does not offer additional capacity beyond existing regional organizations such as the San Antonio Economic Development Foundation or Chambers of Commerce. Therefore, the organization will likely always “underperform” stakeholder expectations and fail to achieve job creation goals as currently envisioned.

As recommended elsewhere in this report, CSMA should pursue external funding. If these resources are one-time or sporadic, their most efficient and effective use would be to support infrastructure projects or targeted incentives for real estate developments. Inadequate infrastructure

was consistently identified as one of the major economic development challenges for the area. By focusing on infrastructure, housing, and commercial development, CSMA's new resources could have a material impact on economic and community development in the area.

If CSMA is able to secure ongoing resources for economic development, the CSMA Board should not duplicate the efforts of existing economic development groups. The City of San Antonio's Economic Development Department, for example, already markets the area and can discuss available incentives. Depending on the level of funding, CSMA could hire a full-time staff person to promote the area to local developers, site selectors, and businesses looking to expand. This new staff person would also serve as a liaison between the CSMA Board and the local business community. The staff person's focus would be on opportunities within the San Antonio MSA rather than national or international targets. Additionally, the CSMA Board could allocate some funding to existing economic development groups to specifically promote the area on external marketing trips.

Based on resource availability, the CSMA Board will face a difficult decision regarding its role in economic development. The highest and best use of funding would be on infrastructure, but it is expensive. Having a staff person dedicated to promoting the area would be beneficial as long as the roles and responsibilities are clearly defined and do not duplicate existing efforts.

Strategy 2 – Shrink the CSMA Boundary

The City South area consists of 40,514 acres (63.3 square miles) just south of Loop 410 and between IH 37 and IH 35. A third of City South falls within the city limits of San Antonio with the rest of the land falling in the City's ETJ. As a frame of reference, this area is larger than the Cities of New Braunfels and San Marcos combined and roughly equal to 15 percent of San Antonio's current size.

The area is so large and diverse, that it is difficult for a volunteer board to have enough time and energy to consider all issues. For example, Subarea 7 has limited infrastructure and is not a high priority node for development. Subarea 4 is almost entirely within the Espada development which includes an improvement district. The southern areas of Subarea 1 and 6 also have a substantial amount of floodplain issues. In addition, there are a number of TIFs and PIDs that regulate development within parts of CSMA.

The CSMA Board will need to work closely with its partners to determine which areas to remove. The redrawing of the boundary should not be limited to existing subarea boundaries, but they do provide a starting point for evaluation. As part of this conversation, the CSMA Board should take into consideration existing City of San Antonio and Bexar County incentive policies.

Strategy 3 – Improve Collaboration with Existing Partners

Since its founding, CSMA has been controversial to some stakeholder groups,

with both public and private criticism. Meanwhile, Bexar County has not filled its allocated CSMA Board seats. In addition, the Texas Legislature mandated this effectiveness study. Moving forward, a revised mission and set of priorities hopefully can facilitate greater cooperation and collaboration among local stakeholders. Without visible partner support, CSMA will struggle to effectively achieve its goals.

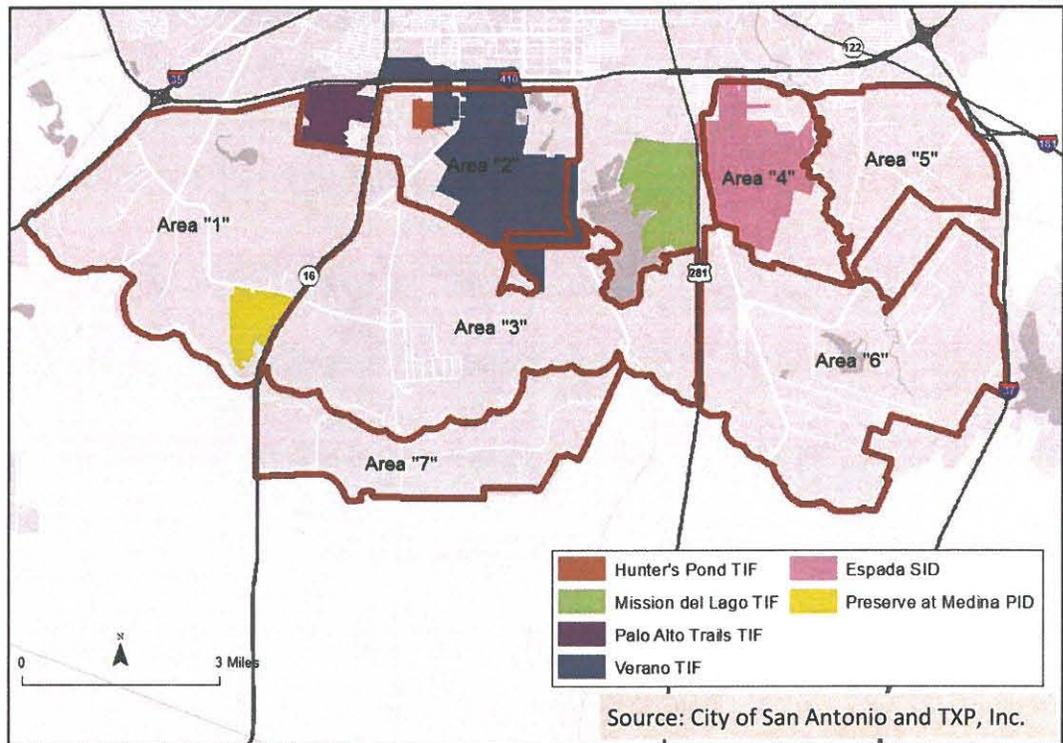
The CSMA Board should establish a subcommittee responsible for meeting with all relevant elected officials and public sector staff. If CSMA is unable to generate support from local stakeholders, the Board should adjust the organization's goals, strategies, and success measures.

