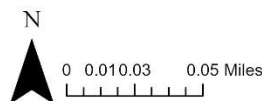


Owner-Initiated Annexation Request
Case # AX-24-003
Ventana Phase 8
Approximately 3.360 Acres

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



Esri Community Maps Contributors, Baylor University, City of Fort Worth, Texas, Parks & Wildlife, OpenStreetMap, Microsoft, CONANI, Esri, TomTom, Garmin, SafeGraph, Geotitles, Inc, MBL/USGS, USGS, EPA, NPS, US Census Bureau, USDA, FRTWS, Sources: Esri, DeLis, DS, USGS, NOAA, NASA, GeAR, NOAA, NCEAS, PLS, US NIM, geodata, Esri, ArkState, GeoX, GeoLine, FEMA, Intermap and the GIS User Community



Ventana Phase 8
AX-24-003



 Ventana Phase 8
 Planned Service Area

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RECOMMENDATION HIGHLIGHTS

Financial Overview:

The current financial analysis includes total revenue, expenditures, balance, and cumulative total as represented in the table below. Collaborative efforts led by the FWLab and various departments aim to refine cost estimates, providing enhanced clarity for future fiscal impact assessments.

Estimate Year	Total Revenues	Total Expenditures	Cumulative Total Net
Year 5	\$24,500	\$21,410	\$3,089
Year 10	\$55,324	\$46,231	\$9,093
Year 15	\$94,105	\$75,005	\$19,101
Year 20	\$142,899	\$108,361	\$34,537
Year 40	\$500,964	\$304,074	\$196,890

A 3% annual inflation rate was used to calculate Annual City Expenditures. A 4.7% appreciation rate was used to calculate Annual Property Tax Revenue.

Expenditures:

Anticipated future City expenditures include stormwater management, environmental quality, code enforcement, fire and emergency services, and police services. Note that Water Department revenues and City cost participation for Water Department extensions are not factored into these calculations. The City’s Transportation and Public Works department does not anticipate new road buildout for this annexation, since the local streets to serve this small annexation are being constructed as part of an earlier phase of the development.

Revenues:

The proposed development estimates 3 single-family homes built by 2026. Projected property tax revenue is expected to be \$4,460 starting in 2026 when homes are expected to be sold, with a 4.7% appreciation annual rate. Limited revenues may be anticipated from environmental impact fees, and solid waste services.

Comprehensive Plan Alignment:

The annexation aligns with the following Comprehensive Plan policies:

1. Encourage new development adjacent and connected to previously developed or platted areas in order to utilize existing utility and road infrastructure and services, thereby optimizing public and private investments and discouraging sprawl development.

Land Use Recommendation:

The adopted 2023 Comprehensive Plan Future Land Use Map designates the 3.36-acre annexation area as Open Space. Based on the approved development agreement, the Future Land Use Map is proposed for amendment, with a Future Land Use Map designation recommended to change from Open Space to Single-Family Residential.

Overall Recommendation

Annual impacts on the General Fund are expected to be positive following construction, based on the information provided by City departments and the developer. Due to the ability of the area to meet the City’s criteria for full-purpose annexation, staff recommends that the Ventana Phase 8 (AX-24-003) be considered for annexation at this time. Further, staff recommends that the above amendments be adopted to the Comprehensive Plan Future Land Use Map.

EXISTING CONDITIONS

Description	Approximately 3.360 acres of land located west of Orchard Way and Jerry Dunn
Request Type	Annexation – Full Purpose.
Council District	3
Comprehensive Plan Future Land Use	The adopted 2023 Comprehensive Plan’s Future Land Use designations are Infrastructure and Open Space
Floodplain	No
Current & Proposed Zoning	Proposed Zoning – A-5 (One-Family)
Existing Land Use	Vacant.
Included in Planned Service Area	Walsh Ranch South/Veale Ranch
Enclave	No.
Planning Sector	Far West
ROW	Yes.
Concept Plan	Yes.
Preliminary Plat	Yes.
Final Plat	No.
Independent School District	Fort Worth ISD

