



AGENDA ITEM COMMENTARY

MEETING NAME:	City Council
MEETING DATE:	July 7, 2025
ITEM TITLE:	Consider and take appropriate action on Public Improvement District #2 Annual Capital Assessment payment to Wolfforth Land Company
STAFF INITIATOR:	Terri Robinette, City Secretary

BACKGROUND:

The City of Wolfforth Public Improvement District #2, otherwise known as the Preston Manor PID, has three components. The first is for the Maintenance and Operations of the facilities and parks located within Preston Manor. That assessment is determined by the budget submitted by the PID#2 Advisory Board to the City Council for approval and then the M&O assessment is levied on each of lot.

A second component of the PID is the administration component. The amount of the administration assessment is also determined by the budget which includes costs such as legal services, LCAD collections services and contractual services with P3Works, our PID administrator for PID#2.

Today's agenda item involves the third component, the capital assessment. When the facilities and parks were built in Preston Manor and the PID#2 was created, a reimbursement obligation to the developer in the amount of \$5,157,222 was put in place to cover the initial cost of construction. That cost was amortized over 35 years with an interest rate of 3.5%. On some lots, especially those sold recently once Wolfforth Land Company owned the development, the capital portion was paid in full as lots sold. The remaining lots that did not prepay their total capital assessment in full, will continue to pay a yearly capital assessment until paid in full. That assessment is collected on our behalf by LCAD and the enclosed Collection Report details the total collected in capital assessments and due to the Developer, Wolfforth Land Company, for tax year 2024. That amount totals \$100,392.82 which is a 99.63% collection rate.

In total, over the 35-year amortization, \$5,157,222 plus 3.5% interest will be paid out to Wolfforth Land Company.

EXHIBITS:

P3 Work Memorandum: 2024 Annual Installments Collections Report

COUNCIL ACTION/STAFF RECOMMENDATION:

Approve Capital Assessment payment for tax year 2024 in the amount of \$100,392.82 to Wolfforth Land Company