

RESOLUTION NO. 20161103-011

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

The Indian Hills Public Improvement District Annual Service and Assessment Plan Update for 2017, attached as Exhibit A, is hereby approved.

ADOPTED: November 3, 2016

ATTEST:

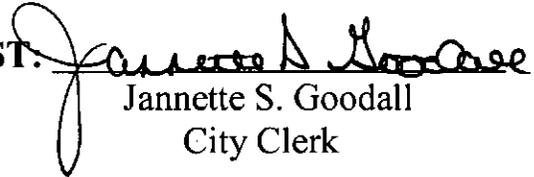

Jannette S. Goodall
City Clerk

EXHIBIT A

Indian Hills Public Improvement District Annual Service 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 Indian Hills PID is a mixed-use planned community of about 240 acres located west of SH 130 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 1,200 medium density apartment units and 2.9 million square feet of office, warehouse, distribution, and neighborhood retail uses. The center portion of the site will be used for the extension of Decker Lake Road, the main thoroughfare.

On August 26, 2010, the Austin City Council approved Resolution 20100826-023 authorizing creation of the Indian Hills 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 (Indian Hills PID) in an amount not to exceed \$3,500,000 (actual principal amount of bonds sold totaled \$2,860,000) and City of Austin, Texas Special Assessment Revenue Bonds, Subordinate Series 2011 (Indian Hills PID) in an amount not to exceed \$3,000,000 (actual principal amount of bonds sold totaled \$2,332,349.75). 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 bonds 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 <i>proposed</i> assessment roll and setting PID's assessment rate.	Meeting #1
Approve a resolution adopting PID's service and assessment plan.	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 <i>final</i> 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 to support the issuance of debt for the basic infrastructure such as water, wastewater, and roads.

At completion, the PID is expected to consist of approximately 1,160 apartment homes, 919,000 square feet of office, 1,732,000 square feet of light industrial, and 131,000 square feet of neighborhood retail, as well as entry monuments, 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 Zoning Ordinance. This area is currently in the city's limited purpose jurisdiction. This area is currently under development. At this point, the original parcel has been divided into two parcels.

Assessment Methodology (Page 16 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.

Assessment Update

This document provides an update to the Service and Assessment Plan (SAP) approved by Council on November 3, 2011 (Agenda Item # 011). This update amends the SAP to reflect that the 2017 assessment (\$344,396) will be due on January 31, 2017. The assessment will be used to make senior bond principal and interest payments (\$316,794) and to fund administrative expenses (\$27,602).