Strategy 4 – Address Long-term Funding Issues for CSMA

CSMA should serve as the umbrella organization for the community it represents when applying for state and federal funding. In this capacity, the organization could speak on behalf of the residents, the business community, San Antonio, and Bexar County. Even if San Antonio and Bexar County do not allocate direct funds to CSMA, an alternative approach would be to engage CSMA Board members when it comes to prioritizing future spending, infrastructure projects, and long-range planning. This would provide support and validity to the organization as well as leverage the Board's knowledge of the area.

An immediate opportunity is to work with locally elected state officials to increase

Figure 22: Major Existing Residential Developments in the City South Area



funding for the Texas A&M University – San Antonio campus. San Antonio has already invested millions to provide roadway access to the campus that complements a long-term TIF (which includes the City, County, and others) for future infrastructure. The current challenge is to increase funding for new academic buildings so that enrollment can increase to meet the needs of south San Antonio residents. The economic and social benefits of a highly educated workforce are well understood. This type of collaborative project could help rebuild some strained relationships in the area.

Another opportunity exists for funding around the Eagle Ford Shale. The Texas Department of Transportation might be able to provide funding for transportation improvements to facilitate the movements of trucks and workers from the CSMA area to south Texas.

CSMA should also actively pursue state funding sources and federal grants as well as resources from philanthropic and nonprofit organizations. This might require local partners to supply matching dollars or credit support to secure the funds. A measureable success indicator for this recommendation would be a multi-year commitment of financial resources from partner organizations to CSMA to assist in implementing the organization’s strategic plan. This would also signal to the real estate community, land owners, and residents that CSMA is valued by the community and worthy of investment.

Strategy 5 – Adjust CSMA Land Use Policy to Encourage Development

There are two types of recommendations related to land use regulations in CSMA. The first focuses on clarification of the existing language and policies. The second type encourages a broader rethinking of planning and zoning guidelines that take into account market conditions, cost considerations, and are similar to other parts of San Antonio. The idea is to protect key aspects and core values of existing plans, but to also facilitate a more diverse type of development.

As part of reworking the planning and zoning guidelines for the area, CSMA should actively engage the development community. There likely will be differing opinions on some issues, but where common ground exists, adjustments should be made. Staff from the City’s Department of Planning and Community Development already allocated to the organization, who understand citywide land use issues, should lead this initiative.

Category 1 – Changes to Existing Policy

- A thorough review of the sector plan (including definitions, purpose, and intent) with the zoning ordinance to ensure that all descriptions of use types per tier or center are accurately represented in the sector plan, and vice versa.
- Reorganization of the zoning ordinance to place conservation subdivision, development patterns, and flex districts regulations within their own sections—including all

related flex district or base zone incentives or requirements. This will ensure consistency throughout the entire zoning ordinance.

- Revision of the Conservation Subdivision is required to ensure that the RD zone's building patterns are clearly regulated, as they are clearly noted in the FR zone.

