



CITY OF MCKINNEY, TEXAS

Agenda City Council Work Session

Monday, December 4, 2017

5:30 PM

Council Chambers
222 N. Tennessee Street
McKinney, TX 75069

CALL TO ORDER

DISCUSS REGULAR MEETING AGENDA ITEMS

WORK SESSION ITEMS

17-1168 [Discuss the Impacts of New Annexation Laws on the City of McKinney's 2017 Municipal Annexation Policy](#)

Attachments: [2017 Municipal Annexation Policy Presentation](#)

17-1169 [Discuss the Potential Review of Policies, Capital Investments, and Regulatory Tools in Light of Recent Changes to State Law Regarding Municipal Annexations](#)

Attachments: [Info Item: McKinney and ETJ](#)
 [Info Item: CIP Infrastructure Projects](#)
 [Info Item: ETJ Subdivisions](#)
 [Presentation](#)

17-1170 [Consider/Discuss and Provide Direction Regarding the Potential Creation of a Public Improvement District \(PID\) for the Property Commonly Referred to as the Brinkmann Ranch, Generally Located East of Lake Forest Drive, South of Bloomdale Road, West of Hardin Boulevard and North of U.S. Highway 380 \(University Drive\)](#)

Attachments: [Developer's PID Request Letter](#)
 [Applicant Presentation](#)
 [Staff Presentation](#)

17-1171 [Consider/Discuss Casting 187 Votes for the Board of](#)

[Directors for the Collin Central Appraisal District](#)

Attachments: [Collin CAD Daffin Letter](#)
[Nominee Qualifications](#)
[2018 City of McKinney Ballot](#)
[Richardson Letter of Support for Wayne Mayo](#)

COUNCIL LIAISON UPDATES**EXECUTIVE SESSION**

In Accordance with the Texas Government Code:

- A. Section 551.071 (2). Consultation with City Attorney on any Work Session, Special or Regular Session agenda item requiring confidential, attorney/client advice necessitated by the deliberation or discussion of said items (as needed) and legal consultation on the following item(s), if any:
- B. Section 551.071 (A) Pending or contemplated litigation
- Arch Resorts, LLC v. the City of McKinney, Texas, and Rick Herzberger, Chief Building Official of the City of McKinney, Texas, v. Collin County, Texas, No. 219-01855 -2015, 219th District Court of Collin County, Texas
 - City of McKinney v. Newland Communities/Club Corp.
 - Petition of the Cities of Garland, Mesquite, Plano, and Richardson Appealing Wholesale Water Rates Implemented by North Texas Municipal Water District, PUC Docket No. 46662, Public Utility Commission of Texas
 - Application of Brazos Electric Power Cooperative, Inc. for Amendment to its Certificate of Convenience and Necessity for a 138-KV Transmission Line in Collin County, PUC Docket No. 46429, Public Utility Commission of Texas
- C. Section 551.072. Deliberations about Real Property
- Municipal Facilities
 - Situated in the Geo. B. Pilant Survey, A-691, the R. Sewell Survey, A-874, Collin County, Texas and being a portion of an 83.126 acre tract.
- D. Section 551.074 Discuss Personnel Matters
- City Manager Annual Performance Evaluation
 - Airport Director Search
- E. Section 551.087 – Discuss Economic Development Matters
- Project A159 – Project Cuisine
 - Chapter 380 Economic Development Program and Agreement for Cross F Ranch by and between McKinney Ranch Ltd., Honey Creek Investments, LLC and Barcelona 93, Ltd. and the City of McKinney

ACTION ON EXECUTIVE SESSION**ADJOURN**

Posted in accordance with the Texas Government Code, Chapter 551, on the 1st day of December, 2017 at or before 5:00 p.m.

Sandy Hart, TRMC, MMC
City Secretary

In accordance with the Americans with Disabilities Act, it is the policy of the City of McKinney to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including individuals with disabilities. If you are a person with a disability and require information or materials in an appropriate alternative format; or if you require any other accommodation, please contact the ADA Coordinator at least 48 hours in advance of the event. Phone 972-547-2694 or email contact-adacompliance@mckinneytexas.org. Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility. ADA grievances may also be directed to the ADA Coordinator or filed online at <http://www.mckinneytexas.org/ada>.



17-1168

TITLE: Discuss the Impacts of New Annexation Laws on the City of McKinney's 2017 Municipal Annexation Policy

COUNCIL GOAL: Operational Excellence

MEETING DATE: December 4, 2017

DEPARTMENT: Development Services - Planning Department

CONTACT: Jennifer Arnold, Planning Manager
Brian Lockley, AICP, CPM, Director of Planning
Michael Quint, Executive Director of Development Services

RECOMMENDED CITY COUNCIL ACTION:

- N/A

ITEM SUMMARY:

- During the 85th Legislative Session, the Texas Legislature adopted Senate Bill 6 which significantly changed the procedures for carrying out municipal annexations (involuntary annexations) in Texas. The new procedures became effective on December 1, 2017.
- These changes to the municipal annexation process have a direct impact on the City of McKinney's 2017 Municipal Annexation Policy.
- In two related items on tomorrow night's agenda, Staff will be requesting City Council action to amend the 2017 Annexation Policy (strictly to remain in conformance with the new state law) and to provide direction regarding development agreements that were executed as part of the Policy document.
- At this time, Staff is presenting a brief presentation on the new annexation legislation (post Senate Bill 6) and the effects that new legislation has on the 2017 Municipal Annexation Policy.

BACKGROUND INFORMATION:

- The annexation of land into a municipality's corporate limits is authorized and governed by Chapter 43 of the Texas Local Government Code.
- In January 2017, the City of McKinney approved the 2017 Municipal Annexation Policy (Ordinance No. 2017-01-012), which included a Municipal Annexation Plan component in conformance with Chapter 43 of the Local Government Code.
- Recent changes in state law governing the municipal annexation of land in Texas have necessitated a review and amendment to the McKinney 2017 Municipal Annexation Policy.

SUPPORTING MATERIALS:

[2017 Municipal Annexation Policy Presentation](#)

ORDINANCE NO. 2017-01-012

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
McKINNEY, TEXAS AMENDING THE 1999 ANNEXATION PLAN;
PROVIDING FOR THE ADOPTION OF THE 2017 MUNICIPAL
ANNEXATION POLICY; PROVIDING FOR THE PUBLICATION OF THIS
ORDINANCE AND PROVIDING FOR AN EFFECTIVE DATE THEREOF**

WHEREAS, the City of McKinney, Texas, has an adopted Comprehensive Plan to encourage and coordinate future physical development within its Ultimate Planning Area; and

WHEREAS, the City of McKinney, Texas, recognizes that certain mechanisms are necessary to implement a Comprehensive Plan; and

WHEREAS, a Comprehensive Annexation Program is such a mechanism to aid in the implementation of a Comprehensive Plan; and

WHEREAS, the City of McKinney, Texas, established the 1999 Annexation Plan by Ordinance No. 99-11-88 in compliance with Chapter 43 of the Texas Local Government Code ("Municipal Annexation"); and

WHEREAS, the City Council of the City of McKinney, Texas, finds that the 1999 Annexation Plan should be amended; and

WHEREAS, the proposed amendment to the 1999 Annexation Plan will promote orderly growth and development patterns that are in the best interest of the citizens of McKinney for the protection of the public health and general welfare of the people of the City of McKinney, Texas.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
McKINNEY, TEXAS, THAT:**

Section 1. The City Council of the City of McKinney, Texas, hereby amends the 1999 Annexation Plan and adopts the 2017 Municipal Annexation Policy, pursuant to Chapter 43 of the Texas Local Government Code, as follows:

SEE ATTACHED EXHIBIT "A"

Section 2. If any section, subsection, paragraph, sentence, phrase or clause of this Ordinance shall be declared invalid for any reason whatsoever, such decision shall not affect the remaining portions of this Ordinance, which shall remain in full force and effect, and to this end, the provisions of this Ordinance are declared to be severable.

Section 3. This Ordinance shall become effective from and after the date of its final passage and publication as provided by law, and it is accordingly so ordained.

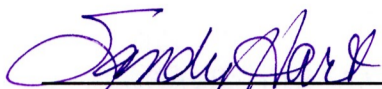
**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
McKINNEY, TEXAS, ON THE 17th DAY OF JANUARY, 2017.**

CITY OF McKINNEY, TEXAS



RANDY P. POGUE
Mayor Pro Tem

CORRECTLY ENROLLED:

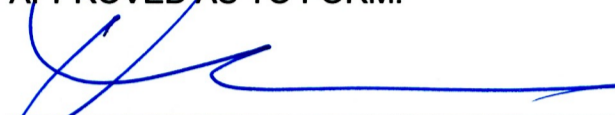


SANDY HART, TRMC, MMC
City Secretary
DENISE VICE, TRMC
Assistant City Secretary

DATE:



APPROVED AS TO FORM:



MARK S. HOUSER
City Attorney

SB 6, Chapter 43 of the LGC & the 2017 Municipal Annexation Plan

December 4, 2017 City Council Work Session



Annexation Process in Texas (before SB 6)

1. Annexations by Petition (Voluntary)

A private property owner (or owners) requests to be annexed into a City's corporate limits.

2. Annexations in Accordance with a Municipal Annexation Plan (Involuntary)

Properties to be annexed are shown on a map that is published publicly. The properties placed in the plan cannot be annexed until the third anniversary of the date that the plan was adopted. Generally speaking, only areas containing 100 separate tracts with one or more residential dwellings on each tract are required to be in a Municipal Annexation Plan.

3. Annexations in Exception to a Municipal Annexation Plan (Involuntary)

Subsection 43.052(h) of the Texas Local Government Code indicates certain conditions and requirements that, if met, authorize a city to involuntary annex property that is not shown on a Municipal Annexation Plan (i.e. if the area contains fewer than 100 separate tracts with residential dwellings).



Annexation Process in Texas (post SB 6)

1. Voluntary Annexation

A private property owner (or owners) requests to be annexed into a City's corporate limits.

2. Involuntary Annexation (Tier 1 Municipality)

Describes annexation procedures for municipalities that sit within a county that has a population of less than 500,000 and does not contain a freshwater fisheries center operated by the TPWD.

3. Involuntary Annexation (Tier 2 Municipality)*

Describes annexation procedures for municipalities that sit within a county that has a population of more than 500,000.

**Collin County is a Tier 2 county, making the City of McKinney a Tier 2 municipality.*



New legislation went into effect on December 1, 2017

New Annexation Process in Texas (*post SB 6*)

[What's Changed... in general]

Involuntary Annexation (Tier 2 Municipality)

to annex areas that have a population less than 200 a municipality must

- Adoption of a resolution stating intent to annex, a detailed description and map of the area, a list and description of each city service to be provided on or after annexation, and a schedule that includes the period within which the city will provide services.
- Provide written notice to each resident and property owner of its intent to annex, which includes notice of public hearing; explanation of 180 day petition period; and a list, description and schedule of services to be provided.
- Gain consent to annex through a **petition** signed by more than 50% of registered voters in the area. If registered voters do not own more than 50% of the land, the petition must be signed by more than 50% of the owners of land in the area.

to annex areas that have a population more than 200 a municipality must

- Adoption of a resolution stating intent to annex, a detailed description and map of the area, a list and description of each service to be provided on or after annexation, and a schedule that includes the period within which the city will provide services.
- Provide written notice to each resident and property owner of its intent to annex, which includes notice of public hearing; explanation of 180 day petition period; and a list, description and schedule of services to be provided.
- Consent to annex through an **election** by qualified voters of the area. If registered voters do not own more than 50% of the land, then a municipality may obtain consent through a petition signed by more than 50% of the owners in the area.

New Annexation Process in Texas (*post SB 6*)

[What's Stayed the Same]

Chapter 43 still states that municipalities must...

- Offer a development agreement to landowner whose property is appraised as agricultural, wildlife management, or timber use by the appraisal district (commonly referred to as Ag-Exemptions).
- Develop a written agreement and/or Service Plan that includes a description, list and schedule of services to be provided in the area on or after annexation.
- Conduct two Public Hearings at which persons interested in the annexation are given the opportunity to be heard.
- Provide written notice to property owners and “public entities” of the proposed annexation.



SB 6: What Does this Mean for McKinney?

2017 Municipal Annexation Policy/Plan

- I. Purpose and Intent
- II. Background
- III. Planning for Annexations
- IV. Evaluation Criteria for Annexations
- V. Annexation Program
 - a) Municipal Annexation Plan (2017)
 - b) Annexations Exempt from Municipal Annexation Plan
 - c) Voluntary Annexations
 - d) Disannexations



SB 6: What Does this Mean for McKinney?

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- I. Purpose and Intent
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V. Annexation Program

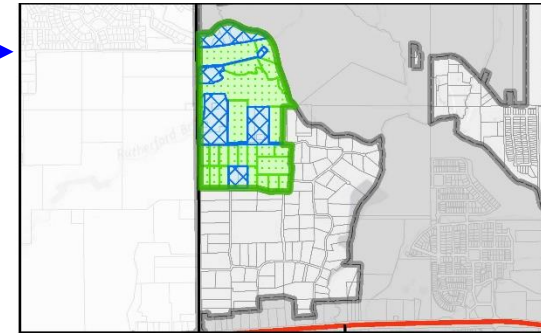
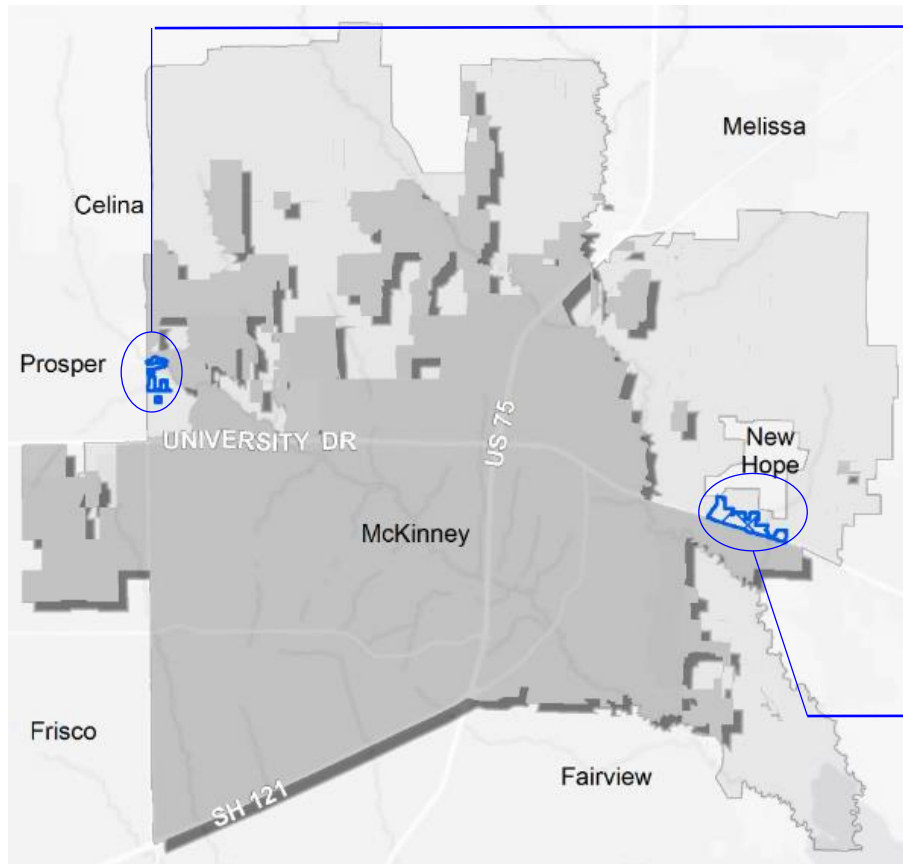
- a) Municipal Annexation Plan (2017)
- b) Annexations Exempt from Municipal Annexation Plan
- c) Voluntary Annexations
- d) Disannexations

*Impacted by SB 6
and the new state
law changes*



SB 6: What Does this Mean for McKinney?

