

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, AMENDING THE MESQUITE CITY CODE BY REVISING CHAPTER 11, ADDING NEW ARTICLE XI TITLED “PUBLIC IMPROVEMENT DISTRICTS (PIDS)” FOR THE PURPOSE OF ESTABLISHING PID NOTICE AND DISCLOSURE REQUIREMENTS FOR DEVELOPERS AND HOMEBUILDERS TO PROVIDE INFORMATION TO PERSONS SEEKING TO PURCHASE REAL PROPERTY AND/OR HOMES WITHIN PIDS; ADOPTING A “PUBLIC IMPROVEMENT DISTRICT (PID) NOTICE AND DISCLOSURE MANUAL FOR DEVELOPERS & HOMEBUILDERS” OR MAY ALSO BE CITED AS “PID MANUAL” FOR THE PURPOSE OF PROVIDING FORMS AND ADDITIONAL DETAILS REGARDING THE REQUIREMENTS ADOPTED IN THE CODE; REVISING CHAPTER 13 - SIGNS, ARTICLE IV “SPECIFICATIONS; STANDARDS; USE” REGARDING THE PERMISSIBILITY OF SIGNS IN THE PID; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A PENALTY NOT TO EXCEED \$500.00; PROVIDING FOR PUBLICATION OF THE CAPTION HEREOF; AND PROVIDING AN EFFECTIVE DATE.

**WHEREAS,** it is the intent of the City Council of the City of Mesquite, Texas (“**City Council**”), to protect the public health, safety, and welfare; and

**WHEREAS,** Chapter 372, Texas Local Government Code, authorizes the City of Mesquite, Texas (the “**City**”), to create public improvement districts, and to levy assessments within such districts for the purpose of financing public improvements that serve the district; and

**WHEREAS,** the City desires to establish requirements for Developers and Homebuilders for the purpose of providing information to persons who seek to purchase real property and/or homes within a Public Improvement District (“**PID**”) about the obligations of a property owner within a PID, including but not limited to the obligation to pay assessments; and

**WHEREAS,** the City is adopting a *Public Improvement District (PID) Notice and Disclosure Manual for Developers & Homebuilders*, or may also be cited as “PID MANUAL,” to provide forms and additional details regarding the requirements in the Mesquite City Code; and

**WHEREAS,** the City Council wishes to enforce certain requirements related to posting of signage and providing information about PIDs; and

**WHEREAS,** the requirements, and PID MANUAL adopted herein, are reasonable and necessary for the benefit of the public welfare; and

**WHEREAS,** the City of Mesquite, Texas (“**City**”), is a home-rule municipality acting under its Charter adopted, and amended, by the electorate pursuant to Article 11, [Section 5](#) of the Texas Constitution and [Chapter 9](#) of the Texas Local Government Code; and

**WHEREAS,** a home-rule municipality has full power of local self-government, pursuant to Texas Local Government Code, Title 2, Subtitle D, Chapter 51, [Section 51.072](#)(a); and

**WHEREAS,** the City shall have the power to enact and enforce ordinances necessary to protect health, life, and property, and to prevent and summarily abate and remove all nuisances, and to preserve and enforce good government, order, and security of the City and its inhabitants, pursuant to Article III, [Section 2](#) of the Mesquite City Charter; and

**WHEREAS,** a home-rule municipality may enforce ordinances necessary to protect health, life, and property, and to preserve the good government, order, and security of the municipality and its inhabitants, pursuant to Texas Local Government Code, Title 2, Subtitle D, Chapter 54, [Section 54.004](#), as amended; and

**WHEREAS,** upon full review and consideration of all matters attendant and related thereto, the City Council is of the opinion this ordinance should be approved and adopted.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:**

**SECTION 1.           Recitals Incorporated.**

The City Council hereby finds and determines the recitals made in the preamble of this ordinance are true and correct, and hereby incorporates such recitals here in the body of this ordinance as if copied in their entirety.

**SECTION 2. Mesquite City Code Text Amendment.**  
**Amending Chapter 11 – Planning and Development; and**  
**Amending Chapter 13 – Signs.**

The Mesquite City Code is hereby amended as identified in **EXHIBIT A**, thereby revising Chapter 11 to add new Article XI – Public Improvement Districts (PIDs); and revising Chapter 13 – Signs, and said **EXHIBIT A** is attached hereto and made a part hereof, and in all other respects, said Code, Chapters, and Articles shall remain in full force and effect.

