

MINUTES OF THE CITY COUNCIL  
CITY OF AUSTIN, TEXAS  
Special Called Council Meeting  
January 31, 1979  
12:00 Noon  
First Floor Conference Room  
Municipal Building  
124 West Eighth Street

The meeting was called to order with Mayor McClellan presiding.

Roll Call:

Present: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,  
Councilmembers Himmelblau, Mullen, Snell, Trevino

Absent: None

Mayor McClellan opened the meeting scheduled for 12:00 Noon stating that this was a Special Called Meeting of the City Council for the purpose of publicly announcing that it will convene in a closed or executive session authorized by Section 2, Paragraphs (e), (f) and (g) of Article 6252-17, Texas Revised Civil Statutes Annotated; and after such closed or executive session any final action, decision or vote with regard to any matter considered in the closed or executive session would be made in open session, should such action, decision or vote be necessary.

Mayor McClellan announced that the Council would go into executive session at this time to consider the items authorized in Section 2, Paragraphs (e), (f) and (g) of Article 6252-17, Texas Revised Civil Statutes Annotated.

APPROVED

Carole Keeton McClellan  
Mayor

ATTEST:

Grace Monroe  
City Clerk

MINUTES OF THE CITY COUNCIL  
CITY OF AUSTIN, TEXAS  
Special Called Council Meeting  
January 31, 1979  
6:00 P.M.  
Council Chambers  
301 West Second Street

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The meeting was called to order with Mayor McClellan presiding.

Roll Call:

Present: Mayor McClellan, Mayor Pro Tem Goodman, Councilmembers  
Cooke, Himmelblau, Mullen, Trevino

Absent: Councilmember Snell

Mayor McClellan stated that this was a Special Called Meeting for the purpose of a public hearing for MUD Policies and Annexation Study; Growth Management Process and Corridor Annexation along Loop 360.

Councilmember Snell entered the Council Chambers at this time.

Mayor McClellan noted that the Council had been meeting in Executive Session and would meet again tomorrow morning at 8:30 a.m. in the Conference Room at City Hall. At that time the Council would vote to delay starting the regular Thursday Council meeting until 10:00 a.m.

Dick Lillie, Director of Planning, stated that the Growth Management Process of Chapter 4 was derived from two chapters of the Comprehensive Plan adopted by the Council in 1977. From that Plan emerged the north-south corridor of recommended controlled growth for the City. When the Council adopted that pattern, they instructed the Planning Commission and the On-Going Goals Committee to redraft Chapter 4 and come back to the Council with recommendations regarding growth management.

The north-south corridor had been broken down into six priority development areas as follows:

1. Central city - Should receive the highest priority for municipal investment and incentives for efficient land uses.
2. Area II - Outside the core area but inside the 1977 boundaries of the incorporated city should receive the second highest priority for urban development.
3. Area III - Land outside the 1977 city limits but within the designated north-south corridor of highest development suitability.
4. Area IV - Regions outside the environmentally suitable corridor which are already experiencing high levels of development activity, and to which the City and/or State have made commitments for the provision of infrastructure. Such regions will be included in the City's growth pattern to insure orderly, regulated growth, although their priority for City facilities and services should be lower than that land within the first three growth areas.
5. Area V - Lies due west of the City and recommended by the Planning Commission as an interim classification. After further study the lands will be assigned to either Area IV or Area VI.
6. Area VI - Lies outside the first five growth areas. In terms of attaining the goals and objectives of the Master Plan, land of this designation is least desirable for urban expansion.

A second part of Chapter 4 dealt with a strong monitoring recommendation. The program identified a need to submit annual reports by the Planning Commission and the On-Going Goals Committee to the City Council.

The last part of the Chapter dealt with how the Capital Improvements Program should be used as an implementation device to the Comprehensive Plan.

The Planning Commission recommended that the City Council adopt Chapter IV with the following amendments:

1. The guideline regarding the provision of City utilities in Area VI be changed to reflect conformance with the Legal Department's memo of January 8, 1979.
2. The portion of Area V essentially bounded by Lake Austin, West Lake Hills and Loop 360, commonly referred to as the peninsula, be designated as an Area VI.

