



17-1195

TITLE: Consider/Discuss/Act on a Resolution Authorizing the City Manager to Release Development Agreements Previously Executed as Part of the City of McKinney's 2017 Municipal Annexation Plan

COUNCIL GOAL: Operational Excellence

MEETING DATE: December 5, 2017

DEPARTMENT: Development Services - Planning Department

CONTACT: Jennifer Arnold, Planning Manager
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Brian Lockley, AICP, CPM, Director of Planning
Alan Lathrom, Assistant City Attorney

RECOMMENDED CITY COUNCIL ACTION:

- Staff recommends approval of the proposed resolution.

ITEM SUMMARY:

- The proposed resolution authorizes the City Manager to release, at the request of a property owner, development agreements that were previously executed as part of the City's 2017 Municipal Annexation Policy/Plan.
- In January 2017, the City of McKinney approved the 2017 Municipal Annexation Policy, which included an annexation plan component that proposed the annexation of approximately 218 acres of land located in the McKinney extraterritorial jurisdiction (ETJ) into the corporate limits of McKinney.
- Pursuant to Chapter 43 of the Texas Local Government Code (LGC), the proposed annexation of these 218 acres was scheduled to occur on the third anniversary of the policy/plan adoption (January 2020). In conjunction with this, the city offered development agreements to qualified property owners within the proposed annexation area and, ultimately, executed 19 agreements as part of the 2017 Municipal Annexation Policy/Plan.

- However, recent changes in state law went into effect on December 1, 2017 and modified the procedures for carrying out municipal annexations. Annexations not completed before the effective date of these changes are subject to the new procedures of Chapter 43 of the LGC.
- As a result of the changes in state law, the City of McKinney halted its efforts to annex the 218 acres identified in the 2017 Municipal Annexation Policy/Plan.
- In a related item on tonight's agenda, Staff has recommended an amendment to the 2017 Municipal Annexation Policy/Plan to formally acknowledge the new state law requirements and to formally remove the annexation plan component of the policy document.
- Over the last several months, Staff has been contacted by some of the property owners who executed a development agreement with the city as part of the 2017 Municipal Annexation Policy/Plan. These owners have expressed a desire to be released from their development agreement.
- Given the above-mentioned events, Staff recommends that City Council authorize the release of development agreements executed as part of the 2017 Municipal Annexation Policy/Plan, if such release is requested by the property owner.
- In some cases, a property owner may desire to maintain their executed development agreement with the city. In these cases, Staff recommends that those agreements remain in place. However, it should be noted that the future potential annexation of properties who maintain their agreement will be dependent on the property's contiguity to the city limits at the time annexation is considered.
- Following action by the Council, City Staff will provide written notice to each property owner identified in the 2017 Municipal Annexation Policy/Plan notifying them of the changes to the Policy document and, if applicable, their right to request the rescission of their executed agreement with the city. Staff recommends that requests to rescind a development agreement must be received within 90 days of the effective date of the resolution (on or about March 5, 2018).

BACKGROUND INFORMATION:

- At the January 17, 2017 City Council Meeting, City Council approved the 2017 Municipal Annexation Policy by Ordinance No. 2017-01-012.
- Included in the 2017 Policy, was the proposed annexation of approximately 49 acres of land generally located north of CR 857 and east of Custer Road (commonly referred to as Walnut Grove North) and approximately 169 acres of

land generally located along the north side of US 380 between FM 1827 and CR 337 (commonly referred to as South New Hope) pursuant to the municipal annexation plan requires of state law.

- As part of the proposed annexation, City Council authorized the City Manager to execute all necessary development agreements required in compliance with state law.
- A template of the development agreement that was offered to property owners as part of the 2017 Municipal Annexation Policy/Plan is attached for reference.
- A map of the proposed annexation area and the properties currently subject to a development area is attached for reference.
- The rescission of these development agreements will release the property owner from the terms of the agreement and result in the continuation of the property's extraterritorial jurisdiction status within the county.

SUPPORTING MATERIALS:

[2017 Municipal Annexation Policy](#)
[Offered Development Agreement](#)
[2017 Municipal Annex Plan Area](#)
[Proposed Resolution](#)