

# PUBLIC IMPROVEMENT DISTRICTS



## **Policy Description:**

Described in Chapter 372 of the Texas Local Government Code, [www.statutes.legis.state.tx.us/Docs/LG/pdf/LG.372.pdf](http://www.statutes.legis.state.tx.us/Docs/LG/pdf/LG.372.pdf), Public Improvement Districts (PIDs) are created by a City and authorized by the State of Texas to provide limited special services and improvements above and beyond what is normally provided by the local jurisdiction. The purpose of a PID is to encourage and increase the likelihood of new businesses taking stake in certain locales. This may also include park, recreation, and cultural improvements or creation or improvements of pedestrian malls.

PIDs are funded by property owners inside the district by paying special property assessments into a fund that is administered by an advisory board. Generally, the City Council overseeing the PID will establish and approve a five-year plan that may be renewed in the future.

## **Eligibility Criteria:**

- A City may initiate a district after it receives a petition requesting the establishment of a Public Improvement District.
- A signed petition is required before the establishment of the PID is final.
- The funds raised are provided by those most directly affected by the improvements.
- Requires a majority of property owners in the area to agree on a tax increase.
- The amount of revenue to be generated is directly related to the available taxable property in the area. There are no additional state funds added to the revenue.
- The uses of the fund are restricted to items related to infrastructure improvements.

## **How to Apply:**

- A petition for the establishment of a public improvement district must state:
  - (1) The general nature of the proposed improvement;
  - (2) The estimated cost of the improvement;

- (3) The boundaries of the proposed assessment district;
  - (4) The proposed method of assessment, which may specify included or excluded classes of assessable property;
  - (5) The proposed apportionment of cost between the public improvement district and the City or county as a whole;
  - (6) Whether the management of the district is to be by the City or county, the private sector, or a partnership between the City or county and the private sector;
  - (7) That the persons signing the petition request or concur with the establishment of the district; and
  - (8) That an advisory body may be established to develop and recommend an improvement plan to the governing body of the City or county.
- The petition is sufficient if signed by:
    - (1) Owners of taxable real property representing more than 50 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and
    - (2) Record owners of real property liable for assessment under the proposal who:
      - A. Constitute more than 50 percent of all record owners of property that is liable for assessment under the proposal; and
      - B. Own taxable real property that constitutes more than 50 percent of the area of all taxable real property that is liable for assessment under the proposal.
  - The petition may be filed with the City Secretary or other officer performing the functions of the City Secretary.
  - If a petition that complies with this subchapter is filed, the City may make findings by resolution as to the advisability of the proposed improvement, its estimated cost, the method of assessment, and the apportionment of cost between the proposed improvement district and the City or county as a whole.

- Before holding the hearing required by Section 372.009, the governing body of the City may use the services of municipal employees, the governing body of the county may use the services of county employees, or the governing body of the City or county may employ consultants to prepare a report to determine whether an improvement should be made as proposed by petition or otherwise or whether the improvement should be made in combination with other improvements authorized under this subchapter. The governing body may also require that a preliminary estimate of the cost of the improvement or combination of improvements be made.
- Public improvement district may be established and improvements provided by the district may be financed under this subchapter only after the governing body of the City or county holds a public hearing on the advisability of the improvement.

Applicants seeking incentives must file an application for Economic Incentives before the request can be considered.

Please contact the City of Corpus Christi's Economic Development Office at (361) 826-3850 to request the application or visit [www.cctexas.com/economicdevelopment](http://www.cctexas.com/economicdevelopment) to download the application.

The City shall not grant any incentive unless the business submits a full and complete application and provides additional information as may be requested. The accuracy of the information in the application is the sole responsibility of the applicant. Upon request, the applicant shall provide supporting documentation. Any misstatement of or error in fact may render an application null and void and may be cause for repeal of any ordinance adopted in reliance of said information.

If it is determined that the application meets these guidelines, a full and financial programmatic review will be conducted. This review may be done by City Staff, an outside agency or consultant and will ensure conformance with these guidelines.

**Additional Resources:**

Development Services  
[www.cctexas.com/developmentservices](http://www.cctexas.com/developmentservices)