



Public Hearing

Ordinance 2026-28

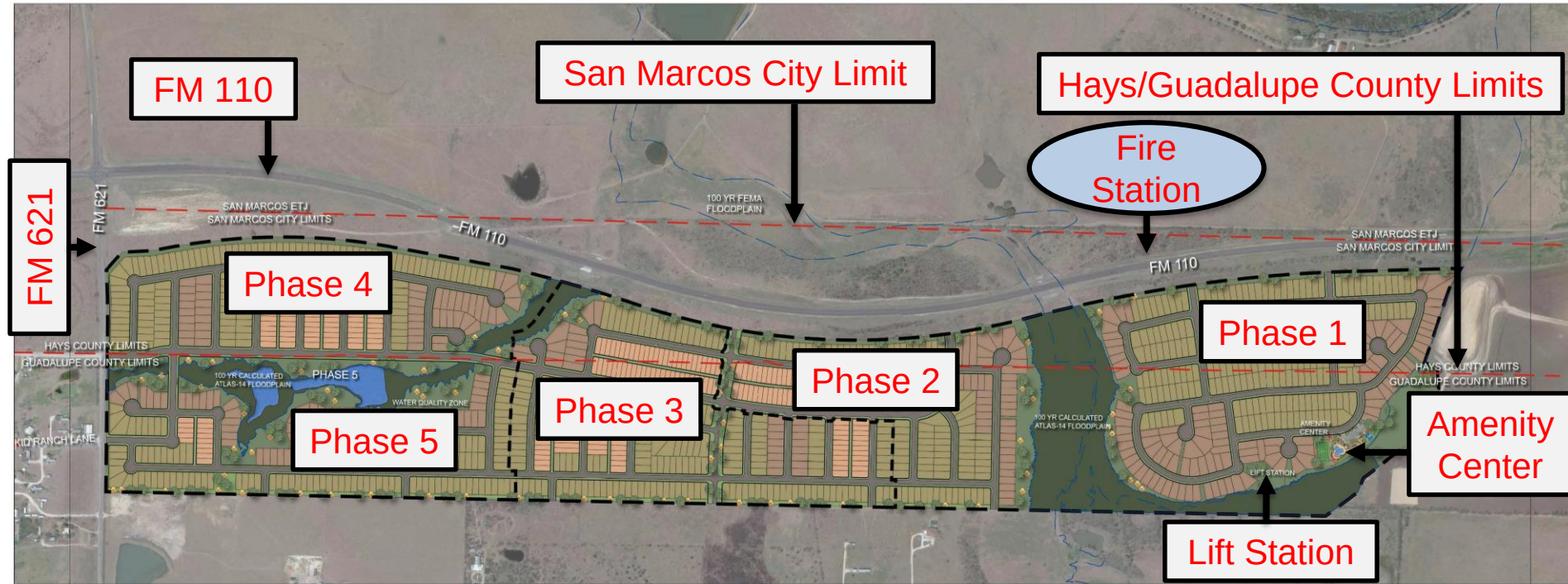
Receive a Staff presentation and hold a Public hearing and consider possible action regarding Ordinance No. 2026-28 Levying Special Assessments within Improvement Area #1 for the River Bridge Ranch Public Improvement District (PID), and apportioning the costs of, certain improvements to property in the District: Fixing a charge and lien against all properties within the District, and the Owners thereof; providing for the manner and method of Collection of such Assessments; Making a Finding of Special Benefit to Property in the District and the Real and True Owners Thereof; Approving a Service and Assessment Plan; Providing a Severability Clause; and declaring an effective date.

River Bridge Ranch PID Background



- Public Improvement District (PID) created in 2020 as part of a settlement.
- Included \$10 million of authorized public improvements (wastewater and buffers).
- Developer since changed from Mayan at San Marcos River to Lennar Homes.
- Lennar is petitioning for a PID amendment due to inflation and general competitiveness.
- December 2025 – City Council approved Res. 2025-235R accepting the petition and calling a public hearing.
- January 20, 2026 – City Council **held a public hearing** on the requested PID amendments that remains open.

River Bridge Ranch Project Land Plan



- 1,351 single family lots (35', 45', and 50' Lots)
- Estimated starting sales price between \$260,000 and \$390,000
- \$437 million assessed value at buildout = \$2.5 million annual tax revenue