2017 Municipal Annexation Policy: Annexation Plan



 *executed development agreement*



2017 Municipal Annexation Policy: Annexation Plan

2017

2020

- [2017] Draft/adopt Municipal Annexation Plan
- [2017] Notify property owners included in the Municipal Annexation Plan
- [2017] Collect inventory of public services and publish findings for inspection
- [2017] Create Service Plan
- [2017] Conduct public hearings for persons interested in the annexation
- [2020] Complete annexation proceedings within 30 days of the third anniversary of the adopted/amended Municipal Annexation Plan

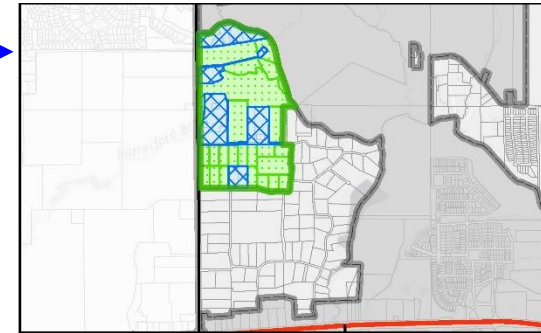
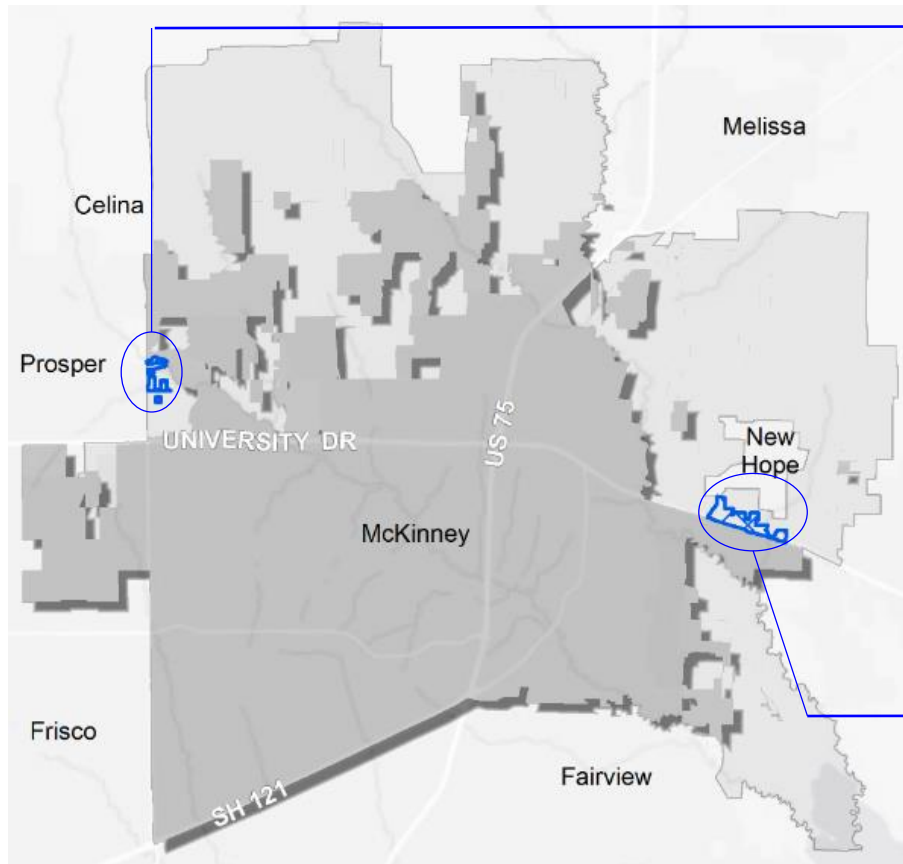
What happens during the 3 years before annexation?

During the three years prior to annexation, properties identified in the annexation plan are still considered part of the ETJ and may continue to legally operate as they currently do.



SB 6: What Does this Mean for McKinney?

2017 Municipal Annexation Policy: Annexation Plan



 *executed development agreement*



SB 6: What Does this Mean for McKinney?

2017 Municipal Annexation Policy: Annexation Plan

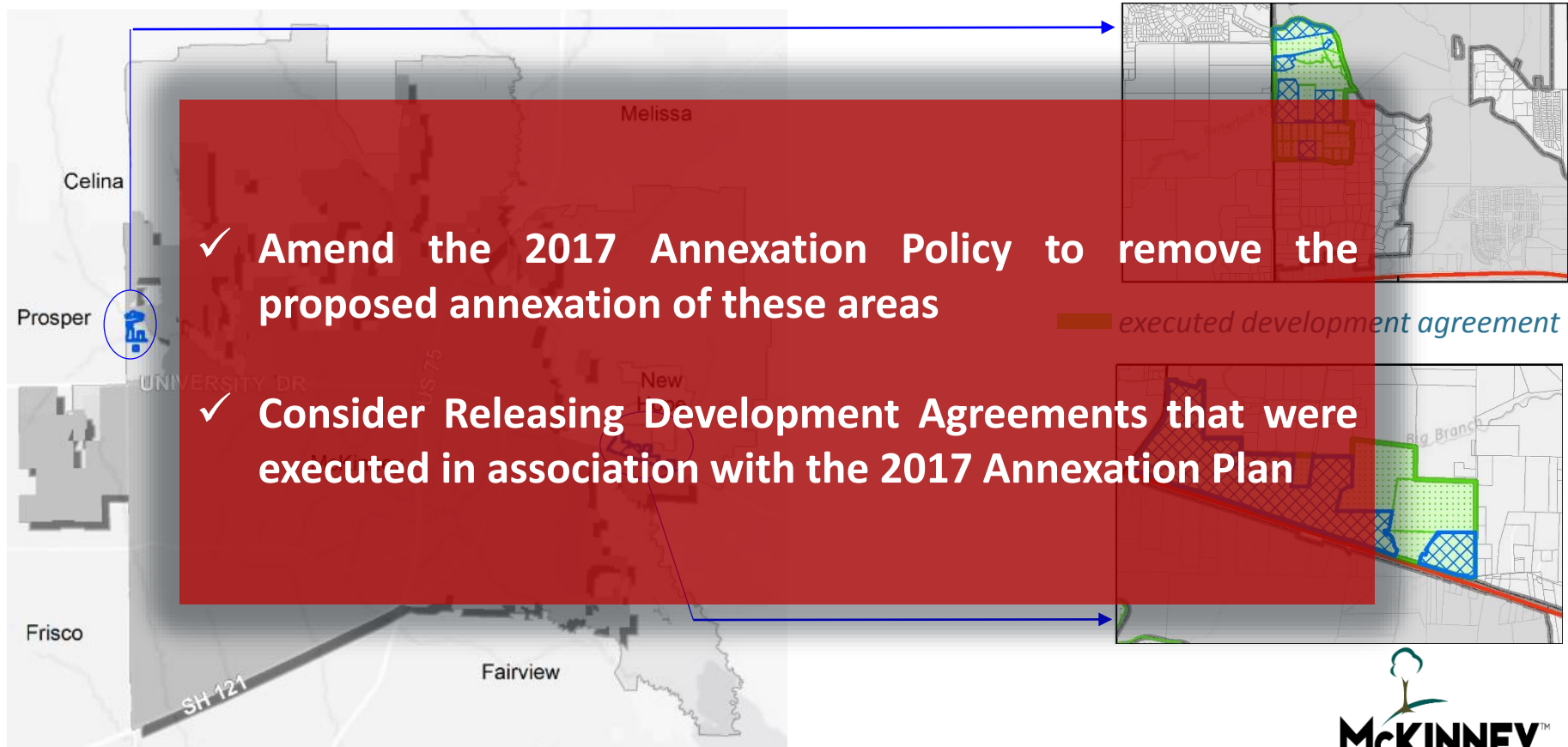


EXHIBIT "A"

2017 MUNICIPAL ANNEXATION POLICY

I. PURPOSE AND INTENT

The purpose of this Annexation Policy is to establish a framework whereby the City of McKinney can proactively identify, analyze, and evaluate areas for potential annexation.

It is the intent of this policy to comply with Chapter 43 of the Texas Local Government Code and to further the stated goals and strategies of the City by:

- a) implementing the City of McKinney Comprehensive Plan;
- b) defining and protecting the ultimate boundaries of McKinney;
- c) ensuring responsible planning; and
- d) ensuring the continued attractive and efficient growth of the City.

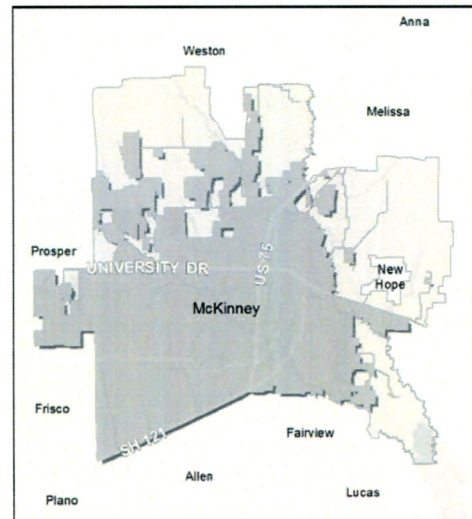
II. BACKGROUND

In the 1999 State of Texas Legislative Session, the State passed Senate Bill 89 which significantly changed the procedures for unilateral annexations initiated by home rule cities. The preparation, adoption, and publication of an Annexation Plan (also referred to as a "Municipal Annexation Plan") is one of the major items that the State Legislature now requires of all municipalities.

The current Annexation Plan for the City of McKinney was adopted in 1999 and generally states, "*the City of McKinney has no plans or intent to annex any property that is required by law to be included in ... [an] Annexation Plan.*" The Plan goes on to state that the City reserves the right to involuntarily annex certain properties under the exemption clause of Texas Local Government Code.

As of 2016, the City of McKinney corporate limits is approximately 68 square miles. However, the ultimate area of McKinney is roughly 116 square miles. This means that almost 50 square miles of unincorporated land still currently sits within the City's Extraterritorial Jurisdiction (ETJ). While the city can exercise subdivision authority within its ETJ, it cannot exercise land use control (i.e. zoning) or taxing authority over those unincorporated areas.

Given the expected growth of the City of McKinney, policy guidance is key to accomplishing and implementing the goals and vision of the City in order to best accommodate anticipated growth.



1 Map of McKinney City Limits and ETJ (2016)

EXHIBIT "A"

III. PLANNING FOR ANNEXATIONS

When planning for annexations (both voluntary and involuntary), City leaders and decision-makers should consider if the proposed annexation achieves any of the following:

- a) **Economic Development:** Facilitates public-private partnerships intended to stimulate economic growth, diversify the economic base, and/or create job opportunities.
- b) **Long Range Planning:** Accomplishes the goals of the Comprehensive Plan, City Council strategic goals, and/or other city policy documents.
- c) **Protect Future Development:** Protects future development from inadequate design and construction standards through the extension of the City's land use regulations and building codes.
- d) **Capital Investments:** Promotes a sustainable community through the efficient planning and provision of capital investments and the rational extension of public improvements.
- e) **Fiscal Responsibility:** Balances the resources generated by taxes and other revenues to accommodate current needs as well as anticipated future needs.

IV. EVALUATION CRITERIA FOR ANNEXATIONS

Once an area is determined to achieve one of the planning goals described in Section III, city leaders and staff should specifically consider the following when determining if an area located in the Extraterritorial Jurisdiction should be annexed:

- a) Is the area an enclave of the City that would benefit from the systematic and efficient provision of services provided by a city?
- b) Is the City aware of, or anticipate development activity that would require water, sewer, and/or other municipal services to promote public health, safety and welfare in the area?
- c) Is the area identified on the City's Comprehensive Plan as a commercial center, mixed-use center, entertainment center, or professional campus?
- d) Is the City able to provide city services at a level equal to other comparable areas already inside the city limits?
- e) Is there development potential that would benefit from a level of service provided by a city rather than an unincorporated area?
- f) What is the reliability, capacity, and future public cost (if any) of current infrastructure such as roads, drainage, utilities, etc.?
- g) What are the current conditions of existing public services (i.e. police, fire, etc.) as compared to the conditions that currently exist within the City?

