



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Department of Development Services

DCM: Cassey Ogden

DATE: October 14, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton, Texas, regarding a Municipal Services Agreement, pursuant to Tex. Loc. Govt Code Sec. 43.0672, between the City of Denton and Double R Devco, LLC for the provision of city services to approximately 15.011 acres of land, generally located north of West University Drive (US 380) and approximately half a mile west of Golden Hoof Drive; approving a schedule of annexation; authorizing the City Manager to execute the agreement; and providing an effective date. (A25-0001, Hickory Grove MF 2, Mia Hines)

BACKGROUND

The applicant, JT Hale with Kimley-Horn, on behalf of Double R Devco, LLC (hereafter referred to as "Owners"), has submitted a petition for voluntary annexation of approximately 15.011 acres of a 16.524 acre tract of land located just north of West University Drive (US 380) (hereafter referred to as "Subject Property"). The remaining approximately 1.5 acres of the parent tract is already located within the City's corporate limits. The Subject Property was part of the 542.536-acre Legends Ranch / Hickory Grove Municipal Utility District (MUD) which provides for the development of no more than 1,551 single-family residential lots and 624 multifamily residential units, with 325 of those multifamily residential units to be constructed on the Subject Property. Per Section 3.1 of the approved Development Agreement:

Within ninety (90) days of the Effective Date of this Agreement, Owner shall cause the District to exclude the [Subject Property] from the boundaries of the District and, within ninety (90) days of the issuance of a certificate of occupancy for the [Subject Property], Owner shall cause the submittal of a petition for voluntary annexation of the [Subject Property] into the corporate limits of the City. Owner agrees to supply, or cause to be supplied, any and all instrument and/or documentation necessary for the City to annex the [Subject Property] into the City's corporate limits. If the City is unable to complete the annexation of the [Subject Property] for any reason, including but not limited to procedural error or legal challenge, Owner shall cause to be executed another voluntary annexation petition for the [Subject Property] within ten (10) days of being requested to do so. As soon as practicable after the City's annexation of the [Subject Property] into the City's corporate limits and after the City has zoning jurisdiction, the City Council of the City shall consider, with its full legislative discretion, zoning the [Subject Property] for multi-family use. The City does not guarantee, and nothing in this Agreement may be conditioned upon, any outcome of any zoning or rezoning decision relating to the [Subject Property].

Related to this section of the Agreement, the following has occurred:

- | | |
|--|--------------------|
| 1. Effective Date of Agreement | September 5, 2024 |
| 2. Exclusion of Subject Property from the MUD | September 17, 2024 |
| 3. Filing of Petition for Voluntary Annexation of Subject Property | August 5, 2025 |

A certificate of occupancy for the Subject Property has not yet been issued as the site is currently undeveloped, so the annexation is occurring out of sequence from what was originally contemplated by the development agreement. Although the development agreement calls for development of the tract to occur in the ETJ prior to annexation, the applicant has submitted this petition to annex at this time to avoid the risk of constructing a development that might ultimately not conform with zoning should the City decide not to grant a change of zoning to a District that allows the multifamily land use and layout established by the Development Agreement. This voluntary annexation complies with Subchapter C-3, Chapter 43 of the Texas Local Government Code, and since the property has now been excluded from the MUD staff has no concerns related to the change in application sequence.

Approval of this Municipal Services Agreement is the first of several steps required for a voluntary annexation based upon the requirements of TXLGC Sec. 43.0672 and the City's Charter as outlined below:

- 1. Approval of a Municipal Services Agreement**
2. Annexation Public Hearing
3. First Reading of Annexation Ordinance
4. Publication of Annexation Ordinance
5. Second Reading and Adoption of Annexation Ordinance

The first three of these items are on this agenda, with this being the first required step in the process. Following the first reading of the annexation ordinance, the ordinance must be published in the newspaper, and the second reading is required to occur at least 30 days following ordinance publication.

Due to annexation law, under Subchapter C-3 (TXLGC Sec. 43.0672), a municipality that elects to annex an area upon request of owners must first negotiate and enter into a written Service Agreement with the owners of the land in the area for the provision of services in the area. The attached Municipal Services Agreement contains the City's standard Service Plan for annexations regarding streets, water, wastewater, police and fire protection, and park services.