By use of an overlay to a map he had been referring to, Mr. Lillie pointed out the relationship since 1970 between annexations and Capital

Improvement Programs in the last CIP and the relationship to the growth pattern recommended by the Planning Commission. With the possible exception of Lake Long Park, the annexation pattern followed the recommendations of the Planning Commission with respect to the Comprehensive Plan. In the last CIP, major projects conformed to the north-south growth corridor recommendation. The only exceptions were water and electric utilities where regional areas were served beyond the City limits.

Mr. Lillie next discussed the annexation plan, which was included in the City Council's Goals and Priorities adopted in 1978. The staff had updated and revised the 1975 Annexation Plan with two major changes. One change was the development of Pattern A and Pattern B. A fiscal response to the options should also be prepared. The Planning Commission considered the Plan; the Council scheduled it for public hearing in mid-fall, but since the Commission had not completed its work, it was referred back to the Commission to develop a third pattern.

Referring to maps, Mr. Lillie stated that Pattern A followed the recommendations of Chapter IV. Pattern B was a response to not only the Comprehensive Plan but what was happening in the marketplace, and reflected more of an interest in the US 183 corridor and the US 290 corridors north-west and southwest of the City. Pattern C was a recommendation for a five-year annexation that the Council consider Pattern C.

In Pattern C, the Planning Commission recommended the following annexations for the next five years:

1. 1979 - Annex four areas (IH 35 north of the City to Walnut Creek; just south of Ben White Boulevard southeast of the City; due south of William Cannon Drive; south MoPac area between Rollingwood, West Lake Hills and MoPac)
2. 1980 - Annex area due north of City west of IH 35 on either side of FM 1325 (IBM area)
3. 1981, 1982, 1983 - Annex areas in the US 183 corridor out to FM 620; in the Anderson Mill, Spicewood Springs Road at Balcones; Balcones and Great Hills in the north-west part of the City; southwest in the Travis Country out toward Oak Hill in the US 290 corridor

Mr. Lillie stated that all other areas shown on the map in cross hatch fell outside the five-year annexation plan. He also pointed out that while the areas west of the City and north of West Lake Hills were in the earlier Patterns A and B, the Planning Commission was recommending that those areas be excluded from the first five years of annexation. That recommendation conformed with the recommendation to the Council that the area be downgraded from an Area V to an Area VI, which would be a lower priority for extension of utilities and annexation.

By use of a map Mr. Lillie next discussed the proposed annexation of the Loop 360 corridor, which extended from South Lamar north to Bee Cave Road north to Lake Austin and north to US 183, a distance of about 12 miles. The corridor shown on the map was about 4,000 feet wide. By State statute the corridor had to be at least 500 feet wide and if annexation occurred within the jurisdiction of another community or municipal utility district, then releases had to be obtained from the districts or the districts had to be acquired. The City could annex from South Lamar to approximately West Lake High School, but could not annex from that point to Bee Creek due to the extraterritorial jurisdiction of West Lake Hills and two municipal districts on the west side. Once past that point corridor annexation could continue northerly to the existing City limit line. The Planning Commission recommended that the north portion from Lake Austin north to the existing City limit line at Spicewood Springs Road be annexed first, that the area from South Lamar to West Lake High School be annexed next and that the center portion be annexed last. Since the bridge across the lake would not be completed until late 1981, there was no need for immediate annexation.

Councilman Cooke asked what was the status of the road from Bee Cave Road to Lake Austin. Mr. Lillie replied that the west lane would be paved within the next year.

Councilwoman Himmelblau asked if the 500 foot corridor would be 250 feet from each side of the centerline. Mr. Lillie responded that it could be from centerline.

Councilmember Himmelblau then asked if it would change the picture with regard to when the corridor was annexed. Mr. Lillie said that it would depend on how far back the Council might want to go onto private property with respect to the extension of zoning, sign control and building permits. He felt that the corridor should extend back 250 feet from right-of-way, since some rights-of-way were about 400 feet wide.

In conclusion, Mr. Lillie emphasized that activity occurring in the Loop 360 corridor would be tied to the Council's position regarding the Planning Commission recommendation to downgrade the area west of the City from an Area V to an Area VI.

