

Owner-Initiated Annexation Request

Case # AX-22-006

Beggs East

249.981 Acres

Staff Report on the Fiscal Impact

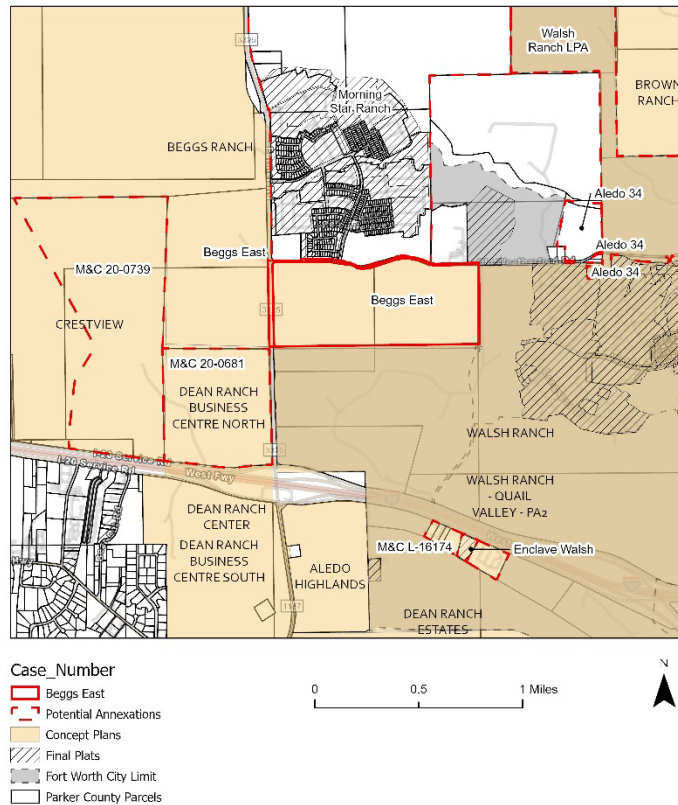
**PREPARED FOR THE CITY COUNCIL BY THE PLANNING & DATA
ANALYTICS DEPARTMENT**

OCTOBER 10, 2022

EXISTING CONDITIONS

- Description: Approximately 249 acres of land in Parker County, located at the southeast corner of Old Weatherford Road and FM 1187.
- Request type: Full purpose annexation
- Comprehensive Plan Future Land Use: Single-Family Residential and Neighborhood Commercial
- Existing Land Use: Vacant, Agricultural, Undeveloped
- Concept Plan: Yes
- Preliminary Plat: No
- Final Plat: No
- Independent School District: Aledo
- Proposed Council District: 3
- Planning Sector: Far West

DEVELOPMENT ACTIVITY



Expenditures and Revenues - Police

Reviewer(s): LaShanda Dockery

FYI Comments: 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. Once the property is fully developed, call load is estimated to be between 65 to 75 calls a year. The average cost per call is \$610 per officer. Based on an assumption that at least two officers will respond to the call, \$1,220 per call is used to calculate the cost of service. The average annual cost of service for this development is estimated to be \$79,300 to \$91,500. Estimated expenditures assume that there are 75 calls per year and two officers responding to each call. An inflation rate of 3% was used to calculate the expenditures.

Cumulative Expenditures:

	5 Years	10 Years	15 Years	20 Years	40 Years
Costs per Call	\$106,073.58	\$122,968.35	\$142,554.02	\$298,476.46	\$298,476.46

Cumulative Revenues, if applicable:

	5 Years	10 Years	15 Years	20 Years	40 Years
None	-	-	-	-	-

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 West Division depending on the expected uses, density level, transportation infrastructure, and timing of development.

Recommendation: Support Annexation

Expenditures and Revenues - Fire

Reviewer(s) Doug Zedler

The street network used by Fire to estimate response times does not extend to this potential annexation. So, I arrived at a rough estimate using Google Maps. This estimates a response from the temporary location of Station 43. When the station moves to its permanent location, the estimated response time will be 7 minutes.

No comments provided related to revenues and expenditures.

Cumulative Expenditures:

	5 Years	10 Years	15 Years	20 Years	40 Years
	-	-	-	-	-

Cumulative Revenues, if applicable:

	5 Years	10 Years	15 Years	20 Years	40 Years
	-	-	-	-	-

How does this proposal align with your department's plans and policies? Not provided.

