

Recommendation for Water & Wastewater Commission

Commission Meeting Date:	January 11, 2017
Council Meeting Date:	January 26, 2017
Department:	Planning and Zoning
SUBJECT	

Approve an ordinance adopting the Fourth Amendment to the Agreement Concerning Creation and Operation of Moore's Crossing Municipal Utility District.

AMOUNT AND SOURCE OF FUNDING N/A N/A **Purchasing** Language: **Prior Council** February 6, 1986—City Council granted its consent to the creation of the Action: Moore's Crossing Municipal Utility District. For More Virginia Collier, 512-974-2022; Bart Jennings, 512-972-0118 Information: Boards and January 10, 2017- To be reviewed by the Urban Transportation Commission Commission. Action: January 11, 2017- To be reviewed by the Water and Wastewater Commission. January 24, 2017- To be reviewed by the Planning Commission. N/A MBE/WBE:

On December 5, 2016, Moore's Crossing MUD (MUD) submitted an application to amend the Consent Agreement (Agreement) between the City and the MUD. The request is to amend provisions of the Agreement relating to (1) the amount of reimbursements to the Developer for internal water, wastewater, drainage, and water quality facilities; and (2) the Developer's obligations for right-of-way dedication and roadway improvements. The Developer has indicated that additional housing benefits have been and will be provided to justify the increase in the amount of reimbursement to the Developer for internal infrastructure.

The MUD has previously issued bonds in the aggregate principal amount of \$12,420,000 of which \$9,495,000 is currently outstanding. The MUD also currently has remaining \$19,580,000 authorized but unissued in bonds for water, wastewater, and drainage facilities. The MUD is not currently scheduled for annexation; however, when the City does annex the MUD, the City would assume all obligations otherwise assigned by law to a municipality that annexes a district, including any outstanding debt.

Background

In 1986, the City consented to the creation of the Moore's Crossing Municipal Utility District located in southeastern Travis County east of FM 973 at the intersection of FM 973 and Elroy Road. The MUD was created to operate within the corporate limits of the City.

In 1994, the first amendment to the Agreement deferred by five years the first possible date for the City to dissolve the MUD because of delays in starting the development within the MUD.

In 1995, special legislation afforded several municipal utility districts in the Austin area the option to provide tax relief to their residents by petitioning the City to alter the annexation status of land in the municipal utility district from full purpose to limited purpose. The MUD did so in September of 1995.

In 1998, the second amendment to the Agreement provided for a reduction in the amount of reimbursement to the Developer to not exceed 70% of the actual cost for design and construction of internal water, wastewater, drainage, and water quality facilities.

In 2003, the Agreement and Land Plan were amended again to reflect the amount and location of land to be dedicated to the City for parkland, affordable housing, and for sites for fire stations, emergency medical services, and library facilities and to update the proposed alignment of Elroy Road and Ross Road.

Consent Agreement Amendment Process

The City Code requires, within 60 days of the written request and completion of an application, consent agreement amendments to be reviewed by City staff and boards and commissions and be considered by City Council. The application for the proposed fourth amendment was submitted on December 5, 2016.

 Austin Water staff does not recommend approval of the amendment because: City staff have not verified compliance with the existing housing requirement within the Agreement, the amount of funding associated with increasing the reimbursement amounts for internal infrastructure has not been defined or limited, and City staff have not numerated a specific and contractually binding additional
benefit to the City if the amendment is authorized. In addition to the Water and Wastewater Commission's recommendation, other City department and Commission recommendations will be forwarded to City Council.

