

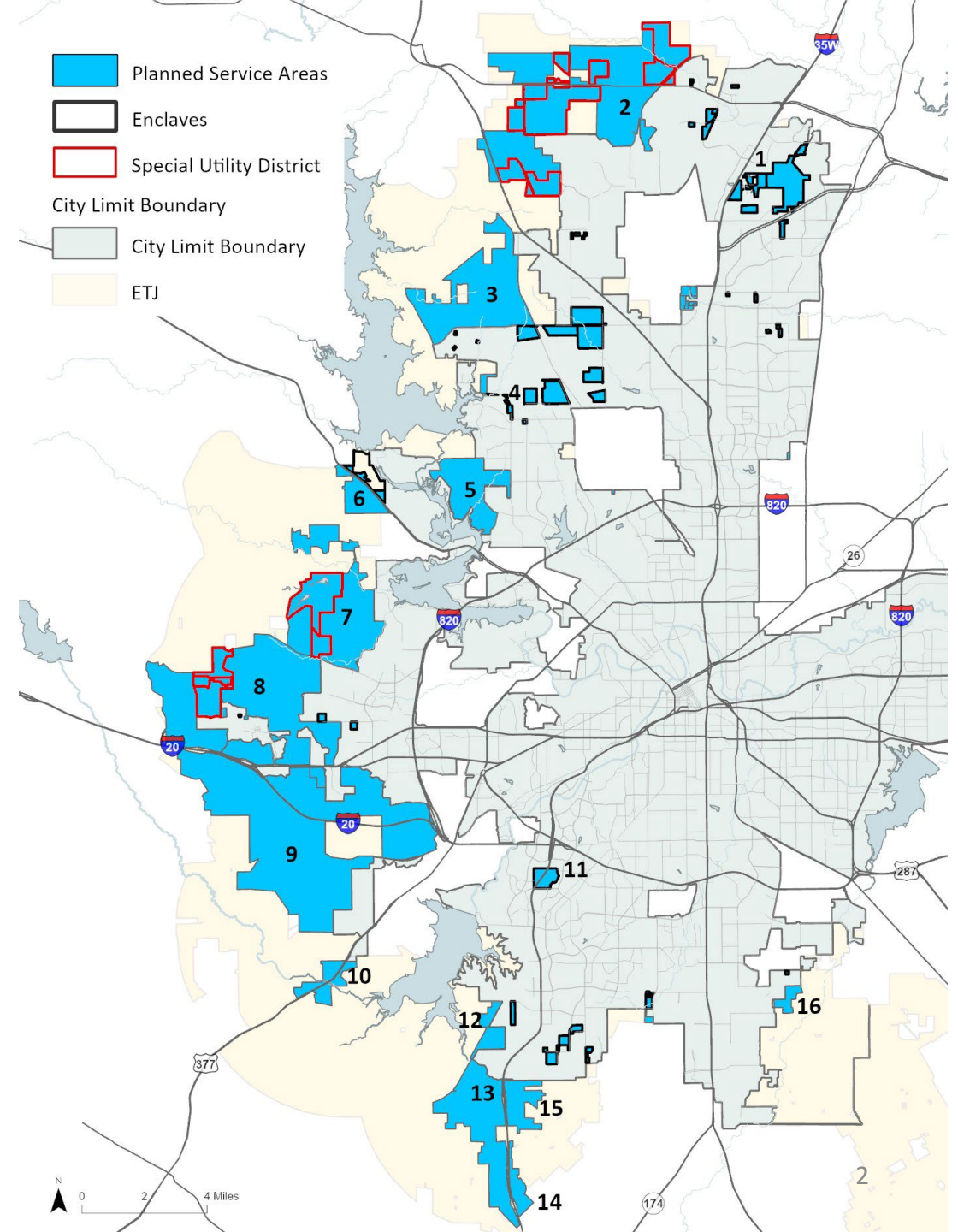
Update on Special Districts In ETJ Planned Service Areas

