



AGENDA MEMORANDUM

Action Item for the City Council Meeting October 29, 2024

DATE: October 17, 2024

TO: Peter Zanoni, City Manager

FROM: Arturo Marquez, CEcD Ms. Econ, Director of Economic Development
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**Resolution to approve the PID #2 petition for the Proposed Mirabella Development,
and call for a Public Hearing on 12-3-24**

CAPTION:

Consideration and approval of a resolution of the City Council of the City of Corpus Christi, Texas, accepting a petition to create the Mirabella Public Improvement District; calling for a public hearing under section 372.009 of the Texas local government code for the creation of the Mirabella Public Improvement District within the extraterritorial jurisdiction of the City of Corpus Christi, Texas; to consider the feasibility and advisability of establishing the district; authorizing and directing the publication and mailing of notices of the public hearing; providing for a severability clause; and proving an effective date.

SUMMARY:

Resolution to approve the Public Improvement District #2 petition (PID) for the Proposed Mirabella Development and call for Public Hearing date on December 3, 2024.

BACKGROUND:

A Public Improvement District (PID) is an economic development tool that enables an assessment to be placed on a property which is used to fund/reimburse capital costs to facilitate higher quality projects with better and more amenities that would have been constructed otherwise. Authorized PID improvements include but are not limited to water, wastewater, street, sidewalk, parking, and parks improvements. The City of Corpus Christi's City Council adopted a Public Improvement District (PID) policy to guide the creation of City PIDs in March 202.

On October 18, 2024, a PID application and petition were received for the proposed Mirabella development. The 300-acre development will have 1,154 units ranging from single-family, multi-family, and rental residential housing, as well as 23.53 acres of parks that include 13.4 miles of hike and bike trails. The development includes amenities such as a community center, community resort-style pool, and recreation fields for residents to play baseball, pickleball, and basketball. The development anticipates a 10-year buildout in six phases with an estimated completion by 2036 and an anticipated taxable value of approximately \$467 million at full buildout. In addition to the PID, the City is considering the creation of a Tax Increment Financing Zone (TIRZ) to support development of not only this development but other development in this area.

Texas Local Government Code (LGC) 372.005 requires the PID petition to state (1) the general nature of the proposed improvement; (2) the estimated cost of the improvement; (3) the boundaries of the proposed assessment district; (4) the proposed method of assessment, which may specify included or excluded classes of assessable property; (5) the proposed apportionment of cost between the public improvement district and the municipality or county as a whole; (6) whether the management of the district is to be by the municipality or county, the private sector, or a partnership between the municipality or county and the private sector; (7) that the persons signing the petition request or concur with the establishment of the district; and (8) that an advisory body may be established to develop and recommend an improvement plan to the governing body of the municipality or county.

Texas LGC 372.009 requires a public hearing before a public improvement district may be established and improvements provided by the district may be financed. City Council held the required public hearing prior to considering action during this meeting. Notice of the hearing will be published in the Caller-Times newspaper by November 18, 2024. The publication was made before the 15th day before the date of today's hearing as required by law. A written notice containing the required information outlined in Sec. 372.009 (c) will be mailed to the property owner(s).

Texas LGC 372.007 authorizes the City to utilize the services of a consultant to prepare a report to determine whether an improvement should be made as proposed by the filed petition or whether the improvement should be made in combination with other improvements authorized by Tx LGC 372.

The City has engaged P3Works and Norton Rose Fullbright, LLS, LLP to assist in the establishment of the district, drafting the Service and Assessment Plan and provide ongoing administration and annual updates to the Service and Assessment Plan after the levy of assessments.

Action to establish the Mirabella Public Improvement District #2 is the first step in a process that equates to an intent by Council at a future date, to accept the Developer's request to assess the properties located within the boundaries of the district. The amount to be assessed and the terms of the payments would be determined in the Assessment Ordinance and Service and Assessment Plan. December 3, 2024 public hearing and creation of the district, and negotiating a development agreement.

PROCUREMENT DETAIL:

N/A

ALTERNATIVES:

City Council could decide to deny or delay action to approve the PID petition submitted by The London Proper, LLC.

FISCAL IMPACT:

There is no fiscal impact for this item currently.

FUNDING DETAIL:

N/A

RECOMMENDATION:

Staff recommends approval of the PID petition and the required public hearing on December 3, 2024.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Revised PID Petition
PID Application
Presentation