



AGENDA MEMORANDUM

First Reading of Ordinance City Council Meeting May 17, 2022
Second Reading of Ordinance City Council Meeting May 24, 2022

DATE: May 3, 2022
TO: Peter Zanoni, City Manager
FROM: Heather Hurlbert, CPA, CGFO Director of Finance and Procurement
Heatherh3@cctexas.com
361-826-3227

Accept and Appropriate Public Improvement District (PID) Application Fees

CAPTION:

Ordinance accepting and appropriating Public Improvement District ("PID") Application Fees totaling \$30,000.00 received for two PID applications submitted during the fiscal year; and amending the operating budget.

SUMMARY:

This item will appropriate the PID application fees received with two applications. These fees are intended to be used for any costs associated with the work associated with the analysis and possible future creation of a PID.

BACKGROUND AND FINDINGS:

The City adopted a PID policy in March 2020 and the policy set a fee of \$15,000 that is to be remitted with a PID application. This fee is to be used for any expenses incurred in the analysis and creation of a PID and offset any cost to the City. The City has received PID applications from Diamond Beach Holdings, LLC for the Whitecap Preserve PID and Axys Capital Credit Fund, LLC for The Cove PID. The revenue from the fees must be the appropriated so they can be used to pay for expenses related to the PID process. If expenses for the analysis and creation of the PID are less than the \$15,000, the remaining funds are retained by the City. If the expenses are more than \$15,000 the City will enter into an agreement with the requestor to cover the expenses in excess of the original application fee.

ALTERNATIVES:

City Council could choose to not appropriate the PID application fee revenue and related expense and they would not be able to be used to pay for expenses incurred for the analysis and creation of the PID.

FISCAL IMPACT:

The fiscal impact will be an increase in revenue and expenses totaling \$30,000 in the Fiscal Year 2022 budget.

Funding Detail:

Expense

Fund: 1020
Organization/Activity: 14705
Mission Element: 707
Project # (CIP Only):
Account: 530000

Revenue

Fund: 1020
Organization/Activity: 14705
Mission Element: 888
Project # (CIP Only):
Account: 307400

RECOMMENDATION:

Approve the appropriation of the revenue and expenses for the two PID application fee amounts totaling \$30,000.

LIST OF SUPPORTING DOCUMENTS:

Ordinance