Presented to City Council
By Dana Burghdoff, Assistant City Manager

May 6, 2025

Outline

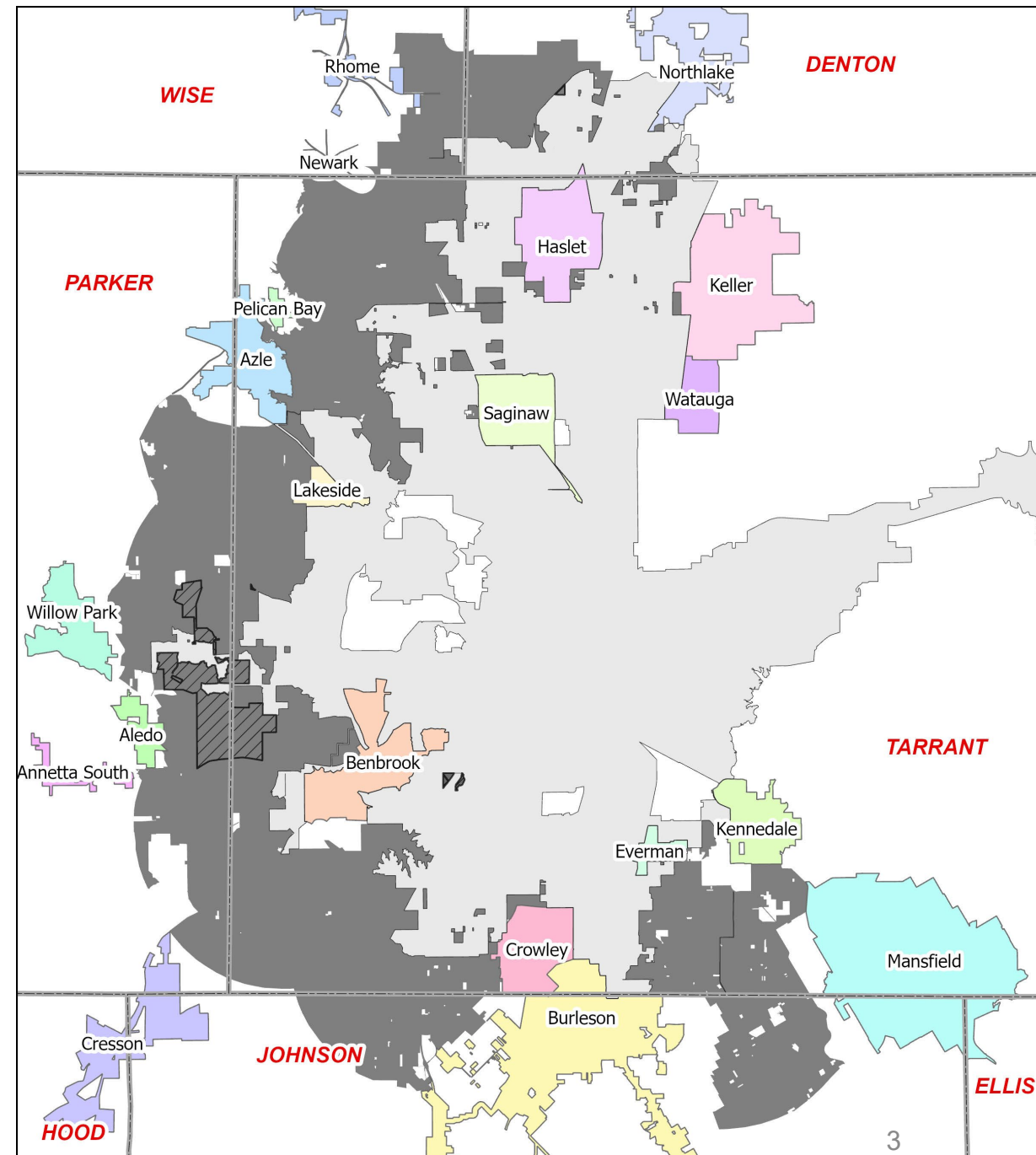
- ETJ, Planned Service Areas and CCN
- Special districts in ETJ
 - Existing districts
 - Goals for districts
 - Proposed districts
- Requested capital PID in city limits
- Proposed next steps



What is the ETJ?

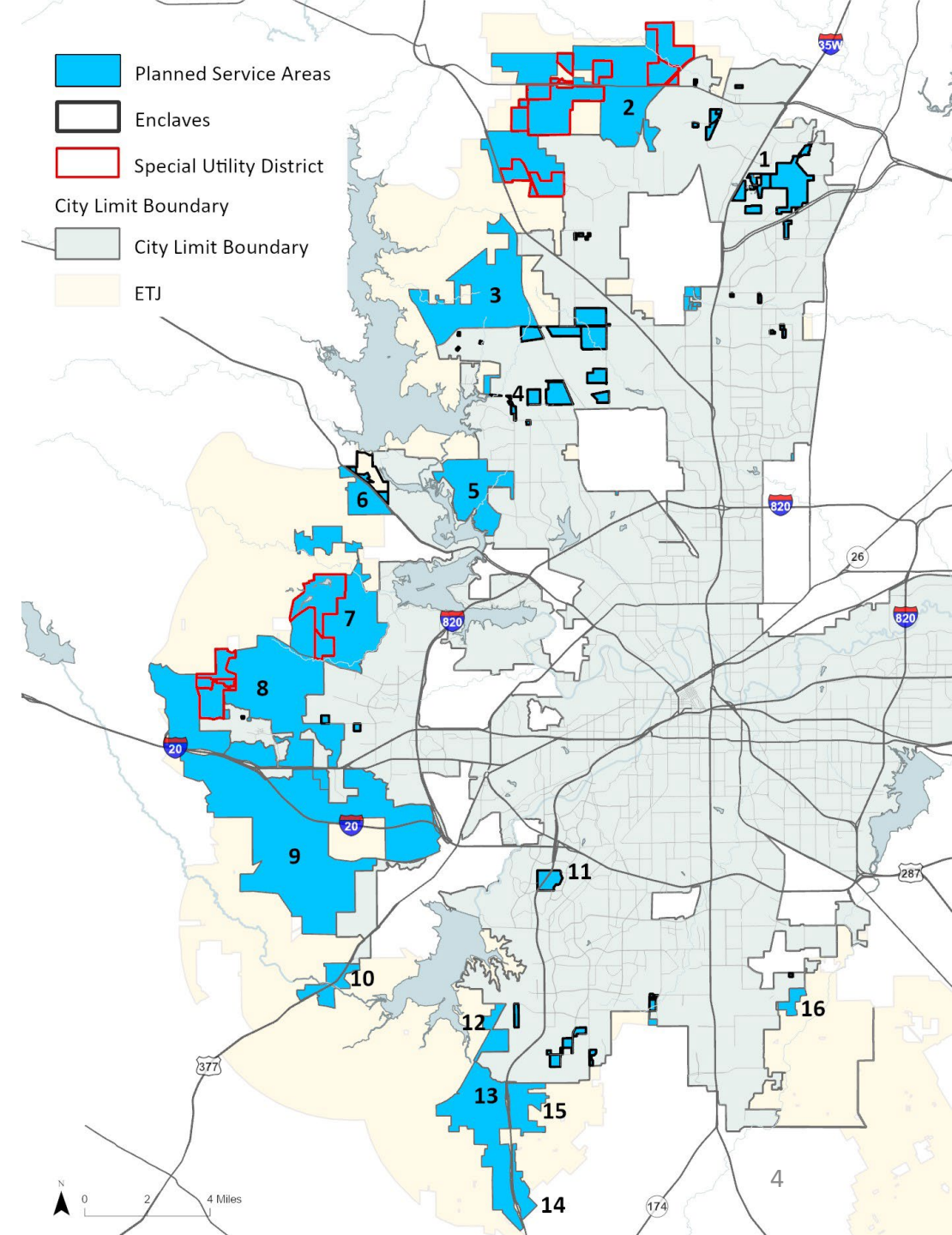
- ETJ = Extraterritorial Jurisdiction
- Extends 5 miles from our city limits
- Currently 262 square miles
- City has authority over regional planning of services: **water, sewer, and transportation networks**
- A property must be in the ETJ to be eligible for **annexation**

