

# City of Shavano Park

## 2023

### Town Plan

*City Living with Country Charm*







## Executive Summary

In the next five years, the City of Shavano Park will enter a new era as it approaches full build-out. Because the City's previous growth provided funding for personnel, equipment and infrastructure initiatives while also maintaining one of the lowest municipal property tax rates in Bexar County, build-out has significant implications. The 2023 Town Plan prioritizes supporting and improving City features having completed prior building and infrastructure phases.

The focus of this document is to promote and foster high-quality neighborhoods and commercial developments further enhancing Shavano Park's appeal. Our community faces challenges and opportunities addressed with planning and foresight. Among the next five years' challenges and opportunities are four major issues. Our addressing them requires effective community communications to ensure residents understand and appreciate pending structural and financial implications.

- 1. Undeveloped commercial land.** The remaining 48 acres of undeveloped commercial land are integral to future City finances. As the last opportunity to attract businesses, they should generate City sales tax revenue to enable continued low property tax rates.
- 2. Infrastructure projects.** City infrastructure demands include road maintenance, drainage, and the water utility system. Different City neighborhoods require varying levels of roadwork in the coming decades. The City-owned water utility system requires an assessment of necessary future investment. While multiple drainage issues have been tackled, localized and area drainage issues remain. Attention to financial management is important in addressing these large and sometimes expansive projects.
- 3. Personnel.** Retaining professional police, fire, emergency medical, public works, and administrative personnel is costly. Marketplace competition and spiraling healthcare costs compound the task. To maintain our status as a premier city in South Texas, Shavano Park must continue to prioritize staff retention.
- 4. Financial strategy.** In addressing infrastructure challenges, our City will use all available funding options, including grants, municipal savings and current tax collections. Municipal debt will largely involve replacing old debt with new debt in five to seven year cycles, which will temper the size of incremental property tax rate increases necessary to achieve stable funding for regular infrastructure renewal. Savings will be managed with a systematic laddering of savings and current year tax collections to deliver cash on time, as opposed to reliance on money markets and general savings rates. Tax increases will be implemented as needed, with the goal to maintain annual rates at roughly 60% of the City of San Antonio tax rate.



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# Introduction

**Purpose of Planning** *is to proactively anticipate and set the foundation for our future community improvements for residents and other stakeholders.* Planning is a management process, concerned with defining goals for our future direction and determining the resources required to achieve those targets. Planning should always have a purpose. By remembering our community's history and planning for its future, we hope to meet the long-term needs of our residents and businesses.

## **Purpose of the Town Plan**

*is to present a vision that shapes our community, capitalizes on major opportunities and addresses challenges.* These include community engagement, commercial development, property maintenance standards and zoning, municipal talent management and retention, public infrastructure and long-term finances.

As a formal document, our Town Plan sets forth general issues and action steps stating our collective future vision. The Plan provides a foundation for our City's long-term growth and development with long-range public policy statements generally to be implemented over the next five years.

This document updates the 2018 Town Plan including updated resident input and progress made in previous planning areas. The 2023 Town Plan represents our collective vision for our community's future. We extend our thanks to the many community members for their support.



*Cliffside Drive in Old Shavano Park*

## **Public Participation and Input**

Public participation in the development of this document was a top priority for City Council, the Planning & Zoning Commission, and residents. Our entire community was invited to participate through online surveys and public hearings. Social media was a large part of the outreach for the 2023 Town Plan, including promotion via the City's TextMyGov texting service, Next Door, Facebook and Twitter. All public hearings had an option for virtual remote attendance. The mix of online and face-to-face input allowed

residents multiple opportunities for convenient participation. Hundreds of resident survey responses coupled with participation in the six Town Plan Public Hearings shaped our 2023 Town Plan.

In addition, Bitterblue, Inc., along with the City Police Chief and Finance Director, made presentations at public hearings to provide professional and technical details on some aspects of the Town Plan. These presentations ensured residents and the Planning & Zoning Commission had all the facts before them when discussing long-term planning for topics in the 2023 Town Plan.

### **Plan Review Process**

As directed by City Council, the Planning & Zoning Commission periodically reviews the Plan. In the event City Council approves future projects that differ from the Plan's original intent, the City Council will amend this Plan to reflect those changes.

On July 25, 2022, City Council directed the Planning & Zoning Commission to update the 2018 Town Plan, thus initiating this process. The update process was conducted by the Planning & Zoning Commission from August 2022 to July 2023.



## Community Vision

### Developing our Community Vision

The Planning & Zoning Commission together with City Staff hosted a public hearing to review the City's current Vision Statement and propose no changes from the current Vision Statement first written in 2018.

### Vision

*Shavano Park strives to be the premier community in Bexar County, preserving and celebrating our natural setting and small town traditions amid the surrounding area's urban growth.*

Our vision is an aspirational description of what the City endeavors to be in the future, and it is intended to serve as an overarching guide. The City embraces two core aspirations in its vision statement:



*Willow Wood HOA subdivision*

1) Shavano Park has become and continues to *aspire to be the premier place in Bexar County* to –

- Raise a family in safe neighborhoods
- Be a permanent home for many generations
- Provide a welcoming community for quality businesses, and
- Provide first-class services to residents. As we organize community events, engage in and encourage meaningful citizen participation, and deliver quality municipal services, we continue to make Shavano Park an attractive community for our citizens now and into the future.

2) Shavano Park *preserves and celebrates its natural setting and small town traditions* amid the surrounding area's urban growth. Our City embraces its past as a small rural community while recognizing future challenges and opportunities, especially concerning the growth and development of the surrounding San Antonio metro area. This involves maintaining large residential lot sizes, zoning limitations on multi-family and commercial business uses in

residentially zoned neighborhoods and continuing efforts to protect the City's trees and abundant wildlife.

### **City Strategic Goals**

Among the strategic goals adopted by City Council each year as a part of the City's annual budget process are the following:

1. Provide excellent municipal services while anticipating future requirements;
2. Provide and protect a city-wide safe and secure environment;
3. Preserve City property values, protect fiscal resources and maintain financial discipline;
4. Maintain excellent infrastructure (buildings, streets and utilities);
5. Enhance and support commercial business activities and opportunities;
6. Enhance the City's image and maintain a rural atmosphere;
7. Promote effective communications and outreach with residents; and
8. Mitigate storm water runoff.

Our broad aspirational goals guide all City actions. Each budget year City Council and staff adopt numerous actionable objectives. Each spring, the City Manager reports to City Council on the progress and achievements made toward each objective.

### **Official Slogan**

On July 23, 2018, the City adopted *Shavano Park – City Living with Country Charm* as its official City slogan. The slogan captures the essence of living in Shavano Park. Living in Shavano Park means convenient access to employment, retail, high speed internet and San Antonio metro entertainment, coupled with residing on quiet, secluded streets with large spacious lots reminiscent of the Country. Our slogan also points towards Shavano Park's history as a quiet country town situated on ranch land between Camp Bullis and San Antonio.



*Chimney Rock Road in Old Shavano Park*



## History

### City History

The City of Shavano Park (originally known just as Shavano) is located in northwest Bexar County at the edge of the Texas Hill Country. It is situated approximately twelve miles north of downtown San Antonio, and generally nestled between the Olmos and Salado Creeks. In the 1800's, A. De Zavala operated a general store just west of our city limits. In 1881, the U.S. Postal Service opened a post office nearby, with De Zavala as the first postmaster. In 1884, the San Antonio and Aransas Pass Railway established a small rail and switching station. During that time, Shavano was a stagecoach stop between San Antonio and Boerne. The original town had a saloon, carpenter, grocer and fifty residents. By 1896 the population grew to nearly 100 residents, before beginning a gradual decline.



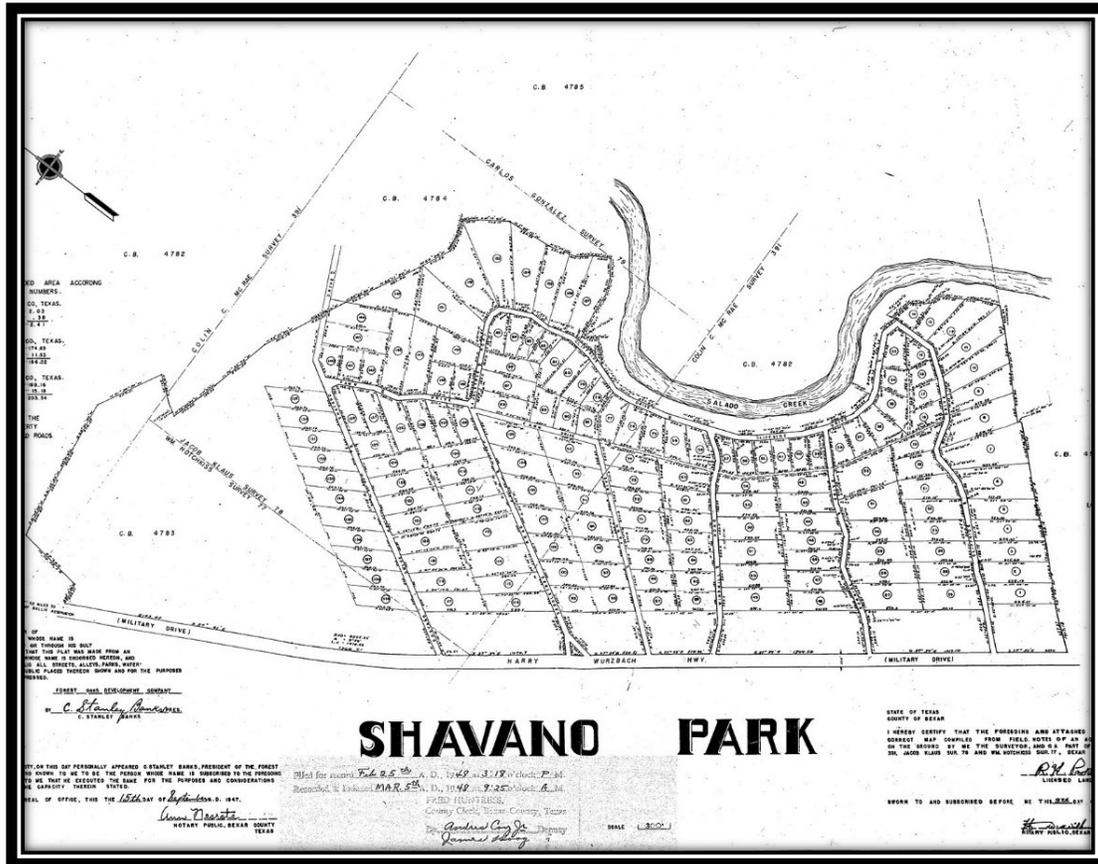
*1958 Cattle Drive on NW Military Highway*



*Shavano Park Volunteer Fire Department in 1952*

By 1903, the Postal Service closed the post office and the site of the later township of Shavano Park became part of the Stowers Ranch. George Arthur Stowers came to Texas in 1889 and opened several successful furniture stores. The land Stowers acquired was originally part of a Spanish land grant. In 1947, Wallace Rogers and Sons purchased the land with plans for additional development. At that time, the road system consisted of only NW Military Highway and De Zavala Road, and residential development had begun in the Cliffside subdivision east of NW Military Highway. On June 19, 1956, the City of Shavano Park was incorporated as a General Law City. In the mid-1960s, additional roads were added, including Loop 1604 to the north, Lockhill Selma Road to the west and Huebner Road to the south.

Today, the City of Shavano Park is completely surrounded by the City of San Antonio. The City's boundaries are generally Loop 1604 to the north, Huebner Road to the south, Lockhill Selma to the west and Salado Creek to the east. The City encompasses approximately 3.3 square miles of land and has an estimated 3,524 residents. The City has come a long way from the rural cluster of homes east of NW Military Highway, as can be seen in this 1948 property plat of the original residential lots.



*Original Plat of Shavano Park from 1948*

## Digital Archives

BiblioTech, Bexar County's all-digital public library, worked with the 27 suburban cities of Bexar County, to create individual digital anthologies. Together, these anthologies reflect and preserve the rich, diverse histories found in Bexar County. The project was launched in 2018 to coincide with the 300th anniversary of the founding of San Antonio. To see the rich history of Shavano Park visit <http://bexarbibliotecharchive.org/>. This project was a joint effort by City Staff and volunteer residents. It includes sections on the City's military influence, personal histories written by residents, newsletters from 1966 to present, photographs, and the Shavano Park Women's Organization.



## Demographics

### Demographic Analysis

Residents are the most important aspect of our community. Demographic and other information regarding our City's residents provides a fundamental understanding of the nature of our community.

### Population Growth

Shavano Park's population increased 16% between the years of 2010 and 2020, due to the implementation of our annexation program adopted in 1999 and the development of new neighborhoods. These new neighborhoods are nearly built out and the City is dedicated to sustaining existing lots with single family homes, therefore the City's population is expected to remain stable in the future. In addition, the City's zoning ordinances prohibit multi-family re-developments that could increase population density.

#### Population, 1970-2020

Year	Population	Change	% Change
1970	881		
1980	1,448	567	64%
1990	1,708	260	18%
2000	1,754	46	3%
2010	3,035	1,281	73%
2020	3,524	489	16%

Source: United States Census Bureau

**Growth factors** include the City's location in the majestic and beautiful foothills of the Hill Country in northern Bexar County, proximity to three major highways (Loop 1604, IH 10, and Wurzbach Parkway), the prestigious Northside Independent School District, easy commutes to employment centers and the airport, and plentiful shopping nearby.

## Demographic Characteristics

Shavano Park is a wealthy highly educated community.

<i>Social Characteristics</i>	Shavano Park	Bexar County
Population	3,524	2,059,530
Median Age	54.0	33.8
Bachelor's degree or higher	61.28%	30.00%
Median household income (in U.S. dollars)	\$194,531	\$62,169

Double the Bexar County percentage.

Triple the Bexar County median.

Source: United States Census Bureau, American Community Survey 2022 Estimates

Shavano Park is comprised of strong residential neighborhoods. Because the community has large lots, is safe, secure, and enjoys outstanding municipal services, residential property values are high.

<i>Housing Characteristics</i>	Shavano Park	Bexar County
Total single-family homes	1,450	559,566
Average value (in U.S. dollars)	\$936,616	\$310,579

Triple the Bexar County market average.

Source: The Bexar County Appraisal District, Certified Totals from 2022, Supplemental 248 (Update for 2023 #s?)

As is a primarily residential community, Shavano Park occupies in a prime location with easy access to nearby businesses, parks, the highway system of the greater San Antonio metropolitan area.

<i>Economic Characteristics</i>	Shavano Park	Bexar County
Number of Businesses	186	187,125

Source: United States Census Bureau, American Community Survey 2022 Estimates

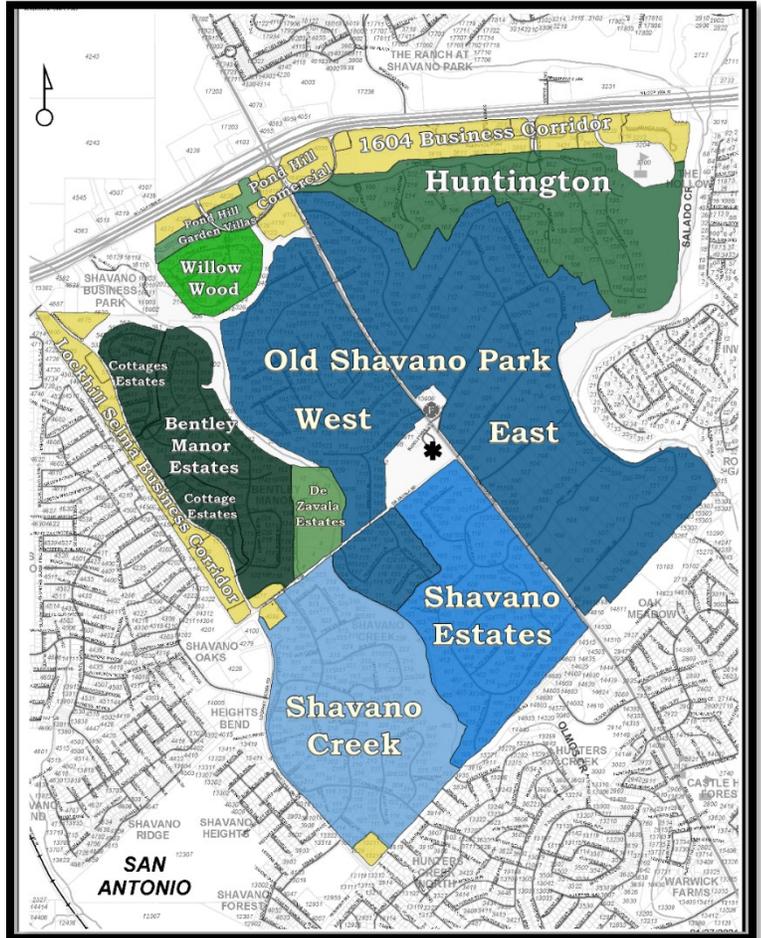


## Existing Conditions

The City of Shavano Park is located in northwest Bexar County at the edge of the Texas Hill Country, approximately twelve miles north of downtown San Antonio, and along the Olmos and Salado Creeks.

The City of Shavano Park is a Type A General Law City operating under a Council/City Manager form of government consisting of five council members and a Mayor.

The City of Shavano Park is completely surrounded by the City of San Antonio. The City's boundaries are generally Loop 1604 to the north, Huebner Road to the south, Lockhill Selma to the west and Salado Creek to the east. The City encompasses approximately 3.3 square miles of land and has an estimated 3,524 residents.



### City                      2023 Tax Rate

San Antonio	0.541610
Hollywood Park	0.461700
Castle Hills	0.508688
Olmos Park	0.426806
Alamo Heights	0.388051
Terrell Hills	0.369784
Fair Oaks Ranch	0.329100
<i>Shavano Park</i>	<i>0.297742</i>

Source: Bexar Appraisal District

### Ad Valorem Tax Rate

For tax year 2023, the ad valorem tax rate in the City was \$0.297742 per \$100 valuation. Shavano Park offers superior services in fire, emergency medical services, police, and public works while maintaining an ad valorem tax rate lower than many neighboring Bexar County cities and the Texas average.

In addition to a lower tax rate than many Bexar County cities, Shavano Park offers an over 65 property

tax freeze. Shavano Park was, in fact, the first City in Bexar County to implement an over 65 tax freeze in 2004, with San Antonio and Bexar County following suit in 2005. In contrast, other Bexar County cities that Shavano Park compares itself to have only recently started offering this tax freeze or do not offer it at all. Universal City and Fair Oaks Ranch began offering an over 65 tax freeze in 2021 and 2022, respectively, while Hollywood Park, Hill Country Village, Terrell Hills, and Windcrest do not offer it as of 2023.

### City Neighborhoods

The heart of the City of Shavano Park is our residential neighborhoods. The City offers a mix of traditional rural neighborhoods and contemporary gated subdivisions with homeowner associations. Below is a summary table of the City’s neighborhoods and their key characteristics. Reference the map on the previous page for these neighborhoods’ locations in the City.

