City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: **Development Services**

ACM: **Cassandra Ogden**

DATE: **June 6, 2023**

SUBJECT

Consider approval of a resolution of the City Council of the City of Denton to appoint a director to the Board of Directors of Cole Ranch Improvement District No. 1 of Denton County, Texas; and providing an effective date.

BACKGROUND

Cole Ranch is an approximate 3,169.4-acre master-planned development west of I-35 West and north of Robson Ranch. The development is located within the city limits and is designated as a Master Planned Community District under the Denton Development Code. The development's buildout is expected to occur over 40 years and is anticipated to include:

- 5,900 single family units
- 3,200 multifamily units
- 120 commercial acres
- 256 industrial acres

Because projects of this size require construction of significant public infrastructure, the developer will pay for the construction of such improvements and seek reimbursement through a Municipal Management District (MMD). An MMD is considered a governmental agency and a political subdivision of the state. The MMD finances public capital improvements and/or services by imposing property taxes and/or special assessments on property owners within the district who are benefiting from such improvements. With that source of revenue, and once the assessed value of the property is 10 times greater than the amount of debt to be issued, the MMD can issue bonds, which are then used to reimburse the developer for the up-front cost of the public improvements. The district was approved by the Texas Legislature on June 14, 2019. The Denton City Council passed a consent resolution authorizing the creation of the MMD on April 7, 2020.

The MMD is governed by a board of directors responsible for the management, operation, and control of property belonging to the district. Five (5) directors are named in the district's legislation. The City of Denton has the right, but not the obligation to appoint an additional director to the MMD board of directors. The current City appointee began his term following appointment by the City Council in June 2020. The term for the current appointee is set to expire on June 14, 2023. If Council does not replace or reappoint a board member, the existing appointee will continue to serve in his current capacity and maintain all rights and responsibilities of an appointed board member. The new Council appointee will serve a four (4) year term for the district.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

June 9, 2020: City Council approval of resolution to appoint a director to the Board of Directors of Cole Ranch Improvement District

EXHIBITS

Exhibit 1 – Agenda Information Sheet
Exhibit 2 – Cole Ranch MMD Appointment Resolution
Exhibit 3 – Presentation

Respectfully submitted:
Cassandra Ogden, Assistant City Manager

Prepared by:
Ethan Cox, Director of Streets