Fort Worth
□ Full Purpose
▨ Limited Purpose
■ Extraterritorial Jurisdiction



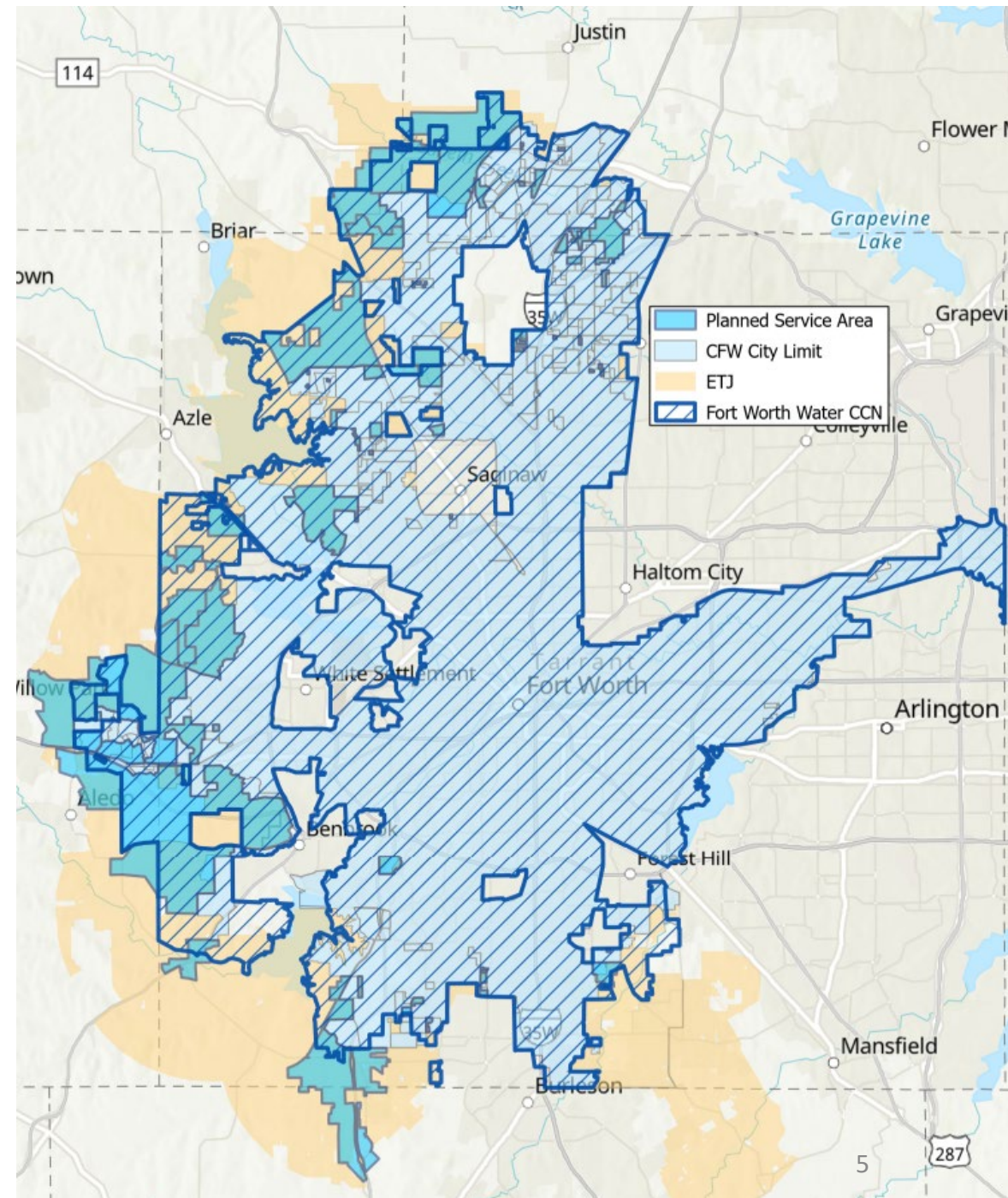
What are Planned Service Areas?

- Portions of ETJ where City can provide water, sewer, transportation, and public safety services **within 20 years**
- Currently 86 square miles
 - 33% of ETJ
- Adopted as part of Comprehensive Plan
- Given **priority** for annexation and water service requests



What is Fort Worth's CCN?

- CCN = Certificate of Convenience and Necessity
- Exclusive right to serve water
- Currently 79 square miles
 - 30% of ETJ
- Authorized and governed by Public Utility Commission (PUC)
- PUC may compel Fort Worth to serve all CCN areas, regardless of ETJ or development agreement status



What are Special Utility Districts?

