



**18-0001A**

**TITLE:** Conduct a Public Hearing to Consider and Discuss a Petition by the City of McKinney to Annex the Subject Property, Located on the Northside of Virginia Parkway, Approximately 100 Feet East of Forkhorn Drive

**COUNCIL GOAL:** Direction for Strategic and Economic Growth  
(1C: Provide a strong city economy by facilitating a balance between industrial, commercial, residential and open space)

**MEETING DATE:** December 4, 2018

**DEPARTMENT:** Planning Department

**CONTACT:** Jennifer Arnold, AICP, Director of Planning  
Aaron Bloxham, Planner II

**RECOMMENDED CITY COUNCIL ACTION:**

- Conduct the first of two public hearings regarding the annexation of a city owned property.

**ITEM SUMMARY:**

- The City of McKinney is proposing to annex approximately 1.2 acres of City owned property located on the north side of Virginia Parkway, approximately 100 feet east of Forkhorn Drive.
- If annexed, the subject property will be zoned pursuant to a pending zoning case (18-0137Z) that will be considered at the December 18, 2018 City Council Meeting. The associated zoning request will cover a little less land than the annexation petition due to the Virginia Parkway ROW.
- The City is proposing to zone the subject property "PD" Planned Development district for single family residential uses and will follow the SF-3 development regulations for Ord. No. 2001-02-024.
- The subject property is located in the Extraterritorial Jurisdiction (ETJ) of the City

of McKinney. The purpose of the ETJ is to promote the general Health, safety and welfare of person residing in and adjacent to the municipalities. The subdivision applies to property within the ETJ; the Zoning Ordinance does not.

- 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, is being considered for final action concurrently with the annexation request at the December 18, 2018 City Council meeting.
- The annexation is associated with a development agreement where the City and Developer will swap land to increase the size of a neighborhood park in the area.
- In accordance with the Texas Local Government Code, the City Council will consider the proposed annexation at the following dates and times:
  - December 4, 2018 at 6:00 pm, Regular City Council Meeting - 1<sup>st</sup> Public Hearing
  - December 18, 2018 at 6:00 pm, Regular City Council Meeting - 2<sup>nd</sup> Public Hearing and Final Action

#### **BACKGROUND INFORMATION:**

- In 2010, The property was purchased as part of the Virginia Parkway Right-of-Way (ROW) expansion to reconstruct the existing 2 lane road as a 4 lane road with a 6-lane ultimate ROW.
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 Subchapter C-3).
    - The subject property that is proposed to be annexed is vacant land.
    - 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 per the terms of the annexation agreement regarding services (Texas

Local Government Code §43.0672).

- The Texas Local Government Code stipulates that solid waste collection must be available upon annexation and provided on or before the second anniversary of the annexation (Texas Local Government Code §43.0661).

## 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. However, the size and location of the property being annexed will not have a significant financial impact to the city.
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- 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 1 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 2014. An ISO rating of 1 is required to be evaluated every 4 years.

- 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

**SUPPORTING MATERIALS:**

[Location Map and Aerial Agreement](#)

[Comprehensive Plan Maps](#)

[Draft - Agreement to Provide Municipal Services  
Presentation](#)