

MEMORANDUM

TO: Claire Powell, City Manager

FROM: David Erb, Director of Finance

DATE: August 18, 2025

SUBJECT: **Consideration of an Ordinance of the City of Lewisville Approving the 2025-2026 Annual Service Plan Update to the Service and Assessment Plan and Assessment Roll for Public Improvements for the Josey Lane Public Improvement District with Chapter 372, Texas Local Government Code, as Amended.**

BACKGROUND

Chapter 372 of the Local Government Code authorizes the creation of Public Improvement Districts (PIDs) to provide a tool by which a city can levy and collect special assessments on property that is within the city for designated purposes including the construction of street and water/wastewater improvements. On October 6, 2014, the City created the Josey Lane Public Improvement District (PID) after a petition requesting the establishment of the District was accepted and a public hearing related to the advisability of proposed improvements was held.

On December 15, 2014, the City Council approved an ordinance accepting and approving a Service and Assessment Plan and Assessment Roll for the authorized improvements within the District. On April 18, 2022, the City adopted an Amended and Restated Service and Assessment Plan to amend the initial collection date for “Phase #2 West” of the District. The Service and Assessment Plan identifies the public improvements to be provided by the PID, the cost of the public improvements, and the manner of assessing the property in the PID for the costs of the public improvements. The Assessment Roll identifies the assessment on each parcel, based on the method of assessment identified in the Plan.

Calculation of the assessments and annual installments for a lot or parcel shall begin as of September 1st and are due each January 31st following the one-year anniversary of the final plan approval for that lot or parcel.

ANALYSIS

This Josey Lane PID is located within the City along Josey Lane north of FM544 and south of Windhaven Drive. It encompasses approximately 156 acres and at completion, will consist of approximately 522 single-family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID.

Construction and improvements have been ongoing within the District since 2014 and the first final plats were approved for fiscal year 2016-17. Final plats have now been recorded for all 522 lots as of April 15, 2022. Currently, there are 514 lots subject to the annual installments to be collected for 2025-26. The assessments due from eight (8) lots were prepaid in full and will no longer appear on the assessment roll. Annual installments shall be billed by the City's third-party vendor, Denton County, in October 2025 and will be delinquent on February 1, 2026.

Changes related to the passage of HB 1543 - Procedural Requirements for Public Improvement Districts have been incorporated into the Service and Assessment Plan update. Provisions of HB 1543 required the following: 1) new introductory language stating the requirements placed on property owners planning to sell or convey real property located in a PID, and 2) inclusion of an assessment disclosure form (included as Exhibit H) that must be provided to the purchaser of real property located in a PID. The plan is also now required to be recorded with the County Clerk within 7 days of approval and passage. The plan has been reviewed and updated in accordance with Chapter 372 of the PID Act.

CITY STAFF'S RECOMMENDATION

That City Council approve the ordinance as set forth in the caption above.