

**Name of Funding:** Public Improvement District (PID)

**Focus of Funding:** Ongoing public improvements in a specific area

**Eligibility Requirements**

**For local government:** Can only be created by a petition by the owners of a majority of either property value, land parcels, or acreage in the area. The city can turn down petition. Area can be in the Extraterritorial Jurisdiction (ETJ) of a city.

**For recipients:** PIDs can be used for public infrastructure, maintenance, services, or amenities in a development.

**Funding Mechanism:** Special assessment on property or fees

**Maximum amount:** No maximum except 10% must come from assessment on property in district.

**Other rules of the program:** Budget must be approved by city annually.

**Advantages of the program:** It does not divert general tax revenue or reduce city control. It allows for a continuous program for maintaining a specific area with few limits on use (commonly used to collect country club dues). City can give management control to neighborhood association.

**Drawbacks of the program:** Places an additional tax burden on development. Requires majority of the district to agree on an additional tax.

**Case Study Example:** As of Fall 2009, there are seven in Dallas, five in Fort Worth, used in all major downtowns in Texas including Austin, Houston, and San Antonio, also used in golf course communities

Downtown Dallas (<http://www.downtowndallas.org/index.aspx>)

Downtown Fort Worth (<http://www.dfw.org/home.aspx>)

**Sources:** <http://www.window.state.tx.us/specialrpt/stateloc05/>  
[http://www.texasahead.org/tax\\_programs/assessments.html](http://www.texasahead.org/tax_programs/assessments.html)