



## AGENDA MEMORANDUM

First Public Hearing for the City Council Meeting of November 15, 2022

**DATE:** November 15, 2022

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Public Hearings on the Annexation of Portions of County Roads 18 and 43 Located South of FM 2444

### **CAPTION:**

First Public Hearing to discuss the annexation of County Right of Way for sections of County Road 43 and County Road 18, being approximately 9.78 acres, located south of Farm to Market Road 2444, Caroline Heights Subdivision.

### **SUMMARY:**

The purpose of this item is to hold the first public hearing required by State law for the annexation of portions of County Right of Way for County Road (CR) 18 and 43, which are located south of FM 2444 (South Staples Street) west of the Oso Creek. The Nueces County Commissioner's Court is requesting the annexation of these portions of the County right-of-way for the purpose of extending the City limit line to a 37.44-acre tract owned by Cypress Point Capital LLC (the "developer") to create contiguity. Contiguity with the City allows annexation of the 37.44-acre tract per the owner's request. Once the developer tract is annexed, the developer proposes to develop a 28-unit single-family subdivision connected to City water. The developer will also request reimbursement from the City's Water Trust Fund for constructing an oversized water line required by the City's Water Master Plan.

### **BACKGROUND AND FINDINGS:**

Cypress Point Capital LLC (the "developer") is intending to build a single-family residential development called Caroline Heights consisting of 28 half-acre lots. The development is on the southeast corner of FM 2444 (South Staples Street) and County Road (CR) 43 and will connect to City water, but each lot will have a private septic system. The developer will oversize the water line per the City's Water Master Plan and is, therefore, seeking reimbursement from the City's Water Trust Fund. The Trust Funds are defined in the City's Unified Development Code as "funds held in trust by the City for developers to provide for a fair and equitable expansion of water, wastewater, and stormwater infrastructure for new development."

To be eligible to connect to City water utilities and to receive reimbursement from the Trust Fund, the property must be within the City's limits. Because the subject property is not contiguous with the current City limit line, which is a requirement of State law, the Nueces County Commissioner's Court is also petitioning the City to annex sections of CR 18 and CR 43, which will extend the City limit line to the developer's property and create "contiguity" for Cypress Point Capital's property.

The Nueces County Commissioners Court's annexation request will include the following road sections, totaling 9.78 acres of land:

- Approximately a 1-mile section of CR 18 between CR 41 and CR 43; and
- Approximately a 1-mile section of CR 43 between FM 2444 and CR 18.

The Service Plan outlines how the City will provide services to the subject property. The Service Plan for County Roads 18 and 43 will be limited to street maintenance. Of the two county roads, only CR 43 is improved with approximately 1,800 linear feet of asphalt pavement from FM 2444 to approximately the entrance to the proposed subdivision.

Texas Local Government Code Section 43.063 requires that "[b]efore a municipality may institute annexation proceedings, the governing body of the municipality must conduct two public hearings at which persons interested in the annexation are given the opportunity to be heard."

#### **ALTERNATIVES:**

Staff evaluated alternatives for creating "contiguity" for the property owned by Cypress Point Capital, such as selecting different road ROWs that would reach the property or requiring Cypress Point Capital to work with neighboring private property owners to create a connecting path to the City limit line. In the end, the Nueces County Commissioners Court agreed to provide the connection.

#### **FISCAL IMPACT:**

There is no immediate financial/fiscal impact associated with this ordinance. In the future, the City will be responsible to fund road maintenance.

#### **FUNDING DETAIL:**

Fund: N/A

Organization/Activity: N/A

Mission Element: N/A

Project # (CIP Only): N/A

Account: N/A

#### **RECOMMENDATION:**

No decision about the annexation is being made today.

#### **LIST OF SUPPORTING DOCUMENTS:**

Agenda Memo

Exhibit Map

Presentation

Petition for Annexation (Resolution from Nueces County Commissioner's Court)