



TITLE: Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute All Necessary Development Agreements in Association with the Pending Municipal Annexations Generally Located in the Northwest Sector of McKinney

COUNCIL GOAL: Direction for Strategic and Economic Growth

MEETING DATE: September 19, 2017

DEPARTMENT: Planning Department

CONTACT: Jennifer Arnold, Planning Manager
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Brian Lockley, AICP, Planning Director
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 execute all development and annexation agreements associated with the City's efforts to annex land generally located in the Northwest Sector of the City of McKinney.
- As part of this annexation process, development and annexation agreements have been offered to all property owners in the proposed annexation area.

Agreements for Recognized Agricultural, Wildlife Management, or Timber Land Properties

- Section 43.035 of the Texas Local Government Code outlines that before a municipality may annex property which is subject to an agricultural, wildlife management or timber land ad valorem tax exemption, the municipality shall first offer to enter into an annexation agreement pursuant to Section 212.172 of the Texas Local Government Code.

- Section 212.172 of the Texas Local Government Code, among other things, guarantees: (1) the ETJ status of the property can continue for a stated period of time unless any type of development plat or related development document for the property is filed with a government agency, whichever date occurs first; and (2) authorizes the enforcement of all regulations and planning authority of the City that do not interfere with the use of the property for agricultural, wildlife management or timber land purposes.
- A template of the offered development agreement for these properties is attached for reference. The anticipated execution of these agreements will follow the attached template; however final executed agreements may include minor modifications based on discussions with qualifying property owners. Minor modifications will not affect the intent of the agreement and will be reviewed and approved by the City's legal counsel.

Agreements for Non-Recognized Agricultural Properties

- As part of the annexation process, the City has also offered development agreements under Section 212.172 of the Texas Local Government Code to those properties which do not qualify as agricultural, wildlife management, and timber uses by the Collin Central Appraisal District.
- In general, these offered agreements provide for tax reimbursement of city ad valorem taxes for a period of three years following annexation (save and except any rollback taxes).
- A template of the offered development agreement for these properties is attached for reference. The anticipated execution of these agreements will follow the attached template; however final executed agreements may include minor modifications based on discussions with property owners. Minor modifications will not affect the intent of the agreement and will be reviewed and approved by the City's legal counsel.
- Several property owners included in the annexation area have shown interest in executing development and/or annexation agreements with the City of McKinney in accordance with Section 212.172 of the Texas Local Government Code. In order to carry out these activities, Staff is requesting City Council approval authorizing the City Manager to execute these agreements.

BACKGROUND INFORMATION:

- The annexation of land is governed by Section 43 of the Texas Local Government Code. This code section outlines the steps and procedures that must be followed in order to incorporate land that is within a municipality's extraterritorial jurisdiction (ETJ) into its corporate city limits. The proposed

annexation is following these statutory obligations.

- The City Council has agreed that portions of its Extraterritorial Jurisdiction (ETJ) generally located in the Northwest Sector of McKinney should be annexed into its corporate limits.

SUPPORTING MATERIALS:

[Resolution](#)

[Proposed Annexation Area](#)

[AG Annexation Agreement](#)

[NON-AG Development Agreement](#)