



TITLE: Conduct a Public Hearing to Consider/Discuss on the Request by JBI Partners, Inc., on Behalf of Clark Partners, L.P., on a Petition to Annex Less than 67 Acres, Located on the Southeast Corner of Bloomdale Road (C.R. 123) and Custer Road

MEETING DATE: January 15, 2013 – Special Meeting

DEPARTMENT: Planning

CONTACT: Michael Quint, Director of Planning
Brandon Opiela, Planning Manager

RECOMMENDED CITY COUNCIL ACTION:

- Conduct the first of three public hearings regarding a voluntary petition for annexation.
- In accordance with the Texas Local Government Code, the City Council will hold this first public hearing at the special meeting at 5:30 p.m., and a second public hearing is scheduled for the regular City Council meeting on January 15, 2013, at 6:00 p.m. Final action regarding the petition for annexation will be considered at the February 5, 2013 City Council meeting, concurrently with a proposed zoning request and a developer's agreement.

ITEM SUMMARY:

- The applicant has submitted a petition for voluntary annexation to the City of McKinney for an approximately 66.61 acre tract of land. The subject property is located at the southeast corner of Custer Road and Bloomdale Road.
- The subject property, if annexed, will be zoned pursuant to a pending zoning case (12-068Z) that will be considered at the February 5, 2013 City Council meeting. The associated zoning request will cover the same land area as contained within the annexation petition.
- The applicant is requesting the subject property be zoned in conformance with the "BG" – General Business District (approximately 18.6 acres) and "RS 72" – Single Family Residence District (approximately 38.1 acres). The remaining approximate 10 acres includes land that will remain floodplain or be dedicated as right-of-way to the City. The applicant has provided an average density of 2.8

dwelling units per acre, and is proposing to maintain a mean and median lot size of 7,200 square feet.

- In order to balance McKinney's tax base, both present and future, annexing and preserving commercial property in meaningful sizes and location is the City of McKinney's most meaningful action. This is because a municipality cannot control land use except through zoning, which can only occur once the property is annexed.
- The subject property is located in the Extraterritorial Jurisdiction (ETJ) of the City of McKinney. The purpose of the ETJ is to promote and protect the general health, safety and welfare of persons residing in and adjacent to the municipalities. The Subdivision Ordinance applies to properties within the ETJ; the Zoning Ordinance does not.
- Staff has received one letter of support, from an adjacent property owner, which has been included in the packet.
- The subject property is located within the Prosper Independent School District. Prosper ISD has been informed of the proposed annexation.
- Because this annexation is at the request of the property owner, the developer of the subject property will be responsible for extending adequate infrastructure to the subject property as the property is developed. The applicant has executed an agreement dealing with the provision of services associated with the proposed annexation. This agreement, along with the associated zoning request, will be considered for final action concurrently with the annexation request at the February 5, 2013 City Council meeting.

BACKGROUND INFORMATION:

1. Annexation and City Services.

- Due to the fact that the proposed annexation is voluntary, the City can annex the land even though it is not currently on the annexation plan (Texas Local Government Code §43.052 (h) (2)).
- The subject property that is proposed to be annexed is unpopulated.
- The McKinney Fire Department currently provides fire and medical emergency services in this area. Currently, police response is from Collin County. The Texas Local Government Code stipulates that police and fire services must be provided immediately upon annexation (Texas Local Government Code §43.056).

- The Texas Local Government Code stipulates that solid waste collection must be provided immediately upon annexation (Texas Local Government Code §43.056).

2. Public Improvements.

- All necessary public improvements will be required at time of platting, unless specified in an approved facilities agreement.
- The developer's agreement specifies that upon development of the subject property, the applicant will be required to satisfy the requirements of the Zoning and Subdivision Ordinances.
- The developer's agreement includes a provision requiring the payment of a proportionality fee, which represents a roughly proportional amount necessary to offset the roadway infrastructure capacity needs of the subject property.
- This fee should be the same amount as the roadway impact fee assessed in the adjacent roadway impact fee service area.

FINANCIAL SUMMARY:

- Annexation of additional property has financial implications for the City.
- Although the developer will be responsible for upgrading roads and extending utilities as development occurs, the long-term maintenance of these facilities will be the City's responsibility.
- The ISO rating determines insurance rates in McKinney. Poor availability of water resources in proposed annexed areas could have a negative impact on ISO ratings.
- An ISO rating is based on a 105 point system:
 - 40 points for water system (supply, distribution, fire flow, hydrants, maintenance, etc.)
 - 50 points for evaluation of the Fire Department itself
 - 10 points for alarm systems
 - 5 points for code enforcement, plan review, etc.
- The effects of additional annexation on ISO ratings are cumulative. The City's current ISO rating is 2 on a scale of 1 to 10, with 1 being the best and 10 being the worst (Plano's rating is 1, Allen's is 2). The latest evaluation was conducted in 2009. Typically, evaluations are conducted every 10-15 years.

- The Fire Department has indicated that the proposed annexation request may have the potential for a negative impact upon the City's ISO rating. There will be extended response time to citizens living within the area to be annexed. The Fire Department has also indicated that the current water supply may impact firefighting capabilities, and current road infrastructure may add to response times.
- Annexed parcels are subject to City property tax. This tract may currently have an agricultural valuation classification with Collin Appraisal District (CAD). An AG exemption is given to properties in active agricultural uses, which allows the property to have a lower appraisal value and thus, lower taxes. When property with an AG exemption is developed, it is subject to rollback taxes for each of the previous five years. As such, the owner would be required to pay County, ISD, and City taxes which had been exempted during that five-year period. Whenever this proposed tract is developed, the City would receive rollback taxes if the property has such an exemption.

BOARD OR COMMISSION RECOMMENDATION:

- N/A