



Recommendation for Action

File #: 20-1026, **Agenda Item #:** 68.

1/23/2020

Posting Language

Conduct a public hearing and consider an ordinance adopting a consent agreement for the Austin Green Improvement District No. 1.

Lead Department

Planning and Zoning Department.

Fiscal Note

This item has no fiscal impact.

For More Information:

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Council Committee, Boards and Commission Action:

April 9, 2019 - a motion to recommend the creation of the Austin Green Improvement District No. 1 failed on a 4-1-2 vote by the Urban Transportation Commission

April 10, 2019 - approved on a 9-0 vote by the Water and Wastewater Commission

May 15, 2019 - approved on a 7-0 vote by the Environmental Commission

June 25, 2019 - a motion to take no action passed on a 7-0 vote by the Parks and Recreation Board

July 23, 2019 - recommended on a 9-0 vote by the Planning Commission

October 2, 2019 - recommended with conditions on a 7-0 vote by the Environmental Commission.

Additional Backup Information:

Special legislation approved during the 2017 Legislative Session created the Austin Green Improvement District No. 1 (formerly Rio de Vida Municipal Utility District) and provides that if the City does not consent to the District before February 14, 2020, the District will dissolve on that date. GroundWork, representing Martin Marietta Materials, Inc., submitted a petition requesting the City's consent to the creation of the District and a concurrent review of a PUD zoning application (C814-2018-0154) application is underway.

City Policy

The City's adopted MUD policy, Resolution No. 20110217-030, states that requests for consent to creation of a district shall be evaluated according to the following criteria:

- Benefits to the City exceed those that would result through the standard development process or other types of districts
- Commitment to provide superior development
- Adherence to the City's comprehensive plan
- Provision of extraordinary public benefits including environmental improvement, affordable housing, community amenities, connectivity with other city infrastructure, open space, school sites, public safety sites, and public transportation infrastructure
- City land use control
- Retail water and wastewater service provided by the City of Austin
- Developer will contribute a portion of infrastructure without reimbursement by the MUD or the City

- MUD financing allows City to redirect CIP funds to other high priority needs
- Will not impair the City's future annexation of the MUD or adjacent property, or impose costs not mutually agreed upon, and
- Located entirely in the City's ETJ

City Review Process

City Code requires a notice of a filed petition be given when a petition requesting the City's consent to the creation of a district is submitted. The review process for new districts also requires staff and boards and commissions to review the application and submit a compiled report to City Council. The Austin Green proposal was distributed for review to staff from the following City departments: Austin Energy, Fire, Austin Resource Recovery, Transportation, Austin Water, Budget, Finance, Development Services, Economic Development, Law, Neighborhood Housing and Community Development, Parks and Recreation, Planning and Zoning, Public Works, Sustainability, and Watershed Protection. Boards and Commissions that reviewed the petition include the Environmental Commission, Parks Board, Planning Commission, Urban Transportation Commission, and Water and Wastewater Commission. Following staff and board and commission review, the City Council must conduct a public hearing and consider the request for city consent to the creation of a district in accordance with state law and the Austin City Code. If the City does not consent to the creation of the district or enter into such agreements as are required by the terms of the City's consent ordinance, the Austin Green District will be dissolved.

District Proposal

Austin Green includes 2,132 acres primarily located at the intersection of State Highway 130 and Harold Green Road alongside a three mile stretch of the Colorado River in the Austin extraterritorial jurisdiction (ETJ) in eastern Travis County, Texas. The entire property is currently an active sand and gravel mining site. The District would finance infrastructure for water and wastewater service, drainage, water quality/floodplain mitigation, erosion control, site reclaiming, roads, electrical sub-station, and parks. This will prepare the site as it transitions from a mining operation into a major town center comprised of a mixture of proposed future land uses including a variety of compact housing types and commercial developments, connected street and trail improvements, accessible park and open space and other key community benefits consistent with the values of *Imagine Austin*.

Specific to water and wastewater services, the District is nearly evenly split between two Certificates of Convenience and Necessity (CCNs) along SH 130: the City of Austin and Southwest Water Utilities, d/b/a Hornsby Bend Utility Company, Inc. Each utility will provide retail water and wastewater within its respective CCN; however, Austin Water will serve the entire District with reclaimed water as an environmental superiority benefit. Further, any oversizing costs are paid by the developer without City reimbursement, inclusive of waiver of City cost reimbursement policies requiring City reimbursement under certain conditions.

As part of the agreement consenting to the creation of the District, the City will annex the District for limited purposes under the provisions of a strategic partnership agreement (SPA) and defer full purpose annexation. Council must conduct two additional public hearings regarding a strategic partnership agreement (SPA) and adopt a SPA after the District's board has adopted the SPA. After the area has been annexed for limited purposes, the Council could consider PUD zoning for the District. Upon full purpose annexation, the District would convert to a Limited District.

Recommendation

Staff recommends City Council approve a Consent Agreement and Strategic Partnership Agreement for the Austin Green Improvement District No. 1. Additional information about the District proposal is contained in the attached staff report.