EXHIBIT "A"

V. ANNEXATION PROGRAM

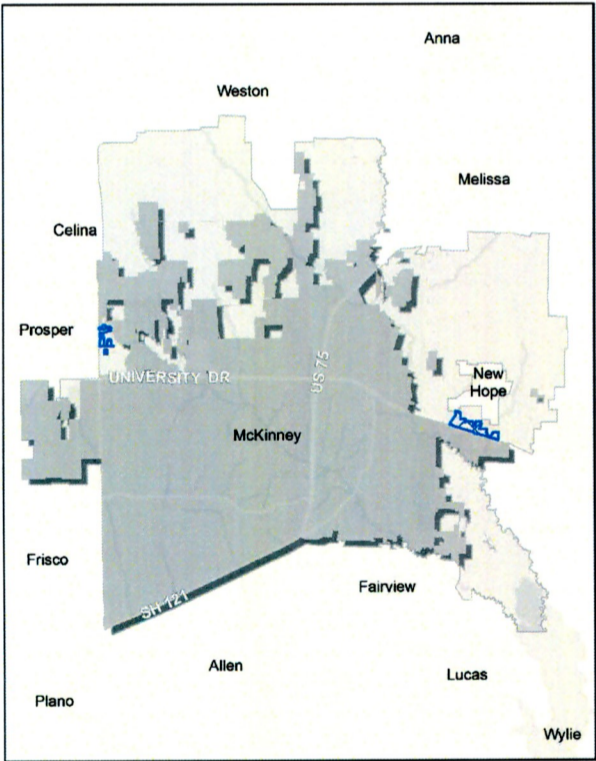
The Annexation Program below outlines the ways in which areas within the Extraterritorial Jurisdiction of McKinney can be annexed.

a) **Municipal Annexation Plan (2017)**

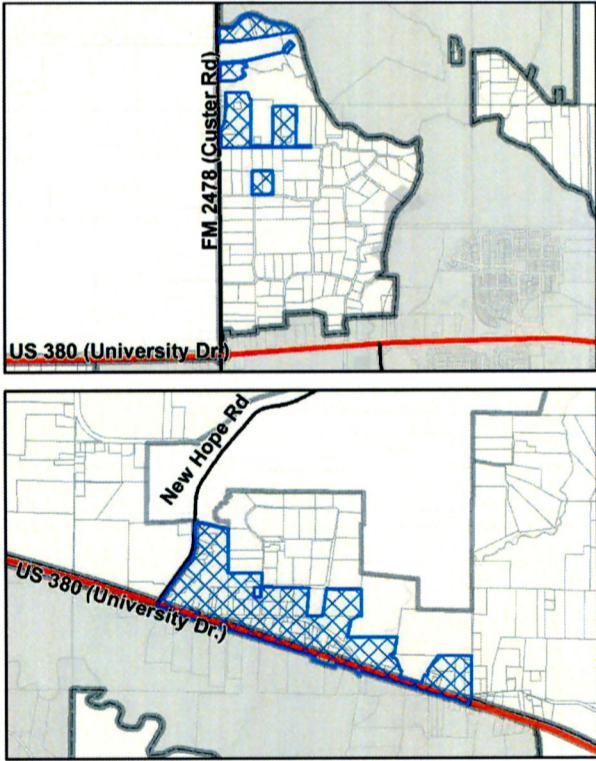
In accordance with Section 43.052 of the Texas Local Government Code, the general purpose of the Municipal Annexation Plan is to identify the areas that the City intends to annex within three years from adoption of the Plan. Below is a table of the areas that have been identified as part of the Municipal Annexation Plan (2017).

Area	Description	Approx. Size	Annexation Year
17-1	Generally located 3,300 feet north of U.S. Highway 380 (University Drive) and east of FM 2478 (Custer Road)	49 Acres	2020
17-2	Generally located north of U.S. Highway 380 (University Drive) and east of New Hope Road	169 Acres	2020

**as depicted on the figures below*



2 Municipal Annexation Plan location map (2017)



3 Enlarged map of Area 17-1 (top) and Area 17-2 (bottom)

Exclusion of an area from the Municipal Annexation Plan does not prevent the city from annexing the area under the exemption qualifications of the Texas Local Government Code.

EXHIBIT "A"

b) Annexations Exempt from the Municipal Annexation Plan

In accordance with Section 43.052 of the Texas Local Government Code, the City of McKinney may annex certain properties not identified on the 2017 Annexation Plan. The decision to proceed with annexations exempt from the Annexation Plan shall be in conformance with this policy.

c) Voluntary Annexations

In accordance with Section 43.052 of the Texas Local Government Code, a private property owner (or owners) may request to be annexed into a City's corporate limits. Voluntary annexations have led to large expansions and growth of the city and should be evaluated using the planning and evaluation criteria of this policy to ensure that the purpose and intent of this document are being met.

d) Disannexations

In accordance with Chapter 43 of the Texas Local Government Code, real property owners may petition the City Council to disannex from the corporate limits of McKinney. Similarly, the City may seek to disannex an area from the corporate limits of McKinney in accordance with Chapter 43 of the Texas Local Government Code.

EXHIBIT "A"

DEFINITIONS

- 1) Annexation – The legal process by which a City extends its corporate boundaries.
- 2) Annexation Policy – A set of guidelines for making annexation decisions.
- 3) Disannexation – The process by which territory is removed from the corporate limits of a municipality.
- 4) Enclave - An area within the City's extraterritorial jurisdiction that is surrounded by the corporate limits of the city and/or the corporate limits or extraterritorial jurisdiction of other municipalities.
- 5) Extraterritorial Jurisdiction (ETJ) – An unincorporated area that is contiguous to, and extends five miles from, the corporate limits of a municipality as determined in Chapter 42 of the Texas Local Government Code.
- 6) Infrastructure – Facilities necessary to provide city services, usually referring to physical assets such as streets and utility lines.
- 7) Municipal Annexation Plan – A document required by Section 43.052 of the Texas Local Government Code that specifically identifies annexations that may occur beginning on the third anniversary of the date the annexation plan is adopted or amended.



17-1169

TITLE: Discuss the Potential Review of Policies, Capital Investments, and Regulatory Tools in Light of Recent Changes to State Law Regarding Municipal Annexations

COUNCIL GOAL: Direction for Strategic and Economic Growth

MEETING DATE: December 4, 2017

DEPARTMENT: Development Services - Planning Department

CONTACT: Jennifer Arnold, Planning Manager
Nick Ataie, PE, CIP Engineering Manager
Brian Lockley, AICP, CPM, Director of Planning
Michael Quint, Executive Director of Development Services

RECOMMENDED CITY COUNCIL ACTION:

- Discuss and provide direction to Staff.

ITEM SUMMARY:

- The City of McKinney has consistently been one of the fastest growing communities in the country and this volume of growth is expected to continue over the next several years. As a result, pressures for development on the periphery of our city limits and into our extraterritorial jurisdiction (ETJ) will become even more prevalent.
- Annexation, growth policies, capital investments, public-private partnerships, and regulatory authority are all ways in which a municipality can actively influence growth and development patterns over time. These tools provide an important mechanism for protecting a community's long term interests and vitality.
- Given recent changes in state law regarding annexations, the use of municipal annexation (involuntary annexation) to proactively influence development patterns will not likely be a viable tool for the City of McKinney. As such, the other mechanisms available to the city (i.e. policy, investment, regulatory tools, etc.) will become even more important for protecting the community's long term

interests.

- With this in mind, Staff recommends a thorough review of existing city policies related to growth planning, capital investment planning and regulatory authority to identify any necessary changes or improvements that may better prepare the city for anticipated growth.
- Specifically, Staff recommends a review of the following:
 1. **Review of infrastructure related projects within the City's Capital Improvement Program (CIP) and the prioritization of those projects (i.e. roads, water, wastewater, and drainage projects);**
 2. **Review of the city's subdivision ordinance, utility ordinance and Certificates of Convenience and Necessity (CCN) as they relate to the provision of water and sewer services;**
 3. Consider and better understand the role of innovative financing tools such as Tax Increment Reinvestment Zones (TIRZs), Public Improvement Districts (PIDs), and Municipal Utility Districts (MUDs) in growth planning; and
 4. Consider the way in which the city utilizes economic development, facilities, and development agreements.
- The review of these items will take time and Staff suggests that they occur over the next nine to twelve months. However, Staff is presently seeking consensus from the Council to immediately begin looking at the prioritization of infrastructure CIP projects and the review of the subdivision and utility ordinances to identify potential changes or improvements that would better protect the city's long term interests.
 - The CIP generally includes public infrastructure projects such as roads, water, wastewater, and drainage that either add new capacity to the city's infrastructure system or reconstruct aging infrastructure throughout the city.
 - Many of the projects that add new capacity also aim to reduce barriers that may help activate new development projects within the city limits. While this provides benefits to areas within the city, it can also unlock areas outside of the city limits for development.
 - This activation is generally a positive thing. However, without prudent exercise of the city's subdivision and utility authority to protect areas outside of the city limits, the activation of new developments on the fringe of the city and/or in the ETJ can have unintended consequences (i.e. substandard development quality, incompatible land uses).

BACKGROUND INFORMATION:

- The area of McKinney's current city limits is approximately 68 square miles. However, the ultimate area of McKinney's city limits is roughly 116 square miles. This means that just over 40 percent of McKinney's ultimate area currently sits within the ETJ.
- While a municipality can plan for the future desired development conditions of land within its extraterritorial jurisdiction (ETJ), it cannot exercise land use control (i.e. zoning) or taxing authority over those unincorporated areas.
- As a result, new developments that occur within the ETJ can sometimes lead to undesirable long-term development patterns, inconsistent levels of public infrastructure and services, and/or uses that are not aligned with a city's overall future land use plans.
- Generally speaking, municipal annexations have been a common way for Texas cities to incorporate land into their jurisdiction for the purpose of encouraging orderly growth patterns and protecting long term interests over time.
- While the authority to carry out municipal annexations is still granted to Texas cities under Chapter 43 of the Texas Local Government Code, recent changes in state law have modified the procedures for carrying out municipal annexations.
- Among other things, municipal annexations now generally require a successful petition and/or election process in addition to a public hearing process in order for an area to be municipally annexed. These new changes in state law became effective on December 1, 2017.

SUPPORTING MATERIALS:

[Info Item: McKinney and ETJ](#)




[Info Item: CIP Infrastructure Projects](#)

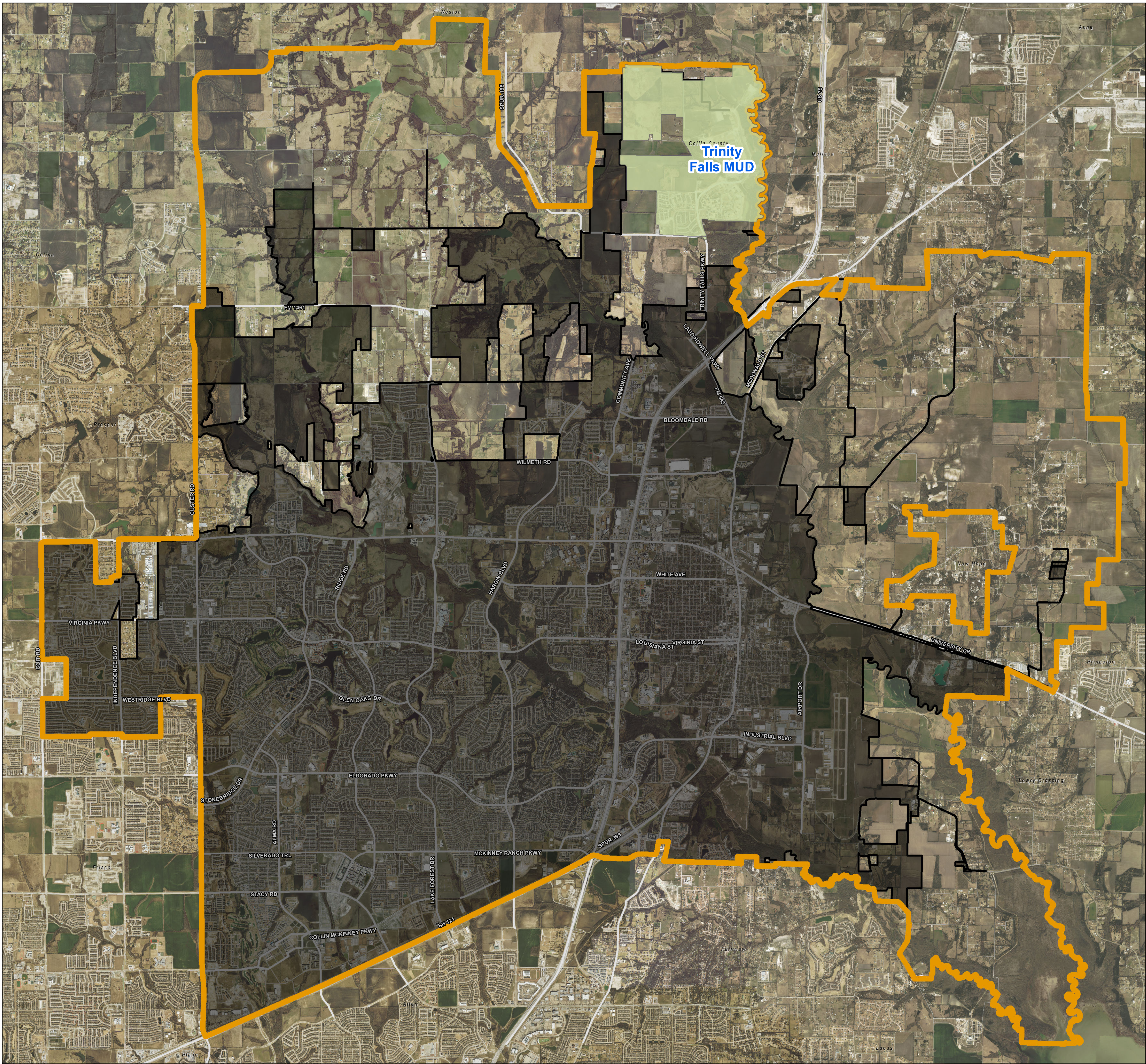
[Info Item: ETJ Subdivisions](#)

[Presentation](#)

