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8117 Preston Road, Suite 300  
Dallas, TX 75225

July 21, 2021

El Paso County Commissioners Court  
500 E. San Antonio  
El Paso, TX 79901  
Phone: (915) 546-2000

**Subject: PID Policy Requirements Summary**

To Whom it May Concern:

The purpose of the Public Improvement PID ("PID") policy ("PID Policy") is to outline the issues to be addressed before the El Paso County Commissioners Court ("County") can support the establishment and continuation of a PID as allowed by Chapter 372 of the Texas Local Government Code (the "Act") within the unincorporated area of the county. The policy outlines such things as petition requirements, information to property owners, and determination of annual plan of services, budget, and assessments.

We have reviewed the Petition requirements found in the PID Policy and have provided a summary below that illustrates the Project's compliance with all elements. **Please note that the Developer of the subject property, Ranchos Real Land Holdings, LLC, has received the approval of the County PID by the City of El Paso.** This is important since it demonstrates the due diligence, long-term planning, and investment of the Developer in the County PID. The City of El Paso's approval is included hereto as Attachment 1.

The Developer understands that the annual budget for the PID is subject to review by County staff with final approval by the County Commissioners Court.

**PETITION REQUIREMENTS**

- A The basic terms and conditions for creation of the PID, including the provision of Community Benefits.**

Please refer to the Draft Service and Assessment Plan ("SAP"), attached hereto as Attachment 2, for the basic terms and conditions for the creation of the PID.

- B The petitioner's qualifications and previous experience with real estate development, financing of the development, prior PIDs, etc.**

For many years, Douglas Schwartz, one of El Paso's largest residential land developers, has been an active member of the El Paso community. He has been a participant in the civic, philanthropic, and business community and understands local issues, particularly concerns related to land use, urban planning, and development. As the CEO of Southwest Land Development Services, Inc., Mr. Schwartz has served in this capacity since 1989. He holds a BBA in finance/real estate from the Neeley School of Business of Texas Christian University.

- C A legal description of the boundaries of the PID, a black and white map of the PID boundaries suitable for publication for the legal notices and a "commonly known" description of the area to be included in the PID.

Please refer to Attachment 3 for a map that indicates the boundaries of the PID. Future versions will be suitable for publication for the legal notices.

- D A current tax roll of the owners in the PID.

Please refer to Attachment 4, attached hereto, for a complete listing of the current tax roll of the owners of the PID.

- E Any plan for phasing of both the real estate development supported by the PID and construction of public improvements in the PID.

At this time, there is no plan for the phasing of both the real estate development supported by the PID and construction of public improvements in the PID.

- F The estimated costs of the proposed improvements (in dollars, \$).

Please refer to the Draft SAP for the estimated costs of the proposed improvements.

- G The not to exceed maximum Assessment (in dollars, \$).

Please refer to the Draft SAP and financials provided below (and to the Commissioners in a presentation dated September 21, 2020).

Figure 1: Proposed Financials/Sample Tax Bill



SAMPLE TAX BILL - TIERRA DEL ESTE			
<b>ESTIMATED ASSESSED VALUATION</b>			
CURRENT BASE SALES PRICE			\$175,000
ADJUSTED BASE SALES PRICE	0.0%		\$175,000
NUMBER OF UNITS			4,331
<b>AD VALOREM TAXES</b>			
	<u>VALUE BASIS</u>	<u>RATE</u>	<u>AMOUNT</u>
COUNTY OF EL PASO	Total	0.4890%	\$856
EL PASO COMMUNITY COLLEGE	Total	0.1412%	\$247
UNIVERSITY MEDICAL CENTER	Total	0.2677%	\$469
CLINT ISD	Total	1.3050%	\$2,284
EMERG. SERVICES DIST. #2	Total	0.1000%	\$175
<b>PID (SERVICES)</b>	Total	0.1000%	\$175
<b>TOTAL AD VALOREM PROPERTY TAXES</b>		<b>2.4029%</b>	<b>\$4,205</b>
<b>OVERLAPPING ASSESSMENTS</b>			
<b>PID (FACILITIES)</b>			\$600
<b>TOTAL SPECIAL ASSESSMENTS AND CHARGES</b>			<b>\$600</b>
<b>PROJECTED TOTAL PROPERTY TAXES</b>			<b>\$4,805</b>
<b>PROJECTED TOTAL EFFECTIVE TAX RATE</b>			<b>2.7457%</b>

**H The not to exceed maximum tax equivalent Rate (in cents, \$).**

Please refer to the Draft SAP and financials provided in Figure 1 for the not to exceed maximum tax equivalent Rate.

**I A sunset clause, and a pre-executed petition to dissolve the PID by the landowner in case the SAP is not approved, and assessments levied for either reimbursement within three (3) years of the date of the Development Agreement.**

To be provided.

**J A plan for ensuring dissolution of the PID will not impose unintended costs on the County or other governmental entities, and that addresses the maintenance or disposition of PID improvements if a PID is dissolved.**

To be provided.

**K Evidence that the petition's signatures are genuine, or the petition will be accompanied by a reasonable fee to cover the County costs of signature verification.**

To be provided.

**L If the proposed PID is an expansion of an existing PID, a petition for the new segment of the proposed PID must identify each subdivision, or portion thereof, within the proposed boundaries of the new PID, and each subdivision or portion thereof, that is not currently in an existing PID shall individually satisfy the requirements for a petition under §372.005 of the Texas Local Government Code. Subdivision has the meaning assigned by §232.021 of the Texas Local Government Code.**

N/A

**M A section, which clearly identifies the Community Benefits of the PID to the affected property owners (for use in public hearing(s)) and to the County as a whole (i.e., promotes the interests of the County).**

The submitted PID Petition provides, at a minimum, for the public benefits noted in Statements B, C, D, G, H, and K, pursuant to Section V of the PID Policy, to a degree that is superior to the benefits typically generated by real estate development projects not involving PID financing (the "Community Benefits"). These public benefits include improvements or services that meet or exceed the County 's design standards; projects that create or enhance parks, hike and bike trails, recreational facilities, open space benefits, etc.; projects that improve environmental protection, storm water quality, and flood control benefits; projects that improve public educational programs and/or facilities; projects that provide enhanced benefits to improve the public roadway network in the County; and projects that provide significant economic development benefit to the community, as determined by the Court. Please refer to the Draft SAP for additional detail.

**N** Prior to the public hearing to consider the approval of the PID the landowner will provide description of all County-owned land within the PID as well as its proposed share of project costs, if any.

Forthcoming.

**O** Specified assurances to the County that the construction of improvements in the public right-of-way (not including roads or utilities maintained by the County) will be maintained by the PID and in no way obligates the County to future maintenance or operational costs, unless otherwise stated in a subsequent agreement.

