

Mayor and Council Communication

DATE: 08/06/19

M&C FILE NUMBER: M&C L-16203

LOG NAME: 0606MUNICIPAL SERVICES AGREEMENT, AX-19-001, OWNER-INITIATED

SUBJECT

Authorize Execution of Municipal Services Agreement for the Proposed Owner-Initiated Annexation of Approximately 115.026 Acres of Land in Denton County, Located North of Intermodal Parkway and South of Highway 114 off of FM 156, in the Far North Planning Sector, AX-19-001 (FUTURE COUNCIL DISTRICT 7)(Continued from a Previous Meeting)

RECOMMENDATION:

It is recommended that the City Council execute the attached Municipal Services Agreement between the City and property owner, NP-OV Fort Worth Project 1, LLC, for the proposed owner-initiated annexation of approximately 115.026 acres of land located north of Intermodal Parkway and south of Highway 114 off of FM 156.

DISCUSSION:

On January 9, 2019, representatives of the property owner NP-OV Fort Worth Project 1, LLC, submitted an application for full-purpose annexation. The 115.026 acres is situated in Denton County within the City of Fort Worth extraterritorial jurisdiction, north of Intermodal Parkway and south of Highway 114 off of FM 156, see map Exhibit A. The proposed annexation area is currently vacant land. The property is proposed for industrial uses, and the proposed zoning is "K" Heavy Industrial.

City Plan Commission voted on February 27, 2019 to recommend full-purpose annexation of the NP-OV Fort Worth Project 1, LLC, Tract to City Council. The companion zoning case (ZC-19-039) went to the Zoning Commission on March 6, 2019. The commission recommended approval, and the zoning case is scheduled for City Council action immediately following the annexation action on April 9, 2019. Approximately 35.589 acres of right-of-way of abutting the property is also scheduled to be annexed on April 9, 2019.

The proposed use was considered while assessing the financial impact to the General Fund. The City tax revenue is expected to have a positive fiscal impact over the next 10 years after the proposed development is built. Based on operating costs projected from the Police, Code Compliance and Transportation and Public Works Departments, the fiscal impact shows a slightly negative annual effect to the General Fund for the first year, but will have a positive impact thereafter.

Subchapter C-3 of Chapter 43 of the Texas Local Government Code (TLGC) provides for the process of annexation of an area upon a request of an owner of land. Section 43.0672 of the TLGC requires a municipality that elects to annex an area upon the request of an owner to first negotiate and enter into a written agreement with the owners of land in the area for the provision of municipal services.

The agreement must include:

- (1) a list of each service the municipality will provide on the effective date of the annexation, and
- (2) a schedule that includes the period within which the municipality will provide each service that is not provided on the effective date of the annexation.

The municipal services agreement includes these provisions in accordance with state law.

Upon approval of the annexation request, the property affected by this Municipal Services Agreement will become part of COUNCIL DISTRICT 7.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that based upon the proposed development, the annexation will have a long-term positive impact to the General Fund.

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