

Mission Statement:

RECSA is the advocate for owners and professionals in the real estate industry, informing and educating its members and community leadership while supporting efforts to ensure a healthy economy and enhanced quality of life in the San Antonio area.

*RECSA is proud to represent the industry that:*

- Employs over 120,000 people in San Antonio.
- Has an economic impact of \$22 billion.
- Is the 2nd largest economic generator, second only to the healthcare industry.
- Has a local payroll of \$4.8 billion each year
- Generates nearly \$168 million in local tax revenue



*RECSA President's Message*

By: *Michael Moore*  
 2013 President

Since the last publication of *The Council Monitor*, things have been moving right along. There has been lots of action at the Legislature, we have completed Fight Night, and the ever-present struggle to preserve private property rights and ensure predictability in the development process goes on.

First things first, Fight Night turned out to be an incredible event!!! We sold seventy-five tables and had over seven hundred in attendance. Thanks to everyone who participated. Eric Abati, Fight Night Chair, and Aaron Parencia, Silent Auction Chair, along with committee members Katherine Diver-Hines, Marvin F Poer & Company; Stephen Donley, Independence Title Company; Adam Matthews, Assessment Technologies, LTD; Jon McKelvain, Sundt Construction; Leslie Ostrander, Pape-Dawson Engineers; Mike Reyna; Randy Vogel, BKD; and Diane White, ATKG did a great job of selling tables, obtaining silent auction items, and pulling the event off without a hitch. Not to be forgotten, Martha, Sylvia, and Margaret also put in a tremendous amount of effort to make our largest event a major success. Please be sure to acknowledge their outstanding efforts if you have the opportunity.

The Legislature was mentioned earlier, and as always is the case, it could get ugly. On March 21, the morning of Fight Night, I had the opportunity to testify before the House Defense and Veterans Affairs committee against HB 1833, sponsored by Representative Miller of Ft. Bend County. The bill concerns the amount of land use control that can be utilized around a military airstrip in the unincorporated area of a county. Under current law, the area of control is approximately 34 square

miles and has specific requirements that help protect the private property rights of those owning land within the area. Under the proposed bill, the area of concern would be expanded by over 300%, or to approximately 115 square miles, and the local government would likely have expanded powers. So what does that have to do with life in San Antonio? That would give land use control and possibly zoning powers to a 115 square mile area around Randolph Air Force Base and one also around Kelly Field, as long as the area was in the county or the ETJ. It has the effect of annexation without the statutory requirement to provide services and can severely affect the value of property within the area. As always, we support the military and want them to have what is necessary to complete their mission, but we also want to protect private property rights in the process.

Another bill of particular interest is HB 1377 by Representative Kolkhorst of Brenham. This is a tree preservation bill that limits what a municipality can do in the way of mitigation requirements and that recognizes a person owns the trees on his or her property. This bill has experienced the kind of heat only found near or on the surface of the sun. The military, the Texas Municipal League, and the cities of San Antonio and Austin have conducted an all-out effort to defeat this bill completely. We have been advised that there are more than 50 lobbyists working against this bill, and as always, anything tree related, no matter how reasonable, could be DOA. Representative Kolkhorst did a tremendous job of laying out the bill, and effective testimony was given in favor of the bill. It was held in committee and will be presented again as a committee substitute with some as yet unknown changes.

*Continued on page 2.*

Welcome  
New Members

**We are pleased to announce the following new members:**

### PATRON Upgrade

**CORPORATE**  
**Baywood Hotel**  
B.J. Patel

**Gehan Homes, Ltd.**  
Spencer Wilson

**SWCA Environmental Consultants**  
Christine Westerman

**Duke Commercial Real Estate**  
Jack Duke, Jr.

**INDIVIDUALS**  
Brian Biggs  
Roger Gray  
Stephen Levy  
Susan Wright

**Thanks to all of our renewing members!!!**

## *RECSA President's Message Continued*

The Senate and the House both passed SB 1, which is the budget for 2014-2015. The House heard their appropriations bill on April 4<sup>th</sup> and passed it with 185 amendments after a 10-hour debate. It will now go to a conference committee of five Senators and five Representatives. SB 198 by Senator Watson of Austin and HB 449 by Representative Dukes of Austin would limit the authority of an association, city, or county to restrict a homeowner's use of xeriscaping or drought-tolerant plants in an effort to save water, which has been a contentious issue with property owner associations.