How will this proposal affect your key performance indicators? Not provided.

Recommendation: Not provided.

Expenditures and Revenues - Emergency Medical Services

Reviewer(s): Matt Zavadksy

No comments from Medstar

Cumulative Expenditures:

	5 Years	10 Years	15 Years	20 Years	40 Years

Cumulative Revenues, if applicable:

	5 Years	10 Years	15 Years	20 Years	40 Years

How does this proposal align with your department's plans and policies? Not provided.

How will this proposal affect your key performance indicators? Not provided.

Recommendation: Not provided.

Expenditures and Revenues - Public Safety Radio Communications

Reviewer(s): Lawrence Crockett

FYI: Radio coverage in the proposed area has 56% coverage with existing communication infrastructure and will require significant investment to improve the Public Safety communication in this area. The costs to improve the coverage would require building new towers in the Northwest and Southwest area, which have been quoted at \$6.6M each for acquiring property, feasibility studies, FCC licensing, and the construction of the towers. Use of mobile repeaters can improve coverage on a limited basis and will need to be purchased for any responding Police, Fire, EMS or Public Works units in the area. These have been priced at \$15K each and would provide local communications but not provide communications back to dispatch, risking responders' safety. Additional operational costs will be required due to communication upgrades and servicing.

Cumulative Expenditures:

	5 Years	10 Years	15 Years	20 Years	40 Years
Operations	\$63,148	\$72,620	\$83,513	\$96,039	\$153,663
Capital	\$13,200,000	\$0	\$0	\$0	\$0
Personnel	\$0	\$0	\$0	\$0	\$0

Note: Expenditure forecasts assume 3% annual inflation

Cumulative Revenues, if applicable:

	5 Years	10 Years	15 Years	20 Years	40 Years
	\$14,907	\$29,815	\$44,722	\$59,630	\$119,260

Note: revenue forecasts do not account for any fee increases

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

The proposal aligns with the department's existing plans to improve coverage in this area, through new towers in both the Northwest and Southwest. The department has implemented use of the LTE (FirstNet) to expand radio coverage, however use long term of this solution would be a less cost-effective approach due to subscription costs, that would exceed the purchase and build out of the communication towers.

How will this proposal affect your key performance indicators?

The proposal will impact the availability of radio communications in the area, as users will experience "BONKS" and an inability to communicate with one another or dispatch.

Recommendation:

Without the construction of new communication towers, this area is not well supported by the current infrastructure.

Expenditures and Revenues - Roads and Streets

Reviewer(s): Armond Bryant, Riad Nusrallah

No comments from TPW related to expenditures and revenues

Cumulative Expenditures:

	5 Years	10 Years	15 Years	20 Years	40 Years

Cumulative Revenues, if applicable:

	5 Years	10 Years	15 Years	20 Years	40 Years

There is a question about the subdivisions ability to connect to an Arterial to serve the residents. It is unclear if they can connect to Walsh Minor #2 leaving their sole point of access onto Old Weatherford Road.

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

How will this proposal affect your key performance indicators?

Recommendation: Confirm connection to Walsh Minor # 2.

Expenditures and Revenues - Code Compliance – Code Enforcement

Reviewer(s):

Cumulative Expenditures:

	5 Years	10 Years	15 Years	20 Years	40 Years

Cumulative Revenues, if applicable:

	5 Years	10 Years	15 Years	20 Years	40 Years

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

How will this proposal affect your key performance indicators?

Recommendation:

Expenditures and Revenues - Code Compliance - Solid Waste Services

Reviewer(s): Ben Neal (Code – Environmental)

Cumulative Expenditures:

	5 Years	10 Years	15 Years	20 Years	40 Years
	\$114,612	\$830,935	\$1,833,680	\$2,836,424	\$6,847,403

Note: Expenditure forecasts do not account for any vendor rate increases

Cumulative Revenues, if applicable:

	5 Years	10 Years	15 Years	20 Years	40 Years
	\$160,439	\$1,163,184	\$2,165,928	\$3,168,673	\$7,179,651

Note: revenue forecasts do not account for any fee increases

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

Service to single-family residential units in the subject area would be provided through the existing City residential solid waste contract. Customers would pay monthly charges through their water bill that cover the direct and indirect costs of these services.