Forthcoming.

**P** Statement that the petitioners understand that the annual budget for the PID is subject to review by County staff with final approval by the County Commissioners Court.

The PID Petitioner understands that the annual budget for the PID is subject to review by County staff with final approval by the County Commissioners Court.

**Q** A certified check or a wire transfer for the application fee will be paid by the applicant to reimburse the County for the cost of evaluating the petition. This application fee must be paid in full when the petition is submitted to the County for evaluation and review. Petitioners must pay all direct costs of processing the PID petition, such as newspaper advertisements, postage, and contractors pursuant to the County 's current Fee Schedule. If a Development Review Fee Agreement has been executed and the fees paid to the County, the application fee and review costs to evaluate the petition will be taken from the fees paid to the County.

Forthcoming.

**R** All estimated costs must be identified before a decision is reached on a request to establish a PID. Costs to be identified include costs related to establishing the PID; costs for maintenance, operations, and administration; and costs for later revision, repair, or replacement of any improvements.

Please refer to the Draft SAP and corresponding financials.

**S** An independently prepared market analysis or feasibility study – to be prepared and submitted prior to the public hearing. The market analysis or feasibility study will assess the reasonableness of the public improvements and overall development plan in light of market conditions. The costs of the third-party market analysis will be paid by the PID Petitioner and the County will order the study.

Please refer to the Sample Tax Bill included hereto as Figure 1.

**T Include a provision that at the time of contract closing, a notification that anyone selling land in a public improvement PID must include a "title encumbrance" which notifies any prospective property owner of the existence or proposal of special assessments on the property. All closing statements must specify who is responsible for payment of the PID assessment on a pro rata share thereof.**

Forthcoming.

**U A plan for ensuring dissolution of the PID will not impose unintended costs on the County or other governmental entities and that addresses the maintenance or disposition of PID improvements if a PID is dissolved.**

Forthcoming.

## **CONCLUSION**

Should you have any questions or concerns, please contact me at (800) 969-4DTA.

Best Regards,



Nathan D. Perez, Esq.  
Managing Director  
Phone: (800) 969-4DTA  
Fax: (408) 340-1130  
[Nate@FinanceDTA.com](mailto:Nate@FinanceDTA.com)

cc: Douglas Schwartz, Ranchos Real Land Holdings, LLC  
John Birkelbach, MGM  
Hector Perez, DTA  
Jonathan Saba, DTA

Enclosures:

1. Attachment 1 – City of El Paso Approval of County PID
2. Attachment 2 – Draft SAP
3. Attachment 3 – PID Boundaries
4. Attachment 4 – Current Tax Roll of Owners in the PID

# **ATTACHMENT 1**

El Paso County Commissioners Court  
PID Policy Requirements Summary



**CITY OF EL PASO  
APPROVAL OF COUNTY  
PID**

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Planning & Inspections, Planning Division

**AGENDA DATE:** August 11, 2020

**CONTACT PERSON NAME AND PHONE NUMBER:** Philip F. Etiwe, (915) 212-1553  
Kevin W. Smith, (915) 212-1566

**DISTRICT(S) AFFECTED:** Extraterritorial Jurisdiction (ETJ)

**STRATEGIC GOAL:** #3 Promote the Visual Image of El Paso

**SUBGOAL:** 3.1 Provide business friendly permitting and inspection processes  
3.2 Improve the visual impression of the community

**SUBJECT:**

A resolution stating that the City Council of the City of El Paso makes no objection to the establishment of one or more Public Improvement Districts by the County of El Paso with respect to the development of property located in El Paso County owned by Ranchos Real Land Holdings, LLC.

**BACKGROUND / DISCUSSION:**

Ranchos Real Land Holdings, LLC, owner of over 1,000 acres of land located in the extraterritorial jurisdiction (ETJ) of the City of El Paso, has requested that El Paso County authorize the creation of one or more Public Improvement Districts (PIDs) to facilitate development of the property. In accordance with Chapter 372 of the Texas Local Government Code, the City may object to the establishment of a PID within the ETJ. The resolution affirms that the City of El Paso does not, and will not, object. **Note: updated metes and bounds provided for Exhibit A on August 7, 2020.**

**PRIOR COUNCIL ACTION:**

N/A

**AMOUNT AND SOURCE OF FUNDING:**

N/A

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\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**



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Philip F. Etiwe – Planning and Inspections Director

**RESOLUTION**

**WHEREAS**, Chapter 372 of the Texas Local Government Code authorizes municipalities and counties to create public improvement districts (“PID”).

**WHEREAS**, Ranchos Real Land Holdings, LLC (“Developer”) is the owner of real property located in El Paso County, but within the City of El Paso’s extraterritorial jurisdiction, described in Exhibit “A” attached hereto and made a part hereof (the “Property”).

**WHEREAS**, the Developer desires that the County of El Paso, Texas establish one or more PIDs covering all or any portion of the Property.

**WHEREAS**, a County may establish PIDs within the extraterritorial jurisdiction of the City provided the City does not object to their establishment.

**WHEREAS**, the City has reviewed the proposed development and has no objection to the establishment of one or more PIDs by the County of El Paso, Texas with respect to the Property.

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

**THAT**, the City Council of the City of El Paso makes no objection to the establishment of one or more PIDs by the County of El Paso, Texas with respect to the development of the Property.

**APPROVED THIS** \_\_\_\_\_ **DAY OF** \_\_\_\_\_, 2020.

City of El Paso:

\_\_\_\_\_  
Dee Margo  
Mayor


ATTEST:

\_\_\_\_\_  
Laura D. Prine, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Omar A. De La Rosa  
Assistant City Attorney

APPROVED AS TO CONTENT:

  
\_\_\_\_\_  
Philip F. Etiwe, Director  
Planning & Inspections Department



**EXHIBIT "A"**

**Parcel 1 of 3**

**PROPERTY DESCRIPTION  
METES AND BOUNDS**

Parcel of land being a portion out of Section 7, Block 78, Township 2, Texas and Pacific Railroad Surveys, in El Paso, El Paso County, Texas and being more particularly described by metes and bounds as follows:

Commencing at a city monument lying on the centerline intersection of Grog Lane and Vista del Este Street; Thence South 00° 33' 12" East, a distance of 30.00 feet to a point lying on the southerly boundary line of said Section 7, Block 78, Township 2, Texas and Pacific Railroad Surveys, in El Paso, El Paso County, Texas; Thence, North 89° 58' 08" West, with the southerly boundary line of said Section 7, a distance of 916.25 feet to a point; Thence, North 00° 33' 12" West, a distance of 60.00 feet to a set 1/4" iron for a property corner herein being described, said point being THE TRUE POINT OF BEGINNING of this description;

THENCE, North 89° 58' 08" West, a distance of 792.05 feet to a set 1/4" iron for a boundary corner;

THENCE, North 00° 33' 12" West, a distance of 489.99 feet to a found 5/8" iron with plastic cap stamped "TX2449" for a boundary corner;

THENCE, South 89° 58' 08" East, a distance of 792.05 feet to a set 1/4" iron for a boundary corner;

THENCE, South 00° 33' 12" East, a distance of 489.99 feet back to the TRUE POINT OF BEGINNING of this description.

