

Mayor and Council Communication

DATE: 04/28/26

M&C FILE NUMBER: M&C 26-0286

LOG NAME: 03VEALE_RANCH_PID_FY2026 (NIA #4 AND NIA#5)

SUBJECT

(CD 3 and ETJ) Conduct Public Hearing to Consider the Levying of Special Assessments in Improvement Area No. 4 and Improvement Area No. 5 of Fort Worth Public Improvement District No. 22 – Veale Ranch and Adopt an Ordinance (1) Levying Special Assessments on Property Located in Improvement Area No. 4 and Improvement Area No. 5 of Fort Worth Public Improvement District No. 22 – Veale Ranch; (2) Approving the Service and Assessment Plan Update for Improvement Area No. 4 and Improvement Area No. 5 of Fort Worth Public Improvement District No. 22 – Veale Ranch; (3) Approving the Assessment Roll for Improvement Area No. 4 and Improvement Area No. 5 of Fort Worth Public Improvement District No. 22 – Veale Ranch, and (4) Ordaining Related Matters; and Adopt a Resolution Approving Reimbursement Agreements with PMB FW Land LP and FW Club LP for the Construction, Acquisition, and Financing of Improvements within Improvement Area No. 4 and Improvement Area No. 5 of Fort Worth Public Improvement District No. 22 – Veale Ranch

(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 hearing concerning the proposed special assessments to be levied on the property located in Improvement Area No. 4 and Improvement Area No. 5 of Fort Worth Public Improvement District No. 22 – Veale Ranch, with collection to begin in the fiscal year 2027;
2. Adopt the attached ordinance (a) levying special assessments on property located in Improvement Area No. 4 and Improvement Area No. 5 of Fort Worth Public Improvement District No. 22 – Veale Ranch, (b) approving the Service and Assessment Plan Update for Improvement Area No. 4 and Improvement Area No. 5 of Fort Worth Public Improvement District No. 22 – Veale Ranch, (c) approving the Assessment Roll for Improvement Area No. 4 and Improvement Area No. 5 of Fort Worth Public Improvement District No. 22 – Veale Ranch, and (d) ordaining other matters related thereto; and
3. Adopt the attached resolution approving the reimbursement agreements to address the construction, acquisition, and financing of improvements within Fort Worth Public Improvement District No. 22 – Veale Ranch, as follows:
 - a. Improvement Area No. 4 Reimbursement Agreement with PMB FW Land LP and FW Club LP; and
 - b. Improvement Area No. 5 Reimbursement Agreement with PMB Ventana Developer South LLC and PMB SWFW Dev Co Manager LLC.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to conduct a public hearing, approve the Service and Assessment Plan, approve the Assessment Roll, authorize a Reimbursement Agreement with PMB FW Land P and FW Club LP and ordain other matters related thereto and intend to address Improvement Area No. 4 and Improvement Area No. 5 of the Veale Ranch PID, which is the 4th and 5th phase of development. In August 2023 the City Council approved the creation of the Veale Ranch Public Improvement District (Veale Ranch PID), encompassing approximately 5,200 acres of land located primarily within Fort Worth’s extraterritorial jurisdiction in Parker and Tarrant Counties, as a vehicle to reimburse FW Club LP (the Developer) for certain authorized public infrastructure improvements associated with the development known as Veale Ranch/Team Ranch, Rolling V South, and Ventana South (collectively, the Development). The Development is anticipated to occur in phases over a period of up to 50 years, with each phase constituting an “Improvement Area” (IA). PID assessments, potential Tax Increment Reinvestment Zone (TIRZ) collections, and bond issuances may occur following annexation of each IA for 25- to 30-year periods to reimburse eligible improvement costs. This Mayor and Council Communication (M&C) intends to address Improvement Area No. 4 and Improvement Area No. 5 of the Veale Ranch PID, which is the 4th and 5th phase of development.

On March 10, 2026, the City Council adopted Resolution No. 6280-03-2026 concerning certain matters related to the Veale Ranch PID, including the following: (1) determining the costs of certain public improvements; (2) accepting a preliminary service and assessment plan update, including a proposed assessment roll; (3) directing the filing of the proposed updated assessment roll with the City Secretary; (4) calling for a public hearing to consider the ordinance levying special assessments on property located within the area defined as Improvement Area No. 4 and Improvement Area No. 5 of the Veale Ranch PID; and (5) directing staff to publish and mail notice of this public hearing to the property owners liable for payment of the special assessment.

