


TO: Mayor via City Secretary REQUEST FOR COUNCIL ACTION

SUBJECT: Ordinance disannexing approximately 896 acres from the City of Houston's corporate boundaries		Category #	Page 1 of 1	Agenda Item #
FROM (Department or other point of origin): Planning and Development		Origination Date November 14, 2014		Agenda Date December 3, 2014
DIRECTOR'S SIGNATURE: 		Council District affected: E		
For additional information contact: Nicole Smothers Phone: 713-837-7856		Date and identification of prior authorizing Council action: Ord. No. 2012-1056		
RECOMMENDATION: (Summary) That council pass an ordinance disannexing approximately 896 acres of land from the City of Houston's corporate boundaries				
Amount and Source of Funding:			Finance Budget:	
SPECIFIC EXPLANATION: <p>Upon request from the property owner, and the fulfillment of the terms of a development agreement, the Planning and Development Department is recommending the disannexation of approximately 896 acres of undeveloped land in Northeast Houston in the vicinity of Spring Creek in Council District E. The property is comprised of two tracts of land, each greater than 3 acres, undeveloped and contiguous to the municipal boundary of the City of Houston. This property makes up what is to be known as Montgomery County MUD No. 118 (MC MUD No. 118) and will become a part of the ETJ of the City of Houston upon disannexation. A Development Agreement was entered into by the City and the developers in 2012 (Ord. No. 2012-1056) which stated in pertinent part that the City would disannex the area if the developer took certain actions. The developer has since taken those actions.</p> <p>The parcels considered for disannexation are a part of a proposed master planned community currently referred to as the Townsen Bridge Development. MC MUD No. 118 makes up the southernmost portion of the development which will ultimately be comprised of five MUDs, all located within the ETJ of the City of Houston.</p> <p>The property owner has agreed to immediately enter into a Strategic Partnership Agreement (SPA) with the City of Houston once the area is disannexed. Under that agreement, the City will receive one half of up to 2% of the sales tax collected within the district depending on availability. Once the land is fully developed the city will also have the option to annex the area back into the full purpose city boundaries. When the development is complete, it is expected to have a taxable value of approximately \$800,000,000 in MC MUD No. 118 alone, most in the form of ad valorem taxes on single family residential units.</p> <p>The Public Works and Engineering Department's Public Utilities Division has no objection to this release. The disannexation of these tracts will not impair the city's ability to annex any other territory in the vicinity, nor will it have a negative impact on revenue to the City given that the area will be included in an SPA upon disannexation. This disannexation will not impair the City of Houston's mobility in the present or in the future.</p> <p>Following this disannexation on the agenda will be an ordinance for the creation of the district, followed by the annexation of approximately 21 acres of land into the district (part of the disannexation area). The SPA between the City and MC MUD No. 118 will follow these items along with several other SPAs on the same agenda.</p>				
cc: Marta Crinejo Kelly Dowe Sameera Mahendru Anna Russell				
REQUIRED AUTHORIZATION				
Finance Director:		Other Authorization:		Other Authorization:

