Lawmakers working to create special districts to fuel Boernearea growth

By Zeke MacCormack | April 25, 2017 | Updated: April 25, 2017 7:40pm

Developers behind two large subdivisions proposed in Kendall County are asking the Legislature to create a pair of special districts to help finance construction of roads and other infrastructure.

Some residents are upset over not being alerted earlier by state and local officials who knew of the legislation since the start of the year.

Worries about new growth hastening the depletion of groundwater in Kendall County were tempered by word the developers are exploring out-of-county water sources rather than drilling wells. But the prospect of adding motorists to already crowded roads around Boerne remains a major concern.

"No one knew about this until a couple of us started asking questions in February," said John Kight, a former county commissioner and former board member of the Cow Creek Groundwater Conservation District.

Kendall County Water Control and Improvement District No. 3, if formed, would cover 1,012 acres off Upper Balcones Road, where Bakke Development Corp. plans commercial sites and up to 2,450 new homes.

"I've been working on this development for more than 10 years, and it will take 20 to build it out," said Phil Bakke of the project known as Rocking B Ranch.

The second proposed district, called Kendall County Water Control and Improvement District No. 4, would encompass 1,142 acres off Texas 46 being acquired by an affiliate of The Lookout Group, which is developing the nearby Esperanza subdivision.

No name has been chosen for the site, which will have 400 to 750 residences, each expected to cost between \$500,000 and \$2 million, said Bill Hinckley, the Lookout Group's president. The subdivision would be required to maintain its own roads, since it will be gated.

"The ranch is planned to be a low density, estate community of true custom homes on private roads featuring sustainable land use practices, large greenbelts, a resort quality amenity and highly restrictive covenants," he said. "Currently, there are no plans for any commercial components."

The improvement districts, or WCIDs, proposed in Senate Bill 914 and Senate Bill 2273 would be able to issue bonds to compensate the developers for the costs of building roads and utilities, but only after the improvements are complete. The districts could levy fees or taxes on property owners to retire the debt.

The districts also would have limited eminent domain authority if the bills are approved by two-thirds or more of the members of the House and Senate.

Bringing in out-of-county water is costly, Hinckley noted.

"A WCID is a more viable means to finance these costs than a homeowners association or

some other special taxing district," he said by email last week.

An April 10 county commissioners briefing on Rocking B Ranch drew criticism from only one speaker, Kight, who questioned why public notice of the bills didn't appear in the Boerne Star, rather than the San Antonio Express-News.

"It's just a ploy to not notify the people who it is going to effect," he said Friday.

Complaints to Sen. Donna Campbell, R-New Braunfels, who sponsored the bills to create both districts, resulted in a pledge to go the extra mile in the future.

"As a result of our conversations with concerned citizens, our office is now requiring additional local notice be published prior to our filing a bill," attorney Brittany Sharkey, a political analyst for the senator, told a resident in an email Friday.

Bakke, familiar with the complaints, said, "There's been no secrecy surrounding our development."

"The fact of the matter is we followed everything to the letter and the spirit of the law. We have nothing to hide," he said

Officials at Boerne City Hall are aware of the proposed WCIDs, spokewoman Pamela Bransford said, but added, "We do not have an opinion on this issue at this time."

A major concern is ensuring all county residents have adequate water in the future, County Commissioner Christina Bergmann said.

"They say it's going to be out-of-county water," she said of the WCIDs. "But they can't tell us where it is coming from."

Milan Michalec, who serves on the Cow Creek board but spoke as a private citizen, expressed concern about what he termed the proliferation of special districts in the Hill Country, especially when local governments have limited input on their formation.

"WCIDs and MUDs (municipal utility districts) are limited forms of government with

tremendous powers," Michalec said. "They take a long period of time to mature and typically the water source is not known when they are approved by the Legislature."

Even when developers pipe in surface water, he said, a new subdivision can have a negative effect on groundwater quality since many build wastewater treatment systems that discharge treated effluent into local creeks.

Cow Creek manager Micah Voulgaris said his board hasn't taken a stand on the proposed WCIDs since they have no current plans to pump local groundwater.

"There's a lot of people who are concerned about the process, how it got as far as it did without anybody knowing about it," he said.

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