

Mayor and Council Communication

DATE: 02/24/26

M&C FILE NUMBER: M&C 26-0120

LOG NAME: 03PID23 PANTHERISLAND EST

SUBJECT

(CD 2 and CD 9) Conduct Public Benefit Hearing and Make Findings Regarding the Establishment of Public Improvement District No. 23 – Panther Island O-PID, Including the Sufficiency of the Petition and the Advisability of Improvements and Services to be Undertaken; Authorize Execution of a Participation Agreement with the Tarrant Regional Water District; and Adopt Resolution Authorizing and Establishing Public Improvement District No. 23 – Panther Island

(PUBLIC HEARING - a. Staff Available for Questions: Crystal Hinojosa; b. Public Comment; c. Council Action: Close Public Hearing and Act on M&C)

RECOMMENDATION:

It is recommended that the City Council:

1. Conduct a public benefit hearing regarding the proposed establishment of Public Improvement District No. 23 – Panther Island;
2. Make findings regarding the petition requesting establishment of Public Improvement District No. 23 – Panther Island and the proposed Public Improvement District, pursuant to Chapter 372 of the Texas Local Government Code;
3. Authorize Execution of a Participation Agreement with the Tarrant Regional Water District (TRWD) for TRWD to participate in PID 23 and pay assessments on its property in accordance with applicable law; and
4. Adopt the attached Resolution:
 1. making findings concerning the nature and advisability of improvements and services;
 2. approving the estimated costs, method of assessment, boundaries, and apportionment of costs;
 3. authorizing and establishing Public Improvement District No. 23 – Panther Island; and
 4. directing City staff to file a copy of the adopted resolution with the county clerk of each county in which all or part of the district is located.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to take actions associated with the proposed establishment of Public Improvement District No. 23 – Panther Island PID (Panther Island PID).

City staff has received a petition requesting establishment of the Panther Island PID, which is attached to this M&C. The petition has been examined, verified, and found by City staff to meet the requirements of Section 372 of the Texas Local Government Code (Code), to substantially comply with the City's policy for Operating Public Improvement Districts (Policy), and to be sufficient for consideration by the City Council.

Specifically, the petition complies with Section 372.005 of the Code because it has been signed by record owners of taxable real property liable for assessment under this proposal constituting: (a) 70.05% of the appraised value of taxable real property liable for assessment, as determined by the current roll of the Tarrant Appraisal District, and (b) 57.75% of the area of all taxable real property that is liable for assessment. The petition, which contains the signatures necessary to establish the Panther Island PID, is attached hereto and on file with the City Secretary.

Proposed Boundaries: The Panther Island PID comprises approximately 407 acres (including tax exempt areas) of property shown on the map that is attached as Exhibit "E" and more particularly described by the legal descriptions on the attached Exhibit "F". A map and specific description of the boundaries are set forth in more detail in the attached resolution.

All property within the Panther Island PID will be assessed annually for the Improvements and Services to be performed within the Panther Island PID according to the appraised values of the properties, as determined by the tax roll of the Tarrant Appraisal District. The assessment of each property within the Panther Island PID may be adjusted following the review of the annual service plan and budget. The Panther Island PID's assessment will be in accordance with the Act and O-PID Policy and is not to exceed \$0.165 per each \$100.00 of appraised valuation.

Nature of the Improvements and/or Services: The general nature of the proposed improvements and/or services to be provided within the Panther Island PID include the following:

1. Enhancements to improve District operations and maintenance for green spaces, public areas, and the canal public realm; ensure clean and safe functions across the District; and address potential ongoing or capital maintenance needs related to the District's infrastructure and water recreation.
2. Improvements to enhance the District's community including, without limitation, litter abatement, illegal dumping, landscaping, promotional sign and banner programs, lighting, and various other streetscape and capital improvements, including streets, sidewalks, roadways, and rights-of-way.
3. Improvements that promote safety and security within the District, without limitation, security lighting, security camera installation, additional security patrols, safety technologies, street calming measures and capital improvements to improve pedestrian, bike, and transit shelter

safety.

4. Additional special supplemental services for improvement and promotion of the District, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business development, and cultural enhancements.
5. Payment of expenses incurred in the establishment, administration, and operation of the District.
6. Any other improvements and services to the District as allowed pursuant to the Code for a home-rule municipal corporation.

Advisability of the Improvements and Services: It is advisable that the City exercise the powers granted by the Code in connection with the establishment of the Panther Island PID, including the undertaking of the improvements and services set forth above and in the petition because they will promote the interests of the City by conferring special benefits on the property within the Panther Island PID related to public safety, economic vitality, community enhancements, community engagement, and certain improvements related thereto, all of which are anticipated to contribute to, and create and maintain a sense of, individual and community pride within the Panther Island PID.

