

Mayor and Council Communication

DATE: 09/21/21

M&C FILE NUMBER: M&C 21-0702

LOG NAME: 17ED PID07FY22

SUBJECT

(CD 4 and CD 7) Conduct Public Benefit Hearing for Fort Worth Public Improvement District 7 - Heritage; Adopt the Attached Ordinance (1) Approving and Adopting the Fiscal Year 2021-2022 Budget, Five-Year Service Plan, Assessment Plan, and Tax Year 2021 Assessment Roll, and (2) Levying Special Assessments for the 2021 Tax Year at a Rate of \$0.16 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 \$144,000.00 to Manage the Public Improvement District; and Adopt Attached Appropriation Ordinance

(PUBLIC HEARING - a. Report of City Staff: Crystal Hinojosa; 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 (Heritage PID) for the 2021 tax year;
2. Adopt the attached ordinance (1) approving and adopting the fiscal year 2021-2022 budget in the amount of \$2,406,258.00, five-year service plan, assessment plan, and tax year 2021 assessment roll (on file with the City Secretary) for the Heritage PID; and (2) levying special assessments on privately-owned property located in the Heritage PID for the 2021 tax year at the rates of \$0.16 per each \$100.00 of residential property value and \$0.11 per each \$100.00 of commercial property value (SAP and Assessment Ordinance);
3. Direct the City Secretary to record a copy of the SAP 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 \$144,000.00 to provide management of the improvements and services for the Heritage PID during Fiscal Year 2021-2022; 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 \$2,406,334.00 of which: (1) \$1,962,924.00 is from available funds and (2) \$443,334.00 is from reducing the fund balance by the same amount.

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 2021-2022 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 2021 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 2021-2022 and the costs thereof are as follows:

Fiscal Year 2022 Budget

Improvements	Total Budgeted Cost
Management Fee	\$ 144,000.00
Utilities	\$ 250,000.00
Landscaping/ Tree Maintenance	\$ 1,000,000.00
Common Area Maintenance	\$ 505,000.00
Holiday Lighting	\$ 35,000.00
Security Enhancements	\$ 70,000.00
Advertising	\$ 500.00
Public Events	\$ 160,000.00
Capital Improvements	\$ 200,000.00
Annual Review	\$ 2,500.00
City Administrative Fee	\$ 39,258.00
Total Expense	\$ 2,406,258.00

The total budgeted costs of the improvements are in the amount of \$2,406,258.00. Of this amount, \$1,771,828.00 will be funded by assessments collected on privately owned parcels located in the Heritage PID by applying a rate of \$0.16 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 \$634,430.00 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) \$443,334.00 transferred from the unaudited, unassigned fund balance.

For Fiscal Year 2020-2021 (tax year 2020) PID 7 levied an assessment of \$0.17 per \$100.00 of residential property value and \$0.11 per each \$100.00 of commercial property value. The Heritage PID experienced growth in net taxable value equal to \$72,917.00, or 4%, and have a projected fund balance over their reserves in the amount of \$361,825.00 allowing for the assessment rate to be reduced by \$0.01. Thus the recommended Fiscal Year 2021-2022 (tax year 2021) assessment rate is \$0.16 per \$100.00 of residential taxable property value.

On September 14, 2021, the City Council conducted a public hearing to receive comments on the proposed 2021-2022 Fiscal Year Budget, Five-Year Service Plan, and 2021 Assessments for the Heritage PID. Notice of the September 14th, 2021, 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 27, 2021, in accordance with state law.

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

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations and the adoption of the Fiscal Year 2021-2022 Budget by the City Council, funds will be available in the Fiscal Year 2022 operating budget, as appropriated, of the FWPID #7 - Heritage Fund. Prior to any expenditure being incurred, the Financial Management Services Department has the responsibility to validate the availability of funds.

Submitted for City Manager's Office by: Jay Chapa 5804

Originating Business Unit Head: Robert Sturns 2663

Additional Information Contact: Crystal Hinojosa 7808

Expedited