- **Political subdivisions** providing water, sewer, drainage, streets, and/or other municipal services within a specific boundary
- **Texas Water Code** describes purposes including protection, preservation and restoration of purity and sanitary condition of water
- Districts have **evolved** and are now used to create master planned communities with **urban densities**, just outside of municipal control

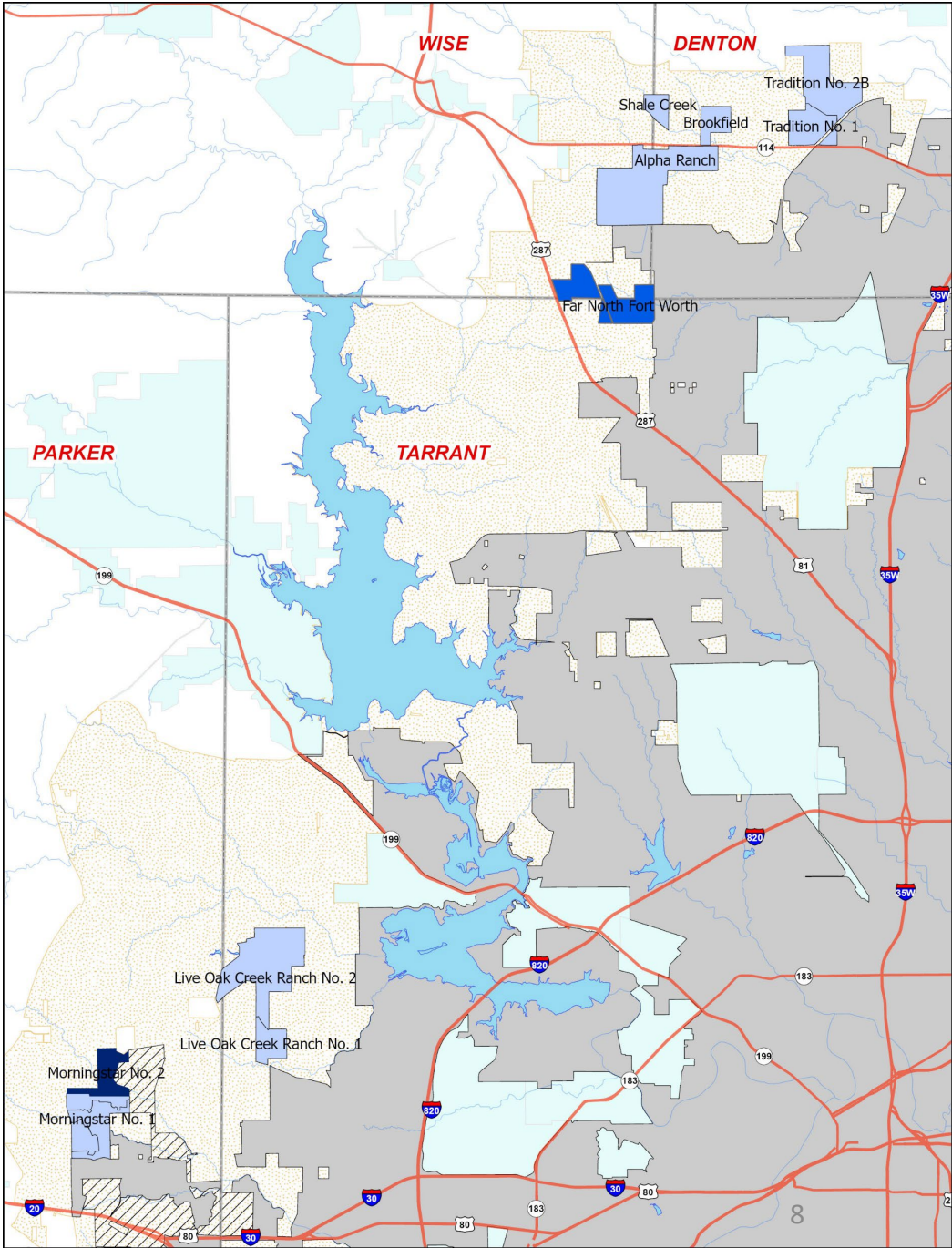
Why do developers request special districts in our ETJ?

Special districts provide **revenue for infrastructure** costs through district taxes or assessments, **in addition to** normal revenue from lot sales

- Developers obtain **City water and sewer** to support urban development
- Owners **do not pay** City property taxes for 20-30 years and maintain internal streets and public spaces during that time

Existing Special Districts

SPECIAL DISTRICT	CREATED	DISTRICT TYPE	ACRES
Brookfield	2005	Water Control and Improvement District	232
Shale Creek	2005	Water Control and Improvement District	160
Tradition No. 1	2005	Municipal Utility District	409
Alpha Ranch	2006	Water Control and Improvement District	1,438
Live Oak Creek Ranch No. 2	2006	Municipal Utility District	1,148
Live Oak Creek Ranch No. 1	2006	Municipal Utility District	265
Morningstar No. 1	2007	Municipal Utility District	1,037
Morningstar No. 2	2007	Municipal Utility District	180
Tradition No. 2B	2007	Municipal Utility District	709
Far North Fort Worth	2015	Municipal Utility District	742
Morningstar No. 2 expansion	2021	Municipal Utility District	350

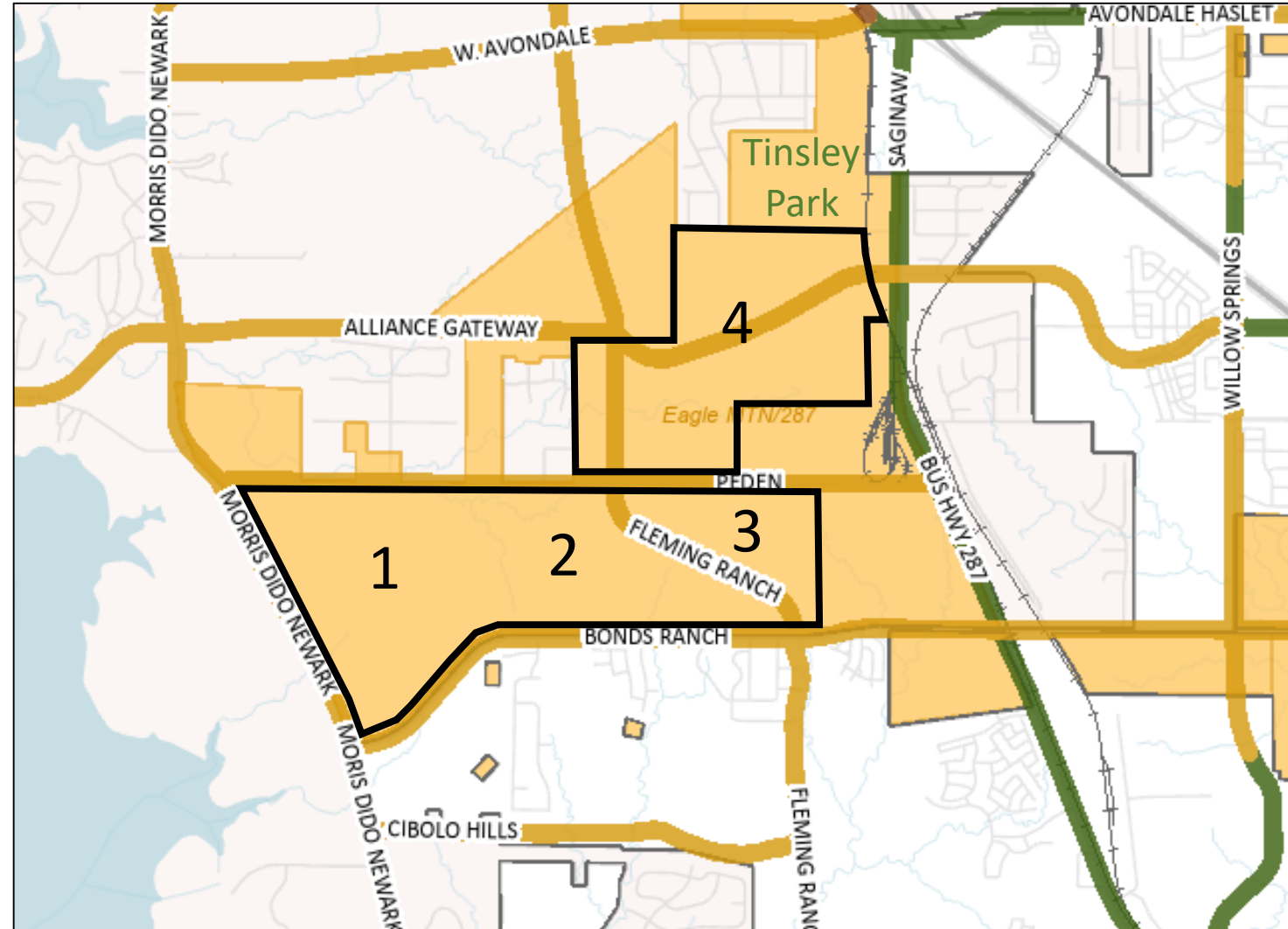


City Goals for Special Districts in ETJ

- Retain **ETJ** and City platting and infrastructure **authority** in areas we plan to serve
- Retain option for future **annexation** after debt is paid off
- Obtain **mix of residential lot** sizes, **commercial** uses, and **school** sites
- Obtain adjacent and internal **arterial street** construction
- Obtain **open space** and compliance with **park dedication** policy (not applicable in ETJ) and trail plans
- Obtain assessment or **tax rate** significantly higher than City's to enable future annexation and capital replacement reserve
- Limit district **eminent domain** authority and ability to **expand**

Proposed Special Districts in ETJ Planned Service Areas

1. Centurion – Sheelin/Estates at Eagle Mountain Capital PID
2. PMB – Bonds Ranch North FWSD/WCID
3. Green Brick – Bonds Ranch FWSD/WCID
4. Green Brick – Shelton Ranch FWSD/WCID