Commercial and multi-family properties are not served by the City's solid waste contract. Management of these properties would be responsible for entering into a contract with a waste hauler for regular service and any costs which arise from these contracts. Therefore, this annexation is expected to be fiscally net neutral.

How will this proposal affect your key performance indicators?

This proposal would increase the number of households served, which will impact KPI CC.3.1. However, due to proximity to our vendor's transfer station (12220 West Freeway – 4.9 mi to SW corner of site), this impact is expected to be positive.

Recommendation:

Neutral

Expenditures and Revenues - Code Compliance – Environmental Quality

Reviewer(s): Ben Neal (Code – Environmental)

Cumulative Expenditures:

	5 Years	10 Years	15 Years	20 Years	40 Years
	\$4,777	\$7,549	\$10,841	\$14,751	\$39,239

Note: Expenditure forecasts assume 3.5% annual inflation

Cumulative Revenues, if applicable:

	5 Years	10 Years	15 Years	20 Years	40 Years
	\$11,275	\$81,745	\$152,215	\$222,685	\$316,088

Note: Revenue forecasts do not account for any fee increases

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

The proposed land use is expected to have a low service need from our division. The largest impact on the division will be during development. Grading and land disturbance will be subject to the grading permitting process and subsequent inspections. Current staffing is sufficient to complete these duties.

Following development, proposed land use is expected to have minimal impact on operations of Environmental Quality Division. Considering the low anticipated service needs, the proposed annexation is expected to generate a net positive source of revenue once development is complete.

How will this proposal affect your key performance indicators?

During development, the subject area would increase number of routine investigations included in KPI CC.5.1. However, current staffing is sufficient to complete these during authorized timelines. Following development, this proposal is not expected to impact key performance indicators.

Recommendation:

Recommend annexation

Expenditures and Revenues - Parks and Recreation

Reviewer(s): PRM Parks

The development will be subject to Neighborhood and Community Park Dedication Policy and parkland dedication will be required.

Cumulative Expenditures:

	5 Years	10 Years	15 Years	20 Years	40 Years
	-	-	-	-	-

Cumulative Revenues, if applicable:

	5 Years	10 Years	15 Years	20 Years	40 Years
	-	-	-	-	-

How does this proposal align with your department's plans and policies? Not provided.

How will this proposal affect your key performance indicators? Not provided.

Recommendation: Not provided.

Expenditures and Revenues - Parks and Recreation

Reviewer(s): Contract Mow, Michelle Villafranca

PARD-Operations (Citywide Mowing)

Current conditions would result in an annual maintenance cost of \$7,600.00 annually. If developer HOA adopts roadway ROW maintenance (mowing, litter pick-up) in future; then \$0. (Cumulative expenditures based upon compounding interest with an annual rate of 3.5%.)

Cumulative Expenditures:

	5 Years	10 Years	15 Years	20 Years	40 Years
	\$9,026.42	\$10,720.55	\$12,732.65	\$15,122.40	\$30,090.37

Cumulative Revenues, if applicable: No revenue expected.

	5 Years	10 Years	15 Years	20 Years	40 Years

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

How will this proposal affect your key performance indicators? If developer HOA adopts roadway ROW maintenance (mowing, litter pick-up) in future; then \$0. If no Adoption, then annual increases in mowing, litter costs will increase annually with inflation. If annexed, staff inspections will occur in relation to contract management.

Recommendation:

Expenditures and Revenues - Parks and Recreation

Reviewer(s): Forestry

Estimated tree/brush maintenance of \$1,712 annually in its current state. If developed as proposed, an additional \$5,852 is projected for hazard abatement of trees/brush.

Cumulative Expenditures:

	5 Years	10 Years	15 Years	20 Years	40 Years
	\$8,984	\$10,670	\$12,672	\$15,051	\$29,948

Cumulative Revenues, if applicable:

	5 Years	10 Years	15 Years	20 Years	40 Years
	-	-	-	-	-

How does this proposal align with your department's plans and policies? Not provided.

How will this proposal affect your key performance indicators? Not provided.

Recommendation: Not provided.

