



AGENDA ITEM SUMMARY FORM

MEETING DATE: October 24, 2023

PREPARED BY: Phillip Conner, Finance Director

AGENDA CONTENT: Conduct a Public Hearing, discussion and possible action to approve Resolution No. 20231024-010 authorizing and creating the Riverwood North PID, Public Improvement District for 35.6 acres, located north of Hospital Drive between N. Downing Street to the west and Buchta Road to the east. (Public Hearing left open on 10/10/23)

AGENDA ITEM SECTION: Regular Agenda

BUDGETED AMOUNT: N/A

FUNDS REQUESTED: N/A

FUND: N/A

EXECUTIVE SUMMARY:

The subject property consists of approximately 35.6 acres, generally north of Hospital Drive situated between N. Downing Street to the west and Buchta Road to the east.

On September 12, 2023, City Council authorized under resolution number 20230912-019, the calling for a public hearing and providing for the preparation of a Service and Assessment Plan for an overlay Public Improvement District known as Riverwood Ranch North Public Improvement District ((PID). The PID will apply to Phases/Sections 1 and 2 of the Riverwood Ranch development. The notice was published in The Facts Newspaper on September 21, 2023. Notice to the owners of property within the proposed District was sent by first-class mail to the owners of 100% of the property subject to assessment under the proposed District.

The City approved and executed a Facilities and Creation Costs Reimbursement Agreement in July 2020. By execution and adoption of the reimbursement agreement the City agreed to:

- “promptly proceed to complete creation” of the Public Improvement District, and
- adopt a Service and Assessment Plan for Authorized Improvements [water, sewer, drainage, roads and park facilities] to be constructed by Developer, and reimbursed by the City and Assessments levied payable in increments over 30 years.
- commit to contributing 27% of the tax increment collected by the City on the taxable value of real property to a TIRZ Increment Fund created by the City.

- Reimburse developer from proceeds of assessments, proceeds from TIRZ Increment and Bonds

The term of the Reimbursement Agreement is 30 years.

The City agreed upon request of Developer to issue Bonds (secured solely by the Assessments levied on such lots and the TIRZ Increment) in order to reimburse the Developer for the costs of the Improvements.

In order for the bonds to be issued the Public Finance Division of the Texas Attorney General's Office reviews all public securities issued by governmental entities to review the legality of the transaction and provide approval of the public security. The Texas Attorney General, Public Finance Division has approved moving forward with issuance of bonds for Phases 3 and 4 by creating a new "overlapping" PID for Phases 3 and 4 to be known as Riverwood Ranch North PID. This recommendation was made to the City's bond counsel in light of a few issues identified by the Attorney General's office regarding creation of the Public Improvement District in 2019.

The City Council held a public hearing on October 10, 2023 and kept the public hearing open regarding this resolution.

RECOMMENDATION:

City Council should approve the Resolution Authorizing and Creating the Riverwood Ranch North Public Improvement District.