**SECTION 3. PID Manual Adopted.**

- 3.01. The City Council hereby adopts the “*Public Improvement District (PID) Notice and Disclosure Manual for Developers & Homebuilders*” or may be cited as “PID MANUAL” attached to this Ordinance as **EXHIBIT B**. Said PID MANUAL shall remain on-file with the City Secretary’s Office and posted on the City’s web-site.
- 3.02. The City Manager or his/her designee, with assistance from the City Attorney’s Office, shall from time to time, as needed, make revisions and other updates to said PID MANUAL without the need for additional City Council approval, so long as the PID MANUAL is substantially in accordance with the intent and authorization of this ordinance and applicable State law.

**SECTION 4. Conflicts Resolution Clause.**

In the event of an irreconcilable conflict between the provisions of another previously adopted ordinance of the City of Mesquite and the provisions of this Ordinance, the provisions of this Ordinance shall be controlling.

**SECTION 5. Severability Clause.**

Should any word, sentence, paragraph, subdivision, clause, phrase, or section of this ordinance be adjudged or held to be void or unconstitutional, the same shall not affect the validity of the remaining portions of said ordinance and the Mesquite City Code, as hereby or previously amended, which shall remain in full force and effect.

**SECTION 6. Penalty Clause.**

Any violation of the provisions or terms of this ordinance by any “person,” as defined in Mesquite City Code, Chapter 1, [Section 1-2](#), shall be deemed a Class C Misdemeanor criminal offense, and upon conviction thereof, shall be subject to a penalty of fine, or any other general penalties, as provided in Mesquite City Code, Chapter 1, [Section 1-6](#), as amended.

**SECTION 7. Publication.**  
The descriptive caption of this ordinance shall be published in the City's official newspaper in accordance with Mesquite City Charter, Article IV, [Section 24](#); and Texas Local Government Code, Chapter 52, § 52.013.

**SECTION 8. Effective Date.**  
That this ordinance shall take effect and be in force immediately upon its adoption pursuant to Mesquite City Charter, Article IV, [Section 24](#), and it is accordingly so ordained.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, ON THE 6th DAY OF MARCH, 2023.**

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Daniel Alemán, Jr .  
Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

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Sonja Land  
City Secretary

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David L. Paschall  
City Attorney

## **EXHIBIT A**

**To Ordinance No. \_\_\_\_\_**

City of Mesquite, Texas  
Mesquite City Code

Chapter 11 – PLANNING AND DEVELOPMENT,  
ARTICLE XI. – PUBLIC IMPROVEMENT DISTRICTS (PIDs);

and

Chapter 13 – SIGNS,  
ARTICLE IV – SPECIFICATIONS.

## **MESQUITE CITY CODE**

\* \* \*

### **Chapter 11 – PLANNING AND DEVELOPMENT**

*[Editor's Note: Please add new Article XI as follows.]*

\* \* \*

#### **ARTICLE XI. – Public Improvement Districts (PIDs)**

##### **Sec. 11-901. – In general.**

Public Improvement Districts (PIDs) are defined geographical areas established to provide specific types of improvements or maintenance, which are financed by ASSESSMENTS against the property owners within the area.

Chapter 372, Texas Local Government Code, authorizes the City of Mesquite, Texas (the "City"), to create public improvement districts and to levy ASSESSMENTS within such districts for the purpose of financing public improvements that serve the district.

PIDs provide the City with a development tool that allocates costs according to the benefits received. A PID can provide funding for supplemental services and improvements that meet the needs of the community that could not otherwise be constructed or provided.

##### **Sec. 11-902. – Abbreviations and acronyms.**

The following abbreviations and acronyms may be used within this chapter or other City resource materials:

1. MLS: Multiple Listing Service.
2. PID or PIDs: Public Improvement District(s).
3. QR: Quick Response.
4. SAP: Service and Assessment Plan.

##### **Sec. 11-903. – Definitions.**

Definitions identified in this Article will appear in ALL CAPITAL LETTERS. The following words, terms, and phrases when used in this Article shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

**ASSESSED PARCEL** shall mean a parcel or parcels within the PID identified by either a tax map identification number assigned by the Dallas or Kaufman County Appraisal District for real property tax purposes, or by lot and block number in a final subdivision plat recorded in the real property records of Dallas County or Kaufman County, and is the basis for the determination of benefit and the levy of ASSESSMENTS.

**ASSESSMENT** shall mean an assessment levied against an ASSESSED PROPERTY imposed pursuant to an Assessment Ordinance and the provisions of any SERVICE AND ASSESSMENT PLAN (SAP), as shown on any ASSESSMENT ROLL, subject to reallocation upon the subdivision of such ASSESSED PROPERTY or reduction according to the SAP or PID Act.

**ASSESSED PROPERTY** shall mean the property that benefits from the authorized improvements to be provided by the PID on which ASSESSMENTS have been imposed as shown in an Assessment Roll, as the Assessment Rolls are updated each year by the Annual Service Plan Update.

