

Mayor and Council Communication

DATE: 09/12/23

M&C FILE NUMBER: M&C 23-0716

LOG NAME: 17ED PID07FY24

SUBJECT

(CD 4 and CD 10) Conduct Public Benefit Hearing for Fort Worth Public Improvement District 7 - Heritage; Adopt the Attached Ordinance (1) Approving and Adopting the Fiscal Year 2023-2024 Budget, Five-Year Service Plan, Assessment Plan, and Tax Year 2023 Assessment Roll, and (2) Levying Special Assessments for the 2023 Tax Year at a Rate of \$0.145 Per Each \$100.00 of Residential Property Value and \$0.11 Per Each \$100.00 of Commercial Property Value; Authorize Execution of Agreement with FirstService Residential Texas PID, LLC, in the Amount of \$141,000.00 to Manage the Public Improvement District; and Adopt Appropriation Ordinance

(PUBLIC HEARING - a. Report of City Staff: Lacey Ruiz; b. Public Comment; c. Council Action: Close Public Hearing and Act on 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 Fort Worth Public Improvement District 7 - Heritage for the 2023 tax year;
2. Adopt the attached ordinance (1) approving and adopting the fiscal year 2023-2024 budget in the amount of \$2,293,462.00, five-year service plan, assessment plan, and tax year 2023 assessment roll (on file with the City Secretary) for the Heritage Public Improvement District; and (2) levying special assessments on privately-owned property located in the Heritage Public Improvement District for the 2023 tax year at the rates of \$0.145 per each \$100.00 of residential property value and \$0.11 per each \$100.00 of commercial property value (Service Assessment Plan and Assessment Ordinance);
3. Direct the City Secretary to record a copy of the Service Assessment Plan and Assessment Ordinance in the real property records of Tarrant County, Texas no later than the seventh (7th) day after adoption by the City Council;
4. Authorize the execution of an agreement with FirstService Residential Texas PID, LLC, in the amount of \$141,000.00 to provide management of the improvements and services for the Heritage Public Improvement District during Fiscal Year 2023-2024; and
5. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Fort Worth Public Improvement District 7 - Heritage Fund in the amount of \$2,293,462.00, of which (1) \$2,228,512.00 is from available funds and (2) \$64,950.00 is from available unreserved fund balance.

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 Fiscal Year 2023-2024 budget and five-year service plan for the Heritage PID and the proposed assessments to be levied on each privately-owned property in the Heritage PID for the 2023 tax year. Following the public hearing, it is recommended that the City Council take the following actions: adopt the attached ordinances (1) approving and adopting the budget, five-year service plan, assessment plan, and assessment roll; (2) levying the proposed assessments; and (3) appropriating funds.

The improvements and services to be provided in the Heritage PID during the Fiscal Year 2023-2024 and the costs thereof are as follows:

Fiscal Year 2024 Budget

Improvements	Total Budgeted Cost
Management Fee	\$ 141,000.00
Utilities	\$ 283,915.00
Landscaping/Tree Maintenance	\$ 1,067,329.00
Common Area Maintenance	\$ 155,000.00
Holiday Lighting	\$ 48,203.00
Security Enhancements	\$ 100,500.00
Advertising	\$ 500.00
Public Events	\$ 67,580.00
Capital Improvements	\$ 243,331.00
Annual Review	\$ 3,000.00
City Administrative Fee	\$ 45,869.00

Support Personnel	\$ 137,235.00
Total Expense	\$ 2,293,462.00

The total budgeted costs of the improvements are in the amount of \$2,293,462.00. Of this amount, \$2,020,700.00 will be funded by assessments collected on privately owned parcels located in the Heritage PID by applying a rate of \$0.145 per each \$100.00 of property value for residential property and \$0.11 per each \$100.00 of property value for commercial property. The remainder of the costs in the amount of \$207,812.00 will be funded by other revenue sources including: (a) \$191,096.00 in direct payments from the City for Payment In-Lieu of Services (b) \$16,716.00 in direct payment from the City for Payment In-Lieu of Assessments, which are calculated at the same rate as privately-owned parcels, and (c) \$64,950.00 transferred from the unaudited, unassigned fund balance.

For Fiscal Year 2022-2023 (tax year 2022) PID 7 levied an assessment of \$0.15 per \$100.00 of residential property value and \$0.11 per each \$100.00 of commercial property value. The Heritage PID experienced growth in estimated net taxable value equal to \$225,107.00, or 12.10%, and have a projected fund balance over their reserves in the amount of \$309,992.00 allowing for the assessment rate to be reduced by \$0.005. Thus, the recommended Fiscal Year 2023-2024 (tax year 2023) assessment rate is \$0.145 per \$100.00 of residential taxable property value.

On August 22, 2023, the City Council conducted a public hearing to receive comments on the proposed 2023-2024 Fiscal Year Budget, Five-Year Service Plan, and 2023 Assessments for the Heritage PID. Notice of the August 22, 2023, benefit hearing and this hearing were published in the *Fort Worth Star-Telegram* and mailed to all owners of property on record in the Heritage PID on August 10, 2023, in accordance with state law.

Funding will be budgeted within the FWPID #7 - Heritage Fund for Fiscal Year 2024.

The Heritage PID is located in COUNCIL DISTRICTS 4 & 10.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations and the adoption of the Fiscal Year 2024 Budget by the City Council, funds will be available in the Fiscal Year 2024 operating budget, as appropriated, in the FWPID #7 - Heritage Fund. Prior to any expenditure being incurred, the Economic Development Department has the responsibility to validate the availability of funds.

Submitted for City Manager's Office by: William Johnson 5806

Originating Business Unit Head: Robert Sturns 2663

Additional Information Contact:
 Crystal Hinojosa 7808
 Lacey Ruiz 2608