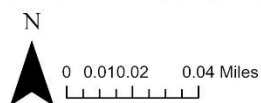
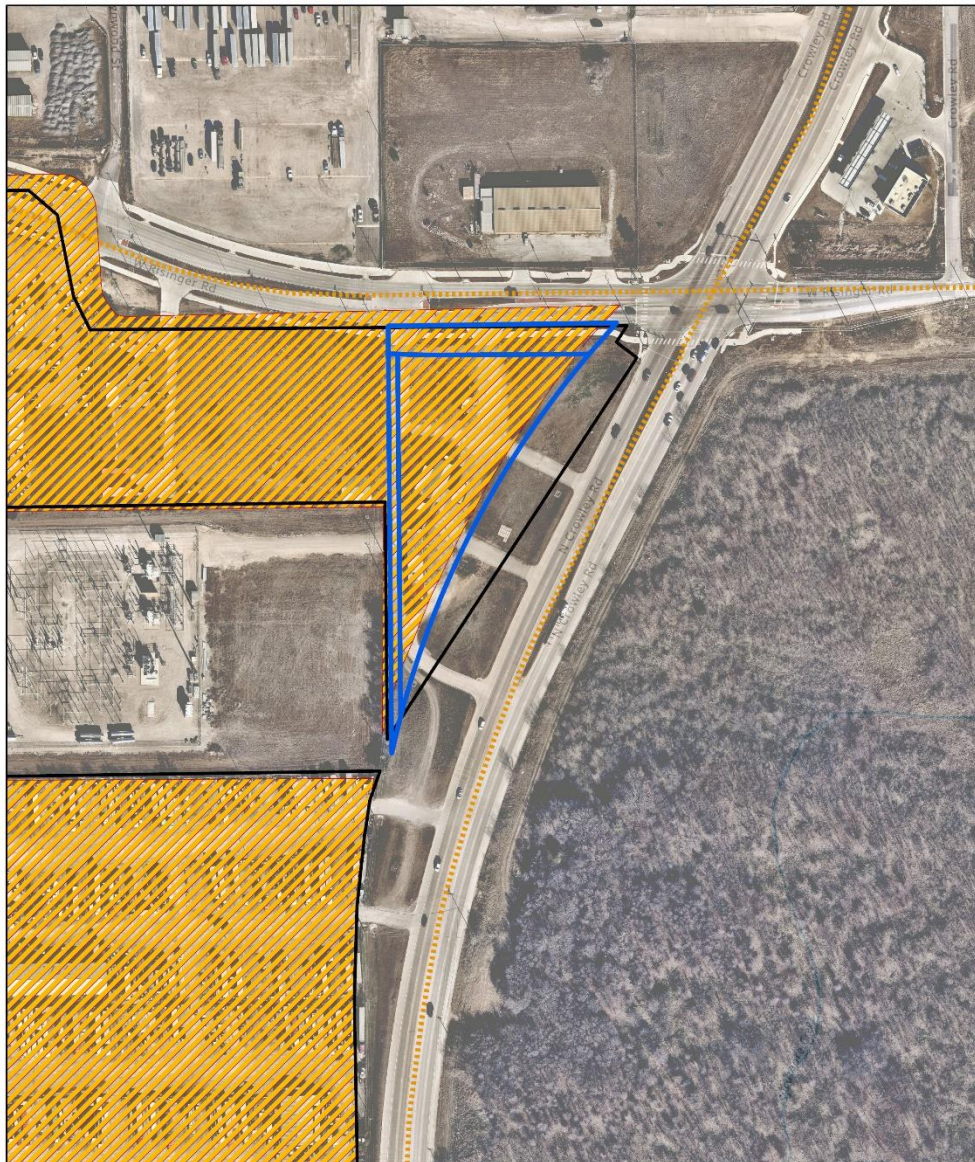


Owner-Initiated Annexation Request
Case # AX-24-005
Quiktrip
Approximately 3.10 Acres

Staff Report on Fiscal Sustainability Impact
Prepared for City Council by The FWLab



