Austin

MEMORANDUM

To: Mayor and City Council

From: Michael Rogers, Assistant City Manager MR
Susana Carbajal, Assistant City Manager SC

Date: November 10, 2026

Subject: **McLemore Tract Multifamily Water Service Extension Request No. 6517 and Wastewater Service Extension Request No. 6518**

The purpose of this memorandum is to provide staff's recommendation regarding Service Extension Requests (SERs) for the McLemore Tract Multifamily project.

Service Extension Requests (SERs) located outside of the City of Austin's full purpose jurisdiction and not within the Desired Development Zone require review by the Environmental and Water and Wastewater Commissions and approval by the City Council. Austin Water and Austin Watershed Protection staff have completed the review for McLemore Tract Multifamily Water Service Extension Request (SER) No. 6517 and Wastewater SER No. 6518. Austin Water has determined that it can provide utility service to the project while Watershed Protection has identified environmental concerns. Based on City Council's previous approval of these SERs and the significant benefits this project will bring to the community, staff recommends approval of the SERs.

Summary of Proposed Development
The McLemore Tract Multifamily project consists of approximately 10 acres (Property). The Property is located entirely within unincorporated Travis County, the City's Impact Fee Boundary, Austin Water's utility service area, the Drinking Water Protection Zone, the Lake Travis Watershed (classified as water supply rural), and the North Edwards Aquifer Recharge Zone. The Property is generally located along North FM 620 between Anderson Mill Road and Boulder Lane near City Council District 6 in zip code 78726.

The Property is currently undeveloped and has been used in the past as additional storage area for the adjacent custom trailer business. According to publicly available record databases, there are no past or present water wells or on-site septic facilities located on the Property. CWS Capital Partners, LLC (Applicant) is proposing to develop the tract with 303 multi-family units and is requesting 152 Living Unit Equivalents (LUEs). The Applicant requested that the City provide water utility service and centralized wastewater service to the Property and Austin Water has determined the service requirements as proposed in Water SER No. 6517 and Wastewater SER No. 6518, respectively.

The Applicant previously submitted Water SER No. 6139 and Wastewater SER No. 6140. These SERs were approved by City Council on a 7-4 vote on June 5, 2025, but subsequently expired.

Watershed Protection staff did not recommend approval of SER No. 6139 or SER No. 6140 primarily due to environmental impacts. The property has been removed from the 2-mile extraterritorial jurisdiction (ETJ), an option granted to property owners by Senate Bill 2038 which became effective September 1, 2023. Therefore, development on the Property is not subject to more protective City of Austin environmental regulations.

Nearby SER Activity
Including the prior SER for the Property, there are 27 previous water SERs located within one-half of a mile of the Property. Of these SERs, seven were administratively approved, 13 were approved by the City Council (including one for the Property), and seven were withdrawn prior to City Council consideration.

Including the prior SER for the Property, there are 22 wastewater SERs located within one-half of a mile of the Property. Of these SERs, six were administratively approved, 11 were approved by the City Council (including one for the Property), and five were withdrawn prior to City Council consideration.

Austin Water Summary
Austin Water staff evaluated the Applicant's requests for City utility service, performed a technical review of the application, and determined that water and wastewater service can be provided as outlined in SER No. 6517 and SER No. 6518, respectively. The improvements proposed on the draft water SER consist of a 950-foot extension from the existing public water main located to the north of the Property along North FM 620 south to the Property. The improvements proposed on the draft wastewater SER consist of a 1,300-foot extension from the existing public wastewater main located to the north of the Property along North FM 620 south to the Property. Additionally, the Applicant will be required to upgrade the existing Volente Lift Station and 1,400 feet of existing downstream gravity wastewater main located north of El Salido Parkway. The SER improvements will not cross any known environmental features.

The Applicant will be required to submit a site plan for the related public utility improvements. The public utility improvements shown in the SERs will conform to all City of Austin code requirements, be designed in accordance with the City's Environmental Criteria Manual and Utilities Criteria Manual and will be inspected by Austin Development Services.

Austin Watershed Protection Summary
Austin Watershed Protection staff also performed an environmental review of the proposed project area. Portions of the site contain slopes greater than 15%. No Critical Environmental Features (CEFs) were identified in the Environmental Resource Inventory provided by the applicant, but the City of Austin's database shows a seep CEF on the western corner of the property. The site is not within the Critical Water Quality Zone or Water Quality Transition Zone of Lake Travis. The site drains to occupied Jollyville Plateau salamander habitat, which is sensitive to the impacts of development.

The conceptual site plan indicates the proposed 10-acre development would include approximately 59% impervious cover and parking that covers 34% of the property. If the applicant

were required to comply with City of Austin environmental regulations, the impervious cover would be limited to roughly 20% and would be required to leave 40% of the downstream portion of the site as natural area. Information related to potential cut and fill is not available at this time.

The property was removed from the City of Austin's ETJ and is not subject to the City of Austin's development regulations, which would limit the footprint of the development within this environmentally sensitive area that drains to Austin's drinking water supply. Today, the proposed development application is subject to Travis County Code 482.216(a)(1)(a) which states that there are no impervious cover limits for a commercial subdivision on a tract with primary driveway access on a state road such as FM 620. Additionally, the City of Austin's Land Development Code limits construction on slopes greater than 15%, limits cut and fill to no greater than four feet, protection for CEFs, and more protective water quality treatment standards than county and state requirements.

If service is not extended to the site and wastewater disposal is required, the applicant could pursue a Texas Land Application Permit (TLAP) for Subsurface Area Drip Dispersal System (SADDS) issued by the Texas Commission on Environmental Quality or an Onsite Septic Facility (OSSF). However, both options would require the applicant to significantly reduce the amount of proposed impervious cover onsite. The native soils onsite also have severe limitations for soil-based disposal systems such as TLAPs and OSSFs. If one of these options were pursued, imported soils would be required but there is a potential for adverse impacts from effluent travelling offsite.

Other Community Considerations
There are currently three existing multi-family community developments located along North FM 620 between the Property and Anderson Mill Road. The proposed project will add more affordable housing options to an area that is primarily developed with single-family homes and retail businesses. This project aligns with the City Council's goals of increasing housing supply in the Austin community. The development is proposed under the Travis County Public Facility Corporation model and will provide 50% of the units as income-restricted affordable housing, helping expand local long-term housing opportunities**.** Additionally, an increase in housing units may support and justify an increase in public transportation options as well as funding for state highway improvements.

Consolidated City Recommendation
Based on City Council's previous approval of these SERs and the significant benefits this project will bring to the community, the recommendation is approval of the SERs.

Should you have any questions or concerns, please contact Austin Water Director Shay Ralls Roalson (Shay.Roalson@austintexas.gov) or Austin Watershed Protection Director Jorge Morales (Jorge.Morales@austintexas.gov).

cc: T.C. Broadnax, City Manager
Erika Brady, City Clerk
Jason Hadavi, City Auditor
Mary Jane Grubb, Municipal Court Clerk
Judge Sherry Stratman, Municipal Court
CMO Executive Team
Department Directors