



AGENDA ITEM SUMMARY

District Impacted

- ☐ 1 = Wolosin
- ☐ 2 = Woolard
- ☐ 3 = Vacant
- ☐ 4 = Vacant
- ☐ 5 = Handren
- ☒ All

AGENDA DATE	<i>April 9, 2019</i>
DESCRIPTION	DISCUSSION ON ANNEXATION PROJECTS.
STAFF'S RECOMMENDED ACTION (be specific)	No Action.
CONTACT PERSON	Laura Talley, Director Planning and Community Development
SUMMARY	<p>On March 12th Council approved an annexation strategy that prioritized different areas to be considered for annexation. City Attorney, Molly Solis, briefed Council at the March 26th meeting regarding pending legislation. House Bill 347 was part of that discussion.</p> <p>As Council is already aware, House Bill 347 will eliminate most unilateral annexation by ANY home rule city, thus eliminating our ability to expand our city limits, tax base, and ETJ. It limits a city's ability to grow and regulate development. The Bill is moving through the system now and seems to be gaining headway. If HB 347 passes, it will become effective in September 1, 2019. Due to the potential passing of the Bill and consideration of now a September 1st application of the law, Staff believes Council should consider escalation of our previously approved annexation strategy.</p> <p>Staff has provided the map that was previously considered which identified (1 thru 14) the areas for future annexation. We will use this map for discussion purposes, as all the documents previously submitted were tied to the numbers on the map. We've also included property owner and KAD information which was also used to identify the different areas (1 thru 14). Staff will discuss the areas that are of most immediate interest based on immediate plans for development. As an example, Shoreline Park is in the process of platting and will likely begin construction within the next year. That property should be considered our priority now. This area is planned for development and the City could be kept from annexing the property because it would be required to go to vote. The property will be served by Bandera Electric and KWU for utilities. They would therefore not be interested in being annexed, but the residents of Shoreline Park would certainly benefit from all other City services (the streets, parks, library, etc.) without contributing taxes to support those services. We will examine more closely the other</p>

properties on the map to determine the likelihood of them voluntarily annexing to gain city utilities to develop. Those properties could come off the list. Typically, if a potential commercial property is in the service area of the City, they will desire to develop for the ultimate use and will voluntarily annex. All these issues need to be discussed.

Upon the decision of Council to move forward with annexations, our first step would be to notify all property owners advising them that they are being annexed and explain their rights and the process. We will also reach out to those property owners that qualify for non-annexation agreements and explain their rights and that process. Then we will begin surveying properties, provide municipal service plans, notify public entities (school district, etc.), prepare Resolutions and schedule public hearings.

- ▶ Requires (90 day process):
 - ▶ Adoption of Service Plan
 - ▶ Non-Annexation Agreement Offers
 - ▶ Notice, and
 - ▶ Two public hearings
 - ▶ Ordinance passed by City Council to Annex

The city limits currently encompass 7,450 acres. The proposed acreage of area to be annexed under our current strategy is 680.5, with an additional 100 acres when we include the annexation of Shoreline Park. Spencer Ranch, which was also on our annexation strategy map, is being considered for a development agreement of which an agreed upon voluntary annexation timeline would be established. State Law allows cities to increase their area up to 30% over a three-year period. The City's last unilateral annexation occurred in October of 2016. Even if we annex all the properties shown on our plan (minus Spencer Ranch), we are just barely over 10% of total annexation area. Voluntary annexations may occur and we can enter into non-annexation agreements. On the list of KAD Nos and property owners, all the tracts being considered for annexation fall under 100 tracts (90 tracts) so it does not trigger the need for an annexation plan. We may continue with the annexation strategy.

- ▶ Exemptions from 3-year Annexation Plan requirements:
 - ▶ Annex an area with < 100 residential dwellings
 - ▶ More than 100 tracts, but < 100 residential dwellings
 - ▶ Annex an area by petition of > 50% of land owners

If Council's direction is that we move forward with all annexations identified on the map before September 1st, then staff would need approval for a budget increase to allow for multiple surveyors to

	expedite survey services and temporary staff assistance to process the documents. We have 90 days to complete the annexation process once it is begun. We would be processing close to 100 annexations.
COST	
SOURCE OF FUNDS	
ADDITIONAL INFORMATION	

This summary is not meant to be all inclusive. Supporting documentation is attached.