

Waco Surf: Master Development Agreement City Council Worksession Presentation

08.18.2026



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AGENDA

- Where we are
- Agreements
- MUD parameters
- Key Development and Infrastructure Terms
- Annexation, Sales Tax & Term
- What's next

Where we are

- Consent to MUD Creation: May 2026
- Preliminary Plat: June 2026
- Master Development Agreement (MDA) and Strategic Partnership (SPA) written and agreed to by Parties
- MDA Vote today

Two Agreements

Master Development Agreement (City & Developer; the “Rulebook”) [RES 2026-499](#)

- Enable orderly, high-quality development via Concept Plan and Development Standards
- Municipal Utility District (MUD)
 - Sets the process for initial directors, infrastructure standards, and services
- Defines the path to annexation
 - Conditions precedent to full annexation
 - Allows limited-purpose annexation via SPA so City can collect sales tax
- Sharing of economic benefits

Strategic Partnership Agreement (City & District; Developer must cause District to execute)

- Many of same terms as MDA
- “Middle step” between ETJ and Full Annexation (Limited Purpose Annexation vehicle)
- Defines roles of each Party
- Requirements/parameters for debt issuance

Municipal Utility District

Board (MDA)

- Developer nominates five candidates
- City Manager has seven days to accept or reject any nominees in writing

Strategic Partnership Agreement

- Construct, owns, and maintains public infrastructure
- Debt limited to infrastructure in Master Development Agreement / Concept Plan
- District continues until obligations are met
- Debt
 - must mature by August 2075.
 - must be approved by voters in the District
- Tax levied by District to repay bonds

Development Framework & Infrastructure Terms

Development Terms

- City-approved Concept Plan (adding new land uses requires City Manager consent)
- Property vested from Effective Date under agreed Development Standards
- Building Codes not applicable

Infrastructure

- Water: EOL (Ph. 1); City service possibly by future agreement
- Wastewater: District builds collection and treatment system; City service possibly by future agreement
- W/WW built to City standards
- Roads & Drainage: Designed/built/maintained by District to agreed standards unique to the development.

Annexation, Sales Tax, Term

Full Purpose Annexation: After...

- 90% of infrastructure complete
- Developer is fully reimbursed
- 90% of authorized bonds are issued
- District taxes/budget are funded

Limited-Purpose Annexation

- With approval of SPA
- Sales Taxes Collected
- Fire Service Provided (LPA Service Plan)

Incentive

- 45% of Sales Taxes above \$3.33M taxable sales (\$50,000 revenue) rebated to Developer through 2049.

Term

- Up to 45 years or until full annexation and District dissolution
- Agreement ends if District is not created by TCEQ within 3 years.

What's next

- District petition by end of calendar year; District created 9-12 months (TCEQ)
- Once created, City Council holds two public hearings and considers
 - Strategic Partnership Agreement with District
 - Limited Purpose Annexation Service Plan (Fire Service, etc.)
- City and Developer continue to explore City water and wastewater service to District (future agreement)
- Possible lease of groundwater rights to EOL

THANK YOU.

Questions?

Please contact pcain@wacotx.gov for any questions

THE DESPERADO

AT WACO SURF

DEVELOPMENT SUMMARY

WACO SURF OVERVIEW

“Located just outside city limits, Waco Surf is more than just a water park — it’s a full resort experience.” The Wacoan

- 450-acre destination resort in Waco, Texas, combining worldclass surf, recreation, and hospitality.
- Features a 2-acre surf lagoon, standing wave lagoon, water park, and diverse lodging options including cabins, hotel rooms, and RV sites and six food and beverage outlets.
- Consistently operates at capacity, with surf sessions selling out months in advance — underscoring strong consumer demand and brand loyalty.
- Recognized nationally by major media outlets for redefining inland recreation and establishing a new standard for destination surf resorts.
- Distinguishes itself by combining advanced wave technology with next level customer service.
- The property has become a premier destination for both recreational guests and professional athletes, drawing national recognition and year-round visitation.

Over 6,200 of our existing Waco Surf customers earn in the top 1% of income in the US



THE DEVELOPMENT TEAM

CIVIL ENGINEER – KIMLEY HORN

BROKERAGE FIRM – LEGACY INTERNATIONAL

MASTER PLAN ARCHITECT – ARCHITECT ORANGE / FIRMAH

RESIDENTIAL ARCHITECT – FIRMAH ARCHITECTURE

HOME BUILDER – ICON BUILD

GENERAL CONTRACTOR – KENDRICK INDUSTRIES

SITE LOCATION & INCENTIVE CONSULTING – KSR

ATTORNEYS – CEDAR CREEK MUNICIPAL ADVISORS, ABHR, TERRY TAYLOR (FORMER CLUB CORP GENERAL COUNSEL), & SAM FULTCHER

AT THE DESPERADO, AUTHENTIC TEXAS RANCH
LIFE MEETS WEST-COAST SURF CULTURE.