Category 2 – Broader Changes to CSMA Planning & Zoning Guidelines

- Additional thoroughfare types should be added to the Master Thoroughfare Plan to represent intended collectors and arterials for the area. In addition, allow for flexibility of the alignment of the thoroughfares, by permitting some degree of minor modifications for any engineering design or master plan that may be submitted.
- Provide for additional options for design elements. For example, in the case of porches vs. shade elements, clearly define the requirement to be the more general shade elements, and not just strictly porches. This will allow for the fluctuation of the market and decrease concern by the development community. This requirement occurs in both the UD district and the TND flexible development pattern.
- In regards to the TND flexible development pattern, it may be rational to remove the TND section and utilize the Form-Based Zone ordinance instead. This recommendation should be thoroughly

examined to ensure that all purpose and intent of regulations within the TND are met by the Form-Based Zone ordinance.

Strategy 6 – Prioritize Infrastructure Spending and Modify Land Use Planning within the Five Most Marketable Nodes

Based on the infrastructure assessment, all of CSMA could use infrastructure renovations and enhancements. The area is so large and covers so many jurisdictions, however, that it will take decades to upgrade the entire area. Over the past seven years, San Antonio has allocated \$132.6 million to capital improvement projects in this area. The Board should be involved in future spending decisions in the area to ensure it aligns with overarching goals and objectives of the community.

Given that the infrastructure needs exceed resources, CSMA should focus on its high priority areas. As discussed in the SWOT analysis, five nodes emerged that offer the best short- and long-term opportunities to attract new economic development projects. These nodes build upon existing activity and do not require the development of new target industry clusters. CSMA should work with landowners and real estate brokers in the area to focus on these opportunities. The CSMA Board will need to make adjustments to the existing land use plan and zoning in order to take advantage of these nodes. These nodes will also require some level of upgrade and investment to existing infrastructure capacity. The following section highlights what is needed in general in each node. It is likely the City

of San Antonio, Bexar County, or some other responsible agency will need to conduct a detailed assessment of the specific projects and their estimated costs that would most benefit each node.

Higher Education Node

The Higher Education node centered on the Texas A&M University San Antonio is well-positioned in terms of infrastructure. The investments made to Zarzamora, Verano Parkway, and University Way have established a good transportation network. An additional investment of extending Verano Parkway over the Union Pacific Rail Road to Pleasanton Road would provide better access to and from the east. The node has good access to existing water and sanitary sewer facilities. Additional utility investment is not an immediate need for this node.

Industrial Node

The Industrial Node centered on the Toyota Manufacturing Plant is also well positioned in terms of infrastructure. Prior investments to improve traffic capacity on Zarzamora and Lone Star Pass have created good connectivity to Loop 410, Loop 1604, and Hwy 16. However, existing truck traffic patterns indicate a lack of an east-west connection between IH 35 and IH 37. Additional investment in creating this east-west connection along Watson Road/ Fischer Road is needed immediately to provide a proper transportation corridor between the Industrial Node and the Warehousing, Logistics, and Distribution Node. The node also has good access to rail as well as existing water and sanitary sewer facilities. Additional utility investment is not

an immediate need for this node.

