



# **Sanctuary MUDs Strategic Partnership Agreement**

**File ID: 25-187, 25-238**

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**Charlie Rosendahl**

**Deputy Director of Business Services &  
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**Development Services**

**April 15, 2025**



# Background

## Municipal Utility District (MUD)

- Special-purpose district created to provide essential services such as water, wastewater, and drainage to areas outside city limits.

## Meadows MUD History

- Fall 2022 – City received Petition for Consent to Create
- Mar. 2023 – Developer submitted Petition for Creation to TCEQ
- Aug. 2023 – TCEQ Ordered Creation
- 2022-2024 – Staff and Developer meetings to craft terms for agreement
- Oct. 2024 – City received consent petitions for additional land
- Feb. 4, 2025 – City Council approved a development agreement (including a strategic partnership agreement), utility service agreement, and resolutions of consent to the additional land request.



# Sanctuary MUDs

	Sanctuary 1	Sanctuary 2
Total Acres	273	563
Developable Acres	194	411
Commercial Acres		5.9
Single-Family Homes	1,037	2,117

## Development Timeline

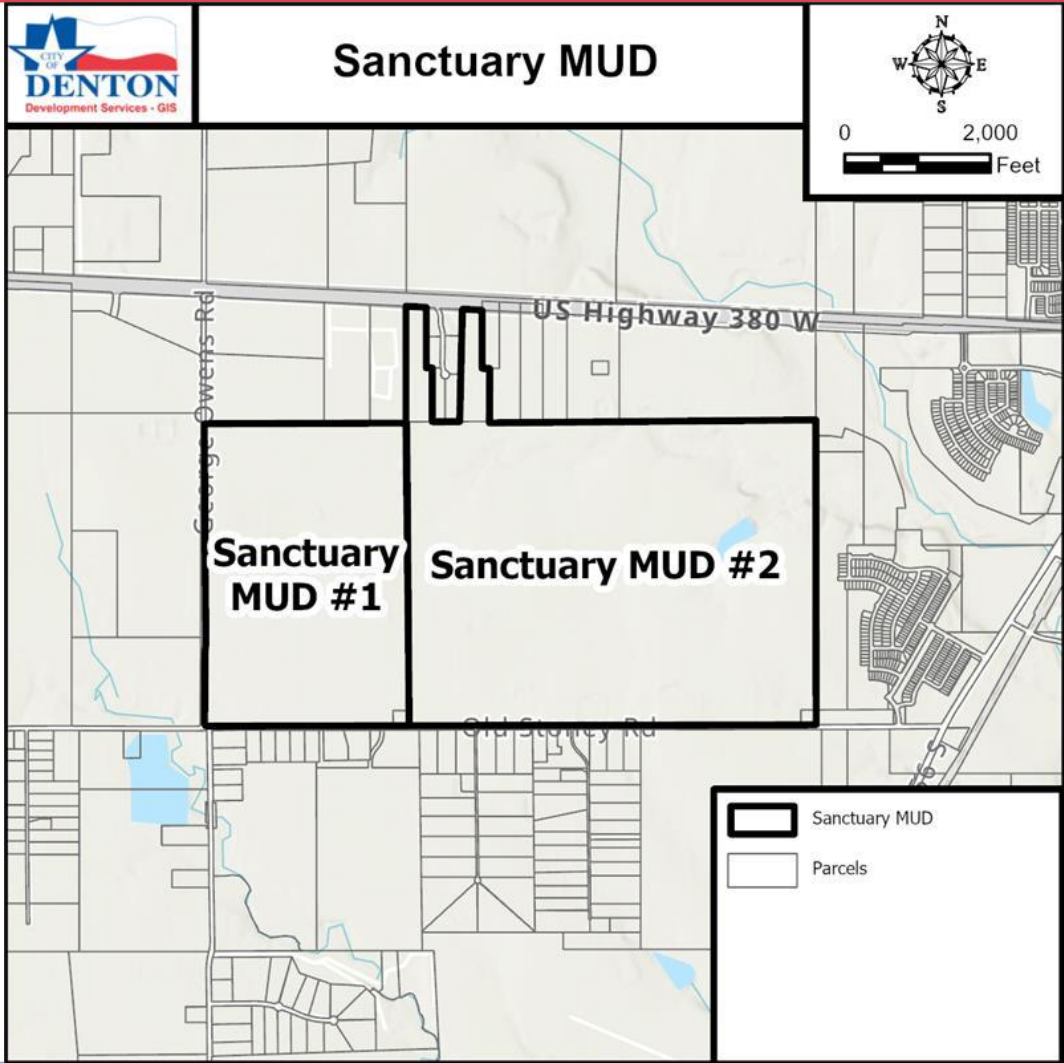
- Construction Start: Q4-2025
- First Homes: Q2-2027



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# Strategic Partnership Agreement

- Initiated by Development Agreement (24-2177)
- Requires 2 public hearings by each the City and MUD for adoptions of the agreement.
  - This is the 1<sup>st</sup> public hearing. 2<sup>nd</sup> public hearing is planned for May 6.
- Limited Purpose Annexation
  - Allows the City to collect sales tax on this property which otherwise would not be collected.
  - 50% of the taxes collected go to the MUD.
  - Est. \$4.4M of retail sales tax (\$2.2M City; \$2.2M Sanctuary MUD) over 30 years.
- Future Full Purpose Annexation



# Questions?

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