Neighborhood	Key Characteristics
<b>Old Shavano Park East</b> 	<u>History:</u> Developed in 1950s – 1960s <u>Minimum Lot Size:</u> 1.0 acre <u>HOA:</u> Non-HOA <u>Zoning:</u> A-1 <u>Building Setbacks:</u> Front: 80 ft; Side/Rear: 30 ft <u>Water Service:</u> Shavano Park <u>Sewer Service:</u> Homeowner owned septic
<b>Old Shavano Park West</b> 	<u>History:</u> Developed in 1960s - 1970s <u>Minimum Lot Size:</u> 0.7 acre <u>HOA:</u> Non-HOA <u>Zoning:</u> A-3 <u>Building Setbacks:</u> Front: 80 ft; Side/Rear: 30 ft <u>Water Service:</u> Shavano Park <u>Sewer Service:</u> Homeowner owned septic
<b>Shavano Estates</b> 	<u>History:</u> Developed in 1970s - 1980s <u>Minimum Lot Size:</u> 1.0 acre <u>HOA:</u> Non-HOA <u>Zoning:</u> A-4 <u>Building Setbacks:</u> Front: 80 ft; Side/Rear: 30 ft <u>Water Service:</u> Shavano Park <u>Sewer Service:</u> Homeowner owned septic

### Shavano Creek



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History: Developed in 1980s – 1990s  
Minimum Lot Size: 0.7 acre  
HOA: Shavano Creek HOA  
Zoning: A-2  
Building Setbacks: Front: 56 ft (cul-de-sacs 35ft);  
Side/Rear: 21 ft  
Water Service: SAWS  
Sewer Service: SAWS

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### De Zavala Estates



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History: Developed in 1990s  
Lot Size: 2 to 6 acres  
HOA: De Zavala Estates POA  
Zoning: A-5 PUD  
Building Setbacks: Front: 80 ft; Side/Rear: 30 ft  
Water Service: SAWS  
Sewer Service: Homeowner owned septic

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### Bentley Manor Estates



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History: Developed in 2000s – 2010s  
Minimum Lot Size: 0.7 acre  
HOA: Bentley Manor HOA  
Zoning: A-2 PUD  
Building Setbacks: Front: 56 ft (cul-de-sacs 35ft);  
Side/Rear: 21 ft  
Water Service: SAWS  
Sewer Service: SAWS

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### Bentley Manor Cottage Estates



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History: Developed in 2000s – 2010s  
Minimum Lot Size: 0.15 acres  
HOA: Bentley Manor HOA  
Zoning: CE-PUD  
Building Setbacks: Front-entry garages: 25 ft, on cul-de-sacs: 20 ft; Side-entry garages: 15ft, on cul-de-sacs: 10ft; Side: 10 ft and zero lot line; Rear: 10 ft  
Water Service: SAWS  
Sewer Service: SAWS

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## Willow Wood



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History: Developed in 2000s – 2010s  
Minimum Lot Size: 15,000 square feet  
HOA: Willow Wood HOA  
Zoning: CE-PUD  
Building Setbacks: Front: 30 ft; Side: 30 ft additive;  
Rear: 21 ft  
Water Service: SAWS  
Sewer Service: SAWS

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## Huntington



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History: Developed in late 2000s – 2020s  
Minimum Lot Size: 1.0 acre  
HOA: Huntington HOA  
Zoning: A-1 PUD  
Building Setbacks: Front: 80 ft; Side/Rear: 30 ft  
Water Service: SAWS  
Sewer Service: SAWS

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## Pond Hill Garden Villas



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History: Developed in 2010s – 2020s  
Minimum Lot Size: Governed by MXD Site Plan  
HOA: Pond Hill Garden Villas HOA  
Zoning: MXD  
Building Setbacks: Governed by MXD Site Plan  
Water Service: SAWS  
Sewer Service: SAWS

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## **Zoning and Development**

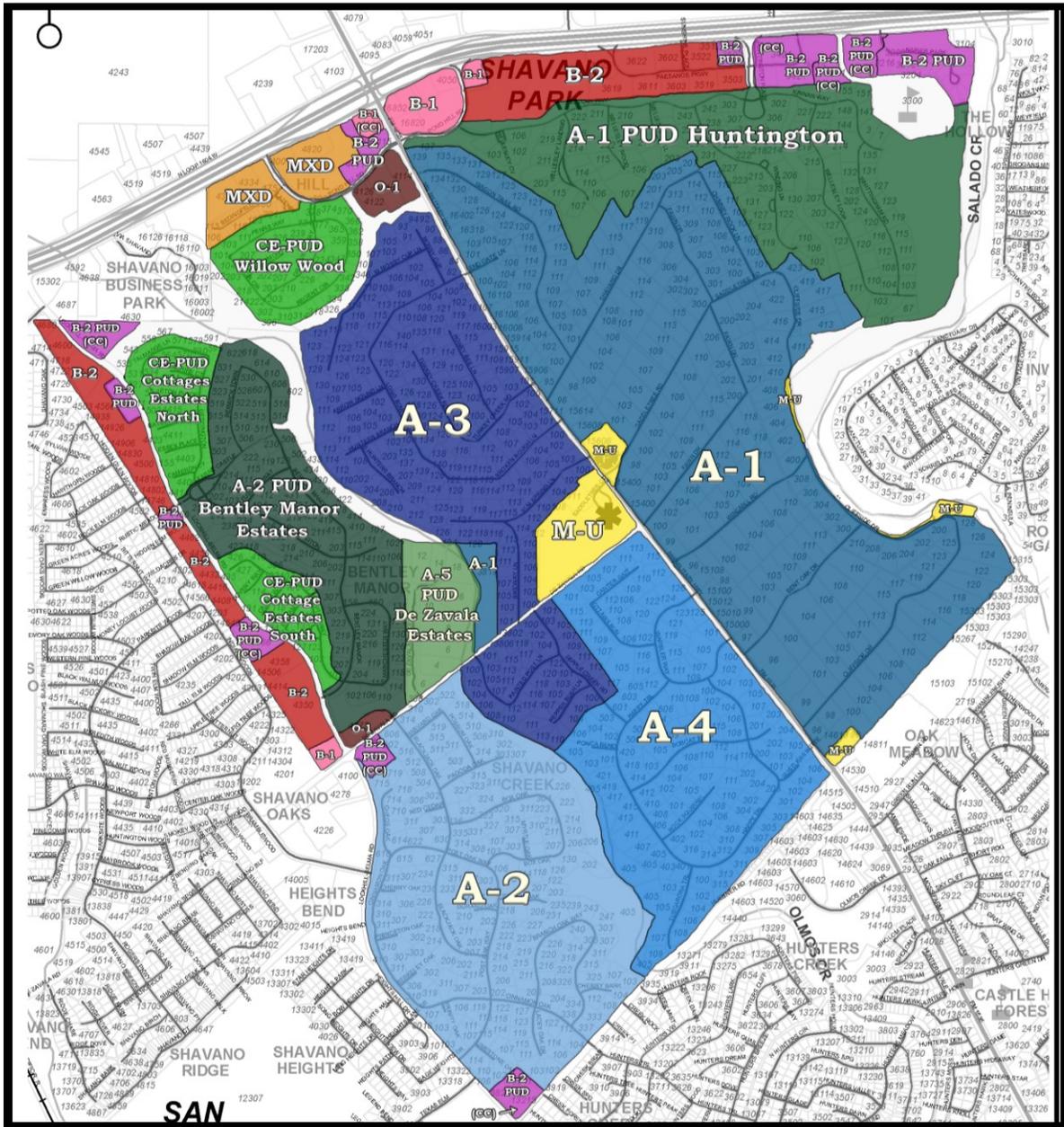
The City’s zoning districts are designed so that residential and commercial developments meet the needs and desires of residents by providing for high-quality office, retail, and dining services, and single-family homes with both large and small lot configurations. Residential zoning is solely comprised of single-family residential classifications, as multi-family zoning is prohibited by City ordinance. Commercial zoning is located predominately along Lockhill Selma Road and Loop 1604, with limited additional commercial zoning located at the northeast and northwest corners of Lockhill Selma and De Zavala Roads. The City’s zoning districts are as follows:

<b>Zoning District</b>	<b>Zoning Use</b>
<b>A-1, A-2, A-3, A-4, A-5 PUD</b>	Single Family Residential District
<b>CE</b>	Single Family Cottage Estate Residential District
<b>O-1</b>	Office District
<b>B-1</b>	Business District
<b>B-2</b>	Business District
<b>M-U</b>	Municipal Utility District
<b>MXD</b>	Mixed-Use District

The City’s newer residential developments are zoned as either Planned Unit Development (PUD) districts or Mixed-Use zoning districts (MXD). These PUD and MXD zoning designations give developers the flexibility to design and build quality gated communities that provide multiple home and lot configurations. The Town Plan’s vision for future commercial developments begins at page [32](#) and consideration for future property maintenance and zoning begins at page [39](#).

According to the City’s primary developer, as of Spring 2023, there remain only 29 residential lots and 48 acres of commercial land to be developed.

## Zoning Map

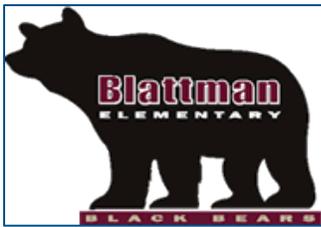


**Note: A comprehensive plan shall not constitute zoning regulations or establish zoning district boundaries.**

### Local Schools

Shavano Park is entirely within one of South Texas' premier school districts, the award-winning Northside Independent School District (NISD). NISD is the state's fourth largest school district, covering 355 square miles, which in the 2022-2023 school year operated 125 public schools with an enrollment of 101,976 children. NISD provides excellence in education and is an accredited

school district by the Texas Education Agency. The accreditation status is based on the academic accountability and financial ratings.

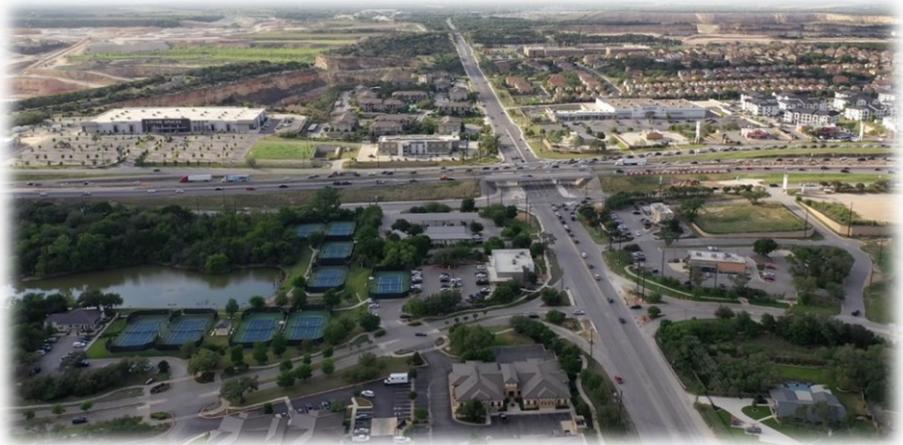


Shavano Park students attend Blattman Elementary School, located in the northeastern part of Shavano Park. The NISD middle school and high school serving Shavano Park's public school students are Hobby Middle School, located less than 3 miles from our City limits, and Tom C. Clark High School, located less than 2 miles from our City limits.

Shavano Park is also surrounded by a number of high quality private and charter schools. Two such schools located near Shavano Park are BASIS Shavano and Cornerstone Christian School.

### **Transportation**

The City of Shavano Park is ideally located within commuting distance to major shopping centers, restaurants, banks, schools, the Medical Center, and the University of Texas at San Antonio. Additionally, the VIA Metropolitan Transit Authority provides public transportation services at most NW Military Dr., De Zavala and Lockhill Selma intersections to locations throughout the metropolitan San Antonio area.



***Pond Hill near NW Military & Loop 1604***

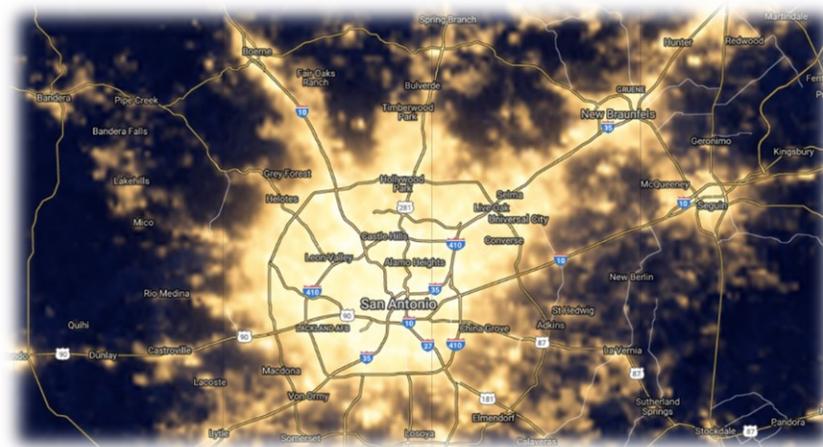
The City's three major thoroughfares are NW Military Highway, Lockhill Selma Road, and De Zavala Road. According to the Texas Department of Transportation (TxDOT), the average traffic count on NW Military Highway was 17,104 vehicles per day in 2021. This count is low, however, due to the ongoing construction on NW Military during 2021. In 2019, the pre-construction traffic count on NW Military was 20,607 vehicles per day. By comparison to 2010, the traffic count on NW Military Highway was 10,500 vehicles per day, indicating that in the past decade, traffic on NW Military has doubled.

The continued growth of the City of San Antonio has caused increased traffic congestion on its main thoroughfares of NW Military Highway, De Zavala Road, and Lockhill Selma Road. During the busiest times of the day, when the traffic count is at its highest, residents often find it difficult to safely turn onto or off NW Military Highway. The safety hazard for residents was the primary motivation for partnering with TxDOT on a project to widen NW Military Highway, create a continuous center turn lane, add bike lanes, and add sidewalks (see details on page 55). This project was a major focus of both the 2010 and 2018 Town Plans and is scheduled for completion in early 2024.

In addition to NW Military Highway, TxDOT has been upgrading road infrastructure around the City. In 2018, TxDOT constructed a westbound turnabout for the intersection of Loop 1604 Frontage Road and NW Military Highway. Since the 2018 Town Plan, TxDOT has been actively expanding Loop 1604, IH-10 and Highway 281 - all major throughways that surround the City. These projects should improve the traffic flow in our City and shorten residents' daily commutes.

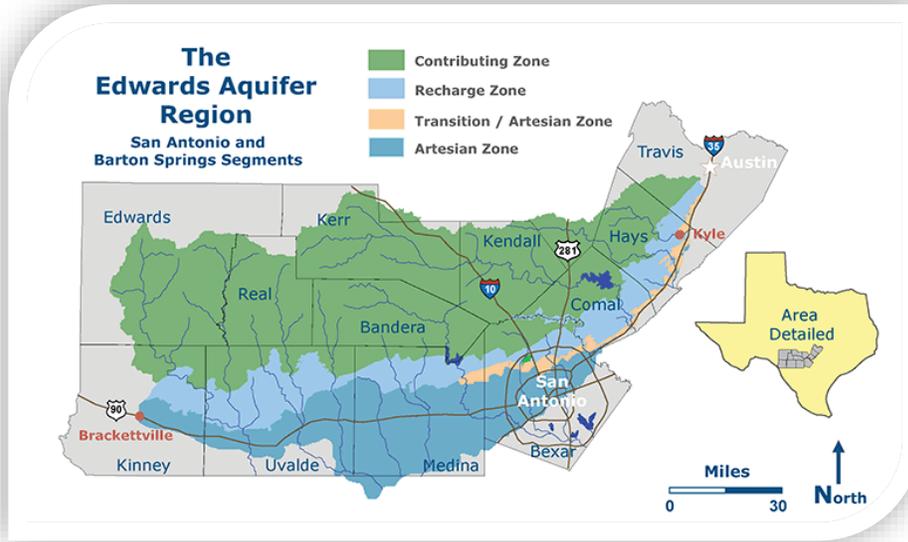
### **Dark Skies**

When the United States Army expressed concerns regarding its ability to conduct Camp Bullis night training exercises due to excessive outdoor lighting within five-miles of the perimeter of Camp Bullis, Shavano Park established regulations for outdoor lighting. These regulations support the United States Army and the community of Shavano Park benefits from the reduction of light pollution in the City.



*San Antonio region at night  
Night Lights imagery by NASA's Earth Observatory*

## Edwards Aquifer Recharge Zone



The Edwards Aquifer is an underground layer of porous, honeycombed, water-bearing rock that is between 300 and 700 feet thick. The City is located entirely over the environmentally sensitive Edwards Aquifer Recharge Zone that stretches across north Bexar County. All development over the recharge zone is regulated by the Edwards Aquifer Authority (EAA) and requires Water Pollution Abatement Plans. Our City considers protecting the aquifer a serious duty and ensures all developments meet EAA and Texas Commission on Environmental Quality (TCEQ) standards. Towards these efforts, our City has built rain gardens at City Hall to collect parking lot runoff.

### Tree Preservation

Beautiful heritage trees are one of our community's greatest assets. Trees preserve our attractive rural character, protect against soil erosion, encourage wildlife, and offer shade to homes. Visitors and residents alike regularly make comments about how our trees contribute to the allure and beauty of Shavano Park. In addition to our heritage trees, groves of "second generation trees" are found throughout the City. As a sign of City's commitment to protecting and preserving its native trees, the City has been a Tree City USA member since 2015, receiving Growth Awards in 2019 and 2020, and winning Arbor Day of the Year in 2018.



*Entrance to De Zavala Estates  
POA subdivision*



### *Live Oaks trees on the Municipal Tract*

Established native trees within the City primarily include Live Oaks with a scattering of Burr, Red and Post Oaks, along with Bald Cypress, Mountain Laurels, Texas Persimmons, Cedar Elms, and an assortment of native species. Because a diversity of tree species adds to the aesthetic quality of the City and helps prevent the widespread devastation caused by single species disease or infestation, our community and conservation partners have distributed thousands of trees for residential planting beginning in 2015. By ordinance, sixteen native trees are protected as heritage trees during commercial development. Commercial business developers are required to conduct a tree survey of the development site and identify the location and diameter of all heritage trees. During commercial development, 25% of the collective diameter of trees must be preserved. In addition, ordinances require preserved heritage trees be protected from damage during construction. These preserved heritage trees add to the curb appeal of the City's neighborhoods and commercial areas.



In 2015 the Shavano Park Citizen's Tree Committee spearheaded the City's efforts to become a Tree City USA. This program, administered by the Arbor Day Foundation since 1976, recognizes communities committed to sound urban forestry management. Over 3,400 communities are a part of this program. A community is required to maintain a tree board, have a community tree ordinance, spend at least \$2 per capita on urban forestry and celebrate Arbor Day.



## Achievements & Awards

### Scenic City



The City of Shavano Park has been recognized as a Scenic City by the Scenic City Certification Program since 2016 (re-certified in 2021). Shavano Park maintains high-quality scenic standards for its roadways and public spaces. The Scenic City Certificate is a reflection of Shavano Park's excellent civic leadership, great community pride, and strong desire to maintain its rural character.

### National Wildlife Federation Community Wildlife Habitat

In 2018 the National Wildlife Federation certified the City a Community Wildlife Habitat, with 89 properties registered as safe habitats for native wildlife. At the time, Shavano Park was only the 4<sup>th</sup> community in the State of Texas to receive the certification. The City re-certified in 2021. The National Wildlife Federation's Community Wildlife Habitat program partners with cities, towns, counties, neighborhoods, and communities of all kinds to become healthier, greener, and more wildlife friendly.



Community Wildlife Habitats garden and landscape with wildlife in mind, promote the use of native trees and plants, work to reduce or eliminate the use of pesticides and chemicals, and integrate wildlife-friendly practices into sustainability plans and park master plans.

