



AGENDA MEMORANDUM

Public Hearing/First Reading for the City Council Meeting of April 8, 2025
Second Reading for the City Council Meeting of April 15, 2025

DATE: March 7, 2025

TO: Peter Zaroni, City Manager

FROM: Daniel McGinn, AICP, Director of Planning and Community Development
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**Annexation & Rezoning
For HUT Enterprises / London Checkout**

CAPTION:

Annexation and Zoning Case ZN8575 HUT Enterprises, LLC (District 3). Ordinance annexing a 12.778-acre tract of land comprised of a 2.194-acre tract of land per owner petition, located at the southwest corner of FM 43 and SH 286, and the abutting 10.58-acre section of FM 43; approving the related service plan; adding the annexed area to City Council District 3; rezoning the 2.194 acres from the "FR" Farm Rural District to the "CG-2" General Commercial District; and providing for a penalty not to exceed \$2,000 and publication. (Planning Commission and staff recommend approval of Zoning Case ZN8575)

SUMMARY:

Upon petition by the landowner, HUT Enterprises, LLC, this ordinance will annex 2.194 acres of vacant private property at the southwest corner of FM 43 and SH 286 in the London area (the "subject property"). To be eligible for annexation, the subject property must be contiguous to the city limit line. Therefore, this ordinance will also annex the FM 43 right-of-way from the subject property to the city limit line just east of CR 47, which will give the subject property contiguity with the current city limit line. The ordinance will also rezone the subject property to the "CG-2" General Commercial District and assign the annexed area to Council District 3.

BACKGROUND AND FINDINGS:

Description of the Request and Proposed Development

HUT Enterprises, LLC, landowner, is planning to construct a convenience store and gas station called London Checkout on the southwest corner of FM 43 and SH 286. The subject property is outside city limits and not contiguous. State law requires that the

subject property be contiguous to the city limits in order to be annexed. To create contiguity and pursuant to Texas Local Government Code §43.1056, the landowner requests that the City annex the FM 43 right-of-way from the current city limit line just east of CR 47 to the site, which is approximately 4,500 linear-feet of right-of-way or 10.58 acres. The landowner is requesting annexation of their property to secure City services for development of the convenience store and gas station. At the same time, the landowner requests a rezoning to “CG-2” General Commercial District.

Once annexed into the City, the development of the London Checkout will have to comply with all City development regulations, including limitations on permitted uses, landscaping, parking, and setbacks. The development will use City water but not wastewater because wastewater is unavailable. The gas station will use a septic system.

City Services to Subject Property

The City already provides services to nearby and recently annexed areas. The site is located within the City of Corpus Christi’s Certificate of Convenience and Necessity (CCN) for water service, i.e. water jurisdiction. The proposed development will receive City water. TxDOT will continue to maintain FM 43. The developer is required to account for any increased stormwater runoff and provide private on-site mitigation as needed.

The proposed development does not reach a threshold at which additional City Police substations, Fire stations, City Library, Health, Animal Control, or Parks and Recreation services are needed.

The landowner has agreed to a Municipal Service Plan.

Compliance with City Annexation Guidelines

The City will evaluate property owner-initiated requests for annexation based on criteria stated in the Annexation Guidelines. The proposed annexation meets the following criteria:

- Criteria 1. To protect public health and safety by:
 - c. Preventing unregulated development in areas that:
 - (i.) will have an adverse impact on adjacent areas within the City.

- Criteria 2. To provide municipal services to:
 - a. Residential, commercial, and industrial land uses that would benefit from a level of service calibrated for a city rather than an unincorporated area.

- Criteria 3. Where property location is in:
 - b. Areas contiguous to the City limit for which dense urban or suburban development activity is anticipated.

- Criteria 5. Based on economic and fiscal impacts:
 - c. Annexation of areas with proposed development that is fiscally feasible for both operating and capital improvements while maintaining current levels of service to existing residents.

- d. Annexation to ensure that areas benefiting from proximity to a large urban City are contributing revenue to offset the cost of providing services within an urban environment.

ALTERNATIVES:

The land could remain outside city limits (OCL) and the City could offer the landowner an OCL water and wastewater contract for services, however, doing so would not be consistent with recent policy decisions or annexations and would not generate city tax revenue for an area that already benefits from existing City services. Therefore, this alternative is not a recommended course of action.

FISCAL IMPACT:

Departments indicated they could absorb the cost of providing services to the proposed development within current budgets.

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 rezoning.

LIST OF SUPPORTING DOCUMENTS:

Ordinance with Exhibits (Property Descriptions, Municipal Service Plan)
Zoning Report
Presentation