



AGENDA ITEM SUMMARY FORM

MEETING DATE: August 11, 2026

PREPARED BY: Otis T. Spriggs, AICP, Development Services Director

AGENDA CONTENT: Discussion and possible action on the Amended and Restated Reimbursement Agreement for the Austin Colony Public Improvement District between the City of Angleton, Texas and Austin Colony Development LLC, the Developer.

AGENDA ITEM SECTION: Regular Agenda Item.

BUDGETED AMOUNT: None

FUNDS REQUESTED: None

FUND: None

EXECUTIVE SUMMARY:

Creation and Purpose of the PID

On August 24, 2021 the City Council of the City of Angleton, Texas (the "City") passed and approved a resolution creating the Austin Colony Public Improvement District (the "District") covering approximately 164.5 acres of land described by metes and bounds in said Resolution

The purpose of the District is to finance public improvements (the "Authorized Improvements") as provided by Chapter 372, Texas Local Government Code, as amended (the "PID Act") that promote the interests of the City and confer a special benefit on the Assessed Property within the District.

The original reimbursement agreement for Austin Colony was approved on April 14, 2026, by City Council. The amended and restated reimbursement Agreement is attached for the City Council's consideration and approval.

Developer Responsibilities and Cost Advancement

Under this agreement, the Developer is responsible for constructing the authorized improvements upfront. The City agrees to reimburse the Developer for these costs, including interest, but only from a specific funding source: assessment revenues collected from benefiting properties. These revenues are placed into a dedicated Reimbursement Fund and cannot come from the City's general funds, taxes, or other revenues.

Use and Allocation of Assessment Revenues

The agreement establishes that assessment revenues will first be used to pay debt service on any future bonds issued by the City (referred to as Future PID Bonds). Any remaining funds are

deposited into the Reimbursement Fund and used to repay the Developer. Reimbursement is strictly limited to the actual costs of completed and City-accepted improvements, and only after the Developer submits proper documentation through a reimbursement request process.

AMENDMENT/Added

A levy for Annual Collection Costs shall be made as set forth in the SAP. For Improvement Area #1, the City will collect only half the amount of Annual Collection Costs levied on each Parcel if the Developer makes a deposit of half of the total upcoming Annual Collection Costs levy on or before September 1 of each year before tax bills are mailed. If such deposit is made, the City will bill only half of the Annual Collection Costs levied on the tax bills to be sent in October of that year that will be due and payable on January 31 of the following year. For the avoidance of doubt, for example, if the Annual Collection Costs levied for fiscal year 2027 is \$30,000 (meaning that such amount would be in the Annual Installments due January 31, 2028), but the Developer deposits \$15,000 on or before September 1, 2027, then the Annual Collection Costs component of the Annual Installments will be billed as \$15,000. This shall apply only for Improvement Area #1 shall continue until the earlier of (i) the Developer has notified the City and its PID Administrator that all of the land within Improvement Area #1 has been sold to third parties, or (ii) Developer has developed an additional improvement area within the District and the City is levying assessments on such additional improvement area, at which time 100% of the Annual Installment levied shall be billed and collected from property owners in Improvement Area #1.

RECOMMENDATION:

The City Council should approve the Amended and Restated Reimbursement Agreement for the Austin Colony Public Improvement District.