### Firewise USA



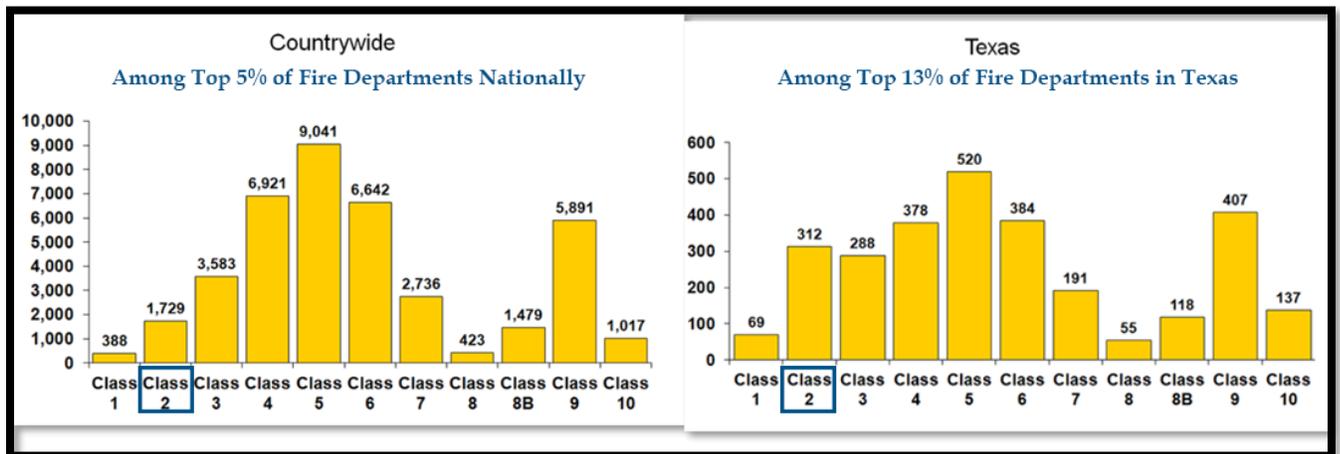
Since 2016, Shavano Park has been recognized as a Firewise Community by the National Fire Protection Association. The residents of Shavano Park are active participants in creating a safer community by engaging in wildfire risk reduction activities and by celebrating Firewise Day each year. Since being recognized, the City has completed several projects to improve wildfire safety in the City and particularly on our municipal tract.

## Insurance Services Office (ISO) Rating of 2

The Insurance Services Office (ISO) collects information on municipal fire protection efforts in communities and analyzes the data. ISO will then assign a Public Protection Classification ranging from 1 to 10, with 1 being the best. In 2016, the City of Shavano Park Fire Department received a classification of 2. The City will strive to maintain ISO Classification 2 for the next ISO review.



This classification places the Shavano Park Fire Department in elite company among the nation’s fire departments. In addition, this rating entitles the residential and commercial property owners within the City of Shavano Park to receive the maximum credit on their insurance premiums.



Source: [www.isomitigation.com](http://www.isomitigation.com)

## Texas Police Chiefs Association Law Enforcement Best Practices Recognition

In 2018, the City of Shavano Police Department achieved “Recognized Status” for compliance with the Texas Law Enforcement Agency Best Practices Recognition Program of the Texas Police Chiefs Association. The Department received re-accreditation in 2022. For 2022, the Shavano Park Police Department was one of Texas’ 181 recognized and accredited departments, placing the City in the top 7% of the 2,716 law enforcement agencies in Texas. This recognition is based upon the policies, standards, and practices of the department following





the 168 Best Practice Standards, and involves a comprehensive two-year agency process culminating in a two-day audit of all areas of the agency.

The men and women of the Shavano Park Police Department are commended for their hard work and dedication in obtaining this status.

See the Town Plan’s vision for community policing on page [30](#).

### **Government Finance Officers Association Distinguished Budget Award**

In its commitment to financial transparency, the City of Shavano Park submits its Annual Budget to the Government Finance Officers Association (GFOA) for review under its Distinguished Budget Presentation Awards Program. The City has received this award a total of 12 times, including an 8-year streak from 2015 to 2022.



This program was established to encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA’s best practices on budgeting and then recognize individual governments that succeed in achieving that goal. To earn recognition, budget documents must meet program criteria and excel as a policy document, financial plan, operations guide and communication tool.

### **Superior Public Water System Rating**

The Shavano Park Water Utility services roughly half the City (the other half is served by San Antonio Water System). It is proud to carry the designation of Superior Public Water System from the Texas Commission on Environmental Quality. The designation is about the overall water system operation and not just the quality of the drinking water. In addition to water quality, the requirements include factors related to treatment, pumping and storage capacity. To receive or maintain recognition as a superior water system, the system must be inspected and evaluated by commission personnel as to physical facilities, appearance and operation.



## 2023 SWOT Analysis

### **2023 Town Plan: Strengths, Weaknesses, Opportunities, and Threats**

For the 2023 Town Plan the strengths, weaknesses, opportunities, and threats (SWOT) were re-evaluated by the Planning & Zoning Commission. Twenty-one independent SWOT analyses were submitted to the Commission from City Council, members of various City boards and commissions and City staff.

SWOT analysis is a framework widely used in both the business and non-profit sectors to evaluate an organization's position and to develop strategic planning. SWOT analysis assesses internal and external factors, as well as current and future potential. A SWOT analysis is designed to facilitate a realistic, fact-based, data-driven look at the strengths and weaknesses of an organization, initiatives, or within its industry. The organization must avoid preconceived beliefs or gray areas and instead focus on real-life contexts to ensure accuracy. Organizations must use it as a guide and not necessarily as a prescription. This exercise helps the City identify those areas where energies and efforts must be focused in the future.

The focus areas of this Town Plan are as follows: (1) Community Engagement, (2) Commercial Development, (3) Property Maintenance and Zoning, (4) Municipal Talent Management and Retention, (5) Public Infrastructure and (6) Long-Term City Finances.

The SWOT analysis revealed the City of Shavano Park is a strong community of natural beauty with exceptional municipal services and financial health but faces aging infrastructure in need of repair and renewal. The ability to fund and repair the infrastructure while retaining staff is hampered by the limited growth potential and percentage of properties under tax freeze.



## Strengths

- Outstanding municipal services and leadership
- Location and natural beauty
- Sense of community
- Quality neighborhoods and commercial developments - a desirable place to live
- Security and safety
- Fiscal discipline and low tax rate



## Weaknesses

- Aging infrastructure – roads and water system
- Limited future residential and commercial development
- Limited future property tax and sales tax growth
- Increasing percentage of property under tax freeze
- Drainage and flooding



## Opportunities

- Influence future commercial developments to prioritize city needs
- Build a consensus for City's long-term financing strategy
- Foster community engagement
- Strengthen sense of community through use of Municipal Tract facilities and city events
- Leverage grant incentives and bond monies to renew infrastructure



## Threats

- External pressures of crime, traffic congestion and noise pollution
- Ability to retain professional City staff
- Environmental challenges, such as oak wilt
- Aging infrastructure



## Community Engagement

Community engagement is essential to keeping City government close to the people it serves. Shavano Park enjoys a small-town sense of community fostered through City events and festivities, the use of Municipal Tract facilities and resident volunteerism. The City depends on input from well-qualified volunteers serving on boards, commissions, and committees. Resident participation in Police programs like Neighborhood Watch helps the City maintain low crime rates. The 2023 Town Plan envisions that our community will continue to prioritize community policing, maintain and grow the sense of community and preserve a strong tradition of volunteerism. By maintaining our vision, we will ensure we retain our safe and secure neighborhoods and the small-town sense of community so beloved by residents.

The 2023 Town Plan identifies the following Issues and Action Steps for the City in future Community Engagement:

### Issues:

- Protect and foster Shavano Park's sense of community
- Secure and develop volunteers serving on City boards and commissions
- Preserve Shavano Park's low crime rate
- Encourage and engage residents and businesses in the important role of preventing and investigating crimes
- Sustain the growing scope of City events and festivities
- Maintain the Municipal Tract's facilities
- Effectively communicate with residents and businesses
- Maintain continuity of strategic relationships with outside organizations
- Increase resident awareness, interest and participation

### Action Steps:

- Encourage residents to sign up for City communications
- Recruit well-qualified volunteers for citizen Boards and Commissions
- Maintain and grow the City Neighborhood Watch program
- Enhance Police engagement with resident and business communities
- Continue Police priority of neighborhood patrols
- Explore parking improvements to accommodate community events
- Continue use of City events to engage and inform residents
- Assign owners to maintain existing strategic relationships and seek new strategic alliances
- Maintain and improve Municipal Tract facilities based upon resident feedback

## Community Engagement



*Residents enjoying a magic show during City event*

Shavano Park enjoys a small-town sense of community fostered through City events and festivities, the use of Municipal Tract facilities and resident volunteerism. The City of Shavano Park has a long tradition of community engagement. In 1952, Shavano Park residents founded the Shavano Park Garden Club. As successor to the original organization, it still exists 70 years later as the Shavano Park Women’s Organization (SPW). As a nonprofit organization supporting charitable, philanthropic, educational and community initiatives for the benefit of residents, the city the and larger community, SPW remains an important community group.

Most recently, residents indicated the top way they receive City communications is our Community Newsletter (“Roadrunner”) followed by the TextMyGov service. A majority of resident input supports our community maintaining the current size and scope of City events and recognize that National Night Out is the top event they attended. Resident input also supports a desire to preserve the existing habitat of the Municipal Tract.

## Resident Volunteerism

Shavano Park is blessed to have a large number of talented residents with considerable professional experience. Benefiting from such expertise, our community maintains multiple formal standing committees and informal project-specific working groups composed of resident volunteers. Formal standing committees are integral to our open city government and community achievements. Among the standing committees are the Planning and Zoning Committee (advise on zoning authority and development), Board of Adjustment (hear and grant zoning variances) and Water Advisory Committee (advise on the City’s water system).

**In Memoriam – Michael  
“Mike” Lynn Janssen  
P&Z Commissioner  
2007 –2022**



*September 1, 1951 –  
May 20, 2022*

***An example of a resident volunteer with a big impact on the City’s development: Mike Janssen was on Planning and Zoning Commission during 2010 and 2018 Town Plans***

Our City Council has a long tradition of asking talented residents to volunteer to serve in informal groups to assist the City on specific projects. Recent examples include the 2018-2019 Pavilion Committee that delivered recommendations on construction of the Municipal Tract Pavilion, NW Military Highway Beautification Committee formed in 2018 to help the City design landscaping proposals to beautify NW Military Highway after completion of the TxDOT project, Internet Working Group formed in 2022 to encourage internet service providers to install fiber direct to homes, and the Street Advisory Board formed in 2022 to provide expertise and recommendations on the City’s \$10M bond street projects. These informal committees and boards give City Council valuable input on specific projects and help ensure project success. Future City Councils should maintain and promote opportunities for citizens to serve on boards and commissions as well as in specific projects.

**Municipal Tract**



***Playground & Pavilion on  
Municipal Tract***

The Municipal Tract consists of approximately 23 acres of land and is located in the center of the City at the northwest intersection of DeZavala Road and NW Military Highway. In 2000, the Municipal Tract was deeded to the City by Rogers Shavano Ranch, Inc. (the Roger’s Family) to be used for “general municipal, municipal recreation, and other community-oriented purposes and/or facilities.”

The 1999 Proposed 20-Year Master Plan envisioned improvements to the municipal tract in phases. In Phase 1, it identified the building of “a new City Hall / Police Department facility, jogging/walking/biking paths/trails, minimal restroom facilities, picnic area and at least one medium-sized pavilion.” Subsequent phases were not defined in detail but included considerations for recreational fields, sports courts and a civic center. After the



**City Hall Patio near Pavilion**

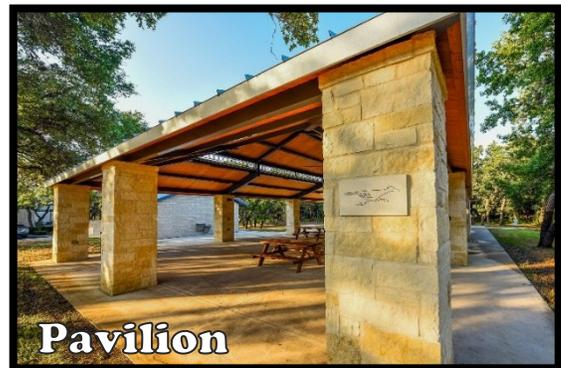
City Hall / Police Department facility was built along with the Bexar Metro 911 Center, no immediate improvements were implemented.

The 2010 Town Plan envisioned improvements that would create a “Town Center” where “neighbors could meet neighbors and children could safely play outdoors.” Possible elements of the proposed City Center included: a “community center building to host City group functions and other social and professional meetings; an outdoor area; a wellness area; and a natural buffer of trees.” Beginning in 2015, incremental efforts were made to reduce fire hazards within the unimproved area, which was mostly overgrown with cedar trees. Improvements also included clearing an area parallel to DeZavala Road, installation of an access road to water Well #6, and the construction of a rain garden.

The 2018 Town Plan acknowledged that residents were divided regarding changes to the Municipal Tract, but that “any improvements should be based upon amenities desired by both current residents and those amenities that may be necessary to attract future residents”. The Town Plan provided that City Council will make decisions regarding any changes to the Municipal Tract. In 2019, a Citizen’s Amenities Committee was created and after receiving resident input the committee made recommendations for improvements that included a large pavilion, playscapes, a one-mile nature trail, and a restroom facility, which were soon after constructed.

Since the 2018 Town Plan, the City has constructed numerous Community facilities on the Municipal Tract:

- A 1-mile nature trail in 2019
- A large outdoor pavilion and playgrounds near City Hall in 2020-2021
- In front of the pavilion in 2022, a Veterans Memorial honoring three Shavano Park residents killed in action.



An additional 2022 change was permitting a Sunday farmer’s market for 20 to 30 vendors in the municipal parking lot.

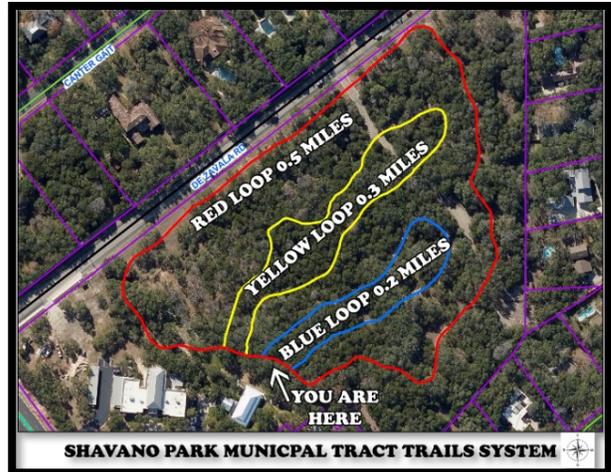
In 2023, incremental improvements to the Municipal Tract continued including construction of a shade structure and trail improvements partially funded by the Starr Family. Residents who participated in the Town Plan process stated a desire to preserve the existing natural habitat of the Municipal Tract.

Under the 2023 Town Plan, our community intends to maintain and incrementally improve the Municipal Tract as we look to resident feedback in prioritizing improvements.

### City-Sponsored Events

The City Council approves and schedules annual City-sponsored events. These events are family-fun activities encouraging gathering for seasonal festivities. Over the years, the events have grown steadily in scale and scope, attracting 200 – 500 residents depending on the event. City-

sponsored events have traditionally included the following: Arbor / Earth Day in mid-April, Independence Day Celebration around July 4th, National Night Out on the first Tuesday of October, Trunk or Treat near Halloween and an early December Holiday Festival. The City also offers a number of one-time service events – such as the Household Hazardous Waste Collection, E-waste recycling and secure paper shredding, and Drug Take-Back events.





**Blattman Elementary Choir at City Hall Event**

City events promote community engagement opportunities for area residents. The growing scope and scale of these events is likely to continue. Since many events partially occupy the main City Hall parking lot, parking is a challenge as vehicles park along NW Military Highway, DeZavala Road and overflow parking. Beginning in the 2022-2023 budget, City Council budgeted funds for parking improvements.

### **City Communications**

Communicating timely, accurate and relevant information to residents is both an important duty and a major role in building our sense of community. As facilitators, our City utilizes a number of communication tools, ranging from face-to-face engagement to digital communications, such as text messaging services, the Roadrunner community newsletter, City website ([www.shavanopark.org](http://www.shavanopark.org)), City social accounts of [Facebook](#), [Twitter](#) and [Nextdoor](#), [TextMyGov texting service](#) and [I-INFO email service](#). Many residents remain unaware of our multiple communication services. Many of the options listed were introduced since the 2018 Town Plan, and continued efforts to improve saturation are being made.



**City's Website ([www.shavanopark.org](http://www.shavanopark.org))**

### **Strategic Relationships & HOA Engagement**

The City enjoys a number of strategic relationships with outside entities such as Bitterblue, Inc., the Texas Department of Transportation, elected state and federal representatives, internet service providers and various private businesses. Strategic relationships make possible the \$4M congressionally authorized funding for the De Zavala street and drainage project (see page 54 for details) and the investment in fiber internet direct to homes in Shavano Park. Even though many of these mutually beneficial relationships have grown organically over time, assuring their longevity and continuity presents a challenge. Identifying strategic relationships and assigning a key City official to proactively maintain and grow each relationship will create and facilitate future opportunities for our City.

In addition to outside entities, it is also important the City develop and maintain relationships with homeowner associations (HOAs) of the City. Building these relationships will help the City better understand the needs of citizens within these private communities.

## **Community Policing**



***2022 National Night Out  
Poster Contest Winners***

Community policing is a keystone of Shavano Park. It not only preserves and protects our small-town sense of community but is fundamental to maintaining the City's low crime rate. The Shavano Park Police Department recognizes the importance of interacting with the community as it maintains a number of community policing efforts.

The Police Department focus on neighborhood patrols provides high visibility in residential neighborhoods. Additionally, the department offers residents patrol-by and out-of-town home security checks. Police are also active in hosting free community training and information events such as C.R.A.S.E. (Citizen Response to Active Shooter Events) / Stop the Bleed response training and female self-defense courses.

Our annual National Night Out (NNO) event is the primary opportunity for residents and our first responders to have personal interaction. NNO promotes residents receiving timely, accurate and relevant information from the Police Department in a transparent and trust-building manner.

By residents, businesses and our police department working together, the Neighborhood Watch program is vital in preventing and investigating crime:

- **Preventing Crime.** Residents and businesses play key roles in preventing crimes through both reporting suspicious activities and posting security warning signs (such as 'Under Surveillance,' 'Security Alarms,' or 'Neighborhood Watch' signs). Additionally, many residents actively participate in the Neighborhood Watch email program, providing a



***Grinch arrested at Blattman  
Elementary by Shavano Park Police  
during Holiday festivities***

formal way for neighbors to watch out for each other and report suspicious activity. Through the Neighborhood Watch program, the Police Department notifies hundreds of residents of nearby neighborhood criminal activity as warranted, by email and text messages. Through community vigilance, we discourage criminals from committing crimes in Shavano Park.

- Investigating Crime. Residents and businesses also play a key role in investigating crimes. Many properties have security cameras monitoring and recording potentially valuable evidence to investigate and prosecute criminal cases. By residents and businesses joining the Police Department’s Community Security Camera program, we help the Police save valuable criminal investigation time. The Neighborhood Watch program also plays a role in investigating crimes as the Police Department may quickly solicit crime tips through email and text messages from the hundreds of Neighborhood Watch members. Our collaborative efforts facilitate the prompt investigation and prosecution of criminal activities.



- Neighborhood Watch. The Shavano Park Neighborhood Watch is a city-sponsored and managed program established by City Council. The program currently exists mostly as a secure email and text messaging service to about 200 residents, and as neighborhoods select block captains, create Neighborhood Watch events, and expand the existing email and text messaging services to include more residents, the program will be more effective.



The Shavano Park Police Department achieved the Texas Police Chief’s Association Best Practices accreditation in 2018 and 2022. This action must be undertaken every four years and is a year-long process. Only 7% of Texas law enforcement agencies have this accreditation. See page [20](#) for details on this achievement.

As a community, we encourage residents to engage with the Police Department as we grow community policing efforts through our engagement and build on community relationships that can help prevent and investigate crimes.