As outlined in the Service and Assessment Plan, Improvement Area No. 4 has improvements in the amount of \$13,399,137.00, that are to be funded by the special assessments. The special assessments will be levied across 136 residential units (representing 421.082 acres) and collected over a 30-year period. The 136 lots are divided into two categories, with each category represented by lot width and/or type. Including categories as follows: cottage lots and estate lots. Assessments will be allocated as follows:

Lot Size	# of Lots	Annual Installment
Cottage Lots	100	\$12,225.75

Estate Lots	36	\$9,304.88
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The above shown amounts are calculated using an interest rate of 9.06% per annum for the first five years and 7.04% per annum for the remaining 25 years.

Improvement Area No. 5 has improvements in the amount of \$5,429,728.00, that are to be funded by the special assessments. The special assessments will be levied across 277 residential units (representing 72.059 acres) and collected over a 30-year period. The 277 lots are divided into two categories, with each category represented by lot width and/or type. Widths including categories as follows: 40 feet, 50 feet, 60 feet and 70 feet. Assessments will be allocated as follows:

Lot Size	# of Lots	Annual Installment
40 feet	37	\$2,195.23
50 feet	163	\$2,462.22
60 feet	38	\$2,699.54
70 feet	39	\$2,966.53

The above shown amounts are calculated using an interest rate of 9.06% per annum for the first five years and 7.04% per annum for the remaining 25 years.

The total principal reimbursement amount for IA 4 is \$16,630,000.00.

The Parties will be responsible for managing all construction for the development of the lots and residential units within the Veale Ranch PID. Following execution of the improvement area reimbursement agreement, the City will begin to make monthly payments to the Parties in satisfaction of the Reimbursement Amount from the special assessments revenues, less any administrative fees, once the Parties submit payment requisitions.

The Reimbursement Amount for Improvement Area No. 4 will be paid over a maximum period of 30 years. Until bonds, if any, are issued, the Parties will be entitled to interest on the unpaid Reimbursement Amount at the rate of 9.06 percent per annum for the first five years and 7.04 percent per annum for the remaining 25 years. If any portion of the Reimbursement Amount remains unpaid after the City has elected to issue bonds, the interest rate on the unpaid Reimbursement Amount will be the same as the interest rate on the bonds. It is anticipated that within five years, provided that the Parties have satisfied certain obligations designed to ensure the rapid development of the entire Veale Ranch PID, the City will explore options to accelerate the reimbursement of the Parties by issuing debt secured by a portion of the special assessments.

The total reimbursement for Improvement Area No. 5 is \$6,809,000.00.

PMB Ventana Developer South LLC and PMB SWFW Dev Co Manager LLC (the Developers) will be responsible for managing all construction for the development of the lots and residential units within the Veale Ranch PID. Following execution of the improvement area reimbursement agreement, the City will begin to make monthly payments to the Developers in satisfaction of the Reimbursement Amount from the special assessments revenues, less any administrative fees, once the Developer submits payment requisitions

The Reimbursement Amount for Improvement Area No. 4 will be paid over a maximum period of 30 years. Until bonds, if any, are issued, the Developer will be entitled to interest on the unpaid Reimbursement Amount at the rate of 9.06 percent per annum for the first five years and 7.04 percent per annum for the remaining 25 years. If any portion of the Reimbursement Amount remains unpaid after the City has elected to issue bonds, the interest rate on the unpaid Reimbursement Amount will be the same as the interest rate on the bonds. It is anticipated that within five years, provided that the Developer has satisfied certain obligations designed to ensure the rapid development of the entire Veale Ranch PID, the City will explore options to accelerate the reimbursement of the Developer by issuing debt secured by a portion of the special assessments.

This project is located in COUNCIL DISTRICT 3 and ETJ.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of this agreement will have no material effect on the Fiscal Year 2026 Budget. While no current year impact is anticipated from this action, any effect on expenditures and revenue will be budgeted in future Fiscal Years and will be included in the long-term financial forecast.

Submitted for City Manager's Office by:

Originating Business Unit Head: Christianne Simmons 6222

Additional Information Contact:

Brady Kirk

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