HERE, PEOPLE COME TOGETHER TO CONNECT
WITH NATURE - WATER, WIND, SUN, LAND - AND
THEY FOSTER A DEEPER RELATIONSHIP WITH
WACO.

HERE, THE ENERGY IS DISTINCTLY FOCUSED
ON CONNECTIONS. THIS IS THE LUXURY
OF BELONGING - IMMERSIVE, THOUGHTFUL,
INTENTIONAL, EXPERIENTIAL.



01 THE VISION

02 THE COMMUNITY

03 THE DESIGN

04 THE FINE PRINT

05 THE IMPACT



OF THE VISION

DESPERADO:
A BOLD RENEGADE.
A RISK TAKER,
UNBOUNDED BY
TRADITIONAL RULES.

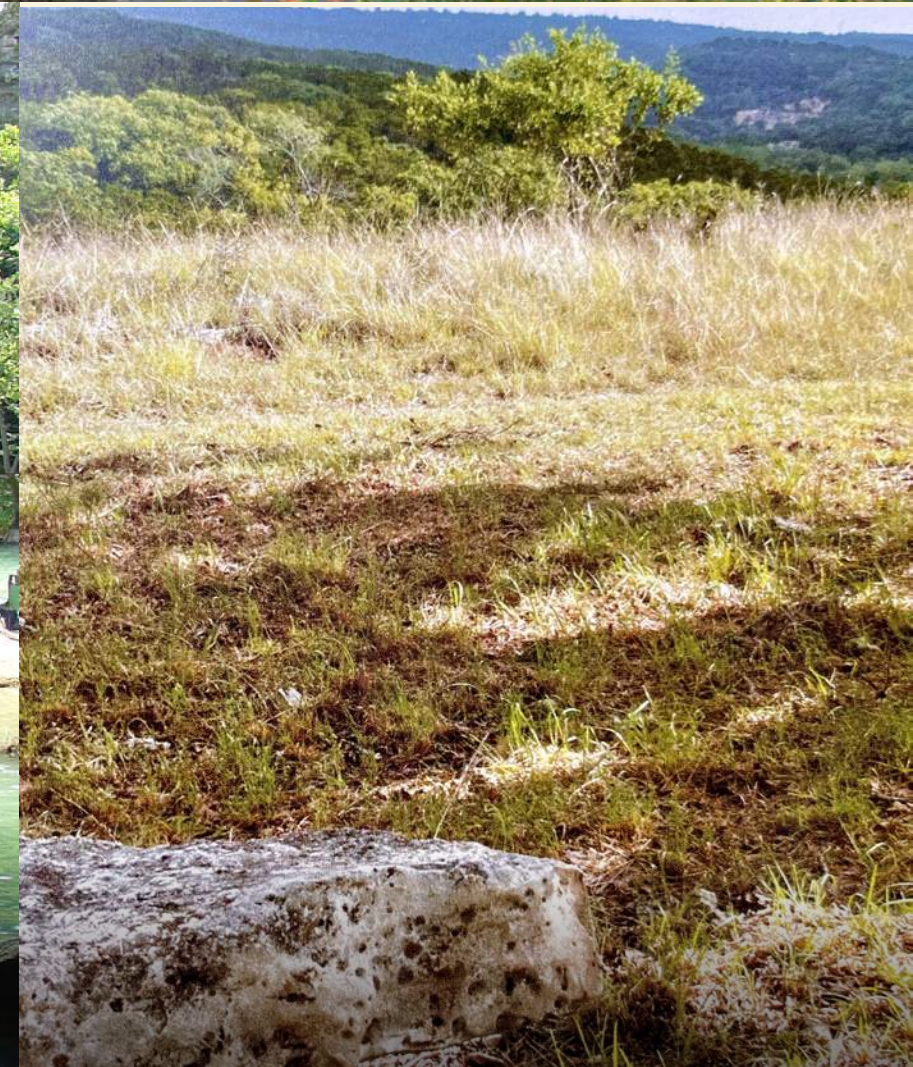
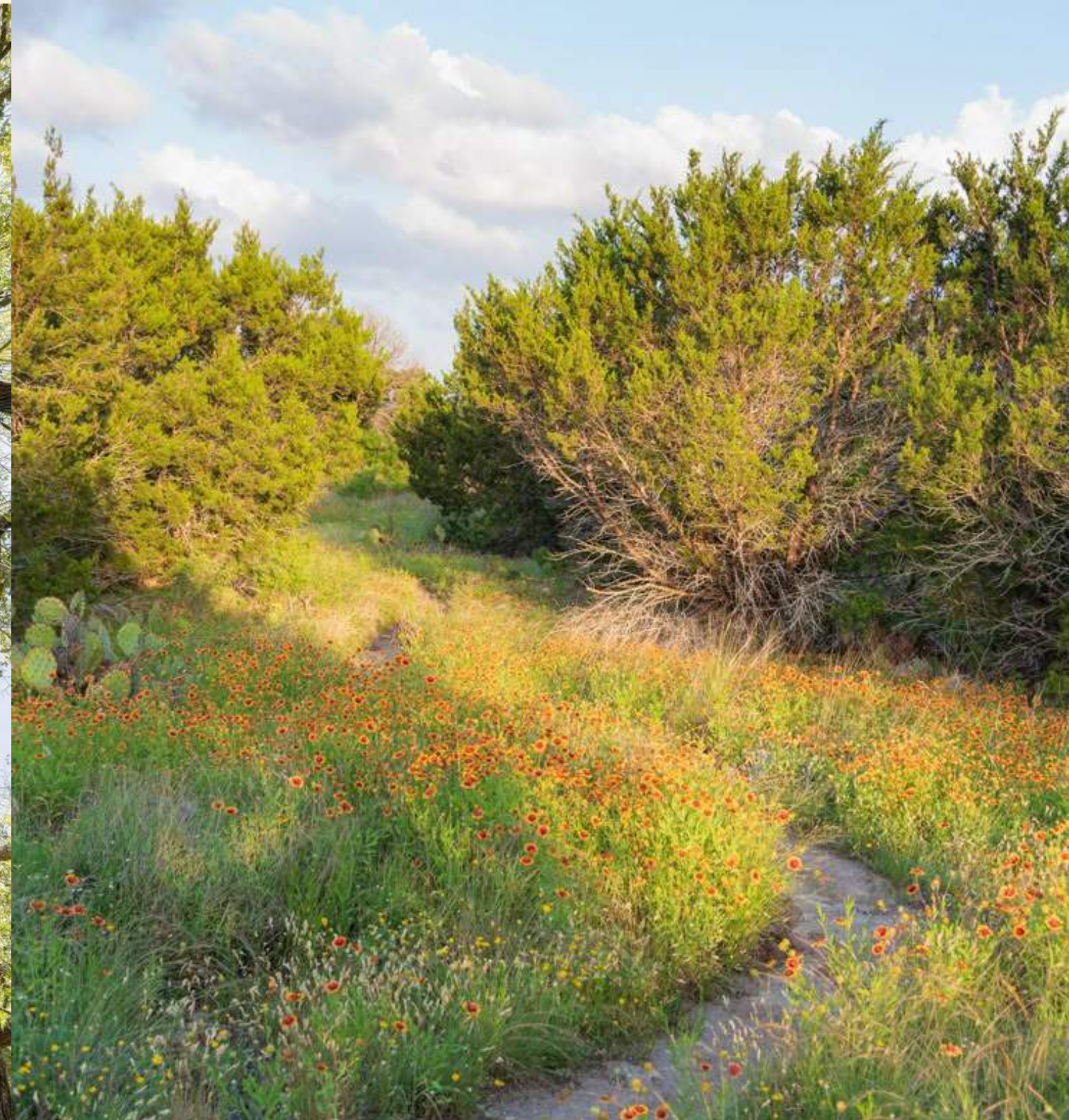
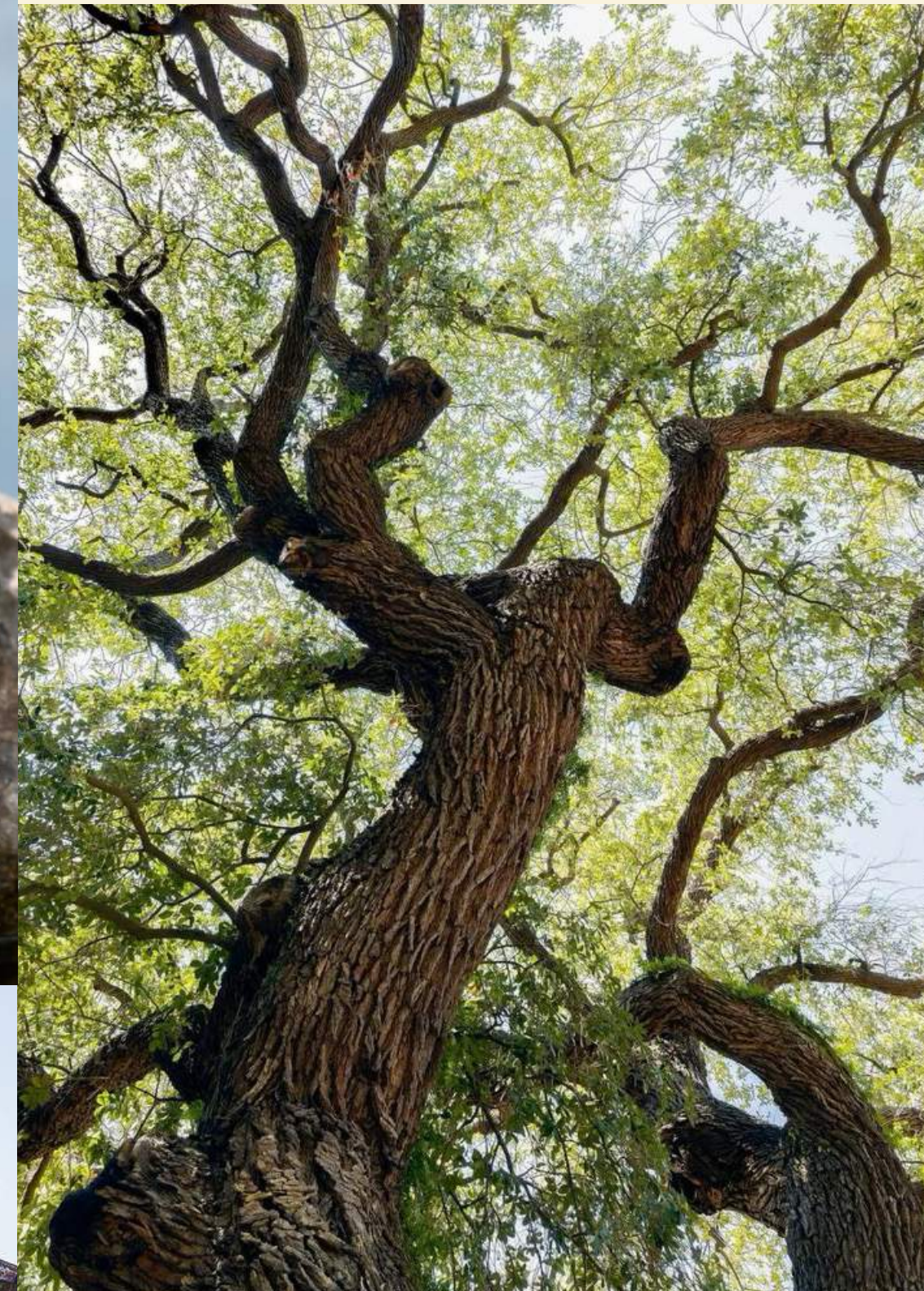
THE DESPERADO

