

Petition for
Whitecap Improvement District #1
Public Hearing
&
Resolution to Approve and Establish the Whitecap
Improvement District #1

Presentation to City of Corpus Christi, Texas
May 17, 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 Improvement District #1 on April 12, 2022
- Set the Public Hearing and Accept the Petition on April 26, 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

Developer provided commitment to complete authorized improvements

(2) the estimated cost of the improvement

\$100,000,000

(3) the boundaries of the proposed assessment district

Proposed to include the property- Exhibit B

(4) the proposed method of assessment, which may specify included or excluded classes of assessable property

The City Levy Assessment on each benefited lot – see section 4 of petition

Local Government Code Requirements

(5) the proposed apportionment of cost between the public improvement district and the municipality or county as a whole

City is not obligated to provide any funds to finance the authorized improvements

(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

Proposed the City manage the district

(7) at least 50% of the property owners requesting or concurring with the establishment of the district must sign the petition; and

The petition was signed by more than 50% of the property owners within the District

(8) that an advisory body may be established to develop and recommend an improvement plan to the governing body of the municipality or county.

District be established & managed without the creation of an advisory body

City determined project to be a feasible project as it creates economic development opportunities that do not currently exist

Local Government Requirements

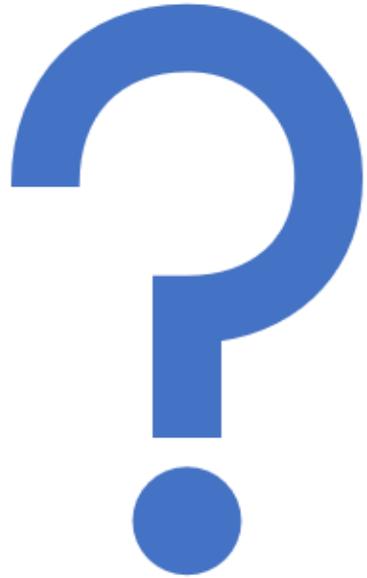
- Texas LGC 372.009: requires a public hearing before a public improvement district may be established and improvements provided by the district may be financed. Notice of the hearing must be given in a newspaper of general circulation in the municipality.
- **Notice was published in the Caller-Times on May 1, 2022.**
- 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.
- **Mailed to the property owners on April 27, 2022.**

Next Steps

- **May/June**
 - Ashlar Development finalize cost for major improvement areas and Phase I
 - Prepare plan of finance with City's financial advisor
 - Identify and establish O&M PID components
 - Review with Ashlar Development and City Staff costs and financial structure
 - Provide diagrams and maps of infrastructure by funding mechanism (TIRZ/PID/O&M PID)
 - Continue briefings with City Council by funding mechanism
- **June**
 - Brief City Manager
 - Continue briefing City Council on any new questions/adjustments that arise from the PID Policy Review
- **July 19th**
 - Council briefing on financial structure, including diagrams notes above, home values, assessment values and structure of O&M PID
 - Briefing Council on any adjustments to the PID Policy to more closely align with how the PIDs are utilized within the state of Texas
- *The levy for capital PID and O&M PID will occur at a point in the future*

Staff Recommendation

- City Council to approve the resolution establishing the Whitecap Public Improvement District #1 and recognize a future levy will be requested by the developer for each benefited lot within the PID boundaries.
 - The attached resolution acknowledges the differences in the City's PID policy and the proposed Whitecap Public Improvement District #1, thus by approving the resolution the City is agreeing to establish the PID as requested in the petition.



Questions?