

Mayor and Council Communication

DATE: 08/18/20

M&C FILE NUMBER: M&C 20-0562

LOG NAME: 13QUAIL_VALLEY_PID_FY2021

SUBJECT

(CD 3) Approve the Fiscal Year 2021 Budget in the Amount of \$468,900.00 and Updated Five Year Service and Assessment Plan for Fort Worth Public Improvement District No. 16 - Walsh Ranch/Quail Valley and Adopt Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

1. Approve the attached updated Five-Year Service and Assessment Plan for Fiscal Year 2021 for Fort Worth Public Improvement District No. 16 - Walsh Ranch/Quail Valley; and
2. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the FWPID #16 - Quail Valley Fund in the amount of \$468,900.00.

DISCUSSION:

On September 27, 2016, the City Council created Fort Worth Public Improvement District No. 16 - Walsh Ranch/Quail Valley (Quail Valley PID). The Quail Valley PID encompasses approximately one-fourth of the entire Walsh Ranch property and is a vehicle for financing certain infrastructure costs. Full development of the Quail Valley PID will encompass multiple phases that occur over several years. This Mayor and Council Communication is intended to address the updated Service and Assessment Plan (SAP) for Improvement Area No. 1 of the Quail Valley PID, which is the first phase of development.

State law requires that the City Council review and update the SAP annually to determine the annual budget for improvements within the PID. The initial SAP was approved by the City Council on May 2, 2017 (Mayor & Council Communication C-28221). The attached SAP is intended to serve as an update for Fiscal Year 2021. As outlined in the updated SAP, improvements in the amount of \$6,350,000.00, plus interest and administrative costs, are to be funded by special assessments on Improvement Area No. 1 within the Quail Valley PID.

The Master Reimbursement for the Quail Valley PID (City Secretary Contract (CSC) No. 49300) provides for a maximum principal reimbursement amount for all phases of the Quail Valley PID of up to \$47,000,000.00, and the Improvement Area No. 1 Reimbursement Agreement (CSC No. 49302) addresses \$6,350,000.00 of that amount. Under the terms of the phase 1 agreement, payments to the Developer are conditioned, in part, on the improvements having been completed and accepted by the City and on the total costs of the improvements being greater than the total assessments by a ratio of at least five to four, meaning the Developer is contributing at least twenty percent of the improvements costs out of pocket and without reimbursement. In this instance, the total costs of the improvements is \$27,477,293.00, which far exceeds the required ratio.

The fiscal year 2021 budget, as summarized in the table below, will be funded by special assessments collected on property within Improvement Area No. 1 of the PID (assuming completion of Phase 1C).

Revenues	
Annual Installment Income	\$468,900.00
Total Revenues	\$468,900.00
Expenditures	
Contractual Expenses to Developer	\$423,017.00
Administrative Expenses	\$45,883.00
Total Expenditures	\$468,900.00

The Quail Valley PID is located in COUNCIL DISTRICT 3.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations, funds will be available, as appropriated, in the FWPID #16 - Quail Valley Fund. Prior to any expenditure being incurred, the Financial Management Services Department has the responsibility to verify availability of funds.

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