Legislation to fund the Texas Water Plan is moving along and is expected to pass, although there are still points of contention in the multiple bills filed to fund this plan. In addition, school funding seems to be getting the appropriate attention to resolve the enormous shortfall from the last session, and the Special Session that was expected in mid-summer to address the constitutionality of the current method of school funding looks like it will not occur until 2014.

I hope that the next issue of the *Monitor* will bear glad tidings of legislation gone well for our industry and the citizens of Texas.

## Program Committee Organizes Great Schedule

*By: Jim Akin, Program/Education Chair*

Your Real Estate Council's Program & Education Committee has been busy since the first of the year, with formulating and organizing programs and continuing education opportunities that are timely and appealing to our broad-based membership. The committee has met twice, with another meeting scheduled soon. The committee members are in frequent communication about program topics and content as well as the best possible speakers.

The January and February programs were both sold out. Having Red McCombs as our speaker in January guaranteed a full house, and he did not disappoint! Congratulations to Larry Heimer, who received the annual Philip Barshop Founder's Award at that luncheon, sponsored by IDS Engineering.

County Commissioner Kevin Wolff gave an update on transportation plans and issues to a packed house for our February program, sponsored by Sol Schwartz & Associates.

Doug Becker was the instructor for our April 3 MCE course on TREC Ethics. Attendees received three hours of MCE credit for this required TREC course.

Here's a sampling of remaining 2013 programs:

The 2013 Commercial Lending Update is scheduled for May 16, 7:30 a.m. at the Petroleum Club. This program will feature Laurie Griffith from Texas Capital Bank and Kirk Oden from Trinity

Real Estate Finance. Sponsored by Stillwater National Bank, Laurie and Kirk will provide an overview of the current market, recent industry changes, lending practices and a perspective for the future.

We have a Downtown Development program for June 18 with City Manager Sheryl Sculley, Pat DiGiovanni from Centro Partnership and Randy Smith of Weston Urban as the featured speakers. Note this program will be at the Plaza Club, 7:30 a.m.

There will be a State Legislative Update on September 17, 7:30 a.m. at the Petroleum Club with RECSA Lobbyist Mignon McGarry giving an overview of new laws from this current session of the legislature, as well as a look at the 2014 elections.

Our November program will focus on the effect of changes in healthcare on the local commercial real estate market.

Thanks to Sol Schwartz & Associates for sponsoring both the September and November programs.

Our last program of the year will be the always well-attended Annual Government Affairs Update on December 4 for RECSA members only, sponsored by Kaufman & Killen.

Thanks to our sponsors of all these programs and to you, our members and guests, for your support!

## April 2013 Government Affairs Update

By: Coy Armstrong, PE; Vice President, Government Affairs

It is my distinct honor and privilege to serve as the Real Estate Council of San Antonio's (RECSA) 2013 Vice President of Government Affairs. I would like to take this opportunity to thank my predecessor, George Peck, for his previous three years of service in this position. His tireless efforts, dedication, and commitment in serving the real estate and development community during his tenure do not go unnoticed and are very much appreciated. He leaves behind some big shoes to fill. That being said, we have a great team of committee chairs and members to carry the torch forward and tackle the many challenges we are faced with in our industry.

As the first quarter of the year has come to a close, we have already identified many of the ongoing, upcoming, and potential issues that could have an effect on our industry in 2013. Likely, in 2013 the issue that will have the biggest impact on development in San Antonio is the new City of San Antonio (COSA) Regional Stormwater Management Participation Fee-In-Lieu-Of (FILO) fees that went into affect April 1, 2013. RECSA members have been working hard behind the scenes with COSA staff over the last year to negotiate a revised ordinance that will provide the City the additional funds needed to maintain and improve the public drainage infrastructure, yet minimize the financial impact to current and future development in San Antonio and the ETJ. Though the details of the new ordinance are too much to include in this article, the highlights include:

1. Fees will be based on increase in impervious cover rather than acreage of the property being developed.
2. All FILO fees can be deferred to building permit except for single family and two family (duplex) developments, which must be paid prior to plat recordation.
3. All subdivision plat and/or replat applications submitted on or after April 1, 2013 will be subject to the new rates and will be based on increase in impervious cover.

