

## A G E N D A



## Recommendation for Council Action

Austin City Council

Item ID

28600

Agenda Number

70.

Meeting Date:

11/21/2013

Department:

Planning and Development Review

## Subject

Approve second and third readings of an ordinance adopting a Strategic Partnership Agreement between the City of Austin and Shady Hollow Municipal Utility District (MUD), regarding future full purpose annexation of the MUD (approximately 451 acres in southwestern Travis County located along Brodie Lane approximately eight tenths of a mile south of the intersection of Slaughter Lane and Brodie Lane). THE PUBLIC HEARINGS FOR THIS ITEM WERE HELD AND CLOSED ON SEPTEMBER 26, 2013 AND OCTOBER 3, 2013.

## Amount and Source of Funding

## Fiscal Note

Purchasing Language:

Prior Council Action:

September 26, 2013 and October 3, 2013 - Council conducted public hearings.  
October 3, 2013 - Council approved on first reading.

For More Information:

Virginia Collier - 512-974-2022.

Boards and Commission Action:

MBE / WBE:

Related Items:

## Additional Backup Information

The Shady Hollow Municipal Utility District (MUD) is located along Brodie Lane approximately eight tenths of a mile south of the intersection of Slaughter Lane and Brodie Lane in southwestern Travis County. The City consented to the creation of the MUD in 1980. Over the past year Shady Hollow MUD representatives and City staff met numerous times to discuss the potential effects of annexation on MUD residents and explore options that may provide alternatives to annexation under the statutory three year municipal annexation plan process. The purpose of this Strategic Partnership Agreement (SPA) is to enter into an agreement between the City and the MUD regarding the terms and conditions of annexation of the MUD by the City in accordance with Section 43.0751 of the Local Government Code. Adoption of a SPA that provides reasonable and equitable benefits to each party is an alternative outlined below.

Terms of the proposed SPA include:

- MUD to fund City-identified utility infrastructure improvements from a City criticality assessment by July 2017
- Continued operation and maintenance of utility systems by the MUD through April 2, 2018; City assumes ownership, operation and maintenance responsibilities thereafter
- MUD sells property and home with a closing no later than October 1, 2019
- Full purpose annexation of the MUD effective December 15, 2020
- City's annexation service plan adopted as part of SPA
- City will assume any remaining fire station debt upon full purpose annexation

MUD and City agree not to support or initiate any legislation to modify the other party's rights under the SPA or consent agreement.