

AGENDA



Thursday, April 30, 2009

**Watershed Protection and Development Review
RECOMMENDATION FOR COUNCIL ACTION****Item No. 29**

Subject: Consider a resolution regarding the Texas legislature's enactment of legislation creating five (5) special districts within the City's Desired Development Zone, consisting of approximately 2,300 acres of land that is located east of IH 35 between McKinney Falls Parkway and US 183 South.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Patrick Murphy, 974-2821

Carma Texas Inc. has filed special legislation that would create five special districts in the City's Desired Development Zone. The districts encompass approximately 2,300 acres of land that is located east of IH 35 between McKinney Falls Parkway and US 183 South.

The proposed legislation would provide for the five districts to be allowed to issue debt only if the City and Carma successfully negotiate a Development Agreement and Service Plan Agreement that is approved by the City Council. The agreements would address annexation, land use, development standards, public infrastructure, debt, and financial tools. Council action is intended to indicate the City of Austin's position on the bill and those conditions which the City Council may see in any bill or subsequent negotiated agreements.

At the time of the preparation of this RCA document, the bills were anticipated to provide that they would not be effective until 2010, and that if the City and Carma do not reach agreement before the 2011 legislative session, the districts would cease to exist.

The districts would continue to operate after annexation, if necessary, in order to pay any remaining district debt. The districts would pay for and construct significant public infrastructure for water and wastewater service and the William Cannon Drive and Slaughter Lane extensions through the property.