COMPREHENSIVE PLAN CONSISTENCY

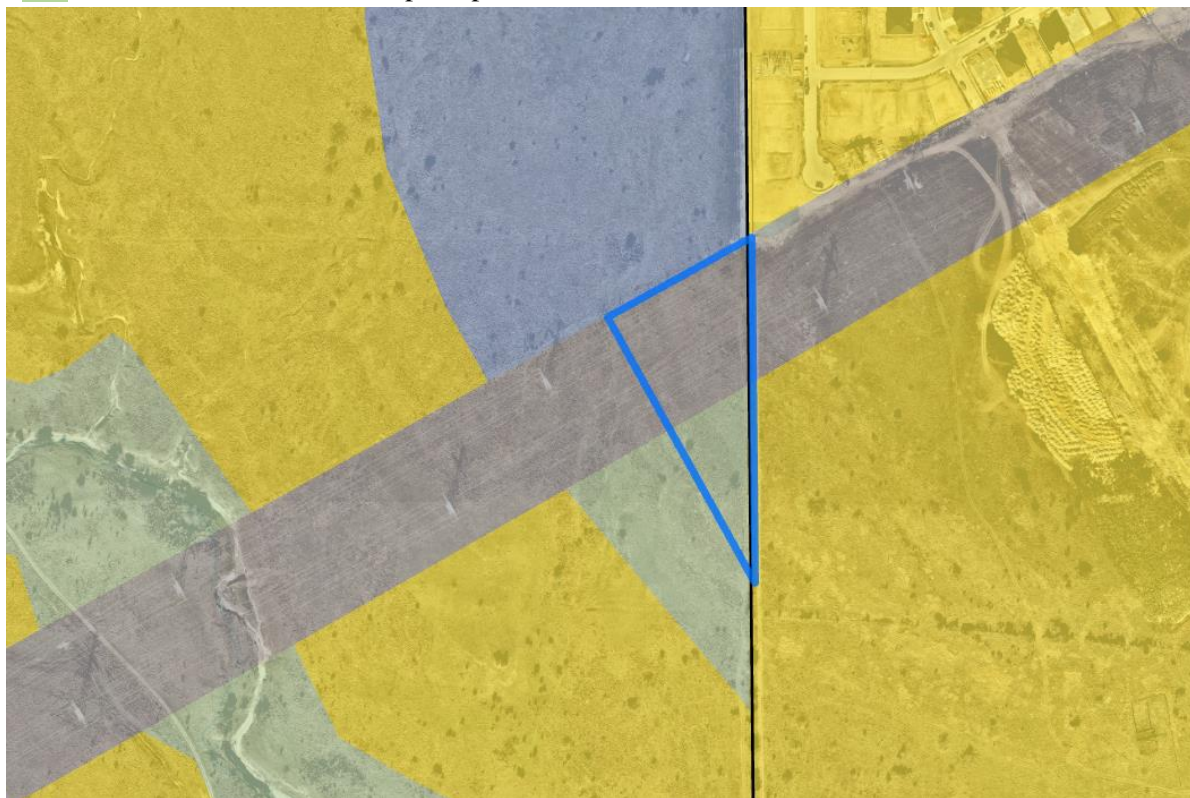
The adopted 2023 Comprehensive Plan designates the proposed annexation area as Open Space & Infrastructure on the City’s Future Land Use Map. The annexation application, detailed site plan, and associated preliminary plat for the property propose Single-Family Residential as an extension of the adjacent single-family subdivision currently under construction.

The proposed Single-Family Residential use within the annexation area is currently inconsistent with the adopted Future Land Use Map. While the annexation proposal retains the infrastructure land use type identified in the Comprehensive Plan, the proposal seeks to develop single-family lots on an area that is designated as Open Space and located immediately adjacent to an earlier phase of the single-family subdivision. Given the proposed development of the Single-Family Residential lots, the proposed land uses and designations are compatible with the surrounding uses, both existing and currently planned.


Staff recommends amending the Future Land Use Map in the Comprehensive Plan to designate the property Single-Family Residential where the corresponding residential development is proposed. The Future Land Use Maps below show the currently adopted designations for the area, as well as staff’s proposed changes to the Future Land Use Map to bring the map into alignment with the proposed land uses.

