

Mayor and Council Communication

DATE: 08/20/19

M&C FILE NUMBER: M&C 19-0096

LOG NAME: 13QUAIL_VALLEY_PID_FY2020

SUBJECT

Approve the Updated Five Year Service and Assessment Plan for Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley) and Adopt Appropriation Ordinance (COUNCIL DISTRICT 3)

RECOMMENDATION:

It is recommended that the City Council:

1. Approve the attached updated Five-Year Service and Assessment Plan for Fiscal Year 2020 for Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley); and
2. Adopt the attached ordinance increasing estimated receipts and appropriations in the Fort Worth Public Improvement District No. 16 - Walsh Ranch / Quail Valley Fund in the amount of \$472,120.00, from available funds.

DISCUSSION:

On September 27, 2016, the City Council created Fort Worth Public Improvement District No. 16 (Walsh Ranch/Quail Valley) (PID). This PID encompasses approximately one-fourth of the entire Walsh Ranch property and is a vehicle for financing certain infrastructure costs. Full development of the PID will encompass multiple phases that occur over several years. This Mayor and Council Communication is intended to address the updated Service and Assessment Plan (SAP) for Improvement Area No. 1 of the PID, which is the first phase of development.

State law requires that the City Council review and update the SAP annually to determine the annual budget for improvements within the PID. The initial SAP was approved by the City Council on May 2, 2017 (M&C C-28221). The attached SAP is intended to serve as an update for fiscal year 2020. As outlined in the updated SAP, improvements in the amount of \$6,350,000.00, plus interest and administrative costs, are to be funded by special assessments on Improvement Area No. 1 within the PID.

The Master Reimbursement for this PID (CSC No. 49300) provides for a maximum principal reimbursement amount for all phases of the PID of up to \$47,000,000.00, and the Improvement Area No. 1 Reimbursement Agreement (CSC No. 49302) addresses \$6,350,000.00 of that amount. Under the terms of the phase 1 agreement, payments to the Developer are conditioned, in part, on the improvements having been completed and accepted by the City and on the total costs of the improvements being greater than the total assessments by a ratio of at least five to four, meaning the Developer is contributing at least twenty percent of the improvements costs out of pocket and without reimbursement. In this instance, the total costs of the improvements is \$29,145,543.00, which far exceeds the required ratio.

The fiscal year 2019-2020 budget, as summarized in the table below, will be funded by special assessments collected on property within Improvement Area No. 1 of the PID (assuming completion of Phase 1C).

Revenues	
Annual Installment Income	\$472,120.00
Total Revenues	\$472,120.00
Expenditures	
Contractual Expenses to Developer	\$426,728.00
Administrative Expenses	\$45,392.00
Total Expenditures	\$472,120.00

This M&C does not request approval of a contract with a business entity.

A Form 1295 is not required for this contract because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of this Mayor & Council Communication (M&C), the updated Wash Ranch / Quail Valley PID Service and Assessment Plan will be approved, and the Fiscal Year 2019-2020 Annual Budget for the Walsh Ranch / Quail Valley PID Operating Fund will be established.

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