*BUILDER* see *HOMEBUILDER*.

*DEVELOPER* shall mean a real estate developer, operating within a PID, who is in the business of construction, reconstruction, or other alteration or improvement of residential subdivisions and developments.

*HOMEBUILDER* shall mean a commercial builder, operating within a PID, who is in the business of constructing and/or selling homes to individual PURCHASERS.

*MANUAL* see *PUBLIC IMPROVEMENT DISTRICT (PID) NOTICE AND DISCLOSURE MANUAL FOR DEVELOPERS & HOMEBUILDERS*.

*PID Act* shall mean Chapter 372 (Improvement Districts in Municipalities and Counties) of the Texas Local Government Code, as amended or successor.

*PID ADMINISTRATOR(S)* shall mean the City's PID Administrator(s) as designated by the City Council, or City Manager or his/her designee. Each PID in the City will have its own designated PID ADMINISTRATOR.

*PID FINANCING AGREEMENT* shall mean the development agreement by and between the City and DEVELOPER, as may be amended.

*PID HOMEBUYER DISCLOSURE DOCUMENTS* shall mean ATTACHMENT 02 to the *PID MANUAL*, and said documents shall comply with Section 5.014 of the Texas Property Code. The *PID HOMEBUYER DISCLOSURE DOCUMENTS* include the Notice of Obligation to Pay PUBLIC IMPROVEMENT DISTRICT ASSESSMENTS.

*PID MANUAL* see *PUBLIC IMPROVEMENT DISTRICT (PID) NOTICE AND DISCLOSURE MANUAL FOR DEVELOPERS & HOMEBUILDERS*.

*PUBLIC IMPROVEMENT DISTRICT (PID)* shall mean a geographical area(s) ("district(s)") created by the City, authorized by Chapter 372, Texas Local Government Code, to levy assessments within such district(s) for the purpose of financing public improvements that serve the district.

*PUBLIC IMPROVEMENT DISTRICT (PID) NOTICE AND DISCLOSURE MANUAL FOR DEVELOPERS & HOMEBUILDERS* or "*PID MANUAL*" shall mean the City's manual which sets forth certain forms, and additional details regarding the requirements in this Article for DEVELOPERS and HOMEBUILDERS to provide signage, information, and notice and disclosures to prospective property owners about PUBLIC IMPROVEMENT DISTRICTS. The PID MANUAL may be found on the City's website and shall be placed on file with the City's Secretary's Office.

*PURCHASER* shall mean the purchaser of real property, and/or a home on the real property located in a PUBLIC IMPROVEMENT DISTRICT.

*QR CODE* shall mean a matrix barcode (or two-dimensional barcode) that is machine-readable, and contains data that points to a website.

*SELLER* shall mean a person, *DEVELOPER*, or *HOMEBUILDER* who proposes to sell or otherwise convey real property that is located in a PUBLIC IMPROVEMENT DISTRICT established under Subchapter A, Chapter 372, Texas Local Government Code, or successor and as amended.

*SERVICE AND ASSESSMENT PLAN* or *SAP* shall mean a service and assessment plan prepared for the PID pursuant to the PID Act, and as may be updated or amended from time to time.

### **Sec. 11-904. – Listing of City’s Public Improvement Districts (PIDs).**

The City’s PUBLIC IMPROVEMENT DISTRICTS (PIDs) are identified on the City’s website, and may be viewed on the City’s GIS map by clicking on the Layer List.

### **Sec. 11-905. – Notice and disclosure requirements.**

This Article contains notice and disclosure requirements for the purpose of providing information to persons who seek to purchase property within a PUBLIC IMPROVEMENT DISTRICT about the obligations of a property owner within a PID, including but not limited to the obligation to pay assessments.

#### **Cross references –**

Website requirements; Sec. 11-907.

Signage requirements; Sec. 11-908.

Information packet requirements; Sec. 11-909.

Notice and disclosure requirements; Sec. 11-910.

### **Sec. 11-906. – PID Manual on file with City Secretary’s Office; Annual review.**

- (a) *On file.* The *Public Improvement District (PID) Notice and Disclosure Manual for Developers & Homebuilders*, may also be cited as “*PID MANUAL*”, which sets forth certain forms, and additional details regarding the requirements in this Article for DEVELOPERS and HOMEBUILDERS to provide signage, information, and notice and disclosures to prospective PURCHASERS about PIDs, may be found on the City’s website, and shall be placed on file with the City’s Secretary’s Office.
- (b) *Annual review.* The PID MANUAL shall be reviewed by the CITY’S PID ADMINISTRATOR(S) no less than annually when the SERVICE AND ASSESSMENT PLAN(S) for the active PIDs are updated.

