

Club Municipal Management District No. 1

Frequently Asked PID Questions

What is the MMD and Who created it:

The MMD is a political subdivision created by House Bill 3859, which was passed by the 82nd Texas Legislature pursuant to Sections 52 and 52-a, Article II, and Section 59, Article XVI of the Texas Constitution.

When was the District Created:

The MMD was created on June 17, 2011.

How was the District created:

The MMD creation was created by the 82nd Texas Legislature on June 17, 2011 after (i) a petition was received from property owner(s) representing at least 50% of the taxable assessed property within the District boundary to create the MMD, and (ii) a public hearing was conducted to evaluate the viability of the District.

Why was the District created:

The District was created to finance certain public improvements (roadway improvements and utility improvements) that are required for and provide specific benefits to property within the project. The proportionate cost of these authorized public improvements including debt issuance costs represent the Assessments levied on the property within the District to be collected from all benefitted.

How are the District Assessments determined:

The District Assessments represent a proportional share of the cost of the authorized public improvements allocated to each property type pursuant to the Service and Assessment Plan (“SAP”) approved by the City at the time the Assessments were levied. Please contact the District Administrator for details regarding the various property types and assessment amounts contemplated for each type of property within the project.

How can Assessments be paid:

The District Assessments can be paid (i) in full at any time, (ii) in partial payments, or (iii) in annual installments as specified in the SAP. Please contact the District Administrator for details regarding these available options and the respective amounts applicable to your property.

Who collects the Assessments:

The District or a designated bond trustee (“Trustee”) will collect District Assessments prepaid in full or in part. The District Administrator will prepare and provide a detailed letter of District Assessment prepayment instructions upon request for full or partial prepayments.

Annual installments of District Assessments will be billed and collected by the Rockwall and Kaufman County Tax Assessor/ Collector along with the other property taxes.

How Are Annual Installments determined:

Each year, the District Administrator prepares and submits the District annual budget for District debt and administration obligations to the City for City Council approval. The Annual Installments billed and collected from each property represent a proportionate share of the annual District budget approved by the District Board each year. Please contact the District Administrator for details regarding the proportional amount of the annual District budget applicable to your property.

Can Annual Installments be escrowed with Mortgage:

Yes. Any property owner can arrange for the annual installments to be escrowed with their mortgage payments like other property taxes.

What Happens if Assessments are Delinquent:

The District Assessments represent a lien against each property within the District. As a result, all actions and remedies available for enforcing collection of delinquent property tax collections also apply to District Assessments. Failure to pay the Assessment obligations will result in foreclosure in the same manner as delinquent property taxes.

What Happens to Assessments upon transfer of ownership:

The District Assessments obligation will transfer to the new property owner for the remainder of the Assessment term. The new property owner will assume the obligation to pay any remaining unpaid District Assessments. If Assessment are prepaid in full prior to the transfer of ownership, the District assessment obligation will terminate and there will be no District Assessment obligation on the new property owner.

Who is the District Administrator and where can I get additional information or details regarding the MMD:

District Administrator:

MuniCap, Inc.
600 E. John Carpenter Freeway, Suite 333
Irving, TX 75062
469-490-2800 main
866-648-8482 toll free

City of Heath:

Finance Department
City of Heath
200 Laurence Drive
Heath, TX 755032
972-771-6228 (office)