

City of Mesquite, Texas

Legislation Details (With Text)

File #:	21-5725	Version:	1	Name:	PH - Heartland TC PID Phase 2 SAP
Type:	Agenda Item	Status:		Status:	Public Hearing
File created:	10/26/2021	In control:		In control:	City Council
On agenda:	12/6/2021	Final action:		Final action:	
Title:	<p>A. Conduct a public hearing on the levy of assessments in Phase #2 of the Heartland Town Center Public Improvement District.</p> <p>B. Consider an ordinance of the City of Mesquite, Texas, approving a Service and Assessment Plan and Assessment Roll for Phase #2 Specific 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.</p>				

Sponsors:

Indexes:

Code sections:

Attachments: 1. Ordinance

Date	Ver.	Action By	Action	Result
12/6/2021	1	City Council		

- A. Conduct a public hearing on the levy of assessments in Phase #2 of the Heartland Town Center Public Improvement District.
- B. Consider an ordinance of the City of Mesquite, Texas, approving a Service and Assessment Plan and Assessment Roll for Phase #2 Specific 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.

On November 15, 2021, the City Council passed Resolution No. 78-2021 to accept a preliminary Amended and Restated Service and Assessment Plan (SAP) for authorized improvements within the Heartland Town Center Public Improvement District (PID).

A public hearing is required by State law to receive any written or oral objections to the proposed assessments identified in the SAP. Notices of the public hearing to be held on December 6, 2021, were published in the *Daily Commercial Record* and *Forney Messenger* newspapers on Wednesday, November 24, 2021, and notice was sent to property owners within the PID via certified mail on November 26, 2021.

After the public hearing is closed, the City Council must hear and pass on any objection to any proposed

assessment and may amend a proposed assessment on any parcel within the PID.

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 preliminary Service and Assessment Plan (SAP) has been prepared by the City's PID Administrator, DTA, Inc., in consultation with City staff and both the City's financial advisor, Hilltop Securities, and bond counsel, Bracewell, in accordance with the PID Act.

This proposed ordinance approves the SAP and Assessment Roll updated for properties benefitted by Phase #2 Specific Improvements of the Heartland Trailwind residential development. A SAP 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 updated 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
- Buyer Disclosure Form

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 bond Indenture of Trust, and cover administrative expenses and other costs authorized by the PID Act. The SAP also describes how the 62.5 percent of City TIRZ revenues are 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.

The bond sale is scheduled for some time in June 2022, at which time the preliminary SAP will be updated again to reflect actual bond maturities, principal and interest rates.

Recommended/Desired Action

Following the public hearing, staff recommends approval of the ordinance.

Attachment(s)

Ordinance

Drafter

Ted Chinn

Head of Department

Ted Chinn

