



City of Galveston

DEVELOPMENT SERVICES

ECONOMIC DEVELOPMENT STAFF REPORT

Date October 18, 2021

To: Brian Maxwell, City Manager
Honorable Mayor and City Council Members

From: Michele Hay, Development Services, Economic Development Coordinator

Project location: District 6,
Bayside at Waterman's PID

Subject: Consideration of the Annual (2021-2022)
Service Plan Update for Bayside @ Waterman's Public
Improvement District (PID) and associated Ordinance

Request:

Consideration of Annual (2021-2022) Service Plan Update for Bayside @ Waterman's Public Improvement District (PID) and associated Ordinance

Prior Council Action

Council approved a Resolution for the 2020-2021 Annual Service Assessment Plan (SAP) for the Bayside at Waterman's PID and associated Resolution on November 12, 2020.

Background

- A. By Resolution adopted by City Council, on October 28, 2014, authorized the PID in accordance with its finding as to the advisability of certain public improvement projects (the "Authorized Improvements") which were subject to a series of previous Public Hearings, that the PID is to implement.
- B. City Council adopted Ordinance No. 14-063 on December 11, 2014, which levied assessments for public improvements on property within the PID boundaries as set forth in the Service and Assessment Plans and Assessment Roll for the PID, and included some \$9.6 Million in Special Assessments Bonds for the Authorized Improvements.
- C. Authorized Improvements include Water, Wastewater, Streets, Landscaping, and Public Parking.
- D. The associated Service and Assessment Plan (SAP) covers a period of at least five years, and must also define the annual indebtedness and projected costs for improvements.
- E. The Service and Assessment Plan (SAP) must be reviewed and updated annually for the purpose of determining the annual budget for capital improvements, and the 2021-2022 update has been prepared for City Council consideration.





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- F. The SAP includes a summary of project cash flow on page 3, of all annual installments, delinquent annual installments, penalties, and interest in the 2021-2022 period.
- G. Staff has been advised that due to recent legislation, starting September 1, 2021 the SAP is now required to contain a homeowner disclosure form, which is attached as Exhibit B. As part of the same new legislation, Council's approval needs to come via an Ordinance and is to be recorded with the County.

Fiscal Impact Report

None at this time. PID is utilizing Special Assessments (on the platted lots) to debt service the Special Assessment Bonds for the Authorized Improvements (Infrastructure).

Alternatives

- A. City Council approves the ordinance.
 - 1. Cost – None.
 - 2. Timing – Annual update required.
 - 3. Divisional Improvements – Service and Assessment Plan update to Authorized Improvements associated with the Bayside at Waterman's PID.
- B. City Council does not approve the ordinance.
 - 1. Cost – Non-compliance with the Special Assessment Revenue Bonds that require Service and Assessment Plan be updated annually. In addition, risk jeopardizing the collection of the required assessments totaling \$826,683 that are needed to pay the principal and interest on the outstanding bonds.
 - 2. Timing – Annual update required.
 - 3. Divisional Improvements – Service and Assessment Plan update to Authorized Improvements associated with the Bayside at Waterman's PID.

Staff Recommendation

Staff recommends Alternative A, to approve the 2021-2022 Service Plan Assessment Update and the associated Ordinance.

Attachments

Exhibit A: Annual (2021-2022) Service Plan Update for Bayside @ Waterman's Public Improvement District (PID)

Exhibit B: Homeowner Disclosure Form (SAP-Appendix B)

Exhibit C: Ordinance – Bayside at Waterman's PID 2021-2022

