



PANCHASARP FARMS 2024-2025 ANNUAL SERVICE AND ASSESSMENT PLAN (SAP) AND PHASE III LEVY/ASSESSMENT

Presented to the City Council on August 5, 2024

PUBLIC IMPROVEMENT DISTRICTS

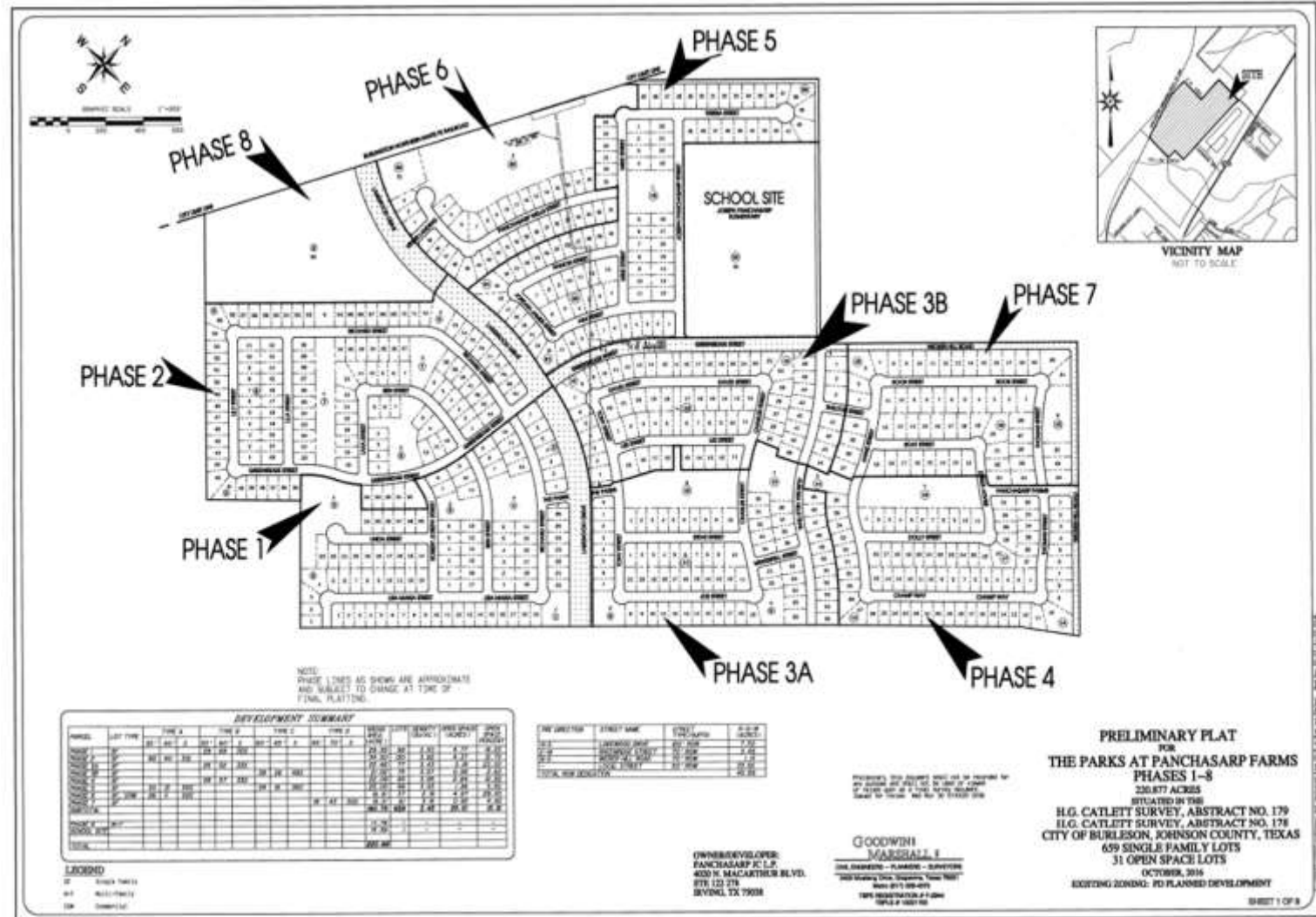
- Chapter 372 of the Local Government Code establishes the enabling legislation for Public Improvement Districts (PIDs).
- PIDs are created by the property owners wishing to benefit from public improvements.
- Public Improvements include:
 - Landscaping, fountains, lightings, signs
 - Sidewalk and street alterations, pedestrian malls, public art
 - Parks, libraries, off-street parking facilities
 - Water, sewer and drainage improvements, etc.

THE PARKS AT PANCHASARP FARMS

- The purpose of this item is to:
- Conduct a public hearing related to the Service and Assessment Plan.
- Consider an ordinance approving the 2024-2025 Service and Assessment Plan.
- Consideration of levy and assessment of Phase III property within the Public Improvement District.
- Authorize a reimbursement agreement with the Public Improvement District using assessment revenue.

THE PARKS AT PANCHASARP FARM

- 220.88 acres
- 659 single family lots
- 250 multi-family units
- Commercial Site
- School Site
- 25 acres of parks
- The Panchasarp Farms Public Improvement District was created with Resolution CSO#981-02-2019 on February 4, 2019.



INITIAL SERVICE AND ASSESSMENT PLAN

A service and assessment plan dated February 3, 2020 (the “Service and Assessment Plan”) was prepared at the direction of the City identifying:

- the public improvements (the “Authorized Improvements”) to be provided by the PID.
- the costs of the Authorized Improvements.
- The indebtedness to be incurred for the Authorized Improvements.
- the manner of assessing the property in the PID for the costs of the Authorized Improvements.

The Texas legislature passed House Bill 1543 as an amendment to the PID Act, requiring, among other things:

- all Service and Assessment Plans and Annual Service Plan Updates be approved through City ordinance or order to be filed with the county clerk of each county in which all or part of the PID is located within seven days.
- include a copy of the notice form required by Section 5.014 of the Texas Property Code (the “PID Assessment Notice”) as disclosure of the obligation to pay PID Assessments.

PREVIOUS SERVICE AND ASSESSMENT PLAN UPDATES

- September 21st, 2020: Resolution adopting the 2020-2021 Annual Service Plan Update by City Council.
- September 7th and September 20th, 2021: First and final readings of the Ordinance adopting the 2021-2022 Annual Service Plan Update by City Council.
- January 18th, 2022: First reading of the Ordinance adopting the 2022-2023 Annual Service Plan and Phase II levy/assessment by City Council.
- February 21st and March 7th, 2022: First and final readings of the Ordinance adopting the amended and restated 2022-2023 Annual Service Plan and Phase II levy/assessment by City Council.
- August 15th and September 6th, 2022: First and final readings of the Ordinance adopting the 2022-2023 Annual Service Plan Update by City Council.
- August 21st and September 5th, 2023: First and final readings of the Ordinance adopting the 2023-2024 Annual Service Plan Update by City Council.
- July 22nd, 2024: Resolution adopting the preliminary 2024-2025 Service and Assessment Plan Update by City Council.

PHASES I AND II DEVELOPMENT PROFILE

Table II-B

Proposed Development within Phase #1 – Original

Proposed Development	Quantity	Measurement
70 Ft Lots	0	Units
65 Ft Lots	0	Units
60 Ft Lots	58	Units
55 Ft Lots	40	Units
Multi-Family	0	Units
Total	98	Units

Table II-C

Proposed Development within Phase #2 – Original

Proposed Development	Quantity	Measurement
70 Ft Lots	0	Units
65 Ft Lots	0	Units
60 Ft Lots	35	Units
55 Ft Lots	95	Units
Multi-Family	0	Units
Total	130	Units

PHASE III DEVELOPMENT PROFILE

Table II-D
Proposed Development within Phase #3

Proposed Development	Quantity	Measurement
70 Ft Lots	18	Units
65 Ft Lots	34	Units
60 Ft Lots	60	Units
55 Ft Lots	40	Units
Multi-Family	0	Units
Total	152	Units

SERVICE AND ASSESSMENT PLAN

The following tables are contained within the Service and Assessment Plan. With regard to the presentation, an understanding of the following terms is helpful:

- **Number of Lots** shall mean the number of permits issued by the city for home construction.
- **Equivalent Unit (EU)** shall mean the number of dwelling units (by lot type) expected to be built on the Parcel multiplied by the factors calculated. Essentially, the lot type with the highest estimated average unit value is the base and is assigned an EU factor of 1.00. Thereafter, the EU of each other lot type is a ratio/percentage of the lot type with an EU of 1.00.