Mike Guerrero, Chairman, Planning Commission, read the following letter expressing the Commission's position on Municipal Utility Districts:

"Dear Mayor McClellan & Council Members:

In view of the recent discussions surrounding the need for a City policy concerning the creation of utility districts, the Planning Commission submits the following recommendations for your consideration.

We feel that utility districts can be a valuable tool for future City growth if they are properly structured and used to the best advantage of the City of Austin. We recommend that a utility district policy contain these three main points.

1. The Quality of Construction - Regardless of where the utility district is located in the City's ETJ, the quality of utilities, streets and drainage construction should be of the highest quality whether or not it is likely to be annexed in the foreseeable future by the City of Austin.
2. Fiscal Quality - Such things as discounted bonds and utilizing bond funds for prepaid interest should be disallowed. Call provisions and other requirements should be put on the bonds in accordance with the likelihood of timely annexation by the City. The financial ability of the applicant to accomplish what is proposed in the utility district should be strongly scrutinized with the burden of proof placed upon the applicant.
3. The Quality of the Environment - Any utility district application should be sensitive to all aspects of the living environment including provision for adequate parks and recreation facilities, open space, streetlights, sidewalks, sanitary and solid waste disposal, etc.

We feel that this policy should be structured in such a way that a detailed application would be required by each applicant with which the City could consider three possible alternatives:

1. To decide to disallow the district, but to extend under the approach policy and/or other appropriate policies, City services to the area.
2. A limited purpose district whereby a district might be allowed to bond the utility extensions of major utility lines to and/or within the subdivision, but not necessarily a complete district as allowed under the state law.
3. Utility districts would be created and allowed to operate and function within the parameters of that state law.

The considerations surrounding all three alternatives should be how the proposed district would get in the City's annexation plan, the comprehensive plan, what the impact would be on the City's road system and utilities, etc. For example a district which does not utilize any City services, including electrical, and is not likely to be annexed within a six to ten year period, should probably be allowed to operate as a full district under the state law. Conversely, proposed districts that would be expected to be annexed within the next three to five years and is close to the existing City limits would fall in category one or two.

With this type of policy statement, which would define the parameters for district creation and what would be expected in the district, each individual application could be examined by the City Council and Planning Commission on its own merits. We encourage your consideration of this information prior to your meeting on January 18th."

Maury Hood, representing the Citizens Board on Natural Resources and Environmental Quality, urged the Council to adopt the Growth Management Plan. Regarding the Annexation Plan, Mr. Hood said that the Board had reviewed Plan C, could not wholeheartedly endorse it and essentially recommended Plan A with some minor changes. He pointed out that the Annexation Plan was a guideline which needed to be reviewed and updated continually.

The Board had developed some guidelines which were recommended to be included in any MUD Policy. Recommendations stemmed from the following policy statements:

1. Adopt a MUD Policy which does not give a cost advantage to a developer who would be outside the City's water and waste-water system.
2. Any MUD Policy would encourage growth in the preferred growth corridor described in the Lake Austin Comprehensive Plan.
3. Subdivisions and other developments within the district should be of high quality; improvements should meet or exceed City standards.
4. Each MUD request still should be reviewed individually and judged on its merits.

There was discussion regarding the development of "soft" standards for areas outside the City Limits but within the ETJ. Mr. Lillie said that the standards covered the entire 5-mile ETJ. Development of the standards should be completed within 30 days, according to Charles Graves. Standards in the Rob Roy Development were not as strict as the standards being developed.

Mr. Hood indicated that the following guidelines should be included in the creation on any MUD:

1. No cost advantage be granted to a developer via a MUD versus a developer using existing City facilities; therefore, no water distribution system, no wastewater collection system and no interior storm drainage would be included in any MUD bonds, except as follows:
  - a. If an oversize line is requested by the City, the increment cost of the oversize may be included in the MUD Bonds.
  - b. Water treatment plants and wastewater treatment plants be funded fully by MUD bonds. At any approach main, supply line or discharge line occurring in growth areas 4, 5 and 6 be funded by MUD bonds to the extent that the City permits under existing Approach Main Policy. Any approach main, supply line or discharge line servicing areas in areas 1, 2, and 3 (preferred growth corridor) would be funded fully by MUD bonds.

