

RESOLUTION NO.

WHEREAS, The Lone Star Rail District (LSRD) was created by the Cities of Austin and San Antonio to establish passenger rail service that will provide a key commuter link between Central and South-Central Texas and that can provide service to up to eight Central Texas cities, including the City of Austin, and three South-Central Texas Cities, Including San Antonio; and

WHEREAS, the City of Austin (City) and the LSRD entered into an interlocal agreement (Agreement) with the effective date of December 18, 2013 under the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code; and

WHEREAS, the Agreement created a Transportation Infrastructure Zone to facilitate the City's contribution of funding for the LSRD rail system as authorized by Chapter 173 of the Texas Transportation Code to capture increments of ad valorem taxes from the increased tax revenue attributed to the construction and operation of an intermunicipal rail system within the territory of the City; and

WHEREAS, the Agreement contemplated that the City would consider setting a percent increment participation level for the Transportation Infrastructure Zone higher than zero in 2014 that would not exceed 50%; and

WHEREAS, the Agreement also established a Two Year Timeline date of January 1, 2016 for the LSRD to have interlocal agreements with the cities of Austin and San Marcos and the counties of Hays and Travis for participating in funding the operation of the LSRD rail transportation facilities; and

WHEREAS, Other cities in Central Texas are considering providing funding support to the LSRD passenger rail service including providing in-kind contributions, the LSRD requests the City of Austin also consider these in-kind contributions in order to maintain the standard for equal effort among participating jurisdictions developed as part of the regional Project Connect high-capacity transit vision; and

WHEREAS, the City of San Marcos has entered into an interlocal agreement with the LSRD that creates a Transportation Infrastructure Zone covering two potential station locations within the territory of the City that will contribute at least 50% of the increased ad valorem tax revenue from within the Zone attributed to the construction and operation of the LSRD rail system; and

WHEREAS, the Austin Community College District has also entered into an interlocal agreement with the LSRD that adopts the City of Austin's Transportation Infrastructure Zone and that provides for a contribution to the

LSRD rail system of 50% of the increased ad valorem tax revenue from within the Zone attributed to the construction and operation of the LSRD rail system; and

WHEREAS, the City Council of the City of Austin now wishes to amend its Agreement with the LSRD to set its participation level greater than zero and extend the Two Year Timeline; **NOW THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed to execute an amendment to the Agreement, a form substantially similar to the attached Exhibit A, by December 19, 2014 that establishes the following:

- Sets the City's percent increment participation level for the Transportation Infrastructure Zone funding at 50%; and
- Amends the Measures of Viability's Two Year Timeline date to be the later of two years or May 1, 2017; and

ADOPTED: _____, 2014 **ATTEST:** _____

Jannette S. Goodall
City Clerk