

Legislation Text

File #: 2022-5255, **Version:** 2

Public Hearing: Petition to Add Property and Amend the Original Petition for the Blue Parkway & Colbern Road Community Improvement District

Issue/Request:

This is a public hearing to expand the boundaries of the Blue Parkway & Colbern Road CID and amend the original CID Petition in connection with the Discovery Park project.

Key Issues:

Expansion of the CID boundaries and amendment of the CID Petition for the Discovery Park project. If the Amending Petition is approved, it would accomplish the following:

- Expand the CID to include all of the Discovery Park property;
- Extend the existing CID sales tax to the entire expanded CID area;
- Extend the duration of the CID to 27 years after the date of approval of the Amending Petition;
- Extend the prior blight determination to the entire CID area, to match the TIF blight finding;
- Update all of the required petition information for the expanded CID area;
- Eliminate the imposition of CID special assessments within TIF Project Areas 3 and 4 (original CID Phase 2 area).

Background:

The Blue Parkway and Colbern Road CID was approved through the adoption of Ordinance No. 7165 on March 22, 2012. The CID and the City executed the CID Cooperative Agreement on April 30, 2012. The CID has been operating continuously since the date of approval but has produced minimal revenues to date due to lack of development in the CID area.

One of the primary original purposes of the CID was to reimburse the City for the funding advanced by the City in the approximate amount of \$3.9 million for the costs associated with improvements to Blue Parkway at the main western entrance to Unity Village at Colbern Road. The CID has generated minimal reimbursement for the City to date. With accrued interest, the City is now owed approximately \$5 million in reimbursement from the CID for costs that were advanced by the City.

The City Council approved the Discovery Park Tax Increment Financing Plan through the adoption of Ordinance No. 9550 on November 15, 2022. The CID expansion is a companion incentive mechanism to the TIF Plan. The budget that is included in the TIF Plan shows reimbursement from the CID to Developer and the City in the amount of about \$10.9 million, which includes reimbursement to the City for the Blue Parkway funding as described above.

Impact/Analysis:

Approval of this CID Petition will expand the boundaries and adjust the CID Petition so that it functions as a

companion incentive mechanism for the TIF Plan. Approval of this Petition will also enhance the possibility of reimbursement to the City for the costs advanced by the City for Bleu Parkway improvements, including the interested previously accrued and which continues to accrue.

The CID is operated by a 5-member Board of Directors that is controlled by a majority of members that represent the City. This Board composition will continue after the CID Petition is amended and the CID is expanded.

Other Information/Unique Characteristics:

The CID will continue to function in the original Phase 1 and 3 areas and is not altered by this Petition.

Wesley Fields, Bryan Cave Leighton Paisner law firm
David Bushek, Chief Counsel of Economic Development & Planning
Ryan Elam, Assistant City Manager