## Commercial Development

**While most communities grow by annexation, our community is landlocked by San Antonio with only 48 acres remaining for future commercial development. Some of these 48 acres offer the opportunity for sales tax-generating businesses. In most cities, sales tax revenues are an important funding source for daily operations, infrastructure repair and replacement, and salaries enabling retention of essential staff. As our community continues to work with our City’s land developer, continued efforts will be made to attract attractive retail and restaurant opportunities which will bring sales tax revenue and local services while preserving residential neighborhoods’ quality of life.**

**This Town Plan identifies the following Issues and Action Steps for the City in future Commercial Development:**

### **Issues:**

- Attract more local access to commercial services – restaurants, retail, and medical
- Manage the tension between business development and maintaining residential quality of life
- Maintain the high-end aesthetics of existing commercial developments
- Develop a sales tax revenue plan to help fund infrastructure repair/enhancement operating expenses
- Consider zoning enhancements to encourage business developments compatible with City goals
- Limited market intelligence of commercial trends, vacancy rates and developments

### **Action Steps:**

- Continue to work closely with Bitterblue to influence optimal new development
- Maintain strict restrictions on business signage
- Maintain restricted allowable business uses, while monitoring market changes for additions
- Maintain reasonable and enforceable commercial property maintenance standards
- Promote commercial developments for the 22-acre tract, including Planned Unit Development flexibility
- Explore zoning and development opportunities for the 4.45-acre tract of land on Pond Hill West
- Consider joining regional economic partnerships
- Develop in-house market knowledge for use in marketing the City’s commercial real estate attractiveness

## **Current Business Community**

The existing commercial areas of Shavano Park are located primarily along Loop 1604 frontage road and Lockhill Selma Road. These are part of the prime north central area of metropolitan San Antonio. Shavano Park is surrounded by the City of San Antonio, and a variety of shopping centers, restaurants and medical facilities are within a few miles of our community. The majority of our City’s commercial developments are office, medical and assisted living facility



uses. Other developments include convenience stores, upscale restaurants, coffee shops, fast food and a private tennis club. Almost all City businesses were developed after 2000.

Most undeveloped commercial land is managed by one developer, Bitterblue, Inc., who works closely with our City to develop upscale commercial buildings and properties. It is important to remember that the City does not own the remaining undeveloped land and has limited influence over commercial development. However, Bitterblue’s long-term vision for Shavano Park has focused on building value and City leaders have invested years of effort in shaping development issues, which it will continue to do for the remaining commercial tracts.

Collectively, community residents desire walkable and bikeable commercial development with green spaces to enhance the overall aesthetic. Residents of our City have long valued curb appeal through strong zoning rules, building regulations and signage restrictions, including adoption of Property Maintenance Standards for commercial properties to help ensure the existing business properties maintain high standards as they age. The 2024-2025 planned completion of sidewalks to De Zavala Road and the early 2024 completion of the NW Military project adding sidewalks and bike lanes will make the City’s commercial developments more accessible for residents by bike or by foot.

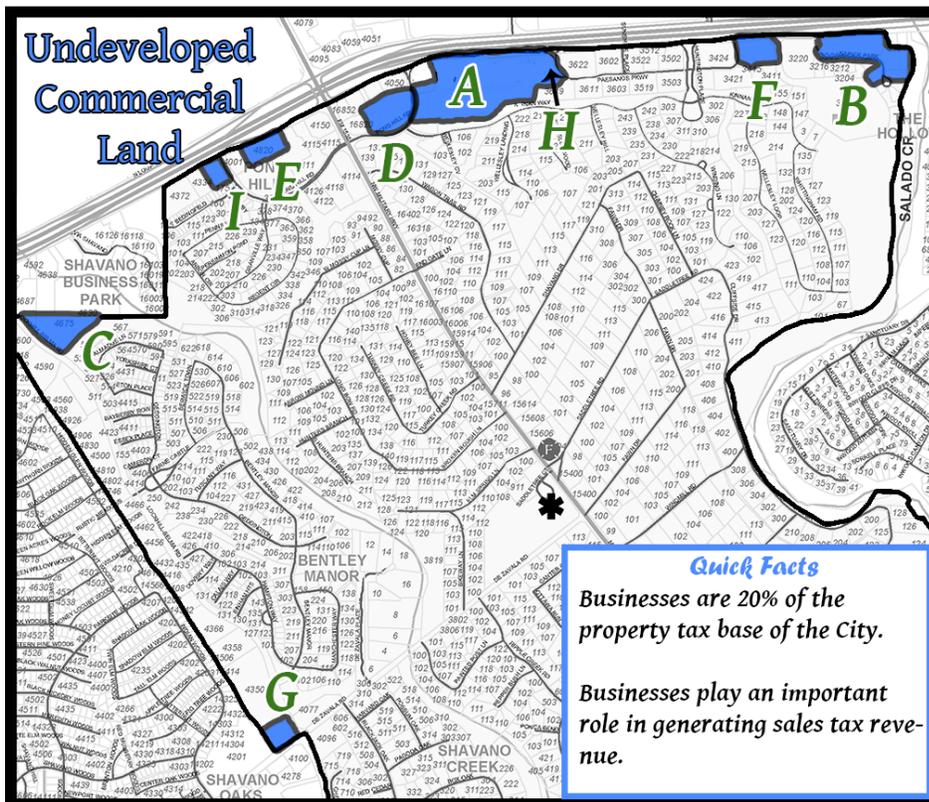
In the Town Plan update process, our residents affirmed their desire for more local commercial services, including restaurants, retail, gourmet shops and medical services (while rejecting other business types and expressing support for commercial property maintenance standards to ensure commercial properties remain a well-maintained upscale appearance.

## Business Market Intelligence

The City has limited business market intelligence for trends in commercial real estate and development. The importance of the remaining 48 acres to the future of Shavano Park means the City should take greater initiative in shaping development of these lots. In addition, it is in the City's interest to monitor vacancies in existing commercial properties, as vacancy is both a local economic indicator of stress in the business community and vacant properties can fall into disrepair and become hotspots for criminal activity. City should consider joining regional economic partnerships and accessing commercial real estate publications to increase business market intelligence.

## Future Development

Future commercial development opportunities are limited, as follows:



*Undeveloped commercial lots are in blue*  
*Note: all but one of these lots are on the edges of Shavano Park along 1604 frontage road*

- A.** 22-acre tract near Huntington, in early planning stages for a possible hotel development (zoned B-2)
- B.** 6.85 acres in Napier Park Office complex east of Blattman Elementary, pre-planned for small office (zoned B-2 PUD)
- C.** 5.08-acre tract at north end of Lockhill-Selma, pre-planned for medical (zoned B-2 PUD)
- D.** 4.45-acre tract in the Pond Hill east commercial, pre-planned for a mix of restaurant / retail (zoned B-1)

- E.** 2.85-acre tract near Pond Hill west and 1604 frontage (east bound), pre-planned for a restaurant (zoned B-2 PUD)
- F.** 2.52-acre tract near Huntington West Office Building on 1604 frontage (east bound), pre-planned for future commercial (zoned B-2 PUD)
- G.** 2.2-acre tract on the northwest corner of Lockhill Selma and De Zavala Road, pre-planned for retail / medical (zoned B-1)
- H.** Two 1-acre tracts on Pond Hill east near Huntington, pre-planned for retail/medical (zoned B-2)
- I.** 1.27-acre tract near Pond Hill west and 1604 frontage (east bound), pre-planned for office (zoned Mixed-Use District)

***Developments A and H: 1604 frontage near Huntington***



***Development B: 1604 frontage in Napier Park Offices***



**Development C: North end of Lockhill-Selma Road**



**Development D: Pond Hill East Commercial**



**Developments E and I: Pond Hill West Office & Restaurant**



*Development F: 1604 frontage near Huntington West Office*



***Development G: Northwest corner of Lockhill Selma Road & De Zavala Road***





## Property Maintenance Standards and Zoning

As a premier community with a mixture of residential districts. Our community has both original neighborhoods with a rural aesthetic and modern gated subdivisions with homeowner associations. Zoning regulations control where and what type of residential developments may occur, and property maintenance standards dictate property owner responsibilities and minimum conditions allowed. Together they play a key role in preserving the City's property values and natural beauty. The City's regulatory zoning power is the most significant way for the City to safeguard its single-family residential character. For example, zoning ordinances presently prevent the redevelopment of existing residences to multi-family uses, short-term rental uses, and the subdivision of lots. Below each neighborhood's minimum acreage. The City's regulatory power for property maintenance is generally limited to health, safety and welfare, which are used to protect the future, preserve property values and grow long-term value. With a focus on property maintenance, we preserve and enhance the unique character of our City.

The 2023 Town Plan identifies the following Issues and Action Steps for the City in future regulating of Property Maintenance Standards and Zoning:

### Issues:

- Support single-family character of the City's residential zoning districts
- Pressure for denser residential developments by sub-dividing lots or allowing multi-family uses
- Consider modification of limit to multiple accessory buildings
- Balance short-term rental interests with community and individual property expectations
- Balance the interest of the community vs individual property rights
- Enhance property values
- Monitor the increasing trend toward the redevelopment of older residential properties
- Keeping City Ordinances up to date ensure cohesiveness and alignment with community vision

### Action Steps:

- Maintain minimum lot size and single-family occupancy in residential zoning districts
- Maintain prohibition on short-term rental in residential zoning districts
- Adopt and maintain property maintenance standards that are reasonable, understandable, and enforceable while avoiding overly burdensome regulations
- Be attentive to residential feedback on property maintenance standards
- Limit new regulations concerning "tear down and rebuild" of old residential properties
- Consider health, safety, and welfare property maintenance standards for residential properties
- Establish a periodic ordinance review program

## Characteristics of Shavano Park’s Residential Neighborhoods

The heart of the City of Shavano Park is our residential neighborhoods. We have both original neighborhoods with a rural aesthetic and modern gated subdivisions with homeowner associations. The distinguishing feature of Shavano Park’s residential neighborhoods is our single-family character, as defined and enforced under our City Zoning Ordinances. Our zoning authority comes from State Law, which allows certain subdivision controls, including both density and population. A key aspect of our single-family character is the stipulation that each lot is designated as one dwelling unit to be occupied by the owner and the owner’s family or by a rental tenant under a long-term lease. Current zoning prohibits short-term rentals of less than 90 days. Our City has no areas zoned for multifamily developments or short-term rental properties.

Definition from City Zoning Ordinance, Chapter 36:

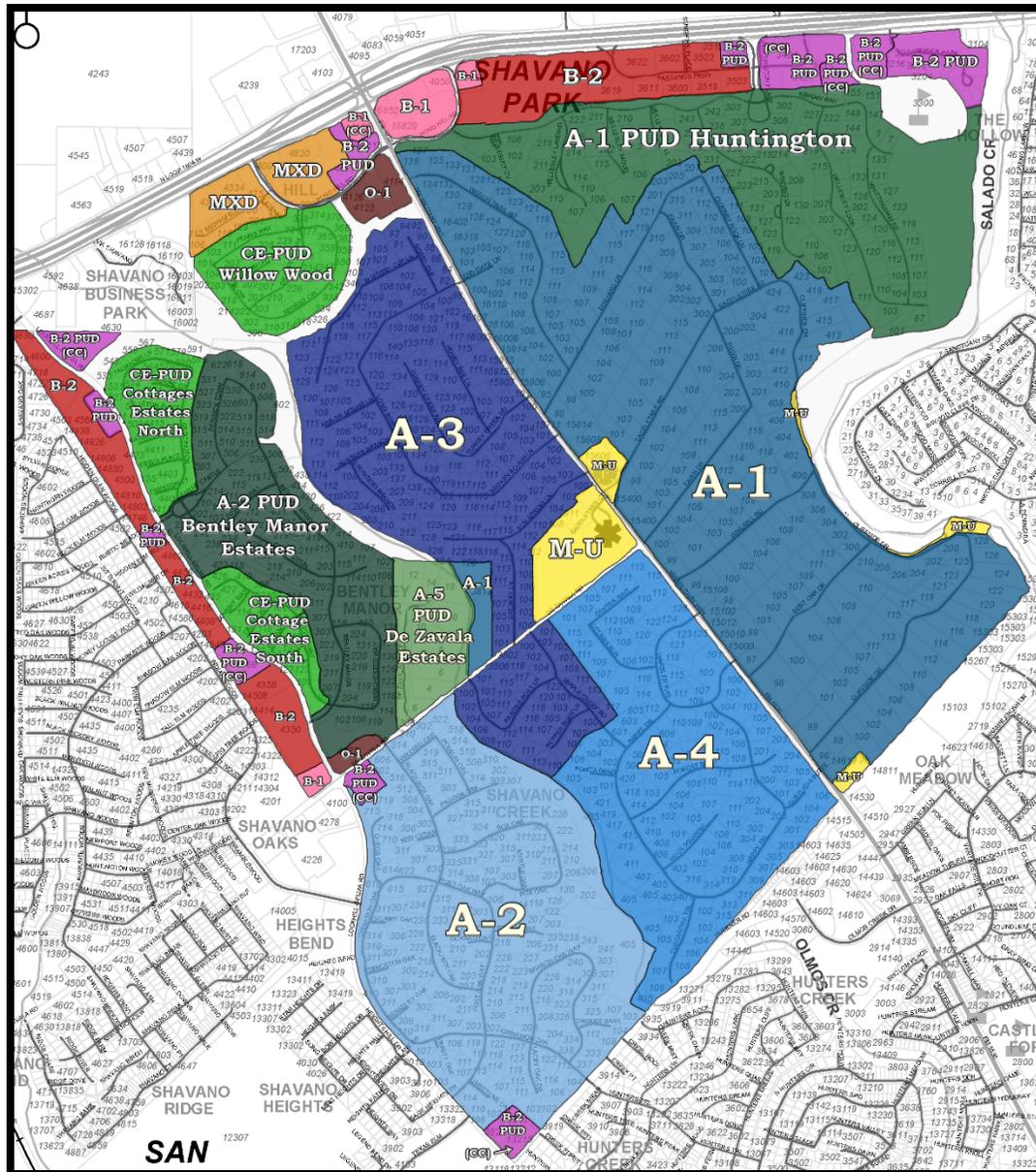
*Single-family residence* means a structure designed for use as one dwelling unit and actually used for permanent or seasonal occupation by the owner, the owner's family or long-term rental tenant under a written long-term rental agreement as a principal residence where the owner, owner's family or long-term rental tenant intends to maintain a permanent or long-term residence. Short-term rentals are expressly excluded from this definition and shall not constitute single-family residential use.

This “one lot, one home, one family” characteristic is reinforced by other zoning rules that shape the nature of Shavano Park residential neighborhoods. See Zoning map on the following page.

Zoning Rule	Rule in Brief	Impact
Single-family Use	All residential areas require single-family use, defined as blood relations + 1 unrelated person	Prevents homes being converted into duplexes, town homes or other multi-family residences
Minimum lot size requirement	A-1 and A-4: 1 acre A-2, A-3 and A-5 PUD: 0.7 acre Smaller lots sizes only for cottage estate neighborhoods	Prevents subdividing of existing lots and creation of denser neighborhoods beyond the 1.0 or 0.7 acre standards
Minimum gross floor areas	A-1: 1,600 square feet A-2, A-3, A-4 and A-5 PUD: 1,800 square feet Cottage estates: 2,000 square feet or more	Prevents construction of smaller homes found in denser urban neighborhoods
Short term rentals prohibited	Rental of real property for a period shorter than 90 consecutive days is prohibited City-wide	Prevents short-term rental properties from disrupting residential neighborhoods
Building setback lines	Only small portable buildings and other minor items are allowed in building setbacks	Creates lower density neighborhoods; prevents subdividing into smaller lots
Accessory Buildings	Accessory buildings are limited to 20% of the rear yard; cannot be built in setbacks; must conform to single-family rule	Prevents a single lot being filled with multiple accessory buildings for habitation

**Zoning districts correspond to the following residential neighborhoods:**

- A-1: Old Shavano Park East
- A-1 PUD: Huntington HOA
- A-2: Shavano Creek HOA
- A-2 PUD: Bentley Manor HOA
- A-3: Old Shavano Park West
- A-4: Shavano Estates
- A-5 PUD: DeZavala Estates POA
- CE-PUD: Cottage Estates in Bentley Manor HOA and Willow Wood HOA
- Mixed-Use District (MXD): Pond Hill Garden Villas HOA



Universally, residential input has voiced strong support for City zoning rules prohibiting multi-family developments and short-term rentals for residential neighborhoods. Residents support a balance between individual property rights and community interest in maintaining properties. Finally, residents do not oppose the tear down and rebuild of older neighborhoods.

This town plan envisions future City leaders maintaining these zoning rules to preserve the single-family residential character of the City.

### **Property Maintenance Standards**

An important tool in preserving the attractive character of commercial and residential properties is property maintenance standards. For each property type, our community delicately balances the sometimes conflicting interests of community, neighbor and individual property rights. Conflicting opinions exist, and managing the tension is critical.

As properties age, structures require more maintenance and occasional renovations for structural soundness, functionality and curb appeal. Beyond our community, poorly maintained individual structures and neighborhoods generally lead to depressed property values, vandalism, and crime. Accordingly, enforcement of minimum property maintenance standards is not just about sustaining neighborhoods. It is essential to the success of our community's vision as the premier community of Bexar County.

In addition, it is necessary to periodically review existing City ordinances to ensure cohesiveness and alignment with the City vision. This programmatic approach to ordinance review will aid City code compliance by updating infrequently referenced ordinances so they remain reasonable, understandable and enforceable

*Widely spaced homes, set back from the street, in Old Shavano Park West (A-3)*



*Denser homes, closer to the street, in Pond Hill Garden Villas (MXD)*



Generally, properties in HOA neighborhoods are governed subject to more extensive property maintenance standards, such as covenants, conditions and restrictions (CCRs) and an HOA permit approval process. The City's sole role in HOA property management is compliance with the city permit process, and the City is not responsible for monitoring compliance with HOA standards.



Property maintenance is essential to protecting the welfare, attractiveness, and character of every community against unsafe and unhealthy conditions and deterioration. As City Council adopts property maintenance standard changes, it will continue to balance reasonable, understandable, and enforceable standards against the creation of burdensome regulations. In doing so, both the City Council and Planning and Zoning Commission are challenged to remain attentive and responsive to resident and business feedback.

### **The Tear Down and Rebuild of Older Homes**

The City has the authority to regulate the redevelopment of existing residential lots. As homes age and properties accumulate value, there is a growing trend to demolish older homes and erect new structures. Some home buyers understandably want to construct a modern home meeting their desired amenities and tastes. When these new homes are constructed, our City treats the building as a new build subject to current City zoning and technical code standards. As of 2023, the City currently charges no fee for a demolition permit to tear down a building, lowering the overall costs of a redevelopment project.



Redevelopment of existing lots increases the property values of those parcels, nearby tracts and overall community property values. As the City nears total build-out, redevelopment activity will drive property value growth. In the absence of widespread resident objection, regulations hindering the redevelopment of older residential properties is doubtful.



