SUBJECT: Ordinance calling public hearings on proposed Strategic Partnership Agreements with certain utility districts in the Houston area	**Category** #	**Page** 1 of 1	**Agenda Item** #

FROM (Department or other point of origin): **Planning and Development**	**Origination Date** March 24, 2015	**Agenda Date** April 1, 2015
DIRECTOR'S SIGNATURE:	**Council District affected:** A, B, E & F	
For additional information contact: Nicole Smothers **Phone:** 832-393-6580	**Date and identification of prior authorizing Council action:** N/A	

RECOMMENDATION: The Planning and Development Department recommends that City Council pass the Ordinance calling public hearings on proposed Strategic Partnership Agreements with certain utility districts in the Houston area.

Amount and Source of Funding: **N/A**	**Finance Budget:**

SPECIFIC EXPLANATION:

In 1999, the State Legislature gave the City of Houston the right to enter into Strategic Partnership Agreements with utility districts. Such agreements allow the City to annex all or part of these districts for limited purposes. The City can then levy a sales tax and provide specified, limited services to the area. The City cannot levy a property tax in areas annexed for limited purposes.

Pursuant to Section 43.075 of the Texas Local Government Code:
Before the governing body of a municipality or a district adopts a Strategic Partnership Agreement, it shall conduct two public hearings at which members of the public who wish to present testimony or evidence regarding the proposed agreement shall be given the opportunity to do so.

The hearings called by this ordinance are for agreements, or amendments to existing agreements, with the following Utility Districts:

New Agreements:
Trail of the Lakes MUD
Harris County MUD No. 16
Amendments to existing Agreements:
Fort Bend County MUD No. 133(Amendment 1)
Malcomson Road UD (Amendment 2)
Harris-Fort Bend Counties MUD No. 1 (Amendment 1)

Consistent with usual practice, the sales taxes collected in each of these Districts will be divided evenly between the City and the District. The City is only annexing commercial property and undeveloped land. There is no population located in these territories proposed to be annexed for limited purposes.

The hearings will be held on April 29, 2015 and May 6, 2015 in City Council chambers.

cc: Marta Crinejo, Donna Edmundson, Tiffany Evans, Sameera Mahendru, Kelly Dowe, Andy Icken

REQUIRED AUTHORIZATION

Finance Director:	**Other Authorization:**	**Other Authorization:**