PHASE III EQUIVALENT UNITS

Table D-A.12
Equivalent Units- Phase #3

Lot Type	No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (70 Ft Lot)	3	1.00	3.00
Lot Type 2 (65 Ft Lot)	32	0.93	29.76
Lot Type 3 (60 Ft Lot)	89	0.86	76.54
Lot Type 4 (55 Ft Lot)	28	0.79	22.12
Lot Type 6 (Multi-Family)	0	0.31	0.00
Total Equivalent Units	152		131.42

PID IMPROVEMENT ALLOCATIONS

- The park improvements are meant to benefit all properties within the PID. Accordingly, the estimated park improvement costs are allocated throughout all assessed property in the PID.
- 12.76% of the Budgeted Costs of Park Improvements are allocated to the Phase #1 assessed property.
- 16.46% of the Budgeted Costs of Park Improvements are allocated to the Phase #2 assessed property.
- 20.58% of the Budgeted Costs of Park Improvements are allocated to the Phase #3 assessed property.

PHASE I AND II IMPROVEMENTS

Table III-B
Authorized Improvements - Phase #1 Improvements

Description	Total Cost	% Allocation¹	Phase #1's Share of Total Costs
Grading improvements	\$143,200	12.76%	\$18,270
Irrigation improvements	\$316,310	12.76%	\$40,356
Landscaping improvements	\$960,004	12.76%	\$122,481
Site furnishings improvements	\$177,200	12.76%	\$22,608
Site elements improvements	\$447,954	12.76%	\$57,152
Playground improvements	\$517,812	12.76%	\$66,064
Other soft costs including PID creation costs	\$369,359	12.76%	\$47,124
Total Improvement Costs	\$2,931,839		\$374,055

Table III-C
Authorized Improvements - Phase #2 Improvements

Description	Total Cost	% Allocation¹	Phase #2's Share of Total Costs
Grading improvements	\$143,200	16.46%	\$23,577
Irrigation improvements	\$316,310	16.46%	\$52,079
Landscaping improvements	\$960,004	16.46%	\$158,062
Site furnishings improvements	\$177,200	16.46%	\$29,175
Site elements improvements	\$447,954	16.46%	\$73,754
Playground improvements	\$517,812	16.46%	\$85,256
Other soft costs including PID creation costs	\$369,359	16.46%	\$60,814
Total Improvement Costs	\$2,931,839		\$482,718

PHASE III IMPROVEMENTS

Table III-D
Authorized Improvements - Phase #3 Improvements

Description	Total Cost	% Allocation¹	Phase #3's Share of Total Costs
Grading improvements	\$143,200	20.58%	\$29,468
Irrigation improvements	\$316,310	20.58%	\$65,091
Landscaping improvements	\$960,004	20.58%	\$197,551
Site furnishings improvements	\$177,200	20.58%	\$36,464
Site elements improvements	\$447,954	20.58%	\$92,180
Playground improvements	\$517,812	20.58%	\$106,556
Other soft costs including PID creation costs	\$369,359	20.58%	\$76,007
Total Improvement Costs	\$2,931,839		\$603,317

ASSESSMENT RATE

- The PID Policy states that the maximum PID assessment per \$100 valuation, when added to the total tax rate, may not exceed the highest total tax rate in effect for any property in the City.
- The assessment rate of \$0.227 continues to meet the PID Policy requirement as detailed below:
- $\$2.1527 + \$0.227 = \$2.3797$
- $(\text{Tax Rate} + \text{PID Rate} = \text{T\&P Total})$
- $\$2.3797 < \2.4523
- $(\text{T\&P Total} < \text{Highest Tax Rate in City})$

	Johnson			Tarrant	
	BISD	JISD	AISD	BISD	CISD
City	\$0.6325	\$0.6325	\$0.6325	\$0.6325	\$0.6325
ISD	\$1.2575	\$1.0872	\$1.1692	\$1.2575	\$1.2575
County	\$0.3350	\$0.3350	\$0.3350	\$0.2290	\$0.2290
JC Lateral Rd	\$0.0500	\$0.0500	\$0.0500		
Hill College		\$0.0480	\$0.0447		
Tarrant College				\$0.1121	\$0.1121
Tarrant Hospital				\$0.1945	\$0.1945
TC Regional Water				\$0.0267	\$0.0267
Total	\$2.275	\$2.1527	\$2.2314	\$2.4523	\$2.4523

STAFF RECOMMENDATION

Staff's Recommendation

- Staff recommends the Council conduct a public hearing on this item. Final Council action on this item will take place upon its second reading on August 19th.