## Municipal Talent Management and Retention

**Shavano Park’s development into a premier community of Bexar County over the past two decades owes much to the leadership of talented City staff. The City presently has high-performing and professional Police, Fire, Public Works, Water and Administration departments led by a City Manager. Personnel expense is the most significant annual budgetary cost, which is anticipated to continue to grow with inflation, labor market competition, and rising healthcare costs. Due to the City’s small and quiet nature, recruiting Police and Fire candidates is challenging. While our community is a desirable place to live, some candidates may find its lack of “action” professionally unattractive. It is a continuing challenge to hire and retain highly qualified professional staff. Adopting best-in class practices in human resource processes and approach can help Shavano Park be a great place to work.**

**This Town Plan identifies the following Issues and Action Steps for the City in future Municipal Talent and Retention:**

### **Issues:**

- Manage large city labor market competition
- Respond to inflation, health insurance costs escalation and labor competition
- Limited labor market intelligence
- Meet and exceed community high customer service expectations
- Address limited department promotion opportunities
- Maintain and acquire up to date equipment
- Acknowledge that many Police and Fire candidates prefer careers in communities with more crime and fires
- Cross-train administrative staff to perform multiple job tasks and roles
- Balance budgetary priorities with fiscal requirements and constraints

### **Action Steps:**

- Make fiscally prudent decisions to hire and retain a highly qualified professional City staff
- Maintain annual compensation study, employee reviews and periodic staff surveys
- Expand salary survey to include comprehensive benefits package
- Annually, identify positions and job skills difficult to hire and retain and focus resources as needed
- Maintain City website as digital face of the City for potential applicants
- Review HR policies and bring in best-in-class approach where needed
- Offer increased training opportunities and hiring incentives
- Prioritize development/retention of key leaders and top talent
- Focus on team-building and consider affordable work perks
- Encourage Director input on innovative incentives and work/life balance

## Development of a Professional City Staff

Incorporated as a municipality in 1956 with little annual revenue, the City was formed and operated by volunteers for many years. In addition to the elected officials, positions such as the Fire Chief, Town Marshal, City Clerk, Building Inspector, Tax Assessor Collector, and Water Board were filled by residents. As responsibilities increased, part-time and full-time staff were incrementally added. In 1971, the City hired its first police officer, yet the Fire Department remained an all-volunteer force until 1991. A part-time municipal Court Clerk and Public Works Director was added in subsequent years. In 1997, the City adopted a city manager form of government, and the first City Manager was hired.



*Shavano Park Volunteer Fire Department in 1952*

As of 2023, the full-time staff was 51 positions, which are supported by qualified contracted specialists of legal, engineering, building inspection, health inspector, judge, and prosecutor. Factors influencing staff municipal talent management and retention are influenced generally by compensation, professional development, growth opportunities and job satisfaction.



*Shavano Park Fire Department in 2023*

**Compensation.** Throughout the evolution of Shavano Park, it has been a constant challenge to hire and retain professional staff while balancing competing demands and limited revenues. The Fire and Police Departments have often been a training ground for other agencies as some of our best leave for career

advancement. Nevertheless, over the years highly talented staff have contributed significantly to the City's growth into a premier community in Bexar County. The City has built high-performing and professional Police, Fire, Public Works and Administrative departments led by the City Manager and Directors. Seventy-five percent of the annual General Fund Budget is resourcing City staff compensation and benefits, and is the most significant expense.



In 2012, 2016, 2021 and 2023, the City conducted extensive compensation studies. In each study, the City's compensation levels were generally in the bottom 1/3 range. After each study, City Council approved measures to move the compensation level to at least the 50% level. As of 2023, the City's compensation remains competitive, but with inflation, rising healthcare costs, and local hiring

demands, it will continue to be a challenge. See page 72 of the Long-term City Finances focus area to see the Town Plan's compensation future forecasts.

**Professional Development.** An advantage of being a small organization is that a single employee usually has complete responsibility for a function or job (e.g., the Court Clerk facilitates all facets of the court office responsibilities as opposed to two or more clerks working various tasks). This affords an employee an excellent opportunity to fully develop skill sets in functional areas. Additionally, most employees are assigned secondary or backup responsibilities and roles, which broadens their development and skill sets. A disadvantage to the small organization is that some of the responsibilities may not be as complex as those of larger municipalities.



*Police and Fire employees at Blattman Elementary*

**Growth Opportunities.** Another disadvantage to a small organization is that there are limited opportunities for promotion or movement to lateral jobs. The Fire, Police, and Public Works departments have several layers of supervision, but only within that department.

**Job Satisfaction.** This aspect is an intangible measure that, for the most part, is individually based. Factors likely include a challenging work atmosphere, work-life balance, recognition and rewards, department culture, and responsibility level.

**Human Resource Processes/Approach to Benefits.** In addition to compensation, the City, offers health insurance, retirement and other benefits to employees. The City has limited labor market

intelligence on the comprehensive benefits packages offered by other cities. City Council should expand the City annual salary survey to include a more comprehensive look at benefits packages. In 2023, the City used a benefits broker who provided health insurance market intelligence and competitive bids for employee health insurance benefits. In the future, the benefits broker will assist City leaders to better understand the market place and implement a more competitive employee benefits package.

### **The Impact of Inflation, Labor Competition and Healthcare Costs**

In 2022, general inflation added a new level to wage and healthcare issues.

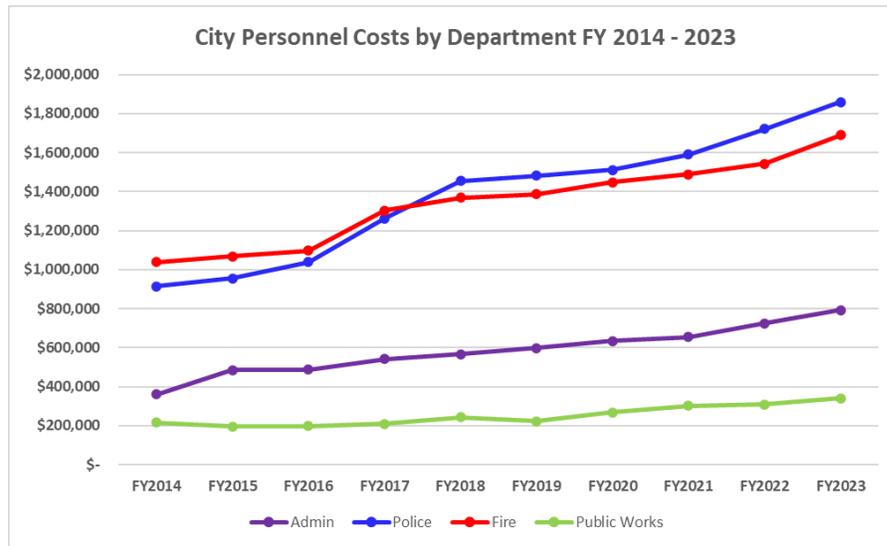
- From 2000 to 2021, the average annual rate of inflation was about 2.2% according to the Bureau of Labor Statistics' Consumer Price Index. In 2022, the inflation rate spiked to 8.0%.
- Likewise, the average annual wage increase for the last decade was about 3.2% according to the Social Security Administration's Average Wage Index. However, in 2021, the average annual wage increase was 8.89%.
  - A specific trend seen regionally in the labor market is the growing difficulty to hire and retain paramedics and law enforcement officers.
- The same upward trend was seen in healthcare costs.

Without raising property tax rates, the City has been able to manage its fiscal challenges. This is generally thanks to steady growth and increasing property values. Between 2017 and 2023 the City property tax assessments increased by 6.8% annually. Between 2013 and 2023 the City's sole property tax increase was by \$0.01 cent in 2022 to accommodate debt associated with our voter-approved \$10M street reconstruction project bond. See page [50](#) for the Public Infrastructure section of the Town Plan.

### **Challenges of Meeting Compensation Without City Development and Growth**

As the City becomes built-out, the annual funding of personnel cost will be challenging (see page [64](#) for the long-term City finances focus area of this Town Plan). Without the development of new properties, funding for staff wages and benefits will be borne by existing property and sales tax collections. The impact of inflation, labor competition and healthcare on City finances is illustrated by the following:

- The impact of inflation in 2022 on the City budget was mostly felt in gasoline fuel costs to run City vehicles and items with microchips. For example, the Police Department spent \$72,154 on fuel costs in 2022 compared to \$39,426 in 2021. In 2022, two new police cars were unable to be deployed for ten months due to supply chain shortages related to police packages (lights, radar and other equipment with microchips). The City has seen price increases on all networking and computer equipment since mid-2021 ranging from 20% to 50%.



**Table 1. Note: Analysis does not include Water employees funded by the Water Utility that is used by only a portion of the City**

- The City’s total personnel cost (including salaries, healthcare, retirement and benefits) has increased on average 4.5% each year for the past decade (see Table 1). Recent labor market pressures are being felt most acutely in the City’s Police and Fire Departments. As previously discussed, the City Council in 2022 authorized a 6.5% wage increase for all employees with an additional 0.5% increase for lower-wage employees to address inflation across all departments. In addition to the above wage increases, paramedics received increased certification pay in 2022. In 2022, the Fire Department had three open paramedic positions for the majority of the year. In response, the Fire Department started offering part-time paramedic positions for the first time to offset the shortage and developed a plan to hire paramedic-only applicants and pay for their fire certification training. In early 2023, the City Manager is considering further hiring incentives as it is anticipated that this market competition for a limited pool of qualified individuals will continue in Police and Fire Departments.

- In 2022, the City’s health insurance provider issued an 18% rate increase for existing employee healthcare plans. City Council approved an 11.3% increase to the monthly contribution of the City to employee healthcare plans in the Fiscal Year 2022-2023 Budget to help cover the rate increase.

Hiring and retaining quality employees is perhaps the most important aspect of operating a high-performing organization. City Councils continue to balance fiscally prudent decisions with the challenges of hiring and retaining professional City staff, both limited by finite City financial resources. In managing each, the City Council and City Manager must annually evaluate the most challenging positions and job skills to recruit, retain, and allocate resources accordingly.



*Shavano Park Public Works Department in 2023*



## Public Infrastructure

**Public Infrastructure describes the facilities, systems, and structures that often are taken for granted but are essential to community quality of life. Although most Shavano Park public infrastructure is owned and operated by the City, some systems are provided by private or outside agencies. As discussed, Shavano Park furnishes and maintains public buildings, streets, drainage, greenbelts, and a water system. In the past, the City had limited resources for the highest quality of infrastructure. With the City's growth into a premier City of Bexar County, the residents and businesses expect high quality infrastructure. Because much of the City's infrastructure was constructed from the 1950s to the 1970s, the City faces significant infrastructure maintenance requirements. In pursuit of the same, City Council will pursue grant funding, sophisticated financial management and responsible budgeting combined with systematic debt financing for public infrastructure.**

The following is a table of contents for infrastructure topics:

<b>CITY STREETS</b>	<b>52</b>
<b>NW MILITARY</b>	<b>55</b>
<b>BIKE AND PEDESTRIAN PATHWAYS</b>	<b>57</b>
<b>WATER SYSTEM</b>	<b>59</b>
<b>DRAINAGE</b>	<b>60</b>
<b>FIBER INTERNET SERVICE</b>	<b>63</b>
<b>GATEWAYS AND CITY PROPERTIES</b>	<b>64</b>

 Issues and Action Steps are on the following page 

**This Town Plan identifies the following Issues and Action Steps in Public Infrastructure:**

**Issues:**

- Funding quality infrastructure with limited funds
- Replacing deteriorated streets nearing expected end-of-life
- Preparing a comprehensive street assessment for Phases 2, 3, or 4 of the City’s Street Maintenance Plan
- Managing street funds following completion of Bond and Federal projects
- Provisioning remaining pre-planned drainage projects (Elm Springs and Turkey Creek)
- Establishing citywide bike and pedestrian connectivity
- Balancing Muni-tract nature and wildlife support with citizen amenities
- Not all residents have access to natural gas and fiber internet services
- Addressing aging water distribution system and necessary funding options
- City owned gateways and properties are important to City’s distinctive character and beauty

**Action Steps:**

- Pursue grant funding options at State and Federal level for street, drainage, and water system renewal
- Identify options to lengthen the life of streets
- Consider adopting a formal street maintenance schedule
- Manage the City’s long-term debt
- Build resident trust concerning completion of large infrastructure projects
- Monitor street conditions, and as needed, conduct a comprehensive street assessment with projected costs and timelines for Phases 2, 3, and 4
- Prioritize and sequence infrastructure maintenance and replacement
- Consider pedestrian and bicycle access to Salado Creek
- Coordinate and encourage utility providers to extend gas and fiber internet services to all residents
- Complete a comprehensive water hydrology model to anticipate future capital requirements
- Create a common vision for the design and aesthetics of City gateways
- Consider adopting a multi-year plan to enhance City properties

## City Streets

Shavano Park is responsible for maintaining and reconstructing about 20 miles of public streets. The average street lifespan is 20 to 30 years, and with good maintenance, 40 to 50 years. Most of the streets were built before 1980 (with some dating back to the original development) and many are deteriorating. Over the next 20 to 30 years, street reconstruction and maintenance are anticipated to be the largest expense challenges facing Shavano Park. As evidenced by a 73% bond approval vote and citizen survey responses, residents support street projects and embrace City forward thinking, while expressing concern about construction congestion and inconvenience.

While simultaneously implementing a maintenance program for other areas, the City will prioritize street renovation in the worst areas. In 2022, the City developed a phased-in approach for street repair

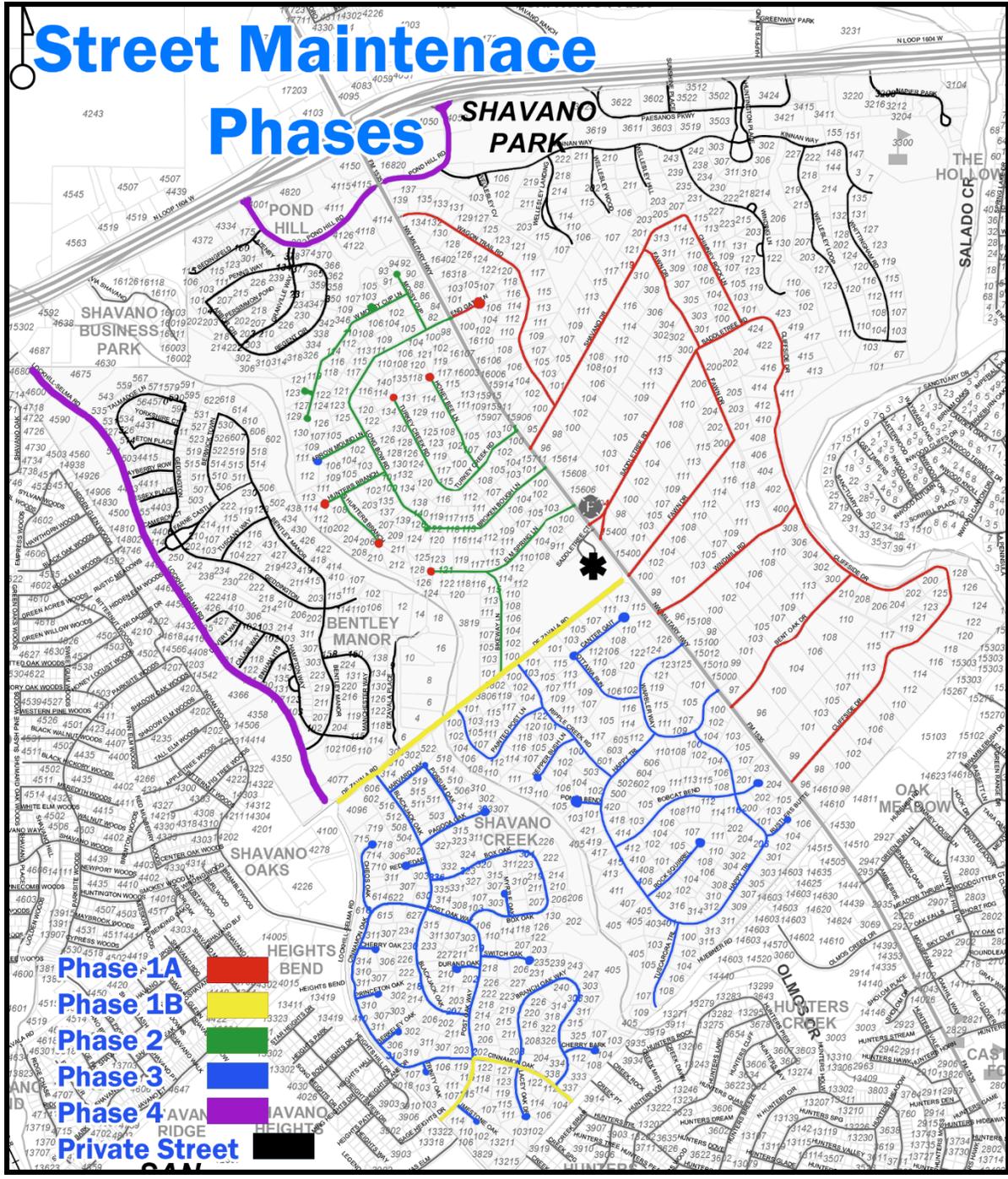
to be implemented over the next 20-25 years. With a phased-in approach, the City works to minimize both annual budget burdens and property tax rate increases (see map on next page).



## Failing City Streets in Old Shavano Park



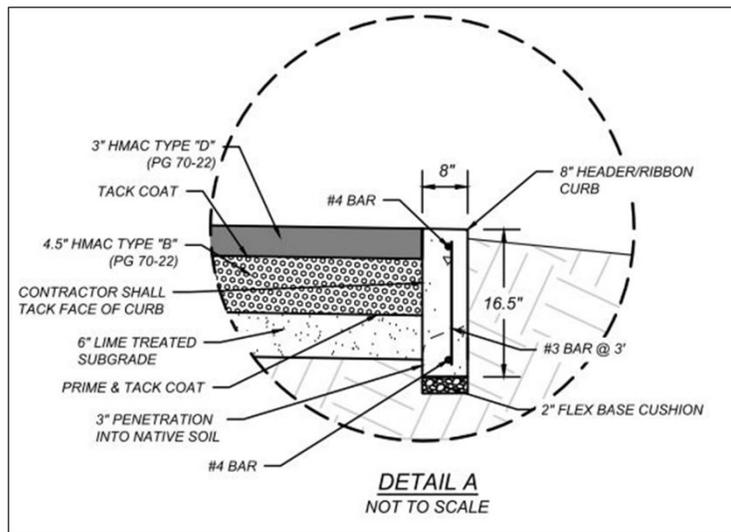
After a comprehensive assessment throughout Old Shavano Park, it was confirmed the oldest street pavement conditions were near failure. In 2022, the City initiated its first major street maintenance project since 2004, as voters approved a \$10M Bond to fully reconstruct six miles of streets in Old Shavano Park (Phase 1A – Red on map). In the same year, the City also secured \$4M via a federally-funded Community Project Funding Request in the 2023 Federal Budget from the office of Congressman Tony Gonzales (TX-23) and the United States Congress. With these funds, the City will improve drainage facilities, add bike lanes and sidewalks, and re-pave the surface of DeZavala Road (Phase 1B – Yellow on map). The project’s planned drainage and accessibility improvements are discussed in a subsequent section.



**PHASE 1A** – Prioritizing the needs of Old Shavano Park East, Old Shavano Park West cul-de-sacs and Shavano Creek’s Post Oak Way entrance. Under the 2022 Bond Project (Phase 1A), we will address City streets in the worst condition as follows: (1) completely reconstruct Bent Oak, Chimney Rock, Cliffside, End Gate, Fawn, Saddletree, Shavano, Wagon Trail, and Windmill; (2)

repave the Post Oak Way entrance (from Lockhill-Selma); and (3) complete reconstruction of cul-de-sacs at Elm Spring, Honey Bee, Hunters Branch, Hunters Branch South, and Turkey Creek. In the reconstructed areas, all existing street material will be removed and new street material installed. The new streets will feature a new 8-inch “ribbon curb” flush with the street (not raised – see Exhibit 1) reducing edge failures and adding significant street life.

**Exhibit 1 – Bond Project Street Reconstruction**



To afford the annual debt payments for the 2022 voter-approved Bond, the City increased the ad valorem property tax rate by \$0.01. Additionally, the City plans to use funds from its street maintenance budget to minimize future tax rate increases. (See page 64 for the Long-term City Finances.) When Phase 1A and Phase 1B of the Street Maintenance Plan are complete in 2024-2025, the City forecasts exhaustion of its street maintenance fund, and all non-routine future street maintenance costs must be borne by grant funding or debt financing. (See page 70 of the Long-term City Finances.)