### **Sec. 11-907. – Website requirements.**

- (a) *Website and QR Code.* The City will host a PID webpage, or website, regarding information about each PID. A QR Code, or other similar method for quick access to the website, shall be generated for DEVELOPERS and HOMEBUILDERS to utilize.
- (b) *Contents.* The PID ADMINISTRATOR(S) are responsible for providing updated information to the City, on an annual basis at a minimum, regarding the PIDs.

**Cross reference –** Signage requirements; Sec. 11-908.

### **Sec. 11-908. – Signage requirements.**

- (a) *Signs required.* The HOMEBUILDER(S) are required to post signs in accordance with this section, and the City’s PID MANUAL during the time the HOMEBUILDER(S) are selling homes within the subdivision. The HOMEBUILDERS are required to maintain the signs in good condition at all times.
- (b) *Compliance with Sign Code.*
  - (1) *Sign type.* Signs required by this section shall be “Small Profile Signs,” and in compliance with the City’s Sign Code, Chapter 13, Art. IV, [Sec. 13-73](#) (Specifications by type of sign).
  - (2) *Size.* A “Small Profile Sign” shall be a maximum of eight (8) square feet, and a maximum of four (4) feet in height.
  - (3) *Number of signs.* The signs required by this Article shall not be counted in the calculation of maximum signs allowable pursuant to Chapter 13, Art. IV, [Sec. 13-65](#) (Number of signs).



- (c) *Contents.* The sign shall contain a statement regarding the PID area, identify a website, and QR CODE with specific online information as required by the City's PID MANUAL.
- (d) *Location.* During the time that the HOMEBUILDER owns property within the subdivision, signage that complies with this Section, and the City's PID MANUAL, identifying the subdivision as being within a PID must not be located in the right-of-way, and shall be placed:
  - (1) in front of each model home; and
  - (2) at each sales center.

**Cross references –**

Number of signs, Ch. 13, Art. IV, [Sec. 13-65](#).

Specifications by type of sign, Ch. 13, Art. IV, [Sec. 13-73](#).

**Sec. 11-909. – Information packet requirements.**

- (a) *Information packets required.* DEVELOPERS and HOMEBUILDERS, during the time that the DEVELOPER or HOMEBUILDER owns property within the subdivision, are required to provide informational packets to prospective PURCHASERS.
- (b) *Contents.* The information packets shall include the contents specified by the City's PID MANUAL.
- (c) *Location.* Informational packets shall be provided in all sales centers within the subdivision.
- (d) *Preparation by City's PID Administrator(s).* The informational packets shall be prepared and provided by the City's PID ADMINISTRATOR(S) and updated at least annually.

**Sec. 11-910. – Notice and disclosure requirements.**

- (a) *Notice and disclosure required.* HOMEBUILDERS shall give the HOMEBUYER DISCLOSURE DOCUMENTS, which includes the *Notice of Obligation to Pay Public Improvement District Assessment to City of Mesquite, Texas*, or similar approved and authorized form(s), to a prospective PURCHASER before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract.
- (b) *Form.* The HOMEBUYER DISCLOSURE DOCUMENTS are located in the City's PID MANUAL.
- (c) *Filed in the real property records of the County.* A separate copy of the *Notice of Obligation to Pay Public Improvement District Assessment to City of Mesquite, Texas* shall be executed by the SELLER, and the PURCHASER, and must be filed in the real property records of the county in which the property is located within forty-five (45) days of the closing of the purchase and sale of the property.

**Sec. 11-911. – Time period for required compliance with this article.**

- (a) *Developer.* The DEVELOPER of the subdivision is responsible for ensuring compliance with this Article, and the City's PID MANUAL, during the time that the DEVELOPER owns property within the subdivision.
- (b) *Homebuilder.* All HOMEBUILDERS within the subdivision are responsible for ensuring compliance with this Article, and the City's PID MANUAL, during the time that the HOMEBUILDER owns property within the subdivision.

**Sec. 11-912. – Developer.**

- (a) *Representatives' contact information required to be on-file with the City.* Each DEVELOPER developing land and/or constructing homes within a PID shall designate and maintain with the City the name and contact information of one or more individuals employed by the DEVELOPER who is responsible for ensuring compliance with this Article.
- (b) *MLS listings.*
  - (1) A DEVELOPER shall disclose the existence of the PID on any of its MLS listings.
  - (2) DEVELOPER contracts/agreements with HOMEBUILDERS shall require the HOMEBUILDER to disclose the existence of the PID on any of its MLS listings.
- (c) *PID Financing Agreement required terms.* The PID FINANCING AGREEMENT for each PID shall require DEVELOPERS to comply, at a minimum, with this Article and the PID MANUAL.
- (d) *Compliance with article and PID Manual.* A DEVELOPER shall provide evidence of compliance with this Article, and the City's PID MANUAL to the City upon receipt of a written request by the City. A DEVELOPER shall provide said evidence of compliance to the City on or before the thirtieth (30th) calendar day of the written request. The date of the written request shall be considered Day Zero.

**Cross reference** – Time period for required compliance with this Article; Sec. 11-911.

**Sec. 11-913. – Homebuilder.**

- (a) *Representatives' contact information required to be on file with the City.* Each HOMEBUILDER constructing homes within a PID shall designate and maintain with the City the name and contact information of one or more individuals employed by the HOMEBUILDER who is responsible for ensuring compliance with this Article.
- (b) *MLS listings.* A HOMEBUILDER shall disclose the existence of the PID on any MLS listings.
- (c) *Compliance with article and PID Manual.* A HOMEBUILDER shall provide evidence of compliance with this Article and the City's PID MANUAL to the City upon receipt of a written request by the City. A HOMEBUILDER shall provide said evidence of compliance to the City on or before the thirtieth (30th) calendar day of the written request. The date of the written request shall be considered Day Zero.
- (d) *Homebuilder's brochures.* Any brochure that includes pricing on housing models within the subdivision shall include the current annual PID ASSESSMENT installment and the total PID ASSESSMENT for each model.
- (e) *Include assessments in estimated property taxes.* A HOMEBUILDER shall include ASSESSMENTS in estimated property taxes if such HOMEBUILDER estimates monthly ownership costs for prospective HOMEBUYERS for an ASSESSED PARCEL.
- (f) *PID Administrator(s).* Each HOMEBUILDER, selling homes within a subdivision containing a PID, shall meet with and/or communicate with the PID ADMINISTRATOR(S) on an annual basis in order for the PID ADMINISTRATOR(S) to: (1) review the HOMEBUILDER files on disclosures, and (2) update each HOMEBUILDER on disclosure related issues and forms.

**Cross reference** – Time period for required compliance with this Article; Sec. 11-911.

**Sec. 11-914. – Seller.**

- (a) *Notice of obligation to pay assessment.* A SELLER who proposes to sell or otherwise convey real property that is located in a PUBLIC IMPROVEMENT DISTRICT established under Subchapter A, Chapter 372, Texas Local Government Code, shall first give to the PURCHASER of the property the written notice prescribed by Texas Property Code, Chapter 5, Section 5.014 (Notice of Obligations Related to Public Improvement District), or successor and as amended.
- (b) *Compliance with State law.* If any sale or conveyance of real property within a PUBLIC IMPROVEMENT DISTRICT is not made in compliance with the Texas Property Code, the PURCHASER may institute a suit for damages under Texas Property Code, Chapter 5, Section 5.0145 (Suit for damages).
- (c) *MLS listings.* A SELLER shall disclose the existence of the PID on any MLS listings.

**State law references –**

Improvement Districts in Municipalities and Counties; V.T.C.A. Local Government Code, Title 12, Subtitle A, Ch. 372, Subchapter A.

Notice of Obligations Related to Public Improvement District; V.T.C.A. Property Code, Title 2, Ch. 5, Subchapter A, § 5.014.

Suit for damages; V.T.C.A. Property Code, Title 2, Ch. 5, Subchapter A, § 5.0145.

**Sec. 11-915 – Offense and penalties.**

- (a) *Offenses.* Except where otherwise preempted by State law, offenses are as follows:
  - (1) A person, DEVELOPER, and/or HOMEBUILDER who knowingly violates any provision of this Article, during the time period for required compliance, commits an offense.
  - (2) A person, DEVELOPER, and/or HOMEBUILDER who knowingly fails to perform a duty required under this Article, during the time period for required compliance, commits an offense.
  - (3) A person, DEVELOPER, and/or HOMEBUILDER who removes signage required by this Article, during the time period for required compliance, commits an offense.
- (b) *Penalties.* Except where otherwise preempted by State law, the penalties are as follows:
  - (1) A person who violates this Article commits a Class C misdemeanor punishable by a fine not to exceed the amounts specified in [Section 1-6](#) of this Code. Such penalty shall be in addition to all the other penalties and remedies.
  - (2) In accordance with [Section 1-6](#) of this Code, the imposition of a criminal or civil penalty does not prevent administrative remedies or sanctions, including but not limited to, withholding, suspending, or revocation of a license, permit, Certificate of Occupancy ("CO"), or the like. The City may seek said administrative remedies or sanctions for any person, DEVELOPER, or HOMEBUILDER who has received three (3) notices of violation of this Article in any one calendar year.

**Charter reference –** Enforcement of ordinances, [Art. III, § 28](#).

**Cross references –**

General penalties, [Section 1-6](#).