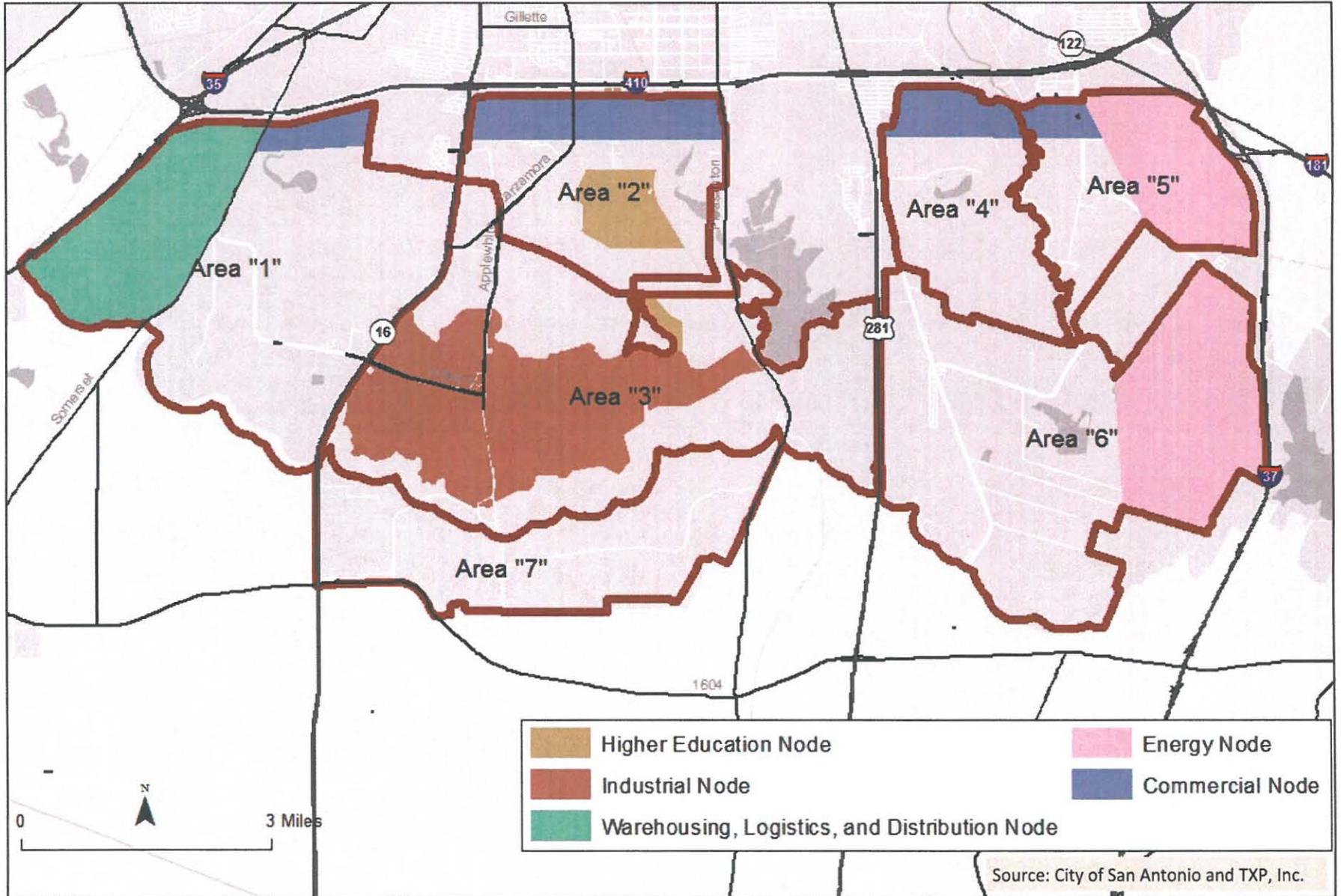
Warehousing, Logistics, and Distribution Node

The Warehousing, Logistics, and Distribution Node is located near the Union Pacific Multimodal Facility and between IH 35 and Somerset Road. The node has direct access to Loop 410 and IH 35 as well as Somerset Road and Fischer Road. However, Somerset Road and Fischer Road will need capacity upgrades to handle the increase in truck traffic that this node will create. The site is not directly served by rail and an extension across IH 35 is probably not feasible. Existing water service to the node appears to be adequate but sanitary sewer service is non-existent. An extension from the newly constructed Southwest Bexar Sewer Pipeline project north to the node would be needed for this node to develop.

Energy Node

The Energy Node is located along the west side of IH 37. The node has direct access to IH 37 providing excellent access to South Texas. Access to the west is lacking except for an indirect route along Loop 1604. The west access is not an immediate need and will be a costly improvement due to the amount of floodplain and presence of the San Antonio and Medina Rivers. The node appears to have good access to adequate sanitary sewer. The existing water network in the area is probably lacking in capacity. An analysis of the water capacity and necessary improvements should be considered an immediate need to further development in this node.

Figure 23: Major Nodes of Potential Development



Commercial/Retail Node

The Commercial/Retail Node is a strip along the south side of Loop 410 from IH 35 to IH 37. The node has direct access to Loop 410 which provides excellent east/west connectivity and high traffic volume potential necessary for retail. North/south connectivity is also available throughout the node with grade separated intersections with Loop 410. A non-critical improvement would be to extend the access roads of Loop 410 over the Union Pacific rail line to provide a consistent east/west connection on the access roads. Water availability is adequate to support commercial development along Loop 410 between Zarzamora and IH 37. The segment between Zarzamora and IH 35 either lacks any water facilities or would be inadequate for commercial uses. Sanitary sewer availability is variable. The areas that have sanitary sewer mains nearby are near Leon Creek, Hwy 16, Hunter's Pond, University Way, and between Pleasanton Road and Southton Road. Therefore the portion of the node between University Way and Southton Road has good access to both water and sanitary sewer. All other areas will require the extension of water, sanitary sewer, or both in order to develop.

