



AGENDA MEMORANDUM

Public Hearing and First Reading for the City Council Meeting of May 26, 2015
Second Reading for the City Council Meeting of June 9, 2015

DATE: May 15, 2015

TO: Ronald L. Olson, City Manager

FROM: Dan M. Grimsbo, P.E., Director, Development Services Department
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Annexation of 70.25 acres of land owned by the SKB Acquisition LLC, formerly known as the Sam Kane Beef Processors, located at the intersection of Leopard Street and Clarkwood Road

CAPTION:

Annexing 70.25 acres of land owned by the SKB Acquisition LLC, formerly known as Sam Kane Beef Processors, located at the intersection Leopard Street and Clarkwood Road; providing that the owners and inhabitants are entitled to all rights, privileges, and burdens of other citizens and property owners of the City of Corpus Christi and are subject to and bound by the City Charter, ordinances, resolutions, and rules; providing for amendment of the official maps of the City of Corpus Christi; providing for severance; providing an effective date; and providing for publication.

PURPOSE:

SKB Acquisition LLC has requested that the City Council grant its petition for annexation of its beef processing facility. Approval of the annexation will entitle the property owner to police and fire protection and many other services provided to properties inside city limits. Annexation will also allow the City to levee city taxes on the annexed property.

BACKGROUND AND FINDINGS:

In 2008, SKB Acquisition LLC, formerly Sam Kane Beef Processors, requested that the City disannex the property so the company could qualify for a government grant for industrial facilities not located inside a municipality. To assist Sam Kane Beef Processors, the City disannexed the property and concurrently approved a 380 Agreement with the company. The 380 agreement guaranteed that the city would not annex the property for 15 years provided that the company paid a fee in lieu of city taxes. The fee was set to be equivalent to the amount of city taxes if the property were located inside city limits.

ALTERNATIVES:

Deny the annexation request.

OTHER CONSIDERATIONS:

Not applicable.

CONFORMITY TO CITY POLICY:

Excerpts from the Corpus Christi Policy Statements, Economic Development:

Policy Statement A. Encourage Orderly Growth - Orderly growth should be encouraged as it is necessary for maintaining a dynamic economy offering job opportunities and income levels commensurate with a rising standard of living.

Policy Statement C. Promote the expansion of existing and new business development to promote city growth and a strong local economy. The city should promote the growth and expansion of existing businesses because they are the "backbone" of the local economy.

EMERGENCY / NON-EMERGENCY:

Not applicable.

DEPARTMENTAL CLEARANCES:

Assistant City Manager's Office - Business Liaison
Legal Department
Development Services Department

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2014-2015	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

Comments: Costs for city services will be absorbed under the current city budget due to the small size of the annexation area.

RECOMMENDATION:

Approval

LIST OF SUPPORTING DOCUMENTS:

Annexation Petition
Ordinance