

MEMORANDUM

To: City of Seguin Mayor and Council Members
Steve Parker, City Manager

From: Pamela Centeno, Director of Planning & Codes

Through: Rick Cortes, Deputy City Manager

Subject: Development Agreement Extensions

Date: December 27, 2023

Beginning in 2009, pursuant to Sections 43.016 (formerly 43.035) and 212.172 of the Texas Local Government Code, the City of Seguin began executing development agreements for properties with agricultural tax exemptions. The agreements guarantee that the properties will remain in the extraterritorial jurisdiction (ETJ) of the City for a specified duration of time as long as the properties remain undeveloped and used for agriculture, wildlife management, and/or timberland purposes. The agreements defer annexation for the initial term as specified in the agreements. At the end of the initial term, the City of Seguin can offer an extension of the agreement or commence annexation of the property. The maximum duration of the agreements, including subsequent extensions, is 45 years.

City staff has notified the property owners of 35 properties that the development agreements for the properties they own are nearing the end of the initial term in the first quarter of 2024. There are an additional 33 properties in which the initial terms end in the second half of 2024. Staff has evaluated the properties and recommends extending all of the 2024 agreements for an additional 10 years.

Attached please find a copy of the resolution authorizing the City Manager to execute extensions to all of the development agreements with initial terms ending in 2024, as listed on Exhibit A. As stated, the first group of property owners has been notified. The second group of property owners will be notified later in the year. The attached resolution also authorizes City staff to exercise the City's rights under the agreements to commence the process for voluntary annexations of the properties in the circumstance that any of the agreements are not executed prior to the end of the initial term of said agreements.