Said parcel of land containing 8.9090 acres (388,076 sq. ft.) of land, more or less.

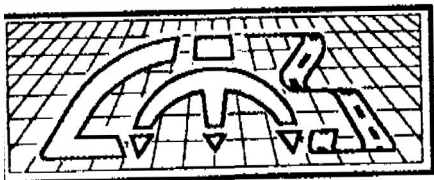
A PLAT OF BOUNDARY SURVEY ACCOMPANIES THIS METES AND BOUNDS INSTRUMENT.

El Paso, El Paso County, Texas.

May 4, 2015.



*Fermin Dorado*  
05/06/15



**Land - Mark Professional Surveying Inc.**

*"Serving Texas, New Mexico and Arizona"*

**FIELD NOTE DESCRIPTION**

**A 599.264 ACRE PARCEL OF LAND BEING OUT OF SURVEY No. 18, BLOCK 78, TOWNSHIP 2, TEXAS AND PACIFIC RAILROAD SURVEYS, EL PASO COUNTY, TEXAS, AS DEFINED BY THE BAKER SURVEY OF 1937 AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:**

**COMMENCING** for reference at a 5/8" rebar with cap stamped "LAND-MARK TX4869 NM11402" set at the westerly common corner of Survey Nos. 18 and 19, Block 78, Township 2, Texas and Pacific Railroad Surveys and being the **POINT OF BEGINNING** of this parcel description; Said corner has a coordinate value of X=178,107.13 feet and Y=817,968.51 feet, in the Central Zone of the Texas Coordinate System (NAD-27); *whence* N.G.S. Station "Paso-Reset", with a coordinate value of X=159,637.938 feet and Y= 803,089.757 feet, in the Central Zone of the Texas Coordinate System (NAD-27), bears South 48°04'38" West, a distance of 8540.039 varas (23722.33 feet);

**THENCE**, North 00°36'42" West, with the common boundary line of said Survey No. 18 and Survey No. 37, Block 79, Township 2, Texas & Pacific Railway Surveys, a distance of 1885.351 varas (5237.09 feet) to an existing 2-inch iron pipe lying at the westerly common boundary corner of said Survey No. 18 and Survey No. 7, Block 78, Township 2, Texas & Pacific Railway Surveys, El Paso County, Texas for a corner of this parcel;

**THENCE**, South 89°59'40" East, with the common boundary line of said Survey Nos. 7 and 18, a distance of 1438.992 varas (3997.20 feet) to a 5/8" rebar with cap stamped "LAND-MARK TX4869 NM11402", set for a corner of this parcel;

**THENCE**, South 00°37'03" East, with the westerly boundary line of a 40 acre parcel conveyed to Robert Malooly, as recorded in Document No. 20050074103, Official Records of El Paso County, Texas, a distance of 475.200 varas (1320.00 feet) to a 5/8" rebar with cap stamped "LAND-MARK TX4869 NM11402", set for a corner of this parcel;

**THENCE**, South 89°59'40" East, with the southerly boundary line of said 40 acre parcel conveyed to Robert Malooly, a distance of 475.200 varas (1320.00 feet) to a 5/8" rebar with cap stamped "LAND-MARK TX4869 NM11402", set in the common boundary line of said Survey No. 18 and Survey No. 17, Block 78, Township 2, Texas & Pacific Railway Surveys, El Paso County, Texas, for a corner of this parcel;

**THENCE**, South 00°37'03" East, with the common boundary line of said Survey Nos. 17 and 18, a distance of 1410.127 varas (3917.02 feet) to a 5/8" rebar with cap stamped "LAND-MARK TX4869 NM11402", set at the easterly common boundary corner of said Survey Nos. 18 and 19, Block 78, Township 2, Texas & Pacific Railway Surveys, El Paso County, Texas for a corner of this parcel;

**THENCE**, North 89°59'42" West, with the common boundary line of said Survey Nos. 18 and 19, a distance of 1914.390 varas (5317.75 feet) to the **POINT OF BEGINNING**.

Exhibit "A"  
Parcel 2 of 3

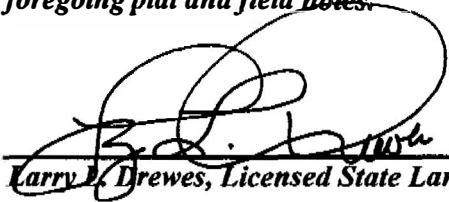
***FIELD NOTES** of a survey of 599.264 acres out of  
a portion of Survey No. 18, Block 78, Township 2,  
T. & P. R.R. Co. Surveys, El Paso County, Texas*

**Page 2 of 2**

Said Parcel contains 599.264 acres (26,103,959 square feet) more or less.

**Notes:** 1.) Mapping Angle =  $-03^{\circ}04'04''$ ; 2.) Combined Grid Factor = 0.99976862; 3.) Distances are horizontal surface measurements; 4.) Coordinates are based on the Central Zone of the Texas Coordinate System (NAD-27); 5.) This survey was based upon the Baker Survey, which was performed by R.W. Baker, July 1 through December 15, 1937 and was filed in the Texas General Land Office, April 5, 1956 in the El Paso County Rolled Sketches File No. 46 and; 6.) A plat with the same date accompanies this field note description.