Quicktrip
AX-24-005

-  Master Thoroughfare Plan
-  Planned Service Area
-  Subject Property

TABLE OF CONTENTS

RECOMMENDATION HIGHLIGHTS	3
EXISTING CONDITIONS	5
COMPREHENSIVE PLAN CONSISTENCY	6
WATER DEPARTMENT	7
TRANSPORTATION AND PUBLIC WORKS - ROADS AND STREETS	8
TRANSPORTATION AND PUBLIC WORKS - STORMWATER	9
POLICE DEPARTMENT	10
FIRE DEPARTMENT	11
CODE COMPLIANCE — ANIMAL CONTROL (ACC)	14
ENVIRONMENTAL SERVICES DEPARTMENT - SOLID WASTE SERVICES	15
ENVIRONMENTAL SERVICES DEPARTMENT - ENVIRONMENTAL QUALITY	16
PARK AND RECREATION	17
SUMMARY AND OVERALL RECOMMENDATION	18
(COMPLETED BY THE FW LAB)	18
Expenditures	18
Revenues	18
Applicable Comprehensive Plan Land Use Policies	18
Land Use Recommendation	19
Overall Recommendation	19

RECOMMENDATION HIGHLIGHTS

Financial Overview:

The current financial analysis includes total revenue, expenditures, balance, and cumulative total, with the exclusion of significant future City expenditures for road and street construction and maintenance. However, the Transportation and Public Works Department has calculated estimates for the cost per lane mile and maintenance expenses. Collaborative efforts led by the FWLab and various departments aim to refine cost estimates, providing enhanced clarity for future fiscal impact assessments. Estimated revenues and expenditures are summarized in the table below.

Estimate Year	Total Revenue	Total Expenditures	Cumulative Total Net
Year 5	\$204,358	\$770,231	(\$565,873)
Year 10	\$411,502	\$1,662,402	(\$1,250,900)
Year 15	\$621,724	\$2,696,692	(\$2,074,969)
Year 20	\$835,341	\$3,895,240	(\$3,059,899)
Year 40	\$1,731,427	\$4,373,677	(\$2,642,251)

The Total Revenue calculation includes an annual 2% value increase in property tax revenue.

Expenditures:

Anticipated future City expenditures include maintenance and reconstruction of public streets, parkland operational costs, stormwater management, emergency services, environmental quality, animal control, and water department extensions. The costs will generally increase with development and infrastructure aging, impacting annual revenue requirements. While, the projected negative financial impact is primarily attributed to anticipated Police Department expenditures, it's important to recognize that these costs are associated with maintaining public safety and ensuring a secure environment for both residents and businesses.

Revenues:

Following completion of the proposed development project, the City anticipates reaching an estimated negative cumulative total of \$2,642,251 within forty years, assuming no changes in value or tax rates.

Applicable Comprehensive Plan Land Use Policies:

Several Comprehensive Plan policies guide the proposed annexation, emphasizing industrial development in specific growth areas, locating large industrial uses strategically, and protecting significant industrial districts. The following land use policies support the proposed annexation:

1. Promote fiscally sustainable growth on the periphery of the city by encouraging development adjacent to existing adequate infrastructure and discouraging leapfrog development.
2. Separate incompatible land uses with buffers or transitional uses. Some land uses have attributes such as height, proportion, scale, operational characteristics, traffic generated, or appearance that may not be compatible with the attributes of other uses.
3. Locate large industrial uses along freight rail lines, highways, or airports within industrial growth centers and other appropriate locations
4. Protect industrial areas from encroachment. Through zoning, ensure that existing and planned major employment nodes and districts are protected from incompatible land uses and development.

Land Use Recommendation:

The proposed commercial land use is consistent with the adopted Light Industrial Future Land Use designation. This recommendation aligns with the district's objective to support a mix of light industrial activities, which often require ancillary commercial services such as fueling stations.

Overall Recommendation:

Annual impacts on the General Fund are expected to be negative following construction, based on the information provided by departments and the developer, driven by anticipated Police Department expenditures. While the annexation meets the City's criteria for full-purpose annexation due to its location as part of an enclave and aligns with the Comprehensive Plan policies, the long-term financial sustainability poses a potential concern.




