



AGENDA MEMORANDUM

Public Hearing/One Reading for the City Council Meeting of December 12, 2023

DATE: December 12, 2023

TO: Peter Zanoni, City Manager

FROM: Daniel McGinn, AICP, Director of Planning and Community Development
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**London Area Annexations & Rezoning:
County Road 22, London Ranch Estates, Charlotte Estates**

CAPTION:

One-reading ordinance annexing a 19.41-acre section of County Road (CR) 22 located between CR 51 and CR 43; annexing 84.368 acres of land per owner petition near the southwest corner of CR 22 and CR 49 and rezoning 82.89 of the 84.368 acres from the “FR” Farm Rural District to the “RS-22” Single-Family 22 District; and annexing 80.00 acres of land per owner petition at the southwest corner of CR 22 and CR 49 and rezoning the 80.00 acres from the “FR” Farm Rural District to the “RS-15” Single-Family 15 District; providing for a penalty not to exceed \$2,000 and publication; and approving related service plans.

SUMMARY:

This ordinance will annex a four-mile or 19.41-acre section of County Road (CR) 22 with permission from Nueces County and annex and rezone two abutting private properties that are proposed for single-family half-acre lot development and known as London Ranch Estates (84.368 acres) and Charlotte Estates (80 acres), all located in the London area. This ordinance includes the annexation of CR 22, which gives the private properties contiguity with the city limit line, which allows them to petition for annexation. Staff recommends approval of the annexations and rezonings.

BACKGROUND AND FINDINGS:

Description of the Request

Two landowners in the London area – Superior H&H Development LLC and LM & JM Investments LLC – submitted plans for new single-family developments located at the southwest corner of CR 22 and CR 49 with entrances off CR 22. These new

developments, which are called Charlotte Estates and London Ranch Estates, are located outside city limits but not contiguous with the current city limit line. The landowners requested City annexation to secure City services for their developments, however, to be eligible to request annexation State law requires the private property to be contiguous to the City limit line. To help create “contiguity,” Nueces County Commissioner’s Court requested the City annexation of a four-mile section of CR 22 from CR 51 to CR 43, which will extend the City limit line to the landowners’ properties. Annexing CR 22 will enable the City to act on the landowners’ pending petitions for annexation.

Additionally, upon annexation, the default zoning district for newly annexed areas is “FR” Farm-Rural District requiring minimum lot sizes of five acres. LM & JM Investments (London Ranch Estates) requested the rezoning of their property to the “RS-22” Single-Family 22 District, and Superior H&H Development (Charlotte Estates) requested the rezoning of their property to the “RS-15” Single-Family 15 District.

Description of the Proposed Developments

London Ranch Estates is an 84.368-acre tract of land near the southwest corner of CR 22 and CR 49 owned and to be developed by LM & JM Investments, LLC (the “developer”). London Ranch Estates is located immediately west of the Charlotte Estates site. The developer plans to create 108 half-acre single-family residential lots fronting private streets. The developer will oversize the public water line in accordance with the City's Water Master Plan to bring City water to both the London Ranch and Charlotte Estates subdivisions. Each new house will be connected to City water but not to City wastewater. Rather, each lot will have a private septic system.

As stated in their application, the developer estimates the full build-out of London Ranch Estates (108 single-family dwellings) within five to 10 years and each dwelling unit would have an average sales price of \$650,000.

Charlotte Estates is an 80.00-acre tract of land closest to the southwest corner of CR 22 and CR 49 called Charlotte Estates and is owned and to be developed by Superior H&H Development, LLC (the “developer”). The developer plans to develop 110 half-acre single-family residential lots fronting public streets. Each new house will be connected to City water but not City wastewater. Rather, each lot will have a private septic system.

As stated in their application, the developer estimates the full build-out of Charlotte Estates (110 single-family dwellings) within five to 10 years and each dwelling unit would have an average sales price of \$600,000.

City Services to Subject Property

A Municipal Service Plan outlines how the City will provide services to a newly annexed area. The Service Plan for CR 22 is limited to City street maintenance services. Nueces County recently improved three (3) miles of CR 22 from CR 51 to State Highway (SH) 286 with asphalt pavement. The remaining one-mile portion of CR 22 from SH 286 to CR 43 is improved with chip seal gravel.

Both petitioning landowners have agreed to a Municipal Service Plan and the City Manager is authorized by the City Charter to execute the agreement. The subject properties are located within the City of Corpus Christi's Certificate of Convenience and Necessity (CCN) for water service, i.e. water jurisdiction, and will receive City water utility services. The developers intend to install a private septic system on each lot and will not receive City wastewater utility services. The proposed developments do not reach a threshold at which additional City Police substations, Fire stations, City Library, Health, Animal Control, or Parks and Recreation services are needed.

ALTERNATIVES:

Staff evaluated alternatives for creating "contiguity" for the property owned by the developers such as selecting different road ROWs that would extend from current city limits and reach the property or requiring the developers to work with neighboring private property owners to create a connecting path to the nearest City limit line. However, the Nueces County Commissioners Court requested that the city annex just this portion of CR 22 to provide the connection.

Additionally, in evaluating the limits of the CR 22 right-of-way annexation, staff recommended limiting the annexation to only that section of the road located within the City's London Area Development Plan.

FISCAL IMPACT:

Staff calculated the 10-year fiscal impact on the City's General Fund based on the developers' stated build-out timeframes and anticipated sales prices. Future changes in the housing market or municipal service costs are not projected and could impact these findings.

A fiscal analysis of the proposed London Ranch Estates subdivision demonstrated that at buildout in 10 years, the residential subdivision would result in an annual net positive impact on the General Fund of \$18,100, which indicates that the annual property tax revenues are expected to cover the additional annual operating costs associated with providing City services.

A fiscal analysis of the proposed Charlotte Estates subdivision demonstrated that at buildout in 10 years, the residential subdivision would result in an annual net negative impact on the General Fund of -\$3,211, which indicates that the additional annual operating costs associated with providing City services will exceed the annual property tax revenues.

Funding Detail: No funds are being encumbered with this action.

RECOMMENDATION:

Staff recommend approval of the annexation.

Staff and Planning Commission recommend approval of the requested rezonings.

LIST OF SUPPORTING DOCUMENTS:

Ordinance with Exhibits (Service Plans, Property Descriptions)

Map Overview

Petition for Annexation (Nueces County)

Petition for Annexation (LM & JM Investments/London Ranch Estates)

Petition for Annexation (Superior H&H Development/Charlotte Estates)

Zoning Report (LM & JM Investments/London Ranch Estates)

Zoning Report (Superior H&H Development/Charlotte Estates)

Presentation