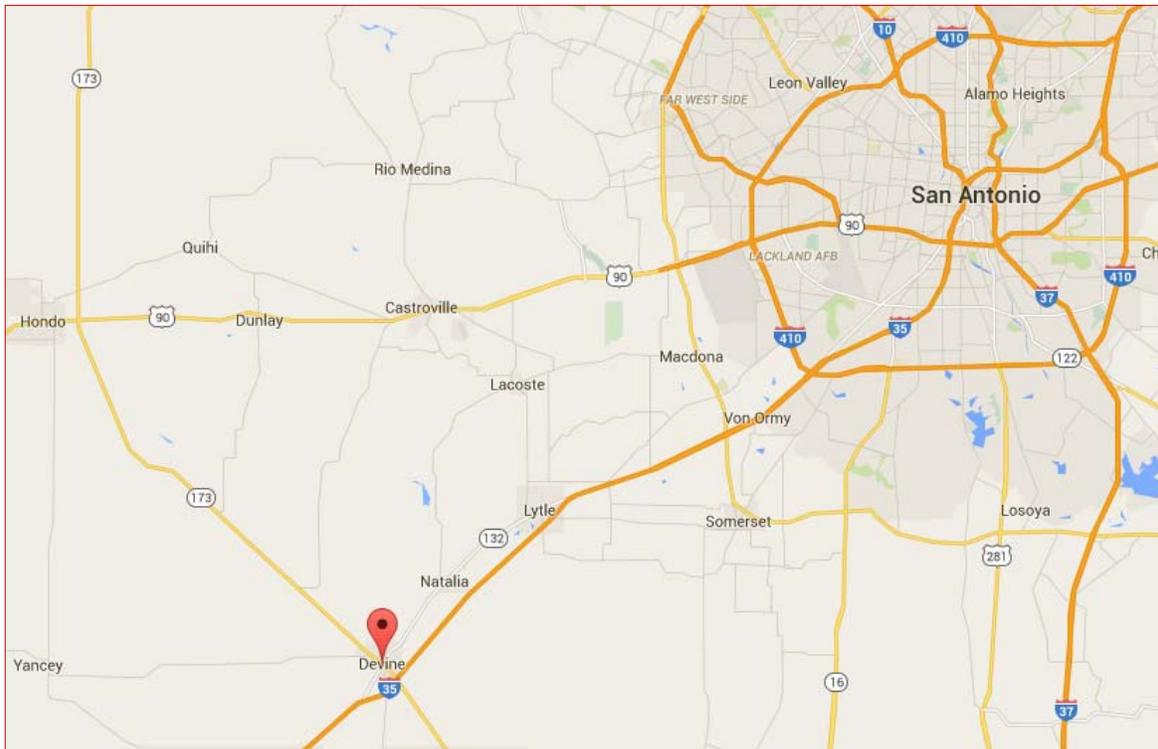




43 Acre Municipal Property

2016-06-02



Devine City Council

William Herring, Mayor
David Valdez, District 1
Steve Lopez, District 2

David Espinoza, District 3
Kathy Wilkins, District 4
Harold Lance, District 5

Contributing Staff:

Joe Ramos, City Administrator
www.CityOfDevine.com

Assisted By:

 EDT Best Practices, LLC
Greg Last, CEO
www.EDTBestPractices.com

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Disclaimer

All mapping, data, and representations used in this Document are from sources deemed reliable. Information should be independently confirmed prior to use. Neither EDT Best Practices, LLC nor the City of Devine can confirm the accuracy of the information contained herein.

INTRODUCTION

The City of Devine (City) is located in Medina County, just southwest of San Antonio, Texas at the intersection of I-35 and S.H. 173 (See Appendix A for location maps). The primary contact for questions related to this information is the City Administrator as shown on the cover.

Community Facts: Following are some brief facts about the City of Devine.

- Incorporated in October of 1907
- 2010 Census estimated population of 4,350
- Approximately 3.1 square miles
- Part of the San Antonio Metropolitan Statistical Area (MSA)

Property Background: The City acquired approximately 43 (42.968) acres of land in the southwest quadrant of I-35 and S.H. 173 several years ago. There are currently no planned municipal uses for the property.

Purpose of This Document: This document has been prepared to accumulate research and due diligence information for the following purposes:

- Sale of Property: As a resource in selling the Property for development.
- Identify a Development Partner: As a resource soliciting interest from developers for potential public-private development of the property.

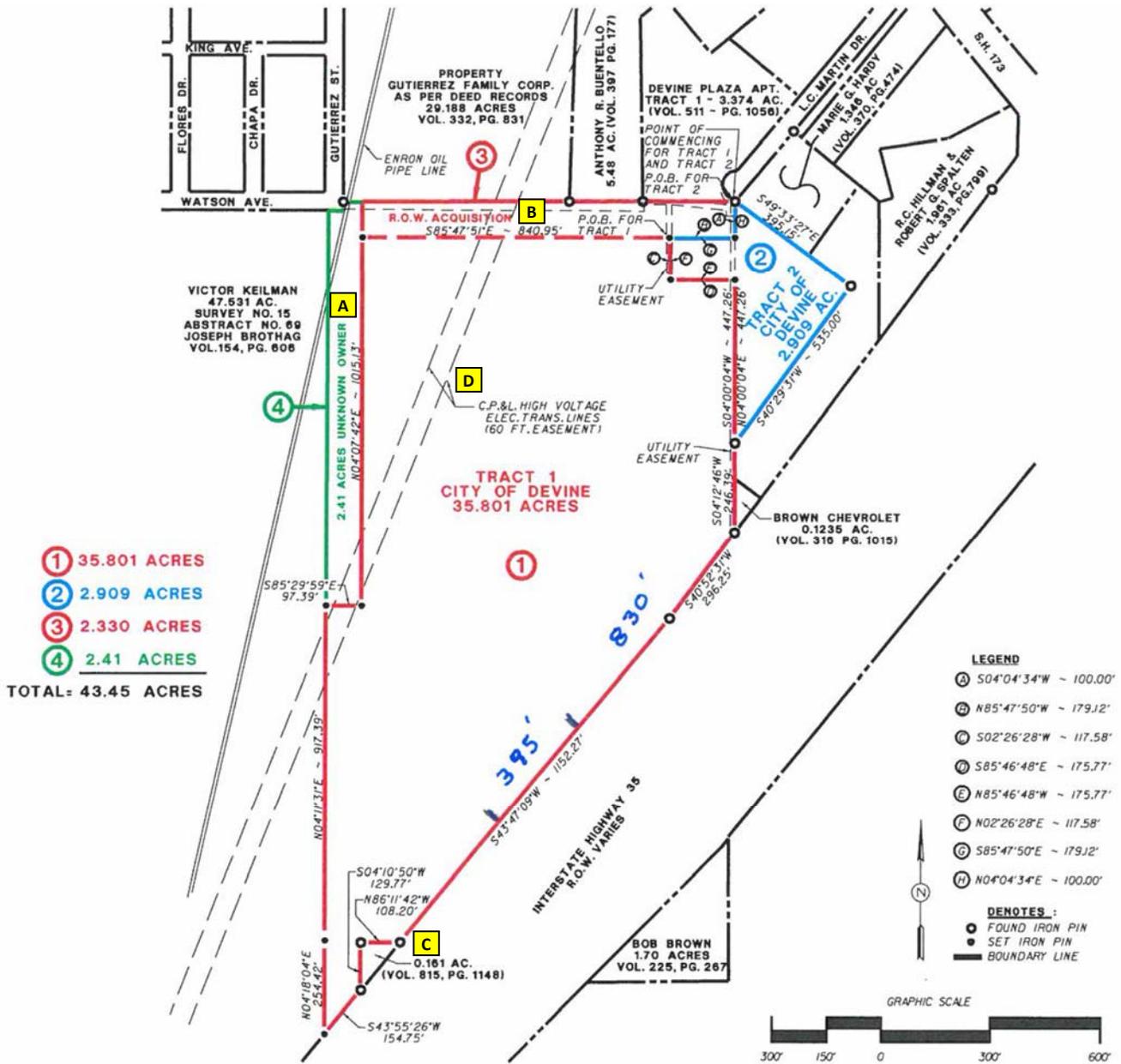
DISCOVERY

The following several pages include information typical of Property due diligence prior to acquisition or development.

Environmental Assessment: The City previously maintained a wastewater treatment facility on the norther portion of the property. The City engaged a consultant that obtained an approved Final Closure Report Letter dated May 18, 2007 from TCEQ. Details on this are available from the City Administrator's office.



Exhibit 1 Property Survey



Property Survey: Exhibit 1 shows the current survey of the property. The property is primarily composed of Tract One (35.801 acres) and Tract Two (2.909 acres).

- A. **Unknown Owner:** There is a 2.41 acre tract where ownership is currently being researched.
- B. **Pending ROW:** This property is owned by the City and was originally planned for ROW dedication but was not dedicated.
- C. **Triangle Tract:** There is a 0.161 acre tract at this location. Ownership research is underway.
- D. **AEP Transmission Line:** There is an AEP transmission line crossing through the northwest segment of the property. Limitations are typically no buildings allowed, but paving / parking allowed. Needs to be further researched.