EXISTING CONDITIONS

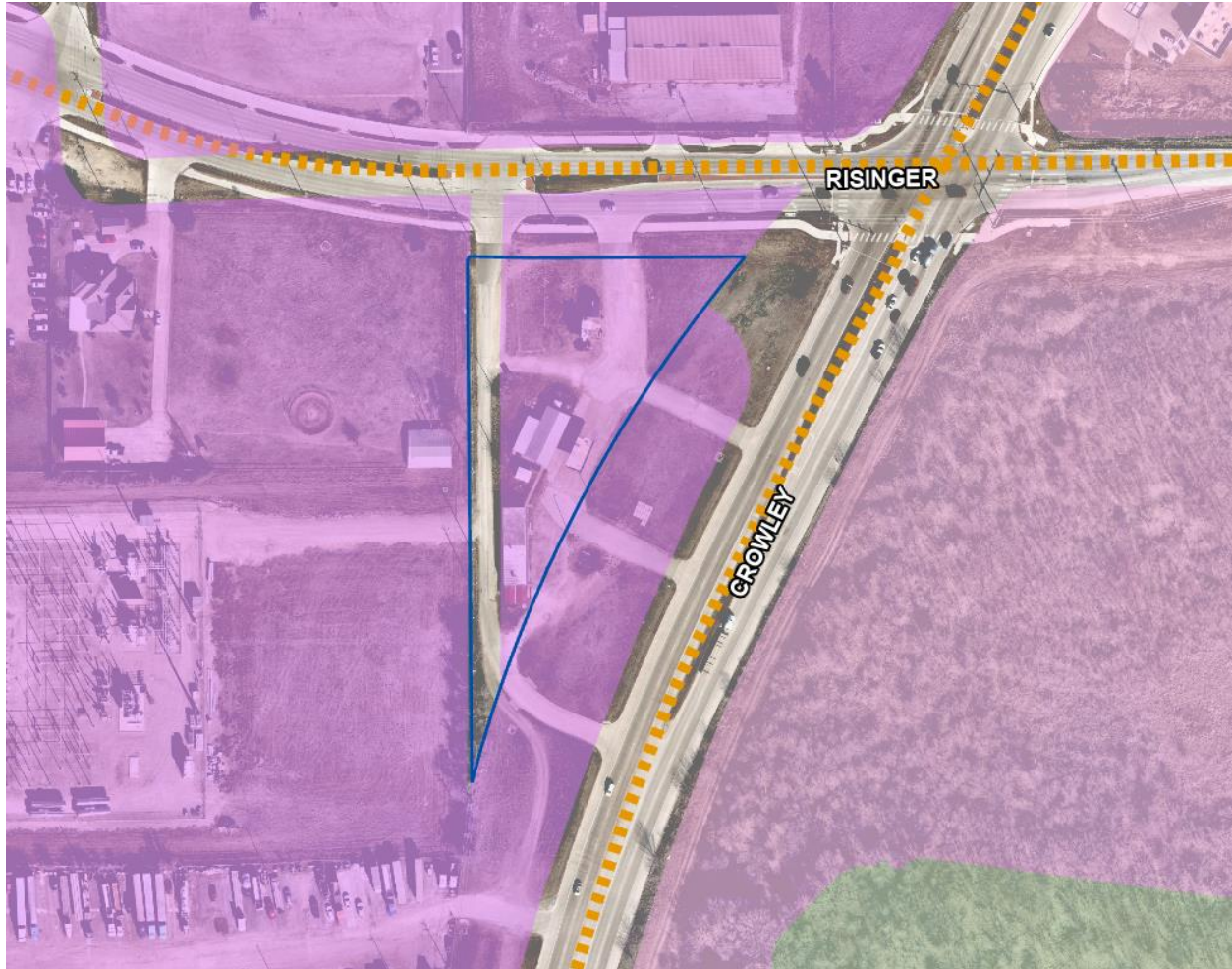
Description	Approximately 3.10 acres of land located adjacent to N. Crowley Road
Request Type	Annexation – Full Purpose.
Council District	6
Comprehensive Plan Future Land Use	The adopted 2023 Comprehensive Plan’s Future Land Use designation is Light Industrial.
Floodplain	No
Current & Proposed Zoning	Current Zoning - Industrial Proposed Zoning – E-Neighborhood Commercial
Existing Land Use	Light Industrial
Included in Planned Service Area	Enclave PSA
Enclave	Yes (Portion of enclave)
Planning Sector	Far South
ROW	No
Concept Plan	No
Preliminary Plat	Yes
Final Plat	No
Independent School District	Crowley ISD

COMPREHENSIVE PLAN CONSISTENCY

The adopted 2023 Comprehensive Plan designates the proposed annexation area as Light Industrial on the City's Future Land Use Map. The annexation application and associated preliminary plat for the property propose 3.10 acres of an ancillary commercial use (gas station and convenience store). This use is consistent with the Light Industrial Future Land Use designation and will not require any amendment to the Future Land Use Map.