City of McKinney

Legend

-  Trinity Falls Boundary
-  Extraterritorial Jurisdiction (ETJ)
-  City Limits



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Feet



City of McKinney

Capital Improvement Program Infrastructure Projects

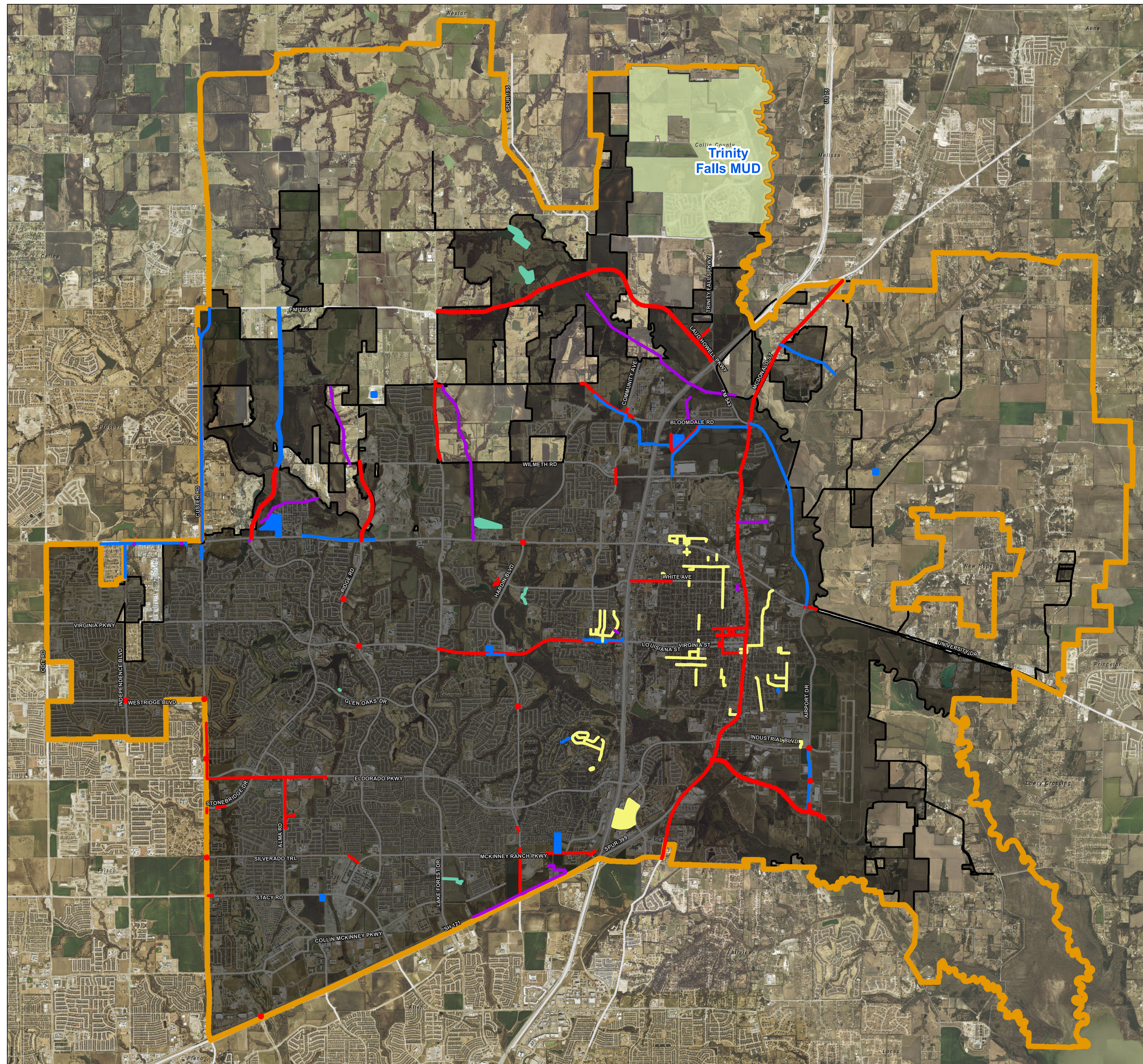
Legend

- Trinity Falls MUD
- Extraterritorial Jurisdiction (ETJ)
- City Limits

CIP Projects

Project Type

- STREETS; TRAFFIC
- WATER
- WASTEWATER
- DRAINAGE
- COMBINED



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Feet



City of McKinney

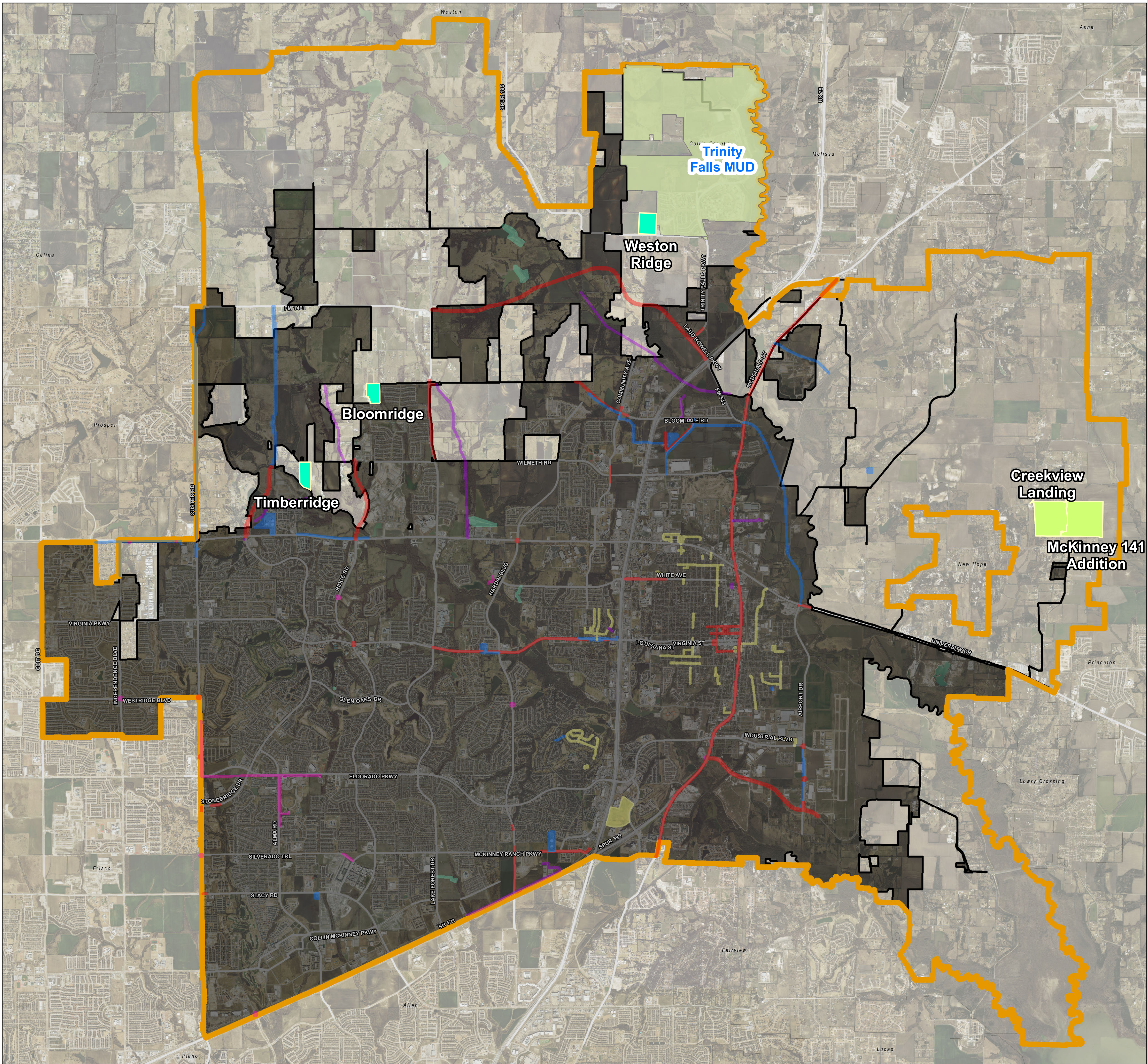
ETJ Subdivisions

Legend

- ETJ Subdivisions (pre-2014)
- ETJ Subdivisions (post-2014)
- Trinity Falls MUD
- Extraterritorial Jurisdiction (ETJ)
- City Limits

CIP Projects

- Project Type
- STREETS
 - WATER
 - WASTEWATER
 - TRAFFIC
 - DRAINAGE
 - COMBINED



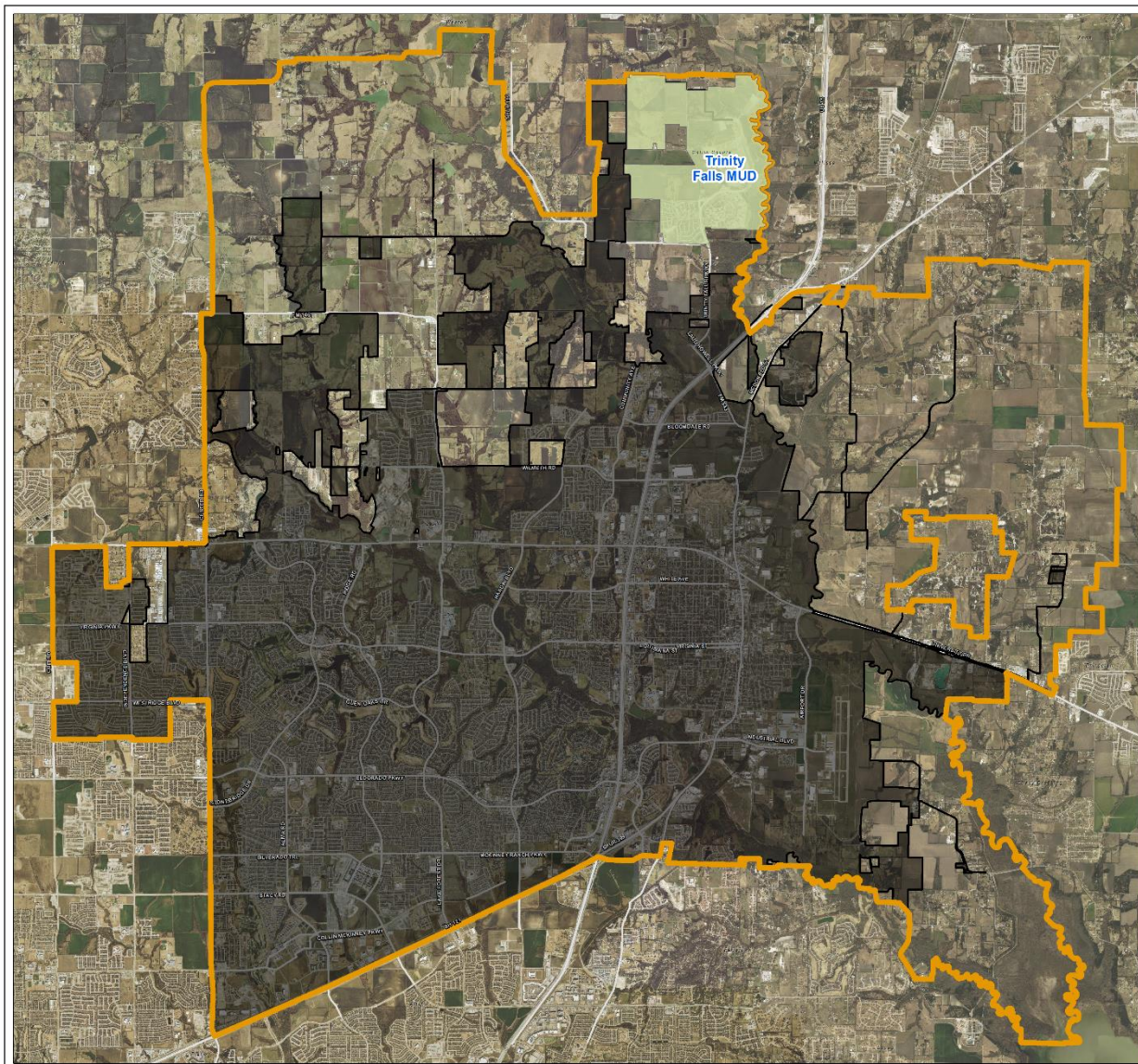
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Policy, Investment & Regulatory Considerations in Light of Recent Changes to Annexation Laws

December 4, 2017 City Council Work Session





Current City Limits:
68 sq mi

Area of ETJ:
116 sq mi



Influencing Growth Patterns and Protecting Long Term Interests

1. Annexations
2. Capital Improvement Planning (infrastructure)
3. Regulatory Authority (i.e. subdivision and utility ordinances)
4. Public-Private Partnerships
5. Innovative Financing Tools (i.e. TIRZs, PIDs, MUDs, PUDs)

Annexations:

Senate Bill 6 and the new Chapter 43 of the LGC

- Recent changes in state law have modified the procedures for carrying out municipal annexations.
- These new changes in state law became effective on December 1, 2017.
- Municipal annexations now generally require a successful petition and/or election process in addition to a public hearing process in order for an area to be municipally annexed.

These changes in procedure have a significant impact on the ways in which Texas city's approach and are able to successfully complete municipal annexations.



Senate Bill 6 and the new Chapter 43 of the LGC: What Does this Mean for McKinney?

In light of SB 6, other growth-influencing tools will become even more important for McKinney.

As such, Staff would like to consider the following things in order to protect the long-term health and vitality of city services, development patterns and fiscal stability.

1. Annexations
2. Capital Improvement Planning (infrastructure)
3. Regulatory Authority (i.e. subdivision and utility ordinances)
4. Public-Private Partnerships
5. Innovative Financing Tools (i.e. TIRZs, PIDs, MUDs, PUDs)



Senate Bill 6 and the new Chapter 43 of the LGC: What Does this Mean for McKinney?

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3. **Regulatory Authority (i.e. subdivision and utility ordinances)**

4. Public-Private Partnerships

5. Innovative Financing Tools (i.e. TIRZs, PIDs, MUDs, PUDs)



What Does this Mean for McKinney?

Infrastructure Planning and the Provision of Utility Services

1. Capital Improvement Planning (infrastructure)

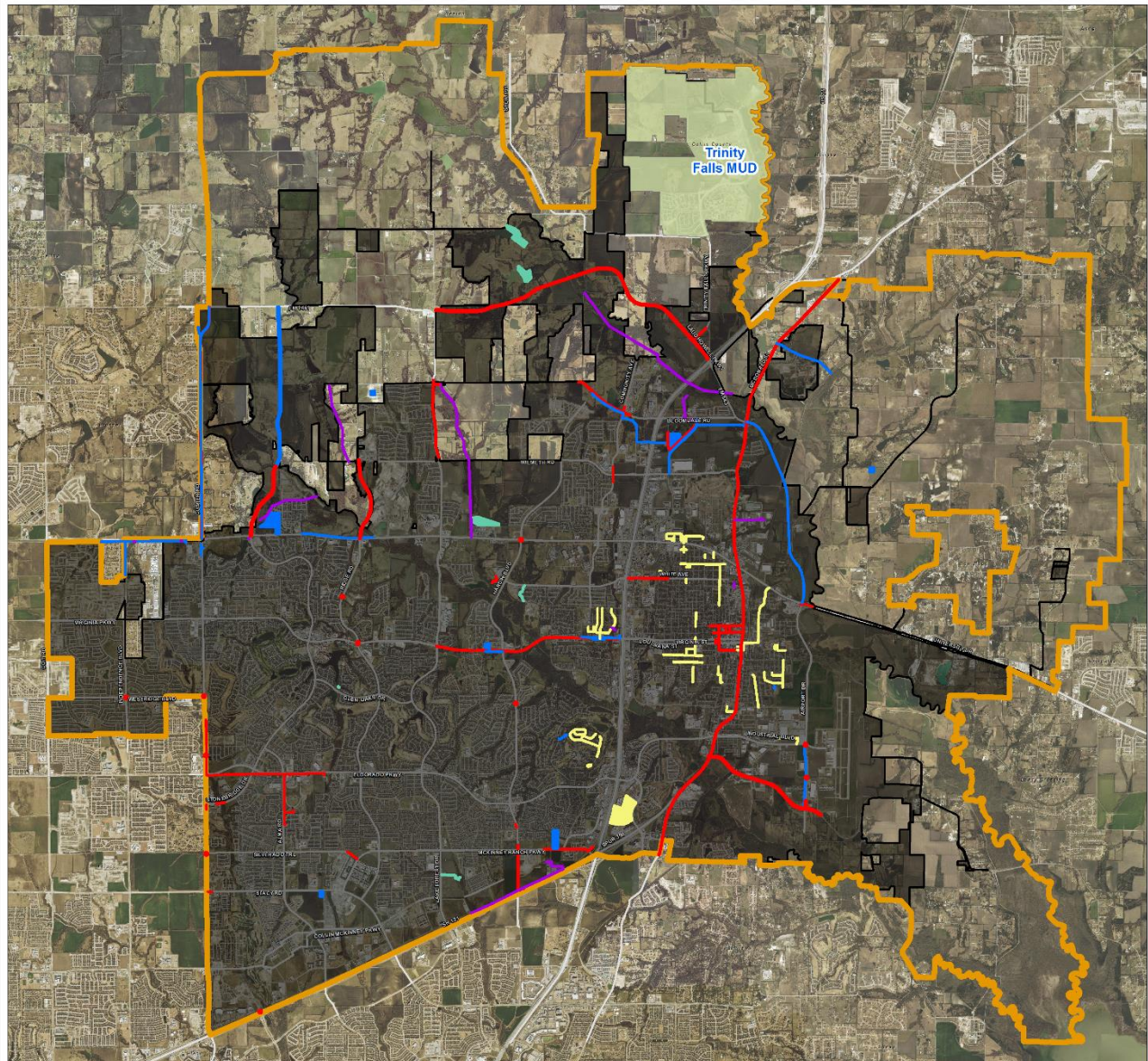
Construction and reconstruction of public roads, water lines, wastewater lines, and drainage improvements to add new capacity and/or rehabilitate aging infrastructure

2. Regulatory Authority (Utility and Subdivision Ordinances)

Provisions to ensure adequate public infrastructure (subdivision ordinance) and the equitable delivery of water and sanitary sewer services (utility ordinance). The Subdivision Ordinance and Utility Ordinance are both applicable inside the city limits as well as in the ETJ.