Estimated Costs: The estimated costs of the proposed improvements and services to be provided in the Panther Island PID for the first five-year service and assessment plan Fiscal Year 2027-2031, is \$2,246,000.00 as shown on the attached petition. The initial five-year service and assessment plan, budget, and initial assessment Fiscal Year 2027 will be considered by Council at a separate meeting in August or September 2026. The actual cost of improvements and services will be determined in accordance with the approved budget and service and assessment plan to be adopted by the City Council and will be paid from Panther Island PID assessments. The proposed five-year budget and service and assessment plan is attached.

Method of Assessment: The costs of the proposed improvements and services to be provided will be assessed against property in the Panther Island PID based on special benefits accruing to such property because of the improvements and services. All property within the Panther Island PID will be assessed annually for the Improvements and Services to be performed within the Panther Island O-PID according to the appraised values of the properties, as determined by the then-current tax roll of the Tarrant Appraisal District. The assessment of each property within the Panther Island PID may be adjusted following the review of the annual service plan and budget. The Panther Island PID's assessment will be in accordance with the Act and O-PID Policy and is not to exceed \$0.165 per each \$100.00 of appraised valuation.

The petition includes a tiered maximum assessment rate structure tied to key milestones in the Tarrant Regional Water District (TRWD) Canal C, Phase 1 project and private development activity. These conditions do not alter the City's annual levy process and will be reflected in the Service and Assessment Plan each year.

- **Pre-Canal C, Phase 1 period:** From the date of Panther Island PID establishment until the date that the TRWD authorizes a construction contract for Canal C, Phase 1, the assessment rate shall not exceed **\$0.02 per \$100.00 valuation**.
- **Post-Canal Contract, pre-development period:** From the date TRWD authorizes the Canal C, Phase 1 construction contract until such time as **\$50,000,000.00 in New Private Improvements** have been constructed within the Panther Island PID (based on building permit valuations or development agreement values), the assessment rate shall not exceed **\$0.05 per \$100.00 valuation**.
- **Special timing clarification:** If TRWD authorizes the Canal C, Phase 1 contract **prior** to Panther Island PID establishment, the initial maximum rate shall be **\$0.05 per \$100.00 valuation**, and the \$0.02 tier will not apply.
- **Post-development period:** From the date \$50,000,000.00 in New Private Improvements has been achieved through the end of the Panther Island PID term, the assessment rate may be levied up to the maximum **\$0.165 per \$100.00 valuation**, subject to annual Council approval of the Service and Assessment Plan.

Apportionment of Costs: As outlined in the petition, TRWD is proposing to participate in PID 23 by (i) paying assessments on TRWD-owned property within the district and (ii) contributing an annual amount equal to the maintenance costs that TRWD would otherwise incur for assets TRWD would typically maintain.

The City intends to participate in the assessments for Public Improvement District No. 23 – Panther Island. City-owned property located within the boundaries of the Panther Island O-PID, will be assessed in accordance with Article VI of the petition and as authorized by applicable law. The City will be obligated to pay any assessments invoiced to City-owned property, subject to City Council authorization.

Additionally, consistent with City Council authorization and applicable law, the City will contribute to the Panther Island O-PID each year an amount equal to the costs the City would have otherwise paid or incurred for the maintenance of City-owned property for which the Panther Island PID provides maintenance. Any further participation by the City in the costs of the Panther Island O-PID beyond these contributions will be at the discretion of the City Council. TRWD intends to pay assessments and contribute the equivalent of its ongoing maintenance costs for TRWD-owned property within the Panther Island PID.

Application Fee: In accordance with the City's Policy for Operating Public Improvement Districts, a \$5,000.00 application fee is typically required at the time a petition for PID creation is submitted. For Public Improvement District No. 23 – Panther Island, staff recommends waiving the application fee due to the unique nature of the project, the public partner structure with the TRWD, and the collaborative public investment objectives associated with the Panther Island program. The waiver will be formally acknowledged through adoption of this M&C.

The Panther Island PID will become effective on the date of adoption of this M&C and will remain in effect until dissolved. Notice of this public hearing was published in the *Fort Worth Star-Telegram* and mailed to all owners of property on record and liable for assessment in the Panther Island PID on February 6, 2026, in accordance with the Code.

The proposed PID 23 is located in COUNCIL DISTRICT 2 and 9.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of the above recommendations will have no material effect on City funds.

Submitted for City Manager's Office by: Jay Chapa 6113

Originating Business Unit Head: Christianne Simmons 6222

Additional Information Contact: Brady Kirk 8712

Expedited