Adopted Future Land Use:

 Subject Property  Light Industrial  Neighborhood Commercial



WATER DEPARTMENT

Water Department has requested that a sewer study be submitted through Accela for review in relation to the necessary sewer approach main needed to serve the development. It is anticipated that approximately 930 linear feet of public sewer infrastructure will need to be constructed as part of this annexation.

1. How does this proposal align with your department’s plans and policies? List policies from department’s plan that this annexation proposal supports (Strategic Plan, Master Plan, Neighborhood Plan, etc.): Proposal is consistent with the City Comprehensive Plan. The proposed annexation aligns with the Water Department Water and Sewer Master Plans regarding land use.

2. How will this proposal affect your key performance indicators? This annexation is not expected to significantly impact KPIs for the maintenance of water and sewer assets. The cumulative impacts of all annexations on maintenance-related KPIs over time will be more significant. Utility management does not anticipate a need for additional water/sewer capital improvements in this annexation area for the foreseeable future, other than those noted above.

3. Department Recommendation: Water Department supports annexation request.

Estimated Cumulative Expenditures and Revenues

Estimated Cumulative Expenditures (2024 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Infrastructure					
Operation & Maintenance	63,921	\$131,103	\$201,711	\$275,922	\$612,599
Capital	-	-	-	-	-

Estimated Cumulative Revenues (2023 Dollars, assuming 1% annual inflation starting in 2025)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Revenue	\$8,714	\$18,815	\$32,119	\$45,694	\$125,345

TRANSPORTATION AND PUBLIC WORKS - ROADS AND STREETS

The following table provides an overview of estimated costs per lane mile categorized by street type, providing financial considerations associated with the proposed development. This data aims to highlight the distinct financial implications of developing and maintaining each proposed street type.

Street Type	Average Cost per Lane Mile	Lane Miles in Development	Estimated Costs for Development
Arterials	N/A	N/A	N/A
Collectors & Locals	N/A	N/A	N/A
Scope: Cost includes roadway pavement, drainage, street lights, traffic signals, 5 to 10-foot side paths (sidewalks) and traffic signs. Figures represent hard construction cost only. Engineering, ROW, permitting, project management, etc. not included.			

How does this proposal align with your department’s plans and policies? No anticipated impact since Risinger road is constructed to City standards and is currently maintained by the city. Crowley Road is TxDOT right-of-way.

How will this proposal affect your key performance indicators? No anticipated impact.

Recommendation: Support annexation

TRANSPORTATION AND PUBLIC WORKS - STORMWATER

How does this proposal align with your department’s plans and policies?

The annexation will increase future maintenance costs and staff time required for the estimated storm system infrastructure associated with this development. Additional staff may be required to maintain existing service levels when the cumulative impacts of all annexations are considered.

How will this proposal affect your key performance indicators?

The storm system infrastructure from this particular annexation is not expected to significantly impact KPIs. However, the cumulative impacts of all annexations on maintenance-related KPIs may be more significant. Stormwater management does not anticipate a need for stormwater capital improvements in this annexation area for the foreseeable future. Therefore, no impact to our capital delivery key performance indicators is expected at this time.

Recommendation: Stormwater supports the annexation since the revenue is expected to be higher than the anticipated combined capital expenses and maintenance expenses, assuming that the new development will be built per the City’s drainage regulations and standards.

Estimated Cumulative Expenditures and Revenues

Estimated Cumulative Expenditures (assuming 3% annual inflation)					
Infrastructure Operation & Maintenance	5 Years	10 Years	15 Years	20 Years	40 Years
4 Inlets and 738 Linear Feet of Pipe	\$5,367	\$11,434	\$18,201	\$25,668	\$36,481

Departmental Review Comments — Expenditures:

Estimated Cumulative Revenues (2024 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Revenue	\$5,208	\$10,416	\$15,624	\$20,832	\$41,664

POLICE DEPARTMENT

The Police Department has projected demand for service based on the best information currently available. Future expenses are highly dependent on the expected uses, density level, transportation infrastructure, and timing of development. Operational, Capital, and Personnel expenses are unknown at this time and are dependent on if a new patrol division, additional personnel (patrol officers, neighborhood police officers, communications staff, etc.), or a new facility is necessary.