A beach and surf club for those who crave high access, not high walls

Waco Surf is developing America's first inland surf club community: **The Desperado**. This is the place where high-performance surf, elevated design, and intentional community converge in the heart of Texas.

The Desperado community will feature **2 surf lagoons**, **1 standing wave**, a **25-acre lake**, and **88 forsale homes**, plus a broad range of amenities for all levels of activity and rejuvenation across its 450 acres.

Building upon the status of Waco Surf as a leader in high-performance surf events and activities, the Desperado will be rooted in real Texas land, featuring real surf access, with real returns for early investors.





...COMBINES WITH SURF CULTURE...



...TO CREATE A COMMUNITY ROOTED IN CONNECTION. 





THE DESPERADO

ARMAN
CONCEPTUAL RENDERING.
FINAL DESIGN SUBJECT TO CHANGE.

The Desperado is focused around a large new surf lagoon and beach-view homes.

Beyond the surf lagoons, relax and lock in:

- Forest hikes & biking
- Fishing Ponds
- 13-hole Golf Course
- Pickleball + Sport Courts
- Pump Track
- Playgrounds
- Climbing
- RV Camping
- Nordic Spa
- Clubhouses
- Restaurants
- Work + Meeting spaces



AMENITIES



02 THE COMMUNITY

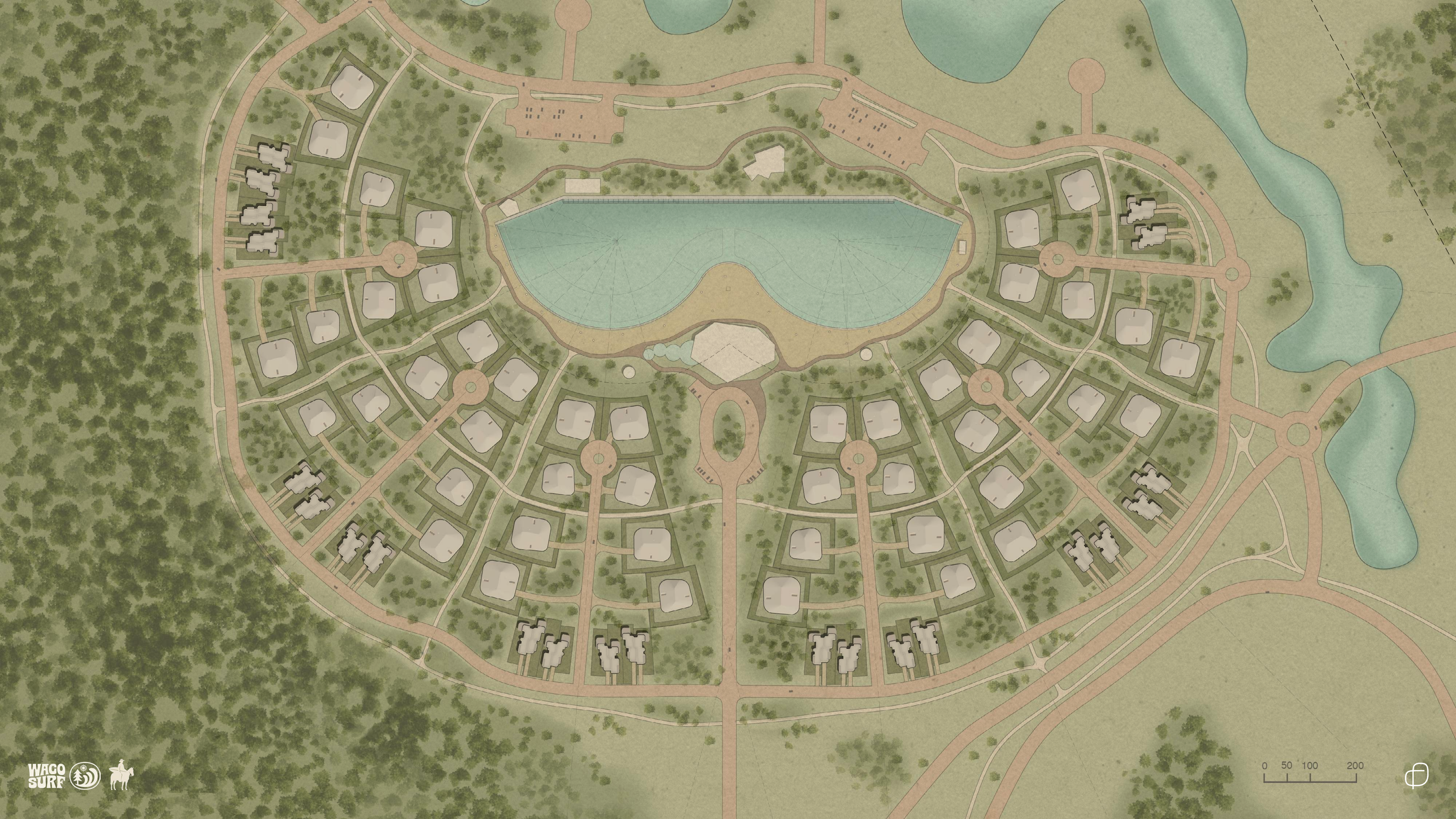


A ROOTED COMMUNITY

A place to belong, to connect, to share

The Desperado community will elevate the vibe and culture that exist today at Waco Surf. 88 lots will be built, **all organized around a central lagoon** and amenities, **all prioritizing views** to the beach and surf activity – while supporting a natively-vegetated environment for people, bikes, and golf carts.

- Premium and standard lots
- **3-bed, 4-bed, and 5-bedroom Standalone Houses**, designed for bringing together families & friends
- **2-bed and 3-bedroom Duplex Townhomes**, designed for flexible living arrangements









03 THE DESIGN



FLOW AS FORM

Building in harmony with how we live

The homes feature **3D-printed concrete walls**, a uniquely beautiful and novel high-performing construction approach. These will be constructed by ICON, the global leader in this technology based locally in Austin, Texas.

