

City of Mesquite, Texas

Legislation Details (With Text)

File #:	18-3640	Version:	1	Name:	Heartland Town Center PID Assessment Ordinance
Type:	Agenda Item	Status:	Passed		
File created:	8/23/2018	In control:	City Council		
On agenda:	9/4/2018	Final action:	9/4/2018		

Title: An ordinance approving a Service and Assessment Plan and Assessment Roll for Phase #1 Improvements and Phase #2 Major Improvements for the Heartland Town Center Public Improvement District (the "District"), making a finding of Special Benefit to certain property in the District, levying special assessments against certain property within the District and establishing a lien on such property, providing for payment of the assessment in accordance with Chapter 372, Texas Local Government Code, as amended, providing for the method of assessment and the payment of the assessments, providing penalties and interest on delinquent assessments, providing for severability and providing an effective date.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Ordinance - SAP

Date	Ver.	Action By	Action	Result
9/4/2018	1	City Council	Approved	Pass

An ordinance approving a Service and Assessment Plan and Assessment Roll for Phase #1 Improvements and Phase #2 Major Improvements for the Heartland Town Center Public Improvement District (the "District"), making a finding of Special Benefit to certain property in the District, levying special assessments against certain property within the District and establishing a lien on such property, providing for payment of the assessment in accordance with Chapter 372, Texas Local Government Code, as amended, providing for the method of assessment and the payment of the assessments, providing penalties and interest on delinquent assessments, providing for severability and providing an effective date.

Chapter 372 of the Texas Local Government Code, the Public Improvement District Assessment Act, as amended (PID Act), governs the creation and operation of public improvement districts within the State of Texas. The attached Heartland Town Center Public Improvement District Service and Assessment Plan (SAP) has been prepared by the City's PID Administrator, David Taussig & Associates, Inc., in consultation with City staff and the City's financial advisor, Hilltop Securities, and bond counsel, Bracewell, in accordance with the PID Act.

This proposed ordinance approves the Service and Assessment Plan and Assessment Roll for properties benefitted by Phase #1 and Phase #2 Major Improvements of the Heartland Town Center residential development. The Service and Assessment Plan must cover a period of at least five years and must define the annual indebtedness and projected costs for the improvements. An assessment plan must be included in the annual service plan and the plan must be reviewed and updated annually for determining the annual budget for planned improvements. The SAP includes:

- Plan Description
- Property included in the PID

- Description of Authorized Improvements
- Service Plan
- Assessment Plan
- Assessment Methodology and Allocation
- Terms of the Assessments
- Assessment Roll

PID assessments are liens against the assessed property and are superior to all liens except those for state, county, school district or municipal ad valorem taxes. Assessment liens become a personal liability of the property owner and run with the property. The assessments will be used to pay the debt service of PID bonds, reimburse the developer for costs pursuant to the PID Reimbursement Agreement, and cover administrative expenses and other costs authorized by the PID Act. The SAP also describes how the 62.5 percent TIRZ annual credit is applied to reduce the annual assessments to property owners. The City shall have no legal or moral obligation to pay the bonds out of any fund other than these pledged revenues.

Once the public hearing is closed and Council has heard and considered all objections to the proposed assessments, if any, the City Council may levy by ordinance the special assessments against the benefitted taxable properties within the PID. The levy and liens would be effective immediately upon passage of the ordinance.

Recommended/Desired Action

Staff recommends approval of the ordinance.

Attachment(s)

Ordinance (Final Service and Assessment Plan as Exhibit to the Ordinance will be distributed at the Pre-Meeting)

Drafter

Ted Chinn

Head of Department

Ted Chinn