Through the CIP, Utility Ordinance, and Subdivision Ordinance, the City can ensure that minimum infrastructure and service standards are met. However, for areas outside of the city limits that meet these minimum standards and for which the city is obligated to provide water and sewer services to (per the CCN), the city is not able to enforce minimum development standards...





City of McKinney

Capital Improvement Program Infrastructure Projects

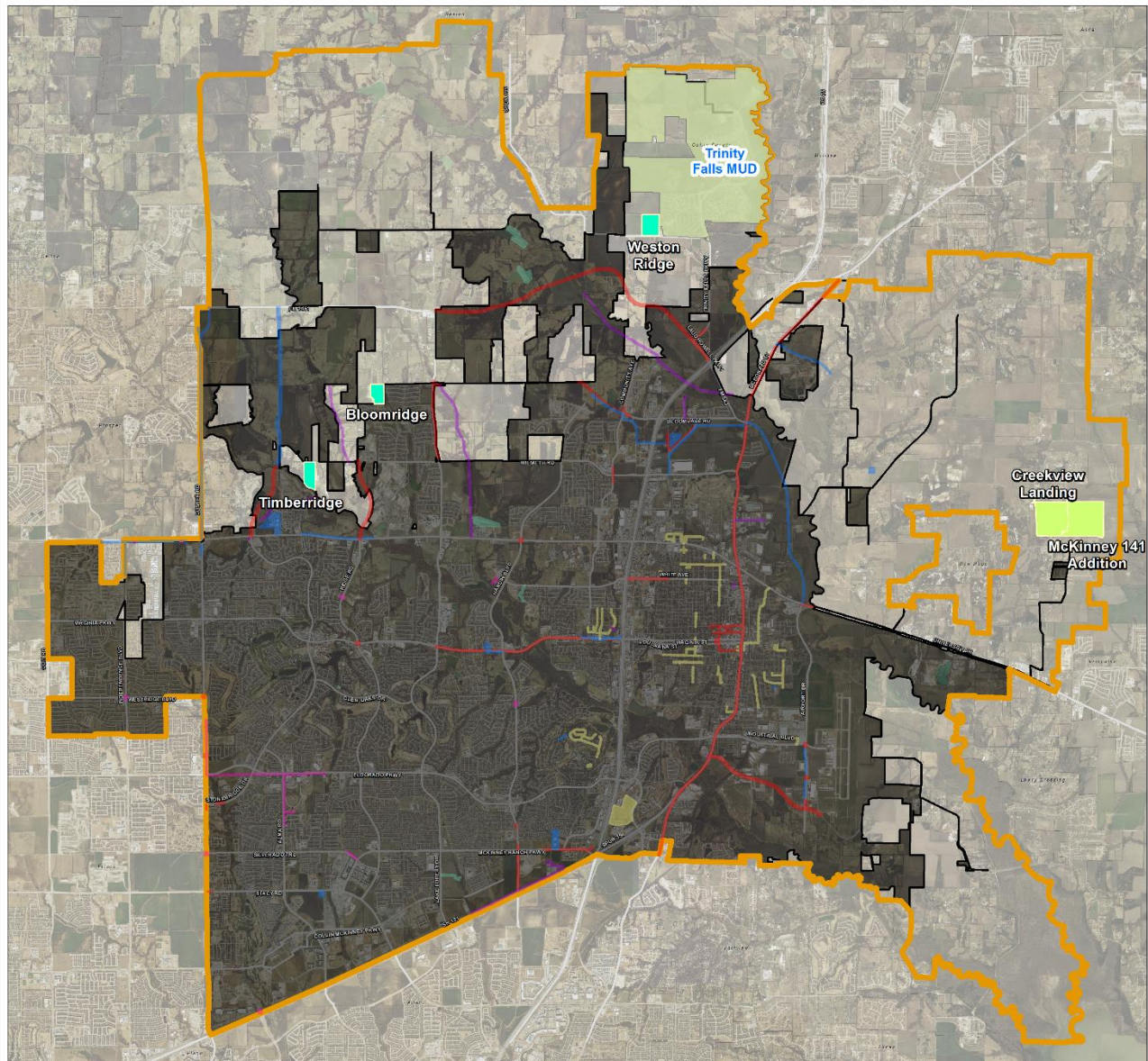
Legend

- Trinity Falls MUD
- Extraterritorial Jurisdiction (ETJ)
- City Limits

CIP Projects

- Project Type
- STREETS; TRAFFIC
 - WATER
 - WASTEWATER
 - DRAINAGE
 - COMBINED





City of McKinney

ETJ Subdivisions

Legend

- ETJ Subdivisions (pre-2014)
- ETJ Subdivisions (post-2014)
- Trinity Falls MUD
- Extraterritorial Jurisdiction (ETJ)
- City Limits

CIP Projects

- Project Type
- STREETS
 - WATER
 - WASTEWATER
 - TRAFFIC
 - DRAINAGE
 - COMBINED



City Council Direction Requested

Consensus from the Council for staff to re-evaluate infrastructure-related projects within the CIP and review the subdivision and utility ordinances for the purpose of protecting future assets of the city and promoting orderly growth and development.





17-1170

TITLE: Consider/Discuss and Provide Direction Regarding the Potential Creation of a Public Improvement District (PID) for the Property Commonly Referred to as the Brinkmann Ranch, Generally Located East of Lake Forest Drive, South of Bloomdale Road, West of Hardin Boulevard and North of U.S. Highway 380 (University Drive)

COUNCIL GOAL: Direction for Strategic and Economic Growth

MEETING DATE: December 4, 2017

DEPARTMENT: Development Services

CONTACT: Michael Quint, Executive Director of Development Services

RECOMMENDED CITY COUNCIL ACTION:

- Consider, discuss and provide direction regarding the potential creation of a Public Improvement District (PID) for the Brinkmann Ranch property.

ITEM SUMMARY:

- Staff is seeking direction from the City Council regarding whether or not to engage in discussions with the potential developer of the property commonly referred to as the Brinkmann Ranch regarding the creation of a Public Improvement District (PID).
- The potential developer of the Brinkmann Ranch, generally located east of Lake Forest Drive, south of Bloomdale Road, west of Hardin Boulevard, and north of U.S. Highway 380 (University Drive) has formally requested the City Council's consideration of the creation of a PID. Per the developer's request letter, the PID will be primarily used to fund the construction of public infrastructure and public trails for a primarily residential development. The aforementioned letter is attached for more information.
- The developer has requested the opportunity to present its justification for a PID via a presentation at the December 4, 2017 work session. The developer's presentation will be followed by a brief presentation from City Staff.

BACKGROUND INFORMATION:

- The City of McKinney does not currently have any PIDs within its corporate limits and has historically refrained supporting the creation of PIDs for developments consisting of mostly residential land uses.
- Public Improvement Districts are authorized by Chapter 372 of the Texas Local Government Code.

SUPPORTING MATERIALS:

[Developer's PID Request Letter](#)

[Applicant Presentation](#)

[Staff Presentation](#)

A | R | B | H
ABERNATHY ROEDER
BOYD HULLETT
— EST. 1876 —

Robert H. Roeder
roeder@abernathy-law.com

1700 Redbud Boulevard, Suite 300 | McKinney, Texas 75069
Main: 214.544.4000 | Fax: 214.544.4044

October 18, 2017

Mr. Paul Grimes
City Manager
222 N. Tennessee Street
McKinney, Texas 75069

Re: Case No. 248Z
Information Regarding the Establishment of a Public Improvement District

Dear Mr. Grimes:

I represent Amalgamated Properties, the developer of the local master-planned communities of Auburn Hills and Willow Wood, that has under contract the Brinkmann property consisting of 1,163.005 acres of land (the “Property”) which is the subject of the above-referenced Zoning Case No. 248Z. The Property is strategically situated between Lake Forest Drive and Hardin Boulevard and extends from University Drive to Bloomdale Road. The Property in its undeveloped state effectively blocks future City growth north of Bloomdale Road because of the non-existence of sanitary sewer lines or capacity and effectively undermines the ability of the City to provide an alternate east/west route for traffic flows parallel to University Drive (Hwy 380) on Wilmeth Road. If developed as a master-planned community to the level demonstrated by my client’s other developments, this community will have a significant economic impact on the new retail developments at Hwy 380 and Hardin Boulevard, as well as the balance of the City.

In conjunction with our discussions relating to the negotiation of a development agreement with the City covering the Property (the “Development Agreement”), my client has requested that the City authorize and establish a public improvement district (a “PID”) under the auspices of Subchapter A of Chapter 372 of the Texas Local Government Code to be used as a vehicle to assist my client in covering the costs of constructing and installing certain public improvements, namely a parallel sanitary sewer system on each side of Franklin Branch, the reconstruction of a portion of the existing sanitary sewer collection system along US 380, the construction of Wilmeth Road as a continuous thoroughfare from Hardin Road to Lake Forest Drive, the construction of a new thoroughfare proposed in the One McKinney 2040 Comprehensive Plan, and the construction of a hike/bike trail on each side of Franklin Branch from the dam to Bloomdale Road (collectively, the “PID Projects”), that confer a special benefit to the Property as well as significant benefits to the City. The purpose of this letter is to set forth in general the procedures and determinations that are required of the City to create the PID, the processes required to establish the improvements and costs thereof to be financed by the PID, the method of assessing property within the PID and the

procedure for collecting such assessments, alternatives for managing the PID and the mechanism for establishing a payment protocol of PID funds to my client.

The creation of a PID in this instance would originate with the filing by the landowner of a petition that generally identifies the PID Projects along with the estimated costs of same, requests that the boundaries of the PID be the perimeter of the Property, includes a proposed method of assessment (may be based upon the frontage feet of lots within the Property or otherwise), and identifies either the City or developer, or both, as the manager of the PID. Upon receipt of the petition, the City and the Owner will jointly determine the estimated costs of the PID Projects (the "PID Project Costs") and prepare a Service and Assessment Plan for the PID for approval by the City Council. Typically, the PID Project Costs and the Service and Assessment Plan are prepared through the use of a third party, the cost of which is paid by the Owner.

The estimated total cost of all public improvements to be constructed in the development of the Property is \$96 million. My client estimates the costs of the public improvements constituting the PID Projects at approximately \$32.9 million, not including maintenance bond costs and administrative fees. During the process of preparing the Service and Assessment Plan, a more detailed estimate of PID Project Costs will be prepared. Based upon the determinations of the Service and Assessment Plan, the City Council would prepare a proposed assessment roll for public inspection.

After a requisite 30 day public inspection period of the final PID Project Costs and the Service and Assessment Plan, the City would levy a special assessment against the Property and specify the method of assessment along with the method of payment of such assessment by owners of property within the PID, which is typically based on an amortization of 30 years at a fixed interest rate with no prepayment penalties. Annual PID assessment payments are usually billed and collected through an agreement with the CAD in conjunction with the City's annual tax statements.

After the special assessments have been levied, the City and Owner would enter into an agreement with the PID that provides for the Owner's construction of the PID Projects and the PID's payment of the PID Project Costs.

As soon as reasonably practicable thereafter and provided the City's financial advisor confirms the bonds are creditworthy and marketable to third party institutional investors, the City would adopt an ordinance authorizing the issuance of PID Bonds that would be secured by, and repaid from, annual payments of the assessment by owners of property within the PID (typically, the City would not pledge its full faith and credit in support of the PID Bonds). The proceeds from the sale of the PID Bonds would be held and administered by the City, or its designee, and used to pay for the PID Project Costs as the same are incurred.

Among the benefits the utilization of the PID will generate for the City are the following:

- The immediate development of Wilmeth Road from Lake Forest Drive to Hardin Road with a crossing over Franklin Branch that will provide direct connectivity between Hwy 75 and Lake Forest to assist in the resolution of congestion on Hwy 380;
- The immediate development of the 2040 Road that will ultimately provide an alternative route for local residents back to Hwy 75;

- Installation of the sewer system that will eventually serve properties North of Bloomdale including the high school and middle school sites owned by the MISD;
- Construction of a 10' wide hike/bike trail system that will be approximately 5 miles in length and provide connectivity to other sections of the City's trail system;

All of these benefits will be created without cost to the City and without utilizing the Credit of the City. We ask that you support my client's request for assistance in thoroughly vetting this opportunity with the City Council.

Very truly yours,

Robert H. Roeder

Brinkmann Tract Public Improvement District



PREPARED BY



Public Improvement Districts

What is a Public Improvement District?

- ***Economic development tool*** created by the State of Texas
- Permits cities to enhance development at ***no cost***
- Finances the construction of ***public infrastructure***
- Provides for ***ultimate control by the city***
- ***All costs are responsibility of residents of the District, not other residents of the city***
- ***All funds held by Trustee selected by city***

Public Improvement Districts

How does a PID financing benefit Homeowners?

- **Cost certainty** over the life of property ownership through fixed nature of assessments
- **Finite life of obligations** due to fixed term of PID assessment
- **Ultimate flexibility** as assessment can be prepaid by a homeowner at any time with no penalty
- **Increased home values** do not increase assessments
- **A default in payment by one homeowner does not affect any other homeowner**

Public Improvement Districts

How does a PID financing benefit a City?

- **No costs to city**, as all costs are paid from assessments
- PID bonds are secured solely by assessments on benefitted property
- **City's full faith and credit is not pledged**
- PID bonds **will not reduce city's bonding capacity**
- **No reduction of city sales and ad valorem tax revenues** as occurs with TIRZs
- Increase in residents will generate more sales tax for the city.
- **City retains ultimate control**, unlike MUDs
- Accelerates project development and the related **growth in the city's tax base**
- **PID** bond issuance and structure are **controlled by city**, as it is "the issuer"
- Virtually all administrative obligations may be **outsourced to third parties**

Public Improvement Districts

What is the PID Repayment Mechanism?

