



STAFF REPORT
City of Dripping Springs
PO Box 384
511 Mercer Street
Dripping Springs, TX 78620

Submitted By: Shawn Cox, Deputy City Administrator

Council Meeting Date: September 1, 2026

Agenda Item Wording: Approval of an ordinance approving the Heritage Public Improvement District 2026 Annual Service and Assessment Plan Update, including updated assessment rolls; authorizing required filing and posting; making findings; providing a cumulative repealer clause; providing a severability clause; and providing an effective date.

Background

The Heritage Public Improvement District ("Heritage PID") was created by City Council Resolution No. 2017-74 on November 14, 2017. The City Council subsequently approved annual service-plan updates by ordinance, including Ordinance No. 2025-23 for the 2025 Annual Service Plan Update

On August 18, 2026, City Council considered the Heritage Public Improvement District 2026 Annual Service and Assessment Plan Update (the "2026 Update") on its consent agenda. The 2026 Update reviews and updates the service plan, provides the annual budget information and five-year forecast, and updates the assessment rolls for Improvement Areas #1, #2, #3A, and #3B. The 2026 Update states that the annual installments shown on the assessment rolls will be billed for 2026 and become delinquent if not paid by January 31, 2027.

Legal Authority and Purpose of Proposed Ordinance

Texas Local Government Code Section 372.013 requires an ongoing PID service plan to be approved, and an annual update to be adopted, only by ordinance or order. The statute also requires the City to file the approved or updated plan with the county clerk and post it on the City website within seven days after the applicable approval or update. Tex. Loc. Gov't Code § 372.013.

The August 18 consent-agenda caption described approval of the 2026 Update, and the 2026 Update was the only agenda attachment. The proposed ordinance provides the City Council's formal approval of the 2026 Update and updated assessment rolls by ordinance under Section 372.013.

The September 1 ordinance is the City's operative action approving the 2026 Update for purposes of Section 372.013; it does not alter the substantive terms of the 2026 Update or impose a new assessment. Following adoption, City staff will complete the required county filing and website posting within the statutory period measured from the September 1 action.

Fiscal Impact

The 2026 Update identifies the annual installments and annual collection costs for the Heritage PID. The proposed ordinance does not change those amounts; it approves the 2026 Update as attached.

**Commission
Recommendations:** N/A

**Recommended
Council Actions:** Staff recommends that the City Council approve the proposed ordinance.

Attachments:

1. Proposed Ordinance.
2. Heritage Public Improvement District 2026 Annual Service and Assessment Plan Update, dated August 18, 2026 (Exhibit A to the proposed ordinance).

Next Steps/Schedule: Filing of ordinance within 7 days of approval of the ordinance.