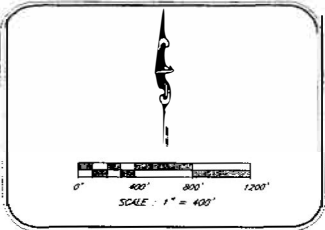
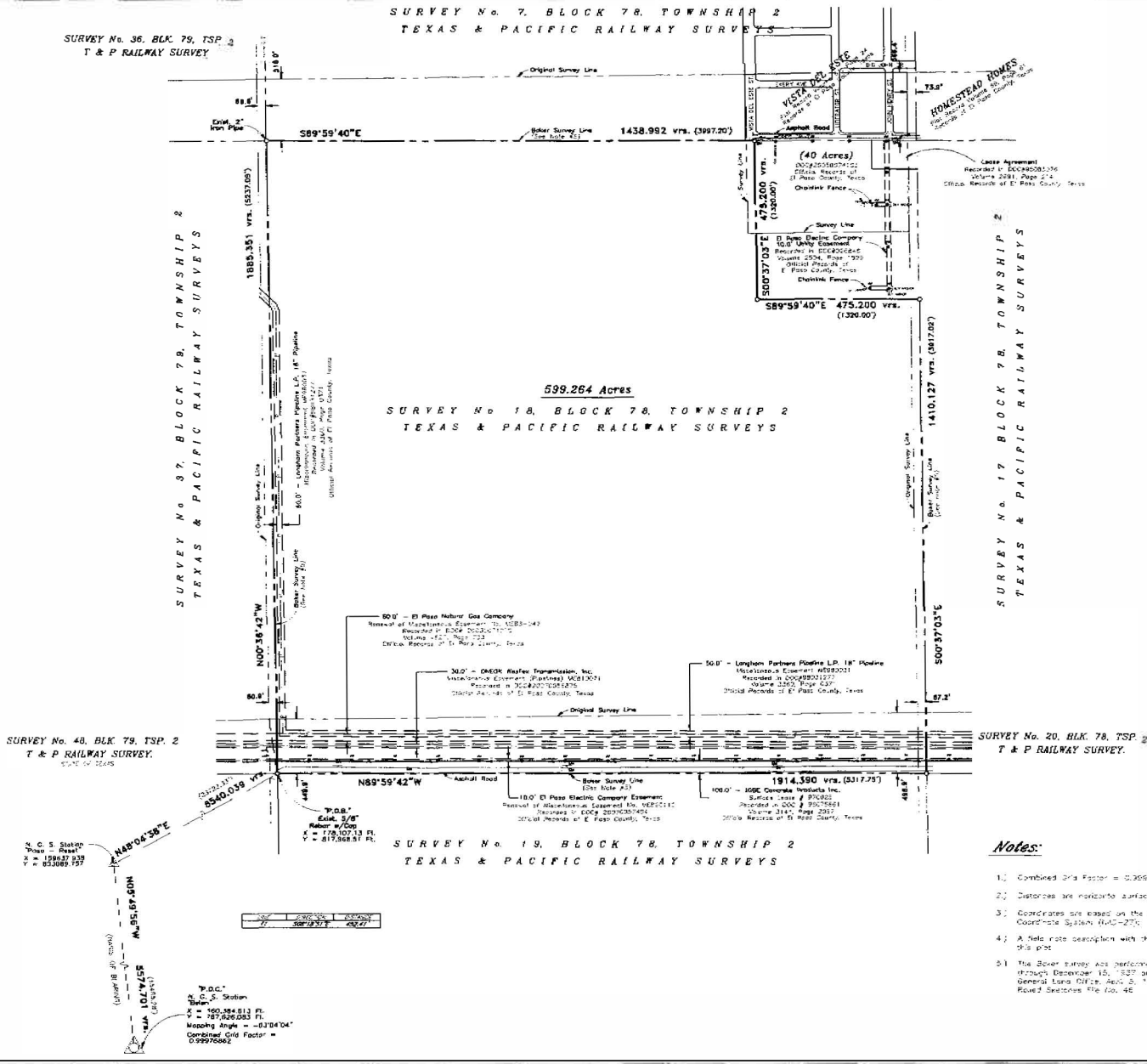
***I, Larry L. Drewes, Licensed State Land Surveyor of El Paso County, Texas, do hereby certify that the foregoing Survey was made by me on the ground, according to law, and that the limits, boundaries and corners, with marks, natural and artificial, are truly and correctly described in the foregoing plat and field notes.***



*Larry L. Drewes, Licensed State Land Surveyor*

Date: June 20, 2007  
Job No. 06-03-23323A

**Exhibit "A"**  
**Parcel 2 of 3**



**LEGEND**

- = SET 5/8" BEAR WITH CAP BEARING LAND-MARK 1X4566 4X11400" GALVISE OTHERWISE NOTED.
- +—+—+ = Power Pole 4/500, 40' Ht.
- +—+—+ = Sign
- +—+—+ = Gas Line
- +—+—+ = Pipeline
- +—+—+ = Overhead Electric Line

**AREA**

539.264 Acres 23,100,859 Square Feet

**CERTIFICATION**

I, Larry L. Drees, Licensed State Land Surveyor of El Paso County, Texas, do hereby certify that the foregoing Survey was made by me on the ground, according to law, and that the limits, boundaries and corners, with marks, natural and artificial, are truly correct described in the foregoing plat and field notes.

Larry L. Drees, L. S. L. S.  
Date: November 16, 2006  
Job No. 06-03-23323

REVISIONS		
11-16-07	File Block, Action, Record, Date, Job No.	
11-16-07	Surface Lease #170025	
11-16-07	Use File Commencement Date	
DWG. BY:	TR	CHECKED BY:

**PLAT SURVEY**  
OF  
**SURVEY No. 18, BLOCK 78, TOWNSHIP 2, TEXAS & PACIFIC RAILWAY SURVEYS**  
**EL PASO COUNTY, TEXAS**

**Land-Mark Professional Surveying, Inc.**  
1420 S. University Blvd.  
El Paso, Texas 79906  
(915) 598-1300  
Fax (915) 598-1221  
www.landmarkprofessional.com  
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Exhibit "A"  
Parcel 3 of 3

PROPERTY DESCRIPTION

Description of a 407.1184 acre parcel of land being a Portion of Section 7, Block 7B, Township 2, T & P R.R. Surveys, El Paso County, Texas and being more particularly described by metes and bounds as follows to wit:

Starting at an existing 3"Ø pipe in concrete located at the Southwesterly section corner of said Section 7, Thence North 00° 35' 15" West a distance of 79.80 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449, said point being the "True Point of Beginning",

Thence North 00° 35' 15" West along said westerly section line of Section 7 a distance of 5242.48 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence South 89° 59' 30" East a distance of 3450.06 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence South 00° 33' 12" East a distance of 560.14 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence North 89° 59' 30" West a distance of 404.47 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence South 00° 33' 12" East a distance of 500.00 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence South 89° 59' 30" East a distance of 871.25 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449 lying on the westerly right-of-way line of Vista Del Este Street;

Thence South 00° 33' 12" East along said westerly right-of-way line a distance of 1240.00 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence North 89° 59' 30" West a distance of 871.25 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence South 00° 33' 12" East a distance of 59.65 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence South 89° 58' 08" East a distance of 404.47 feet to a found 1/2" diameter rebar;