City Partnership with Tarrant County

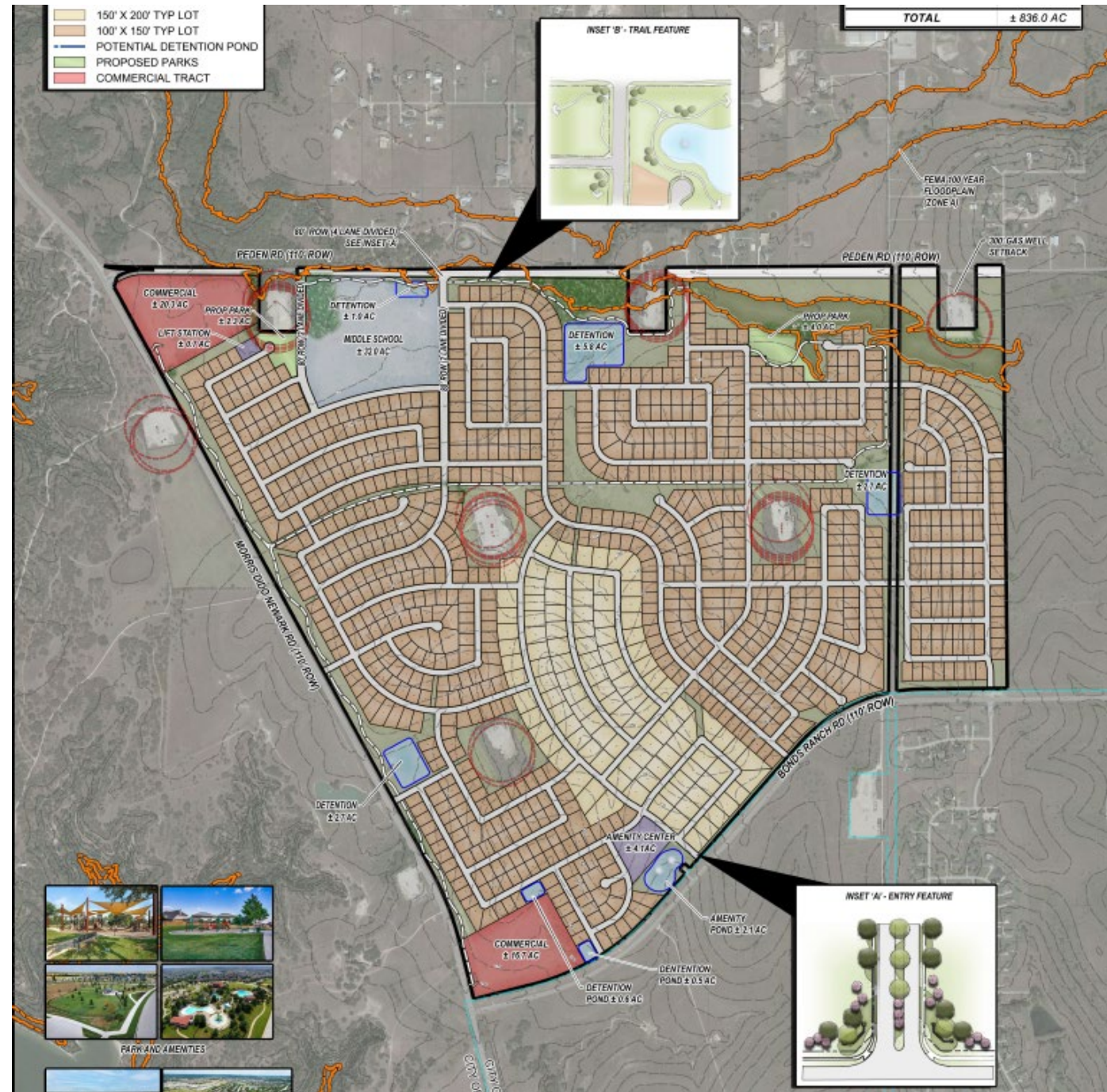
Along Bonds Ranch Road

- With City consent, **Tarrant County has authority** to create Public Improvement Districts and Fresh Water Supply Districts* in City's ETJ.
- With this authority, Tarrant County has helped **negotiate** with developers for larger residential lots and mix of lot sizes and land uses along Bonds Ranch Road
- Tarrant County is funding **\$30 million for design** to widen Bonds Ranch Road
- Proposed **special districts would fund construction** of adjacent portions of Bonds Ranch Road
- **City, NCTCOG, and TxDOT are planning to fund construction** for portions of Bonds Ranch Road without adjacent special districts

* Fresh Water Supply Districts can convert to Water Control and Improvement Districts for authority to construct drainage facilities

1. Centurion - Estates at Eagle Mountain

- Tarrant County Capital and Operating PIDs created with City consent in 2024
- 836 acres total
- 468 acres single family lots
 - 15,000 sf - 1,014 lots
 - 30,000 sf - 108 lots
- 37 acres - commercial
- 32 acres - school site
- 163 acres - open space, parks, detention
- 136 acres - streets



2. PMB - Bonds Ranch North

- Tarrant County Fresh Water Supply District **created** with City consent in March 2025
- 335 acres total
- 220 acres - single family lots
 - 34% - 7,200 sf lots (up to 50%)
 - 66% - 8,400 sf lots
- 22 acres - commercial
- 15 acres - school, Northwest ISD
- 7 acres - emergency services
- 50 acres minimum for parks, open space and floodplain