How does this proposal align with your department’s plans and policies? Additional calls for service will increase operational needs for the Police Department. As the land is developed, the Police Department will continue to evaluate call loads to determine whether a new patrol division, additional personnel (patrol officers, neighborhood police officers, communications staff, etc.), or a new facility is necessary.

How will this proposal affect your key performance indicators? Once the property is fully developed, Priority 1, 2, and 3 response times could increase for South Division, Police Beat I18, Police Reporting Area D350 depending on the expected uses, density level, transportation infrastructure, and timing of development.

Recommendation: Support Annexation

Estimated Cumulative Expenditures and Revenues

Estimated Expenditures of Service (2023 Dollars)					
Costs per call	5 Years	10 Years	15 Years	20 Years	40 Years
Single-Family					
Commercial	\$763,560	\$1,648,735	\$2,674,896	\$3,864,497	\$4,319,979
Total					

Departmental Review Comments, Expenditures: Once the property is fully developed, call load is estimated to be approximately 90 calls for the E-Neighborhood Commercial development a year. The average cost per call is \$799 per officer. Based on the assumption that at least two officers will respond to a call, \$1,598 per call is used to calculate the cost of service. The average annual cost of service for this development is estimated to be \$143,820 for the E-Neighborhood Commercial development. Estimated expenditures assume that there are 90 calls per year and two officers responding to each call. An inflation rate of 3% was used to calculate the expenditures. Expenditures are rounded to the nearest whole dollar.

Estimated Cumulative Revenues (2023 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Revenue					

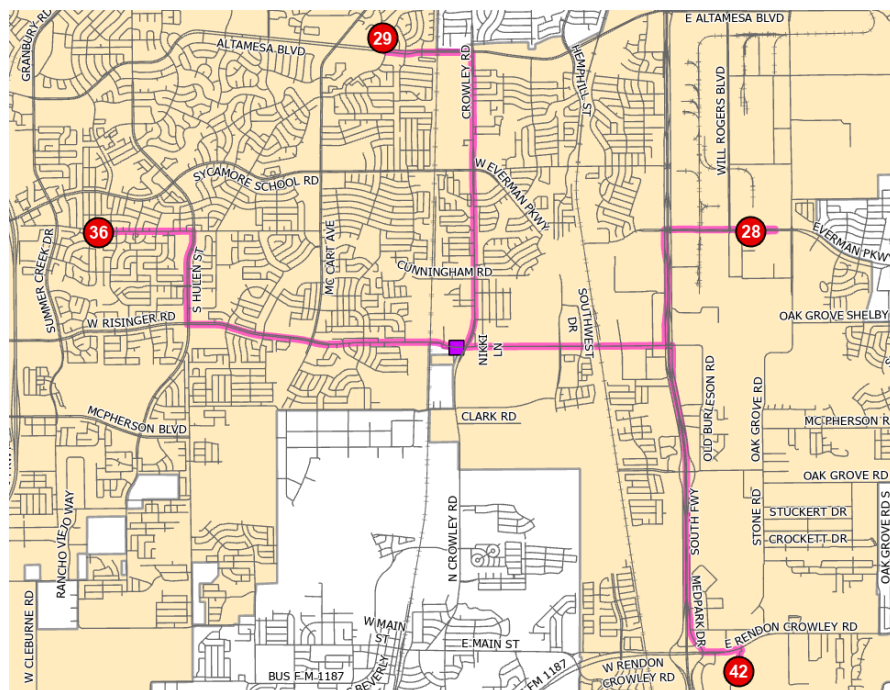
FIRE DEPARTMENT

FIRE DEPARTMENT

The following table outlines the estimated response times for fire stations based on their designated locations. Prompt and efficient responses are crucial in emergency situations, and the times listed below represent the estimated durations it takes for each fire station to reach the boundary of the proposed annexation area. These response times are essential factors in ensuring the timely deployment of resources for effective emergency management.

	FIRE STATION	ESTIMATED RESPONSE TIME
1 st Due Company	Fire Station 29 6400 Westcreek Dr	6.5 minutes
2 nd Due Company	Fire Station 28 1300 Everman Pkwy	7.5 minutes
3 rd Due Company	Fire Station 36 5045 Columbus Trl	7.8 minutes
4 th Due Company	Fire Station 42 450 E Rendon Crowley Rd	8.2 minutes
1 st Aerial	Fire Station 42 450 E Rendon Crowley Rd	8.2 minutes

The responding fire stations proximity to the annexation boundary are shown in the [below map](#).