- c. Except for any other provisions herein, the following costs should be included in MUD bonds:  
engineering fees, legal fees, land costs (at the raw land cost value) for water and wastewater facilities only, inspection fees and fiscal agent fees.
  - d. In the preferred growth corridor (Areas 1, 2 and 3) up to 25% of the cost of the water and wastewater lines inside the subdivision would be included in the MUD bonds.
2. All improvements for drainage, streets, water, wastewater and parkland meet or exceed City standards. Sidewalks would be installed in accordance with City's subdivision ordinance when developing by urban standards. Street lights would be installed. Parkland would be dedicated in sufficient quantity and quality as approved by the Parks and Recreation Department. The general guideline for parkland dedication would be 5% of the district, not including undevelopable flood plain lands which might be included within the dedicated area. All utilities within a district would be installed underground. All development construction by a district or a developer be done in accordance with City of Austin standards for similar facilities and copies of plans and specifications be submitted to the City for approval before construction begins. A MUD would contain at least 200 acres. The City would establish the right to inspect all facilities at the district at any time during construction. No land would be annexed to a district without Council approval. A district could not furnish water and wastewater to any customer who was not in a subdivision approved by the Planning Commission. MUD bonds could not be sold at a discount, but would have to be sold at par. The Council could allow a credit of up to \$500 per lot to be included in the MUD bonds for internal lines for the following items:
1. Parkland at raw land value.
  2. Parkland improvements, including hike and bike trails.
  3. Boulevard landscaping

All development within a district would conform to City of Austin requirements.

Mr. Hood pointed out that the Environmental Board unanimously approved the preceding recommendations.

Jim Wells, representing the Austin Tomorrow On-going Committee, stated that the 7-page report presented to the Council tonight basically was a report on annexation. The Committee endorsed and supported the Council on Chapter IV. Mr. Wells then gave an overview of the report, which contained the following:

- Page 1 - Comprehensive Plan - Annexation dynamics
- Page 3 - Performance Targets - What an annexation should do for the City of Austin as well as what an annexation should not do.



- Page 4 - Testing and Evaluation of Annexations - Testing occurs before annexation and evaluation occurs after annexation to collect data to judge future subdivisions and tracts which might be annexed.
- Page 5 - Legal implications of annexation for purpose of control
- Page 6 - 1983 annexation target futures - Basic part of Chapter IV - Six year cycle of setting goals for the City
- Page 7 - Recommendations of the Committee - Requires the testing of every page of the 7-page document.

Mr. Wells stated that the Committee recommended that City of Austin standards be followed with regard to MUD policy, which, hopefully, would follow the preferred growth pattern and at the same time produce orderly growth to northwest and southwest which were not in the preferred growth corridor.

Councilman Cooke asked how many previously approved MUD's did not meet urban standards or were not inspected by the City.

Curtis Johnson replied that all MUD's had a provision in the contract that facilities meet City standards. Water and Wastewater Department had inspected the water and wastewater facilities which had been constructed.

Charles Graves said that only in the last year or two had the streets been inspected if urban standards were required. Older streets had not been inspected but new ones were being inspected now.

SARAH ANN ROBERTSON, representing ATOC, stated that since 1975 there had been 7 submissions to the Justice Department Voting Rights Section regarding Austin annexations. All 7 had been approved because there had been no significant changes in minority percentages.

KEN MANNING, representing the Austin Group of the Sierra Club, spoke on the proposed MUD policy. He questioned whether or not MUD's should be created at all. However, the Sierra Club was proposing the following MUD policy to cover three distinct sub-areas of the City ETJ: (a) that area within the preferred growth corridor; (b) that area outside the preferred growth corridor but which was not an environmentally sensitive area; (c) that area outside the preferred growth corridor which was environmentally sensitive.

1. Utility districts located within the preferred growth corridor should be allowed to finance the maximum permissible amount of development costs with bonds. Closer in MUD's would be given a financial advantage over more distant MUD's. Bond funds could be used to finance parks and parkland development. Bonds should be issued for a relatively long period of time. If the proposed MUD were close enough that annexation would be contemplated within a fairly short time frame, then the MUD should be denied and city services made available.

