



City of Pflugerville

Legislation Text

File #: ORD-0439, **Version:** 2

Discuss and consider action to approve an ordinance on second reading with the caption reading: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PFLUGERVILLE, TEXAS, AMENDING REINVESTMENT ZONE NO. ONE TO INCLUDE ADDITIONAL PROPERTY WITHIN THE CITY OF PFLUGERVILLE, TEXAS; ESTABLISHING THE NEW BOUNDARIES THEREOF AND OTHER MATTERS RELATING THERETO, INCLUDING ESTABLISHING THE DURATIONAL TERM, APPROVING THE FIRST AMENDED PROJECT PLAN AND REINVESTMENT ZONE FINANCE PLAN AND ADJUSTING THE TAX INCREMENT BASE THEREOF; REPLACING ALL ORDINANCES IN CONFLICT; CONTAINING SEVERABILITY AND REPEALER CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE.

The Reinvestment Zone (TIRZ) No. One was originally created in December 2010 in support of public improvements on the east side of SH130 in conjunction with the Falcon Pointe development. This item proposes to expand the existing TIRZ to cover the boundary known as the Pecan District (generally the southwest corner of Heatherwilde Boulevard and Pecan Street) and a portion of Pecan Street from Central Commerce to Swenson Farms Boulevard.

The Pecan District is a proposed mixed use development which is proposed to be completed in ten phases. The first five phases of the Pecan District are the phases anticipated to be supported by the TIRZ and include 862 residential dwelling units, 135,095 square feet of retail and 321,806 square feet of office. In accordance with Ordinance No. 1280-16-08-23 which approved the Planned Unit Development associated with the project, no more than 500 residential units of any type shall be built until at least 50,000 square feet of commercial space is built. Commercial space is defined as “useable building square footage” associated with a hotel, office, retail, or similar use, and does not include parkland, open space, parking, or other ancillary components of a non-residential use, and does not include live/work units.

The proposed expansion will extend the terms of the TIRZ to December 31, 2058 and updates the project and financing plans to articulate the inclusion of public improvements in the expanded area will consist of:

- 1.) Infrastructure (Reimbursable Costs \$21.5M): 3,000 linear feet of stormwater lines, 4,300 linear feet of off site wastewater lines, 5,000 linear feet of roadways, and roadway improvements identified in the Traffic Impact Analysis
- 2.) Public Parking Garages (Reimbursable Costs \$23.7M): 69% of four public parking garages
- 3.) Open Space Improvements

Included within the project documents are markers to ensure delivery of the anticipated development which ensures that the developer will not be reimbursed unless and until the incremental assessed value has been created and is sufficient to repay the Bonds over their entire life. The City's Financial

Advisor shall recommend if and when the Bonds can be issued.

In order to ensure that development envisioned is completed certain thresholds have been incorporated into the project. With the approval of the the Planned Unit Development (PUD) zoning in 2016, a provision was included which states that no more then 500 dwelling units (du) may be constructed before any commercial development is provided. Once the development reaches the 500du threshold the development may construct 3du for every 1,000 square feet of commercial use. Additionally, provided for within the Project Plan for the TIRZ (see page 15 of Project Plan document), is a requirement that the project follow the phases outlined within the plan with a four year window of flexibility in order to address market conditions. If a phase exceeds the four year flexibility allowance the developer will be required to come before the TIRZ Board and City Council at which time the TIRZ Board and City council may terminate any future funding obligations.

The action requested is to allow for expansion of the TIRZ boundary to cover the area described, extend the terms of the TIRZ to 2058 and accept the amended Project and Financing Plan with the expectation that projects to be included will be furthered through future actions anticipated in the Spring of 2019 with amendments to the Development Agreement and Reimbursement Agreement originally established with the creation of TIRZ No. One.

Prior City Council Action

City Council approved the creation of TIRZ No. One in December of 2010.

City Council approved on first reading the expansion of TIRZ No. One on November 27, 2018 (Vote 5 -2).

Funding Expected: Revenue ☐ Expenditure ☐ N/A ☒

Budgeted Item: Yes ☐ No ☐ N/A ☒

Amount: N/A

1295 Form Required? Yes ☐ No ☒

Legal Review Required: N/A ☐ Required ☒ Date Completed: November 15, 2018

Financial Advisor Review: Reviewed and Approved Date Completed: October 8, 2018

Supporting documents attached:

1. Ordinance
2. First Amended Project Plan and Reinvestment Zone Financing Plan Document
3. Location Map
4. Legal Description
5. Staff Memo
6. Minutes from City Council meeting held November 27, 2018

TIRZ Board Action

On November 19, 2018, the TIRZ board approved this request and recommended approval to the City Council with a unanimous vote on this item. (Vote 5-0)

Recommended Action

Approve the ordinance on second reading for the expansion of the TIRZ boundary as proposed, extend the terms of the TIRZ to 2058 and accept the amended Project and Financing Plans.