Expenditures and Revenues - Development Services - Gas Wells

Reviewer(s): Not reviewed.

Cumulative Expenditures:

	5 Years	10 Years	15 Years	20 Years	40 Years
	-	-	-	-	-

Cumulative Revenues, if applicable:

	5 Years	10 Years	15 Years	20 Years	40 Years
	-	-	-	-	-

How does this proposal align with your department’s plans and policies? Not provided.

How will this proposal affect your key performance indicators? Not provided.

Recommendation: Not provided.

Expenditures and Revenues - Transportation and Public Works - Stormwater

Reviewer(s): Cannon Henry, Naven Kathuroju

Cumulative Expenditures:

Infrastructure	5 Years	10 Years	15 Years	20 Years	40 Years
84 Inlets, 9200 linear ft of pipe	\$15,533.0	\$17,559.1	\$19,585.15	\$21,611.20	\$28,412.98

Note: Expenditure forecasts assume 3.0% annual inflation

Stormwater has projected an increase in maintenance costs from the best information currently available. Future expenses are highly dependent on the actual development of the area as permitted by the City's Development Department. Based on conceptual layout plan, there will be an increase in the number of storm drain infrastructure assets generated from the proposed development.

Cumulative Revenues, if applicable:

Imperv. Surface Cover (Ft ²)	5 Years	10 Years	15 Years	20 Years	40 Years
4514795	\$599,078	\$1,198,157	\$1,797,236	\$2,396,314	\$4,792,629

NOTE: Revenue forecasts do not account for any future fee increases.

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

Annexation will increase future maintenance costs and staff time required for storm drain 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?

Following development, this individual annexation is not expected to significantly impact KPIs for the estimated increase in storm drain assets. The cumulative impacts of all annexations on maintenance-related KPIs may be more significant.

Stormwater recommends 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 and FEMA's drainage regulations.

Recommendation:

Stormwater recommends 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 and FEMA's drainage regulations.

Expenditures and Revenues - Water

Reviewer(s): Wade Goodman, Matt Thurber

FYI Comments: Requesting comprehensive water study and sewer loading be submitted on proposed development. Need to extend offsite sewer through Morningstar development (with City cost participation) to serve proposed western portions of the planned development. Need to extend 24-inch WS4 water transmission main (with City cost participation) along east boundary line of the planned development. Development reliant upon extension of 24-inch WS4 transmission main currently 10,000 linear feet to the northeast of the subject site. Expect assessed Water Main Capacity Charges as well as Sewer Per Acre charges on existing offsite infrastructure adjacent to this development.

Cumulative Expenditures:

	5 Years	10 Years	15 Years	20 Years	40 Years
	-	-	-	-	-

Cumulative Revenues, if applicable:

	5 Years	10 Years	15 Years	20 Years	40 Years
Water Sales	\$2,495,665	\$5,113,501	\$7,864,874	\$10,756,594	\$23,875,725

How does this proposal align with your department's plans and policies? Annexation will enable continued extension of regional water and sewer infrastructure.

How will this proposal affect your key performance indicators? Annexation will increase future maintenance costs for public water and sewer infrastructure associated with this development

Recommendation: Recommend annexation

SUMMARY

Revenues

- Estimated Future City Property Tax amount is \$6,098,927 in cumulative revenue over the next ten years after the development is built.
- Additional revenues to the City will include retail service from water/wastewater, environmental impact fees, and transportation impact fees if the property is annexed.
- Total revenue is estimated to be \$8,402,978 per year with a cumulative total of \$32,784,415 by Fy2032/33.

Expenditures

- The City is estimated to provide General Fund Services at the cost of \$4,591,472 per year once the proposed development is built out.
- Service and infrastructure costs will increase over time as additional development occurs and as infrastructure ages and needs maintenance and eventual replacement of infrastructure will be necessary. Depending on the development's tax generation over time, the annual revenue needed to maintain infrastructure and services to the development may be strained or may not be sufficient to cover costs associated with the development.
- Future costs to the City of Fort Worth include:
 - Maintenance and eventual improvements to public streets within the development.
 - Expanding public safety radio coverage
 - Mowing, forestry, and operational costs for parkland
 - Library, Code Compliance, Police, Fire, and EMS services
 - Water Department will extend service through cost participation.