2. Utility districts outside the preferred growth corridor but which are not environmentally sensitive should be subjected to the following criteria:
  - a. The City should ensure a high quality development so that eventual annexation will not require more upgrading expenses by the City to bring the annexed area up to City standards.
  - b. The City should require that the MUD financial structure be such that annexation of the MUD will be fiscally attractive at that point in the future when the City expects to annex it.
  - c. MUD developments in this area should not have a fiscal advantage over and above development in the preferred growth corridor (non-MUD development contiguous to the City).
3. Utility districts outside the preferred growth corridor which are environmentally sensitive should be subjected to the following criteria:
  - a. In the environmentally sensitive areas, which include the Lake Austin watershed (excluding the Plateau Regions), the Barton Creek watershed and the Edwards Aquifer Recharge Zone, the City should adopt a policy which actively discourages high density or intensive development.
  - b. To receive approval for a MUD, the developer would have to agree to land use density controls.
  - c. MUD financing would not be available for internal lines. Bond maturities would depend on the anticipated annexation of the area.
  - d. If the MUD applicant goes through the Texas Department of Water Resources to create a MUD, the City may want to annex the area prematurely or oppose the application.

Eleanor Berry, representing We Care Austin, read the following letter:

"We Care supports the Austin Tomorrow Comprehensive Plan. Our organization wants to emphasize to you our concern that any annexation plan officially adopted should conform to the Austin Tomorrow Comprehensive Plan. In addition, any MUD policy adopted by this body should support the principles and policies set forth in the Comprehensive Plan."

BARBARA NOBLES, representing the Austin League of Women Voters, stated that the League supported a modified Plan C. In 1983 the City should consider annexing Areas 26, 27, 38, 39 and 40. Annexation of Area 28 was not recommended in the near future until interim controls in the Barton Creek watershed become permanent guidelines for development. Any MUD policy should encourage growth in the preferred corridor and discourage growth in any area where a high density population is undesirable.

MARILYN SIMPSON, representing the Austin Neighborhoods Council, said that out of 1,000 questionnaires distributed recently, 324 responses had been received from people all over Austin. 60% of the respondents favored a 1% growth rate, 25% favored a 2% growth rate, 5% favored a 3% growth rate and 4% wanted a 4% annual growth rate. The Austin Neighborhoods Council supported Plan A and the AISD School Board favored Plan A.

MARY LEY, representing Travis Audubon Society, stated that the Society wished to go on record in support of the modified Plan A recommended by the Citizens Environmental Board as an appropriate annexation plan for the City. She offered the following reasons:

1. The Plan conformed to recommendations of Chapter IV of the Master Plan.
2. It offered protection for environmentally sensitive areas to the west of the City.
3. It conformed closely to the boundaries of the Austin Independent School District.
4. More land would be annexed at an earlier time that is appropriate for industrial development, providing a sound tax base for the costs associated with annexation.
5. It would cause less of a financial drain on City resources and protect the priority status of central city revitalization.
6. It would offer the least amount of ethnic imbalance in City population.

JEAN MATHER, also speaking for Travis Audubon Society, pointed out several changes which the Society was requesting in the May 23, 1978 Comprehensive Plan, Chapter IV, Growth Management.

RICHARD TIMS, representing the Lake Austin Hill Country Neighborhood Association, supported the recommendations of the Planning Commission regarding annexation policy. He also urged the Council to consider the suggestions concerning a threefold MUD policy as outlined by Ken Manning of the Sierra Club.

RICHARD TIMS, representing the Lake Austin Hill Country Neighborhood Association, supported the recommendations of the Planning Commission regarding annexation policy. He also urged the Council to consider the suggestions concerning a threefold MUD policy as outlined by Ken Manning of the Sierra Club.