You can expect the fees for most developments under the new ordinance to be 2.5 to 3.5 times greater than the fees in effect prior to April 1, 2013. Below is a link to the adopted COSA ordinance:

[https://webapps1.sanantonio.gov/rfcadocs/R\\_9834\\_20130205115209.pdf](https://webapps1.sanantonio.gov/rfcadocs/R_9834_20130205115209.pdf)

RECSA also has many other task force committees that meet on a regular basis. Committees meet with the appropriate regulating entity to address proposed changes to codes and/or processes that affect the development community. These on-going task force committees include the following:

1. Development Process Task Force (DPTF) - meets with Rod Sanchez and other COSA staff on a monthly basis (2nd Friday of the month; next mtg. scheduled for May 10, 2013). A special thanks goes out to Rob Leonhard for leading this committee and moderating this heavily attended meeting for the last couple of years!
2. Bexar County - meets with Renee Green and her staff bi-monthly (1st Friday of the month; next mtg. scheduled for 5/3/13).
3. SAWS - meets with Sam Mills and other SAWS staff quarterly (3rd Wednesday of the month; next mtg. scheduled for 6/12/13).
4. CPS Energy - meets with Rick Lopez and other CPS Energy staff bi-monthly (next mtg. scheduled for 6/19/13).
5. TCEQ and EAA - meets on an as-needed basis
6. ADA Crosswalk - special task force created in 2012 to discuss specific ADA issues with the COSA and Bexar County.
7. US Fish and Wildlife Services (USFWS) - meets on an as-needed basis.
8. Military Initiatives - Lackland JLUS - meets on an as-needed basis.
9. Southern Edwards Plateau Habitat Compliance Plan (SEP-HCP) - meets on an as-needed basis.
10. Transportation - meets on an as-needed basis and currently following the many Bills proposed in the current legislature.

As you can see, RECSA is actively involved in the industry to help preserve and protect the rights and interests of its members in the local community and encourages your input and/or participation. If you have an interest in joining any of the committees listed above or have other industry-related issues that may need attention, please contact me (carmstrong@burypartners.com) or Martha Mangum. I look forward to serving as your Vice President of Government Affairs in 2013!

## Fight Night XXII / Main Event 2013 A Special Thanks to our Supporters!

### Fight Night Committee

#### *Chair*

*Eric Abati, ATKG, LLP*

#### *Auction Chair*

*Aaron Parenica, Bury+Partners*

*Katherine Diver-Hines, Marvin Poer & Co.  
Stephen Donley, Independence Title Company  
Adam Matthews, Assessment Technologies  
Jon McKelvain, Sundt Construction  
Leslie Ostrander, Pape-Dawson Engineers  
Mike Reyna  
Randy Vogel, BKD LLP  
Diane White, ATKG, LLP*

### *Ringside Table Purchasers*

*Brown & Ortiz PC  
Capital Title San Antonio  
Casey Development  
Central Texas Realty & Development  
DNT Construction LLC  
Drake Commercial Group  
Endura Advisory Group  
IBC Bank  
Independence Title / Magi Realty, Inc.  
Joeris General Contractors, Ltd.  
Linbeck Group, LLC  
Magi Realty, Inc.  
Metropolitan Contracting Company, LLC  
Providence Title Company  
Sundt Construction / Guido Brothers  
Texas Capital Bank / Providence Commercial  
The Whiting-Turner Contracting Co.  
TTG Goetting / Project Control  
Weston Centre  
Winstead*

