Wood Leaf Reserve PID No. 11 Service & Assessment Plan

June 17, 2024



Background

- A public improvement district (PID) is a public financing tool created under Chapter 372 of Texas Local Government Code.
- Allows a neighborhood or commercial development to fund public improvements.
- Public improvements are funded by an assessment levied against properties within the PID that is paid annually by the property owner.
- Types of PIDS:
 - Cash PID: Developer is reimbursed for public infrastructure through annual collection of assessments.
 - Debt PID: Developer is reimbursed through the issuance of non-recourse debt and annual assessments pay the debt service.



PIDs financials are set by the annual service and assessment plan.

Public Improvement District Timeline

Policy	Application	Creation	Development & Financing	PID Life
Council uses adopted master plans to develop vision for development	Developers work with staff to complete a PID petition and application	City Council accepts petition and application, and approves Reimbursement Agreement City Council holds public hearing to consider PID petition	Developer begins construction and development of project, including infrastructure, according to development agreement and City's development standards Developer complies with any requirements and milestones of development agreement	City Council approves Service and Assessment Plan annually
Council determines what types of developments should be considered for PID financing	Developer demonstrates compliance with City's adopted PID policy, criteria, and vision	City staff drafts creation documents and development agreement	If applicable, development meets milestones to issue special assessment revenue bonds Development complete and public infrastructure accepted by City	Continuing disclosure and
Development of criteria to evaluate proposed developments for PID creation	City can partner with developer to meet community needs or goals	City and developer agree to terms of development agreement	Preparation and adoption of Preliminary Service and Assessment Plan	updates on special assessment revenue bonds
		City approves development agreement with requirements for both City and developer	Adoption of levy ordinance If needed, development and execution of amended and restated reimbursement agreement	Property owners pay annual assessments for term of PID
A PID policy is written to combine the City's vision and criteria and communicate that with developers and staff	City deems petition and application complete and in compliance with PID policy	City Council approves resolution creating PID	If applicable, special assessment revenue bond sale process	

Wood Leaf Reserve - PID 11 (Chesmar Homes) Development Information

- Planned Development approved September 7, 2021 (Ordinance No. 2021-30)
 - Approximately 318 single-family homes (maximum 350 per PD).
- PID Created January 18, 2021 (Resolution No. 2021-04)
 - Located on Theis Lane
 - Total acreage is 90.54 acres.
- Reimbursement Bond PID:
 - Aggregate Principal Amount: \$18,895,633.
 - Equivalent Tax Rate: \$0.90 per \$100 assessed value
- Three total phases for development (improvement areas) with bond sales for each.
 - Phase 1 (IA1): 143 lots
 - Phase B (IA2): 80 lots
 - Phase C (IA3): 95 lots



Wood Leaf Reserve - PID 11 Progress to Date

- Reimbursement Agreement (IA1) approved March 1, 2021 (Resolution No. 2021-09)
 - Not-to-exceed bond amount: \$4,406,000
- Service & Assessment Plan (SAP) approved September 19, 2022 (Ordinance No. 2022-31)
 - Levied assessments on properties within IA1
- Levy Assessment/Bond Ordinance approved September 19, 2022 (Ordinance No. 2022-34)
 - Issued City of Tomball Special Assessment Revenue Bonds for IA1 totaling \$4,406,000
- SAP Annual Update approved (Ordinance No. 2023-22) Single-Family Residential
 - Required annual SAP update for 2023
- Reimbursement Agreement (IA2) approved February 5, 2024 (Resolution No. 2024-09)
 - Not-to-exceed bond amount: \$5,607,516



Current Phase for Wood Leaf PID

Policy	Application	Creation	Development & Financing	PID Life
Council uses adopted	Developers work with staff	City Council accepts petition and application	Developer begins construction and development of project, including infrastructure, according to development agreement and City's development standards	
master plans to develop vision for development	to complete a PID petition and application	City Council holds public hearing to consider PID petition	Developer complies with any requirements and milestones of development agreement	City Council approves Service and Assessment Plan annually
Council determines what	Developer demonstrates		If applicable, development meets milestones to issue special assessment revenue bonds	
types of developments should be considered for PID financing	compliance with City's adopted PID policy, criteria, and vision	City staff drafts creation documents and development agreement	Development complete and public infrastructure accepted by City	
				Continuing disclosure and updates on special assessment revenue bonds
Development of criteria to evaluate proposed developments for PID creation	City can partner with developer to meet community needs or goals	City and developer agree to terms of development agreement	Preparation and adoption of Preliminary Service and Assessment Plan	
		City approves development agreement with requirements for both City and developer	Adoption of levy ordinance	
			If needed, development and execution of reimbursement agreement	Property owners pay annual assessments for term of PID
A PID policy is written to combine the City's vision and criteria and communicate that with developers and staff	City deems petition and application complete and in compliance with PID policy	City Council approves resolution creating PID	If applicable, special assessment revenue bond sale process	

Next Steps:

- July 1, 2024 City Council Meeting
 - Levy Assessment Ordinance (second reading)
 - Bond Ordinance (first and final reading)
 - Bond sale to occur July 1, 2024

- Future City Council Meeting
 - Reimbursement Agreement – Improvement Area 3



Questions?