**PHASE 1B – De Zavala Road.** This phase will accomplish the re-paving of De Zavala Road with the addition of dedicated bike lanes, sidewalks, raised curbs, and improved drainage. This project will be federally funded. (See page 61 for De Zavala Road drainage improvements and page 57 for De Zavala bike and accessibility improvements.)

**PHASE 2 - Old Shavano Park West neighborhood.** The streets in this area were built in the 1970s and are in decent condition. The most deteriorated sections of Old Shavano Park West streets are budgeted for repair under the \$10M Bond.

In 2021, the City repaired the Arrow Mound cul-de-sac with street maintenance funds. Due to turning stress from larger vehicles including trash and delivery trucks, cul-de-sacs in Old Shavano Park West are in worse condition than the adjoining streets. The cul-de-sacs of Turkey Creek, Honey Bee, Elm Spring, Hunters Branch, and Hunters Branch South are all included in the Bond Election for Phase 1A, leaving Mossy Cup and West Mossy Cup to be addressed in Phase 2.

**PHASE 3 - Shavano Creek and Shavano Estates.** These streets were built in the late 1970s through the 1990s and are in primarily good to decent condition. All these streets have curbs, which helps extend street life. Because of significant street cracking from heavier traffic flow than other parts of the neighborhood, Shavano Creek’s main entrance at Post Oak Way and Lockhill Selma was included in the 2022 Bond package. The residential streets further into the subdivision

experience less traffic and are therefore in better condition. The City anticipates with asphalt removal and regular maintenance (i.e., seal coating and crack sealing), these streets will endure for many more years.

**PHASE 4 - Lockhill-Selma and Pond Hill.** These two major thoroughways were constructed in the early to mid-2000s and are still in excellent condition. The City anticipates with regular maintenance, these streets will endure for many more years. Since these streets sustain heavy traffic with heavy vehicles (i.e., tractor-trailers), future replacement of these streets will be significant and costly.

While City staff has an intuitive understanding of street conditions, the streets in Phases 2, 3, and 4 have not been comprehensively assessed for their pavement condition. Long-term planning and forecasting are necessary to ensure City street maintenance responsibilities for its 20 miles of public streets are not oppressive to taxpayers. To assess and complete Phases 2, 3, and 4, the City will complete comprehensive assessments of these streets as it refines a detailed schedule for maintenance and repair.

**Street Maintenance Schedule.** In the past, the City did not always follow best practices in maintaining its streets, being more reactive than proactive in their maintenance. Proactive street maintenance will become more important to the City in future years for two main reasons. (1) Extending the useful life of streets will allow more time for City to accumulate fiscal reserves, and (2) the City should maintain the new streets after they are rebuilt. City should identify options to lengthen the life of streets and incorporate them into a formal street maintenance schedule to more proactively maintain City streets.

### NW Military Highway

Beginning in the summer of 2021, the Texas Department of Transportation (TxDOT) began major construction on NW Military Highway. In both the 2010 and 2018 Town Plans, this project was a major focus and the vision of those plans largely drove the City's coordination with TxDOT to secure \$15.5M in Federal and State funding through the Alamo Area Municipal Planning Organization. The City's project cost was limited to the relocating of water utilities in the State right-of-way, which cost approximately \$925,000.

The project's scheduled completion date is February 2024 and its features include the following (see Exhibit 2):

- Adding a continuous center-turn lane
- Adding dedicated sidewalks and bicycle lanes
- Installing pedestrian crossings at Pond Hill and De Zavala intersections with NW Military
- Adding a traffic signal at the Pond Hill Road intersection
- Installing raised medians between Loop 1604 and Wagon Trail Road
- Completing multiple drainage improvements to prevent increased stormwater runoff with storm sewers and expanded culverts

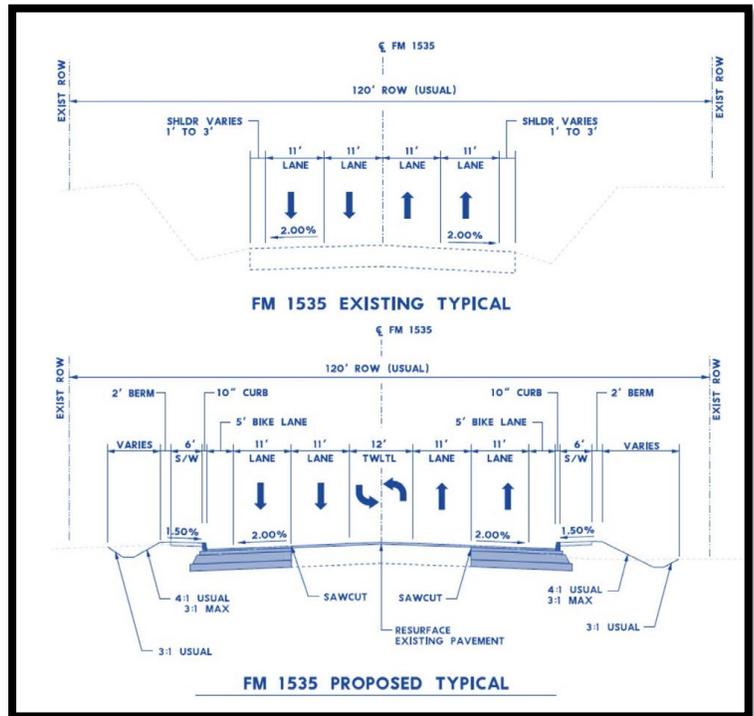
- Partially reconstructing residential driveways to safely tie into the expanded highway
- Installing a VIA covered bus stop near Pond Hill Road and NW Military Highway

While making many accessibility and safety improvements to NW Military Highway, tree removal from the TxDOT right-of way distressed many residents. In order to save as many trees as possible, the City worked closely with TxDOT during the engineering planning and initial construction phases, but the reality of the construction project meant few were saved. In 2021, City Council established the NW Military Highway Beautification Committee to proactively address landscaping improvements .

Since TxDOT regulations make planting trees near highways and utility lines impossible, the NW Military Beautification Committee has considered alternatives such as native wildflower gardens, bushes and decorative features. The City will work

with TxDOT to determine available options to beautify NW Military after construction and identify possible funding sources. The Governor’s Community Achievement Awards is one such potential funding vehicle for NW Military Highway beautification.

**Exhibit 2 – NW Military Improvement Project**



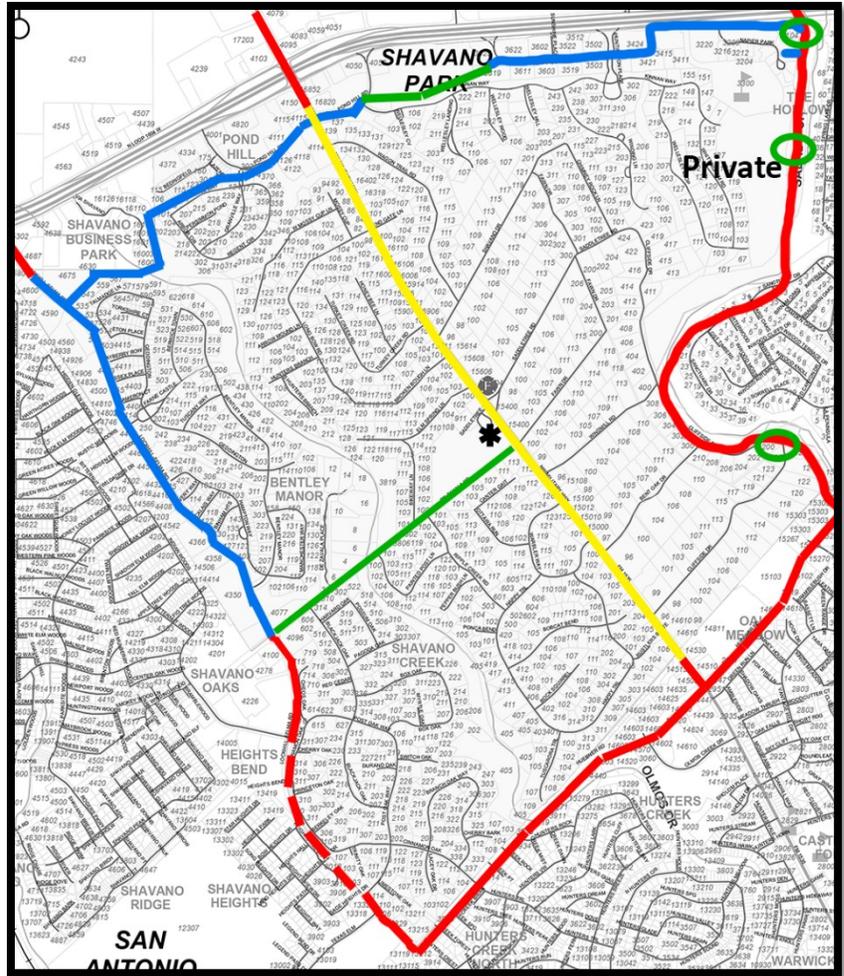
Keep Texas Beautiful, in partnership with the Texas Department of Transportation (TxDOT), has awarded the prestigious Governor’s Community Achievement Awards (GCAA) to Texas communities for their outstanding overall efforts to keep their communities beautiful since 1969.

Annually, ten winning communities will share \$2 million in landscaping awards from TxDOT, with the amount based on population size. If selected, the Keep Texas Beautiful program would award Shavano Park up to \$110,000. The City was not awarded in 2023, but will reapply in future years, and City Council, the NW Military Highway Beautification Committee and City staff will continue to coordinate with TxDOT to achieve actionable landscaping and beautification options for NW Military.

## Bike and Pedestrian Pathways

Both the 2010 and 2018 Town Plans called for the creation of a network of sidewalks, bike lanes, and pathways to connect the City and provide access to the nearby San Antonio trailway. Significant progress has been made but much work remains.

By 2024, it is anticipated the new sidewalks and bike lanes on NW Military will be complete and immensely improve City connectivity. In 2024/2025, the De Zavala project bike lane and sidewalk construction will also drastically improve accessibility. Following these projects, there will remain two unconnected portions of trails – one in San Antonio’s jurisdiction between De Zavala Road and Huebner Road (see red dashes in Exhibit 3) and a portion connecting NW Military to the north Salado Creek Greenway access point (green line near 1604).



**Exhibit 3 – Map of Current Sidewalk and Bike Lane Network**

- Constructed
- Planned
- Salado Creek access point
- San Antonio constructed
- - - San Antonio future
- TxDoT Project

1. In 2022, the City of San Antonio installed sidewalks from Basis School to De Zavala. Although this area is not located in Shavano Park, the City continues to encourage the City of San Antonio to complete the sidewalks fully from Huebner to De Zavala.
2. The Loop 1604 gap (in green) is currently on undeveloped land. Bitterblue, the City’s primary developer, is presently in pre-planning for lot development. When developed, the lot will include hike/bike paths.

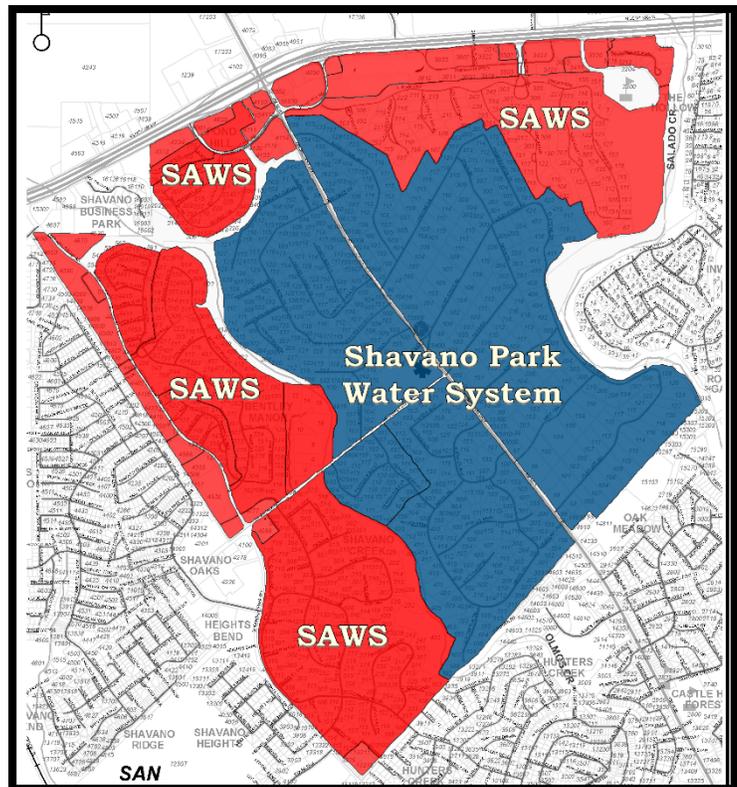
The final hike/bike accessibility location is the Cliffside access to the Salado Creek Greenway. Since 2018, the City has made improvements to the pathway in a manner preserving a natural footpath. Residents have expressed a desire for improved trailway accessibility similar to the paved and gated Inwood HOA access constructed by the City of San Antonio. Because there are no public parking areas, path re-grading challenges, and limited ability to install and monitor gate access, the City creating a similar access point is very challenging. While remaining on the list of future possible City actions, it is likely this project is beyond the probable 5-year scope of this Town Plan.

## **Water System**

In 1972, the Shavano Park Water Utility was created following Forest Oaks Development Company's conveyance of the existing water infrastructure to the City. After the transfer, further City development ceased primarily due to a lack of water because existing City Edwards Aquifer wells have limited capacity. With the Shavano Park Water Utility being the only City water provider, additional sources were secured beyond the City border, and development into the Estates continued. When the City annexed and coordinated the development of land in the early 2000s, the annexed lands were entirely covered by the San Antonio Water System's certificate of convenience and necessity. Those annexed areas became the neighborhoods of Shavano Creek, Bentley Manor, De Zavala Estates, Huntington, Pond Hill, and they are serviced by the San Antonio Water System (SAWS).

In 2009 during a severe state-wide drought, the City drilled into the Trinity Aquifer to diversify the City's water supply, establishing Well #9. In 2019, Trinity Well #9 was capped and "mothballed" due to ongoing maintenance costs and low water pumpage rates.

Today, the Shavano Park water utility serves 713 customers in an area covering roughly half the City (see map) using Edwards Aquifer Water. Over the last three years, the Shavano Park Water Utility pumped on average 200,580,413 gallons or 615 acre-feet of water per year. The system maintains four well sites and pumps water through two distribution sites. The system is funded by Shavano Park water customers in a separate Water Fund. This Water Fund maintains all



infrastructure, vehicles and materials of the Shavano Park Water Utility and six employees, four of whom split workload and pay 50/50 with Public Works and the City-wide General Fund.

Much of the water infrastructure of the City dates to the original development of the neighborhoods. For Old Shavano Park east of NW Military, most water lines date to the 1950s and 1960s. In Old Shavano Park west of NW Military, water lines date to the 1960s and 1970s. Shavano Estates' water lines generally date to the 1980s. (See page [75](#) of the Long-term City Finances.)



***Public Works crew repairing a water main break on NW Military***

In 2001, 2003 and 2018, the Shavano Park Water Utility performed numerous system upgrades, including those necessitated by the TxDOT NW Military Highway project and the City's 2022 Street Bond Project. In both instances, the water lines were lowered or relocated to remove conflicts with street reconstruction or other utility work. Along NW Military the Water Utility has replaced over 3,000 linear feet of water lines including five major crossings. All new pipes replaced aging Asbestos Cement (AC) water lines. In the late 1970s, installation and manufacture of AC water lines ceased in North America due to health concerns associated with asbestos fibers from deteriorated

pipes. The Shavano Park Water Utility conducts quarterly water quality tests to ensure asbestos levels remain within the State-mandated safe range.

As part of the Phase 1A street project, the Water Utility replaced all long water service lines crossing under streets being reconstructed plus seventeen water main crossings. (See page [52](#) for discussion on the 2022 Street Reconstruction Bond Project).

In predicting the City's future water capital/debt financing needs, the lack of a water system mapping and assessment is the system's greatest challenge. The planned assessment combined with a system water hydrology model will enable the Water Utility to:

- Plan capital replacements by identifying the age and material of water mains to determine their usable life
- Determine the appropriate water main size for future installation based on the number of home service connections and water usage



***Public Works crew replacing a fire hydrant***

- Ascertain whether additional booster pumps are needed for improved fire suppression capability
- Improve the City’s ISO Rating; the water system accounts for 40% of the total points and a model could help identify actions to improve the score (see page 20 for more information on the City’s ISO Rating)
- Determine whether additional water capacity (i.e. storage tanks) is needed

**Drainage**

Shavano Park is situated between the Texas Hill Country to the north and the lower-lying areas of San Antonio proper to the south. Lying at the edge of the Gulf Coastal Plains and prone to drought with periodic flooding, the City has long experienced drainage challenges. These challenges intensified during the 1990s and 2000s with the rapid development around and within Shavano Park. Both the 2010 and 2018 Town Plans focused on drainage issues, and after the completion of a Master Drainage Plan in 2017, the City utilized almost all the City’s drainage reserves in the

<b>Big Picture - Drainage Reserves</b>	
<b>City Drainage Reserves when started</b>	<b>\$ 1,320,746</b>
<b>Total Expenses 2017 - 2021</b>	<b>\$ (1,104,798)</b>
<b>Transfer to Street Fund for Bond Project (FY23)</b>	<b>\$ (215,948)</b>
<b>Remaining Drainage Reserves January 1, 2023</b>	<b>\$ (0)</b>

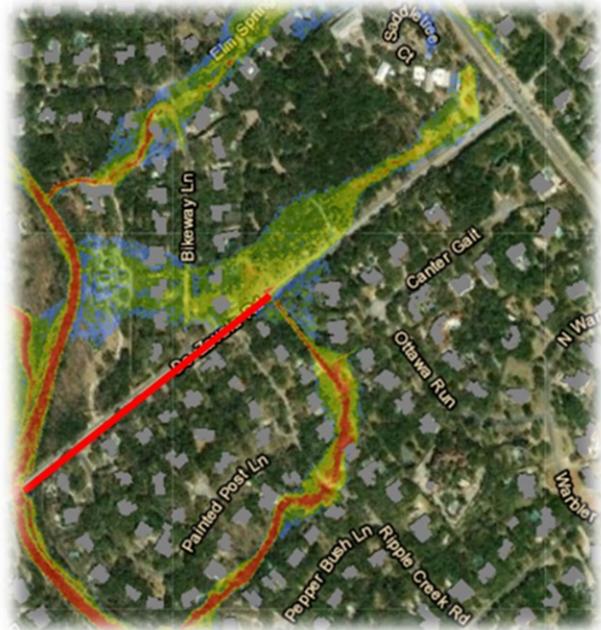
Capital Fund for project improvements to three low water crossings along Chimney Rock, Bent Oak, and Windmill, as well as clearing multiple drainage pathways and installing a pump in a natural depression north of Wagon Trail. From the 2017 Master Drainage Plan, there remain three drainage projects to be completed. Of the three, one is being accomplished with federal funding as the De Zavala improvement project. The remaining two exceed current City funding options and require property owner drainage easement agreements.

### De Zavala Storm Water Culvert

The federally-funded De Zavala project will capture water run-off from NW Military Highway and the Municipal Tract before it spills across De Zavala and into the lots along Painted Post and Ripple Creek (see Exhibit 5). The project will upgrade the existing culverts that convey water under De Zavala near the Municipal Tract with a 54-inch drain pipe running the length of De Zavala moving water to Olmos Creek.

The 54-inch drainage pipe (in red in Exhibit 5) will provide considerable relief to properties along Ripple Creek and Painted Post that flood during storm events. The De Zavala project is scheduled to start construction in 2024.