ICON's work is rooted in a larger ambition: to use advanced technology to transform construction itself, making buildings more durable, more efficient, and ultimately **more capable of serving people well**. This spirit feels especially at home here: just as surfers are drawn to the precision, power, and possibility of new lagoon technology, the Desperado homes embrace a new frontier in how we build for better futures.

The organic curves, rhythmic texture of the concrete beads, and earthy colors with natural variation deepen the sense of flow, shaping spaces that feel **calm, grounded, and intimately connected to the land**. Beyond their visual and emotional resonance, the walls offer excellent thermal performance and exceptional resilience, making them a meaningful part of how these homes live, last, and belong.

04 THE FINE PRINT



THE LOTS

		NUMBER OF LOTS	LOT SIZE (ACRES)
TIERS	Tier 1 — Bluff Beachfront Lot	12	1 / 3
	Tier 2 — Premium Beachfront Lot	12	1 / 3
	Tier 3 — Standard Beachfront Lot	20	1 / 3
	Tier 4 — Beachfront Townhome	44	1 / 12

THE HOMES

		NUMBER OF LOTS	HOME SIZE (SQ. FT.)	HOME PRICE
ACCESS	Standalone Homes (3-bed, 4-bed, & 5-bed)	44	starting at 2,050 SF	starting at \$ 1,800,000
	Townhomes (2-bed & 3-bed)	44	starting at 1,610 SF	starting at \$ 1,600,000

Pricing is dependent on model and finish packages chosen.
Fully-customized homes are also possible.

Financing is available thru Waco Surf's preferred
lender.

COMPS

COMPS	CLUB TYPE	LOCATION	AVAILABLE	HOMES	LOT (ACRES)	LOT PRICE	HOME PRICE*	TOTAL PURCHASE PRICE
The Desperado at Waco Surf	Surf, Wake, Water park, Golf	Waco, TX	Lagoon #1 - OPEN Standing wave - OPEN Lagoon #2 - 2028	Beachfront House, Duplex	0.25 - 1	\$ 600,000 - \$1,500,000	House: \$ 1,400,000+ Duplex: \$ 1,000,000+	House: \$ 1.8 - \$ 2.9 M * Duplex: \$ 1.4 - \$ 2.0 M *
Austin Surf Club	Surf	Austin, TX	ON PAUSE	Suite, Cottage, Duplex	0.25 - 0.50	\$ 2,200,000 - \$ 4,700,000	\$ 2,700,000+	\$ 4.7 M - \$ 12.7 M
Zion Shores	Surf	Washington, UT	2027	Townhome	0.18 - 0.35	\$ 1,500,000 - \$ 1,700,000	\$ 1,000,000+	\$ 2.5 M - \$ 4.1 M
Southern Shores	Surf, Wake	Hurricane Valley, UT	Open (standing wave only)	Beachfront, Lakefront	0.43 - 0.51	\$ 700,000 - \$ 1,200,000	up to \$ 8,000,000	up to \$ 9.2 M
Thermal Beach Club	Surf, Race Track	Coachella Valley, CA	2027 - 2028	Luxury Villa	0.20 - 0.32	\$ 1,100,000 - \$ 3,200,000	\$ 4,560,000+/-	\$ 2.9 M - \$ 8.75 M
Cabo Surf Club	Surf	Mexico	2027	Villa, Casita, Boardwalk	0.33 - 0.50	\$ 1,500,000 - \$ 2,500,000	\$ 2,500,000+	\$ 2.5M - \$ 6.2 M

Data derived from information available as of March 2026

* Anticipated. Dependent on model and finishes chosen.