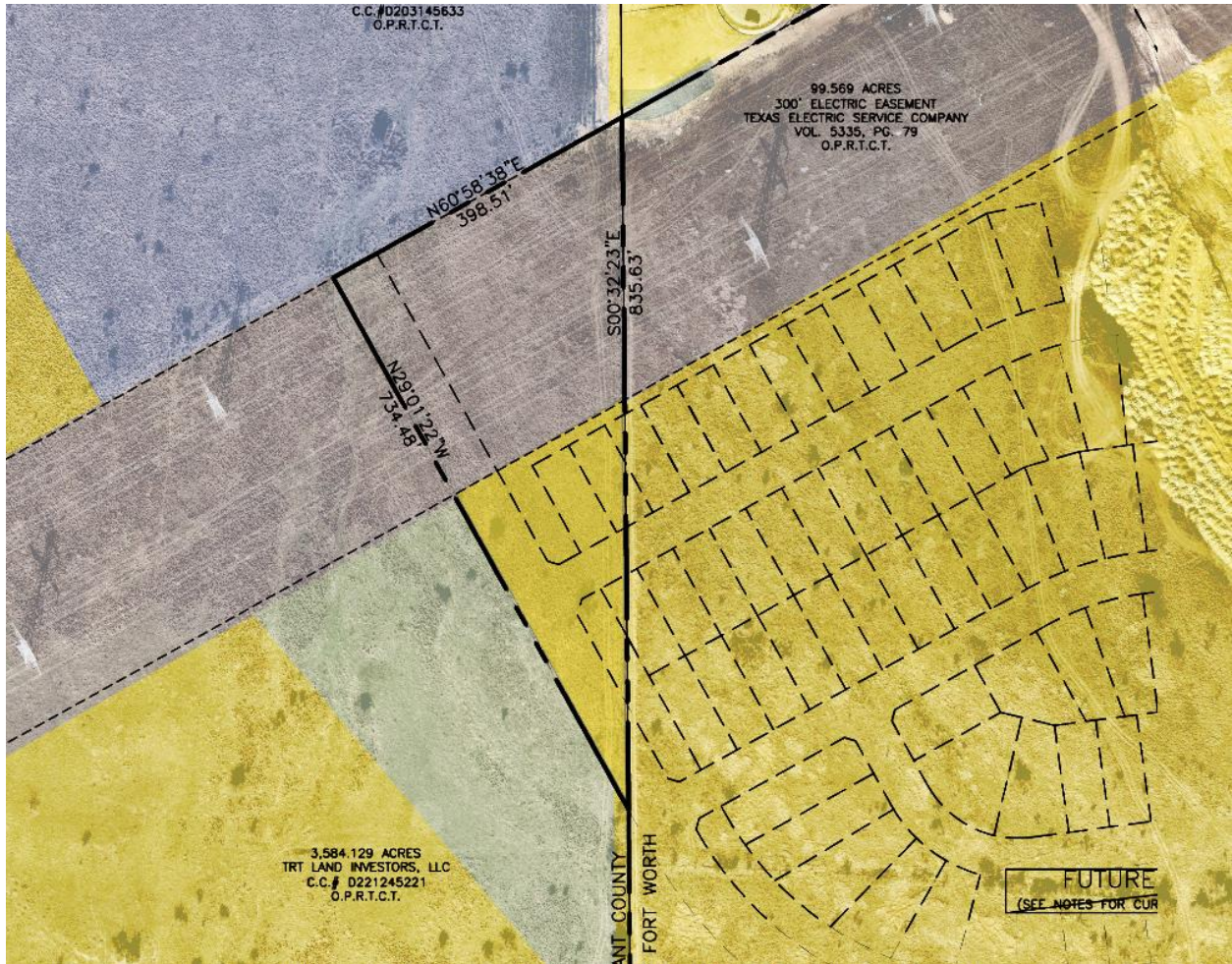
Adopted Future Land Use:

- Single-Family Residential
- Infrastructure
- Private Park, Recreation, Open Space



Proposed Future Land Use:

 Single-Family Residential



WATER DEPARTMENT

It is anticipated that approximately 300 linear feet of water and 50 linear feet of sewer public infrastructure will 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’s Comprehensive Plan Future Land Use Map amendment proposed by FWLab staff. 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.

