

RESOLUTION NO. 20081218-069

WHEREAS, a public improvement district (“PID”) is a tool the City can use to meet community needs by funding supplemental or enhanced public improvements or services that would not otherwise be constructed or provided in a timely manner; and

WHEREAS, the improvements and services funded through a PID are ultimately paid for by those who most benefit from them – the owners of property in the PID, and it is these owners who petition the City to form a PID; and

WHEREAS, a PID that finances public infrastructure benefits developers by allowing them to reduce their debt to private lenders by using public financing to pay the initial cost of infrastructure for development, so those requesting creation of such a PID should demonstrate that it confers an extraordinary benefit not only to the properties within the PID, but also to the community in general; and

WHEREAS, this resolution outlines issues for the City Council to consider in determining whether to establish a PID and is not intended to limit the authority of the City Council to consider or approve any particular request; **NOW, THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Council resolves that the following are established as its policy and criteria for considering requests to create PIDs to fund public infrastructure, municipal services, or both in association with either new development or redevelopment projects:

1. The City's objective in creating the PID should be to support superior development in the Desired Development Zone.
2. The City's basic requirements for creation of a PID should be that:
 - All developments supported by a PID must comply with the City's Planned Unit Development (PUD) Green Building Program, regardless of whether the development receives PUD zoning.
 - The development supported by the PID provides extraordinary public benefits (such as extension or enhancement of infrastructure, affordable housing, environmental improvement, public transportation facilities, open space);
 - It is in the City's designated Desired Development Zone;
 - It is accompanied by a development agreement;
 - The development that it supports meets or exceeds the intent of the development standards of the City Code;
 - It is financially self-sustaining; and
 - The petitioners should constitute 100% of the landowners within the proposed boundaries of an "undeveloped land" PID, or a majority of the landowners within the proposed boundaries of all other PIDs.
3. Whether development supported by the PID provides sufficient public benefits should be determined by weighing the value of the benefits to the community and to property in the PID against the relative cost of the improvements or services to be provided.

4. Improvements and services provided by a PID should include the full range of services and improvements allowed by law, including but not limited to:

- Landscaping, fountains, distinctive lighting, and signs.
- Sidewalk, street, or other right-of-way improvements.
- Pedestrian malls.
- Acquisition and installation of art.
- Libraries.
- Off-street parking facilities.
- Mass transportation facilities.
- Water, wastewater, reclaimed water, or drainage facilities.
- Establishment or improvement of parks.
- Acquisition of real property in connection with an authorized improvement.
- Special supplemental services for improvement and promotion of the district, including advertising, health and sanitation, public safety or security, development, and cultural enhancement.
- Expenses for establishment, administration and operation of the PID.

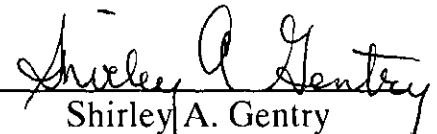
5. In considering whether a PID provides sufficient public benefits, Council will consider benefits including but not limited to:

- Establishing land use controls that otherwise would not be available in the City's ETJ.
- Providing amenities that would not typically accompany a development with conventional financing.

- Potentially allowing City capital improvement program funds to be redirected to other high priority needs by financing capital infrastructure with alternative PID financing.
6. As a basis for considering issuance of bonds supported by a pledge of PID assessments, Council should consider criteria including but not limited to the following:
- Evidence that the value of the property within the PID will be significantly increased by construction of the public improvements financed by the PID, as determined by the City.
 - Substantiation of no significant financial risk to City, as assessed by the City.
 - City's faith, credit, or taxing power should not be pledged to PID bond payments.
 - If development occurs in phases, development must be sustainable by the proposed bonding capacity, bond phasing, and development approvals.

APPROVED: December 18, 2008

ATTEST:


Shirley A. Gentry
City Clerk