Exhibit 2
Aerial Perspectives



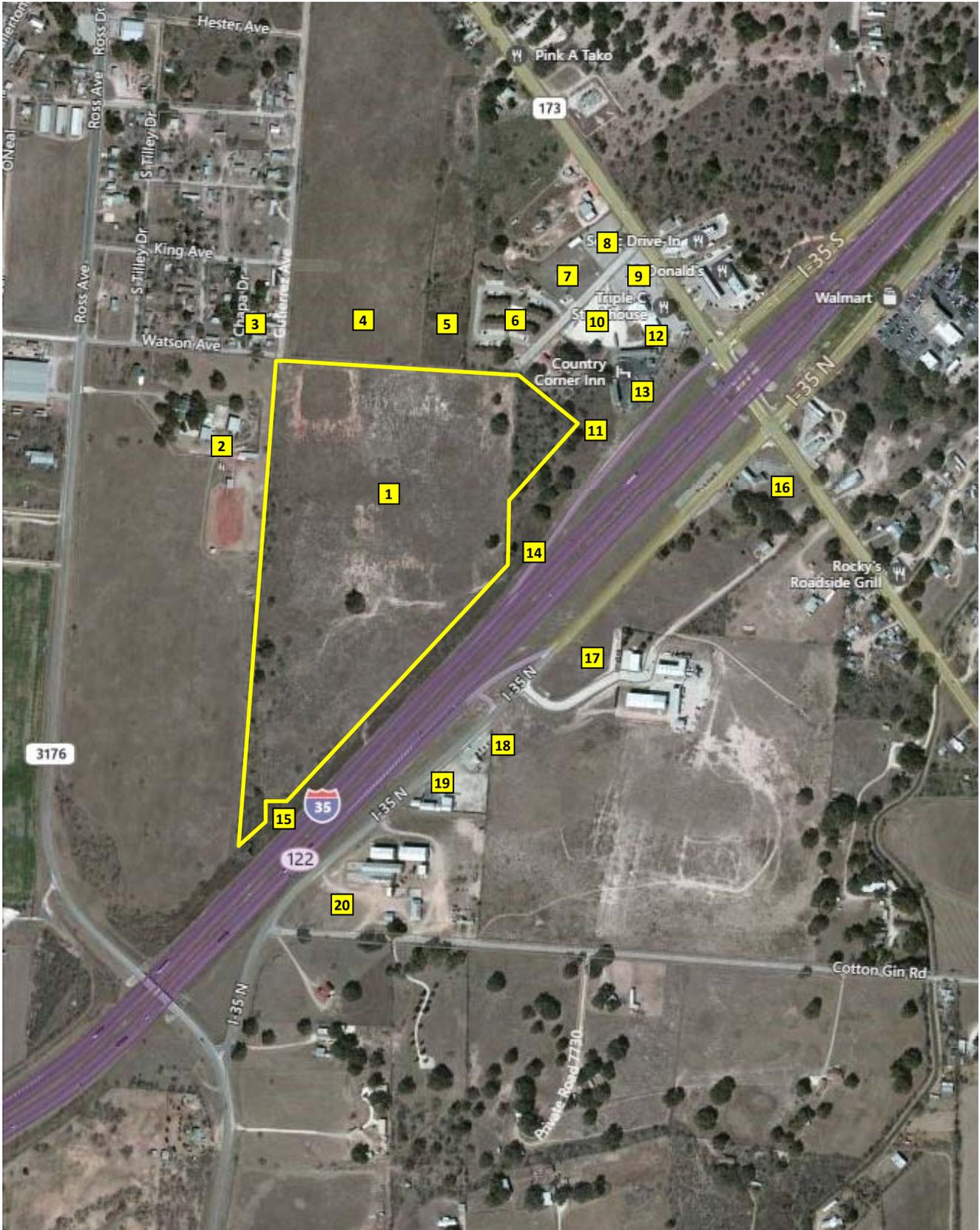
1. View of regional location



2. View along I-35 Corridor



Exhibit 3
Existing Uses



DISCOVERY

1. Existing Uses On-Site: The Property is currently vacant and being used for pasture land. There is an existing LC Martin water well site in the northeast corner.



DISCOVERY cont.

Existing Off-Site Uses : Following is an overview of existing uses in proximity to the site.

2. Ranch: Primarily open pasture but also includes a home and out-buildings. Drive off of Ross Ave appears new.



3. Subdivision: Existing single-family homes on small lots.



4. Open Pasture: Approximately 28.663 acres of pasture land.



5. Open Field: Approximately 5.48 acres of open undeveloped field.



6. Devine Plaza Apartments: Approximately 40 apartment units on 3.3 acres. Constructed in 1985.



7. Tower / Vacant Property: Telecommunications tower near vacant land.



8. Asphalt Parking Lot / ATM: An ATM is on a small lot at the hard corner with a vacant asphalt parking lot south and west of it.



9. Parking Lot for Triple-C Steakhouse: The southwest corner of the intersection appears to be extra parking for Triple-C.



10. Lester's Tire & Road Service: Large gravel parking area with service building in the rear.



DISCOVERY cont.

11. Residential Home: There is an existing residential home on the south side of the end of LC Martin and wraps the Property to I-35.



12. Triple-C Steakhouse: The main entrance to the steakhouse is off of the frontage road.



13. Country Corner Inn: An existing hotel with approximately 38 units. Constructed in 1973.



14. Vacant Property: This small piece of property is vacant and not very deep. Unknown what owners want to do with it at this time.



15. Small Triangular Vacant Tract: Vacant property along the ROW.



16. Exxon Station: The southeast corner of I-35 at 173 is an Exxon gas station.



17. Unknown - TBD: This is a facility that has access off of the frontage road.



18. Enterprise Rent-a-Car: A rental car facility with access off the frontage road.



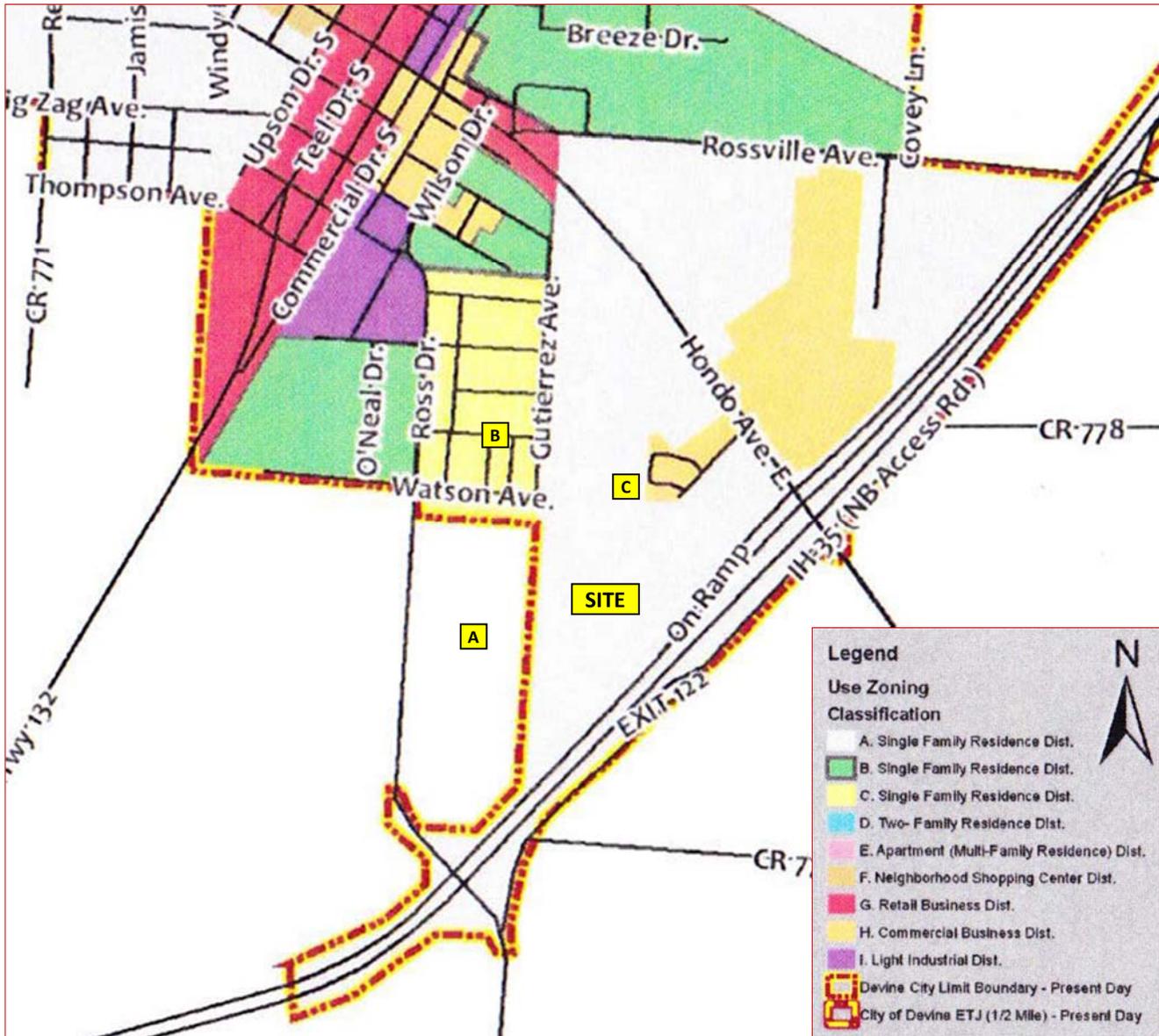
19. TBD-Land Sales: Several metal buildings with a large parking lot in front.



20. Buildings For Sale: Several existing metal buildings with for sale sign in front.



Exhibit 4
Existing Zoning

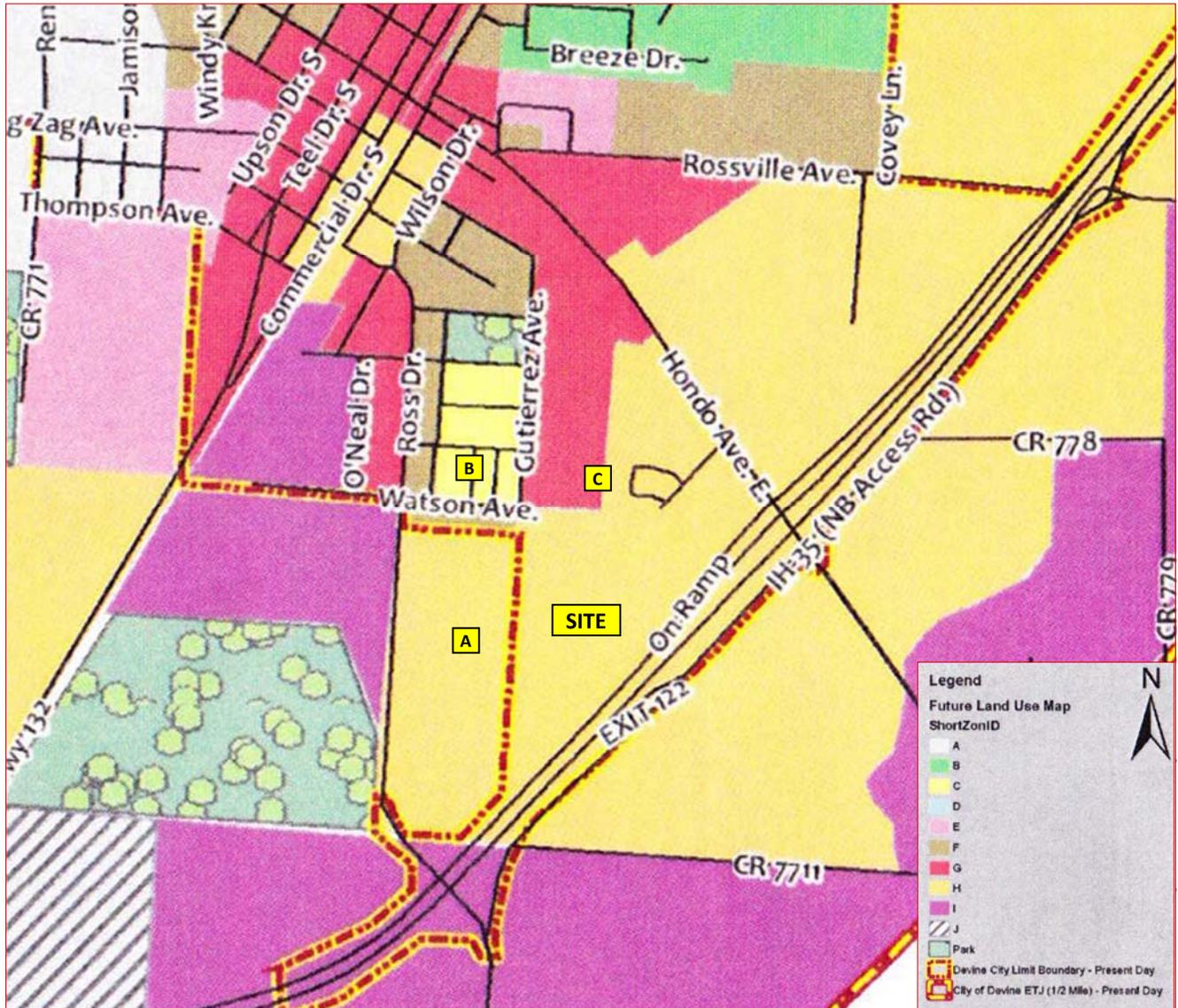


Existing Zoning: The entire property is currently zoned Class A Single-Family Residential District. This generally includes one-family dwelling excluding manufactured or mobile homes; schools, parks, libraries, churches, and playgrounds; accessory buildings; incidental use structures; signs; and temporary buildings (during construction).

