



17-249A4

TITLE: Consider/Discuss/Act on a Request by the City of McKinney to Annex Approximately 3,821 Acres of Land along the Northwestern Boundary of the City of McKinney's Corporate Limits Generally Located in Areas Described as Being: Along and Extending to the North and the South from the East-West Section of FM 1461 from FM 2478 to East of CR 166 and Extending to the North, South and East from and about Geren Trail; at and Around Stover Creek and the North-South Section of CR 161 Between US Highway 380 (University Drive) and CR 123 and Extending Along and from a Portion of CR 124; at and Around the North Side of US Highway 380 (University Drive) Between Ridge Road and Lake Forest Drive; at and Around the Northeast Quadrant of Lake Forest Drive and Wilmeth Road Extending to the Western Boundary of Erwin Park and Extending as far North as CR 1006; at and Around the Northwest Quadrant of Hardin Boulevard and Wilmeth Road Extending to the North and West; at and Around CR 164 South and East of Erwin Park and at and Around CR 201 Extending to the Eastern Boundary of Erwin Park and Extending North to CR 1006; and Extending to the South from the Southern Boundary of the McKinney Municipal Utility District No. 1 of Collin County (Trinity Falls M.U.D.) and FM 543 and Along and Around Both the North-South Section and the East-West Section of CR 202 in a Southerly Direction to the City's Current Northern Corporate Boundary Extending in an Easterly Direction from CR 201 and CR 1200 and Extending to the East and West Along and Around Both Sides of Trinity Falls Parkway into the City of McKinney's Corporate Limits. **(STAFF REQUESTS THAT THIS ITEM BE TABLED)**

COUNCIL GOAL: Direction for Strategic and Economic Growth

MEETING DATE: November 7, 2017

DEPARTMENT: Development Services - Planning Department

CONTACT: Jennifer Arnold, Planning Manager
Aaron Bloxham, Planner II
Brian Lockley, AICP, Director of Planning

RECOMMENDED CITY COUNCIL ACTION:

- Staff recommends tabling this item to the November 15, 2017 Special City Council Meeting. However, should the Council desire to take action on this item during tonight's meeting, the following are actions that could be considered:
 - Approve the item. To remain in compliance with Section 43.063 of the Texas Local Government Code (Annexation Hearing Requirements), approval of the proposed annexation cannot occur during tonight's meeting.
 - Table the item to November 15. The Council may consider tabling this item to the November 15 Special City Council Meeting. This would require that the associated zoning request on tonight's agenda (17-250Z) also be tabled and its public hearing continued to the November 15th Special City Council Meeting.
 - Table the item indefinitely. The Council may consider tabling this item indefinitely and no action could be taken on the current annexation proceedings due to not meeting the timelines outlined in Section 43.063 of the Texas Local Government Code (Annexation Hearing Requirements). This would require that the associated zoning request on tonight's agenda (17-250Z) be withdrawn because the City would have no authority to zone property that is not incorporated (annexed) into the city limits. It would also be necessary to rescind any authority granted to the City Manager to execute development agreements pursuant to Resolution No. 2017-09-182.
 - Terminate the Annexation Proceedings. The Council may consider a vote to terminate all annexation proceedings. This would require that the associated zoning request on tonight's agenda (17-250Z2) be withdrawn because the City would have no authority to zone property that is not incorporated (annexed) into the city limits. It would also be necessary to rescind any authority granted to the City Manager to execute development agreements pursuant to Resolution No. 2017-09-182.

ITEM SUMMARY:

- This item is to consider/discuss/act on an Ordinance for annexation of approximately 3,821 acres of land located in the extraterritorial jurisdiction (ETJ) of McKinney.
- Proposed annexation of the area has been initiated by the City of McKinney in an effort to implement the goals and strategies identified by City Council to provide direction for strategic and economic growth. This is primarily in relationship to the high amount of growth expected in the coming years, the development pressures being felt in many areas of the city's ETJ, and the city's investment in public infrastructure projects.

- The area proposed for annexation is within the northwest sector of McKinney and is currently located in the ETJ. The purpose of the ETJ is to promote and protect the general health, safety and welfare of persons residing in and adjacent to municipalities. While the Subdivision Ordinance applies to properties within the ETJ, the Zoning Ordinance does not.
- If annexed, the properties included in the proposed annexation area are proposed to be zoned “AG” - Agricultural District (see associated agenda item number 17-250Z).
- As well, the attached service plan has been prepared pursuant to Chapter 43.056 of the Texas Local Government Code and describes the municipal services to be provided to the annexation area should annexation be approved.

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.
- During the August 28, 2017 City Council Meeting, the Council approved Resolution No. 2017-08-160, authorizing the initiation of annexation proceedings for approximately 3,821 acres of land generally located along the northwestern boundary of the City of McKinney’s corporate limit. The area proposed for annexation is minimally populated.
- During the September 19th City Council meeting, City Council formally directed Staff to prepare a Service Plan for the proposed annexation area and also authorized the City Manager to execute all necessary development agreements in association with the proposed annexation.
- The McKinney Fire Department currently provides fire and medical emergency services in this area. Currently, police response is provided by Collin County. The Texas Local Government Code §43.056 stipulates that police and fire services must be provided immediately upon annexation.
- The Texas Local Government Code §43.056 stipulates that solid waste collection must be provided immediately upon annexation.
- Full municipal services shall be provided in accordance with the attached service plan.

- The proposed annexation area is located within the McKinney and Prosper Independent School Districts. McKinney ISD and Prosper ISD have been informed of the proposed annexation.
- In accordance with the Texas Local Government Code, the City Council considered the proposed annexation at the following dates and times:
 - October 16, 2017 at 5:30 pm Special City Council Meeting (1st Public Hearing)
 - October 17, 2017 at 6 pm Regular City Council Meeting (2nd Public Hearing)
 - October 25, 2017 at 12 pm (Noon) Special City Council Meeting (3rd Public Hearing at Nature Nate's)

FINANCIAL SUMMARY:

Annexation of additional property has financial implications for the City. Some, but not all, of the financial implications are listed below:

- As private development occurs in the proposed annexation area, any ultimate developer(s) will be responsible for upgrading roads and extending utilities. However, the long-term maintenance of those facilities will be the City's responsibility.
- The ISO rating determines insurance rates in McKinney. Availability of water resources in proposed annexed areas have impacts 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. The latest evaluation was conducted in 2014. An ISO rating of 1 is required to be evaluated every 4 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 due to extended response time to citizens living within the area to be annexed or due to the current water supply and roadway infrastructure to the property which may impact firefighting capabilities.
- Due to the ongoing execution of development agreements, an estimation of ad valorem tax revenues will not be known until after the annexation process is complete.

SUPPORTING MATERIALS:

[Location Map & Aerial Exhibit](#)

[Proposed Service Plan](#)

[Property Owner Land Use Letters](#)

[PowerPoint Presentation](#)