



Agenda Report

Agenda of: June 10, 2025

Department: Council

Subject: Discussion and possible action regarding Development comparison using current CZO and Subdivision Ordinance versus the proposed UDO.

Recommended Motion: I move to authorize the City Council and staff to discuss the financial implications on developers and City when operating under existing ordinances or the UDO.

Background: The city has experience with working with developers using existing ordinances. The new laws from the Texas legislature have changed the situation dramatically as properties can now file to be removed from ETJ while we are still required to provide water and wastewater services if in the city's CCN.

The existing ordinances have flexibility in that PUDs could be negotiated that gave builders more flexibility while still working to have developments agreeable to the city. My initial impression is that the UDO does not have that same amount of flexibility and may hasten developers to opt out of city rules to save money or make more money while still getting necessary city services. That means no tax revenue for the city while the developments will use all the city paid general fund services.

Discussion: The city will not have public safety or street responsibilities which may soften the financial impact. Dollar value of not providing those items is unknown if that happens. However, the parks, library, pool will be used by all and paid for by citizens in the city.

The city has the option of giving financial incentives to developers to be included in the city limits and follow our development ordinances but is it worth it as the bill must be paid by someone.

My desire it to have the council and staff discuss all the implications of continuing with our current development ordinances in comparison with building under the UDO.

Discuss developers' willingness to develop and join the city, building under the existing CZO and Subdivision Ordinance requirements verse the UDO.

The objective is to see if the additional building cost and reduction in negotiated development options in the UDO would result in developers opting out of the ETJ and what that would mean to the city financially and with other support such as general funds activities which those developments would use whether in the city or not.

Fiscal Summary:

Next Steps:

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Fiscal Impact: N/A

☐ Budgeted ☐ Requires Budget Amendment

Source of Funding:

Attachments:

Urgency (0-5 = Low Urgency to High Urgency): 5

Impact (0-5 = Low Impact to High Impact): 3

Submitted by: Councilman Robert Lee