

Recommendation for Council Action

Austin City Council Item ID 12029 Agenda Number 54.

Meeting Date: 1/26/2012 Department: Planning and Development Review

Subject

Set public hearings to consider a request for city consent to the creation of the Southeast Travis County Municipal Utility Districts 1-4 ("MUDs"). (Suggested date and time: March 1, 2012, at 4:00 p.m. at Austin City Hall, 301 W Second Street, Austin, TX)

Amount and Source of Funding

Fiscal Note

Purchasing Language:	
Prior Council Action:	February 17, 2011: Council approved Resolution No. 20110217-030, establishing a policy and general criteria under which Municipal Utility District requests will be considered. April 21, 2011: Council approved Resolution No. 20110421-017, consenting to special legislation that would create the Southeast Travis County Municipal Utility Districts.
For More Information:	Virginia Collier, Planning and Development Review Department, (512) 974-2022
Boards and Commission Action:	Recommended by the Water and Wastewater Commission and the Environmental Board. To be reviewed by the Planning Commission on January 24, 2012, Parks Board on January 24, 2012, and the Urban Transportation Commission on February 14, 2012.
MBE / WBE:	
Related Items:	

Additional Backup Information

In March 2011 Qualico CR LP submitted petitions to the City for consent to create four municipal utility districts ("MUDs") known as the Southeast Travis County MUDs 1-4.

In April 2011 City Council approved a resolution consenting to special legislation that would create the MUDs, subject to criteria that would protect the City's interests. The City's MUD policy, adopted in February 2011, provides for consideration of extraordinary public benefits, superior development, and enhancement of other City interests when negotiating the consent agreement.

In May 2011, the Texas Legislature created the Southeast Travis County Municipal Utility Districts 1-4 conditioned upon the City entering into a consent agreement with each MUD no later than September 1, 2012. Each MUD's enabling legislation also allows continuation of the district as a "limited district" after full-purpose annexation by the City if the district and the City enter into a strategic partnership agreement ("SPA"). The City is requiring a SPA as a condition of its consent. If the City does not consent to the creation of the district or enter into such agreements as are required by the terms of the City's consent ordinance, the MUDs will be dissolved on September 1, 2012.

These MUDs include approximately 1,604 acres located in southeastern Travis County within the City's extraterritorial jurisdiction. As part of the agreements consenting to the creation of the MUDs, the City would defer full purpose annexation of the MUDs for approximately 25 years or longer but would annex the MUDs for limited purposes shortly after giving consent to MUD creation. In addition, the developer would apply for Planned Unit Development (PUD) zoning. Proposed future development includes a mix of land uses typical in suburban developments. The City would be the retail service provider for water and wastewater services and solid waste services.

Following staff and board and commission review, the City Council must conduct a public hearing and consider the request for city consent to the creation of the MUDs. If approved, Council must conduct two additional public hearings regarding a strategic partnership agreement ("SPA") and adopt the SPA after each MUD has adopted the SPA.