Time period for required compliance with this Article; Sec. 11-911.

**State law references –**

Notice of Obligations Related to Public Improvement District; V.T.C.A. Property Code, Title 2, Ch. 5, Subchapter A, § 5.014.

Suit for damages; V.T.C.A. Property Code, Title 2, Ch. 5, Subchapter A, § 5.0145.

**Secs. 11-916 – 11-1000. – Reserved.**

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## Chapter 13 – SIGNS

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### ARTICLE IV. – SPECIFICATIONS; STANDARDS; USE

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*[Editor's Note: Make the following revisions with additions identified in green font and underlined, and deletions identified in ~~red font with strikethrough~~.]*

#### Sec. 13-65. Number of signs.

\* \* \*

Cross reference – Signage requirements, Ch. 11, Art. XI, Sec. 11-908.

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#### Sec. 13-73. Specifications by type of sign.

\* \* \*

- (v) *Small profile signs.* Small profile signs shall be permitted in all zoning districts with the following restrictions:
- (1) Size shall be a maximum of eight (8) square feet.
  - (2) Height shall be a maximum of four (4) feet.
  - (3) Maximum number shall be one (1) small profile sign per lot.
  - (4) Unless otherwise authorized by State law or this City Code, ~~There~~ there can be no other freestanding or temporary sign on the parcel except during a period where a property is for sale or lease, and meets one (1) of the following criteria:
    - a. The property is offered for sale or lease by a licensed real estate agent or is listed for sale or lease by owner and is advertised in a newspaper of general circulation or listed on Multiple Listing Services. The small profile sign may remain on the property for up to fifteen (15) days following the date on which a contract for sale has been executed or when all lease spaces are full; or
    - b. The property is an active construction site with a permit from the City of Mesquite. The sign may remain on the property until construction is complete or ceases for a period of more than fifteen (15) days.

\* \* \*

Cross reference – Signage requirements, Ch. 11, Art. XI, Sec. 11-908.

## **EXHIBIT B**

**To Ordinance No. \_\_\_\_\_**

*Public Improvement District (PID) Notice and Disclosure Manual  
For Developers & Homebuilders*

("PID MANUAL")

**PUBLIC IMPROVEMENT DISTRICT (PID)  
NOTICE AND DISCLOSURE MANUAL  
FOR DEVELOPERS & HOMEBUILDERS  
("PID MANUAL")**

**VERSION DATED: MARCH 6, 2023**

1. **PURPOSE.**

The purpose of this *Public Improvement District (PID) Notice and Disclosure Manual for Developers & Homebuilders* or may also be cited as "PID MANUAL," is to provide forms and additional details regarding the requirements in Mesquite City Code for DEVELOPERS and HOMEBUILDERS to provide signage, information, and notice and disclosures to prospective PURCHASERS who seek to purchase property within a PID about their obligation to pay PID ASSESSMENTS.

**Cross reference –**

Mesquite City Code, Chapter 11, Article XI – Public Improvement Districts (PID).  
Mesquite City Code, Sec. 11-906 (PID Manual on file with City Secretary's Office; Annual review).

2. **ON FILE.**

This PID MANUAL may be found on the City's website, and shall be placed on file with the City's Secretary's Office.

**Cross reference –**

Mesquite City Code, Sec. 11-906 (PID Manual on file with City Secretary's Office; Annual review).

3. **ANNUAL REVIEW OF PID MANUAL.**

This PID MANUAL shall be reviewed by the CITY'S PID ADMINISTRATOR(S) no less than annually when the SERVICE AND ASSESSMENT PLAN(S) for the active PIDs are updated.

**Cross reference –**

Mesquite City Code, Sec. 11-906 (PID Manual on file with City Secretary's Office; Annual review).

4. **MESQUITE CITY CODE.**

Notice and Disclosure requirements are required pursuant to Mesquite City Code, Mesquite City Code, Chapter 11, Article XI – Public Improvement Districts (PID). SEE Attachment 01.

**Cross reference –**

Mesquite City Code, Chapter 11, Article XI – Public Improvement Districts (PID).

5. **ABBREVIATIONS AND ACRONYMS.**

For reference to any abbreviations and acronyms see the Mesquite City Code. SEE Attachment 01.

**Cross reference** – Mesquite City Code, Sec. 11-902 (Abbreviations and acronyms).

6. **DEFINITIONS.**

Capitalized terms in this PID MANUAL are terms defined in the Mesquite City Code. SEE Attachment 01.

**Cross reference** – Mesquite City Code, Sec. 11-903 (Definitions).

7. **WEBSITE AND QR CODE.**

The City will host a PID webpage, or website, regarding information about each PID. The City will generate a QR Code, or other similar method for quick access to the website, for DEVELOPERS and HOMEBUILDERS to utilize.