**Exhibit 5 – Drainage near De Zavala**



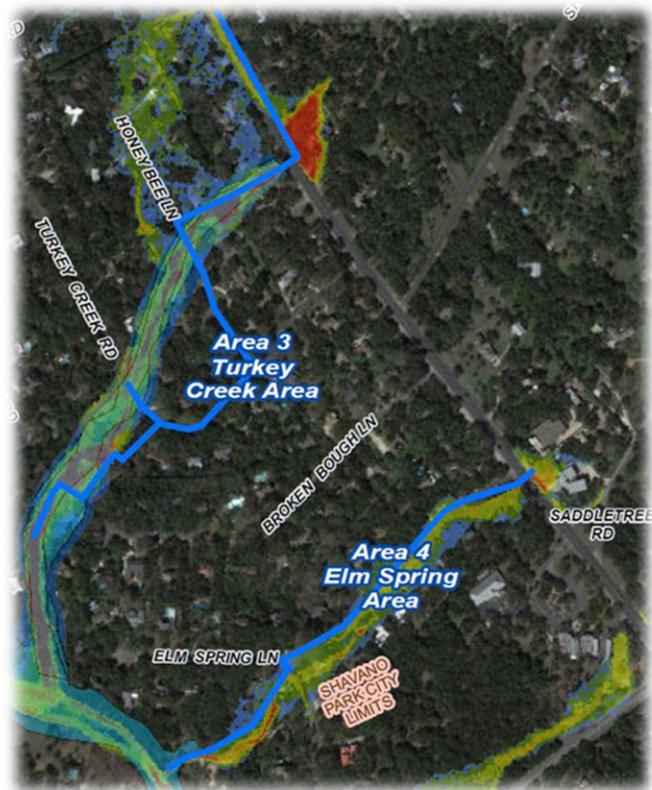
### Turkey Creek and Elm Spring Drainage Projects

In the 2020 Preliminary Engineering Report, these two projects carried an estimated 2020 cost of \$4.4M. Both projects propose installing storm sewers to capture water flowing through the Turkey Creek/Honey Bee tributary and along Elm Spring underground to the Olmos Creek basin. With the Turkey Creek/Honey Bee project, all the homes located north of Long Bow Road would be removed from the existing floodplain.

The Elm Spring project would prevent roadway flooding in small rain events.

Aside from being costly, both projects will require homeowner drainage easements. It is expected that securing buy-in from all homeowners will be challenging.

**Exhibit 6 – Remaining two drainage projects**



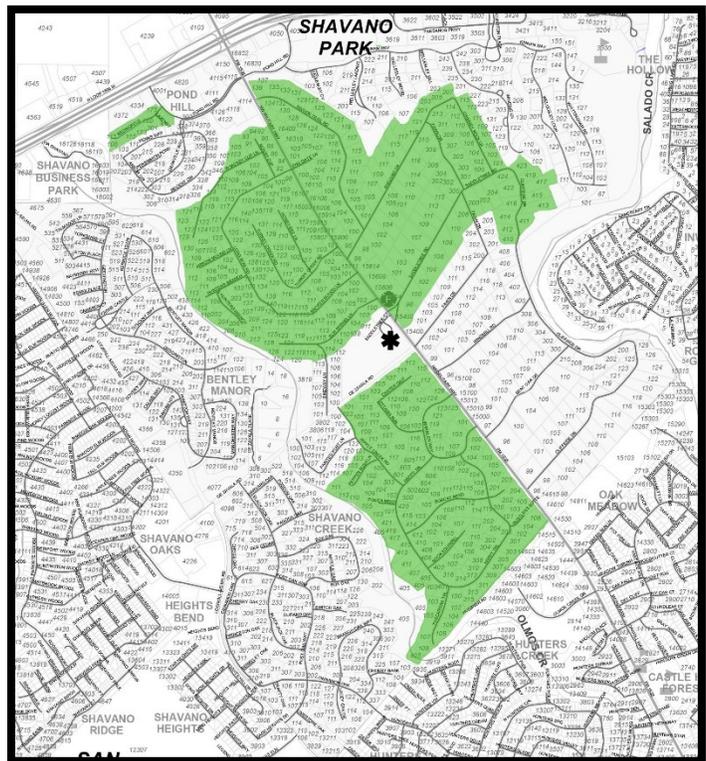
Project	Project Cost Estimate (2020)	
Turkey Creek	\$	3,069,770.96
Elm Spring	\$	1,321,174.11
<b>Total</b>	<b>\$</b>	<b>4,390,945.07</b>

The decision point to pursue these projects will be part of the scheduled Street Maintenance in Phase 2. These drainage projects could be packaged with street reconstruction in a future bond or grant-funded project. (See page 73 for the financial implications.) While not supporting the use of eminent domain, residents generally support the City funding these projects with grant funding and packaging the drainage projects with the streets when they are reconstructed.

### **Fiber Internet Service**

The City has limited influence over the private investment decisions of Internet Service Providers (ISPs), but in recent years, City Council, City staff, and many residents have questioned why Shavano Park did not have universal fiber direct to home like some other surrounding neighborhoods in north Bexar County. City Council has articulated a vision and formed a resident-volunteer Internet working group to collaborate with ISPs to bring fiber internet to Shavano Park. City Council’s vision calls for fiber internet directly into the homes and businesses across the City to meet future digital demands.

Instead of using copper wire, fiber internet uses glass instead to transmit internet data. With glass, internet speed and reliability are greatly enhanced, but the cost of glass is more expensive to produce and install. A glass line directly feeding into a home (fiber to the premises, or “FTTP”) is relatively rare in the United States. When an ISP advertises High-Speed Internet, they are actually advertising that the backbone internet service in the subdivision or street is glass, but copper lines still feed into your home and generally max out at 300 megabits per second. Fiber to the curb, or “FTTC” increases the internet speed in the area but does not provide the 1+ Gigabit per second speeds and reliability of direct fiber or FTTP (Note: there are 1000 megabits in a single gigabit). Before the working group, only City business areas had access to fiber internet. The majority of the City had FTTC and some areas had only one FTTC provider (no competition).



***Areas in green have fiber internet service direct to the home availability in summer of 2023.***

During discussions with ISPs, the City learned of the challenges that have prevented fiber internet investments to date:

- 1) The amount of rock subsurface makes the final trenching to the home more expensive
- 2) The number of wide-spaced lots limits profitability
- 3) Investing in established neighborhoods without utility poles is more expensive in general
- 4) The number of gated communities/homes and City solicitation rules make door-to-door sales difficult

Since 2022, the Internet Working Group has engaged all area ISPs to explore the feasibility of bringing fiber internet directly to homes. Working Group successes include AT&T announcing direct-to-home fiber availability to over 400 homes (with 2023 expansion plans (see map)), and as of January 2023, 268 residents (about 18%) have signed up for AT&T fiber internet service. The Internet Working Group continues to work to encourage and champion ISP investments in the digital infrastructure of the City. City Council and the Internet Working Group continue efforts to bring fiber internet to all community homes and businesses.

### **Gateways and City Properties**

The City has key entry points along major roads that act as gateways to the City from the surrounding City of San Antonio. These gateways are opportunities to establish distinctive design and aesthetics – a visible sign that one has left the City of San Antonio and is now entering Shavano Park. In 2018, the City adopted a City slogan, “*City Living with Country Charm*”, and improved its branding on the City website. The City has an opportunity to create a common vision for the design and aesthetics of these gateways and extend the branding of Shavano Park.

The City maintains a number of properties including the City Hall/Police Station, pavilion, playgrounds and other facilities of the municipal tract, the marquee at the corner of DeZavala and NW Military Highway, the Fire Station, and a Public Works building. These properties not only house City staff, equipment, and vehicles, but also serve as common gathering points for City events and community organizations. Maintaining these buildings is another opportunity to extend the branding of Shavano Park and project a robust city image. The City should consider adopting a multi-year plan to maintain and enhance City properties.



***City monument at the southern NW Military entrance to Shavano Park***



## Long-Term City Finances

A primary reason why Shavano Park has become a premier community in Bexar County is its wise management of public funds. Through the City's history of fiscal conservatism, it offers excellent municipal services and a manageable debt burden while having one of the lowest property tax rates in Bexar County. These conditions have stimulated the development of quality neighborhoods and businesses and a rise in property values over past decades. In the coming decade, the City will face challenges in maintaining this trend. Shavano Park will become built-out, causing a slow but steady reduction in year-over-year property tax base growth and construction permit revenues. Meanwhile, repairing the City's deteriorating streets will require debt financing, while annually addressing the challenges of maintaining a professional City staff and providing excellent municipal services. In addition, the City's known drainage problems will require multi-million-dollar grant funding and/or debt financing. Finally, the water system has an aging infrastructure, and available water system reserves are inadequate to fully address the issue. Long-term financing will be key to managing major expenses, saving for anticipated expenses, and ensuring manageable property tax rates. City Council and City staff are committed to incorporating long-term financial planning in the annual budget process.

The financial assumptions and forecasts in the 2023 Town Plan are neither formal recommendations nor legally binding. The forecasts simply illustrate possible future fiscal challenges facing the City based on current and near-term data. They are City staff's fiscally conservative "guess" as of 2023 amid uncertain economic times. All property tax rates and possible bond debt issuances discussed are subject to City Council initiation, and, when warranted, voter approval.

**This Town Plan identifies the following Issues and Action Steps in Long-term City Finances:**

**Issues:**

- Limited resources temper resident and business demand for quality infrastructure and municipal services
- Projected personnel cost increases and decaying infrastructure costs cause the City’s principal fiscal pressures
- Balance options to maintain the City’s AAA/Stable Bond Rating amid competing resident and budgetary demands
- Limited sales tax collections as a portion of each annual budget
- Anticipated drop in permitting revenues with build-out
- Maintain City Fund Balance reserves ‘rainy day fund’ near 50%
- Maintain City Capital Replacement Fund reserves for future capital replacement
- Depleted City Capital Replacement reserves for drainage projects
- Depleted Street Maintenance Fund reserves about 2026
- Capped over 65 Tax Freeze for property values (increased by 9.28% annually over the period 2018-2023) limiting property tax increase revenues
- Limited Water Utility funds for well sites, storage tanks, and replacement of aging service system mains

**Action Steps:**

- Pursue sales-tax generating businesses to reduce property tax burden
- Pursue State and Federal grant funding for street, drainage, and water system renewal
- Seek other revenue opportunities to reduce property tax burden
- Continue the wise fiscal management practices and policies behind the AAA/Stable Bond Rating
- Protect the General Fund’s Fund Balance Reserve percentage
- Prioritize annually fully funding the Capital Replacement Fund
- Incorporate annual long-term financial planning into the budget process
- Adopt a standardized bond project cycle to allow regular infrastructure renewal with minimal impact on property tax rates
- Communicate transparently future fiscal challenges and infrastructure needs to residents
- Develop a water main replacement schedule and funding options
- Conduct periodic Water Rate studies to ensure water user fees cover expenses
- Review annually Water debt fee to ensure debt costs are covered

## **City's Fiscal Strength**

The City's history of wise fiscal stewardship is a major reason why, the City features excellent municipal services (police, fire, emergency medical, and public works) and community facilities and events, while maintaining a reasonable debt burden and one of the Bexar County's lowest tax rates. These community traits make Shavano Park's neighborhoods more livable by creating a strong sense of community, as highlighted throughout this Town Plan.

Five aspects of City finances illustrate the City's fiscal strength and fiscal conservatism: (1) Triple AAA Bond Rating, (2) manageable debt burden, (3) low property tax rate and robust tax base, (4) healthy capital reserves, and (5) an ample 'rainy day' fund. Each of these aspects is discussed in detail below. The Shavano Park Water Utility's finances are discussed in a separate section at the end of this focus area.

### **Bond Rating**

Again, in June 2022, the City received an "AAA/Stable" long-term rating from S&P Global Ratings following completion of the City's May 2022 voter-approved \$10M Bond. This is the highest and best credit rating that may be issued. A lesser rating could increase the City's borrowing costs. The S&P Global Ratings credit report identified the following key attributes for the City of Shavano Park:

"Key credit considerations included in our view of Shavano Park:

- Advantageous location in the broad and diverse San Antonio metro area;
- History of strong financial performance and maintenance of very strong reserves;
- Strong financial management practices and policies, and strong institutional framework; and
- Very weak debt and contingent liability profile largely influenced by the current issue."



The S&P rating is a respected third-party opinion that validates the strength of the City's finances and institutions described in this Town Plan. The only note of caution was the City's debt obligations growing due to the May 2022 voter-approved \$10M Bond. (See page [51](#) of Public Infrastructure for more details.) The funding of public infrastructure will be a key future City fiscal challenge and will be addressed later in this focus area.

Another respected third-party opinion of City finances is the Government Finance Officers Association Distinguished Budget Award which reviews the City's annual budget as a

communication device to ensure fiscal transparency. (See page 20 to read more about this award the City has won for seven consecutive years.)

### Manageable Debt

The City has a history of maintaining low debt obligations. Before the 2022 Bond issuance, the last General Fund debt issued by the City was in 2000 for the purposes of building City Hall and completing street repair and drainage projects. Of note, in 2009 the City issued debt for Trinity Well, and while the debt is secured with property taxes, the annual debt payments are made utilizing water revenues. A statistic to illustrate the City’s manageable debt is the debt service ratio, which is a widely accepted measure of sound financial management and a useful tool for understanding the City’s fiscal integrity. In 2021, the debt service ratio was only 3.9%, meaning only 3.9% of the City’s revenues were committed to debt. The most recent debt issuance increased the City’s debt service ratio in 2023 to 14.92%. This increase is sizable but remains manageable – with the City requiring only a \$0.01 tax increase to help fund in 2023. As discussed earlier, this debt will fund the reconstruction of over six miles of public streets.

### Low Property Tax Rate and Robust Tax Base

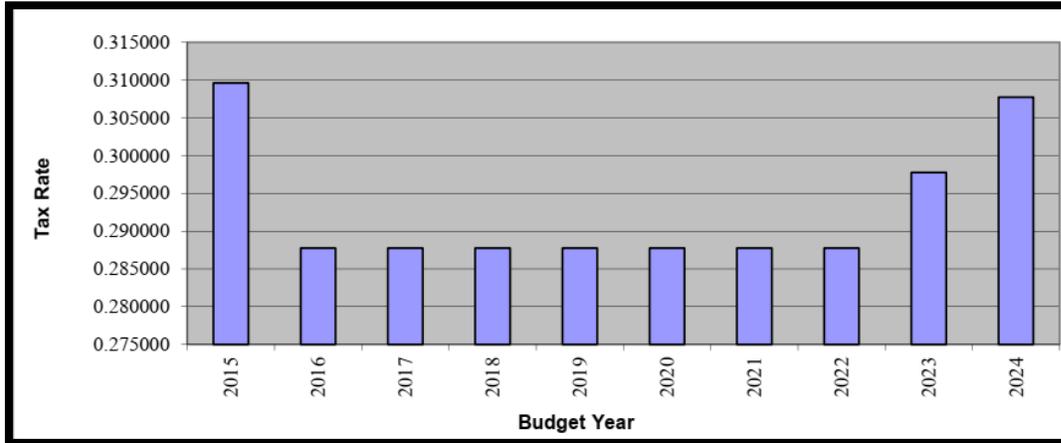
For 2023, the City’s property tax rate was \$0.297742 per \$100 valuation, with an average taxable home value of \$937,404. This results in an average household tax levy of \$2,791.05 for the City’s portion of the total property tax bill. The chart below compares Shavano Park to other Bexar County communities that also provide full police, fire and emergency medical services to residents and businesses.

City in Bexar County	Property Tax Rate	City Tax paid by a \$937,404 (taxable value) Shavano Park home
<b>Shavano Park</b>	<b>0.297742</b>	<b>\$2,791.05</b>
Helotes	0.316778	\$2,969.49
Alamo Heights	0.388051	\$3,637.61
Converse	0.421389	\$3,950.12
Leon Valley	0.484739	\$4,543.96
San Antonio	0.541610	\$5,077.07
Kirby	0.614126	\$5,756.84

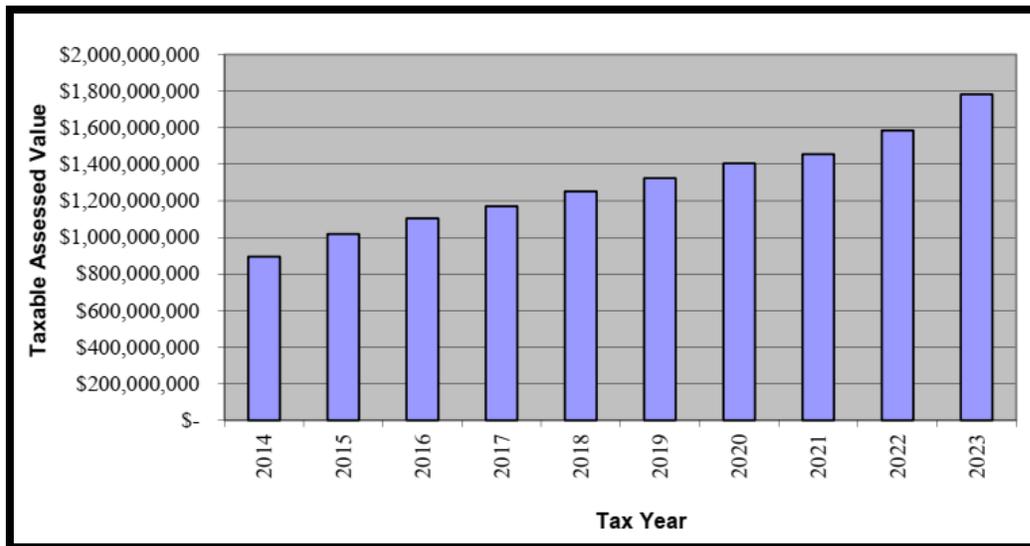
While the City does not have the lowest property tax rate in the greater Bexar County area, its rate is the lowest among cities that offer full services rather than contracting out services. The City’s tax rate a decade ago in 2014 was \$0.32 per \$100 valuation, and following its early retirement of debt, the City lowered its rate between 2014-2016 to \$0.287742. In 2023, the rate was raised by \$0.01 with the 2022 Bond debt issuance (see Figure 1 below).

The City has been able to afford increasing wages and increasing services (such as the 2020 building of its Municipal Tract pavilion and playgrounds) due to a combination of new residential and commercial construction and the rapid rise in property values. In the last decade, the City's total taxable assessed value has nearly doubled, from \$844 million to about \$1.81 billion in 2023.

**Figure 1. Property Tax Rates 2015-2024**



**Figure 2. Total Taxable Assessed Values 2014-2023**



### Capital Replacement Funds

As of 2023, the City maintains \$2.08M in total capital replacement funds for all City departments. The capital funds serve as monies set aside for future capital purchases such as police vehicles, ambulances, and fire engines. The City budgets revenue annually for capital replacements based on a schedule reflecting an estimated replacement cost and an item's useful life. The use of capital funds spreads out the effect of large purchases on the City's annual budgets. The capital funds assist in avoiding large expenditure swings from year to year, maintaining tax rates, and ultimately saving the City money by not having to issue debt to acquire large items. An example

of this in practice would be the 2019 use of capital funds to purchase a \$1,165,000 ladder truck to replace the City's aging 20-year-old fire engine without the need to acquire public debt. The City intends to fully fund the transfer to capital reserves every fiscal year, and in recent years has achieved this goal. The City's robust capital reserves are a tremendous fiscal asset of the City and contribute greatly to the City's fiscal strength. City Councils have uniformly acted to annually fully fund capital reserves.

### **Reserve 'Rainy Day' Fund**

Like the State of Texas, the City maintains a 'rainy day' fund called the General Fund Balance Reserve. By Ordinance, the fund balance must be between 25% to 50% of the City's annual operating budget. The current fund balance reserve is 39% of the 2023 annual budget of the City or \$2.43 million in reserves. Appropriation from the General Fund Balance Reserve requires the approval of the City Council. The General Fund Balance Reserve has remained about \$2.43 million since the 2016 transfer of \$1.6M for the construction of drainage projects (see page 60 of Public Infrastructure for details). Since the amount of money in reserve has remained static, the reserves as a percentage of the General Fund have trended downwards due to the growing annual budget. This General Fund Balance Reserve acts as an emergency 'rainy day' fund for the City and is a critical piece of the City's fiscal strength to weather unexpected emergencies like natural disasters, rapid economic downturns or other calamities. City Councils have uniformly acted to protect and preserve the General Fund Balance Reserve.

