

Mayor and Council Communication

DATE: 04/28/26

M&C FILE NUMBER: M&C 26-0265

LOG NAME: 03PID01 MIDYEAR FY26

SUBJECT

(CD 9) Adopt Ordinance Amending Public Improvement District 1 - Downtown Fiscal Year 2025-2026 Adopted Budget and Five-Year Service Plan; Authorize the Execution of an Amendment to the Associated Management and Improvement Services Agreement with Downtown Fort Worth Inc. to Align with these Changes; and Adopt Appropriation Ordinance

RECOMMENDATION:

It is recommended that the City Council:

1. Adopt the attached ordinance amending Public Improvement District 1 – Downtown Fiscal Year 2025-2026 Budget and Five-Year Service Plan 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 amendment to the associated Management and Improvement Services Agreement with Downtown Fort Worth Inc. (City Secretary Contract No. 64233) to align with these changes; and
3. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Public Improvement District 1 - Downtown Fund in the amount of \$48,200.00, from available, unreserved fund balance, for the purpose of funding mid-year budget adjustments.

DISCUSSION:

The City of Fort Worth’s (COFW) FWLab Department 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. PID 1 – Downtown (Downtown PID) is managed by Downtown Fort Worth Inc. (DFWI).

On September 16, 2025, City Council adopted Ordinance No. 27982-09-2025, approving the Fiscal Year (FY) 2025-2026 Budget, Five-Year Service Plan, Assessment Plan, and Tax Year 2025 Assessment Roll for the Downtown PID. After conducting a mid-year review of the Downtown PID’s budget, City staff and DFWI has identified the need to amend the FY2025–2026 budget to increase appropriations by \$48,200.00. This adjustment reflects the use of available fund balance to support program enhancements. The contribution to fund balance, originally projected at \$1,800.00, will be reduced to zero. The expenditure adjustments are primarily attributable to preparations for increased activity from World Cup visitors.

In addition to PID Assessments, the Downtown PID also receives funding from the following sources: (1) the City Payment In-Lieu of Services and (2) the City of Fort Worth (COFW) Assessment. The City’s Payment In-Lieu of Services is a supplement to the PID budget and intended to provide for the standard level of improvements and services as comparable to what would be provided by the City for the taxpayers generally. The City of Fort Worth Payment In-Lieu of Assessment is an allocation to the PID budget for assessments the City would pay on City-owned properties in the Downtown PID, if the City was not a tax-exempt entity. Neither of these revenue sources is changing in the current update to the Five-Year Service Plan.

Revenue Adjustments:

Line Items to be Adjusted	Previously Approved FY26 Budget Item	Recommended Mid-Year Adjustment	Amended FY26 Budget Item
PID Assessments	\$3,194,223.00	\$0.00	\$3,194,223.00
COFW Payment In-Lieu of Services	183,265.00	0.00	183,265.00
COFW Assessment	408,005.00	0.00	408,005.00
PID Generated Revenue	90,000.00	0.00	90,000.00
Use of Fund Balance	0.00	48,200.00	48,200.00
Totals	\$3,875,493.00	\$48,200.00	\$3,923,693.00

Expenditure Adjustments:

Line Items	Previously Approved FY26 Budget Item	Recommended Mid-Year Adjustment	Amended FY26 Budget Item
Management Fee	\$660,200.00	\$0.00	\$660,200.00
Ambassador Program	704,000.00	0.00	704,000.00
Holiday Decoration	166,213.00	20,000.00	186,213.00
Landscaping	130,000.00	10,000.00	140,000.00
Maintenance & Operations	1,285,500.00	20,000.00	1,305,500.00
Marketing & Research	543,600.00	0.00	543,600.00
Newsletter	9,000.00	0.00	9,000.00
Security Enhancements	13,200.00	0.00	13,200.00
Transportation & Planning	272,450.00	0.00	272,450.00
Utilities	9,500.00	0.00	9,500.00
Annual Review	3,000.00	0.00	3,000.00
Billing Services	1,320.00	0.00	1,320.00
City Administrative Fee	75,710.00	0.00	75,710.00
Contribution to Fund Balance	1,800.00	(1,800.00)	0.00
Totals	\$3,875,493.00	\$48,200.00	\$3,923,693.00

Upon approval of the above recommendations, the total budgeted expenses for FY2025-2026 will be \$3,923,693.00. The revised Budget and Five-Year Service Plan will take effect upon approval by City Council. The City and DFWI will amend the existing management contract to reflect the mid-year adjustments (City Secretary Contract No. 64233).

Funding will be budgeted within the FWPID #1 – Downtown Fund for Fiscal Year 2026. Funding is available for appropriation in the fund balance of the FWPID# 1 - Downtown Fund. The current balance is \$2,579,199.97, after this M&C available balance will be \$2,530,999.97.

The Downtown PID is located in COUNCIL DISTRICT 9.

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 funds are currently available from fund balance within the FWPID #1 - Downtown Fund and upon approval of the above recommendations and adoption of the attached appropriation ordinance, funds will be available in the FWPID #1 - Downtown Fund as appropriated. Prior to an expenditure being incurred, the FWLab Department has the responsibility of verifying the availability of funds.

Submitted for City Manager's Office by:

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