

**AGENDA**



**Recommendation for Council Action**

Austin City Council - Commissioner's Court Meeting	<b>Item ID</b>	34334	<b>Agenda Number</b>	176.
---	----------------	-------	----------------------	------

<b>Meeting Date:</b>	8/7/2014	<b>Department:</b>	Planning and Development Review
----------------------	----------	--------------------	---------------------------------

**Subject**

Conduct a public hearing regarding a Strategic Partnership Agreement between the City and the Cascades Municipal Utility District No. 1 which includes immediate limited purpose annexation and possible future full purpose annexation of approximately 136 acres.

**Amount and Source of Funding**

**Fiscal Note**

<b>Purchasing Language:</b>	
<b>Prior Council Action:</b>	<p>April 11, 2013 – Council approved Resolution No. 20130411-007, consenting to special legislation that would create the MUD.</p> <p>May 23, 2013 – Council approved Resolution No. 20130523-035 granting variances to City Code allowing an extension of time beyond the 90 day review period provided by law relating to a petition for creation of a municipal utility district.</p> <p>February 13, 2014 – Council approved first reading of an ordinance approving a consent agreement for the MUD subject to the adoption of an ordinance approving a strategic partnership agreement between the City and the MUD.</p> <p>June 26, 2014 – Council set public hearings to consider a strategic partnership agreement between the City and the MUD and limited and full purpose annexation.</p>
<b>For More Information:</b>	Virginia Collier, Planning and Development Review, 512-974-2022.
<b>Boards and Commission Action:</b>	<p>June 25, 2013 – Unanimously approved by the Parks and Recreation Board on a 6-0 vote with Commissioner Abell absent.</p> <p>July 10, 2013 – Approved by the Water and Wastewater Commission on a 4-1 vote with Commissioner Faust abstaining and Commissioner Gray absent.</p> <p>August 13, 2013 – Not approved by the Urban Transportation Commission on a 6-0 vote, with Commissioner Blocker absent, on the basis that the proposal does not meet the requirement of providing superior transportation infrastructure and precludes it in the future.</p> <p>October 2, 2013 – Not approved by the Environmental Board on a 3-4 vote due to a lack of consensus on the recommended conditions.</p> <p>January 28, 2014 - Approved by the Planning Commission on a 8-0 vote with Commissioner Nortey absent, with five additional conditions which are included in the staff report.</p>
<b>MBE / WBE:</b>	

<b>Related Items:</b>	
-----------------------	--

<i>Additional Backup Information</i>	
--------------------------------------	--

The MUD includes approximately 136 acres located in southern Travis County immediately south of the current City limits in Austin's extraterritorial jurisdiction ("ETJ"), along the east side of IH 35 South, along Onion Creek. In May 2013 the Texas Legislature created the MUD conditioned upon the City entering into a consent agreement with the MUD no later than September 1, 2014. The City is requiring a Strategic Partnership Agreement ("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 MUD will be dissolved on September 1, 2014.

As part of the agreements consenting to the creation of the MUD, the City would defer full purpose annexation of the MUD but would annex the MUD for limited purposes shortly after giving consent to MUD creation. In addition, the developer would apply for PUD zoning. Proposed future development includes single-family residential, multi-family residential and commercial land uses typical in suburban development. The City would be the retail service provider for water and wastewater services and solid waste services.

Other terms of the proposed agreements include conditions related to MUD Board governance intended to protect the City's interests; limitations on MUD Bonds and the MUD tax rate; the option for a special surcharge on the water and sewer rates for the purpose of wholly or partially compensating the City for its assumption of the debt obligations of the MUD; commitments that will promote superior quality development; the donation of a fire station site containing two net buildable acres; the conversion of the MUD to a "Limited District" after full purpose annexation by the City; clarification on services that the City, the MUD, or the Limited District, and the Owners Association will provide to MUD residents; and the adoption of the City's annexation service plan as part of the SPA.