The information available at the website (and QR Code link) will specifically include, at a minimum, the following elements:

- (1) Frequently Asked Questions; and
- (2) Explanation of what a Public Improvement District is.

**Cross reference** – Mesquite City Code, Sec. 11-907 (Website requirements).

8. **SIGNS.**

8.1. *In general.* The HOMEBUILDER(S) are required to post signs in accordance with this Section, and the City's PID MANUAL during the time the HOMEBUILDER(S) are selling homes within the subdivision. The HOMEBUILDERS are required to maintain the signs in good condition at all times.

8.2. *Compliance with Sign Code.*

- (1) *Sign type.* Signs required by this Section shall be "Small Profile Signs," and in compliance with the City's Sign Code, Chapter 13, Art. IV, [Sec. 13-73](#) (Specifications by type of sign).
- (2) *Size.* A "Small Profile Sign" shall be a maximum of eight (8) square feet and a maximum of four (4) feet in height.
- (3) *Number of signs.* The signs required by this Article shall not be counted in the calculation of maximum signs allowable pursuant to Chapter 13, Art. IV, [Sec. 13-65](#) (Number of signs).

- 8.3. Contents. The sign shall contain the following statement (or a statement substantially similar) and identify the PID website and include its QR CODE.

**You are in the**  
**[insert name] Public Improvement District (PID).**  
**Lot owners are required to pay a special assessment.**  
**For more information visit: [insert website]**  
**[and insert QR Code].**

- 8.4. Location. During the time that the HOMEBUILDER owns property within the subdivision, signage that complies with this Section, and the City's PID MANUAL, identifying the subdivision as being within a PID must not be located in the right-of-way, and shall be placed:

- (1) in front of each model home; and
- (2) at each sales center.

**Cross reference** – Mesquite City Code, Sec. 11-908 (Signage requirements).

**9. INFORMATIONAL PACKETS.**

- 9.1. In general. DEVELOPERS and HOMEBUILDERS, during the time that the DEVELOPER or HOMEBUILDER owns property within the subdivision, are required to produce and provide informational packets to prospective PURCHASERS.

9.2. Form.

- (1) Hard-copy written materials and digital materials online shall both be provided.
- (2) Any brochure that includes pricing on housing models within the subdivision shall include the current annual PID ASSESSMENT installment and the total PID ASSESSMENT for each model.

- 9.3. Contents. Informational packets shall be provided in all sales centers within the subdivision and at a minimum include the following elements:

- (1) Frequently Asked Questions;
- (2) Explanation of what a Public Improvement District is;
- (3) Total assessment for any applicable lot/home being purchased;



- (4) The current annual installment of the PID assessments owed on for each lot/home type;
- (5) PID Website; and
- (6) QR Code, or other similar method for quick access to the PID website.

9.4. Information contained in the packets prepared by City's PID Administrator. The explanations and other data contained in the informational packets shall be provided to the DEVELOPERS and HOMEBUILDERS by the City's PID ADMINISTRATOR(S) and updated annually (at a minimum). It is the responsibility of the DEVELOPERS and HOMEBUILDERS to produce and provide said informational packets to prospective PURCHASERS.

**Cross reference** – Mesquite City Code, Sec. 11-909 (Information packet requirements).

10. **HOMEBUILDER'S BROCHURES.** Any brochure that includes pricing on housing models within the subdivision shall include the current annual PID ASSESSMENT installment, and the total PID ASSESSMENT for each model.

**Cross reference** – Mesquite City Code, Sec. 11-913 (Homebuilder).

11. **MLS LISTINGS.** A DEVELOPER, HOMEBUILDER, and SELLER shall disclose the existence of the PID on any MLS listings.

**Cross references –**

Mesquite City Code, Sec. 11-912 (Developer).  
Mesquite City Code, Sec. 11-913 (Homebuilder).  
Mesquite City Code, Sec. 11-914 (Seller).

12. **INCLUDE ASSESSMENTS IN ESTIMATED PROPERTY TAXES.** A HOMEBUILDER shall include ASSESSMENTS in estimated property taxes if such HOMEBUILDER estimates monthly ownership costs for prospective HOMEBUYERS for an ASSESSED PARCEL.

**Cross reference** – Mesquite City Code, Sec. 11-913 (Homebuilder).

13. **PID HOMEBUYER DISCLOSURE DOCUMENTS.**

13.1. A SELLER for an ASSESSED PARCEL shall provide each residential HOMEBUYER with the **PID HOMEBUYER DISCLOSURE DOCUMENTS** that comply with Section 5.014 of the Texas Property Code. SEE Attachment 02.

