

AGENDA ITEM COVER SHEET

SUBJECT:

Consideration and possible action with respect to a “Resolution of the City Council of the City of Dripping Springs, Texas, Determining Costs of the Proposed Public Improvements in the Heritage Public Improvement District, Approving a Proposed Improvement Area #2 Assessment Roll, Calling a Public Hearing, and Making Related Findings and Determinations, in Accordance With Chapter 372 of the Texas Local Government Code”

ITEM SUMMARY/SPECIAL CONSIDERATIONS:

On November 14, 2017, the Council adopted Resolution No. 2017-74 authorizing the creation of the Heritage Public Improvement District (the "PID") after a public hearing in accordance with Chapter 372, Texas Local Government Code, as amended (the "PID Act"). The PID is expected to be developed in phases. The area designated as "Improvement Area #2" within the District ("Improvement Area #2") is the next phase of development in the PID. The PID consists of approximately 188.943 acres and Improvement Area #2 includes approximately 75.57 acres. Improvement Area #2 is expected to include approximately 160 lots and the future improvement areas are expected to include approximately 277 lots and approximately 105 multifamily units. The City is authorized by the PID Act to issue revenue bonds payable from the Assessments levied within Improvement Area #2 (the “Improvement Area #2 Assessments”) for the purpose of paying a portion of the actual costs of the authorized improvements constructed for the benefit of property within Improvement Area #2 of the PID.

The PID Act requires preparation of a service plan covering a period of at least five years and defining the annual indebtedness and projected cost of the public improvements (“Authorized Improvements”) to be funded through the Improvement Area #2 Assessments. The PID Act also requires preparation of an assessment roll stating the amount of special assessment against individual parcels of land in the PID determined by the method chosen by the City consistently with the PID Act.

P3 Works, LLC (“P3”) has prepared, on behalf of the City, a Preliminary Service and Assessment Plan (the “PSAP”) which includes a description of the proposed Authorized Improvements, determines the cost of those improvements, and includes a proposed Improvement Area #2 Assessment Roll.

This item requests that the City Council pass and approve the attached Resolution, which makes certain findings regarding the nature of the Improvement Area #2 Authorized Improvements, the cost of the Improvement Area #2 Authorized Improvements, and approving the proposed Improvement Area #2 Assessment Roll (all of which information is included in the PSAP attached to the Resolution). On the City Council’s approval, the proposed Improvement Area #2 Assessment Roll will be made available for public inspection at the Office of the City Secretary and notice of the public hearing to consider the proposed Improvement Area #2 Assessments will be published in accordance with the PID Act.

In conjunction with the City Council’s consideration of an ordinance levying the Improvement Area #2 Assessments on land in the PID, and after notice and a public hearing, City staff will bring forward a proposed ordinance levying the Improvement Area #2 Assessments on land within Improvement Area #2 of the PID, approving the final Service and Assessment Plan (SAP), and approving the final Assessment Roll.

COMMENTS

The bond ordinance and related sale, along with the assessment ordinance, are currently planned for the September 17, 2024 Council agenda, after actual interest rates are determined. The PID Bonds are currently anticipated to close on October 16, 2024.

ATTACHMENTS:

Cost Determination Resolution