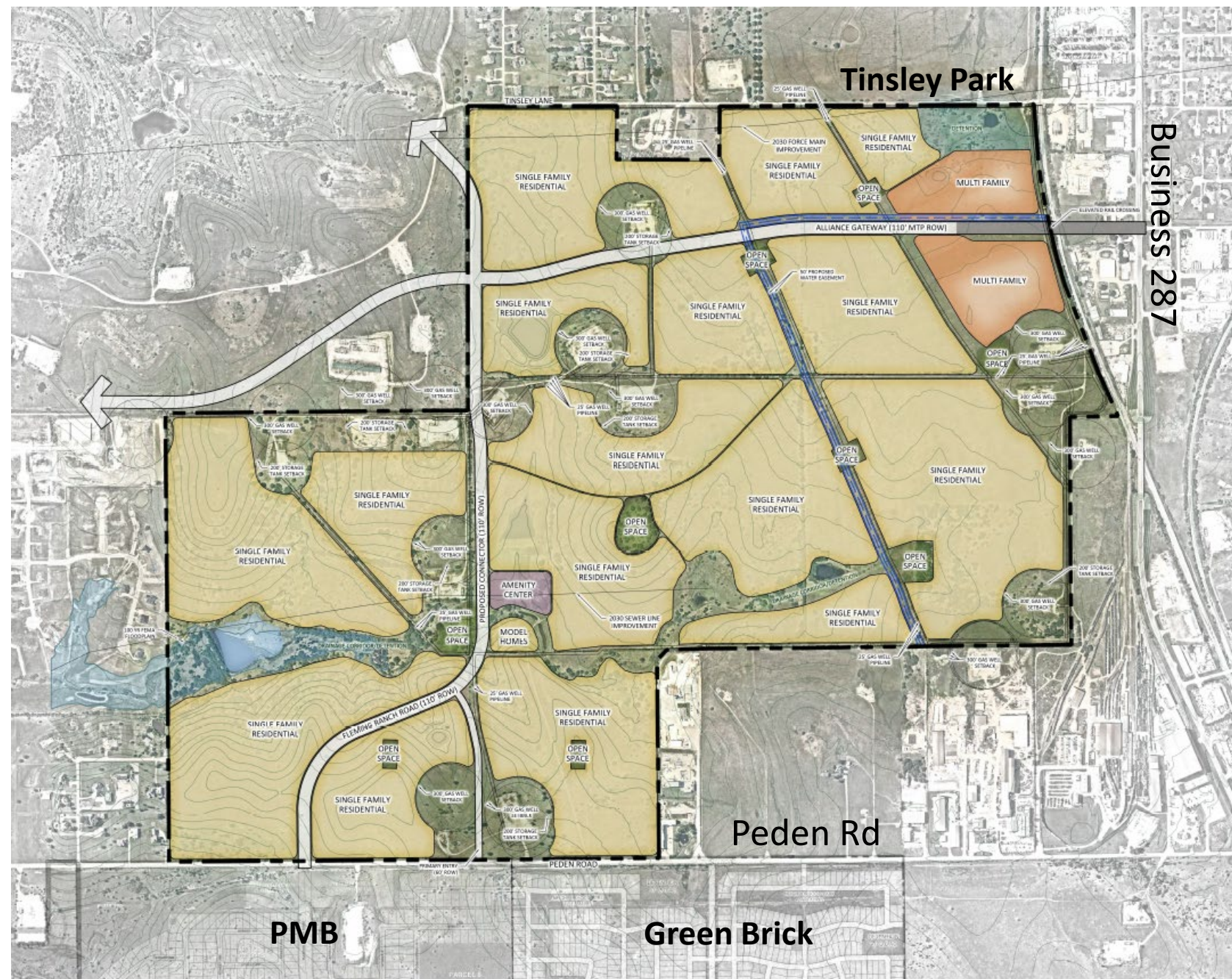
3. Green Brick - Bonds Ranch

- Tarrant County Fresh Water Supply District **proposed** with City consent
- 322 acres
- 208 acres - single family lots
 - 72% - 6,000 sf lots
 - 24% - 7,200 sf lots
 - 4% - 8,400 sf lots
- 53 acres - detention/open space
- 20 acres - gas well buffers
- 19 acres - ROW
- 10 acres - commercial
- 12 acres - park, amenity center