NORTH

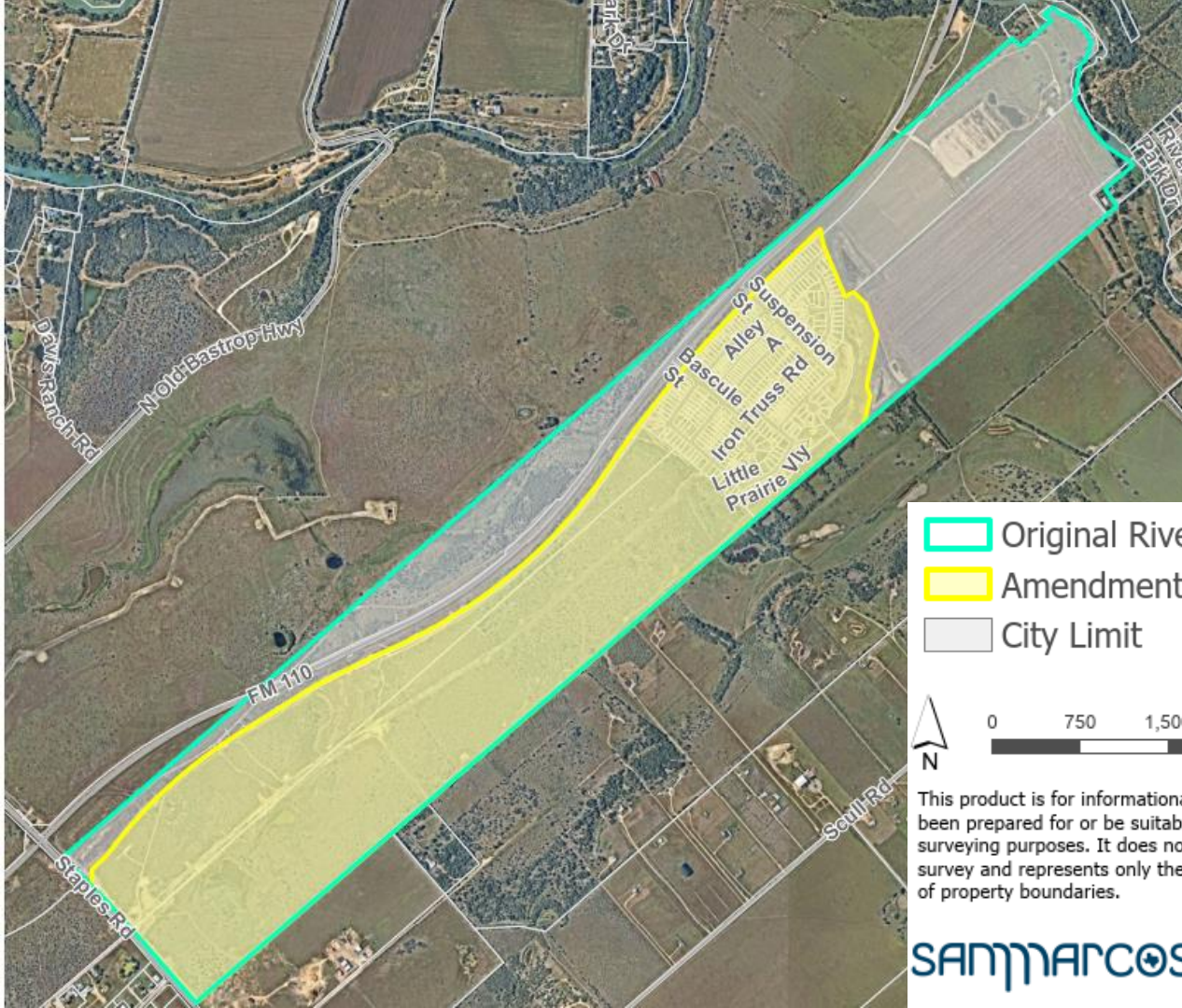
PID Amendments Requested by Petition



- Reduce PID area from approximately 563 to 328 acres
 - Remove portion of land retained by original owner and the land north of FM 110
- Increase authorized public improvements from \$10 million to \$60 million
 - Streets, drainage, water, wastewater



