



WHAT IS A PID?

A Public Improvement District (or a PID) was formed for Georgetown Village by Shell Ranch Development, instead of a Homeowner's Association, in order to operate and maintain most of the common areas within Georgetown Village.

Why a PID instead of a Homeowner's Association?

- The assessments paid to the PID are tax deductible, whereas those paid to a Homeowner's Association are not.
- Assessments are collected via the Williamson County Tax Assessor's office and may be collected and escrowed as part of an owner's mortgage payment rather than having to make separate payments to a property management company or Homeowner's Association.
- The partnership between the PID and the City of Georgetown provides access to the experience of parks and recreation, finance, and city government. A PID provides a platform for the neighborhood to build a close working relationship with the City of Georgetown.
- Should property owners desire to add to their amenity package after Shell Ranch Development has completed their planned improvements, the PID provides the means by which additional infrastructure could be financed.
- Homeowner Associations can create a liability to the owners in the event the association is sued. Because the PID is a quasi-governmental agency, the property owners of a PID are exposed to less liability in the event a lawsuit is brought against the PID.
- The structure of the PID and the mechanisms by which Board members are appointed may help to avoid some of the more common problems associated with the typical Homeowner's Association: (e.g. vigilantism, lack of programming due to apathy and an inability to get volunteers to serve, controversial and divisive elections, and a lack of homeowner representation during initial buildout when the developer usually retains complete or significant control over the association).

What is a Public Improvement District (PID)?

- PID is a Tax District allowed by State Law and created by the City of Georgetown through a petition filed by Shell Ranch Development and the Builders to operate and maintain most of the common areas within Georgetown Village.
- A PID is created pursuant to State Law and the Public Improvement Assessment Act, Chapter 372 of the Local Government Code.
- The PID is governed by a Board of Directors which includes Georgetown Village residents and is appointed by the Georgetown City Council.

What Georgetown Village amenities will be operated and maintained by the PID?

- Basic maintenance (mowing and trimming) of parks and open spaces consisting of less than one acre. (Basic maintenance of parks one acre and larger are maintained by the City of Georgetown and is not paid for by the PID).

- Upgraded maintenance on all parks and open spaces. Upgraded maintenance items would include things that a typical City of Georgetown Park would not have (e.g. flower beds and landscape lighting).
- The landscaped area along Shell Road.
- Nature trails and pedestrian walkways that form mid-block connections.
- Alleys.
- Park benches and trash containers.
- The Gazebo and the landscaped area surrounding it.
- Entry signs, park marker, and other similar signs.

Will the Swimming Pool be operated and maintained by the PID?

- The PID assessment does **not** pay for the operation and maintenance of the swimming pool. Ownership, operation, and maintenance of the pool will be by the City of Georgetown. The cost to build the pool was paid for by Shell Ranch Development. The cost to operate and maintain the pool will be paid for by the City of Georgetown out of its annual Parks and Recreation budget which is funded by city taxes and user fees. The swimming pool will therefore be open to all residents of Georgetown, Texas.

Why isn't the Pool owned and operated by the PID?

- Ownership and operation of a swimming pool involve significant costs and liability issues which Shell Ranch Development and the City of Georgetown both believed were best born by the City. Were the pool to be owned and operated by the PID, the PID assessment would have been prohibitively high, whereas having the pool owned and operated by the City of Georgetown insures that the pool is adequately maintained and staffed and the costs for it are financed through City taxes. Additionally, the City Parks and Recreation staff can provide better programming activities than could have been afforded by the Georgetown Village PID alone. Basically, this arrangement provides higher value and more service for the taxes paid by the property owners of Georgetown Village than would have been possible had the PID owned and operated the pool.

Who determines the PID budget?

- The Board of Directors determines the budget on an annual basis. The budget is based on actual costs, recognized cost standards, or competitive bids where possible. The PID budget will be subsidized in the early years of the community by Shell Ranch Development in order to maintain a competitive assessment rate.

What is the PID assessment rate and what does it pay for?

- The assessment rate has been set at \$0.20 per \$100 valuation.
- For example: a \$150,000 house equals \$300 per year tax.
- A copy of the Annual Budget is available upon request.

How is the assessment collected?

- The Georgetown Village PID assessment is collected by the Williamson County Tax Assessor and Collector along with all other real property taxes such as city, county, and school district tax assessments. The assessment may be made as part of the homeowner's monthly mortgage fee.

Is the assessment tax deductible?

- Yes. Because the Georgetown Village PID assessment is a property tax like those levied by cities, counties and school districts, the assessment is tax deductible. This is one of the major advantages of the PID.

Does forming a PID mean that an Owner's Association can not be formed?

- No. Forming a PID does not restrict Shell Ranch Development, or later the property owners, from forming a Homeowner's Association should it be deemed necessary or helpful for a Homeowner's Association to be formed. Since one can not perfectly predict future events and conditions, Shell Ranch Development believed it prudent to provide within the Covenants, Conditions and Restrictions the means to form an association should one become necessary because of conditions not present at this time.