### Recommendation for Council Action

**Austin City Council**  
**Item ID** 60289  
**Agenda Number** 7.

**Meeting Date:** 8/11/2016  
**Department:** Planning and Zoning

**Subject**

Approve an ordinance adopting the First Amendment to the Strategic Partnership Agreement with the River Place Municipal Utility District.

**Amount and Source of Funding**

**Fiscal Note**

**Purchasing Language:**

**Prior Council Action:**  
August 20, 2009 and August 27, 2009 - Council conducted public hearings on the original Strategic Partnership Agreement.  
August 27, 2009 - Council approved the original Strategic Partnership Agreement.

**For More Information:**  
Virginia Collier, Planning and Zoning Department, (512) 974-2022.

**Council Committee, Boards and Commission Action:**

**MBE / WBE:**

**Related Items:**

**Additional Backup Information**

The River Place Municipal Utility District (MUD) is located on River Place Boulevard and Big View Drive approximately one mile south of FM 2222 in Travis County. The City consented to the creation of the MUD in 1984. In December 2008, the City Council approved an amendment to the City’s Municipal Annexation Plan (MAP) to include the River Place area. In early 2009, River Place MUD representatives and City staff met to discuss the potential effects of annexation on MUD residents and explore options that would provide alternatives to annexation under the statutory three year MAP process. As a result, the MUD and the City approved a Strategic Partnership Agreement (SPA) that provides benefits to both parties.

The primary purpose of this First Amendment to the Strategic Partnership Agreement is to amend and restate, through contractual agreement, the following: (i) the full purpose annexation date; (ii) clarification regarding MUD property that is Parkland and property that is Preserve Land; and (iii) the Limited District’s operation and maintenance responsibilities in regard to both Parkland and Preserve Land, all in accordance with Section 43.0751 of the Texas Local Government Code.
The terms of the SPA will allow the MUD to automatically convert to a Limited District effective December 15, 2017, provided the area voters approve the creation of the Limited District and authorize the Limited District to levy and collect an operations and maintenance tax to fund its operations as described in the SPA. This amendment does not affect any of the terms of the original SPA regarding those functions or responsibilities that the Limited District was initially intended to provide, including maintaining and operating recreation facilities and providing solid waste services within the District. In addition to the Limited District responsibilities described in the original SPA, the amendment will allow the Limited District to retain ownership, operation, and maintenance of the Preserve Land which includes approximately 323 acres of land currently owned and maintained by the MUD. The SPA authorizes the Limited District for an initial ten-year period concluding on December 15, 2027 and the renewal of the term by mutual agreement of the governing bodies of the City and the Limited District. The MUD Board approved this amendment on June 28, 2016.

In the event the voters do not support the conversion of the MUD to a Limited District, the City will assume all obligations, liabilities, indebtedness, and assets of the former MUD.