

Mayor and Council Communication

DATE: 09/10/19

M&C FILE NUMBER: M&C 19-0133

LOG NAME: 06AX-19-009 AIL PROPERTIES – SH 156 OWNER INITIATED

SUBJECT

Conduct Public Hearing, Authorize Execution of Municipal Services Agreement and Adopt Ordinance for the Proposed Owner-Initiated Annexation of Approximately 460.186 Acres of Land in Denton County, Known as AIL Properties – SH 156, Located North of Intermodal Parkway and South of Highway 114 off of SH 156, in the Far North Planning Sector, AX-19-009 (FUTURE COUNCIL DISTRICT 7) (**PUBLIC HEARING** - a. Report of City Staff: Mary Elliott; b. Citizen Presentations; c. Council Action: Close Public Hearing and Approve the M&C)

RECOMMENDATION:

It is recommended that the City Council:

1. Conduct public hearing for the proposed owner-initiated annexation of approximately 460.186 acres of land in Denton County located north of Intermodal Parkway and south of Highway 114, off of SH 156 as shown on Exhibit A;
2. Authorize Execution of Municipal Services Agreement between the City and property owners, AIL Investments, L.P. / AIL West, LLC; and
3. Adopt ordinance annexing AX-19-009 for full purposes.

DISCUSSION:

On June 17, 2019, representatives for the property owners AIL Investments, L.P. / AIL West, LLC, submitted an application for full-purpose annexation of the property shown on Exhibit A into the City of Fort Worth. The subject property is located entirely in that portion of the City's extraterritorial jurisdiction which is in Denton County. The site is located north of Intermodal Parkway and south of Highway 114 off of SH 156. This owner-initiated annexation, which contains approximately 460.186 acres, has recently become an enclave with the annexation of SH 156. The proposed annexation is consistent with the urban development annexation criteria as established by the City's Annexation Policy. The subject area is currently vacant land. The property is proposed for industrial type development and the proposed zoning is "K" Heavy Industrial. The proposed use is consistent with the future land use map of the 2019 Comprehensive Plan.

On July 24th, City Plan Commission voted to recommend approval of the annexation request to City Council. On August 14th, the related zoning case (ZC-19-107) was heard by the Zoning Commission, and the commission voted to recommend approval of "K" Heavy Industrial zoning to City Council.

Subchapter C-3 of Chapter 43 of the Texas Local Government Code (LGC) provides for the process of annexation of an area upon a request of an owner of land. Section 43.0672 of the LGC requires a municipality that elects to annex an area upon the request of an owner 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.

The proposed uses were 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 has been built. Based on the operating costs projected from the Police, Code Compliance and Transportation and Public Works Departments, the fiscal impact shows a slightly negative effect to the General Fund for the first year, but will have a positive impact thereafter. Therefore, due to the ability of the area to meet the City's criteria for full-purpose annexation as well as the proposed annexation being an enclave Staff recommends approval of the requested owner-initiated annexation, AX-19-009.

The City Council will conduct a public hearing on the proposed annexation. The public hearing is an opportunity for persons interested in the annexation to be heard. Once the City Council has conducted the required public hearing, Council may close the hearing and vote on authorizing the City Manager to execute the Municipal Services Agreement between the City and property owners, AIL Investments, L.P. / AIL West, LLC and adopt an ordinance annexing AX-19-009 for full purposes.

Upon approval of the annexation request, the property 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.

Submitted for City Manager's Office by: Dana Burghdoff 8018

Originating Business Unit Head: Randle Harwood 6101

Additional Information Contact: Leo Valencia 2497