

- SUBJECT:** Requiring the disannexation of Lost Creek by the City of Austin
- COMMITTEE:** Land and Resource Management — favorable, without amendment
- VOTE:** 6 ayes — Deshotel, Leman, Biedermann, Burrows, Craddick, Spiller
3 nays — Romero, Rosenthal, Thierry
- WITNESSES:** For — Philip Howry and Missy Speer, Save Lost Creek; Kerri Baldwin; Matthew Berend; Amy Brady; Brittany McFarland; Katie Tucker; (*Registered, but did not testify*: Roger Borgelt, Ryan Brannan, Chris Hosek, Drew Lawson, and Todd Sorrel, Save Lost Creek; Mia McCord, Texas Conservative Coalition; and 20 individuals)

Against — Jonathan Kringen and Rob Vires, City of Austin; Mark Jones; Marc Stephenson; Leah Stewart; (*Registered, but did not testify*: Jamaal Smith, City of Houston, Office of the Mayor Sylvester Turner; Julie Wheeler, Travis County Commissioners Court)
- DIGEST:** HB 3827 would require a municipality (Austin) to disannex an annexed area that:
- contained an access point to a greenbelt and at least 1,200 single-family homes;
 - was separated from two other municipalities other than the municipality in which the area was located only by a highway; and
 - before annexation, was part of a single census designated place and was served by a municipal utility district that owned a water treatment and storage facility (Lost Creek).

If the water treatment and storage facility of the area had been transferred to the municipality during annexation, the municipality would retain ownership of the facility after disannexation of the area.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take

effect September 1, 2021.

**SUPPORTERS
SAY:**

HB 3827 would disannex Lost Creek from the City of Austin, which annexed the area in 2015 when legislative efforts to prohibit unilateral municipal annexation were not yet in effect. Residents of Lost Creek opposed the area's annexation. It is appropriate for the area to be disannexed by HB 3827, as other avenues to separation from the City of Austin would be overly burdensome and unlikely to succeed. The bill would address a specific situation that could not occur again under current state law and so would not create a precedent for disannexation by legislation.

Since being annexed by Austin, the residents of Lost Creek have experienced a sharp rise in property taxes and crime accompanied by a decline in police, fire, and other services. By separating Lost Creek from Austin, HB 3827 would allow residents to receive better essential services and protect their community from burdensome city codes. If the City of Austin had planned services and infrastructure effectively since the annexation of Lost Creek, the residents would not be seeking disannexation.

Concerns about the need for an election and clearer plans for essential services following disannexation could be addressed in ongoing discussions.

**CRITICS
SAY:**

HB 3827 would be an unnecessary legislative interruption of local control based on tenuous claims of inadequate city services. The bill is unnecessary because state law already provides judicial means for a neighborhood to pursue disannexation due to a city's failure to keep its obligations. Disannexing Lost Creek through legislation would encourage other high-income neighborhoods to pursue the same course to the detriment of city resources.

City of Austin police provide full services to Lost Creek with response times comparable to the rest of the city, and there has not been a significant rise in crime in the neighborhood. In addition, the bill does not provide a clear plan for replacing city services for Lost Creek that would

be lost upon disannexation. Allowing Lost Creek to disannex would inhibit Austin's ability to plan and budget citywide services effectively, and in particular would likely negatively impact the quality of fire services in the area, since the Austin Fire Department would not be able to move forward with a planned station in the area if Lost Creek would no longer be contributing to its funding.

OTHER
CRITICS
SAY:

HB 3827 should not automatically disannex Lost Creek from Austin but should require a formal election by the residents to determine whether or not to disannex.