- A. **West:** Property to the west is currently outside the City limits and unzoned.
- B. **Northwest:** Property to the northwest is currently zoned Class C Single-Family Residential District.
- C. **North:** The majority of the property to the north is zoned Class A Single-Family Residential District like the subject property. The multi-family uses are zoned Class H Commercial Business District.



Exhibit 5
Future Land Use Map (FLUP)

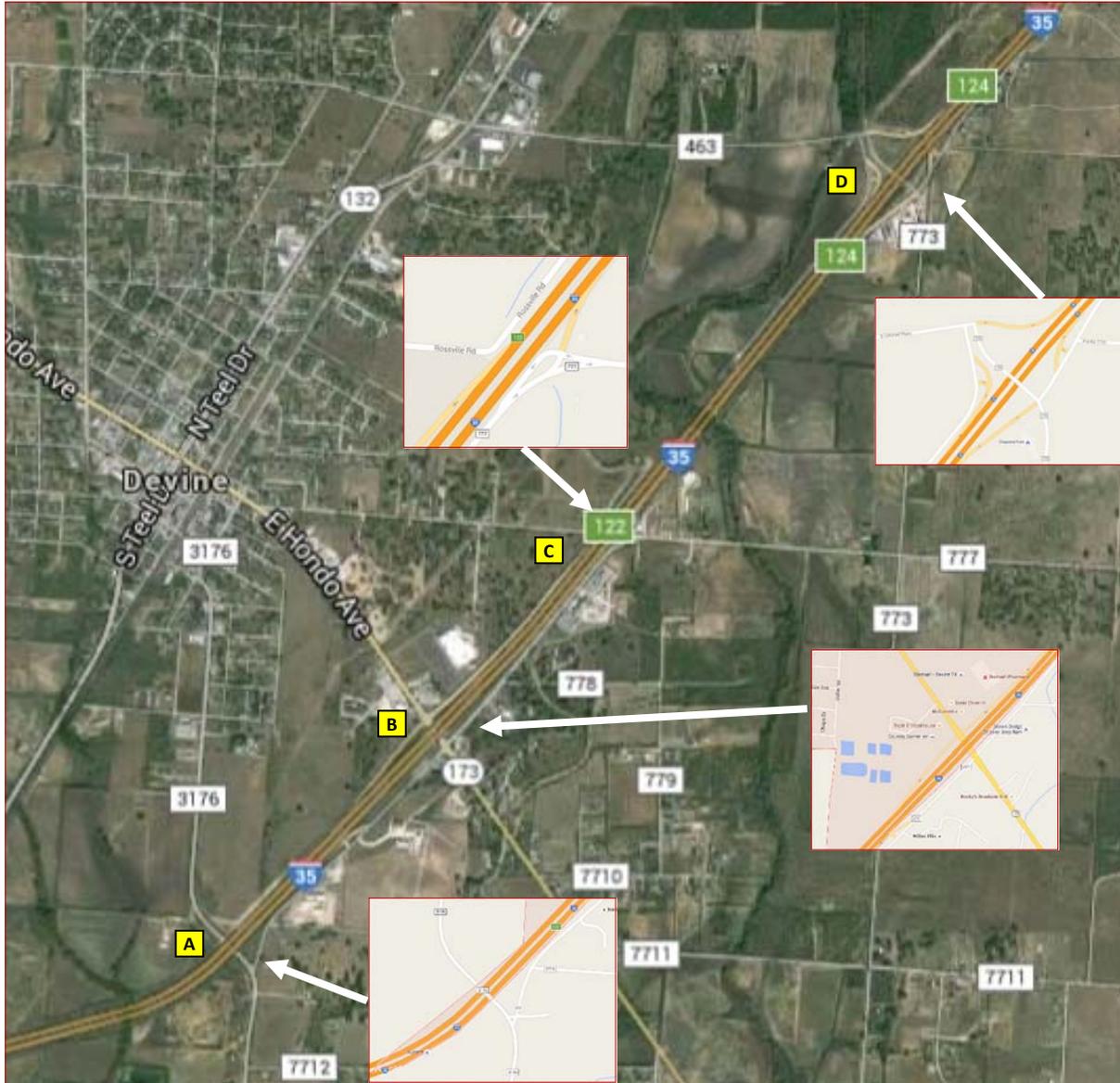


Future Land Use Map: The entire Property is currently designated H - Commercial Business District.

- A. **West:** Property to the west is designated H.
- B. **Northwest:** Property to the northwest is currently designated C - Single-Family Residential District.
- C. **North:** The western half of the properties to the north is currently designated G - Retail Business District. The eastern half is currently designated H similar to the subject Property.



Exhibit 6
I-35 Interchanges

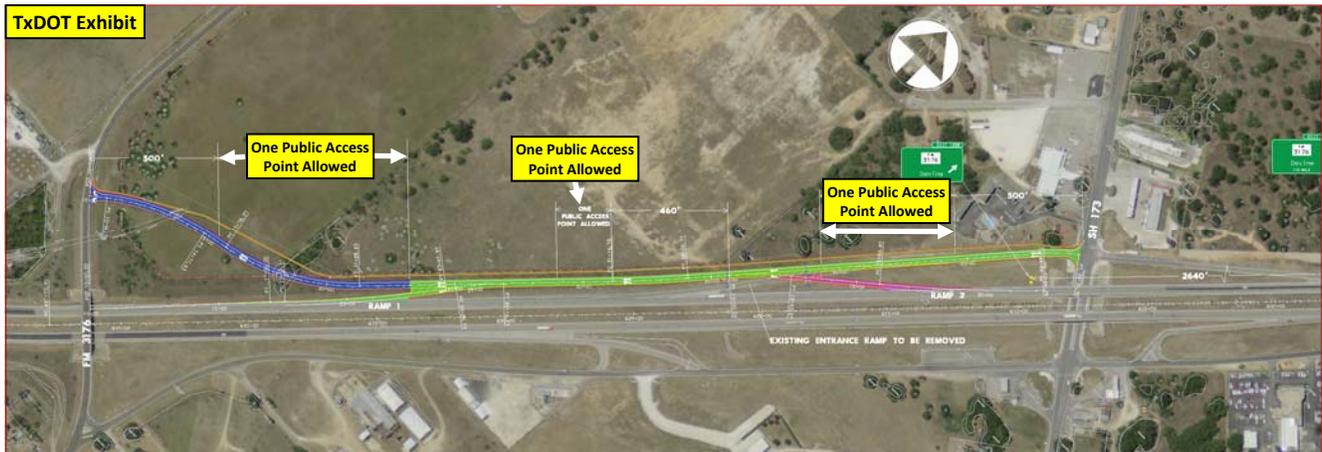


I-35 Interchanges: I-35 is the primary arterial providing access to the Property. Following are descriptions of the local road interchanges with I-35.

- A. F.M. 3176: This road crosses over I-35 with no on or off-ramps provided to the highway.
- B. Texas 173 / E. Hondo Ave: This road crosses under I-35 and has full south-bound off and on-ramps provided. Northbound has an off-ramp, but to get back on I-35 you go through the 777 intersection.
- C. County Road 777 / Rossville Road: This road does not cross I-35 and has no connection to I-35 other than an north-bound on-ramp from 777 east of I-35.
- D. County Road 773 / County Road 463 (E. Colonial Pkwy): This road appears to have full off and on-ramp access (though convoluted) both north and south-bound.



Exhibit 7 Roads & Driveways

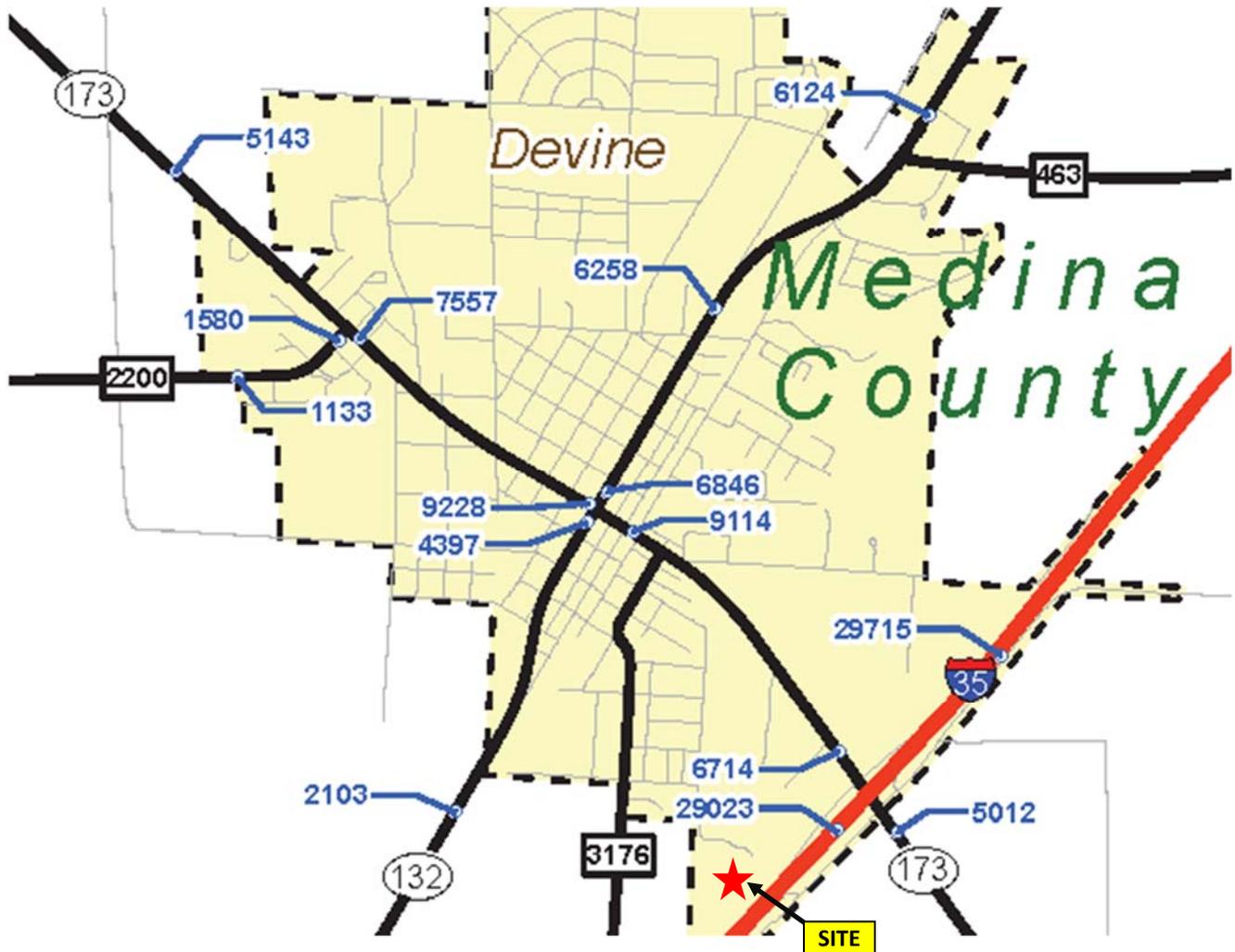


Roads & Driveways: The property has good access from multiple directions as noted below.