3. Department Recommendation: Water Department supports annexation request.

Estimated Cumulative Expenditures and Revenues

Estimated Cumulative Expenditures (2023 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Infrastructure Operations & Maintenance	\$9,258	\$18,988	\$29,214	\$39,962	\$88,724
Capital					

Estimated Cumulative Revenues (2023 Dollars, assuming 1% annual inflation starting in 2025)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Revenue	\$1,128	\$2,437	\$4,160	\$5,918	\$16,233

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. There are no proposed Collectors & Local street buildout for this annexation.

Street Type	Average Cost per Lane Mile	Lane Miles in Development	Estimated Costs for Development
Arterials			
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.			

Below are Transportation and Public Work’s estimates per lane mile for a 40-year period:

Without Reconstruction	
Net Present Value	\$3,326,000
Average Annual Expenditures (per 40 years)	\$83,150
With Reconstruction	
Net Present Value	\$8,006,000
Average Annual Expenditures (per 40 years)	\$200,150
4% annual inflation assumed. Net Present Value discount rate not considered.	

How does this proposal align with your department’s plans and policies? Phase 8 will have the same lack of connectivity as the overall development. It is not anticipated that phase 8 will have an impact on the city’s overall transportation system.

How will this proposal affect your key performance indicators? No known impact from Phase 8.

Recommendation: Support Annexation

TRANSPORTATION AND PUBLIC WORKS - STORMWATER

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 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 297 Linear Feet of Pipe	\$ 5,367.05	\$11,434.15	\$ 18,201.30	\$ 25,668.50	\$ 36,481.48

Departmental Review Comments — Expenditures: Based on the high-level information provided, Stormwater estimates that about 297 linear feet of storm sewer pipes and 4 new storm inlets will be installed as part of this proposed single-family residential development. The table below provides the estimated cumulative maintenance expenditures for the proposed drainage infrastructure from the best information currently available. Future expenses will be highly dependent on the actual development of the area as permitted by the City’s Development Services Department.

Estimated Cumulative Revenues (2023 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Revenue	\$8,010.36	\$16,020.73	\$24,031.09	\$32,041.46	\$64,082.91

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 West Division, Police Beat L17, Police Reporting Area V140 depending on the expected uses, density level, transportation infrastructure, and timing of development.

Recommendation: Support Annexation

Estimated Cumulative Expenditures and Revenues

Estimated Cumulative Expenditures of Service (2023 Dollars)					
Costs per call	5 Years	10 Years	15 Years	20 Years	40 Years
Single-Family	\$8,484	\$18,319	\$29,721	\$42,939	\$48,000
Industrial					
Total					

