



## AGENDA ITEM SUMMARY FORM

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**MEETING DATE:** August 27, 2024

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

**AGENDA CONTENT:** Discussion and possible action on the Austin Colony Development, located on CR 44, Anchor Road and Tigner St. regarding proposed changes to the Development Agreement for the Public Improvement District (PID) and the approved Land Plan, previously established by Tejas Angleton Development LLC and the City of Angleton.

**AGENDA ITEM SECTION:** Regular Agenda Item.

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**BUDGETED AMOUNT:** None

**FUNDS REQUESTED:** None

**FUND:** None

### EXECUTIVE SUMMARY:

This is a request from the owner/developer of the Austin Colony Development, PD No. 3, for the Austin Colony Development Agreement within PD No. 3, which was amended and adopted by City Council on January 10, 2023 under Ordinance No. 20230110-009. Due to a reconfiguration and reclassification of Austin Colony Blvd., the various sections were readjusted as result. Austin Colony Drive will serve access to the proposed 50 lots in Section 1A, with a tie-in to CR 44, Anchor Road.

**Attachment A** outlines requested amendments to the Development Agreement regarding the assessment rates established in the Public Improvement District (PID) and possible changes to the Land Plan, previously established by Tejas Angleton Development LLC, as follows:

1. Increase the annual Assessment Rate provided for in Article 1, Section 1.02(b)(ii) from a Maximum Assessment Rate of 0.7073% per hundred dollars of assessed value at the time of the levy of the Assessment to a maximum of 1.25%. Austin Colony Public Improvement District (PIO) includes 164 acres, and all lots built within the PIO will have the same Maximum Assessment Rate. There will be one Maximum Assessment Rate for all lots.
2. The Angleton PID Policy provides that the City is entitled to ten percent (10%) of the gross PIO Bond Proceeds. Not the Net, the Gross. The Developer receives approximately 82% of the Gross Bond Proceeds. Tejas requests the City to reduce the 10% to 5% of the Gross Bond Proceeds sold for lots included in Sections 1 thru 4, which contain 286 lots. The actual Assessment Rate will be based on Estimated Build Out

Values as set forth in the Service and Assessment Plan. The majority of Tigner Street will be built in Sections 1 thru 4. All remaining Sections (5 thru 9) shall be entitled to ten percent (10%) of the Gross Bond Proceeds.

3. Tigner Street is an east-west street approximately 3,000 ft., four-lane divided with a median. Austin Colony includes 562 lots. Developers are required to mitigate the impact that new developments have on public infrastructure and service. A 562-lot development does not require a 3,000ft., four-lane divided with a median to mitigate the impact on public transportation. Texas cities have traditionally issued impact fee credits for public improvements that developers build and contribute to the City in excess of the required amount to compensate for the impact the development creates. The majority of Tigner Street is built during the construction of Sections 1 thru 4. The 5% reduction would be equivalent to the traditional impact fee credits.
4. The Austin Colony Subdivision Land Plan, which is Attachment "E" to the approved First Amendment to the Development Agreement (Attachment "D"), contains nine (9) sections. All lots are contiguous except Section 3, which has twenty-six (26) lots north of Tigner Street. Tejas requests the Development Agreement be amended to include the 26 lots contained in Section 3, north of Tigner Street, to be removed from Section 3 and included in Section 9. This would allocate more land for commercial development. Section 9 shall remain undeveloped and available for commercial development for the period specified in the Development Agreement

**RECOMMENDATION:**

The City Council should receive the presentation by Mr. Wayne L. (Sandy) Rea, II, and take action or further direction regarding the Austin Colony Development Agreement(s) and Public Improvement District (PID) and approved Land Plan.