

Developer gains new S. Side land

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Terramark Communities has acquired 672 acres of South Side land for a master-planned neighborhood near Cassin Lake, one of the proposed sites for San Antonio's anticipated Texas A&M University campus.

For several years, Terramark has cobbled together the acreage for the community it's calling Espada. The latest acquisition brings the developer's total land for the project to 1,850 acres.

On Monday night, the Bexar Metropolitan Water District agreed to sell Terramark the final portion, the 672-acre parcel, for almost \$2.07 million, or about \$3,075 an acre.

The 5,000-home development falls within City South, a 64-square-mile area that former Mayor Ed Garza targeted for pedestrian-friendly new urbanist development.

Terramark has agreed to donate at least 200 acres to A&M if the university's regents choose to place the San Antonio campus near Cassin Lake, said Charlie Turner, CEO of Terramark Communities.

The Sugar Land-based company is hoping the campus lands somewhere on its 1,850 acres, adjacent to it or nearby.

"The campus has always been part of our development," Turner said.

The 1,850 acres are south of Loop 410, east of U.S. 281 and bordered by the San Antonio River on the east.

Garza said the property has been critical to discussions about where to place the A&M campus because of its large size and proximity to the river. A&M plans an irrigation technology center as part of its San Antonio campus.

Terramark would create a master-planned community integrated with City South and the university's long-range plans.

A San Antonio Express-News article Sunday reported that Terramark hopes to develop the community as a campus-oriented neighborhood with a mix of student housing, apartments and town houses and a mixed-use "town center," all on a fairly tight street grid designed for easy movement on foot or bike.

"That's more than we could have dreamed for one of the first master-planned developments in City South," Garza said.

Espada would be the first San Antonio project for Terramark, which builds homes, condos, and retail and commercial property.

Terramark is still working on its master plan and aims to extend utility and sewer lines to the property, Turner said.

"Our hope is that we would have actual lots for builders by the first quarter of 2008," he said.

Terramark's home building division and its partners, McGuyer Homebuilders Inc. and MHI Partnership Ltd., which build in San Antonio under the names Coventry Homes and Plantation Homes, would be among the primary builders in Espada, Turner said. He hopes to bring a national builder into the neighborhood as well.

The City South initiative calls for old-fashioned neighborhoods with sidewalks, tree-lined streets, front porches and rear-entry garages.

"We'll have the full array, from entry-level types of homes like town homes or duplexes to typical entry-level residential homes on up to executive housing," Turner said.

The master plan also will incorporate commercial property and a grocery store, he said.

The land sale agreement brings an end to a legal dispute between Terramark and BexarMet.

Terramark put down earnest money on 445 acres of Cassin Lake-area land in January 2005, shortly before a reform-minded slate of candidates took over the BexarMet board and hired a new manager. Then BexarMet decided the \$2,500-per-acre deal the old board was striking wasn't good enough.

Terramark disagreed, and in March it sued BexarMet, alleging breach of contract.

BexarMet lawyer Robert Wilson has said the utility paid \$2,252 an acre for the property in 1997.

But on Tuesday, each side said it was happy with the sale. For its part, BexarMet plans to sell more large portions of acreage around the San Antonio area that do not fit into its long-term water supply plans, said spokesman T.J. Connolly.

The utility had started banking land a few years ago but now wants to sell some and use the profits to invest in existing infrastructure.

"BexarMet is getting out of the land bank business," Connolly said. "They're evaluating what is needed on a parcel-by-parcel basis."

The land sale to Terramark should be complete by the end of the year.