



# City of Denton

City Hall  
215 E. McKinney Street  
Denton, Texas  
[www.cityofdenton.com](http://www.cityofdenton.com)

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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Department of Development Services

**ACM:** Cassey Ogden

**DATE:** March 19, 2024

### **SUBJECT**

Consider adoption of an ordinance of the City of Denton, Texas regarding a Municipal Services Agreement, pursuant to Tex. Loc. Gov. Code Sec. 43.0672, between the City of Denton and Lake City Holdings, LLC for the provision of city services to approximately 6.28 acres of land, generally located 224 feet north of E. McKinney Street and 1,140 feet east of Trinity Road; approving a schedule of annexation; authorizing the City Manager to execute the agreement; and providing an effective date. (A23-0003, M. Forrest Annexation, Angie Manglaris)

### **BACKGROUND**

The City has initiated a voluntary annexation petition of approximately 6.28 acres of land owned by Lake City Holding, LLC (hereafter referred to collectively as “Owner”) due to the continued and ongoing breach of a Non-Annexation Agreement (NAA) that was executed on October 20, 2020. The subject property is currently developed with a single-family home and is being utilized as a commercial business with associated vehicular storage. This voluntary annexation complies with Subchapter C-3, Chapter 43 of the Texas Local Government Code and with the signed Non-Annexation Agreement which states “upon expiration, or upon breach or termination of this agreement for any reason, or at any point thereafter, then in addition to the City’s other remedies, such act will constitute a petition of voluntary annexation by the owner.”

### **Timeline of Events Leading to Annexation:**

In December 2022, City staff received a complaint regarding the use of the subject property as a commercial business with associated vehicle storage. Staff researched the matter and determined the subject property to be in violation of the NAA on the property which stipulates the use of the subject property is limited to farm-related and ranch-related uses and customary accessory uses, and single-family detached farm or ranch dwellings, provided that no single-family dwelling may be located or constructed on a lot smaller than five (5) acres unless the lot was created prior to the date of the agreement.

On December 28, 2022, a Notice of Violation was sent to the Owner, explaining the property was in violation of the NAA and providing a compliance (by either cessation of the commercial business or voluntary annexation) deadline of January 23, 2023. The subject property continued to remain in violation through the Spring of 2023, and on May 31, 2023, City staff sent a second letter informing the Owner of a breach of the executed NAA for the property and stated the Owner could cease to operate the commercial land uses on the property or begin the annexation process.

On August 24, 2023, the Owner submitted a voluntary petition for annexation to the City and submitted for a Pre-Application Conference on August 30, 2023 at which time staff discussed the necessary steps for

annexation and subsequent zoning of the property that would have to be sought in order to continue the commercial business. On September 7, 2023, City staff returned the first round of review comments for the voluntary annexation petition and noted resubmittal was required to address outstanding comments. On November 30, 2023, and December 12, 2023, staff sent emails to the Owner inquiring on the status of the annexation application as well as anticipated resubmittal date and received no response.

On January 3, 2024, City staff held an internal meeting to discuss next steps in the process. It was determined a certified letter would be sent to the property Owner, reminding them of the breach of NAA and providing a deadline for resubmittal of the annexation petition before the City would continue to pursue the voluntary annexation.

On January 11, 2024, City staff sent the certified letter to the Owner with a resubmittal deadline of February 5, 2024. The outstanding application requirements were not received by staff within the allotted timeframe, and therefore, staff is moving forward with the voluntary annexation petition as specified in the signed NAA.

Process:

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. Approval of the Municipal Services Agreement is the only action required for the annexation at this meeting. 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 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.

Property Information:

The subject property is situated approximately 1,176 feet north of E. McKinney Road and immediately to the east of S. Trinity Road. Upon annexation, the subject property would immediately be assigned a zoning designation of Rural Residential (RR). In order to continue the commercial land use and associated vehicular storage onsite, the Owner would first need to request a rezoning of the property to a district which allows for such uses.

The Future Land Use designation for the subject property is Low Residential:

This 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 institutions.

The subject property is accessed from S. Trinity Road. There is an existing 8-inch wastewater line and a 12-inch water line that run north/south along S. Trinity Road.

The subject property does not have any FEMA floodplain or Environmentally Sensitive Areas (ESAs) designations.

There are no gas well drilling and production sites located within 1,000 feet of the subject property.

**PRIOR ACTION/REVIEW (Council, Boards, Commissions)**

<b>Date</b>	<b>Council, Board, Commission</b>	<b>Request</b>	<b>Action</b>
October 20, 2020	City Council	Enter into a Non-Annexation 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 - LLC Members List

Exhibit 5 - Presentation

Respectfully submitted:  
Tina Firgens, AICP  
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Planning Director

Prepared by:  
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Development Review Manager