

AGENDA



Recommendation for Council Action

Austin City Council	Item ID	23465	Agenda Number	7.
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Meeting Date:	4/11/2013	Department:	Government Relations
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Subject

Approve a resolution consenting to special legislation to create the Cascades Municipal Utility District No. 1, consisting of approximately 135 acres of land located in southern Travis County immediately south of the current City limits in Austin’s extraterritorial jurisdiction, along the east side of IH 35 South, along Onion Creek, conditioned on certain provisions being included in the legislation creating the district.

Amount and Source of Funding

Fiscal Note

Purchasing Language:

Prior Council Action:

For More Information: John Hrcir, Government Relations Office, (512) 974-2285

Boards and Commission Action:

MBE / WBE:

Related Items:

Additional Backup Information

On January 3, 2013, Onion Associates, Ltd. submitted a petition to the City for consent to create the Cascades Municipal Utility District No. 1 (“MUD”). In response to staff comments on the original petition, the applicant submitted a revised petition on February 22, 2013.

In January, intent to file legislation that would create the MUD was published on behalf of the applicant. On March 26, 2013, legislation was filed to create this MUD. This resolution expresses the Council’s support for such legislation conditioned on the legislation including several provisions addressing the City’s concerns about special districts in the extra-territorial jurisdiction. The proposed legislation should provide for the MUD to be enabled to continue in existence, and to issue debt, only if the City and the applicant successfully negotiate and execute a consent agreement that is approved by the City Council within a specified time. 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 MUD will be dissolved on September 1, 2014. The legislation also should deem the consent agreement to be valid and enforceable; authorize one permanent board director to be appointed by the City; create board member term limits; and authorize

setting a minimum tax rate. The enabling legislation also allows continuation of the MUD as a "Limited District" after full purpose annexation by the City if the MUD and the City enter into a strategic partnership agreement ("SPA"). The City would also require a SPA as a condition of its consent.

The resolution helps to implement the City Council's adopted MUD policy as provided in Resolution 20110217-030. According to the policy, the applicant must provide extraordinary benefits, superior development, and enhancement of other City interests when negotiating the consent agreement after the legislation is approved.