On August 5, 2025, the Owner submitted a petition for voluntary annexation (A25-0001) of the Subject Property. Once a property is annexed into the city limits, it is automatically assigned a placeholder zoning designation of Rural Residential (RR). The balance of the parent tract that is already within the City Limits is zoned Residential 2 (R2). Anticipating that the petition to annex will be approved, the Owner has also applied for a zoning change on the entire 16.524 acres of land to allow for a multifamily development consistent with the Development Agreement. The public hearings associated with the requested zoning change would be scheduled after the City Council approves the annexation (should that occur). The public hearings cannot be noticed and scheduled until the property is annexed into the City.

The subject property is situated north of West University Drive (US 380), approximately half a mile west of Golden Hoof Drive. The property to the west of the subject property is situated within the City of Denton's Extraterritorial Jurisdiction (ETJ) and Legends Ranch MUD and, per the Development Agreement, this tract is to be developed with 299 multifamily residential units. The property to the north of the Subject Property is also situated within the ETJ and Legends Ranch MUD, and largely encumbered by Floodplain. The property to the east is within the City limits, zoned R2, and developed with a lift station, constructed partially to serve the Legends Ranch MUD. Beyond these immediately adjacent parcels, land to the north, northeast, and west of the subject property is intended to be developed with single-family

residential lots as part of the Legends Ranch MUD. West University Drive (US 380), abutting the Subject Property to the south, is a six-lane divided roadway with a median and dedicated left turn lanes, classified as a Freeway per the 2022 Mobility Plan and Thoroughfare Map.

The Future Land Use designation for the subject property is split between Low Residential and Agriculture. The descriptions for these Future Land Use categories are provided below:

The Low Residential category includes the city's predominantly single-family neighborhoods, with lot sizes ranging from one acre or more in rural fringe areas up to five units per acre gross density throughout many of the city's suburban subdivisions. Dwellings in this land use district are generally one to two stories with private driveways and open space, consisting of privately-maintained tree canopy and front, back and side yards. Building and driveway orientation, the locations of private garages, building material, and the presence of sidewalks vary by neighborhood and the era of neighborhood development. Generally, these types of single-family neighborhoods are developed as distinct subdivisions that are linked by internal circulation systems with limited access to local and connector roads. This category may also include land uses that support residential neighborhoods, such as appropriately scaled commercial at arterial and collector street corners, and appropriately scaled public and quasi-public uses, such as religious and educational institution. Density: up to 5 dwelling units per acre.

The Agriculture category denotes areas that have large tracts of land in active agriculture uses for preservation, including ranchland, field crops, and other similar agricultural uses. This may also include rural commercial uses, alternative energy generation, and accessory structures to support agricultural uses and uses that support agritourism. This category may include large lot residential (a maximum of one unit per ten acres). This land use may allow lots as small as one acre under the gross density provisions to allow for conservation development which clusters smaller lots while permanently protecting scenic rural open space (through conservation easements). Residential development in this future land use category will continue the present character of the rural and agricultural areas of Denton with low-profile homes of no greater than two stories, generous lots and setbacks, and materials that complement the natural surroundings and ranch heritage.

The Subject Property is not currently being served with City water or sewer; however these utilities are being extended as part of the MUD development and would serve the site in the future.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

Date	Council, Board, Commission	Request	Action
June 28, 2022	City Council	Consent for creation of Legends Ranch Municipal Utility District	Approval
June 28, 2022	City Council	Approval of Legends Ranch MUD Development Agreement	Approval

Recommendation:

Staff recommends approval of the Municipal Services Agreement and annexation schedule.

OPTIONS

1. Approve
2. Deny
3. Postpone Item

EXHIBITS

Exhibit 1 - Agenda Information Sheet

Exhibit 2 - Site Location Map

Exhibit 3 - Draft Municipal Services Agreement and Annexation Schedule Ordinance

Exhibit 4 - Presentation

Respectfully submitted:

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Prepared by:

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Senior Planner