Fire Department Response Time Comments: Fire and EMS first responder services will be dispatched from existing Fire Station 29, located at 6400 Westcreek Dr, to the proposed annexation. Current Fire Department response time goal is to arrive on the scene of emergencies within five minutes from the time of dispatch at 75% of the time. Based on the existing fire stations located close to this proposed annexation area, the Fire Department will **not** be able to meet this response time goal.

Fire Department Incidents Comments: 2023 produced 85 incidents for the area within one half mile of the proposed annexation (not including the area of the proposed annexation itself). Based on a comparison of the area of the buffer to the area of the annexation, the estimated annual count of incidents in the annexation is less than 1.

The estimated cost of an additional incident is \$968. Multiplied by 1 incident, the total additional annual cost of responding to the annexation is estimated to be less than \$968. However, once the area becomes more fully developed or if zoning for the area changes, this number will need to be adjusted.

Fire Platting: Fire Platting: No gas wells will impact the site. Adequate access is provided. Roadways providing access are in good condition. Access to the Oncor enclosure to the west will have to be maintained.

CODE COMPLIANCE -CODE ENFORCEMENT

How does this proposal align with your department’s plans and policies? The proposed annexation aligns with the Code Compliance plans regarding land use.

How will this proposal affect your key performance indicators? This proposal will not affect Code Enforcements KPIs.

Recommendation: Proceed as planned.

Estimated Cumulative Expenditures and Revenues

Estimated Cumulative Expenditures (2023 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Operations	\$100	\$200	\$400	\$500	\$4000
Capital	0	0	0	0	0
Personnel	0	0	1	1	1
Maintenance					

Estimated Cumulative Revenues (2023 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Revenue	0	0	0	0	0

CODE COMPLIANCE — ANIMAL CONTROL (ACC)

How does this proposal align with your department’s plans and policies? The proposed annexation aligns with Animal Control plans and policies.

How will this proposal affect your key performance indicators? This will not affect the KPI’s.

Recommendation: Proceed with plans.

Estimated Cumulative Expenditures and Revenues

Estimated Cumulative Expenditures (2023 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Operations	0	0	0	0	0
Capital	0	0	0	0	0
Personnel	0	0	0	0	0
Maintenance	0	0	0	0	0
•					

Estimated Cumulative Revenues (2023 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Revenue	0	0	0	0	0

ENVIRONMENTAL SERVICES DEPARTMENT - SOLID WASTE SERVICES

How does this proposal align with your department’s plans and policies?

As the subject site is expected to include only commercial land use, this proposal does not impact implementation of the Comprehensive Solid Waste Management Plan.

How will this proposal affect your key performance indicators?

This proposal does not impact any key performance indicators associated with residential waste collection services.

Recommendation:

Support annexation

Estimated Cumulative Expenditures and Revenues

Estimated Cumulative Expenditures (2023 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Operations	\$0	\$0	\$0	\$0	\$0
Capital	\$0	\$0	\$0	\$0	\$0
Personnel	\$0	\$0	\$0	\$0	\$0
Maintenance	\$0	\$0	\$0	\$0	\$0

Departmental Review Comments – Expenditures: Based on the proposed commercial land use, the occupants of the subject site would be required to obtain their own solid waste disposal contract with a private solid waste hauler. As a result, the addition of the subject area is not expected to incur any expenditures from the Solid Waste Fund. Any private solid waste hauler providing services in the subject area would be required to have an active Grant of Privilege issued by the City of Fort Worth.

Estimated Cumulative Revenues (2023 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Revenue	\$0	\$0	\$0	\$0	\$0

Departmental Review Comments – Revenues: Based on the proposed commercial land use, any occupants of the subject site would be required to obtain their own solid waste disposal contract with a private solid waste hauler. As a result, the addition of the subject area is not expected to generate revenue for the Solid Waste Fund.

ENVIRONMENTAL SERVICES DEPARTMENT - ENVIRONMENTAL QUALITY

How does this proposal align with your department’s plans and policies?

The proposed development is expected to have a light service need from our division, and will mainly involve infrequent litter abatement in the public right-of-way and periodic responses to complaints. Current staffing is sufficient to complete these duties. Abatement services support Chapter 6 of the Environmental Master Plan.

How will this proposal affect your key performance indicators?