### *Title Sponsor*

**b Bury+Partners**

*Table Selection Party Sponsor*

*Pape-Dawson Engineers*

*Gaming Sponsor*

*ATKG, LLP*

*Heavy Weight Sponsor*

*Comerica Bank & USAA REALCO*

*Silent Auction Sponsors*

*BKD LLP & Kaufman & Killen, Inc.*

*Door Prize Sponsor*

*Frost Bank & Raba Kistner, Inc.*

### *Sportsman Table Purchasers*

*Alamo Title (2)  
Amegy Bank  
Assessment Technologies / Coleman & Associates  
CF Jordan / Vickrey & Associates  
Catamount Constructors, Inc.  
CDS Muery  
CEC  
Cencor Realty Services/The Weitzman Group  
Chicago Title  
Core Commercial  
Cox Smith Matthews Inc. / Barshop & Oles Company  
First American Title Company / GNA Architecture  
Fulbright & Jaworski / Trinity Real Estate Finance  
Golden Steves Cohen & Gordon LLP  
Green Lighting and Design  
Homespring Residential Service LLC  
Jacobs  
JQ  
KFW Engineers  
Kimley-Horn & Associates / Capital One Bank  
Koontz McCombs  
Presidio Title / Investment Realty  
PWC  
Retail Solutions (2)  
Sabinal Group  
Security Service Federal Credit Union  
Smithers Merchant Builders  
SpawGlass Contractors  
Terracon Consultants  
The Brandt Companies  
Transwestern  
Verano Group  
Yanties Company  
Yates Construction*

## State Update: RECSA Visits the State Capitol for Lobby Day

By: Brad Carson, Government Affairs/State Issues

On March 5 and 6, ten members of the Real Estate Council of San Antonio traveled to Austin to participate in the Commercial Real Estate Lobby Day with the Real Estate Councils of Texas, which is a coalition of the largest urban commercial real estate organizations in the state. Members include the Real Estate Council of Austin, The Real Estate Council (Dallas), Greater Fort Worth Real Estate Council, the Houston Real Estate Council, Houstonians for Responsible Growth and our own Real Estate Council of San Antonio.

After a cocktail reception and dinner on the evening of March 5, the San Antonio contingent attended a breakfast event on March 6 with Land Commissioner Jerry Patterson and House Speaker Joe Straus. We then met with members of the Bexar County legislative delegation and others during the course of a very full day. We also witnessed a rare joint session of the House and Senate, as well as a speech on the state of the Texas judiciary from Wallace Jefferson, Chief Justice of the Texas Supreme Court.

The San Antonio team was focused on several key issues, including the protection of private property rights, improved transportation infrastructure, a commitment to economic development, and tax fairness. More specifically, RECSA spoke to lawmakers in favor of bills which would limit tree removal mitigation requirements and eliminate commercial pass-throughs from the franchise tax. We voiced our opposition to a bill which would increase zoning requirements around Air Force bases (see

Michael Moore's article for more information on this bill). RECSA members met with the staff of every member of the San Antonio delegation, including direct meetings with Representative Menendez, Representative Rodriguez, and Senator Campbell.

In the days and months following Lobby Day, representatives of RECSA have and will continue to give testimony to the Texas Legislature concerning bills of importance. As of press time, RECSA representatives, working with RECSA's lobbyists, have spoken on the record opposing the above-mentioned Air Force base zoning bill.

The City of San Antonio requested the support of RECSA in favor of a bill which would simplify the amended plat process.

The bill that would eliminate commercial pass-throughs from the franchise tax made it out of committee, but is expected to be consolidated into an omnibus bill which will address multiple issues with the franchise tax. After Lobby Day, a series of bills were introduced that would increase a property owner's ability to claim "vested rights" under Chapter 245 of the Texas Local Government Code. RECSA's legislative team and its lobbyists are actively monitoring these and other bills, and will continue to advocate on behalf of our industry as the 83<sup>rd</sup> Texas Legislative Session progresses.



For more information on these meetings, call the Council office, 210-804-1155.

## May 2013

SUN	MON	TUE	WED	THU	FRI	SAT
			1	2	3 10am- Bexar County	4
5	6	7	8	9	10 9am- DPTF	11
12	13	14 7:30am-Executive Committee	15 11:30am- Communications	16 7:30am- Program	17	18
19	20	21	22	23	24	25
26	27 Memorial Day	28	29	30	31	

## June 2013

SUN	MON	TUE	WED	THU	FRI	SAT
						1
2	3	4	5	6	7	8
9	10	11 7:30am-Executive Committee	12 9am- SAWS	13	14	15
16	17	18 7:30am- Program	19 9am- CPS	20	21	22
23	24	25	26	27	28	29
30						

*Council Monitor Sponsor*

*you're thinking:*

Escalating costs,  
Thinning resources,  
Future ownership



*we're thinking:*

Cost analysis,  
Best practices,  
Succession planning

When you build it Sol Schwartz & Associates  
helps you protect it.