- A. Watson / Gutierrez: These two roads are two-lane asphalt and primarily used by adjacent residential uses. Extensions of these roads can be provided into the site as needed.
- B. L.C. Martin: L.C. Martin is a three-lane concrete curb-n-gutter roadway currently ending in a cul-de-sac. Research is underway to determine if this roadway could be extended into or through the Property.
- C. I-35: The TxDOT Exhibit shows the areas allowing an access to the I-35 frontage road. Note that the on-ramps and off-ramps are intended to be changed as shown. For more information, contact TxDOT: Jessica Castiglione, PE, TxDOT Hondo Area Engineer, W: 830-741-6607, C: 830-708-8374. (Also note that this exhibit arrived after the Concept Plans provided later were developed so access points may not match this exhibit.)



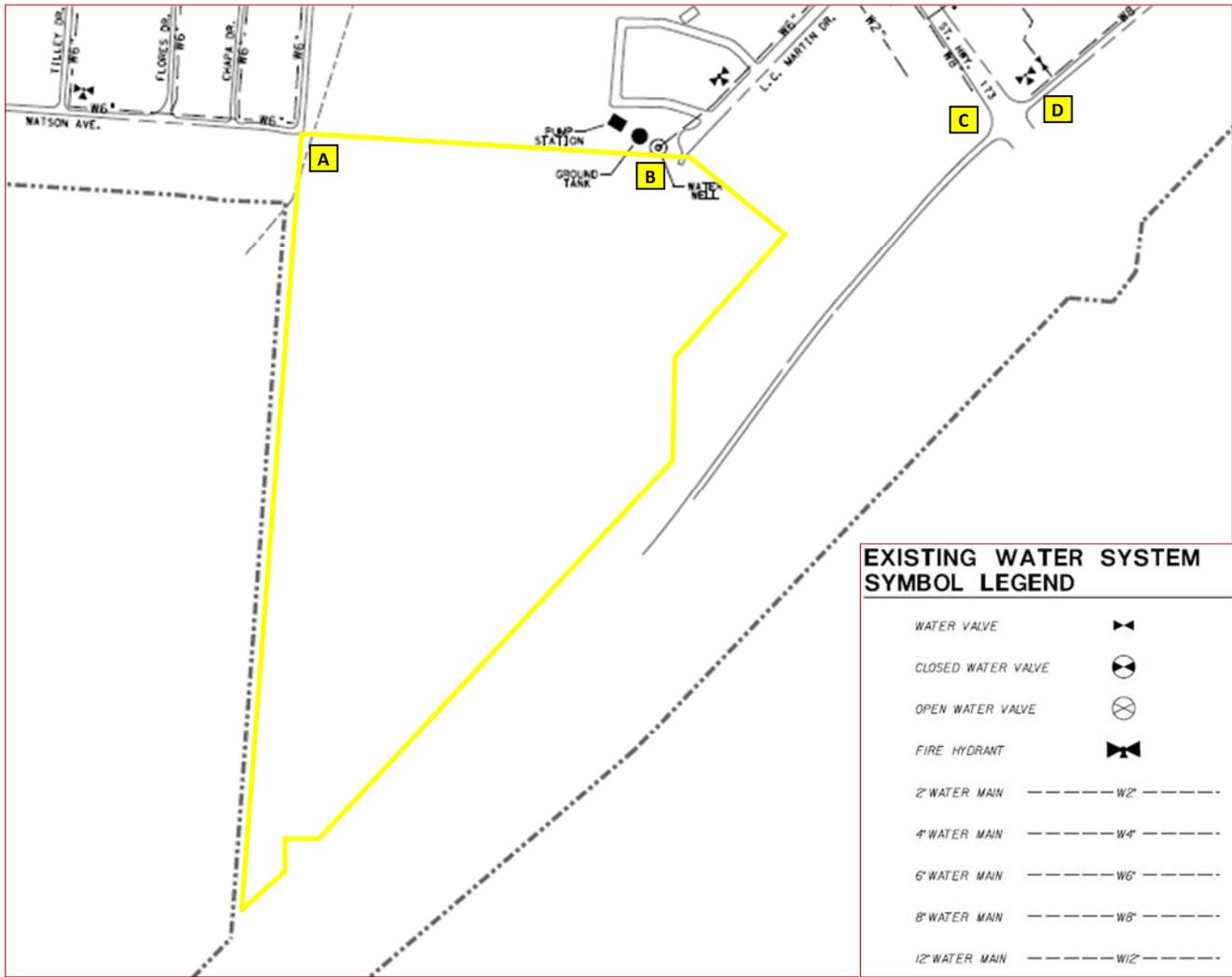
Exhibit 8
2014 TxDOT Traffic Counts



Traffic Counts: The 2014 Traffic Counts provided by TxDOT reflect 29,023 Vehicles Per Day (VPD) along I-35 in front of the site. E. Hondo Ave shows 6,714 VPD just north of the I-35 intersection.



Exhibit 9
Water Distribution System

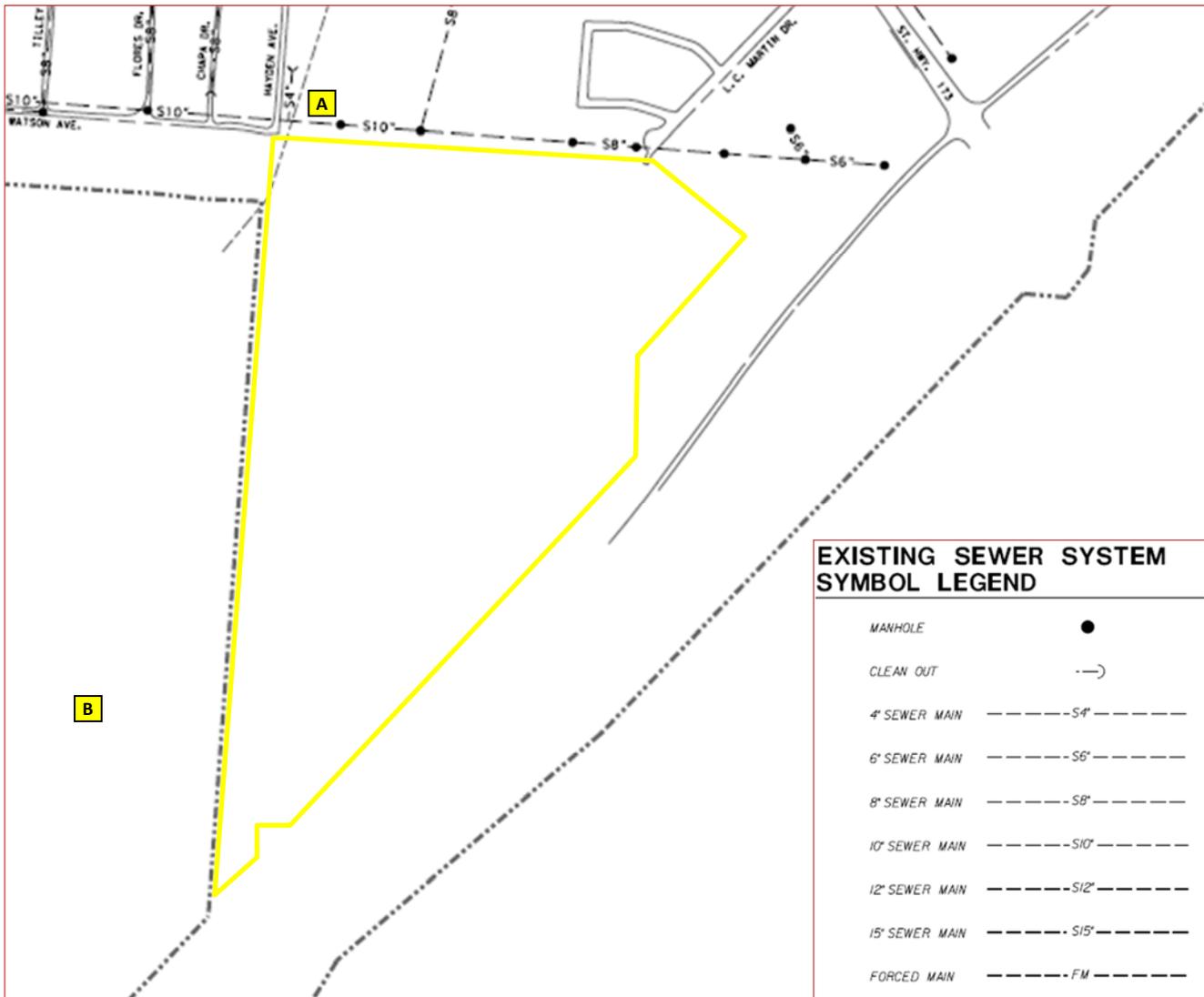


Water Distribution System: There are currently no existing water lines serving the Property. Adequately sized lines will be required as noted below along the perimeter and through the Property. Appropriate fire hydrants and other system requirements will also be required with water line installation.

- A. Watson / Gutierrez 6" W.L.: There are existing 6" water lines in both Watson and Gutierrez streets. A connection of at least 8" in size would be required to connect with these lines to serve the Property.
- B. L.C. Martin 6" W.L.: There is an existing 6" water line in L.C. Martin road that connects to the water well on the Property. A connection of at least 8" in size would be required to connect with this line and / or the existing water well.
- C. Hondo 8" W.L.: There is an existing 8" water line along the south ROW of Hondo street just west of I-35 ROW.
- D. I-35 8" W.L.: There is an existing 8" water line along the west ROW of I-35 just north of Hondo street. A connection of at least 8" in size would be required to connect with this line and be extended along the entire I-35 frontage and stubbed to the southernmost edge of the Property.