OPERATIONS

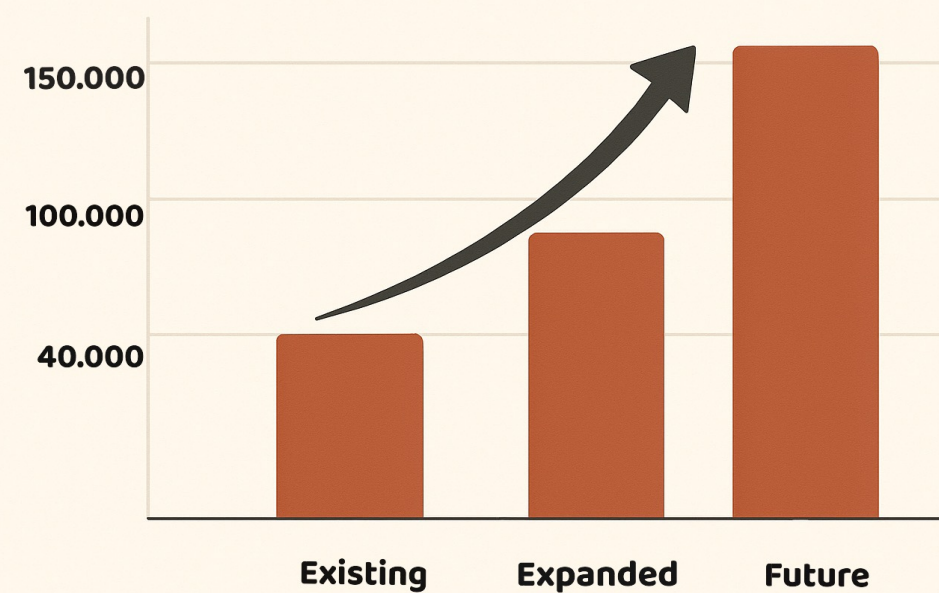


- MUD to construct the public infrastructure in the master planned community
- Private streets within the single family neighborhood
- POA maintains all operations within the gates and will own and operate all private infrastructure, recreation, and amenities
- Waco Surf will provide property management for the homes and managed rental pool for homeowners
- On site drainage and water reclamation and recycling with goal of net neutral water consumption for all non-potable usage
- Home ownership will be single family condo association
- Condo Association responsible for common area maintenance

