



# **TALLGRASS MMD**

## **SECOND PUBLIC HEARING: STRATEGIC PARTNERSHIP AGREEMENT**

February 2, 2026: City Council

# BACKGROUND

- City of Burleson entered into a development agreement with AP-Groundwork Venture, LLC for North Johnson County Municipal Management District No. 1, also known as TallGrass.
- The project is being proposed at the intersection of Chisholm Trail Parkway and FM 1902.
- The District is bringing forward this strategic partnership agreement (SPA) to provide, among other things, conditions for annexation of the MMD and limited purpose annexation of land.

# PUBLIC NOTICE/PUBLIC HEARINGS

- LGC §43.0751 requires the City to conduct two public hearings where members of the public who wish to present testimony or evidence regarding the proposed agreement shall be given the opportunity to do so.
  - Public hearing dates are January 20<sup>th</sup> and February 2<sup>nd</sup>.
- Notice of public hearings conducted by the governing body of a municipality must be published at least once on or after the 20th day before each date.
  - Staff provided notice of public hearings in the Fort Worth Star Telegram.
- The public hearing notices contained a statement of the purpose of the hearing, the date, time, and place of the hearing, and the location where copies of the proposed agreement may be obtained prior to the hearing.

# SPA ANNEXATION CONDITIONS

- Prior to annexation, the MMD is authorized to exercise all powers and functions as provided by law.
- The SPA allows the City to “annex the land within the District for the limited purposes of imposing and collecting the City’s Sale and Use Tax at any time after the effective date of this Agreement, as determined by the City and the District.”
- It shall be noted that limited purpose annexation of any property does not remove it from the MMD, nor is the City able to impose ad valorem taxes on any property. The limited purpose annexation is solely for the imposition and collection of the City’s Sales and Use Tax.

# SPA ANNEXATION CONDITIONS

- The City will not fully annex the District until the following conditions have been met, and shall thereafter be authorized, but not required, to fully annex the District for any purpose:
  - All of the District's water, sanitary sewer, drainage, park and recreational, and road facilities have been constructed.
  - The Developer has, and the Developer's successors and assigns have, been reimbursed to the maximum extent permitted by the rules of the Commission or other applicable law.
- Following annexation, the MMD will continue to exist as a limited purpose district for an initial ten-year period to allow for the continued maintenance and operation of the Drainage Improvements, Park, Trail, and Open Space Improvements, and the street alleys.

# EMERGENCY SERVICES DISTRICT

- Upon full-purpose annexation, City agrees to remove property from Johnson County Emergency Services District (ESD) #1 (*and any other applicable ESD*) no later than one hundred and eighty (180) days following full-purpose annexation of the Property into the City's corporate limits.
- The City is required to pay the cost for the removal of the property from the ESD, subject to the appropriation of public funds by the City Council in the fiscal year(s) in which the City seeks to remove the Property from the ESD.

# SPA TERM DURATION

- Initial term of the SPA is forty-five (45) years, unless terminated on an earlier date pursuant to other provisions or by express written agreement executed by the City and the District.
- Upon the expiration of the initial term, the SPA shall automatically extend for successive one-year periods, unless either the City or the District give notice to the other of its intent to terminate prior to any extension term.



# RECOMMENDATION

- Staff recommends City Council approve the Strategic Partnership Agreement.