John Gilbert, CPA  
jwg@ssacpa.com

Jeff Jackson, CPA  
jjb@ssacpa.com

Cesar Mejia, CPA  
cjm@ssacpa.com

(210) 384 8000  
www.ssacpa.com



**Sol Schwartz & Associates, P.C.**  
Certified Public Accountants



Join the Real Estate Council Today!

**RECSA is the advocate for owners and professionals in the real estate industry, informing and educating its members and community leadership while supporting efforts to ensure a healthy economy and enhanced quality of life in the San Antonio area.**

*There are three levels of membership in the Council:*

- Patron
- Corporate
- Individual

*At each level, members benefit from a wide range of services and opportunities for participation, including MCE credit opportunities, regular membership meetings and networking opportunities, bi-monthly newsletter and industry representation before legislative and regulatory bodies.*

**For more information about the Real Estate Council of San Antonio and its activities, contact the Council office at 210-804-1155.**

## RECSA Executive Committee

**PRESIDENT:**

*Michael Moore*  
Ironstone Development

**PRESIDENT ELECT:**

*Rob Sult*  
USAA Real Estate Company

**SECRETARY/TREASURER:**

*Brian Biggs*  
Wells Fargo

**VICE PRESIDENT/GOVERNMENT AFFAIRS:**

*Coy Armstrong*  
Bury+Partners, Inc.

**GOVERNMENT AFFAIRS:**

*Brad Carson*  
Kruger Carson PLLC

*Denise O'Malley*  
Metropolitan Contracting Company

*Rob Leonhard*  
CDS Muery

*Cynthia Stevens*  
Koontz McCombs

**2012-2013 LEADERSHIP DEVELOPMENT:**

*Ruth Jordan*  
The Jordan Group

*Tim Swan*  
Metropolitan Contracting Company

**2013-2014 LEADERSHIP DEVELOPMENT:**

*Brad Carson*  
Kruger Carson PLLC

*Brenda Kelly Rowe*  
Goetting Rowe Engineering

**COMMUNICATIONS:**

*John Taylor*  
Jones Lang LaSalle

**COMMUNITY RELATIONS:**

*Kim Ghez*  
Presidio Title

**PROGRAM/EDUCATION:**

*Jim Akin*  
First American Commercial Property Group

**MEMBERSHIP:**

*Laurie Griffith*  
Texas Capital Bank

**ECONOMIC DEVELOPMENT:**

*Dean Bundrick*  
Orion Partners, Inc.

**AT LARGE:**

*Gene Dawson, Jr.*  
Pape-Dawson Engineers, Inc.

*Trey Embrey*  
Embrey Partners, Ltd.

*Silvia Gangel*  
SiGa International

*George Peck*  
Civil Engineering Consultants

*Brenda Kelly Rowe*  
Goetting Rowe Engineering

*Debbie Avery*  
Valero

### Council Monitor Sponsorship Opportunities Available

*Sponsorship Opportunities are available for all of the upcoming 2013 Council Monitor newsletters. If you are interested in sponsorship please contact: **Sylvia Cantu at the Council office, 210-804-1155.***

The Real Estate Council of San Antonio

8626 Tesoro Drive, Suite 803

San Antonio, TX 78217

Ph: 210-805-1155 Fax: 210-804-1166

[www.recsanantonio.com](http://www.recsanantonio.com)

**STAFF**

**Martha Mangum, Executive Director**

[martham@recsanantonio.com](mailto:martham@recsanantonio.com)

**Sylvia Cantu, Member Services Director**

[sylvia@recsanantonio.com](mailto:sylvia@recsanantonio.com)

**Margaret Turner, Administrative Assistant**

[margarett@recsanantonio.com](mailto:margarett@recsanantonio.com)