

**Whisper Valley Public Improvement District
Annual Service and Assessment Plan Update
For January 1, 2017 – December 31, 2017**

Introduction

A Public Improvement District (PID) is a defined geographical area established to provide specific types of improvements, services, or maintenance within the defined area that are financed by special assessments levied against all property owners within the defined district for the life of the PID. PIDs may be created pursuant to the laws of the State of Texas (Texas Local Government Code Chapter 372) by a city or county.

The Whisper Valley PID is a mixed-use planned community of about 2,065 acres located east of SH 130, at FM 973, and south of US-290 East in east central Travis County. The PID is in the City's limited purpose annexation and extraterritorial jurisdiction and in the Desired Development Zone. The planned development includes approximately 7,500 single and multi-family homes and more than 2 million square feet of retail and office space. In addition, 700 acres of open space are to be dedicated to the City for use as trails and parkland.

On August 26, 2010, the Austin City Council approved Resolution 20100826-026 authorizing creation of the Whisper Valley PID, which provides a financing mechanism for public infrastructure to support the planned community. On November 3, 2011, the Austin City Council approved an ordinance authorizing the issuance and sale of City of Austin, Texas Special Assessment Revenue Bonds, Senior Series 2011 (Whisper Valley PID) in an amount not to exceed \$16,500,000 (actual principal amount of bonds sold totaled \$15,500,000) and City of Austin, Texas Special Assessment Revenue Bonds, Subordinate Series 2011 (Whisper Valley PID) in an amount not to exceed \$18,800,000 (actual principal amount of bonds sold totaled \$18,485,168.10). The Senior Bonds have a 15 year term, while the Subordinate Bonds have a 5 year term which concludes in December 2016. Proceeds from the bond sale funded construction, acquisition or purchase of certain public improvements, capitalized interest, bond reserve funds, and costs of bond issuance.

While PID bonds are outstanding and payable, the PID's budget will be included in the City's Operating Budget and the Austin City Council will take certain annual actions regarding the PID including:

Austin City Council Action	Council Meeting
Approve an ordinance approving proposed assessment roll and setting PID's assessment rate.	Meeting #1
Approve a resolution adopting PID's annual service and assessment plan update.	Meeting #1
Set a public hearing on PID's proposed assessment roll.	Meeting #1
Conduct a public hearing on PID's proposed assessment roll.	Meeting #2
Approve an ordinance authorizing final assessment roll and levying special assessments.	Meeting #2 or 3

Factors Affecting Revenue

Revenue is generated through the apportionment, levying, and collection of special assessments which are pledged for the repayment of PID bonds issued for the public improvements.

The Whisper Valley Public Improvement District was created on August 26, 2010 for the purpose of financing the basic infrastructure that will support the planned community. Planned improvements include roadways (Braker Lane extension), water and wastewater lines, and a wastewater treatment plant.

The PID is located in the limited purpose annexed jurisdiction of the City of Austin, Texas, within Travis County, Texas. This master planned development contains approximately 2,065 acres, of which approximately 1,429 is planned to be developed as Assessed Property.

At completion, the PID is expected to consist of approximately 2,848 detached single family residential units, 1,990 attached single family residential units, 2,668 multifamily units, 217.3 acres of commercial, and 38 acres of mixed use development, as well as parks, entry monuments, and associated rights-of-way, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots and the classification of each lot are based on the Planned Unit Development Ordinance. This area is currently in the city's limited purpose jurisdiction. This area is currently under development.

At completion, the PID is expected to consist of approximately 4,543 detached single family residential units, 1,005 attached single family residential units, 2,670 multifamily units, 2,363,130 sf of commercial, and 662,112 sf of mixed use development, as well as parks, entry monuments, and associated rights-of-way, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID

Subdividing of the original land parcels began in 2016. According to the July 31, 2016 Whisper Valley Quarterly Report, 179 single family lots are under contract with homebuilders.

Assessment Methodology (Page 17 of SAP)

Actual costs associated with the Senior Master PID Bonds shall be allocated to the assessed property by spreading the entire assessment across all parcels within the PID based on the each parcel's ratio of the total assessable area within the PID. Upon subsequent divisions of any parcel, the assessment applicable to that parcel is then apportioned based on the ratio of the areas of the newly created parcels. For residential parcels, assessments will be apportioned proportionately among each residential parcel based upon its relative size.

Assessment Update

This document provides an update to the Service and Assessment Plan (SAP) approved by Council on November 3, 2011 (Agenda Item #012). This update amends the SAP to reflect that the 2017 assessment (\$1,740,561) will be due on January 31, 2017. The assessment will be used to make senior bond principal and interest payments (\$1,711,844) and to fund estimated administrative costs (\$28,717).