13.2. **PID HOMEBUYER DISCLOSURE DOCUMENTS** that comply with Section 5.014 of the Texas Property Code must be signed both at sales contract signing and at closing of a lot with such agreements maintained on file by each HOMEBUILDER within the subdivision and available for inspection by the City. SEE Attachment 02.

**Cross reference** – Mesquite City Code, Sec. 11-910 (Notice and disclosure requirements).

## **ATTACHMENTS**

**ATTACHMENT 01.      Mesquite City Code,  
Chapter 11, Article XI. – Public Improvement Districts (PIDs)**

*[To Be Attached - - - Insert Hyperlink to Article & Attach Copy of Codified Article]*

**ATTACHMENT 02.      PID Homebuyer Disclosure Documents**

Notice of Obligations Related to Public Improvement District

Notice of Obligation to Pay Public Improvement District Assessment to  
City of Mesquite, Texas Concerning the Subject Property

Including:

Signature Page to Initial Notice of Obligation to Pay PID Assessment

PURCHASER Signature Page to Final Notice with Current Information  
of Obligation to Pay PID Assessment

SELLER Signature Page to Final Notice with Current Information of  
Obligation to Pay PID Assessment

Projected Annual Installment Schedule of Obligation to Pay PID  
Assessment

## **ATTACHMENT 01. TO PID MANUAL**

Mesquite City Code  
Chapter 11, Article XI. – Public Improvement Districts (PIDs)

**ATTACHMENT 01. TO PID MANUAL**

Mesquite City Code

Chapter 11 – Planning and Development, Article XI. – Public Improvement Districts (PIDs)

**MESQUITE CITY CODE**

**Chapter 11 – PLANNING AND DEVELOPMENT**

**ARTICLE XI. – PUBLIC IMPROVEMENT DISTRICTS (PIDS)**

*[To Be Attached - - - Insert Hyperlink to Article & Attach Copy of Codified Article]*

## **ATTACHMENT 02. TO PID MANUAL**

HOMEBUYER DISCLOSURE DOCUMENTS

**[INSERT PID NAME] PUBLIC IMPROVEMENT DISTRICT**  
**[INSERT IMPROVEMENT AREA #]**  
**HOMEBUYER DISCLOSURE DOCUMENTS**

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING<sup>1</sup> RETURN TO:

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NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO  
CITY OF MESQUITE, TEXAS  
CONCERNING THE FOLLOWING PROPERTY

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STREET ADDRESS

**OUTSTANDING PRINCIPAL OF ASSESSMENT FOR AUTHORIZED  
IMPROVEMENT: \$[\_\_\_\_\_]**

As the purchaser of the real property described above, you are obligated to pay assessments to City of Mesquite, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within **[PID NAME] Public Improvement District** (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from City of Mesquite. The exact amount of each annual installment will be approved each year by the Mesquite City Council in the annual service plan update for the District. More information about the assessments, including the amounts and due dates, may be obtained from City of Mesquite.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

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<sup>1</sup> To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of [COUNTY NAME] County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

**ATTACHMENT 02. TO PID MANUAL**  
Homebuyer Disclosure Documents

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF PURCHASER

\_\_\_\_\_  
SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF SELLER

\_\_\_\_\_  
SIGNATURE OF SELLER]<sup>2</sup>

<sup>2</sup> To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.



**ATTACHMENT 02. TO PID MANUAL**  
Homebuyer Disclosure Documents

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF PURCHASER

\_\_\_\_\_  
SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF \_\_\_\_\_

§

The foregoing instrument was acknowledged before me by \_\_\_\_\_ and \_\_\_\_\_, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this \_\_\_\_\_, 20\_\_.

Notary Public, State of Texas]<sup>3</sup>

<sup>3</sup> To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of [COUNTY NAME] County.

ATTACHMENT 02. TO PID MANUAL  
Homebuyer Disclosure Documents

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

\_\_\_\_\_  
SIGNATURE OF SELLER

\_\_\_\_\_  
SIGNATURE OF SELLER

STATE OF TEXAS

§

§

COUNTY OF \_\_\_\_\_

§

The foregoing instrument was acknowledged before me by \_\_\_\_\_ and \_\_\_\_\_, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this \_\_\_\_\_, 20\_\_.

Notary Public, State of Texas]<sup>4</sup>

<sup>4</sup> To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of [COUNTY NAME] County.

**ATTACHMENT 02. TO PID MANUAL**  
Homebuyer Disclosure Documents

**PROJECTED ANNUAL INSTALLMENTS – Lot Type [\_\_\_\_]**

[illegible]

**Footnotes:**

[a] Interest on the PID Bonds is calculated at a \_\_\_\_\_ % rate for illustrative purposes.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.