Change in PID Boundary Request



-  Original River Bridge Ranch Boundary
-  Amendment Request
-  City Limit



0 750 1,500 3,000 Feet

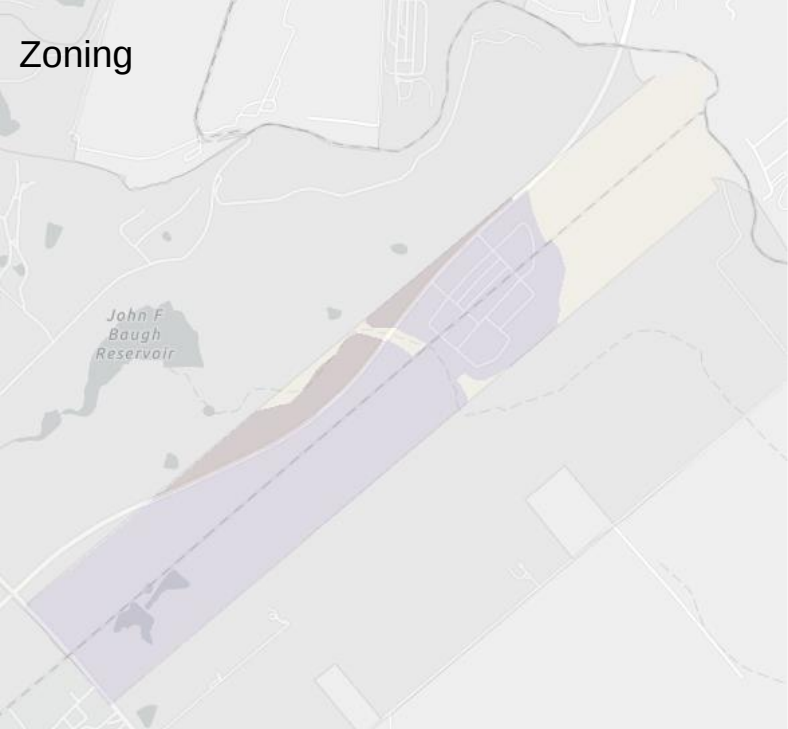
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Date: 10/7/2025

Site Location



Zoning



CD-3 Character District-3 is primarily intended to accommodate one and two family houses. Uses that would substantially interfere with the residential nature of the district are not allowed.

The Future Development (FD) District is intended to serve as a temporary zoning district for properties that shall develop in the future

Preferred Scenario



- Eligible Opportunity Zones 2.0
- Preferred Scenario Centers
- Neighborhood High
- Neighborhood Medium
- Neighborhood Low
- Neighborhood Transition
- Mixed Use Medium
- Mixed Use Low
- Commercial/Employment Medium
- Commercial/Employment Low
- Conservation/Cluster

0 0.75 1.5 3 Miles

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Date: 5/22/2026

SAMHARCOS Planning and Development Services

Change in Authorized Public Improvements



- Authorized Public Improvements = \$46.63 million
 - Streets \$16.0 million
 - Drainage \$8.6 million
 - Water \$5.9 million
 - Wastewater \$6.5 million
 - Engineering, contingency, etc. \$9.6 million
- Bond issuance costs = \$6.73 million
- Total estimated costs = \$53.36 million
- Assessments are estimated to cover \$40.0 million, and Lennar will cover the remaining \$13.36 million.



PID Bond Information

- Requires a value to lien ratio of 3:1 prior to issuance.
 - This means the appraised value of property on the ground must be 3 times the amount of the bonds being issued.
 - \$10 million in bonds requires \$30 million appraised value.
- Issued as a reimbursement after the public improvements are made.
- Repaid with the PID assessments.
- Do not affect the City's bond capacity and should not affect the City's credit rating if structured properly.
- Issued in the City's name; failed projects may impact the management component of the City's bond rating.

Equivalent PID Tax Rate Comparison



River Bridge Ranch PID equivalent tax rate

- River Bridge Ranch – 75.00¢
- Average assessment - \$2,432

Current PID equivalent tax rates in the City:

- La Cima – 61.87¢ (average)
- Trace – 27.98¢
- Whisper – 14.48¢
- Whisper South – 19.67¢

Average PID equivalent tax rates in the region:

- Kyle – 85.83¢, Dripping Springs – 75.46¢, Buda – 82.94¢, and Austin – 66.28¢

Community Benefits



- *Dedication of 5.5 acres of land for a fire station and cost participation in the fire station in the amount of Funds an amount equivalent to 2.5% of the net proceeds of each series of PID Bonds.
- *Voluntary compliance with specific sections of the 2025 Development Code.
 - Example: Shade trees, xeriscaping options, drought tolerant grass, and owner maintenance of landscape areas.
- *Bus stop shelter at the intersection of Staples Road (FM 621) and FM 110 and integrated into a future multi-use trail.

*Only available with PID amendment. sanmarcostx.gov

Community Benefits



- *Enclosed 2,000 sq. ft. amenity center with HVAC that will be made available for public use through an agreement.
- *Larger trees at the entry way of the amenity center.
- Lennar to buy down the interest rate for financing a home.
 - Interest rate buy down from the current rate of 6.5% to 3.75% reducing the homeowner's mortgage payment.
 - Based on the weighted average home cost of \$325,000, the mortgage payment (including the PID assessment) would decrease by \$336 after applying the rate buy-down.

*Only available with PID amendment.

sanmarcostx.gov

PID Committee Decision Point



- PID Committee Meeting held on February 26, 2026
- Requested additional changes that have since been incorporated into the PID documents.
- City Council Executive Session held on June 16, 2026 pursuant to Section 551.087 (Economic Development): To deliberate regarding possible development incentives related to the River Bridge Ranch Public Improvement District.

