

City of Mesquite, Texas

Legislation Text

File #: 21-5715, **Version:** 1

A resolution approving a Reimbursement Agreement relating to the Heartland Town Center Public Improvement District Phase #2 Specific Improvements.

D.R. Horton is close to completing the public improvements for the second phase of the Trailwind subdivision within the Heartland Town Center Public Improvement District (PID) in Kaufman County.

Unlike the upfront bonds that the City issued for Phase One of Trailwind, the \$4.2 million in public infrastructure as authorized under the PID Service and Assessment Plan (SAP) is being paid upfront by D.R. Horton, and D.R. Horton will be seeking reimbursement for those eligible costs through a trailing PID bond sale planned for some time around June 2022. Prior to City Engineering accepting the \$4.2 million in public improvements, a reimbursement agreement is required.

The attached reimbursement agreement establishes \$4,250,029 as the maximum amount that D.R. Horton is entitled for reimbursement, with interest, for the following authorized public improvement costs:

Roadway Improvements	\$1,444,279.00
Water System Improvements	621,666.52
Sanitary Sewer System Improvements	817,437.19
Storm Drainage System Improvements	619,541.12
Professional and Other Soft Costs	571,959.05
Construction Contingency	<u>175,146.19</u>
Total	\$4,250,029.07

The source of reimbursement will be a combination of net construction proceeds from the future 2022 series PID bonds and assessment revenue collected on properties within Phase Two after annual PID bond debt service payment obligations are met. The ordinance to accept an updated SAP and levy assessments for Phase Two specific improvements is scheduled for December 6, 2021, and collection of those assessments must occur within two years from the date of the levy.

Recommended/Desired Action

City staff recommends approval of the resolution.

Attachment(s)

Resolution

Drafter

Ted Chinn

Head of Department

Ted Chinn