ROBERT H. LLOYD, representing Highland Resources, felt that each MUD should be considered on its merits and was concerned that a policy would be developed that would prevent an applicant from presenting its case to the Council. By means of an exhibit, Mr. Lloyd spoke against one option which the Council had to discount the cost of all lines under 8 inches. Under State law, the developer would be financed 53.8%; under the City's Williamson County MUD No. 1, 67.3% and under the proposed option, only 8.1%. Under the 8.1% financing, the developer would be encouraged to build outside the City's ETJ. The policy of discounting MUD's under 8 inches meant that MUD's were not feasible to Mr. Lloyd's client, which would force them to develop outside the ETJ. The alternatives were private utilities companies, with or without septic tanks, and annexation problems, such as the Angus Valley situation.

Mr. Lloyd urged the Council to take a posture in creation of a policy which allowed flexibility for an individual situation to be brought before the Council and not develop a policy which on its face would say that a municipal utility district creation or annexation of land to a district would be feasible.

In conclusion, Mr. Lloyd felt that a policy which was severely restrictive for special districts was a counterproductive incentive in that it would drive developers outside the City's boundaries and force them to develop in areas which were beyond the City's control. He supported the meeting of City standards, environmental concerns and every other concern besides the policy of discouraging MUD's.

DIANE DUBOIS, speaking for Travis Audubon Society, felt that MUD's should be opposed unless they promote development consistent with the Master Plan. The Society also supported the policy presented by the Sierra Club.

JACKIE JACOBSON, member, Lake Austin Hill Country Neighborhood Association, generally agreed with the positions of the Austin Neighborhoods Council and the Sierra Club on annexation and MUD policy, especially with respect to environmental matters. She felt that the cost of operating and maintaining City services should be paid for by those people using them and the cost of development should be paid in full by the developers.

CHARLES CROSLIN, speaking as the financial advisor for several small cities in the area and several municipal utility districts, spoke to the credit worthiness of MUD's. He felt that MUD bonds might have to be discounted to be able to market them. He recommended that the City follow state policy and permit discounting when needed.

BILL GARFIELD, representing the Austin Group of the Sierra Club, stated that the Club, for the most part, supported the revision of Chapter IV of the Master Plan, and hoped that it would be adhered to rigidly when related decisions came before the Council. The Club also strongly endorsed the Planning Commission's recommendation to designate annexation areas 32 and 33 as a priority area VI instead of V.

JOHN HRINCIR, also representing the Austin Group of the Sierra Club, stated that the Club supported the modified annexation Pattern A. The Planning Commission had recommended that sub-areas 27 and 28 be considered for annexation in 1982. Since sub-area 28 was within the Barton Creek watershed, the Sierra Club opposed the placing of any sewer line within the watershed. The Sierra Club recommended that annexation take place in sub-area 27 first since a sewer line had been approved for the area.

#### Motion

Mayor Pro Tem Goodman moved that the Council close the public hearing. The motion, seconded by Councilmember Trevino, carried by the following vote:

Ayes: Mayor Pro Tem Goodman, Councilmembers Mullen, Snell, Trevino,  
Mayor McClellan, Councilmember Cooke, Himmelblau  
Noes: None

#### CORRIDOR ANNEXATION OF LOOP 360

Councilmember Himmelblau asked Mr. Lillie to point out the sections which could be annexed in the next year along the Loop 360 corridor. Mr. Lillie stated that the Planning Commission had recommended that the section north of the lake which had accessibility to the crosstown tunnel, the wastewater main which extended to Spicewood Springs Road, Bull Creek Lateral A and City water be annexed first. Areas to be included were The Courtyard (PUD), Lakewood (PUD), and the Great Hills subdivision. To the south the area included from South Lamar northerly to the street that serves West Lake High School and would include basically undeveloped land on the west or south side of Loop 360 up to Lost Creek. The area on the east side would include undeveloped land and some residential development on acreage lots with a few small subdivisions pending approval by the Planning Commission. The Planning Commission did not speak to the width of the corridor, but concurred with the need for such annexation. Width of the right-of-way on the northern part was about 300 feet. Annexing 250 feet from the centerline would give the desired protection for the corridor. However, Mr. Lillie suggested that annexation be 200 to 250 feet from the right-of-way, rather than centerline.