Due to the small size of the proposed added site and the fact that it is adjacent to roads that are already within the city limits, the impact to key performance indicators is expected to be negligible.

Recommendation:

Support annexation

Estimated Cumulative Expenditures and Revenues

Estimated Cumulative Expenditures (2023 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Operations	\$829	\$1,113	\$1,495	\$1,949	\$4,792
Capital	\$9	\$23	\$43	\$67	\$214
Personnel	\$315	\$777	\$1,438	\$2,222	\$7,136
Maintenance	\$48	\$118	\$217	\$335	\$1,073

Estimated Cumulative Revenues (2023 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Revenue	\$7,740.00	\$9,540.00	\$11,340.00	\$13,140.00	\$22,234.50
The revenues for the site include the new Environmental Protection Fund rates which took effect on January 1, 2023. Additional revenue sources through development or fee increases will impact these projections.					

PARK AND RECREATION

How does this proposal align with your department’s plans and policies? No comment

How will this proposal affect your key performance indicators? No comment

Recommendation: No comment

Estimated Cumulative Expenditures and Revenues

Estimated Cumulative Expenditures (assuming 3.5% annual inflation)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Operations	0	0	0	0	0
Capital	0	0	0	0	0
Personnel	0	0	0	0	0
Maintenance (Contract Mow)	0	0	0	0	0
Maintenance (Forestry)	0	0	0	0	0

Departmental Review Comments — Expenditures:

PARD Forestry: No impacts to PARD-Forestry in current condition.

PARD ROW: No PARD Contract Mow impact in current state. Once developed, QT would be responsible for maintaining the roadway ROW adjacent to their property.

PARD ROW: PARD PRM-Planning:

SUMMARY AND OVERALL RECOMMENDATION

(COMPLETED BY THE FW LAB)

Expenditures, Revenues, and Cumulative Total Summary

Collaborative efforts with other departments, facilitated by the FWLab, are underway to enhance the precision of future cost estimates. This collaborative initiative is anticipated to bring greater clarity to the Balance and Cumulative Total figures in forthcoming fiscal impact analyses.

Estimate Year	Total Revenue	Total Expenditures	Cumulative Total Net
Year 5	\$204,358	\$770,231	(\$565,873)
Year 10	\$411,502	\$1,662,402	(\$1,250,900)
Year 15	\$621,724	\$2,696,692	(\$2,074,969)
Year 20	\$835,341	\$3,895,240	(\$3,059,899)
Year 40	\$1,731,427	\$4,373,677	(\$2,642,251)

Expenditures

- Service and infrastructure costs will increase over time as additional development occurs and as infrastructure ages and needs maintenance and eventual replacement. Depending on the development’s tax generation over time, the annual revenue needed to maintain infrastructure and services to the development may be strained to cover costs associated with the development. Future costs to the City include:
 - o Mowing, forestry, and operational costs for parkland
 - o Stormwater operation and maintenance
 - o Police & Fire services
 - o Environmental quality operational costs and code compliance operations
 - o Animal control operations
 - o Water Department will extend service through cost participation as needed.

Revenues

Following completion of the proposed development project, the City anticipates reaching an estimated negative cumulative total of \$2,313,248 within forty years, assuming no changes in value or tax rates.

Applicable Comprehensive Plan Land Use Policies

The following Comprehensive Plan policies are relevant to the proposed annexation:

1. Promote fiscally sustainable growth on the periphery of the city by encouraging development adjacent to existing adequate infrastructure and discouraging leapfrog development.
2. Separate incompatible land uses with buffers or transitional uses. Some land uses have attributes such as height, proportion, scale, operational characteristics, traffic generated, or appearance that may not be compatible with the attributes of other uses.
3. Locate large industrial uses along freight rail lines, highways, or airports within industrial growth centers and other appropriate locations
4. Protect industrial areas from encroachment. Through zoning, ensure that existing and planned major employment nodes and districts are protected from incompatible land uses and development.

Land Use Recommendation

The proposed Industrial land use is consistent with the adopted Light Industrial Future Land Use designation. There are no required amendments to the Comprehensive Plan's Future Land Use map.

Overall Recommendation

Annual impacts on the General Fund are expected to be negative following construction, based on the information provided by departments and the developer, driven by anticipated Police Department expenditures. While the annexation meets the City's criteria for full-purpose annexation due to its location as part of an enclave and aligns with the Comprehensive Plan policies, the long-term financial sustainability poses a potential concern.