

**ORDINANCE NO. 2019-25**

**AN ORDINANCE OF THE CITY COUNCIL OF TOMBALL, TEXAS,  
APPROVING THE SERVICE AND ASSESSMENT PLAN FOR THE CITY  
OF TOMBALL PUBLIC IMPROVEMENT DISTRICT NUMBER SEVEN**

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**WHEREAS**, the City of Tomball (the “City”) is authorized pursuant to TEX. LOCAL GOV’T CODE, ch. 372, as amended (“Chapter 372”) to create public improvement districts for the purposes described therein; and

**WHEREAS**, the City has received a petition (the “Petition”) requesting the creation of the City of Tomball Public Improvement District Number Seven (the “PID”), held a public hearing, and created the PID in accordance with the applicable provisions of Chapter 372; and

**WHEREAS**, the City passed and adopted Resolution No. 2018-08 establishing the City of Tomball Public Improvement District Number Seven; and

**WHEREAS**, the City Council wishes to adopt the Service and Assessment Plan with respect to the PID; **NOW THEREFORE**,

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS**, that:

**Section 1.** The facts recited in the preamble hereto are found to be true and correct.

**Section 2.** The Service and Assessment Plan attached to this Ordinance as Exhibit A is hereby approved and adopted on behalf of the PID, and the Mayor, City Secretary and any other appropriate officials of the City are hereby authorized to take all necessary actions on behalf of the City to implement the terms thereof in accordance therewith.

**Section 3.** It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

FIRST READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE 7TH DAY OF OCTOBER 2019.

COUNCILMAN FORD	<u>AYE</u>
COUNCILMAN STOLL	<u>AYE</u>
COUNCILMAN DEGGES	<u>AYE</u>
COUNCILMAN TOWNSEND	<u>AYE</u>
COUNCILMAN KLEIN QUINN	<u>AYE</u>

SECOND READING:

READ, PASSED AND APPROVED AS SET OUT BELOW AT A SPECIAL MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL, HELD ON THE 21ST DAY OF OCTOBER 2019.

COUNCILMAN FORD	<u>AYE</u>
COUNCILMAN STOLL	<u>AYE</u>
COUNCILMAN DEGGES	<u>ABSENT</u>
COUNCILMAN TOWNSEND	<u>AYE</u>
COUNCILMAN KLEIN QUINN	<u>AYE</u>

Gretchen Fagan  
GRETCHEN FAGAN, MAYOR  
City of Tomball

ATTEST:

Doris Speer  
DORIS SPEER, City Secretary  
City of Tomball

**EXHIBIT A**  
**Service and assessment Plan**  
**Public Improvement District Number Seven**  
**City of Tomball, Texas**

**1. Introduction**

This Service and Assessment Plan is prepared and adopted in conformance with the Public Improvement District Assessment Act, codified as Chapter 372, Texas Local Government Code (“the Act”), and pursuant to Resolution 2018-08 creating the Public Improvement District Number Seven (“PID”), City of Tomball, Texas. The creation of the PID was initiated by a petition submitted by property owners within the PID boundaries in compliance with the requirements of the Section 372.005 of the Act.

**2. Boundaries**

The boundaries of the PID are as indicated in Attachment A.

**3. Administration of the District**

Administration of the District is the responsibility of the City Council of the City of Tomball, Texas, but to the extent allowed by law, the City may contract with a private sector company to carry out all or part of the City responsibilities as well as the operations and administration of the District.

**4. Public Improvements**

The public improvements to be financed and constructed serve to promote the construction of single family units. The public improvements will confer a special benefit to properties within the PID and will consist of water, sanitary sewer, storm drainage, detention, gas, streets, erosion control, contingency provisions, engineering, financing costs, and administration and legal services for the PID. The public improvements will be pre-funded by the developer of the subdivision within the PUD under the Development Agreement (“Agreement”) executed between the developer and the City.