### **City's Fiscal Challenges**

The City's two primary fiscal challenges identified as focus areas are (1) the repair and maintenance of the City's *Public Infrastructure* (on page 49) and (2) the rising costs for the City's *Municipal Talent Management and Retention* (on page 43). Also taken into account in this section is the fact that the City is nearly built-out and has limited sales tax growth potential due to limited commercial land left for development (see page 32 for the Commercial Development focus area). A thorough understanding of those focus areas is recommended before proceeding to the long-term financial planning focus area.

City Council believes long-term financial planning is essential to overcoming the fiscal challenges ahead and is committed to incorporating long-term financial planning into the annual budget process. This focus area of the Town Plan serves as a launching pad to assist future long-term financial planning by City Council and staff.

### **Assumptions for all Long-term Financial Planning**

In addressing fiscal challenges, it is important to consider the assumed future revenue growth from property and sales tax. These predictions are the baseline on which projected expenses and their impact on City tax rates and budgets apply. Briefly:

- **Property Taxes.** Assumed growth rate is 6% annually in property tax revenue through 2027 and 4% thereafter (note – this is the valuation growth, not from raising tax rates). In 2027, no new residential builds will be added to tax rolls. This starting growth rate is a conservative rounded-down figure based on the 6.8% annual growth in property tax assessment value between 2017 and 2023.
- **Sales Taxes.** Assumed growth rate is 6% annually in sales tax revenue through 2026 and dropping to 4.5% thereafter. The growth rate moderates in 2026 because all vacant land zoned for commercial use should be developed by year end. The starting growth rate is based on the City’s sales tax growth rates in 2022 and 2023.
- **Tax Freeze Properties.** The Town Plan also assumes the number of tax-frozen properties growing at a 6.45% rate annually based on historical data and an estimate for the City’s future demographics. As the number of tax-frozen properties grows, any tax rate increase must be greater for the remaining properties to allow the City to collect the same amount of revenue as if the tax freeze did not exist.
- **Salaries and Benefits.** The Town Plan assumes annual salary increases will decline as inflation subsides, falling from a 6.1% wage increase across all positions in 2024 to 4.1% overall in 2028. Healthcare costs are assumed to grow 10% in 2024 and to drop to an 8% growth rate by 2028, again due to declining inflation. Calculations for future Workers’ Compensation and pension payments are also included in the overall figures presented.

**Other Assumptions:**

- Assumed the City will draw down its \$906,000 in remaining street reserves to offset debt payments (reducing tax burden from debt payments).
- Assumed 5% interest rate on all bonds. Interest rates on million-dollar bonds can have a major impact on affordability.
- Assumed 100% collection rate of property taxes. The City of Shavano Park’s collection rate has historically exceeded 99.5%.

**Fiscal Challenge: Public Infrastructure**

In the Public Infrastructure focus area of this Town Plan, we described the phased restoration of the City’s streets (see page 52) and also identified the remaining drainage projects (see pages 60-61). This section focuses on these two infrastructure categories as they are the largest cost challenges facing the City over the next 10 to 20 years.

Of these two categories, street reconstruction and maintenance is anticipated to be the largest challenge facing Shavano Park over the next 10 years. The City should monitor the conditions of the streets and as needed conduct a more comprehensive street assessment of the streets in Phases 2, 3, and 4 of the City’s Street Maintenance Plan (see page 53). While the exact cost of repair or reconstruction of the streets is unknown at this time, the City Engineer has provided the preliminary cost estimates reflected below.

The current estimated cost (using 2023 data) to repair the streets of Old Shavano Park (west of NW Military) in Phase 2, Shavano Estates and Shavano Creek in Phase 3 are as follows:

**Figure 3. Estimated Costs for Phase 2 and 3 Street Maintenance Plan**

Subdivision & Phase	Cost Estimate
Phase 2 - Old Shavano Park (West)	\$ 3,140,000
Phase 3 - Shavano Creek	\$ 4,186,667
Phase 3 - Shavano Estates	\$ 4,762,333

The current plan schedule is for the City to begin Phase 2 in 2028 and Phase 3 in 2033. Both phases are predicted to require debt financing to accomplish. This will be challenging to fund as the City’s \$10M bond will require payments until 2042. Using the above figures and dates, the City estimates the debt burden will reach its peak between 2034-2042 with a \$1.7M debt payment due each year. This would be an 84% increase in the City’s annual debt payment compared to 2024 and could require the City’s tax rate be raised \$0.041489 by 2034 to \$0.33923 per \$100 valuation in order to afford the street project debt by itself.

There is, however, good news for the Street Maintenance Plan. The City’s \$10M Bond project bids came in at \$7.5M (with engineering), meaning as much as \$2.5M may be available after the current project. This opens the possibility that some of the streets in Phase 2 and 3 can be done early using the May 2022 Bond monies, thus reducing future requirements.

**Figure 4. Estimated Costs for Drainage Projects**

Project	Cost Estimate
Turkey Creek area tributary storm sewer	\$ 3,069,770
Elm Spring storm sewer	\$ 1,321,174

The fiscal challenges increase if the City decides to debt-fund the drainage projects rather than use state and/or federal grant funding. If the City took an additional \$4.4M to accomplish both drainage projects (see page 51), they would likely be done as a part of the Phase 2 road project in 2028 or later. In this scenario, there would be a 122% increase in the City’s annual debt payment compared to 2023 (should compare to 2024) and could require the City’s tax rate to be raised \$0.060874 cents by 2034 to \$0.368616 per \$100 valuation to afford both the street and drainage projects. Doing the road work with the drainage projects makes practical sense and could result in some cost savings on the drainage projects.

It is clear that pursuing state and federal funding for drainage should be a priority for City Council and staff to avoid impacting property tax rates. The City has already begun this effort by submitting both drainage projects to the Texas Water Development Board for funding

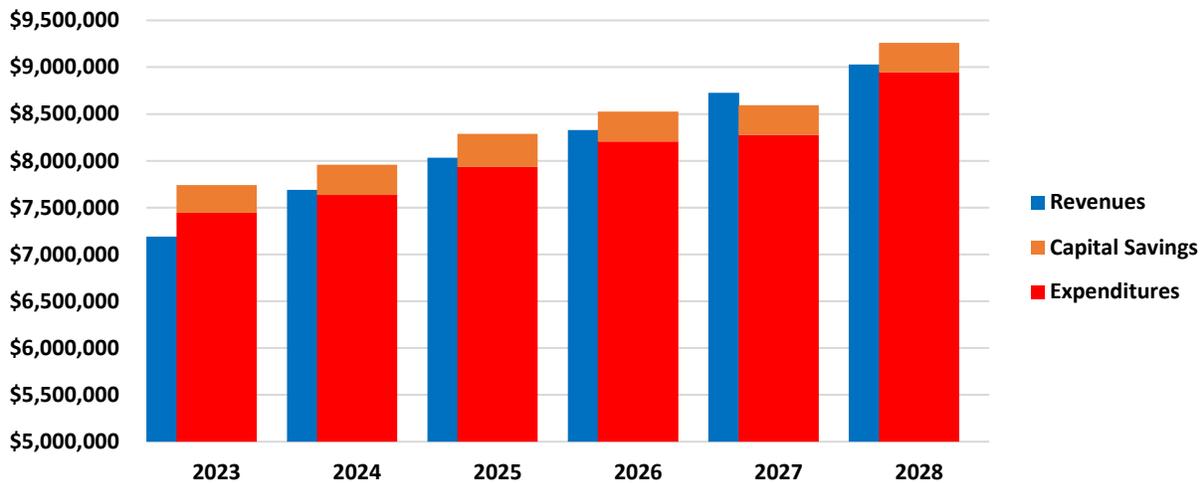


**Figure 6. Estimated City Payroll Costs 2023 - 2028**

Year	2023	2024	2025	2026	2027	2028
Personnel Cost	\$4,684,104	\$5,184,797	\$5,490,310	\$5,793,310	\$6,061,310	\$6,312,310
Annual Change		<b>\$500,693</b>	<b>\$305,513</b>	<b>\$303,000</b>	<b>\$268,000</b>	<b>\$251,000</b>
Percentage Change		10.7%	5.9%	5.5%	4.6%	4.1%

These personnel costs may be challenging because of the debt burden on the City’s operations after 2024 coupled with declining revenues – Figures 7, 8 and 9 on the following pages illustrate the long-term funding challenges using a 5-year prediction model.

**Figure 7. Estimates Revenues vs Expenses 2023 - 2028**



This first chart illustrates a detailed comparison between forecasted revenues and expenditures along with the annual capital replacement fund savings (which are not a true expense but saving for the future).

**Figure 8. Estimated Revenues 2023-2028 with Current Property Tax Rate**

Year	2023	2024	2025	2026	2027	2028
Revenues:						
Property Taxes	\$4,263,067	\$4,749,556	\$5,271,000	\$5,540,000	\$5,872,000	\$6,107,000
Sales Taxes	\$1,053,000	\$1,116,000	\$1,183,000	\$1,254,000	\$1,310,000	\$1,369,000
Franchise Fees	\$510,400	\$536,000	\$546,700	\$557,600	\$568,800	\$580,200
Permits & Licenses	\$369,700	\$381,000	\$387,000	\$379,260	\$371,675	\$364,241
Grants (incl. Federal)	\$314,042	\$258,000	\$61,000	\$8,000	\$8,000	\$8,000
Other revenues	\$681,325	\$649,500	\$585,121	\$590,695	\$594,578	\$601,577
<b>Total Revenues</b>	<b>\$ 7,191,534</b>	<b>\$7,690,056</b>	<b>\$ 8,033,821</b>	<b>\$ 8,329,555</b>	<b>\$ 8,725,053</b>	<b>\$ 9,030,018</b>
<b>Annual Increase</b>		<b>\$ 498,522</b>	<b>\$ 343,765</b>	<b>\$ 295,734</b>	<b>\$ 395,498</b>	<b>\$ 304,965</b>

The 2025 drop in revenues is primarily due to the end of American Rescue Act funding for capital purchases the City made from 2022 to 2024 combined with the predicted slowing of revenues due to the City reaching build-out.

Taking together all the fiscal estimates, the City is forecasted to be under on revenues from 2024 to 2026. The exhausting of the City’s Street Maintenance reserves to offset the annual debt payments after 2026 also plays a major role in the affordability of personnel costs in Figure 6.

**Figure 9. Estimated Expenditures 2023-2028**

Year	2023	2024	2025	2026	2027	2028
Expenditures:						
Personnel	\$4,684,104	\$5,184,797	\$5,490,310	\$5,793,310	\$6,061,310	\$6,312,310
Debt Service	\$959,103	\$960,282	\$958,696	\$914,100	\$757,565	\$758,390
Capital replacement:						
Purchases	\$692,901	\$295,990	\$256,490	\$234,490	\$156,000	\$533,000
Other Operating	\$1,107,334	\$1,192,800	\$1,228,400	\$1,265,100	\$1,302,900	\$1,341,800
<b>Total Expenditures:</b>	<b>\$7,443,442</b>	<b>\$7,633,869</b>	<b>\$7,933,896</b>	<b>\$8,207,000</b>	<b>\$8,277,775</b>	<b>\$8,945,500</b>
<b>Net Revenues over (under)</b>						
<b>Expenditures:</b>	<b>\$(251,908)</b>	<b>\$56,187</b>	<b>\$ 99,925</b>	<b>\$ 122,555</b>	<b>\$ 447,278</b>	<b>\$ 84,518</b>
Capital replacement Funding (savings)*:	\$297,616	\$323,144	\$354,546	\$317,532	\$317,532	\$312,870
<b>Net after Capital Replacement Funding:</b>	<b>\$(549,524)</b>	<b>\$(266,957)</b>	<b>\$(254,621)</b>	<b>\$(194,977)</b>	<b>\$129,746</b>	<b>\$(228,352)</b>

\* Funding for future capital replacement (savings) is not a true expenditure but is shown to reflect the commitment of money

\*\*2023 is shown in negative balance because the City is utilizing Street Maintenance Fund Balance reserves (\$508,000) and Debt Fund balance reserves (\$51,800) to pay the debt service and a \$260,000 land purchase was made from capital reserves. The use of reserves kept the tax rate increase in 2023 to only \$0.01.

The mid to late-2020s are predicted to be a fiscally challenging time for the City. The City will become built out (slowing revenue growth), nearly 13.4% of its annual operations will be committed to debt payments, its street maintenance fund reserves will be exhausted, and generous federal funding assistance may be largely over. These challenges are compounded by the fact the City has three subdivisions with road maintenance requirements that will likely come due in the late 2020s and early 2030s. The City will continue to pursue sales-tax-generating businesses and seek other revenue opportunities to reduce the property tax burden. The City will continue to pursue grant funding at the State and Federal levels for street, drainage, and water system renewal.

As of 2023, the City has many fiscal strengths: the highest bond rating available, a robust tax base with low property tax rates, and healthy financial reserves. The City's history of wise financial stewardship and fiscal conservatism has put it in this position, but the way ahead will likely be fiscally challenging. As City Council and staff continue long-term annual financial planning, future City Councils will consider long-term forecasts during annual budget deliberations. With these efforts and continued wise stewardship, City Council and staff will overcome the coming fiscal challenges.

### **Water Utility Long-term Finances**

The Shavano Park water system is funded directly by revenues collected from residential water sales. Variations in annual rainfall have a significant impact on revenues each year. During dry years, residents use significantly more water as the City collects more revenue from increased water sales under its progressive tiered fee structure. Water conservation awareness and practices have also impacted water usage and revenues as residents are using less water per household than they did 15 years ago. The City forecasts the annual budgeted revenue by averaging the previous five years' usage.

Weather and usage make the development of the Water Utility annual budget and long-term financial planning more challenging. Financial planning is also onerous because the Water Utility is inherently capital-intensive and large, unexpected expenses occur when water wells, tanks, motors, and pumps require repair.

As previously discussed, the City has budgeted for an accurate mapping of the water mains within the distribution system, and a water hydrology model analysis. Generally, we know that the old water mains are asbestos concrete or ductile iron and need replacement. However, replacement of old water mains is expensive, and the water system cannot afford to replace them all at once. Anticipating the cost and schedule needed to replace the old water mains is arduous.

Figure 10 on the next page forecasts the Water Utility annual budgets from 2023 to 2028. The calculations use the 5-year average annual rainfall totals, the same employee compensation cost predictions as previously mentioned, the scheduled capital replacements, and assume no new debt. This short-term analysis may be used to demonstrate that revenues are expected to remain about the same (without rate increases) and expenses will increase, not accounting for water line replacement, creating financing challenges over the long term.

The City staff has secured a \$750,000 grant using American Rescue Plan Act funds for the water system. This grant will assist the water fund in the short term by offsetting some capital improvement project costs.

While water rates have increased to allocate debt costs to households, water usage fees have not changed for more than a decade. The Water Service Fee (based on the size of the meter) has not changed since 2005 and the Water Consumption fee tiers (based on gallons of water consumed each month) have not changed since 2010. In 2019, the City Council approved an increase in the Debt Service fee to prevent operating revenues from supporting debt payments. Note that this fee has not been adjusted to reflect the utility's share of the State Infrastructure Bank (SIB) loan used to relocate water mains on NW Military Highway.

**Figure 10. Long-Range Forecast for Water Utility Fund**

<b>CITY OF SHAVANO PARK</b>						
<b>Forecast - Water Utility and Water Capital Replacement Funds</b>						
	Budget	Projected				
	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028
<b>Revenues:</b>						
Water Revenues	\$ 1,003,600	\$ 1,055,450	\$ 1,055,668	\$ 1,056,257	\$ 1,056,869	\$ 1,057,506
Other Revenues	54,524	84,095	78,825	78,346	77,963	79,627
<b>Total Revenues</b>	<b>\$ 1,058,124</b>	<b>\$ 1,139,545</b>	<b>\$ 1,134,493</b>	<b>\$ 1,134,603</b>	<b>\$ 1,134,832</b>	<b>\$ 1,137,133</b>
<b>Expenses:</b>						
Personnel	\$ 347,607	370,505	392,205	413,105	431,905	449,605
Debt Service	212,772	216,703	214,140	204,310	161,940	163,640
Bond Agent Fees	400	400	400	400	400	400
Capital Purchases	73,667	54,380	5,840	9,840	5,840	52,300
Other Operating	352,144	460,300	474,200	488,400	503,100	518,200
Transfer to General Fund	22,050	22,050	22,050	22,050	22,050	22,050
<b>Total Expenses</b>	<b>\$ 1,008,640</b>	<b>\$ 1,124,338</b>	<b>\$ 1,108,835</b>	<b>\$ 1,138,105</b>	<b>\$ 1,125,235</b>	<b>\$ 1,206,195</b>
<b>Net Revenues over (under) Expenses</b>	<b>\$ 49,484</b>	<b>\$ 15,207</b>	<b>\$ 25,658</b>	<b>\$ (3,502)</b>	<b>\$ 9,597</b>	<b>\$ (69,062)</b>
<b>** Capital Replacement Funding (savings)</b>	<b>66,484</b>	<b>81,662</b>	<b>81,663</b>	<b>78,216</b>	<b>77,838</b>	<b>77,839</b>
<b>Net Revenues over (under) Expenses After Capital Replacement Funding</b>	<b>\$ (17,000)</b>	<b>\$ (66,455)</b>	<b>\$ (56,006)</b>	<b>\$ (81,718)</b>	<b>\$ (68,241)</b>	<b>\$ (146,901)</b>
<b>Notes:</b>						
Projections are on a budgetary basis of accounting.						
Interfund transactions have been eliminated to avoid overstating revenues and expenses						
<b>** Not a true expense, but reflected to show the commitment of moneys and therefore unavailable for operating purposes</b>						

Going forward, the Water Advisory Committee will continue to conduct periodic water rate studies to ensure water user fees cover the Utility's expenses. As per the 2023-2024 budget, the City will complete the accurate mapping of the water mains and fund a comprehensive water hydrology model. In 2024-2025, the City will propose a water main replacement schedule to more accurately predict future capital replacement costs. Finally, City Council and staff will

continue to seek federal or state grant funding for the remediation of aging distribution system pipes. Accomplishing all these tasks will increase the accuracy of financial forecasting and ensure the water system remains self-sufficient in its mission to provide high-quality water service to customers.



## Acknowledgements

**The City acknowledges and thanks all those who contributed to our Community's vision in this 2023 Town Plan:**

### **Residents of Shavano Park**

Residents who participated in the Town Plan public hearings and online surveys

### **Mayor and Council**

Bob Werner, Mayor  
Konrad Kuykendall, Mayor Pro Tem  
Albert Aleman, Alderman  
Maggi Kautz, Alderman  
Pete Miller, Alderman  
Lee Powers, Alderman

### **Planning and Zoning Commission**

Carla Laws, Chairman  
Shawn Fitzpatrick, Vice-Chair  
Donna Beladi, Commissioner  
Lori Fanning, Commissioner  
Vicky Maisel, Commissioner  
Bill Simmons, Commissioner  
William Stipek, Commissioner  
Song Tan, Commissioner  
Cindy Teske, Commissioner

### **City board members, staff and community stakeholders**

Al Walea, Chairman of Water Advisory Committee  
Bill Hill, City Manager  
Bitterblue, Inc.  
Brenda Morey, Finance Director  
Curtis Leeth, Assistant City Manager  
Gene Fox, Police Chief  
Brandon Peterson, Public Works Director  
Darrell Dover, Fire / EMS Chief, Fire Marshal