



January 19, 2023

To: Mayor and City Council  
From: Gary Palmer, City Administrator  
Subject: Public Improvement Districts (PID)

The Meadow Ridge applicant has indicated interest in pursuing a Public Improvement District (PID) for their single-family home development. The petitioners will be at your meeting to have a conversation and receive feedback from the Council; no action requested.

In addition to other considerations, the following should be required by the petitioner for the City to consider prior to engaging in a PID agreement:

- What is the benefit to the City/community? A PID should provide benefits above and beyond the normal development requirements and/or provide considerable capital improvements to the “public infrastructure system”, not just the development. Variances to the standards may be counter to this philosophy.
- What is the probability for success? The City should require a 3<sup>rd</sup> party market study of the development/use. The City should require an independent appraisal of the property. The City should require evidence of the developers ability to complete the project. If not required for planning, the City should require a Phase I environmental study.
- What are the financial implications to the City? How will this effect our bond rating? The City should receive recommendations from our bond counsel and financial advisors.
- Who will manage the PID, the assessments and all administrative costs? Will this be 3<sup>rd</sup> party managed or managed by the City? If the City manages it will have impacts on our workload and staffing.