

Public Improvement District (PID) Petition for Whitecap Preserve Development & Public Hearing

Presentation to City of Corpus Christi, Texas
April 26, 2022



NORTON ROSE FULBRIGHT



Public Improvement District Petition Briefing

- PID Policy was adopted on March 31, 2020
- Two PID applications have been submitted to the City of Corpus Christi
- Whitecap PID application was submitted on September 22, 2021
 - Petition submitted on February 9, 2022
 - Revised Petition submitted on April 8, 2022
- City Council was briefed on the concepts of PIDs, Texas Local Government Code Chapter 372 and comparisons of economic development tools
- Ashlar Development introduced the Whitecap Preserve Development on April 12, 2022



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Local Government Code Requirements

- Texas 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.

Local Government Requirements

- 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. Notice of the hearing must be given in a newspaper of general circulation in the municipality.
- The final publication of notice must be made before the 15th day before the date of the hearing. A written notice containing the required information outlined in Sec. 372.009 (c) must be mailed before the 15th day before the date of the hearing. The notice must be addressed to “Property Owner” and mailed to the current address of the owner, as reflected on tax rolls, of property subject to assessment under the proposed public improvement district.

Staff Recommendation

- City Council accept the PID Petition
- Agree to set the date for the required public hearing on May 17, 2022

Follow-Up from April 12, 2022 Council Meeting

- **Item 1 – Maintenance of the canals and bulkheads**
 - Option 1 – cover the maintenance through annual PID levy
 - Option 2 – assess through a newly established HOA
- **Item 2 – Special District compared to Special Taxing District**
 - Special District does not have taxing authority under Texas Constitution (Ex. Public Improvement District)
 - Special Taxing District does have taxing authority under Texas Constitution (Ex. Municipal Utility District)
- **Item 3- PID Assessments**
 - Only assessed on property that benefits
 - Public improvement assessments may be assessed annually, paid up front without penalty or payoff early (anytime) without penalty



Questions?