## GROWTH MANAGEMENT PLAN

Mayor Pro Tem Goodman asked Mr. Lillie what would be the full impact of the Planning Commission's recommendation to designate that portion of Area V essentially bounded by Lake Austin, West Lake Hills and Loop 360, commonly referred to as the peninsula as an Area VI.

Mr. Lillie replied if the Council agreed with the Planning Commission's recommendation, it would place the annexation in a lower priority, which meant the area would not be annexed within the next five years. The policies identified in Chapter IV were that subdivisions in Area VI should not be served by City utilities. Those areas would be allowed to proceed with other methods of utilities, such as package treatment plants, septic tanks or private systems.

Mayor Pro Tem Goodman asked if the Council went on record for not extending services to Area VI, would it not enhance the case of the Davenport Ranch owners to secure a MUD?

Mr. Lillie said that the report which was put together by the Planning Department for the Planning Commission and the Council regarding the Davenport Ranch request had 8 or 9 separate options with respect to the handling of the request. Options ranged from immediate annexation to no immediate annexation. If no immediate annexation were to occur and the owners were allowed to proceed with a MUD, then the MUD policy being developed by the Council would come into play, provided that the Council could still annex the area whenever they chose to.

Responding to Mayor Pro Tem Goodman's question as to what would it do within the next two months if the Council adopted the Planning Commission's recommendation to include the subject area into Area VI, Mr. Lillie said that it would certainly impact the Council's decision on the Davenport request.

Mayor Pro Tem Goodman next asked what was the purpose of the Planning Commission's recommendation. Sally Shipman, Planning Commission member, read the reasons for the recommendation:

1. Downgrade to Priority Area VI in the Comprehensive Plan.
2. The high cost of providing municipal services creates disproportionate allocation of community resources.
3. Inadequate transportation network other than Loop 360; existing roads do not meet urban standards. Access to the central area is poor.
4. High degree of environmental constraints to accommodate full urban development.
5. Only about 400 acres out of the existing 5450 acres in the areas can be served by existing water and wastewater lines at Bee Creek. The 400 acres could be considered for annexation at some other time.

6. Water District #10, which is not City-owned provides service to the central portion of the two areas as well as the City of West Lake Hills to the south. Annexation into the District would require negotiations to assume indebtedness of the District.
7. A unanimous resolution was passed by the Austin Independent School District Board supporting Pattern A, which does not include Areas 32 and 33.

Mayor Pro Tem Goodman asked what would be included in the development guideline manual for Areas IV and V.

Mr. Lillie replied that the Drainage Criteria Manual was a good example of a development manual. He felt that such a manual would help developers to look at all requirements which applied to a particular geographic area. All existing policies, ordinances and standards would be placed under one cover, which would take a matter of months to compile. Some work had already been done on the project.

Mayor Pro Tem Goodman asked what the plans were for treating Area V.

Mr. Lillie said that the Planning Commission had reviewed both private and public infrastructure decisions for Area V. Based on that review, the Commission decided that the only area they could make a recommendation on was Area 32 and 33, north of West Lake Hills. Work would continue on Area V either to upgrade it to an Area IV or downgrade it to an Area VI.

Mayor Pro Tem Goodman asked if there were any estimates of the cost for implementation of Chapter IV.

Mr. Lillie said "No" and felt that it was premature to deal with a fiscal note on a set of guidelines or a resolution.

There was general discussion among the Council, Mr. Lillie and Mr. Butler as to the cost of implementing and enforcing Chapter IV.

#### Motion

Mayor Pro Tem Goodman moved that the Council postpone consideration of the "Growth Management Process", Chapter IV of the Comprehensive Plan until February 15, 1979. The motion, seconded by Councilmember Cooke, carried by the following vote:

Ayes: Councilmembers Himmelblau, Mullen, Snell, Trevino, Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman  
Noes: None

CORRIDOR ANNEXATION OF LOOP 360

Councilwoman Himmelblau requested that the Planning Department and Planning Commission look at the corridor annexation in the northern sector and come back with a suggestion to the Council as to the depth they would recommend and that the Council consider it along with Chapter IV.

ADJOURNMENT

The Council adjourned at 8:30 p.m.

APPROVED

Carole Keeton McClellan  
Mayor

ATTEST:

Grace Monroe  
City Clerk