**A. Grand Junction**

Grand Junction contains 12.7 acres of land and will contain 49 lots within the PID. The public improvements authorized under this Plan for Grand Junction and the estimated costs thereof, are described below:

PUBLIC IMPROVEMENT	ESTIMATED COSTS
Water, sewer, storm sewer, streets, detention, gas, off-site utility extensions, amenities, engineering, design fees, landscaping, PID creation	\$1,021,650
Financing Costs (15 years @ 2.7490%)	\$238,862
Total Improvements	\$1,260,512
Administration (5%)	\$63,026
Total Costs (15 years)	\$1,323,538

**5. Construction of Public Improvements**

The Plan will be reviewed annually in accordance with the provisions of Chapter 372 of the Local Government Code and will include a review of the expenditures and revenues of the District. Additionally, the Plan will be reviewed for the purposes of establishing the installments for assessment based upon the costs for public improvements for the financial needs of the District.

**6. Conveyance of Improvements to the City**

Upon completion of the improvements, and final inspection and acceptance of the public improvements by the City, the developer will convey all rights to the improvements to the city or homeowner’s association as applicable, subject to the developers rights of reimbursement described in the Development Agreement executed between the developer and the City.

**7. Authorized Improvements**

The area within the PID that is covered by the Service and Assessment Plan will be developed as single family residential. This Plan designates the public improvements required for the growth and development of the land within the PID. The goal of this Plan is to provide sufficient certainty for the owners of land within the PID to proceed with the financing and construction of the necessary public improvements, while allowing flexibility to meet the needs of the PID over the life of the development of residential properties within the PID.

The construction of the public improvements authorized herein began in calendar year 2019. The actual costs of the public improvements will be determined by an independent accountant report of the developer's costs.

**8. Advance Financing by the Developer**

The developer will advance the funds for construction of the public improvements and will be entitled to repayment pursuant the Development Agreement executed between the City and the developer.

**9. Apportionment of Costs**

Payment of assessments, if any, on property owned by exempt jurisdictions other than the City shall be established by contract.

**10. Levy of Assessments**

The total assessment for each property shall be an equal apportionment of the total costs divided by the total number of lots. Assessments can be paid by each property in advance or at any time thereafter. Financed assessments paid annually shall be concurrent with the city's tax year and will bear interest at 2.7490% for up to 15 years. The principal amount of the assessment is payable at any time by property owners.

The assessments are on a per lots basis. The cost of the public improvements will consist of the costs subject to construct water, sanitary sewer, storm sewer, streets, detention, amenities, landscaping, gas, engineering and design fees, PID creation costs and administration and financing payable to the developer pursuant to the Development Agreement.

Total Assessment	Annual Assessment Installment	Financed Assessment Term	Annual Administrative Cost	Total Annual Payment
\$ 20,850.00	\$1,714.98	15 years	\$ 85.75	\$ 1,800.73

**11. Levy and Collection**

Notice of levy of each assessment will be given as provided in Chapter 372 of the Local Government Code. The assessment levy statement will be sent to each property owner in the District, and the payment will be due and payable at the same time property taxes are due and payable to the City.

The first installment of an assessment against a particular property shall be due with respect to the calendar year following the date such property has been improved with a habitable structure as evidenced by the issuance of a certificate of occupancy. The City will invoice each property owner for the installment payment in conjunction with the City's annual property tax bill, and the installments shall be due and payable, and incur penalty and interest for unpaid installments in the same manner as provided for the City's property taxes. Thereafter, subsequent installments shall be due in the same manner in each succeeding calendar year until the assessment has been paid in full. The owner of assessed property may pay at any time the entire assessment then due on each property through the date of final payment. Failure of an owner to receive an invoice shall not relieve the owner of the responsibility for the assessment.

A lien will be established against the property assessed effective as of the date of the ordinance levying the assessment, privileged above all other liens, include prior mortgage liens, to the extent allowed by Section 372 of the Local Government Code. Assessment installments shall be considered delinquent on the same date as the city's property taxes. Delinquent assessments or installments shall incur the costs of collection. If practicable, the assessment shall be included on the City property tax statement. Notwithstanding the above, the assessment shall be perfected immediately as to the entire assessment, but may be executed only with respect to the amounts then due or past due for current or prior installments or final payment. Assessments are personal obligations of the person owning the property assessed in the year an installment payment becomes due, and only to the extent of such installment(s).

The owner of the assessed property may pay at any time the entire assessment then due on each property.

EXHIBIT A