- Separate assessment is placed on each individual parcel or lot
- Assessments are due **only** for the life of the bond financing
- Assessments are billed and collected with annual property taxes
- ***Landowner is responsible*** only for assessment levied on his lot or parcel
- A homeowner's obligation is ***disclosed and certain*** at time he purchases a home
- ***Assessments can be prepaid in full at any time without penalty***

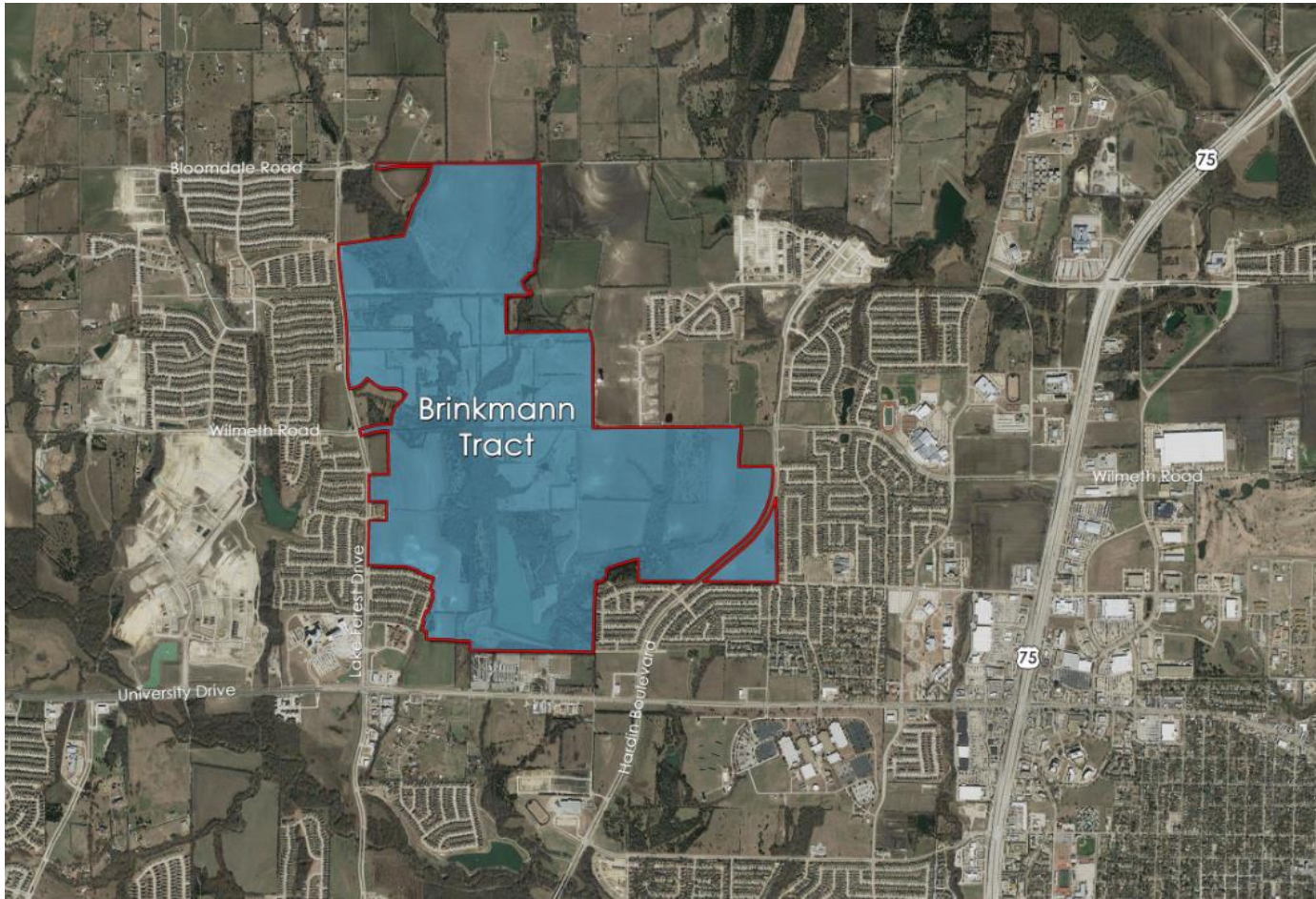
Public Improvement Districts

What is the PID Bond Collateral?

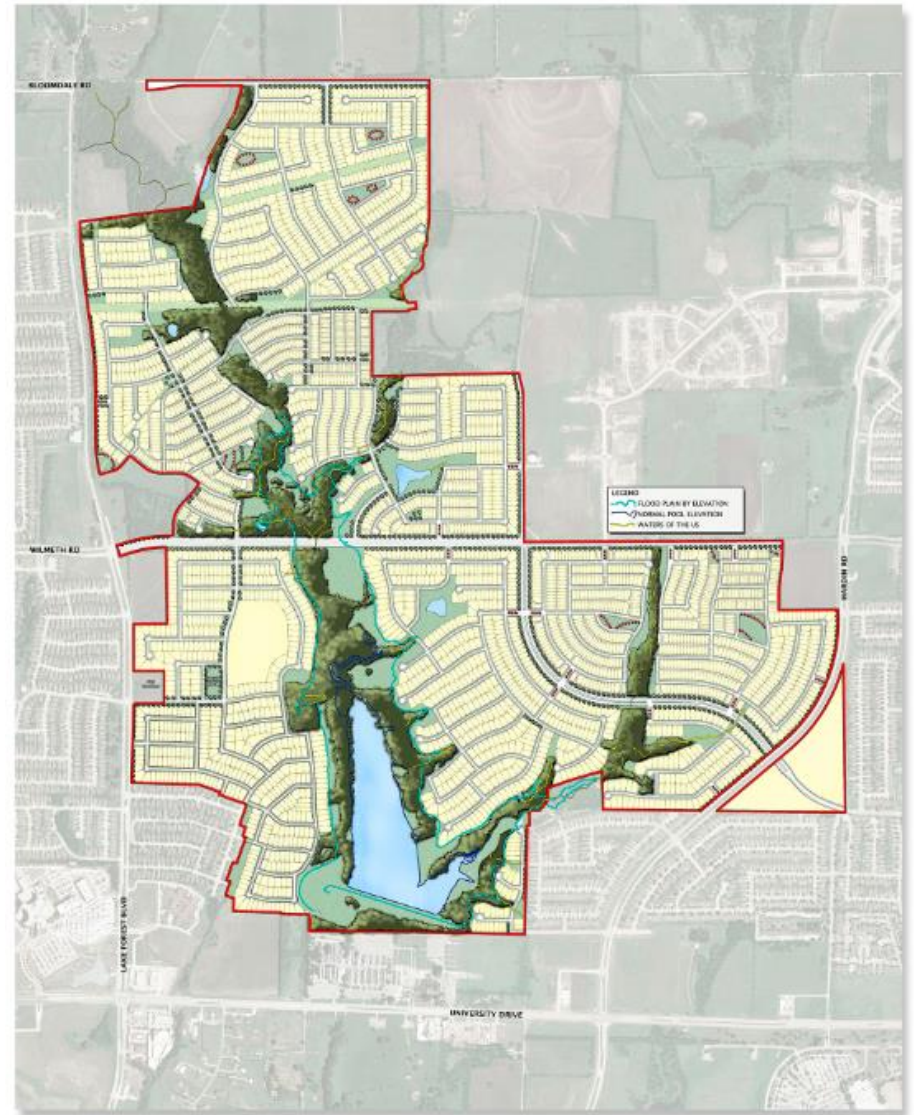
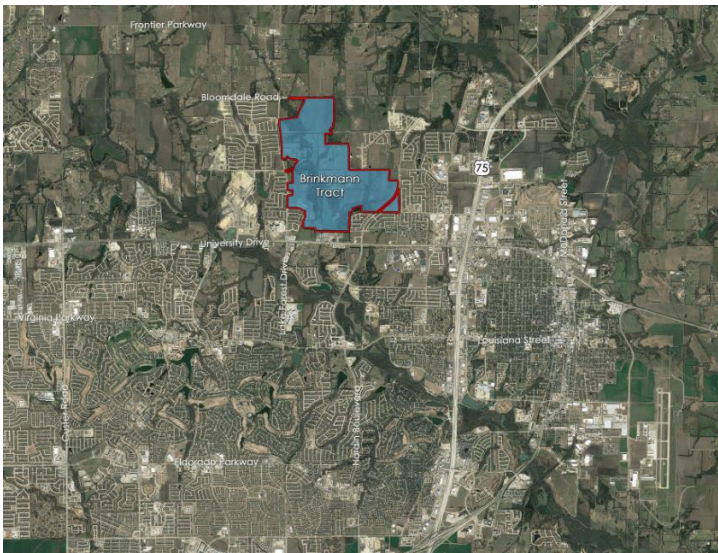
- ***City Tax Lien remains in first priority position***
- The PID debt is ***secured by a Special Assessment Lien*** on the PID Land
- Special Assessment Lien pre-empts any mortgage lien, but is subordinate to all ad valorem tax liens
- Project appraised value (land “as is” plus value of improvements to be constructed with bond funds) is primary factor in determining bond capacity (***typical bond size does not exceed 1/3 of appraised value***)
- ***Does not rely upon future development*** to ensure debt payment

Brinkmann Tract

Public Improvement District Map

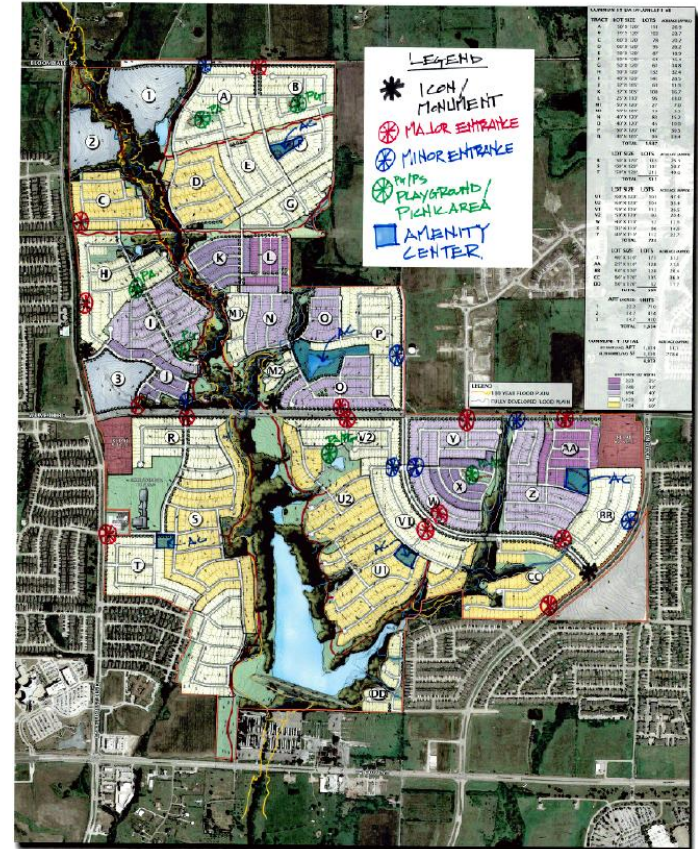


Brinkmann Tract Concept Plan



Brinkmann Tract- Community Amenities

- Master Planned Community
- New roadway connections (Wilmeth and 2040 Road)
- Five different product types (lot sizes) to appeal to a wide homebuyer profile
- Multi-family and commercial pad sites
- Approximately five miles of hike and bike trail system on both sides of the lake / Franklin Branch
- Parks and open space
- ±42 acre recreational lake
- Five amenity centers
- Consistent hardscape and entry monumentation design
- Elementary school site (McKinney ISD)



Community Lifestyle



Community Lifestyle

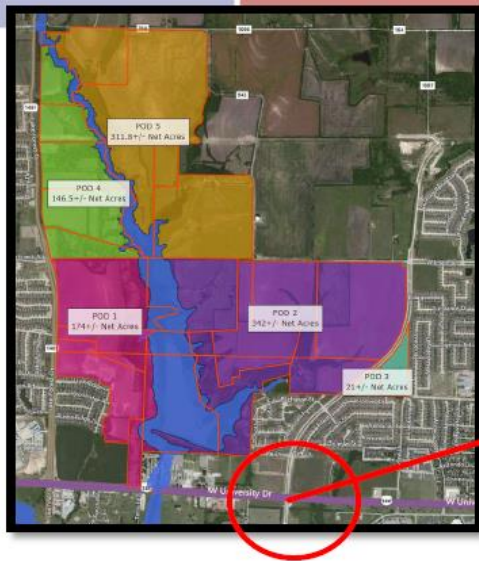


Community Lifestyle





New Commercial Activity



Costco anchored commercial center planned for Hardin & 380 intersection



- Homeowners living in the Brinkmann Tract will generate sales tax revenue for the City

Brinkmann Public Improvement District

- **Approximately 1,170 acres of land**
- **Proposed (PD) zoning as a Master Planned Community estimated for approximately:**
 - 3,403 single family units
 - 1,634 multi-family units
 - 120,000 square feet of commercial (C2 Local Commercial District)
- **Project assessed value at build-out is approximately \$1,955,000,000**
(does not include valuation of commercial and multi-family tracts)

Public Benefits to City

Regional Transportation Improvements - \$15.6M

- Wilmeth Road - \$10.3M four lanes from Lake Forest Blvd. to 2040 Road, two lanes from 2040 Road to Hardin Rd.
- 2040 Road - \$5.3M from Wilmeth Rd. to Taylor Burk Dr.
- Much needed relief for traffic congestion on HWY 380
- Quicker impact on traffic versus HWY 380 Bypass (TxDOT)

Regional Sewer Improvements - \$9.8M

- Parallel sanitary sewer lines east and west of the lake/creek from HWY 380 north to Bloomdale Road

Regional Water Improvements - \$0.9M

- Bloomdale and Wilmeth 12" Water Mains

Regional Park and Trail System – \$6M

- Over 5 miles of trails and park system on both sides of the lake/creek

Hurdles to Development

▪ Hurdles

- Large amount of infrastructure needed to support development and meet City's needs
- Total Public Infrastructure budgeted at \$95.4M (PID Infrastructure budgeted at \$32.2M)
- Exceeds any one property owner's ability to fund up front

▪ Solution

- Public/Private partnership utilizing PID to finance major infrastructure at developer's risk.
- City acts as vehicle to provide fixed rate tax exempt financing of infrastructure, which financing is secured solely by priority assessment lien on the land

Brinkmann Public Improvement District

How Does a PID Benefit the City?

▪ **Project Specific Benefits**

- City gains 5 miles of Trail and Park system; Wilmeth Road connection; 2040 Road completed from Wilmeth Road to Taylor Burk Dr.; Sewer service extended to Bloomdale Road
- City gains large ad valorem tax generator
- City gains Assessed Values and AV Taxes years sooner
- City gains large sales tax generator
- City gains large property tax generator
- All the above benefits at no cost to the general tax base

Public Improvement Districts

Development Using Public Improvement Districts

Who uses Public Improvement Districts?

