

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	24507	Agenda Number	22.
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Meeting Date:	6/20/2013	Department:	Planning and Development Review
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Subject

Authorize negotiation and execution of the Estancia Hill Country Final Annexation and Development Agreement, concerning annexation and development of approximately 600 acres in southern Travis County, west of IH 35 South, approximately eight tenths of a mile south of the intersection of IH 35 South and Onion Creek Parkway. Related to Items # 52, # 64, # 65, # 76, # 77, and # 90.

Amount and Source of Funding

Fiscal Note

Purchasing Language:	
Prior Council Action:	January 17, 2013 - Interim Annexation and Development Agreement approved.
For More Information:	Virginia Collier, 974-2022.
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

On January 17, 2013, Council approved an Interim Annexation and Development agreement and directed the City Manager to negotiate a final Annexation and Development Agreement ("Agreement") with the developers of the proposed Estancia Hill Country project in lieu of completing full-purpose annexation for the area. The Estancia project includes approximately 600 acres located in southern Travis County west of IH 35 South, approximately eight tenths of a mile south of the intersection of IH 35 South and Onion Creek Parkway. This area is currently in the city's extraterritorial jurisdiction ("ETJ") and is adjacent to the city's full purpose jurisdiction on the north side.

City staff and the owners of the land negotiated an Agreement authorized by Sections 43.035 and 212.172 of the Texas Local Government Code that establishes development regulations for the property and provides that the area will be annexed initially for limited purposes, allowing the City to establish zoning and create a Public Improvement District ("PID") for the area. The purpose of the PID is to finance City bonds that would help pay for infrastructure

for the proposed development. In exchange for PID bond financing, the developers have requested limited purpose annexation and a 16 year delay of full purpose annexation. The Agreement obligates the City to defer full purpose annexation of any part of the project for which the City issues PID bonds. This is designed to defer imposing City property taxes on the land at any time before the PID bond assessments are paid in full. The developer has also filed an application for planned unit development ("PUD") zoning for the area. The Agreement is consistent with the Council adopted policy regarding establishment of PIDs. The Agreement states that the owner is waiving right to City council's previous approval of a wastewater cost reimbursement for an amount not to exceed \$2 million. The owner will also pay, at its sole cost without reimbursement, for the oversizing of the wastewater mains requested by the City. The land being dedicated as parkland to satisfy the parkland dedication requirement will allow the Parks Department to extend the Onion Creek Greenbelt west of IH-35 and connect with a newly purchased 55 acre site along Onion Creek. The acreage associated with the PID/PUD will allow for continuous connections south of the newly acquired 55 acre site.

The Agreement does not create a PID, or annex or zone the property; however, related items on the Council agenda will accomplish those things. In accordance with the Interim Agreement, if Council does not approve all of these by June 27, 2013, the City may proceed with full purpose annexation in accordance with applicable state law.