

**Ordinance~ An Ordinance Of The City Of Bay City, Texas Approving a Service and Assessment Plan and Assessment Roll for the Russell Ranch Public Improvement District (The “District”); making a finding of special benefit to certain property in the district; levying 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.**



## **EXECUTIVE SUMMARY**

### **BACKGROUND:**

On December 21, 2021, the City Council approved by resolution the creation of a public improvement district (PID) under Chapter 372 of the Texas Local Government Code. The PID was created to act as a financing tool for reimbursement of public improvements in relation to a residential development known as Russell Ranch. The boundaries are approximately 50 acres located in the East part of the City of Bay City between Hubbard Road and Old Van Vleck Road, North of the intersection of FM 457 and Hwy 35.

*A PID can finance capital costs to meet community needs which could not otherwise be constructed or provided. The costs of the capital improvements and/or supplemental services are paid entirely by property owners within the Public Improvement District.*

In order to levy assessments on property within the PID for public improvements, there is a two-step process. First, the City has to accept the preliminary service and assessment plan (“SAP”) attached to the Resolution, and call a public hearing on the levy of assessments. Notice of the public hearing is published in the newspaper and mailed to each property owner in the PID. After

the public hearing, the City will approve an Ordinance levying assessments on property in the PID for the financing of the public improvements. The SAP is the document that apportions the levy on the properties in the PID for the costs of the public improvements. The SAP is prepared by the City's consultants based on an engineer's opinion of probable costs of the public improvements to construct and complete the project and it provides the method and formula for levying against the lots in the PID.

The Public Hearing was held on August 13, 2024 to provide an opportunity to speak on the levy of Assessments.

**RECOMMENDATION:** Staff recommends City Council approve the Ordinance.

**ATTACHMENTS:** Ordinance