Exhibit 10
Sanitary Sewer System

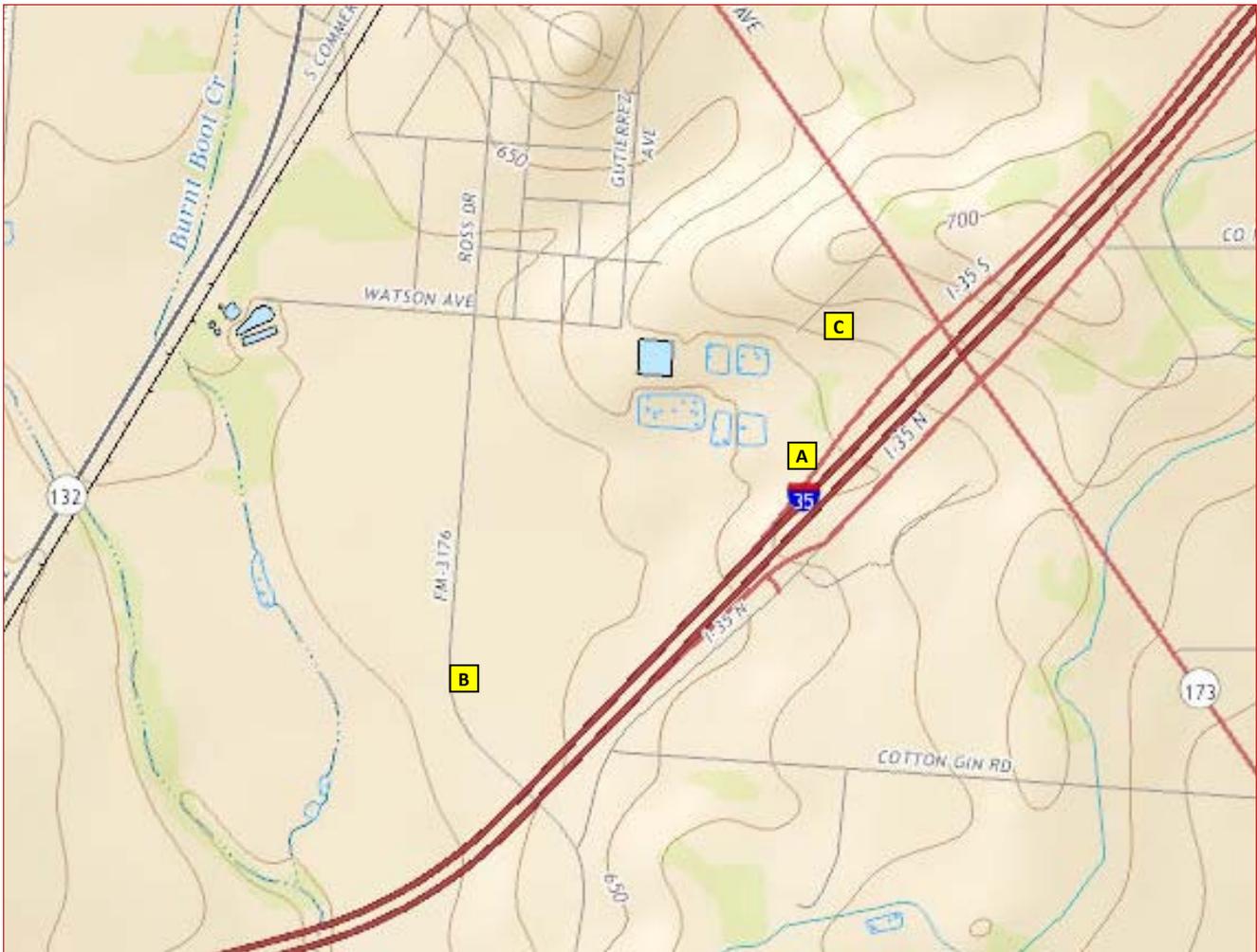


Sanitary Sewer System: There is currently limited sanitary sewer service to the Property as noted below. Although limited development might occur on the Watson line, the majority of the site will sewer to the southwest in accordance with the topography shown on the next page. This will require the construction of a lift station and force main connecting either back to the Watson line or more likely upstream directly to the existing sewer treatment plant.

- A. **Watson 10" S.S.:** There is currently an existing 10" sanitary sewer line along Watson Street and continuing eastbound, reducing in size to 8" then 6" before reaching the I-35 ROW. This line could likely serve the northernmost portion of the Property, subject to depth and elevation limitations.
- B. **Future Lift Station:** This represents the approximate location of a future lift station that would serve the majority of the Property.



Exhibit 11
Topography & Drainage



Topography & Drainage: The Property is fairly flat with drainage generally flowing to the southwest, eventually reaching Burnt Boot Creek. Detention would not be required to develop the property.

- A. **I-35 Culvert:** There appears to be a 29' x 7' box culvert under I-35 at approximately this location. This drainage will be required to be accepted and move through the property.
- B. **3176 Culvert(s):** Drainage from the Property as well as upstream crosses under F.M. 3176 in one location. Development of the Property would likely require upsizing these culverts to handle any increased drainage.
- C. **Upstream:** There is likely drainage coming into the Property from L.C. Martin as well as the developed properties upstream of the subject Property. This drainage will need to be accommodated through the property.



ANALYSIS

Regulatory Issues: The FLUP designation and existing zoning on the Property are inadequate for the desired development. The City Administrator is currently pursuing changes in zoning to allow flexibility in development uses.

Market Analysis: The scope of this study does not include a Market Analysis of the region adequate to identify potential end users. Typically this would be done by purchasers / developers of the Property. Following are a few observations of the market in this area:

- Walmart has constructed a new 127,981 SF store on Hondo Avenue near the Property
- Tractor Supply Company has recently bought an existing 32,518 SF facility on State Hwy 132 N for their operations.

Locally Desired Uses: Devine's leadership and residents have provided some feedback on desired uses for this Property, including:

- Retail: Big box (Lowe's, Home Depot, etc.)
- Pharmacy: Walgreens, CVS
- Restaurants: Family dining such as Chili's, Olive Garden, Cracker Barrel, I-Hop
- Office: Multi-tenant class B office space, professional space (dentists, etc.)
- Hotel: Brand name for business traveler, 50+ keys,
- Multi-Family: Diverse housing products to match the needs of the residents.

Connectivity / Access: The Property has great frontage along I-35 although the frontage road does not continue south to connect with 3176. This connection should be pursued.

L.C. Martin Drive cul-de-sacs just short of the northern boundary of the Property. Connecting to this Drive would allow better access to the property from Hondo Ave.

Walmart constructed a store recently on the north side of Hondo Ave access via a public road intersecting Hondo Ave. Potential may exist to continue this road south of Hondo and into the property, possibly continuing to 3176.

DEVELOPMENT CONCEPTS

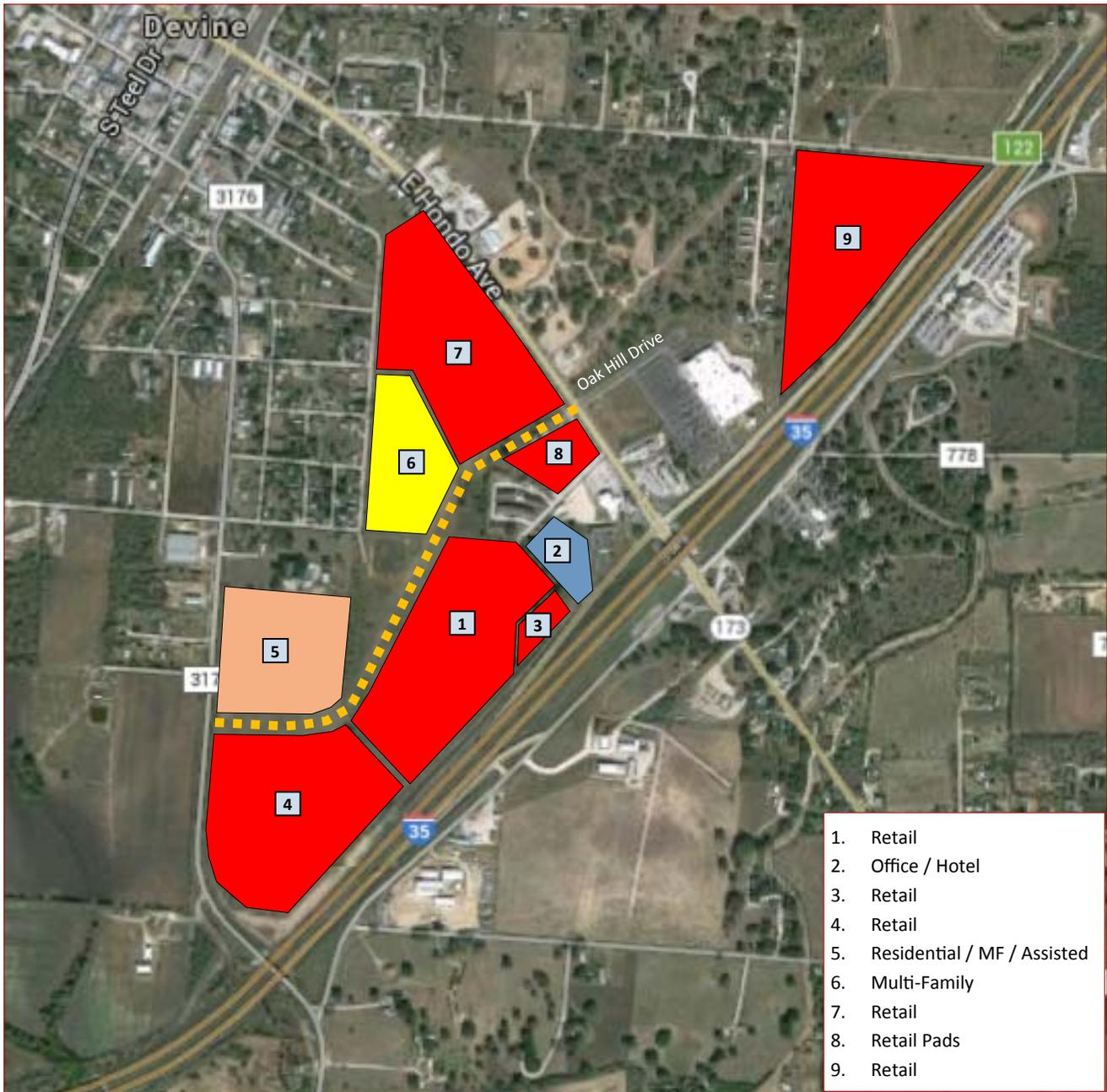
A variety of Concept Plans have been generated in order to graphically represent alternative uses for the Property. Aspects of each Plan are provided on the exhibit.