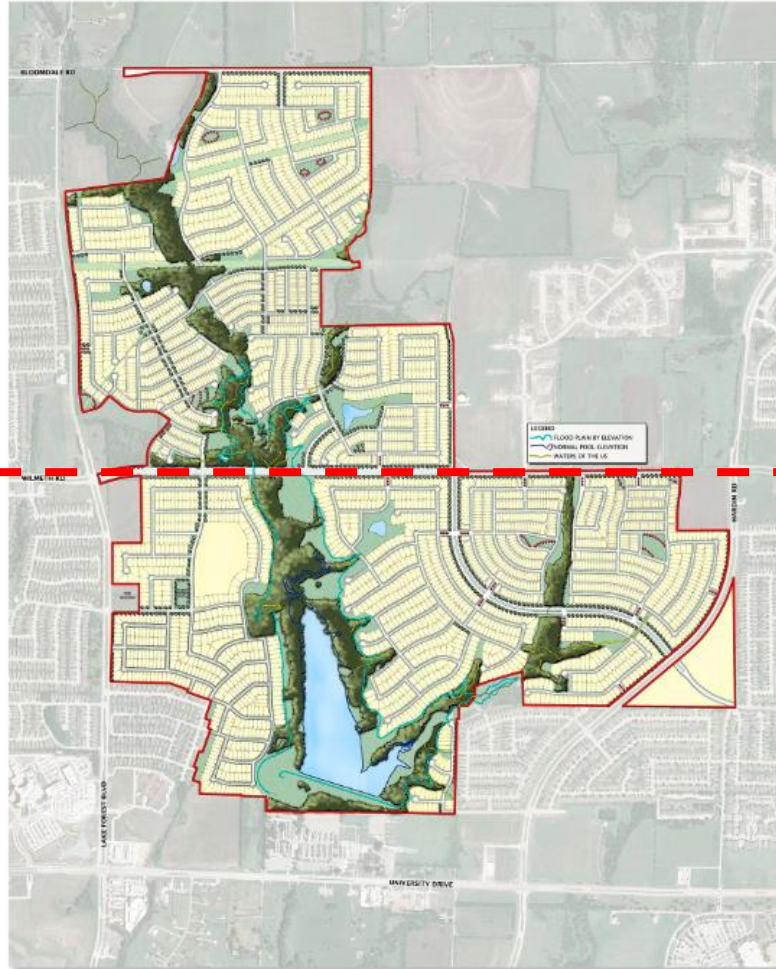
Public Improvement Districts (PID) are economic tools available to cities and counties to fund public improvements that benefit the area within the PID boundaries. PIDs have been used by cities and counties for residential (and commercial) development in lieu of other Special Districts (MUDs, FWSDs, WCIDs) to fund roads, water, sewer, and other eligible costs. The following is a partial list of Texas cities / counties that have utilized PIDs for development:

Hays County	Bexar County	Travis County	City of Dallas
Comal County	City of Rhome	City of Galveston	City of Manor
City of Haslet	Town of Trophy Club	City of Roanoke	City of Dripping Springs
City of Aubrey	Town of Northlake	City of Forney	City of Rockwall
City of Argyle	City of Lavon	City of Fate	City of Ponder
City of Hackberry	City of Westlake	Town of Flower Mound	City of Hickory Creek
City of Leander	City of Horseshoe Bay	City of Lago Vista	City of Liberty Hill
City of Celina	City of McAllen	City of Coppell	City of Shenandoah
City of El Paso	City of Irving	City of Lewisville	City of Tomball
City of Little Elm	City of Lubbock	City of Waxahachie	City of Sugar Land
City of Irving	The Colony	City of Fort Worth	City of Princeton
City of Royse City	City of Tomball	City of Mesquite	City of Anna

Site Plan with Improvement Zones

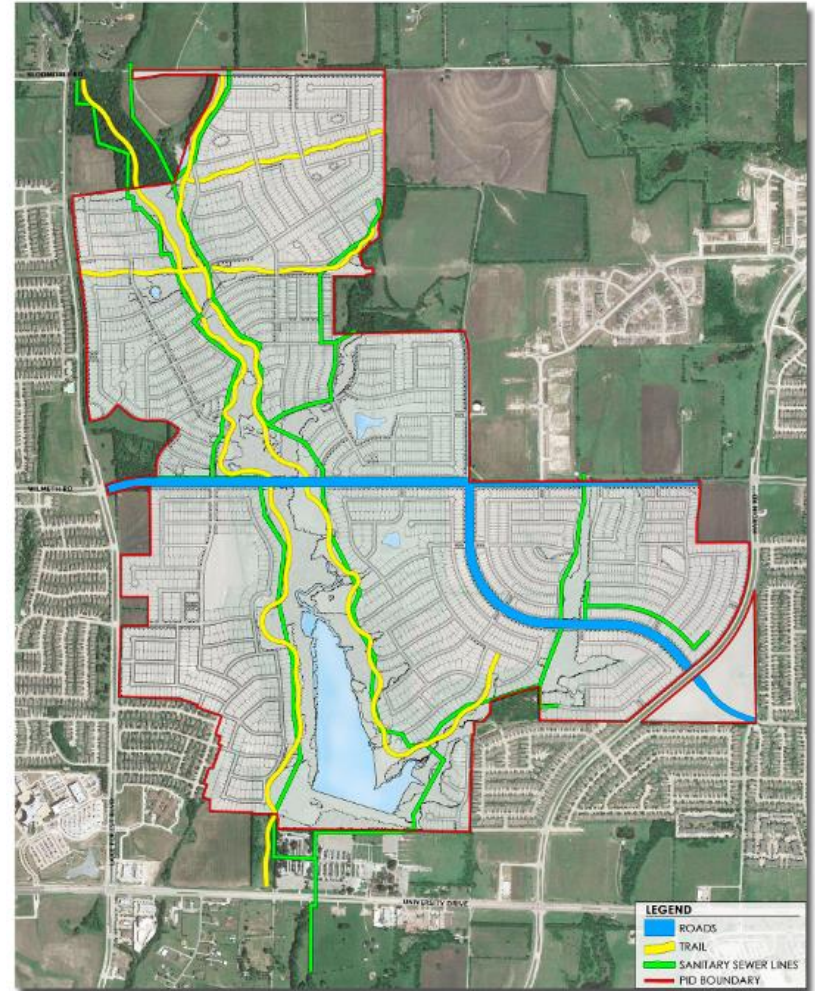
Improvement Zone 2
North of Wilmeth

Improvement Zone 1
South of Wilmeth



Brinkmann Tract Infrastructure

- Regional Transportation Improvements - **\$15.6M**
- Regional Sewer Improvements - **\$9.8M**
- Regional Water Improvements - **\$0.9M**
- Regional Park and Trail System - **\$6.0M**



Assessed Value Estimates

Product Type	Lot Width	Lot Count	Home Value At Beginning	Home Value At 10 yr Buildout*	Total Values at Buildout
Attached	25	281	244,318	344,635	96,842,414
Patio	32	283	290,909	410,356	116,130,749
SF-40	40	663	363,636	512,945	340,082,538
SF-50	50	1545	431,818	609,122	941,093,787
SF-60	60	631	518,182	730,947	461,227,324
		3403			1,955,376,811

* - 3.5% annual price escalation (based on 20 year historical average)

- Does not include valuation of multi-family and commercial tracts

Ad Valorem Benefit to all Local Taxing Jurisdictions

Taxing Jurisdiction	AV Tax Rate per \$100	Taxes estimated at Full Buildout (AV = \$1,955,376,000)
City of McKinney	0.5730	\$11,204,304
Collin County	0.2084	\$4,075,004
Collin College District	0.0812	\$1,587,765
McKinney ISD	<u>1.6200</u>	<u>\$31,677,091</u>
Total	2.4826	\$48,544,165

Total Taxes to all Jurisdictions

Tax Rate Comparison

<i>Taxing Entity</i>	Hollyhock	Windsong Ranch	Timber Creek	Brinkmann Ranch	Auburn Hills	Mustang Lakes	Trinity Falls	Light Farms
Collin County			\$0.2084	\$0.2084	\$0.2084	\$0.2084	\$0.2084	\$0.2084
Denton County	\$0.2484	\$0.2484						
City of McKinney			\$0.5730	\$0.5730	\$0.5730			
Town of Prosper		\$0.5200						
City of Celina						\$0.6450		
City of Frisco	\$1.4600							
McKinney ISD			\$1.6200	\$1.6200			\$1.6200	
Prosper ISD		\$1.6700			\$1.6700	\$1.6700		\$1.6700
Frisco ISD	\$0.4500							
Collin College			\$0.0812	\$0.0812	\$0.0812	\$0.0812	\$0.0812	\$0.0812
McKinney MUD #1							\$1.0500	
Mustang Lakes PID						\$0.3534		
Collin County MUD No. 1								\$1.0500
Brinkmann PID*				\$0.2472				
Total Overlapping Rate per \$100/Valuation	\$2.1584	\$2.4384	\$2.4826	\$2.7298	\$2.5326	\$2.9580	\$2.9596	\$3.0096

* For purposes of this chart we have converted the PID assessment to an ad valorem tax

All tax rate data is reflective of 2016 rates via Collin and Denton County Appraisal Districts

Process of Creation and Financing

- Submit petition to City
- City may request feasibility report
- City may establish Advisory Body
- City holds Public Hearing
- City adopts Resolution to create district
- The District adopts bond documents
(i.e. Engineer's Report, Methodology, resolution)
- City adopts Preliminary Service Plan/Assessment Plan
- Bond Pricing
- Adopt final assessments
- Bond Validation
- Bond Closing

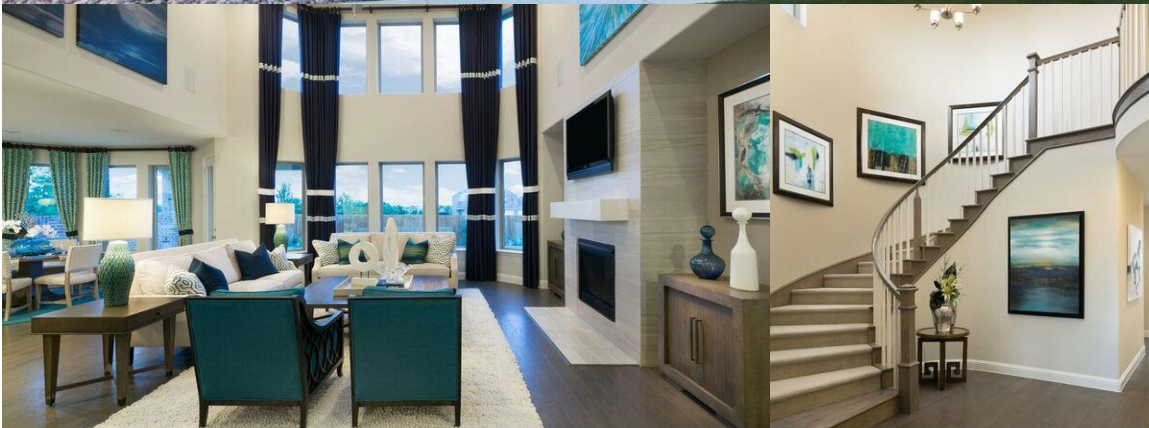
Product Designs



Product Designs



Product Designs



Product Designs – Ansley Meadow, Allen



Amenity Centers – Auburn Hills, McKinney



Amenity Center – Willow Wood, McKinney

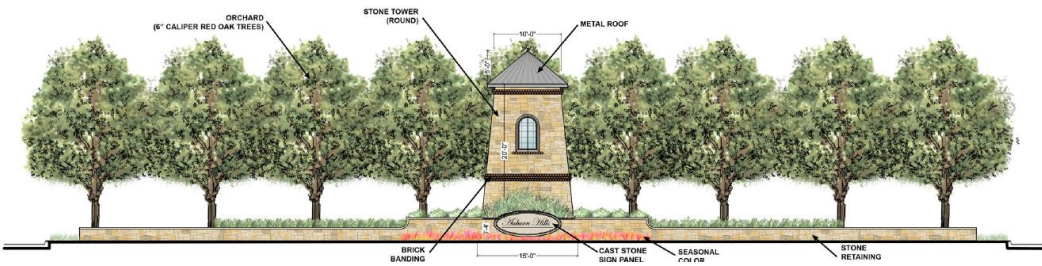


Auburn Hills

McKinney, TX

324 Acres

Approx. 859 lots



Willow Wood

McKinney, TX
306 Acres
Approx. 856 lots





Additional Developments

Community	City	Builder	Acres	Lots
Ansley Meadow	Allen	Meritage, Pulte	44.7	178
Avondale	Carrollton	American Legend	13.0	65
Austin Hills	Carrollton	American Legend	12.0	48
Eastlake	Coppell	Toll Brothers	22.0	58
Copper Creek	Fort Worth	DR Horton, Lennar	291.0	965
Waterside	Irving	American Legend	8.5	41
Kensington at Stonebridge Ranch	McKinney	Pulte	13.4	55
Willow Wood	McKinney	Bloomfield, Chesmar, First Texas	306.0	856
Auburn Hills	McKinney	Meritage, MHI, Darling, Pulte	324.0	859
Renaissance	Plano	Megatel	6.1	31
Stone River	Royse City	Bloomfield, Impression	53.4	195
Grayhawk Park	Wylie	First Texas, Pulte	45.6	151
TOTAL			1139.7	3,502