Community Benefits **Updated**



- *Dedication of 5.5 acres of land for a fire station and cost participation in the fire station in the amount of Funds an amount equivalent to **10% of the net proceeds of each series of PID Bonds, not to exceed \$5 Million, to be built within 15 years and updated in the Agreement for the Fire Station:**

(d) The City has certified to Owner in writing that (a) any funds or land provided by Owner as part of the owner contribution will be used only for the Fire Station, and (b) the Fire Station will be completed within fifteen (15) years after the City's receipt of the final portion of the owner's contribution provided under Section 2(b) below.

- (b) Funds. Owner shall pay to the City an amount equivalent to 10% of the net proceeds of each series of PID Bonds simultaneously with issuance of each such series of PID Bonds, such amount not to exceed \$5,000,000 in the aggregate. If the amount the Owner has contributed under this Section 2(b) after the issuance of the final series of PID Bonds (defined as the series of PID Bonds bringing the aggregate principal of all PID Bonds issued to \$60,000,000) is less than \$5,000,000, then the Owner shall make an additional contribution in the amount of the difference of the amount contributed to date hereunder and \$5,000,000. By

*Only available with PID amendment.

Community Benefits **Updated**



- *Voluntary compliance with specific sections of the 2025 Development Code.
 - Example: Shade trees, xeriscaping options, drought tolerant grass, and owner maintenance of landscape areas.
- *Bus stop shelter at the intersection of Staples Road (FM 621) and FM 110 and integrated into a future multi-use trail.

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Community Benefits **Updated**



- *Enclosed 2,000 sq. ft. amenity center with HVAC that will be made available for public use through an agreement. Amended Exhibit B. Community Benefits:
4. The Petitioner will provide an approximately 2,000 sq. ft. enclosed amenity center, with HVAC, as generally shown on **Exhibit B-4** attached hereto, to be controlled by the HOA and made available for use by the general public through an agreement to be entered into by the City and the HOA. [The amenity center will be complete before homes are closed in Phase 3 \(as defined in the plat\) of the District.](#)

*Only available with PID amendment. sanmarcostx.gov

Community Benefits **Updated**



- *Larger trees at the entry way of the amenity center.

Amendment to Exhibit B. Community Benefits:

5. Subject to ~~an agreement entered into by the City and the Petitioner~~adequate water for water supply ~~adequate~~sufficient to irrigate larger trees, the Petitioner will provide a minimum of six (6) shade trees around the entryway of the amenity center, in addition to street tree and landscaping requirements required by the Development Code at the time of construction. The shade trees will be of a species from the City's Preferred Plant List and will be a minimum caliper of five (5) inches measured at six (6) inches from the root collar at the time of planting.
- *Includes annual City Administrative Expenses of \$40,000 plus an Escalator of 2.0% over the life of the PID 2027-2057 estimated \$1,655,178.

Community Benefits **Updated**



- Lennar to buy down the interest rate for financing a home.
 - Interest rate buy down from the current rate of 6.5% to 3.75% reducing the homeowner's mortgage payment.
 - Based on the weighted average home cost of \$325,000, the mortgage payment (including the PID assessment) would decrease by \$336 after applying the rate buy-down.

*Only available with PID amendment.

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City Council Meeting July 7, 2026



- City Council held a public hearing and approved Resolution 2026-118R, amending the terms of the River Bridge Ranch Public Improvement District (PID), by reducing the PID boundaries and increasing the estimated costs for public improvements from \$10,000,000.00 to \$60,000,000.00; in accordance with Chapter 372 of the Texas Local Government Code; and declaring an effective date; and approving Resolution 2026-118R.
- City Council approved Resolution 2026-119R, approving a Financing and Reimbursement Agreement with Lennar Homes of Texas Land and Construction, Ltd., a Texas Limited Partnership, in connection with the River Bridge Ranch Public Improvement District (PID); and authorized the City Manager, or her designee, to execute said documents on behalf of the city; and declaring an effective date.



City Council Meeting July 7, 2026

- City Council approved Resolution 2026-120R, determining costs of the proposed public improvements in the River Bridge Ranch Public Improvement District (PID); approving a proposed assessment roll for Improvement Area #1; and making related findings and determination with respect to an increase in the estimated cost of authorized improvements from \$10,000,000.00 to \$60,000,000.00, in accordance with Chapter 372 of the Texas Local Government Code; authorizing the City Manager, or her designee, to execute said documents on behalf of the city; and declaring an effective date.



Decision Point

- Hold a Public hearing and consider possible action regarding Ordinance No. 2026-28 Levying Special Assessments within Improvement Area #1 for the River Bridge Ranch Public Improvement District (PID), and apportioning the costs of, certain improvements to property in the District: Fixing a charge and lien against all properties within the District, and the Owners thereof; providing for the manner and method of Collection of such Assessments; Making a Finding of Special Benefit to Property in the District and the Real and True Owners Thereof; Approving a Service and Assessment Plan; Providing a Severability Clause; and declaring an effective date.