Goals for the Concepts include:

- Maximize the ad valorem and sales tax revenue to the City
- Provide uses desirable to City residents
- Entice a third-party developer to acquire or participate in the development of the subject Property and other adjacent properties
- Provide graphic representations that might be used for amending zoning or thoroughfare master plans
- Interest area property owners in a cooperative approach to development of the area



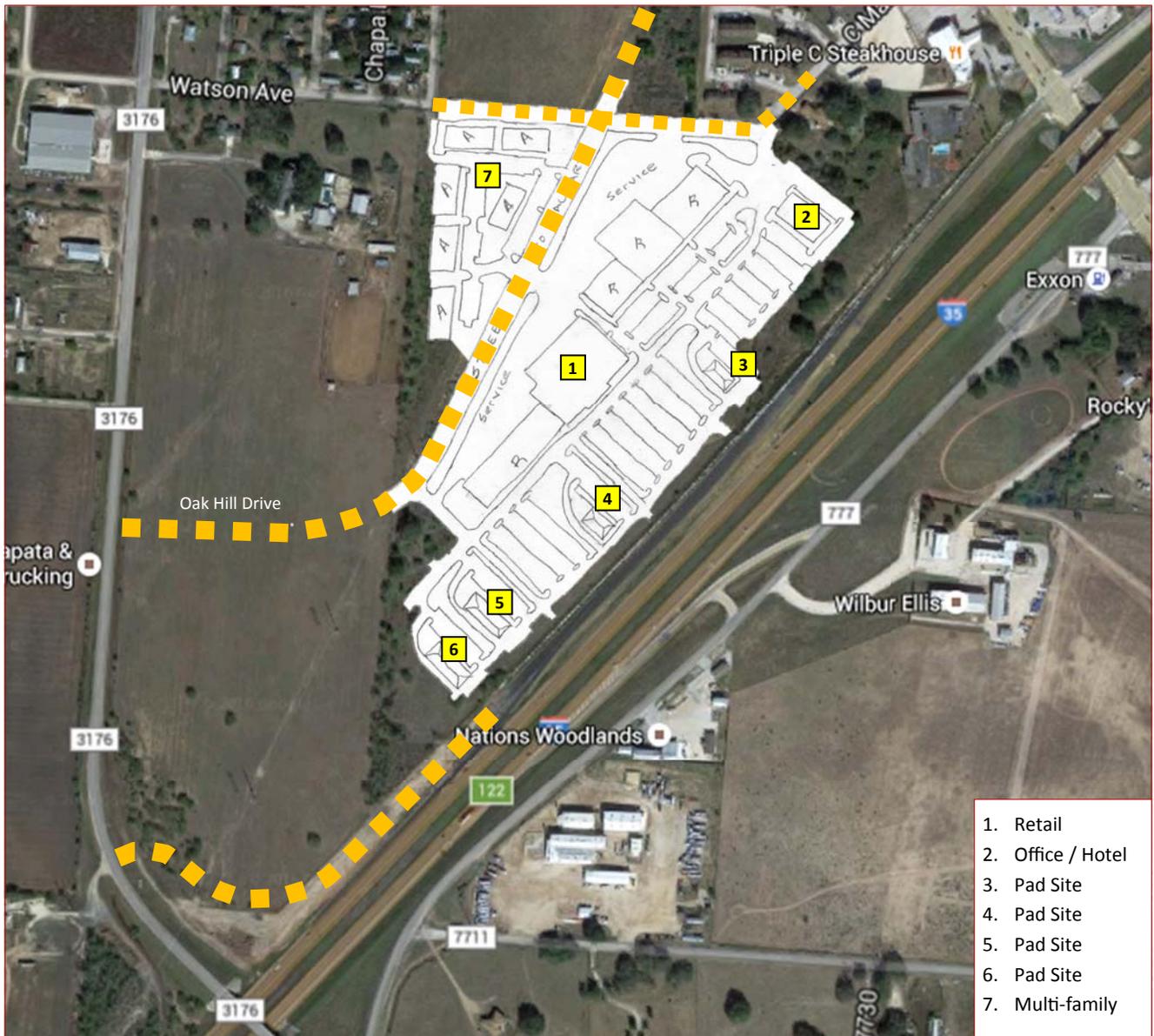
Exhibit 12
Likely Area Land Uses



This exhibit shows a likely scenario for ultimate development of properties in the vicinity of the subject Property.



Exhibit 13
Concept Plan - A

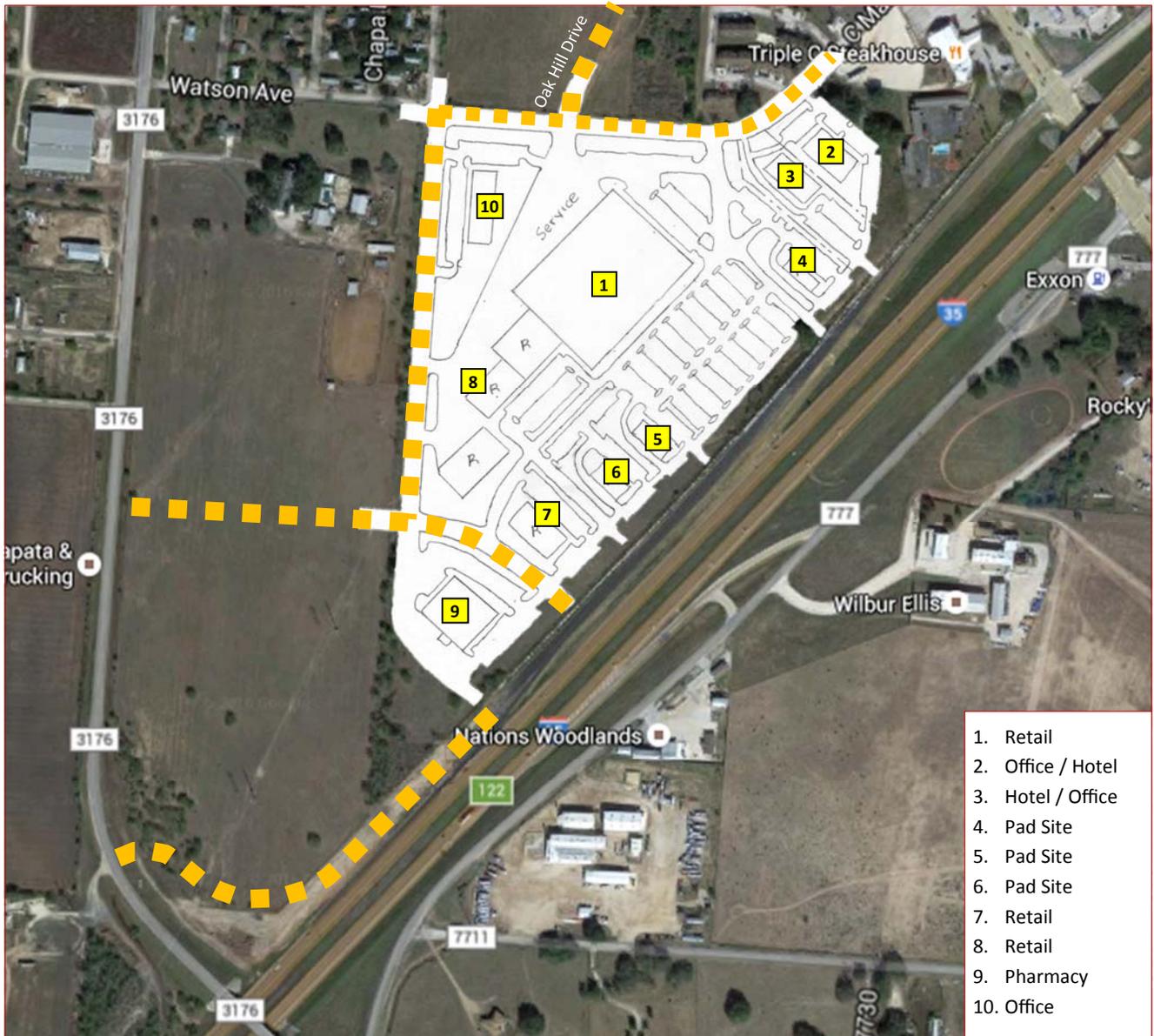


Notes:

- A. New street from 3176 to Oak Hill Drive (Walmart Cul-de-sac), roughly aligned along high-voltage easement.
- B. Watson to connect with LC Martin.
- C. #1 Retail approximately Academy size.
- D. Does not include Hardy or Brown out-parcels.
- E. Driveway locations would be subject to TxDOT review.



Exhibit 14
Concept Plan - B



Notes:

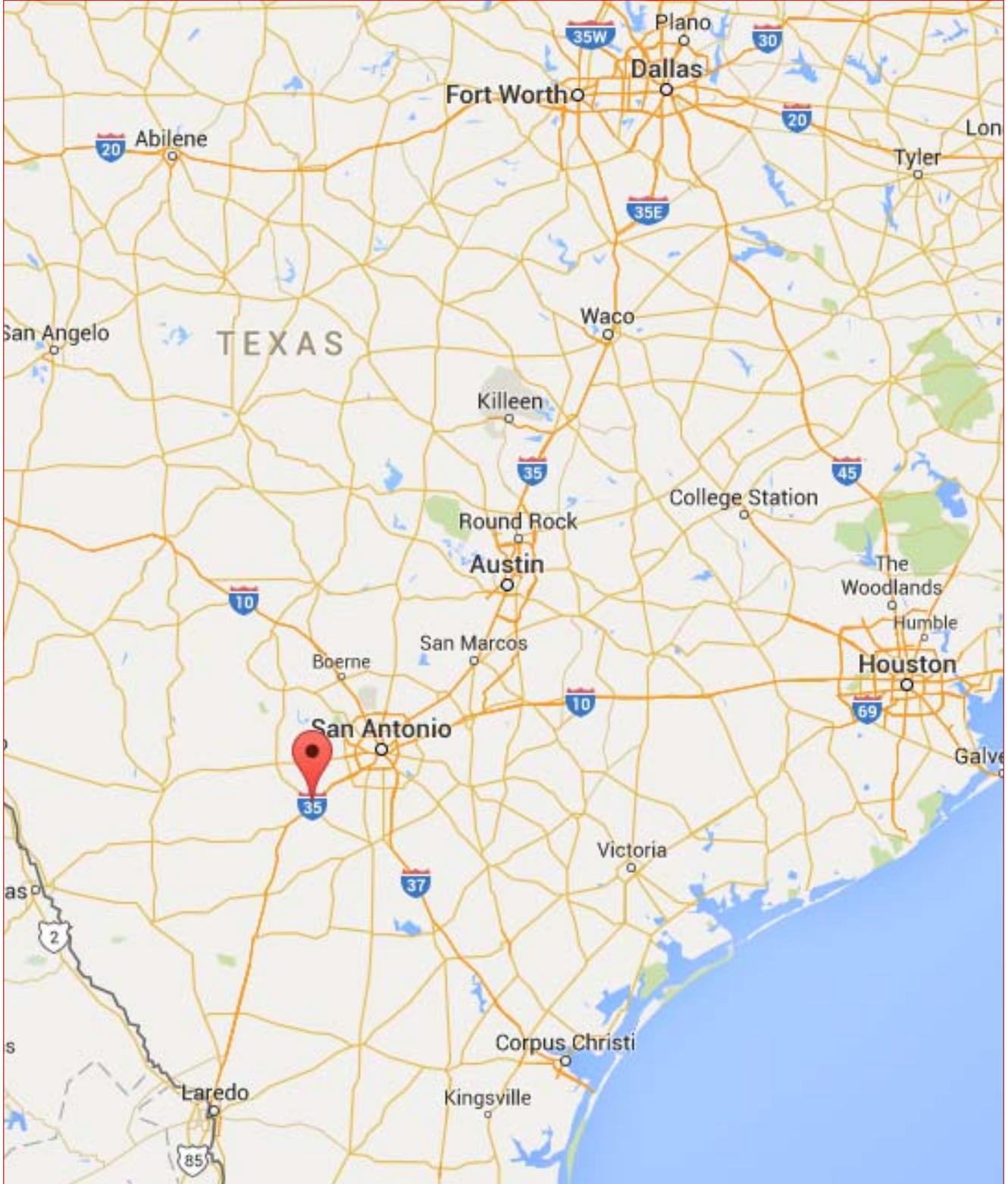
- A. Watson to connect with LC Martin.
- B. New street from Watson to the Walmart Cul-de-sac, roughly aligned along high-voltage easement.
- C. Service areas over high-voltage easement.
- D. #1 Retail approximately Target size.
- E. Includes Hardy and Brown out-parcels.
- F. Driveway locations would be subject to TxDOT review.