Thence South 00° 33' 12" East a distance of 466.63 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence South 89° 58' 08" East a distance of 466.78 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449 lying on the westerly right-of-way line of Vista Del Este Street;

Thence South 00° 33' 12" East along said westerly right-of-way line a distance of 697.04 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence North 89° 58' 08" West a distance of 871.25 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence South 00° 33' 12" East a distance of 1250.00 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence North 89° 58' 08" West a distance of 792.07 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence South 00° 33' 12" East a distance of 489.98 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449, said point lying on the northerly right-of-way line of Greg Drive as recorded under Clerk's File No. 20050058309, Real Property Records of El Paso County, Texas

Thence North 89° 58' 08" West along said northerly right-of-way line a distance of 2230.60 feet to a set 5/8" diameter rebar with plastic cap stamped Roe Engr., L.C. TX 2449;

Thence along a curve to the right a distance of 31.20 feet, a radius of 20.00 feet, whose central angle is 89° 22' 53", and whose chord bears North 45° 16' 42" West a distance of 28.13 feet back to the "True Point of Beginning" and said parcel containing in all 17,734,078.91 square feet or 407.1184 acres of land more or less.

## **ATTACHMENT 2**

El Paso County Commissioners Court  
PID Policy Requirements Summary



**DRAFT SAP**



[www.FinanceDTA.com](http://www.FinanceDTA.com)

# DRAFT SERVICE AND ASSESSMENT PLAN

COUNTY OF EL PASO

TIERRA DEL ESTE III, PHASE VI

PUBLIC IMPROVEMENT DISTRICT

Report Date: June 21, 2021

Public Finance  
Public-Private Partnerships  
Development Economics  
Clean Energy Bonds

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Dallas, TX 75225

## COUNTY OF EL PASO



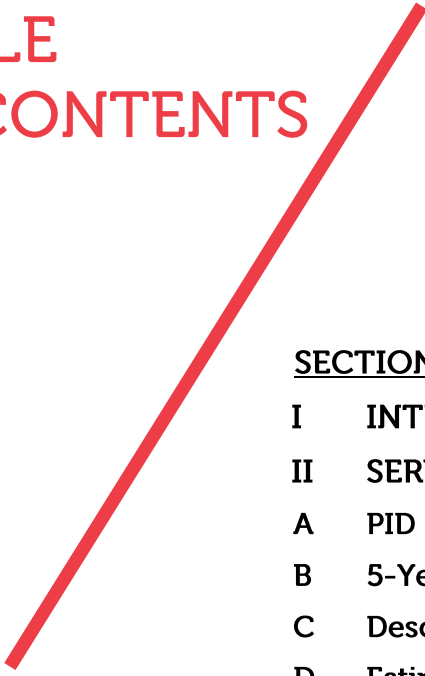
### **DRAFT SERVICE AND ASSESSMENT PLAN TIERRA DEL ESTE III, PHASE VI PUBLIC IMPROVEMENT DISTRICT**

Prepared for:

County of El Paso  
500 E. San Antonio  
El Paso, TX 79901



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APPENDICES

APPENDIX A ASSESSMENT ROLL

## **I INTRODUCTION**

The Tierra Del Este III, Phase VI Public Improvement District (the "PID") was created on \_\_\_\_\_, 2021, by Resolution No. \_\_\_\_\_ of the County of El Paso (the "County") in accordance with the Public Improvement District Act, being Chapter 372 of the Texas Local Government Code (the "PID Act") to finance and/or reimburse the costs of certain Authorized Improvements for the benefit of the property in the PID. Prior to PID Creation, on August 11, 2020, the City of El Paso resolved to make no objection to the establishment of one or more PIDs by the County with respect to the development of property in El Paso County owned by Ranchos Real Land Holdings, LLC.

The County and Southwest Land Development Services, Inc. (the "Developer") entered into a Reimbursement Agreement dated as of \_\_\_\_\_, 2021 (the "Reimbursement Obligation") pursuant to which the County agreed to reimburse the Developer for the costs of certain Major Improvements benefiting the Development. Following a public hearing held on \_\_\_\_\_, 2021, the County levied Future Assessments for the payment of the Reimbursement Obligation with the adoption of Ordinance No. 21-\_\_\_\_-\_\_\_\_ (the "2021 Assessment Ordinance").

Chapter 372 of the Texas Local Government Code, Improvement Districts in Municipalities and Counties (as amended, the "PID Act"), governs the creation of public improvement districts within the State of Texas. This Service and Assessment Plan has been prepared pursuant to the PID Act. According to the PID Act, a Service Plan "must cover a period of five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements." The Service Plan is described in **Section II** of this Service and Assessment Plan.

**II SERVICE PLAN**

Section 372.013 of the PID Act requires that the Service Plan Update (i) define the annual indebtedness and the projected costs of the Authorized Improvements and (ii) cover a period of at least five (5) years. Please refer to the following tables for the aforementioned information.

The sources and uses of funds shown in **Table II-1** shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and changes to Actual Costs.

**A PID Reimbursement Obligation**

The sources and uses of funds for the Reimbursement Obligation are shown in **Table II-1** below. No other bonds or indebtedness are presently contemplated.

**Table II-1: Sources and Uses of Funds**

	<b>Total</b>
<b>Sources of Funds</b>	
Reimbursement Obligation	\$25,000,000
Owner Contribution	\$0
<b>Total Sources of Funds</b>	<b>\$25,000,000</b>
<b>Uses of Funds</b>	
Authorized Improvements	
Roadway Improvements	\$5,596,327
Water & Wastewater Improvements	\$11,200,000
Off-Site Traffic Improvements	\$209,460
Storm Drainage Improvements	\$1,646,700
Quality of Life Improvements	\$4,500,000
Professional and Other Soft Costs	\$1,237,834
Construction Contingency	\$609,679
Administrative Expenses	\$0
<b>Total Uses of Funds</b>	<b>\$25,000,000</b>

Note: May not sum due to rounding.

**B 5-Year PID Cash Flow Projections**

Projected debt service and assessment installments for a 5-year period are shown in Tables II-2 and II-3.

**Table II-2: 5-Year Cash Flow Projections<sup>1</sup>**

Description	Total	2021	2022	2023	2024	2025
<b>Revenues</b>						
Assessment Installments	\$4,115,950	\$308,100	\$564,300	\$823,750	\$1,080,550	\$1,339,250
<b>Total Revenues</b>	<b>\$4,115,950</b>	<b>\$308,100</b>	<b>\$564,300</b>	<b>\$823,750</b>	<b>\$1,080,550</b>	<b>\$1,339,250</b>
<b>Expenditures</b>						
Interest	\$2,680,950	\$188,100	\$369,300	\$543,750	\$710,550	\$869,250
Principal	\$1,185,000	\$70,000	\$145,000	\$230,000	\$320,000	\$420,000
Administrative Expenses	\$250,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
<b>Total Expenditures</b>	<b>\$4,115,950</b>	<b>\$308,100</b>	<b>\$564,300</b>	<b>\$823,750</b>	<b>\$1,080,550</b>	<b>\$1,339,250</b>

**Note:** May not sum due to rounding. Increases in Revenues and Expenditures reflect additional parcel assessments becoming active each year.

