



Recommendation

Travis County's WildHorse Ranch Public Improvement District (PID)

Financial Services Department

August 30, 2016

(1)

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Purpose

- Provide staff recommendation on Travis County's creation of its 1st public improvement district (PID) - WildHorse Ranch
- Additional PID Petitions received by Travis County
- Next Steps



WildHorse Ranch Development

- 2,164 acres in eastern Travis County in City's Desired Development Zone; south of U.S. Highway 290 East at intersection of State Highway 130 and U.S. Highway 290 East
 - WildHorse PID is 1,600 acres of development
- City approved Planned Unit Development (PUD) zoning February 2002 (*Ordinance 20020214-028*)
- City approved full purpose annexation November 2013 (*Ordinance 20131121-112*)
 - Property undeveloped at time of full purpose annexation
 - Annexed per owner's request and regulatory plan adopted at time of limited purpose annexation
- October 2015 filed petition for Travis County to create PID





Travis County creates 1st PID

- August 9, 2016 Travis County created its 1st PID and 1st Texas county PID in a city full-purpose annexed area
- Approved WildHorse PID Term Sheet
 - Key elements of PID agreement
 - Travis County to approve PID financed improvements; control timing of PID formation and bond issuance(s)
 - Key financial provisions
 - Maximum authorized PID eligible improvements of \$65,000,000 (includes hard costs, soft costs, contingencies, construction management fee; excludes PID formation and PID bond issuance)
 - Maximum equivalent tax rate of \$0.35 per \$100 of build out assessed value for PID annual assessments
 - Bond terms negotiated at time of issue based on current market conditions



WH PID Term Sheet

- PID eligible public improvements not to exceed \$65 million
 - 1/3 share of cost of WildHorse Connector Road
 - Other public roadway improvements
 - Austin to Manor Trail and Gilleland Creek Trail
 - Public trails, parks, and 1-3 public amenity centers with swimming pools or splash pads
 - Water/wastewater infrastructure not otherwise reimbursed by City
 - Water quality/storm water detention infrastructure
- Developer land donations
 - Dedicate land to County for open space
 - Minimum 5 acre site for multi-modal transportation joint use facility
 - Two Manor ISD school sites

WH PID = WildHorse Ranch Public Improvement District

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Staff's Recommendation

- *Staff's recommendations are specific to WildHorse PID and should not be considered as recommendations applied across-the-board to future PIDs as each will be evaluated on a case-by-case basis.*
- Recommend Council **does not object** to creation of WildHorse PID by Travis County
- Recommend Council approval of draft Resolution provisions
 - Funding alternative for 1/3 of WildHorse Connector Road Phase 1
 - Other City protections

Resolution - Other Provisions

WildHorse Connector Road Phase 1

- Travis County's request for City funding participation
 - WH PID Term Sheet - 1/3 share of cost of WildHorse Connector Road Phase 1 (estimated at \$5 million to \$7 million)
- Funding initially met by increasing PID Bond issuance amount
- Reimbursement up to a maximum of \$7 million to be paid by City over ten year period after PID bonds issued
 - Reimbursement shown in PID's service and assessment plan; used to reduce PID special assessments
 - City may, at its option, prepay at any time without penalty
 - Source of funds for reimbursement - **General Fund or other appropriate sources** that may be identified in the future
 - Alternate funding option - City may issue certificates of obligation





Resolution - Other Provisions

- City to begin full purpose annexation of remaining property in WildHorse PID by December 31, 2016
 - Entire PID to be in City's full purpose jurisdiction
- City of Austin **not subject** to any PID assessments
- Developer will provide City an easement of twelve developable acres for future expansion of existing wastewater treatment plant located in WildHorse subdivision



Travis County – New PID Petitions

Proposed PID	PID Petition Filed	Developer	Developer's Consultant	Developer's Attorney
Turner's Crossing	June 6, 2016 filed Petition. March 29, 2016 filed Notice of Intent to Petition.	The True Life Companies	DPFG, Inc. (Rick Rosenberg)	Metcalf, Wolff, Stuart & Williams (Steve Metcalfe)
Entrada	August 17, 2016 filed Notice of Intent to Petition.	Lennar	DPFG, Inc. (Rick Rosenberg)	Metcalf, Wolff, Stuart & Williams (Steve Metcalfe)
Bella Fortuna	August 17, 2016 filed Notice of Intent to Petition.	Cadence Development	DPFG, Inc. (Rick Rosenberg)	Metcalf, Wolff, Stuart & Williams (Steve Metcalfe)
Lagos	Petition as filed was incomplete.	Not available.	Not available.	Not available.

- Travis County received four additional petitions to create PIDs
- Each PID includes planned subdivisions located in the City's ETJ.



Next Steps on Travis County PIDs

- September 1 Council action item *“approve a resolution regarding Travis County’s creation of the WildHorse PID”*
 - Travis County created PID on August 9
 - Council may object within 30 days (prior to September 8)
 - Opportunity to express objection to PID creation, if any
 - Consent item must be pulled Thursday for motion to fill in the blank with “does” or “does not”
- Potential future agenda items related to WildHorse PID
 - Interlocal Agreement with Travis County for Wildhorse Connector cost sharing
- Continue monitoring Travis County PID activity; provide Council periodic status reports



Questions