

STAFF REPORT

To: City Council
From: Public Works – Engineering Services
Date: October 17, 2024
Re: Request for incorporation into City’s Water Service Area of an 80.69-acre parcel of land, a portion of the Corley Tract, by Athena Domain, LLC. on behalf of Century Oaks, LLC.

SUMMARY:

The 80.69-acre parcel of land at 29580 Ralph Fair Road is a portion of a 160-acre undeveloped tract, known as the Corley Tract (**Exhibit A**), within the City of Fair Oaks Ranch. The current zoning (**Exhibit B**) for this property includes Neighborhood Residential, Mixed Use Village, and Logistics. Importantly, this tract is not located within any entity’s Certificate of Convenience and Necessity (CCN), which is also referred to as a certificated service area. A map from the Public Utility Commission of Texas (PUC) CCN Viewer is attached (**Exhibit C**).

Athena Domain, LLC, on behalf of the owner, Century Oaks, LLC, applied (**Exhibit D**) to incorporate the subject parcel into the City of Fair Oaks Ranch Water CCN. According to UDC Section 9.6 (5)(c)(v) Service Requests, the “developer or property owner requesting water service from the City for new residential development or commercial development, to include annexation of property into the city limits or extension of the City’s existing CCN, must submit a master plan for the property.” The City Engineer determines the use and intensity of water consumption reasonably anticipated based on an examination of the master plan and make recommendations to the City Council on the amount of water necessary to support the development, annexation or CCN extension.

SITE HISTORY:

The Corley Tract was annexed in 2017. The associated service plan stated that the City may provide water and wastewater services, or the property could remain uncertificated (no CCN). To date, the property has remained uncertificated.

In 2018, the City adopted zoning, inclusive of a zoning map and zoning regulations for each district. Although primarily zoned Neighborhood Residential, a portion of the Corley Tract nearest the FM3351 and Dietz Elkhorn intersection was zoned Mixed Use Village to encourage a mix of uses and pedestrian scale development at major transportation nodes. A portion of the Corley Tract was also zoned Logistics to provide an area in the City for appropriately scaled office-warehouse and light industrial or commercial uses.

In 2022, a rock and concrete crushing business leased the property for a short period of time. The business relocated after being notified that industrial and heavy manufacturing were not permitted uses in accordance with zoning regulations.

On August 30, 2024, Athena Domain, on behalf of Century Oaks, LLC, submitted a formal request for incorporation into the City’s Water Service Area.

On October 1, 2024, the applicant submitted a revised master plan reflecting 139 LUEs for the proposed development to align with the City’s Water, Wastewater and Reuse Master Plan.

No other development-related or rezoning applications have been received, and there are no other pending applications for the property.

REASON FOR THE REQUEST:

The 80.69-acre parcel is not located within any entity’s Water CCN. The applicant has requested incorporation into the City’s CCN.

STAFF ANALYSIS:

In 2019, the City adopted the current Water, Wastewater, and Reuse Master Plan. The plan identified existing and future conditions based on land use assumptions, estimated number of connections for undeveloped parcels, and recommended short, intermediate and long-term capital improvement projects to support the growth of the City in accordance with TCEQ regulations for public water systems.

The Master Plan allocated a total of 215 connections or Living Unit Equivalent (LUEs) for the subject 160-acre tract (**Exhibit E**). The Plan also identified future water infrastructure in and around the subject parcel (**Exhibit F**). Based on this, the City planned to provide water service to this parcel as part of the City’s eventual build out.

The following is a summary of the developer’s master plan regarding proposed units, LUEs, and estimated acre-feet of water required:

Phase 1	Units	LUEs	Acre-Feet Using 1.5 AF per LUE	Acre-Feet Using 0.5 AF per LUE
Neighborhood Residential (1 acre lots)	20 +1 irrigation	21	31.5	10.5
Mixed Use Village	4	8	12	4
Logistics (Townhomes)	216 + 2 (amenity center and irrigation)	110	165	55
Total		139	208.5	69.5

The following is not part of the developer’s master plan but included for planning purposes only. Staff assumes Phase 2 may include single-family homes in the Neighborhood Residential District, and townhomes in the Logistics District with similar density as proposed in the developer’s Master Plan for Phase 1. The calculations show that the total LUEs for both Phase 1 and 2 equals 215 which aligns with the number of LUEs allocated for the Corley Tract in **Exhibit E**.

Phase 2	Units	LUEs	Acre-Feet Using 1.5 AF per LUE	Acre-Feet Using 0.5 AF per LUE
Neighborhood Residential (1 acre lots)	37 +1 irrigation	38	57	19
Logistics (Townhomes)	74 + 1 irrigation	38	57	19
Total		76	114	38

According to UDC Section 9.6 (5)(c)(iv) Ample Supply Required, “In defining the ample water supply necessary for a proposed development or land use project, the City of Fair Oaks Ranch will use a minimum of 1.5 acre-feet per each connection planned for a project.” For purposes of analysis, each single-family residential home is considered 1.0 LUE and each townhouse is considered 0.5 LUE. Based on this, the proposed development totals 139 LUEs which will require 208.5 acre-feet of water per year. This water supply calculation is a very conservative since the average consumption for a single-family residential home in the city is approximately 0.5 acre-feet per year. Since the majority of units within the planned development are townhomes which will have limited landscaping and no irrigation systems or swimming pools, it is likely that average consumption per unit within this development will be even less than 0.5 acre-feet per year. A quick calculation of 139 LUEs at 0.5 acre-feet per LUE results in a more realistic requirement of 69.5 acre-feet of water per year.

The City currently contracts with GBRA to reserve 1,850 acre-feet of which 1,344 acre-feet is currently delivered to City water plants for distribution. The remaining reserved amount is adequate to fulfill the Water Supply Agreement commitments. The remaining amount in reserve is also adequate to serve the proposed development and other potential developments over the next decade and beyond.

Water system modeling and additional analysis is being conducted by Freese and Nichols. Any necessary infrastructure upgrades will be addressed with the developer and memorialized in a future water supply agreement.

PUBLIC NOTICES/COMMENTS:

N/A

CRITERIA FOR REVIEW:

The City Engineer shall provide detailed information regarding the current capacity of the existing water system and determine if the proposed development can be supported. The City Council will make the final decision on the City Engineer's recommendations.

STAFF RECOMMENDATION:

Based on evaluation of the proposed Master Development Plan, reflecting townhomes with some single-family residential and commercial uses, staff recommends granting the request for Water CCN extension, subject to approval of the proposed Master Development Plan.

Exhibits

Exhibit A - Location Map

Exhibit B - Zoning Map

Exhibit C - PUC Water CCN Map

Exhibit D - Developer Application Documents

Exhibit E - Water Connection Planning Area Map

Exhibit F - Water System CIP Improvement Plan Map