<sup>1</sup> Increases in Revenues and Expenditures reflect additional parcel assessments becoming active each year. See Table III-1 for schedule of expected parcel counts.

## **C Description of Authorized Improvements**

A description of each of the Authorized Improvements is listed below.

### ***C.1 Major Improvements***

- **Roadway Improvements** – The roadway improvements may include, but are not limited to, public road improvements such as construction, excavations, concrete, reinforcing steel, asphalt, sidewalks, signs, and lightings. The roadway improvements will be designed and constructed in accordance with County standards and specifications and will be owned and operated by the County.
- **Water & Wastewater Improvements** – The water improvements may include, but are not limited to, water mains, trench excavation and embedment, dewatering, trench safety, PVC piping, bore, valves, ground storage, pumps, fire hydrants, thrust restraint devices, service connections, and testing. The water improvements will be designed and constructed in accordance with County and Texas Commission on Environmental Quality (“TCEQ”) standards and specifications and will be owned and operated by the County.
- **Traffic Improvements** – The off-site traffic improvements may include, but are not limited to, the acquisition, construction, or improvement of off-street parking facilities, and the acquisition, construction, improvement, or rerouting of mass transportation facilities.
- **Storm Drainage Improvements** – The drainage improvements may include, but are not limited to, storm sewer mains, inlets, earthen channels, swales, excavation and embedment, dewatering, trench safety, grade inlets, RCP piping and hoses, headways, concrete flumes, rock rip rap, and concrete outfalls. The drainage improvements will be designed and constructed in accordance with County standards and specifications and will be owned and operated by the County.
- **Quality-of-Life Improvements** – The Quality-of-Life improvements may include, but are not limited to, the establishment or improvement of parks, erection of fountains and lighting, or construction of pedestrian areas and community centers.

**D Estimated Cost of Authorized Improvements**

The Reimbursement Obligation will fund all or a portion of the costs of the Authorized Improvements. The estimated costs of the Authorized Improvements are shown in Table II-4. The information within the following tables was provided by the Developer.

**Table II-3: Progress and Milestone Forecast Table**

Description	Construction Budget and Completed/Paid to Date				
	Total Budget	Actual Complete at 6/1/2021	% Actual Complete	Actual Paid as of 6/1/2021	% Actual Paid
<b>Major Improvements</b>					
Roadway Improvements	\$5,596,327	\$0.00	0.00%	\$0.00	0.00%
Water & Wastewater Improvement	\$11,200,000	\$0.00	0.00%	\$0.00	0.00%
Off-Site Traffic Improvements	\$209,460	\$0.00	0.00%	\$0.00	0.00%
Storm Drainage Improvements	\$1,646,700	\$0.00	0.00%	\$0.00	0.00%
Quality of Life Improvements	\$4,500,000	\$0.00	0.00%	\$0.00	0.00%
Professional and Other Soft Costs	\$1,237,834	\$0.00	0.00%	\$0.00	0.00%
Construction Contingency	\$609,679	\$0.00	0.00%	\$0.00	0.00%
<b>Total</b>	<b>\$25,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**III ASSESSMENT PLAN**

Section 372. 015 of the PID Act states that the governing body of the municipality shall apportion the cost of an improvement to be assessed against property in an improvement district, and the apportionment shall be made on the basis of special benefits accruing to the property because of the improvement. More specifically, the PID Act provides that the costs of the improvements may be assessed (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefitted.

**A Method of Assessment**

The Service and Assessment Plan provides that the cost of the Authorized Improvements be assessed to residential property in proportion to estimated average build-out value (i. e. , estimated completed home values). There are ten planned phases of development, and the assessments on each parcel within each phase shall be activated the first tax year following final plat map recording.

**Table III-1: Special Assessments Across All Phases**

Phase	Lots	Expected Average Assessment Per Lot	Estimated Total Assessment	Expected Start Year	Expected End Year
1	434	\$6,734	\$2,925,000	2021	2040
2	433	\$6,734	\$2,915,000	2022	2041
3	433	\$6,734	\$2,915,000	2023	2042
4	433	\$6,734	\$2,915,000	2024	2043
5	433	\$6,734	\$2,915,000	2025	2044
6	433	\$6,734	\$2,915,000	2026	2045
7	433	\$6,734	\$2,915,000	2027	2046
8	433	\$6,734	\$2,915,000	2028	2047
9	433	\$6,734	\$2,915,000	2029	2048
10	433	\$6,734	\$2,915,000	2030	2049
<b>Total</b>	<b>4331</b>	<b>N/A</b>	<b>\$29,160,000</b>	<b>N/A</b>	<b>N/A</b>

Note: May not sum due to rounding.

## **B Annual Assessment Installments**

The Special Assessments will be levied on each Parcel or Lot according to the Assessment Roll, as applicable, subject to any revisions made pursuant to an Annual Service Plan Update and/or amended and restated SAP.

The Annual Installments for the Reimbursement Obligation in each phase will be due no later than January 31 of the first tax year following recording of the final plat map for each respective phase, in the amounts shown on the Assessment Roll, subject to any revisions made pursuant to an Annual Service Plan Update.

The Special Assessments may be paid in full or in part at any time. If not paid in full, the Special Assessments are payable in annual installments of principal and interest (the "Annual Installments") along with administrative expenses ("Administrative Expenses"). The Special Assessments bear interest at a rate not to exceed five hundred basis points above the highest average index rate for tax-exempt bonds reported in a daily or weekly bond index approved by the County and reported in the month prior to the establishment of the Assessments through the first five active years. Starting in the sixth year, such rate shall then adjust to not exceed two hundred basis points over the above index rate until the Assessments are paid in full. Annual interest accrual begins on September 1 and continues through August 31 of the following year. Administrative Expenses will be allocated to each tax parcel in proportion to its Special Assessment balance. Annual Installments for each parcel set forth in the Assessment Roll shall be due on October 1st of the year in which the particular annual installment amount is listed and shall be delinquent if not paid by January 31st of the following year.

