



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

February 1, 2018

To All Bond Counsel:

RE: Bond Counsel Input on Outstanding Legal Questions and Issues Related to Public Improvement Districts and Assessment Revenue Bonds

In 2008, we distributed a set of proposed guidelines to address issues related to the use of public improvement districts ("PIDs") to finance certain public infrastructure improvements, the procedures for creating and administering PIDs, and the issuance of bonds secured in whole or in part by assessment revenues. With the continued use of PIDs and assessment revenue bonds, we think it necessary and appropriate to continue that process of developing a more comprehensive framework of the legal and administrative requirements relating to our review of PID financings. Additionally, we recognize there have been several significant statutory amendments since we initially distributed those guidelines. While these amendments may have addressed several of the questions identified in our 2008 guidelines, it appears some questions remain, and other new questions have arisen. Our goal, therefore, remains to develop rules and guidelines that provide a workable platform for structuring and reviewing future PID financings within the parameters of state law.

To jumpstart this process, we intend to host a summit in Austin starting at 9:00 a.m. on Monday, March 12, 2018. We would like to extend this invitation as an opportunity to engage in some preliminary dialogue about the currently open legal and administrative concerns relevant to PIDs and assessment bonds. To be clear, the aim of these initial discussions will be solely to identify the outstanding questions and issues that need to be addressed by our office; we will not be making any final determinations with respect to our approval process at the meeting. Please let us know before Thursday, February 15, 2018, if you plan to send a representative by emailing Christopher Dvorak at christopher.dvorak@oag.texas.gov. To enable us to generate an agenda for the meeting, please also provide a written summary of your talking points by Monday, February 26, 2018, and any relevant analysis for discussion and consideration. Even if you do not plan to attend, we welcome and encourage any written analysis on PID issues you believe should be addressed. Once we know the number planning to attend, we will let you know where the meeting will be held.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew T. Prihoda", written over a horizontal line.

Andrew T. Prihoda
Assistant Attorney General
Deputy Chief, Public Finance Division