

share in the sales tax proceeds equally. The City will also receive a portion of the sales and use tax proceeds from the Limited Purpose Tract in the form of District Type B Revenues. During the term of the agreement a portion of the District's Type B revenues (following the same proportional sharing arrangements) will be devoted to approved projects within the Limited Purpose Tract and that comply with Chapters 501-505 of the Texas Local Government Code.

Fire and EMS Services

Emergency Services District No. 7 (ESD) currently provides fire and EMS services within the WID pursuant to a contract with the City.

City Services

The City and the District acknowledge that the District may not have the lawful authority to provide code enforcement services, animal control services, or health inspection services (collectively, whether one or more, the "City Services") within the District. In the event there is a change in or clarification to applicable state law and the City and District agree the District is authorized to perform such City Services, then for purposes of establishing the Parties' rights and obligations with respect to City Services. No agreement has been reached for the City to provide such police services to the District. The City may provide solid waste disposal services to residents within the WID.

Other Items

The SPA is in effect until the date the City annexes the District for full purposes, unless the City and WID agree to extend the term until the tenth (10th) anniversary of the date the City annexes the WID for full purposes in accordance with the terms of the SPA and Development Agreement. The areas in the WID that will be subject to limited purpose annexation are primarily the commercial areas and mixed-use commercial areas. There is a possibility that some of those areas will have a limited number of residents, and those residents may vote in City elections.

ISSUE:

Two public hearings must be held to allow for public input on this proposed Strategic Partnership Agreement.

FISCAL IMPACT:

To be determined once the WID has fully developed its commercial and mixed-use commercial areas.

RECOMMENDATION:

Staff recommends approval of the SPA.