

**ORDINANCE NO. 2010-14**

**AN ORDINANCE OF THE CITY COUNCIL OF TOMBALL,  
TEXAS, APPROVING THE SERVICE AND ASSESSMENT  
PLAN FOR THE CITY OF TOMBALL PUBLIC  
IMPROVEMENT DISTRICT NUMBER ONE (PINE  
COUNTRY OF TOMBALL SUBDIVISION)**

\* \* \* \* \*

**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 One (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. 2007-14 on March 5, 2007 establishing the City of Tomball Public Improvement District Number One; 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 ADOPTED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 6TH DAY OF JULY 2010.

COUNCILMAN QUINN	<u>AYE</u>
COUNCILMAN STOLL	<u>AYE</u>
COUNCILMAN BROWN	<u>AYE</u>
COUNCILMAN TOWNSEND	<u>AYE</u>

SECOND READING:

READ, PASSED AND ADOPTED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 19TH DAY OF JULY 2010.

COUNCILMAN QUINN	<u>AYE</u>
COUNCILMAN STOLL	<u>AYE</u>
COUNCILMAN BROWN	<u>AYE</u>
COUNCILMAN TOWNSEND	<u>AYE</u>

PASSED first reading the 6<sup>th</sup> day of July, 2010.

PASSED second reading the 19<sup>th</sup> day of July, 2010.

PASSED AND ADOPTED the 19<sup>th</sup> day of July, 2010.

Gretchen Fagan  
GRETCHEN FAGAN, Mayor

Attest:

Doris Speer  
DORIS SPEER, City Secretary

Approved as to form:

Scott Bounds  
SCOTT BOUNDS, City Attorney

## EXHIBIT A

### Service and Assessment Plan Public Improvement District Number One City of Tomball, Harris County, Texas

#### 1. Introduction

This Service and Assessment Plan (the "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 No. 2007-14 creating the Public Improvement District Number One (the "PID" or the "District"), City of Tomball (the "City"), Harris County, Texas. The creation of the PID was initiated by a petition (the "Creation Petition") submitted by property owners within the PID boundaries in compliance with the requirements of Section 372.005 of the Act.

#### 2. Boundaries

The boundaries of the PID are as indicated in Exhibit A and Exhibit B.

#### 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 day-to-day operations and administration of the District.

#### 4. Public Improvements

The Public Improvements to be financed and constructed hereby (the "Public Improvements") serve to promote the construction of single-family units ("SFU"). The Public Improvements included in the Plan will confer a special benefit to properties within the Public Improvement District and will consist of the construction of detention, water lines, sanitary sewer lines, storm sewers, gas lines, paving, erosion control, contingency provisions, engineering services, financing costs, and administrative and legal services for the PID. The Public Improvements will be pre-funded by the developer of the residential subdivision within the PID. Under the Development Agreement executed between the Developer and the City, the Developer will be entitled to receive reimbursement of up to 50% of the Public Improvement costs subject to the limitations contained in the Agreement.

##### A. Pine Country of Tomball Section Two

Section Two of the Pine Country of Tomball Subdivision has been developed by PCOT Investments, Inc. and contains 68 single-family residential lots within the Public Improvement District. The Public Improvements authorized under this Plan for Pine Country Section Two, and the estimated costs thereof, are described below:

**Pine Country Section Two  
PID COSTS**

<b>PUBLIC IMPROVEMENT</b>	<b>ESTIMATED COST</b>	<b>PID COSTS (50%)</b>
Water Lines, Sanitary Sewer, Storm Sewer & Drainage, Gas, Street Paving, Off-Site Utility Extensions, SWPPP, Engineering & Contingencies, Payment/Performance Bonds and Permits, PID Creation Costs	\$1,458,874	\$729,437
SUBTOTAL	\$1,458,874	\$729,437
Financing Cost		\$471,887
Administration		\$60,068
<b>TOTAL</b>		<b>\$1,261,392</b>

The estimated total costs above will be used to set the assessments for residential properties in Section Two as detailed later in this document.

**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 purpose of establishing the installments for assessments based upon the costs for Public Improvements and 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 Developers will convey all rights to the improvements to the City or homeowner's association as applicable, subject to the Developer's 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 this 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 for sufficient 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 2007. The actual costs of the Public Improvements will be determined by an independent accountant report of the developer's costs.

**8. Advance Financing by Developer**

The Developer will advance the funds for construction of the Public Improvements and will be entitled to repayment pursuant to 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 assessment year shall be concurrent with the City's tax year. The assessments against property may be paid in annual installments based on an amortization of not more than fifteen (15) years plus the period between the effective date of the assessment ordinance and the date of the first installment. The interest rate on financed assessments is seven percent (7.0%) per annum.

The assessments shall be based upon the actual cost of the Public Improvements plus those related costs as deemed reimbursable by the City. The cost of the Public Improvements will consist of the costs to construct detention, storm sewers, water lines, sanitary sewers, gas, erosion control, and paving for each development phase, related professional design and engineering fees, administrative and legal services and interest payable to the Developer pursuant to the Development Agreement.

*A. Pine Country Section Two*

The Plan estimates the following assessments for residential properties in Woodmark according to the cost of the Public Improvements. The total assessment can be paid upfront at the time the property containing a habitable structure is purchased or at any time thereafter. The assessment can also be financed and paid in equal annual installments over fifteen (15) years as prescribed below.

Total Assessment	\$0.9618 per square foot of residential property
Financed Assessment	\$0.1056 per square foot of residential property per year

***B. Levy and collection.***

Notice of the 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 installment of the assessment levy will be due and payable at the same time property taxes are due and payable to the City. Financed assessments shall bear interest at seven percent (7.0%) per annum.

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 owner of property 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 together with interest as provided herein has been paid in full. The owner of assessed property may pay at any time the entire assessment then due on each property, with interest accrued on the assessment through the date of payment. Failure of an owner to receive an invoice shall not relieve the owner of the responsibility of 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, including prior mortgage liens, to the extent allowed by Section 372.018(b) 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 lien 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 assessed property may pay at any time the entire assessment then due on each property, with interest accrued on the assessment through the date of payment.

EXHIBIT A

REPLAT

PINE COUNTRY OF TOMBALL, SECTION TWO  
A RESIDENTIAL SUBDIVISION OF 26.2813 ACRES  
COMPRISED OF 2 BLOCKS, 68 RESIDENTIAL LOTS, AND 3 RESERVES  
AND

PINE COUNTRY OF TOMBALL, SECTION THREE  
AN UNRESTRICTED RESERVE OF 29.4207 ACRES

BEING A REPLAT OF PINE COUNTRY OF TOMBALL , SECTION  
TWO, OF 55.7020 ACRES AS RECORDED IN H.C.

FILM CODE # 624053

LOCATED IN THE  
JOHN EDWARDS SURVEY, A-20 AND THE CHAUNCEY GOODRICH  
SURVEY A-311 CITY OF TOMBALL, HARRIS COUNTY, TEXAS

FEB, 2009

