

# Mayor and Council Communication

**DATE:** 08/27/19

**M&C FILE NUMBER:** M&C 19-0104

**LOG NAME:** 13FMSPID1FY20

**SUBJECT**

Conduct Public Benefit Hearing for Public Improvement District 1 - Downtown, Approve Fiscal Year 2019-2020 Budget and Five-Year Service Plan in the Amount of \$3,210,181, Approve Tax Year 2019 Assessment Roll, Adopt Ordinance Levying Special Assessments for the 2019 Tax Year at a Rate of \$0.105 Per Each \$100 of Property Value, Authorize Execution of an Agreement with Downtown Fort Worth, Inc., in the Amount of \$419,790 to Manage the PID, and Adopt Appropriation Ordinance (COUNCIL DISTRICT 9) (**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 1 - Downtown for the 2019 tax year;
2. Approve the attached Fiscal Year 2019-2020 Budget in the amount of \$3,210,181 and Five-Year Service Plan for Public Improvement District 1 - Downtown;
3. Approve the Tax Year 2019 Assessment Roll for Public Improvement District 1 - Downtown, on file with the City Secretary;
4. Adopt the attached ordinance levying special assessments on the property located in Public Improvement District 1 - Downtown for the 2019 tax year at a rate of \$0.105 per each \$100 of property value;
5. Adopt the attached ordinance (1) increasing estimated receipts and appropriations in the Fort Worth Public Improvement District 1 – Downtown Fund ("Fund") in the amount of \$3,171,069 from available funds, and (2) increasing appropriations in the Fund in the amount of \$39,112 and reducing fund balance by the same amount; and
6. Authorize the execution of an Agreement with Downtown Fort Worth, Inc., in the amount of \$419,790.00 to provide management and improvement services for the Public Improvement District 1 - Downtown during Fiscal Year 2019-2020.

**DISCUSSION:**

On June 23, 2009, the Mayor and City Council adopted Resolution No. 3756-06-2009 (M&C C-23627) re-establishing Fort Worth Public Improvement District 1 - Downtown (Downtown 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 Downtown PID and the proposed assessments to be levied on each property in the Downtown 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.

On August 20, 2019, the City Council conducted a public hearing (M&C 13FMS PID1FY20 BENEFIT) to receive comments on the proposed 2019-2020 Fiscal Year Budget, Five-Year Service Plan, and assessments for the Downtown PID. Notice of this benefit hearing was published in the Fort Worth Star - Telegram and mailed to all record owners of property in the Downtown PID, in accordance with state law.

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

FY2019-2020 Budget

Management Fee	419,790
Water	11,500
Utilities	4,000
Landscaping	195,000
Trash Removal	1,226,250
Holiday Lighting/Decorations	50,000
Security	61,200
Ambassador Program	605,000
Communications/Newsletters	8,000
Marketing & Research	372,670
Transportation & Planning	178,350

Annual Review	15,000
City Administrative Fe	63,421
<b>Total Expenses</b>	<b>\$3,210,181</b>

The total budgeted costs of the improvements and services are \$3,210,181.00. Of this amount, \$2,662,740 will be funded by assessments collected on privately owned parcels located in the Downtown PID by applying a rate of \$0.105, representing a decrease of \$0.01, to each \$100 of property value. The remainder of the costs in the amount of \$547,441 will be funded by other revenue sources including: (a) \$203,779 in direct payments from the City for Payment In-Lieu of Assessments, (b) \$149,949 in direct payments from the City for Payment In-Lieu of Services, (c) \$154,601 in revenues generated by Downtown PID activities, and (d) \$39,112 transferred from the unaudited, unassigned fund balance.

For Fiscal Year 2019 (tax year 2018), the Downtown PID levied an assessment rate of \$0.115 per \$100 of property value. The Downtown PID experienced growth in net taxable value equal to 14.5%, or \$318,227,354 allowing for the assessment rate to be reduced by \$0.01. Thus, the recommended Fiscal Year 2020 (tax year 2019) assessment rate is \$0.105 per each \$100 of property value. Even with the lower assessment rate, revenue growth year over year is \$109,679 or 4%.

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 Downtown PID (M&C BH ). Notice of the August 20, 2019, benefit hearing and this hearing were published in the Fort Worth Star - Telegram on August 08, 2019 and mailed to all record owners of property in the Downtown PID on August 07, 2019, in accordance with state law. The Downtown PID advisory board recommended approval of the budget.

The Downtown PID is located in COUNCIL DISTRICT 9.

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**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 1 - Downtown Fund.

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

**Originating Business Unit Head:**                      Reginald Zeno      8517

**Additional Information Contact:**                      Angela Estrada      8511