Pursuant to Section 372. 018(e) of the PID Act, a Special Assessment lien may be enforced by the governing body of the County in the same manner that an ad valorem tax lien against real property may be enforced by the governing body of the County. Foreclosure of accrued installments does not eliminate the outstanding principal balance of the Special Assessment. Any purchaser of the property in foreclosure takes the property subject to the Assessment lien and any associated obligations. Furthermore, in accordance with Section 372. 018(f) delinquent installments of the Assessment shall incur interest, penalties, and attorney's fees in the same manner as delinquent ad valorem taxes. The owner of assessed property may pay at any time all or any part of the Special Assessment, with interest that has accrued on the Special Assessment, on any lot or parcel in the PID.

## **C Assessment Roll**

The Assessment Roll is to be updated each year to reflect (i) the Special Assessments and Annual Installments for each tax parcel in the PID and (ii) prepayments of the Special Assessments, if any. The Special Assessments in the Assessment Roll reflect the number and type of lots projected for each tax parcel as shown in the Service and Assessment Plan. The 2021 Assessment Roll is attached as Appendix A.



# **APPENDIX A**

County of El Paso  
Service and Assessment Plan (SAP)  
Tierra Del Este III, Phase VI Public Improvement District



## **ASSESSMENT ROLL**

**Table A-1: Tax Roll of Owners in the PID**

Parcels	Owner
36232	RANCHOS REAL HOLDINGS LLC
23980	RANCHOS REAL HOLDINGS LLC



[www.FinanceDTA.com](http://www.FinanceDTA.com)

8117 PRESTON ROAD, SUITE 300  
DALLAS, TX 75225  
PHONE: (936) 714-2014

Public Finance  
Public-Private Partnerships  
Development Economics  
Clean Energy Bonds

# **ATTACHMENT 3**

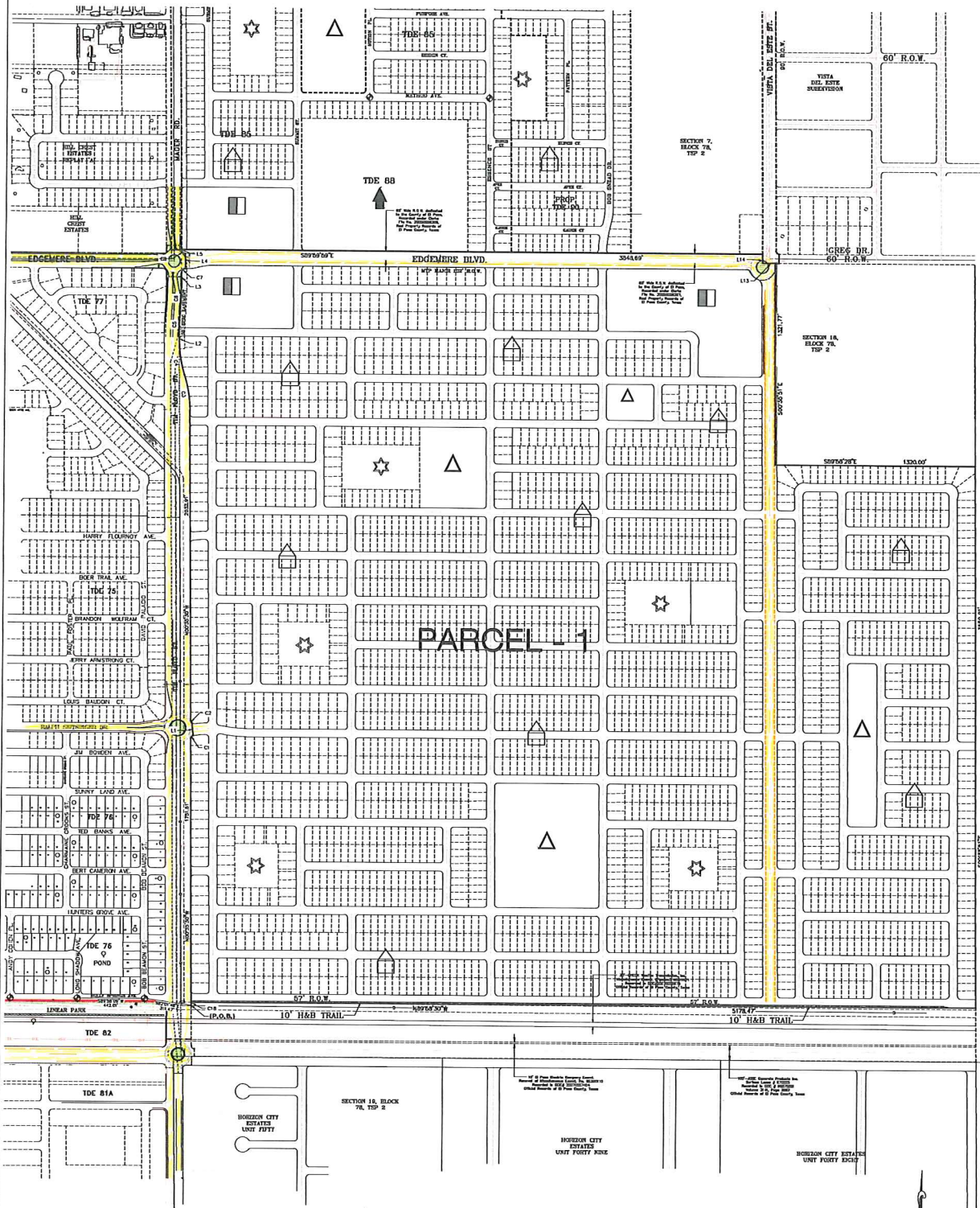
El Paso County Commissioners Court  
PID Policy Requirements Summary



**PID BOUNDARIES**

# TIERRA DEL ESTE III PHASE VI P.I.D.

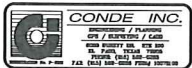
BEING PORTION OF SECTION 18, BLOCK 78 TOWNSHIP 2,  
TEXAS AND PACIFIC RAILWAY Co. SURVEYS,  
ALL OF EDGEEMERE BLVD., EDGEEMERE EXTENSION SUBDIVISION,  
EL PASO COUNTY, TEXAS



CURVE	BEARINGS	LENGTH	TANGENT	CHORD	BEARING	DELTA
C1	29.07°	29.15'	17.82'	28.44'	S41°07'27" E	83°30'53"
C2	29.07°	18.27'	15.43'	18.50'	S28°06'15" W	55°55'33"
C3	73.10°	238.05'	118.87'	237.15'	N61°12'28" W	171°51'38"
C4	290.05°	225.17'	115.47'	224.27'	N61°12'28" W	171°51'38"
C5	189.02°	116.87'	58.57'	116.96'	N15°27'21" E	123°44'37"
C6	200.07°	177.58'	88.83'	177.54'	N15°27'21" E	123°44'37"
C7	25.07°	38.54'	25.27'	35.50'	N44°41'01" E	89°37'02"
C8	25.07°	38.07'	24.77'	35.15'	N45°17'01" W	89°22'33"
C9	29.07°	28.87'	29.27'	28.44'	S44°31'07" W	89°37'02"