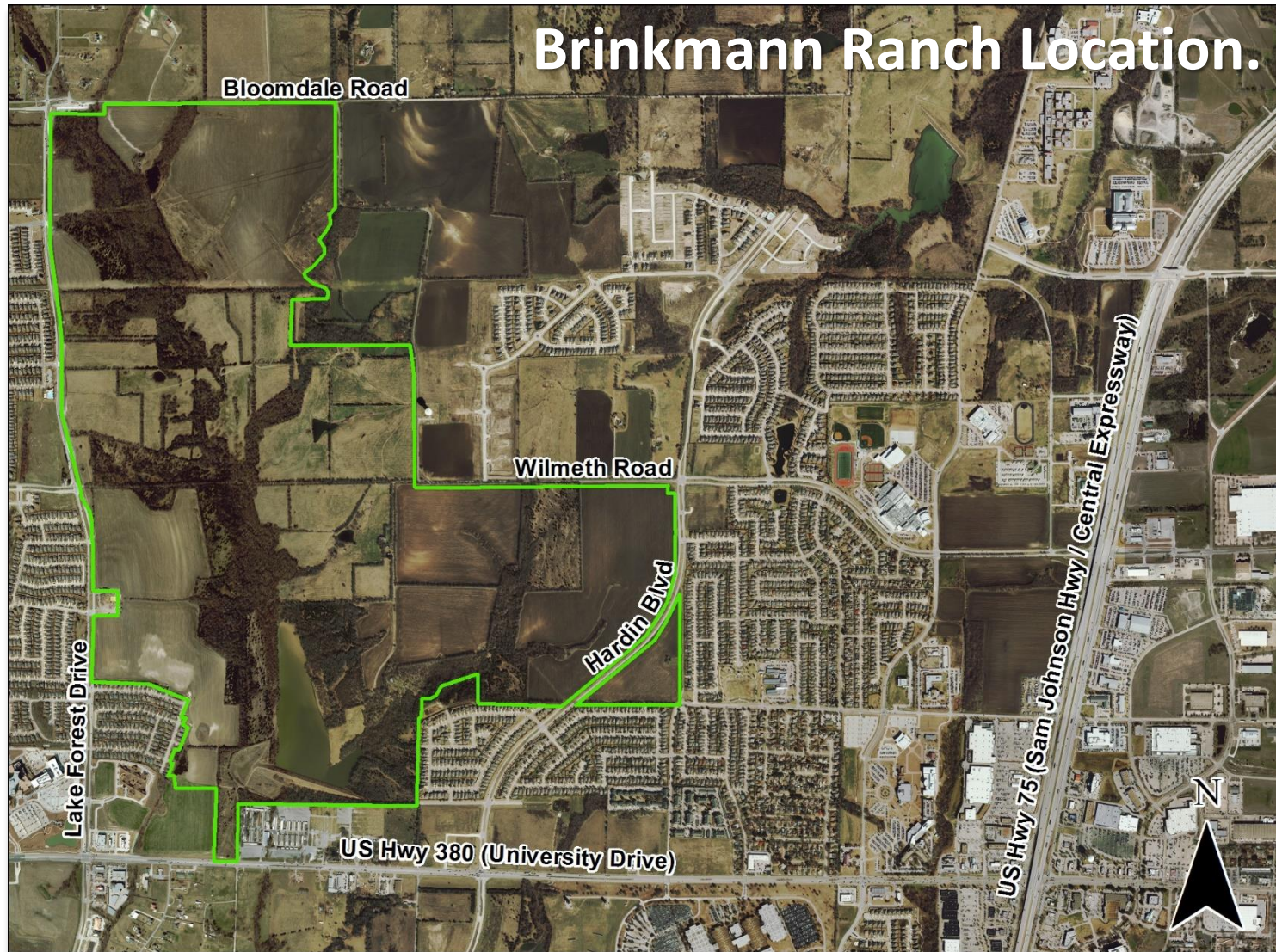
Brinkmann Ranch PID Discussion

December 4, 2017 Work Session

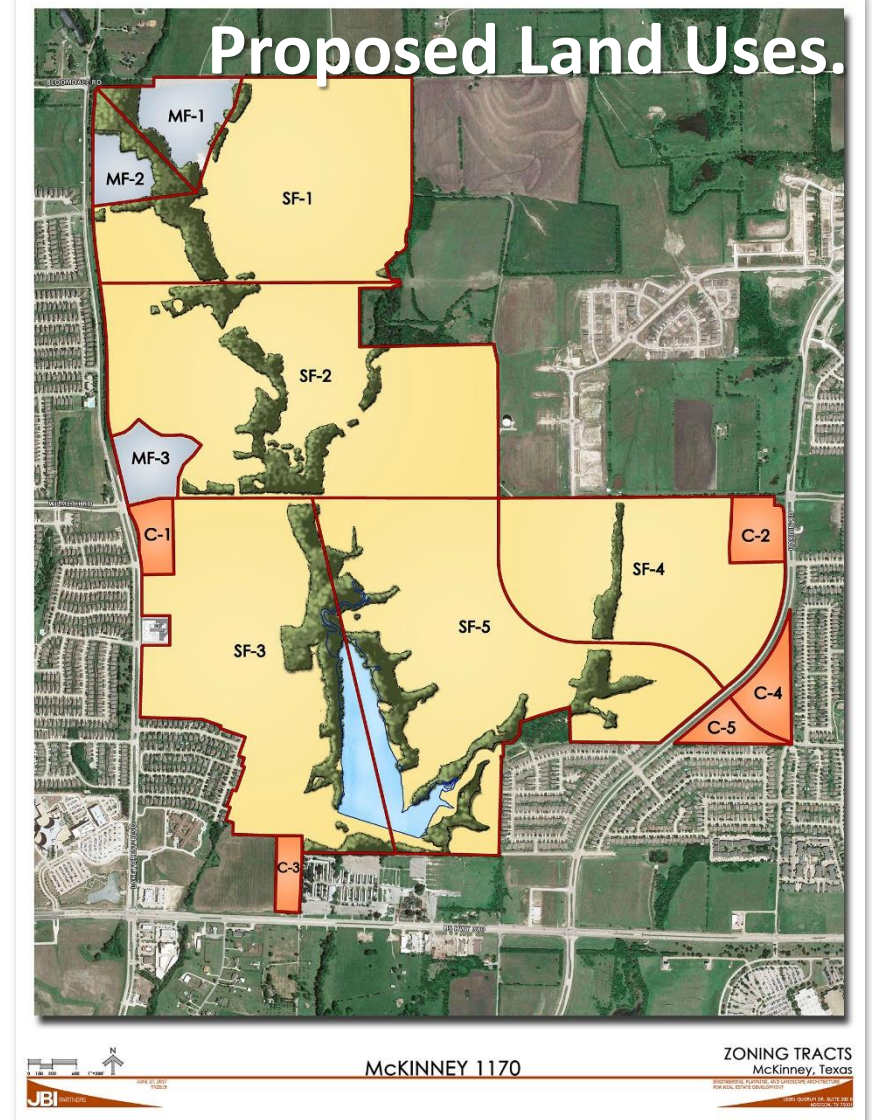
Michael Quint, Executive Director of Development Services



Background



Approximately 1,200 acres in size



Initial Zoning Exhibit Submittal

About Public Improvement Districts (PIDs)

- PIDs are typically created to fund **higher quality** services or **special** public improvements and services **beyond** those that would be typically offered or required
- Initial investments in these **higher quality** services or **special** improvements are repaid by future property/home owners through incremental assessments collected on the annual ad valorem property tax bill although the assessment may also be paid in full at the time of closing on the property
- Higher taxing equivalent costs for future property owners is justified and offset by the **higher quality** or **special** nature of the development

How the PID Assessment Works

- The following tax structure pertains to a hypothetical home valued at \$300,000.

Example Property Within a PID		
Entity	Rate per \$100 of value	Amount Due
McKinney ISD	1.62	\$4,860.00
City of McKinney	0.540199	\$1,620.59
Collin County	0.192246	\$576.73
Collin College	0.079810	\$239.43
Potential PID Yearly Assessment ¹	n/a	\$500.00
TOTAL²		\$7,796.75

1. The exact proposed PID assessment is unknown but the developer may be able to speak to this.
2. The total amount above does not include HOA dues which typically range from \$500-\$800 annually.

Example Property Not Within a PID		
Entity	Rate per \$100 of value	Amount Due
McKinney ISD	1.62	\$4,860.00
City of McKinney	0.540199	\$1,620.59
Collin County	0.192246	\$576.73
Collin College	0.079810	\$239.43
TOTAL¹		\$7,296.75

1. The total amount above does not include HOA dues which typically range from \$500-\$800 annually.

Things to Consider Before Creating a PID

- What services or special public improvements are being proposed beyond what is already required by applicable regulations?
- Given the current status of the residential housing market, is a PID necessary to realize more residential development in McKinney's Northwest Sector?
- Should PIDs be created for developments consisting of mostly residential land uses if the community's focus is non-residential or commercial development?
- The creation of a PID on this property may expedite the construction of public infrastructure to properties outside the City's corporate limits- Is that acceptable?
- Should future residents be required to pay a higher tax bill than other McKinney residents for living in the proposed development? Are the proposed services and/or improvements enough to justify this additional assessment?
- If created, who would administer the PID and who would serve as the Advisory Body?
- If created, is the City Council prepared to create additional PIDs, as new requests are sure to follow?

City Council Direction Requested

Should Staff work with the Developer to create a PID for the property commonly referred to as the Brinkmann Ranch?



17-1171

TITLE: Consider/Discuss Casting 187 Votes for the Board of Directors for the Collin Central Appraisal District

COUNCIL GOAL: Financially Sound Government]

MEETING DATE: December 4, 2017

DEPARTMENT: City Secretary

CONTACT: Sandy Hart, TRMC, MMC

RECOMMENDED CITY COUNCIL ACTION:

- Discuss casting votes for the candidate(s) to the Board of Directors to the Collin Central Appraisal District.

ITEM SUMMARY:

- This item was presented to Council at the September 18th Work Session and presented at the November 7, 2017 meeting for action. Council requested that the item be tabled to the December 4th Work Session for further discussion and to the December 5th meeting for action.
- The City of McKinney has 187 votes to cast in the election of the Board of Directors. The terms of office will be two years beginning January 1, 2018.
- Each voting unit may cast all its votes to one candidate or distribute the votes among any number of the candidates.
- Board of Director nominees are:
 - Earnest Burke - current board member
 - Ronald Carlisle - current board member
 - Wayne Mayo - current board member
 - Michael A. Pirek - current board member
 - Gary Rodenbaugh - current board member
 - Ed Standridge
- The Resolution must be delivered to the Chief Appraiser before December 15th.

BACKGROUND INFORMATION:

- In 2011, the City of McKinney cast 100 votes for Wayne Mayo and 100 votes for

Dr. Leo Fitzgerald.

- In 2013, the City of McKinney cast 60 votes for Wayne Mayo, 27 votes for Dr. Leo Fitzgerald, 20 votes for Gary Rodenbaugh, 20 votes for Roy Wilshire, 20 votes for Ronald Carlisle, 20 votes for Tiffany Burleson, and 20 votes for Michael A. Pirek.
- In 2015, the City of McKinney cast its 193 votes for John Politz.

FINANCIAL SUMMARY: N/A

SUPPORTING MATERIALS:

[Collin CAD Daffin Letter](#)

[Nominee Qualifications](#)

[2018 City of McKinney Ballot](#)

[Richardson Letter of Support for Wayne Mayo](#)



Collin Central Appraisal District

RECEIVED

October 18, 2017

OCT 28 2017

CITY SECRETARY

Sandy Hart, City Secretary
City of McKinney
P. O. Box 517
McKinney, TX 75070

RE: Board of Directors election, two-year term, beginning January 1, 2018

Dear Ms. Hart:

Enclosed you will find the ballot listing the nominees for the Board of Director positions for the Collin Central Appraisal District. The candidates are listed alphabetically by their last name.

Each voting unit must vote in an open meeting, report its vote by written resolution, and submit the resolution to the chief appraiser before December 15, 2017. Each unit may cast all its votes for one candidate or distribute the votes among any number of the candidates listed. Since there is no provision for write-in candidates, the chief appraiser may not count votes for someone not listed on the official ballot.

Sincerely,

Bo Daffin
Chief Appraiser

Enclosure



Collin Central Appraisal District

2018 - 2019
CENTRAL APPRAISAL DISTRICT
BOARD OF DIRECTOR'S NOMINATIONS

EARNEST BURKE Is a current board member and has served since 1/2016.
Nominated by Plano ISD and Collin County Community College. Resides in Plano, TX.

RONALD CARLISLE Is a current board member and has served since 1/1994.
Nominated by Frisco ISD and Collin County Community College. Resides in Frisco, TX.

WAYNE MAYO Is a current board member and has served since 1/1998.
Nominated by the City of Lucas, the City of Richardson, the City of Sachse, Plano ISD and Collin County Community College. Resides in Richardson, TX.

MICHAEL A. PIREK Is a current board member and has served since 1/2014.
Nominated by the City of Plano, Plano ISD, and Collin County Community College. Resides in Plano, TX.

GARY RODENBAUGH Is a current board member and has served since 1/2001.
Nominated by the Allen ISD and Collin County Community College. Resides in Allen, TX.

ED STANDRIDGE Nominated by the City of Parker. Resides in Parker, TX.



Collin Central Appraisal District

OFFICIAL BALLOT

ISSUED TO: **City of McKinney**

NUMBER OF VOTES: **187**

FOR: **BOARD OF DIRECTORS, COLLIN CENTRAL APPRAISAL DISTRICT, TWO-YEAR TERM
BEGINNING JANUARY 1, 2018.**

EARNEST BURKE _____ VOTES

RONALD CARLISLE _____ VOTES


WAYNE MAYO _____ VOTES

MICHAEL A. PIREK _____ VOTES

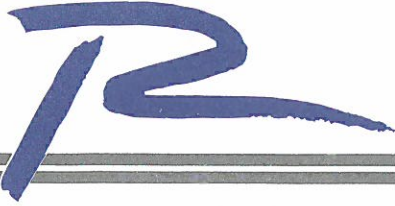
GARY RODENBAUGH _____ VOTES

ED STANDRIDGE _____ VOTES

October 18, 2017


Bo Daffin, Chief Appraiser

Section 6.03 (g) of the State Property Tax Code requires the above action be taken by resolution, therefore, please attach a copy of the resolution to this ballot and return to the chief appraiser, at 250 Eldorado Pkwy., McKinney, Texas 75069, before December 15, 2017.



September 26, 2017

Mr. George Fuller
Mayor
City of McKinney
P.O. Box 517
McKinney, Texas 75070

City Council
Paul Voelker
Mayor
Mark Solomon
Mayor Pro Tem
Bob Dubey
Scott Dunn
Mabel Simpson
Marta Gómez Frey
Steve Mitchell

Dan Johnson
City Manager

Dear Mr. Fuller:

As you may be aware, the Central Appraisal District of Collin County (CCAD) has initiated contact to each taxing entity to establish the CCAD Board of Director elections for 2018-2019. We have enclosed the City of Richardson's nomination resolution to CCAD for Wayne Mayo, which placed his name on the CCAD ballot.

Wayne currently serves on the CCAD Board and provides valuable guidance and leadership. He has served CCAD now for 26 years, 6 years with the Appraisal Review Board and 20 years on the CCAD Board. He has served as Chairman of the Board since 2004. We have enclosed Wayne's biographical information for your reference.

Due to the format of the CCAD election by-laws regarding vote allocations, the City of Richardson has 65 votes to cast, and we are aware of City of McKinney's designation of 187 votes. As before, it will take a coalition of votes to gain Wayne's election. **We ask that you support the re-election of Wayne Mayo when you receive your CCAD ballot.**

Thank you for your support. If we can answer any questions concerning this request, feel free to contact me or City Manager Dan Johnson.

Sincerely,

Paul Voelker
Mayor, City of Richardson

Enclosures

Cc: Paul Grimes, McKinney City Manager
Dan Johnson, Richardson City Manager

P.O. Box 830309
Richardson, TX
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972-744-4100
Fax 972-744-5803
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