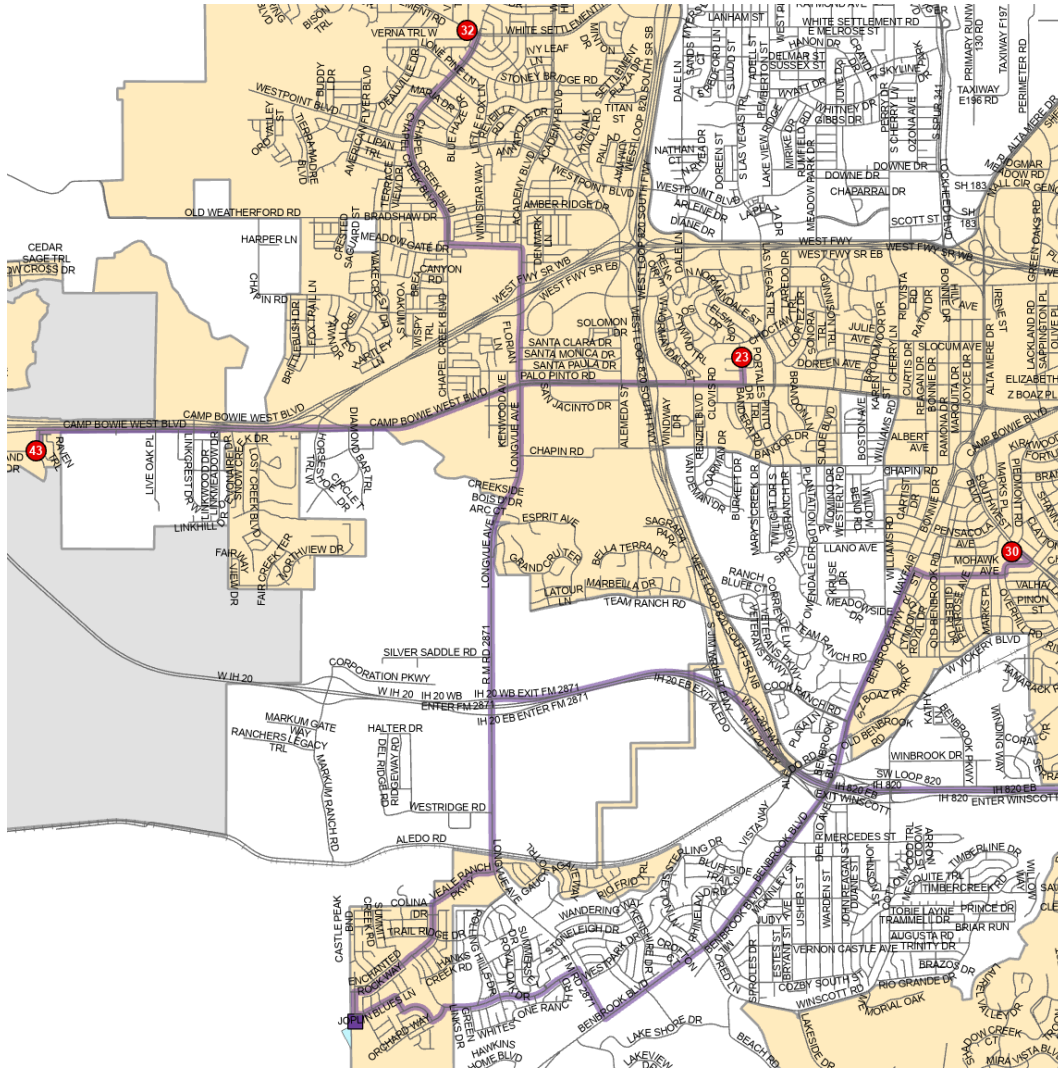
Once the property is fully developed, call load is estimated to be approximately 0-1 calls for the single-family residential a year. The average cost per call is \$799 per officer. Based on the assumption that at least two officers will respond to a call, \$1,598 per call is used to calculate the cost of service. The average annual cost of service for this development is estimated to be \$0 - \$1,598 for the single-family residential. Estimated expenditures assume that there are 1 call 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.

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
1st Due Company	Station 23 3201 Portales Dr	12.2 minutes
2nd Due Company	Station 30 4416 Southwest Blvd	13.8 minutes
3rd Due Company	Station 43 13300 Highland Hills Dr	14.5 minutes
4th Due Company	Station 32 10201 White Settlement Rd	14.8 minutes
1st Aerial	Station 23 3201 Portales Dr	12.2 minutes

The responding fire stations proximity to the Ventana Phase 8 boundary are shown in the map below.



Fire Department Response Time Comments: Fire and EMS first responder services will be dispatched from existing temporary Fire Station 23, located at 3201 Portales 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 16 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 fewer than 1. The estimated cost of an additional incident is \$968. Multiplied by fewer than 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 Department Comments Related to Staffing and Facilities:

Fire Platting: Access and water supplies provided by what is proposed in PP-24-022. No gas wells or floodplain impacting the site. Turn-around and stubout are shown on Preliminary Plat.

CODE COMPLIANCE — CODE ENFORCEMENT

How does this proposal align with your department’s plans and policies? This is in-line with Code Compliance initiative to protect occupants and the community from substandard and hazardous buildings and to preserve and enhance public health, welfare, and safety through services that focus on education, prevention, compliance, and community partnerships.

