

Mayor and Council Communication

DATE: 08/27/19

M&C FILE NUMBER: M&C 19-0112

LOG NAME: 13FMS PID07FY20

SUBJECT

Conduct Public Benefit Hearing for Public Improvement District 7 - Heritage, Approve Fiscal Year 2019-2020 Budget in the Amount of \$2,324,544 and Five-Year Service Plan, Approve Tax Year 2019 Assessment Roll, Adopt Ordinance Levying Special Assessments for the 2019 Tax Year at a Rate of \$0.17 Per Each \$100 of Residential Property Value and \$0.11 Per Each \$100 of Commercial Property Value, Authorize Execution of Agreement with FirstService Residential Texas, Inc., in the Amount of \$127,928 to Manage the District, and Adopt Appropriation Ordinance (COUNCIL DISTRICTS 4 and 7) (**PUBLIC HEARING** - a. Report of City Staff: Angela Estrada; b. Citizen Presentations; c. Council Action: Close Public Hearing and Approve the M&C)

RECOMMENDATION:

It is recommended that the City Council:

1. Conduct a public benefit hearing concerning the proposed special assessments on the property located in Public Improvement District 7 - Heritage for the 2019 tax year;
2. Approve the attached Fiscal Year 2019-2020 Budget in the amount of \$2,324,544 and Five-Year Service Plan for Public Improvement District 7 - Heritage;
3. Approve the Tax Year 2019 Assessment Roll for Public Improvement District 7 - Heritage, on file with the City Secretary;
4. Adopt the attached ordinance levying special assessments on the property located in Public Improvement District 7 - Heritage for the 2019 tax year at the rates of \$0.17 per each \$100 of residential property value and \$0.11 per each \$100 of commercial property value;
5. Adopt the attached ordinance (1) increasing estimated receipts and appropriations in the Fort Worth Public Improvement District 7 – Heritage Fund ("Fund") in the amount of \$1,981,300, from available funds, and (2) increasing appropriations in the Fund in the amount of \$343,244 and reducing fund balance by the same amount; and
6. Authorize the execution of an Agreement with FirstService Residential Texas, Inc., in the amount of \$127,928 to provide management of the improvements and services for Public Improvement District 7 - Heritage during Fiscal Year 2019-2020.

DISCUSSION:

On September 26, 2000, the City Council adopted Resolution No. 2675 establishing Fort Worth Public Improvement District No. 7 - Heritage (Heritage PID).

The purpose of this benefit hearing is to receive comments from the public regarding the 2019-2020 Fiscal Year Budget and Five-Year Service Plan for the Heritage PID and the proposed assessments to be levied on each property in the Heritage PID for the 2019 tax year. Following the public hearing, it is recommended that the City Council take the following actions: (a) approve the attached Budget and Five-Year Service Plan; (b) approve the 2019 Assessment Roll; and (c) adopt the attached ordinances levying the proposed assessments and appropriating funds.

The improvements and services to be provided in the Heritage PID during the 2019-2020 Fiscal Year and the costs thereof are as follows:

Improvements	Total Budgeted Costs
Management Fee	\$127,928
Utilities	\$230,500
Landscape Maintenance	\$1,166,551

Common Area Maintenance	\$316,323
Holiday Lighting	\$28,500
Security Enhancements	\$85,000
Advertising	\$35,000
Public Events	\$85,000
Capital Improvements	\$200,000
Insurance	\$13,938
City Administration Fee	\$35,804
Total Expenses	\$2,324,544

The total budgeted costs of the improvements are in the amount of \$2,324,544. Of this amount, \$1,790,204 will be funded by assessments collected on privately owned parcels located in the Heritage PID by applying a rate of \$0.17 per each \$100 of property value for residential property and \$0.11 per each \$100 of property value for commercial property. The remainder of the costs in the amount of \$534,340 will be funded by other revenue sources including: (a) \$191,096 in direct payments from the City for Payment In-Lieu of Services, and (b) \$343,244 transferred from the unaudited, unassigned fund balance.

For Fiscal Year 2019 (tax year 2018), the City Council levied an assessment rate of \$0.19 cents for each \$100 of property value for residential property and \$0.11 cents for each \$100.00 of property value for commercial property. The Heritage PID experienced growth in net taxable value equal to 2%, or \$20,461,272, allowing for the residential assessment rate to be reduced by \$0.02. Thus, the recommended Fiscal Year 2020 (tax year 2019) recommended assessment rate is \$0.17 per each \$100 of property value for residential property and \$0.11 per each \$100 of property value for commercial property value.

On August 20, 2019, the City Council conducted a public hearing to receive comments on the proposed 2019-2020 Fiscal Year Budget, Five-Year Service Plan, and 2019 Assessments for the Heritage PID (M&C 19-0095). Notice of the August 20, 2019, benefit hearing and this hearing were published in the [Fort Worth Star-Telegram](#) on August 8, 2019 and mailed to all record owners of property in the Heritage PID on August 7, 2019, in accordance with state law. Included within those notices was a draft of the Fiscal Year 2020 based upon an \$0.18 assessment rate. City staff has since agreed on a recommended rate of \$0.17 and has finalized the Fiscal Year 2019-2020 budget in the amounts shown.

The Heritage PID is located in COUNCIL DISTRICTS 4 and 7.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations and the adoption of the Fiscal Year 2019-2020 Budget by the City Council, funds will be available in the Fiscal Year 2020 operating budget, as appropriated, of the Fort Worth Public Improvement District 7 - Heritage Fund.

Submitted for City Manager's Office by: Kevin Gunn 2015

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