

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 04/23/24M&C FILE NUMBER: M&C 24-0324

LOG NAME: 17PID011 MIDYEAR FY24

SUBJECT

(CD 2) Adopt Ordinance Amending the Fiscal Year 2023-2024 Budget and Five-Year Service Plan for Public Improvement District 11 – Stockyards; Authorize Execution of Agreement with Fort Worth Stockyards, Inc. in the Amount of \$48,716.00 to Manage the Public Improvement District; and Adopt Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt the attached ordinance amending the Fiscal Year 2023-2024 Budget and Five-Year Service Plan for Public Improvement District 11 – Stockyards to reflect amendments associated with a mid-year review and direct the City Secretary to record the same in the real property records of Tarrant County, Texas no later than the seventh (7th) day after adoption by the City Council;
2. Authorize the execution of an agreement with Fort Worth Stockyards, Inc., in the amount of \$48,716.00 to provide management of the improvements and services for the Stockyards Public Improvement District during Fiscal Year 2023-2024; and
3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Fort Worth Public Improvement District 11 - Stockyards Fund in the amount of \$2,730.00, transferred from Economic Development Departments General Fund, for purpose of funding City of Fort Worth Payment In-Lieu of Assessments.

DISCUSSION:

The City of Fort Worth's Department of Economic Development administers the City's Public Improvement Districts (PIDs). The City's PID Policy outlines the need to proactively work with the City's PID management companies to oversee the services being provided within each of the PIDs.

On September 12, 2023, City Council adopted Ordinance No. 26429-09-2023, approving the Fiscal Year (FY) 2023-2024 Budget, Five-Year Service Plan, Assessment Plan, and Tax Year 2023 Assessment Roll for the Stockyards PID. After conducting a mid-year review of the Stockyards PID's budget, City staff and Fort Worth Stockyards, Inc., have identified the need to increase Stockyards PID's budget to account for \$2,730.00 of additional City payment in-lieu of assessments. Expenditure adjustments can be primarily attributable to a reallocation of Capital Improvement to Security to align expense with actual activities that are primarily attributable to increases to support officer patrols and an increase to support a professional services agreement.

The City of Fort Worth Assessment is an allocation to the PID budget for assessments the City would pay on City-owned properties in the Stockyards PID, if the City was not a tax-exempt entity.

Fort Worth Stockyards Inc. has been established to manage PID 11 – Stockyards, effective upon the approval of this agreement. This transition was mutually agreed upon, leading to the termination of the existing agreement with Stockyards Preservation Foundation of Fort Worth, Inc.

Revenue Adjustments:

Line Items to be Adjusted	Previously Approved FY24 Budget Item	Recommended Mid-Year Adjustment	Amended FY24 Budget Item
PID Assessments	\$458,777.00	\$0.00	\$458,777.00
COFW Assessment	\$7,743.00	\$2,730.00	\$10,473.00
Totals	\$466,520.00	\$2,730.00	\$469,250.00

Expenditure Adjustments:

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Line Items to be Adjusted	Previously Approved FY24 Budget Item	Recommended Mid-Year Adjustment	Amended FY24 Budget Item
Management Fee	\$18,458.00	\$30,258.00	\$48,716.00
Security	\$200,000.00	\$10,667.00	\$210,667.00
Professional Services	\$50,000.00	(\$41,250.00)	\$8,750.00
Audit	\$0.00	\$2,500.00	\$2,500.00
Insurance	\$500.00	\$500.00	\$1,000.00
City Administrative Fee	\$9,330.00	\$55.00	\$9,385.00
Totals	\$278,288.00	\$2,730.00	\$274,363.00

All other previously approved line items not mentioned above remain the same.

Upon approval of the above recommendations, the total budgeted expenses for FY 2023-2024 will be \$469,250.00. The revised Budget and Five-Year Service Plan will take effect upon approval by City Council.

Funding is budgeted in the Interfund Transfer Out account within the Community PID Admin Department within the General Fund for transferring to the FWPID #11 - Stockyards Fund.

The Stockyards PID is located in COUNCIL DISTRICT 2.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the current operating budget, as appropriated, in the FWPID #11 - Stockyards Fund. Prior to any expenditure being incurred, the Economic Development Department has the responsibility to validate the availability of funds.

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Expedited