How will this proposal affect your key performance indicators? This proposal will not affect Code Enforcement’s 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		\$2,341	\$3,707	\$5,222	\$14,407
Capital					
Personnel					
Maintenance					

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

Departmental Review Comments; Expenditures: We anticipate that as the neighborhood ages, we will get approximately 20-30 complaints a year or roughly 10% of the total number of houses. The average cost to complete an inspection is \$50 dollars. As the neighborhood ages, we anticipate more complaints for high grass & weeds and minor substandard conditions on tenant occupied structures.

CODE COMPLIANCE — ANIMAL CONTROL (ACC)

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

No Impact

How will this proposal affect your key performance indicators?

No Impact

Recommendation:

Through a thorough examination of available data and projections, it has been determined that the direct financial implications of the proposed annexation are expected to be minimal. The annexation is not anticipated to necessitate significant upfront investment or ongoing operational costs that would strain existing Animal Control budgets or require substantial adjustments. Assessing the long-term sustainability of the proposed annexation, there are no foreseeable challenges that would jeopardize Animal Control’s fiscal stability or necessitate corrective measures beyond routine fiscal management practices.

Based on the comprehensive analysis conducted, Animal Control concludes that the proposed annexation is unlikely to generate significant fiscal repercussions. While all fiscal decisions entail a degree of uncertainty, the available evidence suggests that any potential impacts would be manageable within existing fiscal frameworks. Therefore, it is reasonable to assert that the proposed annexation poses no substantial threat to Animal Control’s fiscal stability or sustainability.

Estimated Cumulative Expenditures and Revenues

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

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

ENVIRONMENTAL SERVICES DEPARTMENT - SOLID WASTE SERVICES

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

This is in-line with Solid Waste planning for the Western part of the City. Surrounding streets and neighborhoods are already serviced as part of existing Wednesday Solid Waste routes and monthly bulk routes.

How will this proposal affect your key performance indicators?

This proposal will not affect SW KPIs. The same KPI’s apply to all residential collection. This annexation proposal will add 3 incremental households out of over 256,000 households.

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	\$3,026.40	\$5,392.80	\$8,089.20	\$10,785.60	\$21,571.20
Capital	0	0	0	0	0
Personnel	0	0	0	0	0
Maintenance	0	0	0	0	0

All single-family households would be serviced under the existing residential collections contract with Waste Management. This covers Garbage, Recycling, Yard Waste, and Bulk Waste. The cost will increase per the annual contractual cost adjustment but the rates are determined by annual index change, so future rates are not available at this time.

This community would be served by the Brennan or Old Hemphill Drop-Off Station. No material incremental cost would be incurred by the City to service this community.

Estimated Cumulative Revenues (2023 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Revenue	\$3,325.52	\$6,651.04	\$9,976.56	\$13,302.07	\$26,604.15

All single-family households would be serviced under the existing residential collections contract with Waste Management. This covers Garbage, Recycling, Yard Waste, and Bulk Waste. The revenue will increase as the number of households increase and can vary by the cart size breakdown. There are no current plans to increase residential rates.

ENVIRONMENTAL SERVICES DEPARTMENT - ENVIRONMENTAL QUALITY

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

Due to the low expected service needs and increased revenue to the Environmental Protection Fund, this annexation is expected to benefit Environmental Quality Division’s ability to fulfill the Environment Master Plan.

How will this proposal affect your key performance indicators?

During development, the subject area would increase number of routine investigations included in KPI CC.5.2. However, current staffing is sufficient to complete these during authorized timelines. Because each lot of land will be occupied by a residential dwelling, it’s expected to experience a low rate of illegal dumping, and the litter abatement program’s current capacity is expected to be sufficient to address any reported issues.