Appendix A-1

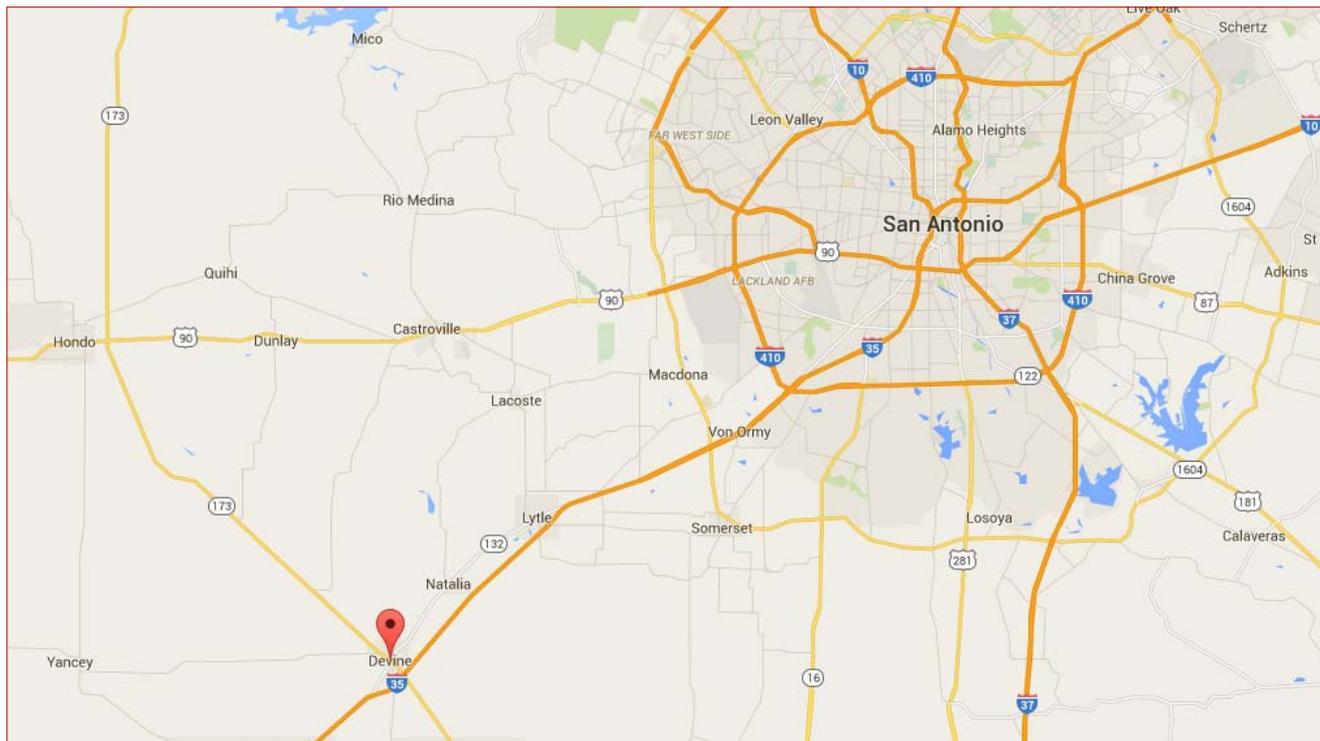
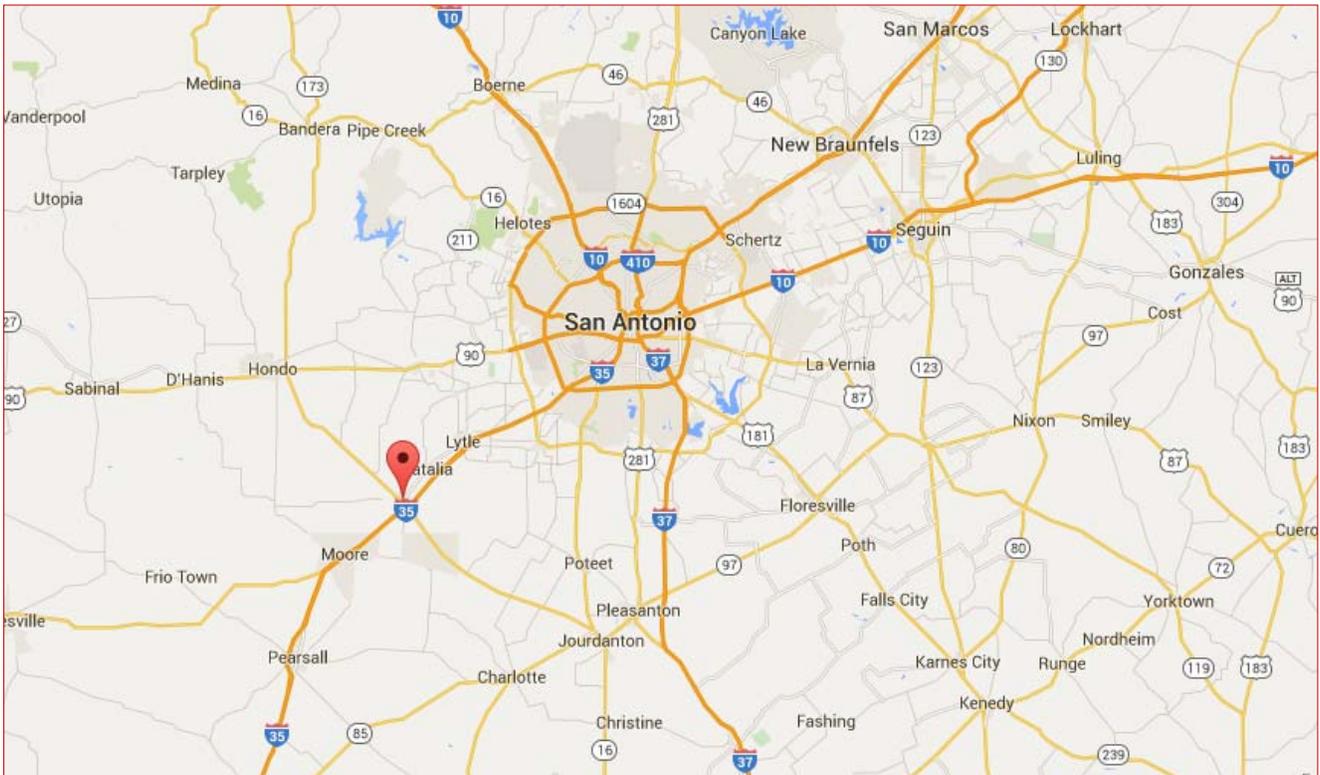
Texas Location

This map shows the location of the City of Devine in the State of Texas along the I-35 corridor between San Antonio and Laredo, continuing along Hwy 85 to Monterrey, the capital of Mexico.