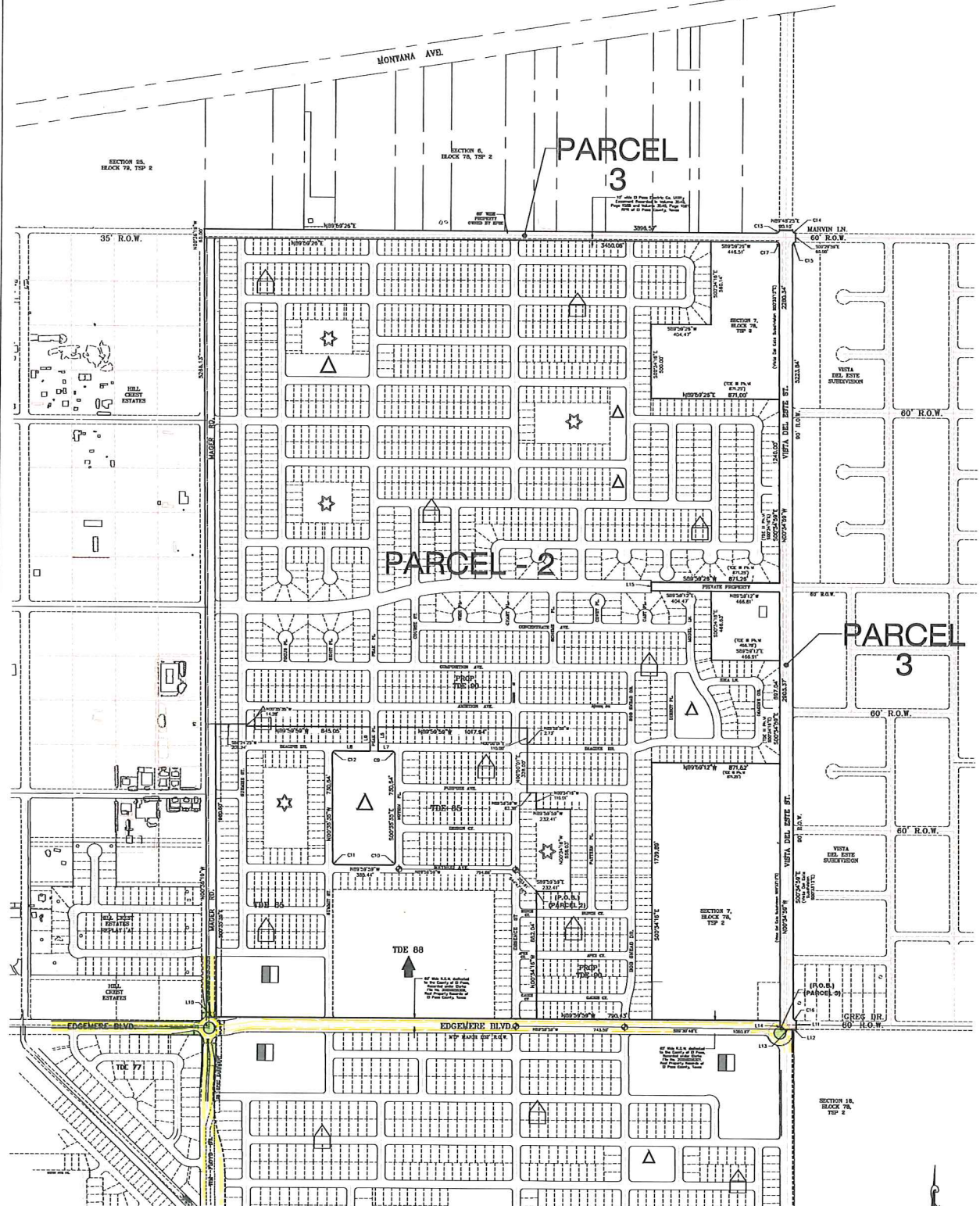
LINE	LENGTH	BEARING
L1	83.29'	N4°46'41" W
L2	28.45'	N73°37'37" W
L3	74.29'	N73°37'37" W
L4	106.01'	N65°54'54" W
L5	0.36'	N73°37'37" W
L13	83.50'	S89°29'39" E
L14	69.01'	S75°35'47" E

SCALE: 1"=300'



# TIERRA DEL ESTE III PHASE VI P.I.D.

BEING PORTION OF SECTION 7, BLOCK 78 TOWNSHIP 2,  
TEXAS AND PACIFIC RAILWAY CO. SURVEYS, ALL OF MAGER ROAD,  
TIERRA DEL ESTE UNIT EIGHTY FIVE, AND ALL OF  
VISTA DEL ESTE ST, VISTA DEL ESTE SUBDIVISION  
EL PASO COUNTY, TEXAS



CURVE	RADIUS	LENGTH	TANGENT	CHORD	BEARING	DELTA
C9	20.07	21.27	18.78	28.14	S43°14'47"E	89°24'29"
C10	20.07	21.67	20.31	28.43	S44°02'13"W	92°38'30"
C11	20.07	21.27	18.78	28.14	S43°14'47"W	89°24'29"
C12	20.07	21.67	20.31	28.43	S44°02'13"E	92°38'30"
C13	20.07	21.67	20.31	28.43	S44°02'13"E	92°38'30"
C14	20.07	21.67	20.31	28.43	S44°02'13"E	92°38'30"
C15	20.07	21.67	20.31	28.43	S44°02'13"W	92°38'30"
C16	20.07	21.27	18.87	28.14	S43°14'47"E	89°24'29"
C17	20.07	21.27	18.87	28.14	S43°14'47"W	89°24'29"

LINE	LENGTH	BEARING
L8	164.01	S07°20'30"E
L7	84.43	S89°24'29"E
L6	206.78	S89°24'29"E
L5	124.01	N07°20'30"W
L10	63.89	S87°24'29"W
L11	65.00	S07°20'30"W
L12	25.43	N89°24'29"E
L13	83.50	S89°24'29"E
L14	60.81	S07°20'30"E
L15	58.43	S73°14'47"E



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# **ATTACHMENT 4**

El Paso County Commissioners Court  
PID Policy Requirements Summary



**CURRENT TAX ROLL OF  
OWNERS IN THE PID**

**Table 4-1: Tax Roll of Owners in the PID**

Parcels	Owner
36232	RANCHOS REAL HOLDINGS LLC
23980	RANCHOS REAL HOLDINGS LLC