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	\$61.66	\$149.94	\$274.25	\$421.88	\$1,346.57
Capital	\$4.40	\$10.71	\$19.59	\$30.13	\$96.18
Personnel	\$197.29	\$491.41	\$918.04	\$1,424.73	\$4,598.40
Maintenance	\$22.02	\$53.55	\$97.95	\$150.67	\$480.92

The proposed land use is expected to have a relatively low service need from our division. The largest impact will be during development, when 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, the majority of service needs will be limited to ad-hoc complaint response and litter abatement. Given that the proposed land use is residential and the site is of the area to be developed is relatively small, the project is expected to have minimal impact on operations of Environmental Quality Division.

Estimated Cumulative Revenues (2023 Dollars)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Revenue	\$6,489.00	\$6,759.00	\$7,029.00	\$7,299.00	\$15,700.50
Revenue is collected from single-family homes through the Environmental Protection Fund					

PARK AND RECREATION

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

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

Estimated Cumulative Expenditures and Revenues

Estimated Cumulative Expenditures (assuming 3.5% annual inflation)					
	5 Years	10 Years	15 Years	20 Years	40 Years
Operations					
Capital					
Personnel					
Maintenance (Contract Mow)					
Maintenance (Forestry)					
Departmental Review Comments — Expenditures: PARD Forestry: PARD ROW: No PARD Contract Mow impact in current state.					

SUMMARY AND OVERALL RECOMMENDATION

Expenditures, Revenues, and Cumulative Total Summary

The calculations below present total revenue, total expenditures, balance, and cumulative total. However, it is essential to note that significant future City expenditures are currently excluded. 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 future fiscal impact analyses.

Estimate Year	Total Revenues	Total Expenditures	Cumulative Total Net
Year 5	\$24,500	\$21,410	\$3,089
Year 10	\$55,324	\$46,231	\$9,093
Year 15	\$94,105	\$75,005	\$19,101
Year 20	\$142,899	\$108,361	\$34,537
Year 40	\$500,964	\$304,074	\$196,890

A 3% annual inflation rate was used to calculate Annual City Expenditures. A 4.7% appreciation rate was used to calculate Annual Property Tax Revenue.

Estimated Cumulative Total Net is positive through the study period.

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 Stormwater operation and maintenance
 - o Police, Fire, and EMS services
 - o Environmental quality operational costs and code compliance operations
 - o Water Department will extend service through cost participation as needed.

Revenues

- The proposed development phasing includes 1 phase taking approximately 18 months to complete. It is estimated that 3 single-family homes will be built during the 18-month period as part of an adjacent subdivision that is currently within city limits. Following the completion of the first and only phase, total City property tax revenue is estimated to be \$4,460 with an estimated 4.7% appreciation rate. It is estimated by the end of forty years; total City property tax revenue will be \$500,964 with a cumulative total net over the forty years of \$196,890. These figures do not include all City costs, as noted above.
- Additional revenues to the City will include retail service from water/wastewater, environmental impact fees, and solid waste services.

Applicable Comprehensive Plan Land Use Policies

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

- Encourage new development adjacent and connected to previously developed or platted areas in order to utilize existing utility and road infrastructure and services, thereby optimizing public and private investments and discouraging sprawl development.

Land Use Recommendation

Based on the approved development agreement between the City of Fort Worth and PB Ventura 1, LLC, PMB I20 Land LP, PMB Rolling V South Land LP, PMB RVS Dev Co LLC, PMB SWFW Dev Co LLC, PMB Team Ranch Devco LLC, PMB Veale Land Investors 1 LP, PMB Ventana Developer LLC, PMB Ventana Developer South LLC, PMB Ventana SFR LP, and TRT Land Investors, LLC, staff recommends that the Future Land Use Map in the Comprehensive Plan be amended to align with the approved development agreement for this annexation area. The recommended Future Land Use Map amendments would change the Open Space designation to Single-Family Residential, with the boundaries between the two designations adjusted based on the proposed preliminary plat.

Overall Recommendation

Annual impacts on the General Fund are expected to be positive following construction, based on the information provided by City departments and the developer. Due to the ability of the area to meet the City’s criteria for full-purpose annexation, staff recommends that the Ventana Phase 8 (AX-24-003) be considered for annexation at this time. Further, staff recommends that the above amendments be adopted to the Comprehensive Plan Future Land Use Map.