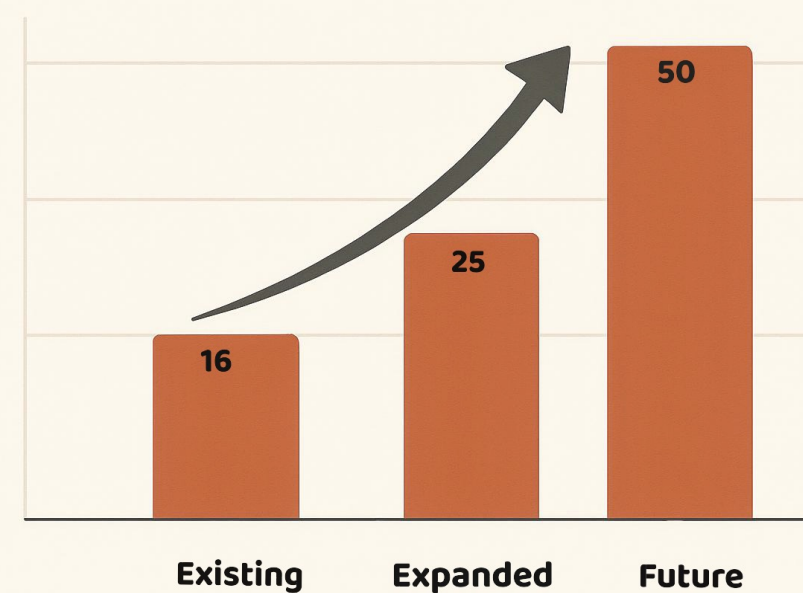
IMPACT

ECONOMIC IMPACT

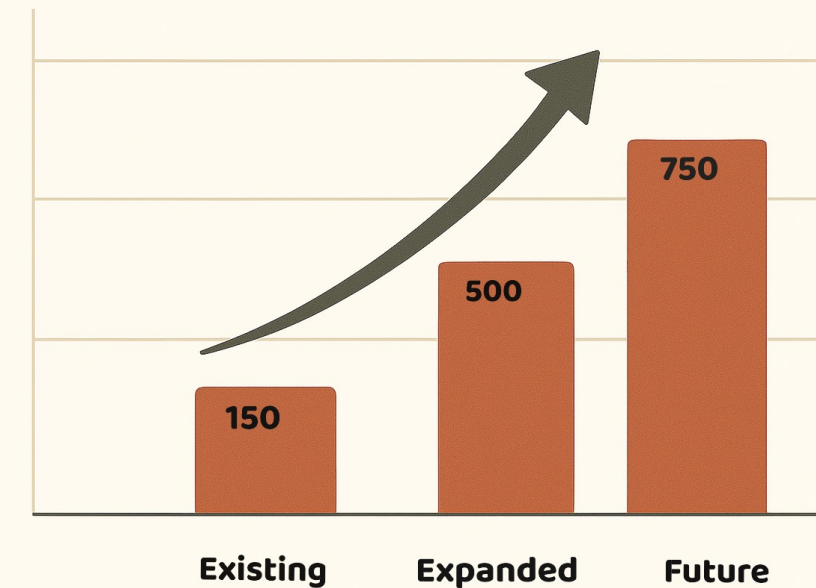
Annual Visitors



Permanent Job



Seasonal Jobs



PHASE 1



88 homes



**\$100-130 MM
NEW AV**

FUTURE PHASES



250 homes



**\$250+ MM
NEW AV**

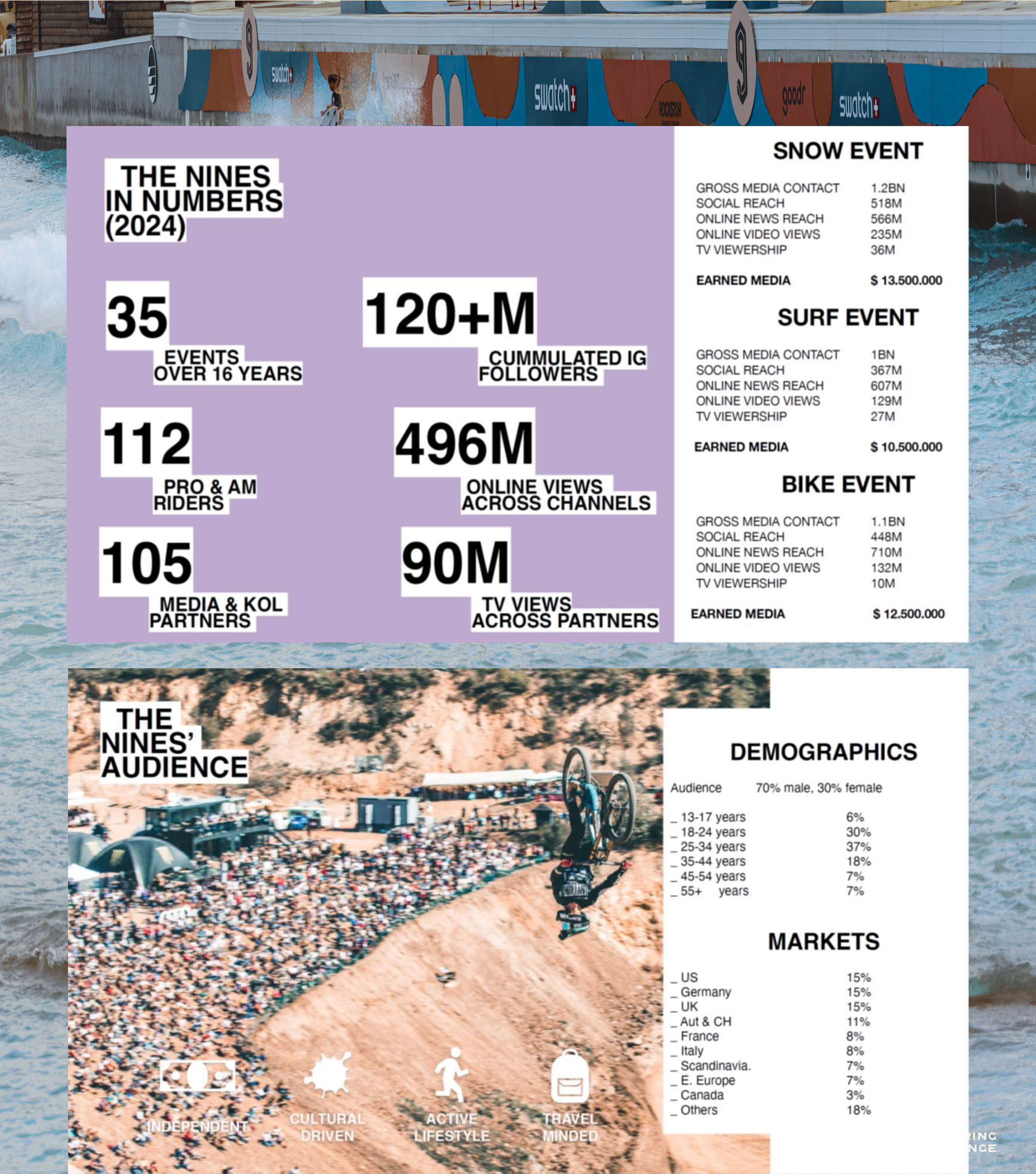
EVENT DESTINATION & COMMUNITY BRANDING

The Swatch Nines Surf Event

- 2024-2028 site for multi-day international surf competition
- 7-10 day pre-event (150 people)
- 3-4 day event (250 attendees, 650 room nights 4-star or equivalent)
- 5-7 day post event (150 people)
- \$10MM in media value per event with over 1 billion media reach

Potential X-Games Host

- 500 attendees
- 700 overnight stay
- 1,800 F&B





THE DESPERADO
AT WACO SURF