Strategy 7 – Rebrand and Market CSMA

Perception is reality when it comes to CSMA. In light of a refocused mission, the Board should rebrand the organization as the group responsible for “expediting sustainable development in the CSMA area.” Part of this effort would include a public relations campaign aimed at landowners, developers, and the real estate community.

CSMA would likely need to retain a public relations/marketing firm to assist in the rebranding campaign and development of collateral materials. For this to occur, CSMA would need its partner organization to provide the funding. CSMA board members would also need to engage the community with open houses, public speaking, and real estate events on behalf of the organization. The purpose of the rebranding campaign is not to revisit issues from the past, but to discuss how current changes make this area more competitive relative to the rest of Central Texas.

Strategy 8 – Develop a New Set of Performance Metrics for CSMA

The three options presented for CSMA's future structure significantly alter the strategies and goals of the organization. It is premature to create new performance metrics since they are predicated on which strategies are adopted. In general, metrics such as new home starts, commercial development, total taxable value, and public sector investment would be a good starting point for the creation of success indicators.

After CSMA selects an option related to its future role and implements Strategies 1 to 5, only then should the Board adopt new performance metrics. The new performance metrics should focus narrowly on the issues CSMA can directly influence, not broader community goals for southern Bexar County. The performance metrics should also help answer whether the organization has been effective in meeting its overall mission and goals.

Action Plan and Timeline

A typical component of a strategic plan is a 5 to 10 year action plan. In CSMA's case, the Board and other public sector entities will need to make some difficult choices that directly impact what is achievable and realistic. Depending on which option or combination of options is selected, CSMA may not exist as an organization five years from now.

In the short-term, the CSMA Board and elected officials will need to determine a path forward for the organization (Strategies 1 and 2). The deadline for this decision should be the end of the 83rd Texas Legislative session.

By the end of 2013 and as part of the budgeting process for fiscal year 2014, the City of San Antonio and Bexar County should address Strategies 3 and 4.

The CSMA Board and City of San Antonio should consider Strategy 5, adjust CSMA land use policies, in conjunction with the previous strategies. If the organization continues to exist, modifying the policies to encourage growth and development should be a priority. However, decisions regarding funding, boundary changes, and annexation will influence future policies. It is important that CSMA not change land used policies multiple times over the next few years, which would only add to the complexity and confusion regarding the area.

Strategies 6, 7, and 8 will take longer to implement. Assuming the organization continues to exist, the CSMA Board and

support staff should begin the process of stakeholder meetings. Many of these strategies should be addressed before the 84th Texas Legislative session – when an updated effectiveness report will likely be presented by CSMA.

Conclusions

Much was expected when CSMA was formally created in May of 2005, as a result of two and a half years of conversation, planning, and program development. According to the recitals in the enabling City Council resolution, “one of the goals of the City is to balance San Antonio’s growth by attracting new residents and businesses by promoting sustainable development and economic growth in an area rich with environmental, historical, human and economic resources.” That statement remains, almost verbatim, the current vision and mission of CSMA.

The community’s expectations surpassed the organization’s resources and decision-making authority. It was the combination of external economic forces, inadequate resources, complex planning and zoning rules, and broad objectives that has frustrated stakeholders. CSMA has also been deemed ineffective by the real estate community, further exacerbating the situation. The constraints on the organization make it unlikely to be able to fulfill its current mission. As a result, narrowing the geographic size and organizational goals offers the best opportunity for CSMA to make a worthwhile contribution to community development on the southern side of Bexar County. The entire community, public and private sector, will need to put past differences aside and unite behind the CSMA Board for the organization to succeed.

Despite the issues confronting CSMA, a number of catalytic projects are expected to accelerate economic development in this area. CSMA can play an active role in facilitating these projects while protecting the core values identified when the organization was created. The report outlines a number of options and recommendations for CSMA to improve its effectiveness and meet the challenges of this area.