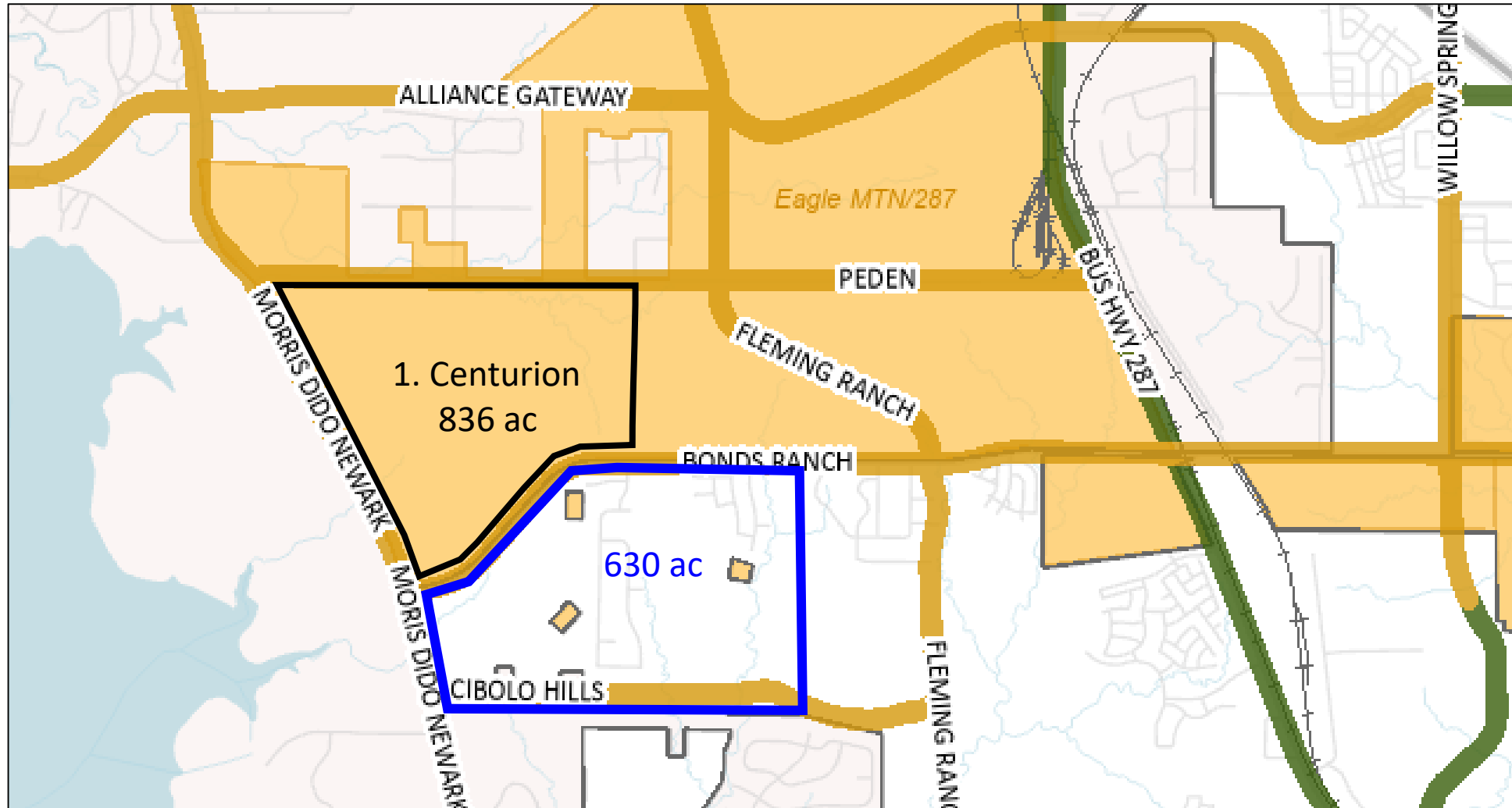


4. Green Brick - Shelton Ranch

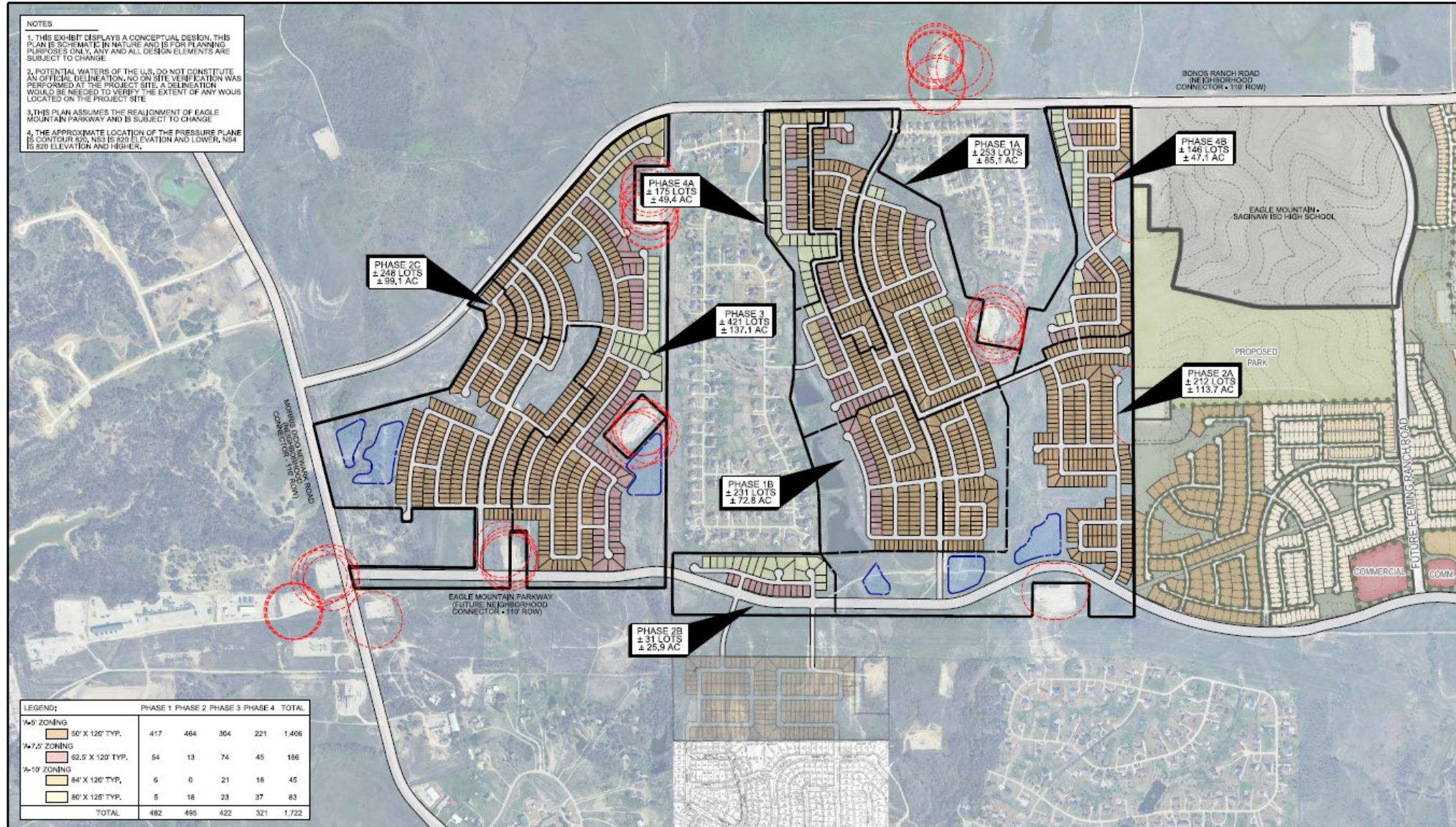
- Tarrant County Fresh Water Supply District **proposed** with City consent
- **850+** acres
- Conceptual plan to be revised with City/County consent



Centurion - Rio Claro: Requested Capital PID in City Limits



Centurion - Rio Claro: Requested Capital PID in City Limits



Proposed Next Steps

1. Centurion – Eagle Mountain Estates PIDs

- **June 10** – City Council authorizes development agreement (and utility agreement?)

Centurion – Rio Claro Capital PID in City Limits

- Staff determines recommendation on requested Capital PID and policy waivers
- **June 10 or 24** – City Council authorizes development agreement

2. PMB - Bonds Ranch North FWSD

- **May 13** – City Council authorizes development agreement
- TBD – City Council authorizes strategic partnership and utility agreements

Proposed Next Steps (cont.)

3. Green Brick - Bonds Ranch FWSD

- **May 13** – City Council adopts resolution consenting to district
- Late May/Early June – Tarrant County creates district
- **June 10** – City Council authorizes development agreement and others if ready

4. Green Brick - Shelton Ranch FWSD

- City and County work with developer to revise conceptual plan
- **June 10 or 24** – City Council adopts resolution consenting to district

Discussion