



HOUSTON
3200 Southwest Freeway,
Suite 2600
Houston, TX 77027
(713) 860-6400

Hannah Bradley
Senior Attorney
hbradley@abhr.com
(713) 860-6493

February 11, 2025

Re: Montgomery County Municipal Utility District No. 215 (the "District")

To the Honorable Mayor and City Council of the City of Montgomery, Texas:

We are writing to request that the approval of permits for construction of six model homes within the District be placed on City Council's agenda for Tuesday, February 25, 2025.

Johnson Development purchased approximately 208 acres of land within the District, and is actively developing within the District. On January 27, 2025, the District's engineer, LJA Engineering, submitted a request to City Staff for the approval of permits for construction of six model homes only, while the District's contracts for Lift Station No. 1 and for water, sewer, drainage and paving to serve Redbird Meadows Phase 1A, and the City's contract for the water line to serve the District are completed. The District's engineer has informed us that they are currently working through the substantial completion package for the contract for water, sewer, drainage and paving to serve Redbird Meadows Phase 1A, and construction of Lift Station No. 1 is expected to be completed by the end of March 2025. The District's engineer has confirmed that all detention is in place. Additionally, it is our understanding that the City's construction of the force main has been completed, and that the City's construction of the water line is expected to be completed by the end of April 2025. The District's engineer has not requested, and Johnson Development does not intend to request, certificates of occupancy for the six model homes until final acceptance of all the infrastructure noted above has occurred. The three final plats for Sections 1, 2 and 3 in Phase 1A were recorded in the real property records of Montgomery County on September 18, 2024. The six model homes are proposed to be located within Section 2 only.

With the spring sales season quickly approaching, it is critical that the homebuilders in the District timely complete their model homes to effectively market and sell homes to new residents. It is essential for the homebuilders in the District to take advantage of the spring sales season to create momentum for this new community and maximize its taxable value by the end of the year, which will help bring in new property tax revenue for the City. Without the delivery of model homes for the spring sales season,

1250483

CENTRAL TEXAS
919 Congress Avenue, Suite 1500
Austin, TX 78701
(512) 518-2424

NORTH TEXAS
4514 Cole Avenue, Suite 1450
Dallas, TX 75205
(972) 823-0800

abhr.com

February 11, 2025

Page 2 of 2

home construction will be delayed until the fall, which will delay residents moving into the District and subsequently delay the growth in the tax base for the City and the District.

Johnson Development has offered to put up a performance bond for the remainder of the contract for Lift Station No. 1, and to escrow funds to cover the cost of pumping and hauling sanitary sewage associated with the model homes. The District's engineer has confirmed that any sanitary waste from the model homes will be minimal, and the builders could utilize the offsite water line as needed for the six model homes.

The Development Agreement and Utility Agreement are both silent as to permit approvals for model homes, however both agreements provide for the approval of "minor modifications" by the City Administrator. While we believe the approval of permits for construction of six model homes only is a "minor modification" that can be approved by the City Administrator, we respectfully request that the Honorable Mayor and City Council approve permits for construction of six model homes only while the District's contracts for Lift Station No. 1 and for water, sewer, drainage and paving to serve Redbird Meadows Phase 1A, and the City's contract for the water line to serve the District are completed. If this request for permits for construction of six model homes is granted, we understand that the certificates of occupancy for the six model homes and the permits for the remaining 168 homes in Phase 1A to be built for sale to residents will be issued following final acceptance of all the infrastructure noted above. Should you require any additional information, please let us know.

Sincerely,



Hannah Bradley
Attorney for the District

Cc: David M. Oliver, Jr., Allen Boone Humphries Robinson LLP
Caleb D. Villarreal, Johnson Petrov LLP