Appendix

Figure A1.1: 2000 Census Block Group boundaries

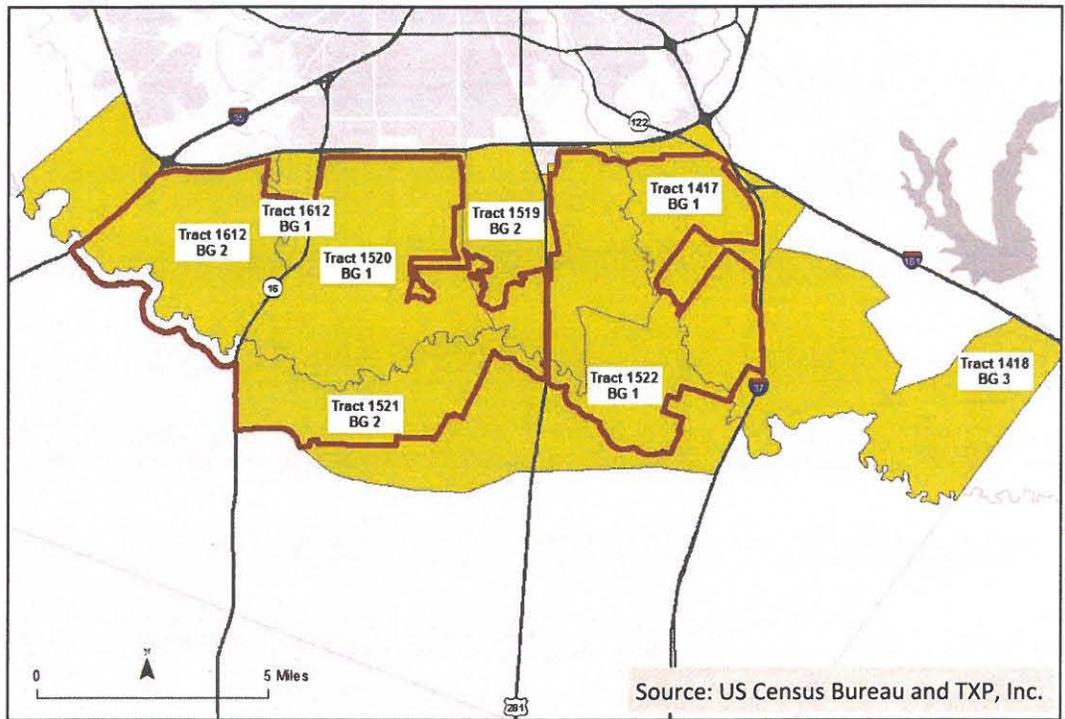
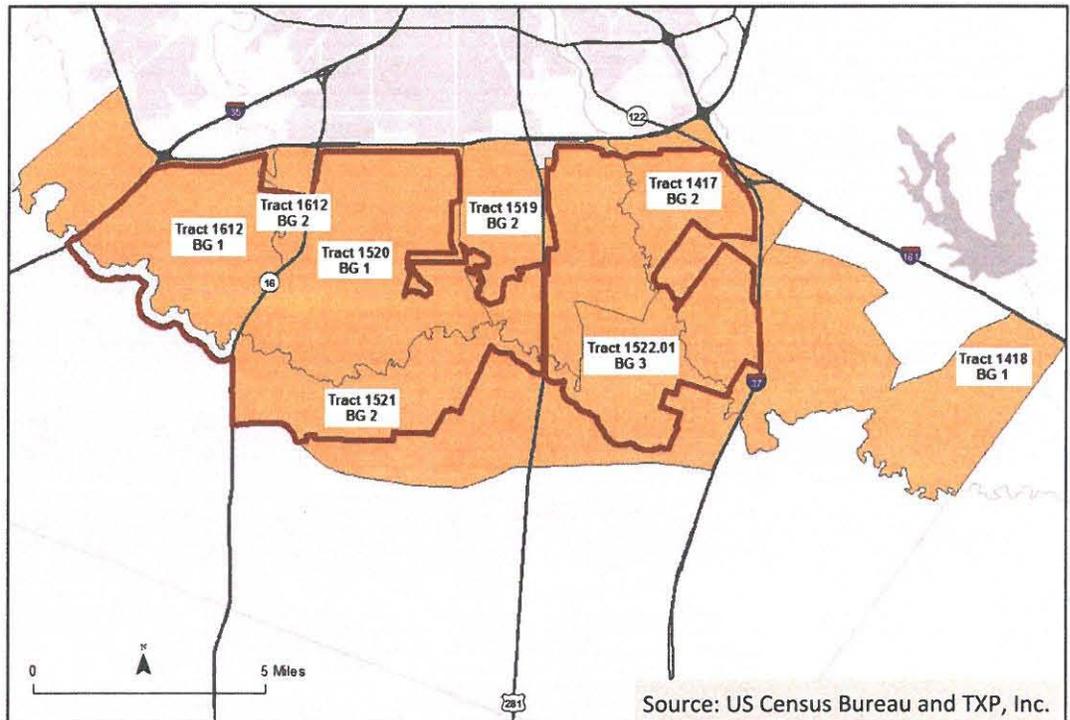


Figure A1.2: 2010 Census Block Group boundaries



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