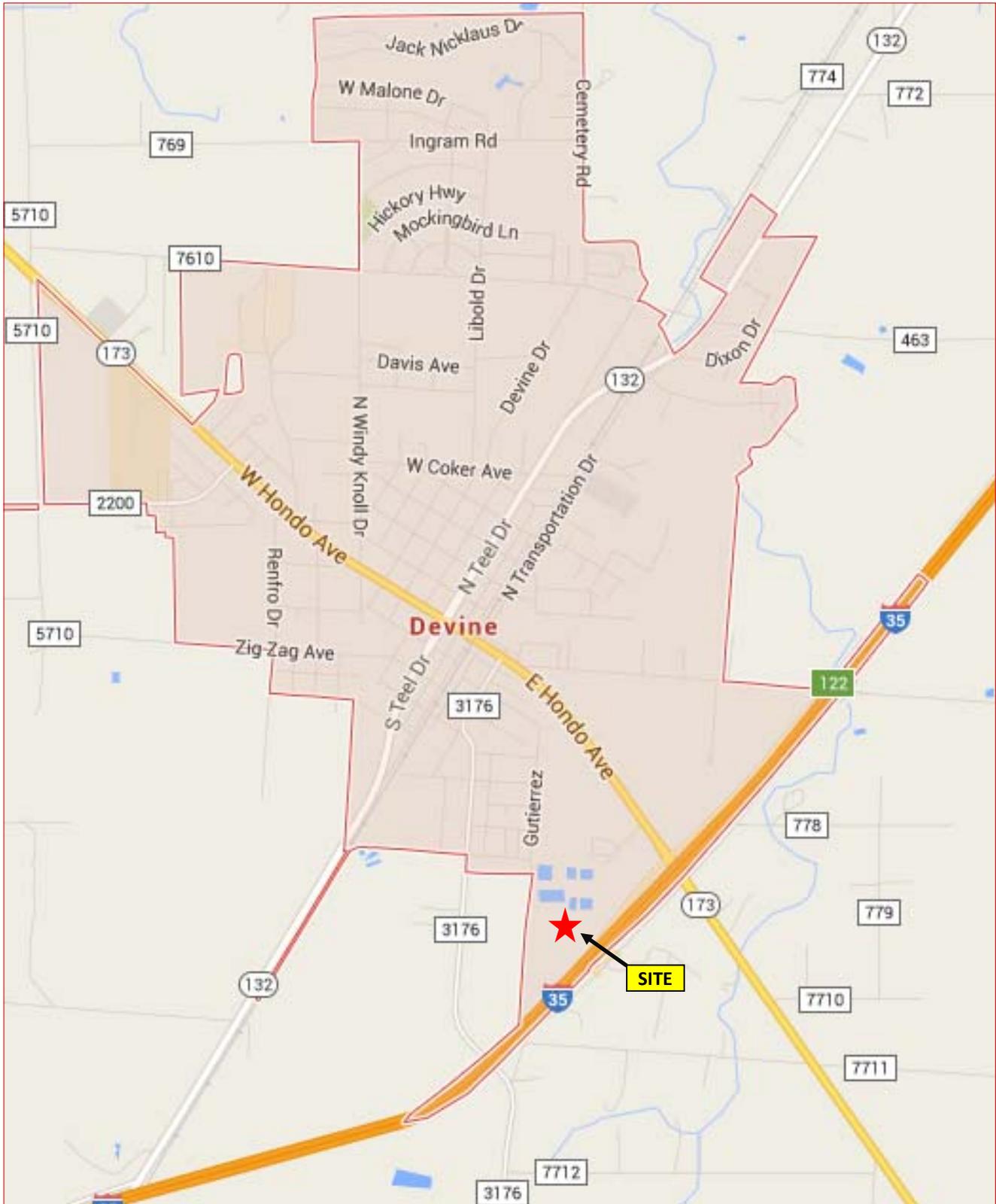


Appendix A-2 Regional Location Maps

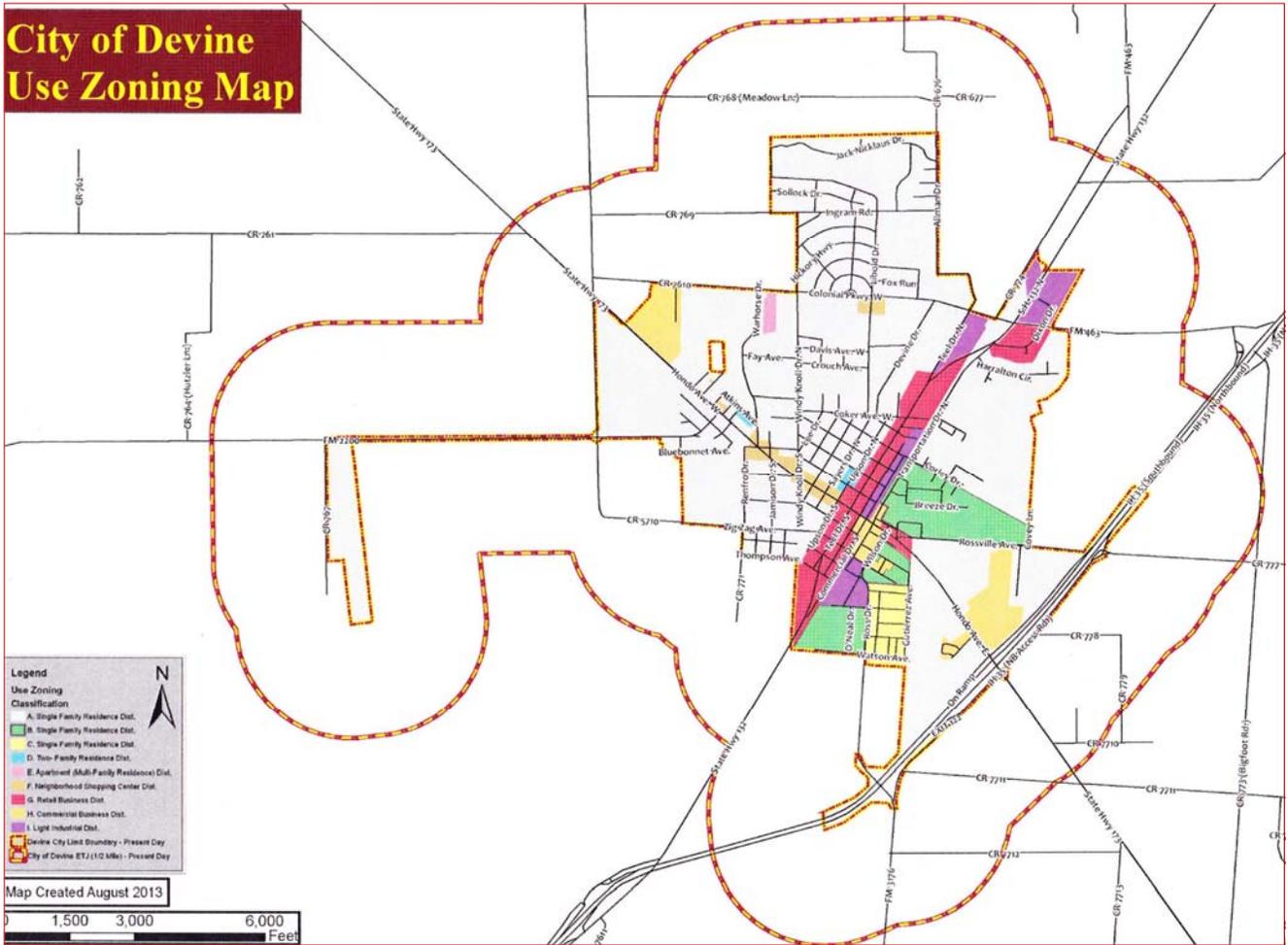
Devine is located just southwest of San Antonio at the intersection of I-35 and S.H. 173.



Appendix A-3
City of Devine - Property Location

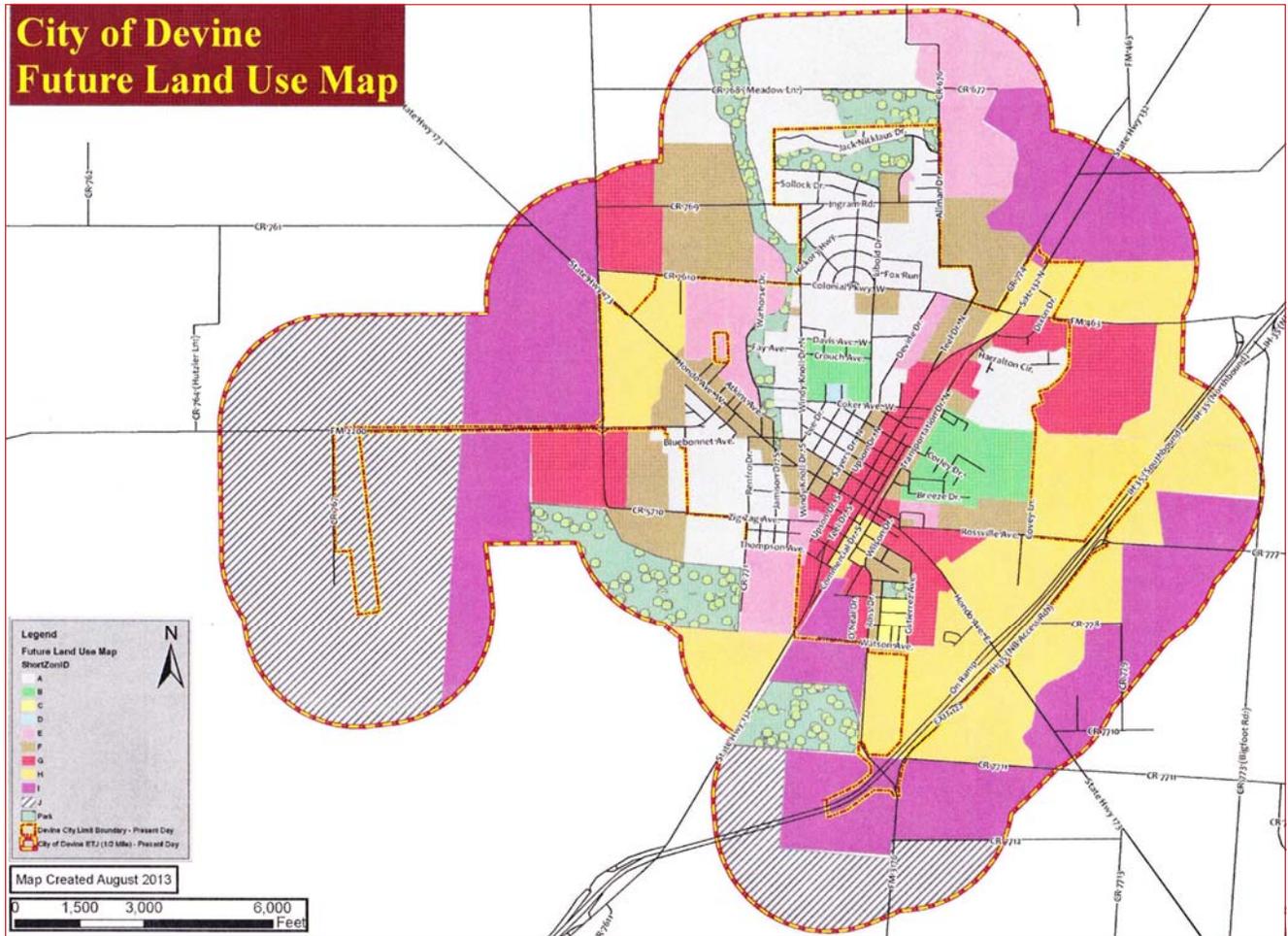


Appendix B
City of Devine - Existing Zoning Map



Appendix C

City of Devine - Future Land Use Plan (FLUP)



APPENDIX D

Terms & Definitions

Following are terms used in this report or referenced during development of the report.
For a comprehensive list of Economic Development Terms, visit www.EDTBestPractices.com.

Anchor Retail: A retail use that is of a size and type that is typically a destination use generating trips to a retail development supporting smaller uses.

CIP - Capital Improvement Plan: A plan for funding improvements to public infrastructure.

Culvert: A concrete box typically under roadways for carrying drainage water.

FLUP - Future Land Use Plan: A map of the City showing the desired ultimate land use for all properties in the City.

Gore Point: The point where the on-ramp or off-ramp intersects the main lanes of a highway.

Infrastructure: Typically means the water, sewer, streets and drainage improvements owned and maintained by the City.

Master Planning Components: Typically a Future Land Use Plan, Thoroughfare Plan, Park Master Plan, Trail System Plan, Water / Sewer Plans.

Pad Site: A small parcel typically adjacent to the roadway for a single use.

TCEQ - Texas Commission on Environmental Quality:
www.TCEQ.State.TX.us

TxDOT: The Texas Department of Transportation.

VPD - Vehicles Per Day: A measurement of the number of vehicles that pass in both directions within a 24 hour period.

Zoning Map: A map of the City showing the existing zoning for all properties.

