

CITY OF LAKEWAY CITY COUNCIL MEETING
Action Minutes of Special Session
Monday, March 31, 2014, 2:00 p.m.
Lakeway City Hall, 1102 Lohmans Crossing Road, Lakeway, Texas

1. **Establish Quorum and Call to Order.** Present: Mayor Dave DeOme, Mayor Pro Tem Dave Taylor, Councilmembers Phil Brown, Dee Ann Burns, Bruce Harris, and Jim Powell. Absent: Councilmember Joe Bain.
2. **Pledge of Allegiance.**
3. **Annexation: 318 acres northwest of Bee Creek Road and SH 71. (This is the second of two public hearings.)**
 - Staff Report by Chessie Zimmerman, Deputy City Manager.
 - Citizen participation – Jeanene Williams, 1139 Challenger, the property owner of 4520 Bee Creek Road, would like input from the city regarding a development plan for her 100 acre tract and inquired about water service and any advantages to her once the land is annexed.
 - Council discussion – No discussion by council.
4. **Presentation: Transportation Reinvestment Zone in Lakeway.** Presentation and discussion on developing a transportation reinvestment zone in Lakeway.

Before introducing the speaker, Mike Weaver, City Manager Steve Jones gave a brief synopsis of how a TRZ might benefit the city in reducing traffic issues along RR620. Mr. Weaver explained that a TRZ provides a mechanism for the city to generate funding for a project that promotes safety, mobility, and economic development in a designated area. He described a TRZ as a contiguous geographical area in the jurisdiction of a city or county that allows the entity to dedicate a portion of future tax revenues to a transportation project without a tax increase. A TRZ can be set up easily by resolution of the city council after a required public hearing that has been public noticed and a survey of land parcels to determine the boundary of the zone. The city decides how much of the future tax increment of development inside the zone to allocate to a designated project. Through interlocal agreements, surrounding entities can partner in the TRZ. The presentation concluded with examples of other entities that have recently established a TRZ.

Mr. Weaver then answered several questions from those at the dais:

Does the project have to be located inside the TRZ? It does not.

How does an entity decide how much money it will commit to a project? That depends on how advantageous the project would be to that entity.

Once a TRZ is established, can funds be comingled for different start dates? Yes.

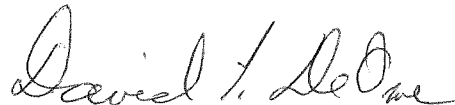
Are commercial and residential ad valorem taxes with a TRZ rated the same? Yes, whatever the city's tax rate is.

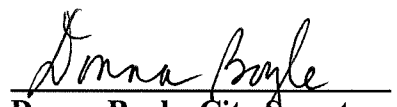
Can unused funds from a TRZ be recaptured into the general fund? Yes.

Mayor DeOme stated that he sees no advantage to creating a TRZ because of the legal entanglements involved and lack of voter input. He stated that he would rather pay for these types of projects with money from the city's capital fund or General Obligation Bonds.

5. **Executive Session.** At 2:53 p.m., the City Council entered into executive session for discussion regarding procurement of land for parks and recreation purposes as authorized by Texas Government Code Section 551.072 (Deliberations about Real Property). No action will be taken in Executive Session. The City Council reconvened in open session at 3:38 p.m., and Mayor DeOme stated that no action was taken in closed session.

Meeting adjourned at 3:39 p.m.


David P. DeOme, Mayor


Donna Boyle, City Secretary

