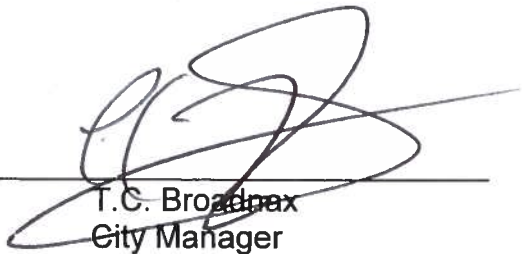


**AUGUST 22, 2018 CITY COUNCIL ADDENDUM
CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Addendum dated August 22, 2018. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.



T.C. Broadnax
City Manager

8/17/2018
Date



Elizabeth Reich
Chief Financial Officer
for

8/17/18
Date

RECEIVED

2018 AUG 17 PM 3: 22

CITY SECRETARY
DALLAS, TEXAS

**ADDENDUM
CITY COUNCIL MEETING
WEDNESDAY, AUGUST 22, 2018
CITY OF DALLAS
1500 MARILLA STREET
COUNCIL CHAMBERS, CITY HALL
DALLAS, TX 75201
9:00 A.M.**

REVISED ORDER OF BUSINESS

Agenda items for which individuals have registered to speak will be considered no earlier than the time indicated below:

9:00 a.m. **INVOCATION AND PLEDGE OF ALLEGIANCE**

OPEN MICROPHONE

CLOSED SESSION

MINUTES

Item 1

CONSENT AGENDA

Items 2 - 33

CONSENT ADDENDUM Addendum Items 1 - 13

ITEMS FOR INDIVIDUAL CONSIDERATION

No earlier
than 9:15 a.m.

Items 34 - 38
Addendum Items 14 - 17

PUBLIC HEARINGS AND RELATED ACTIONS

1:00 p.m.

Items 39 - 57

Handgun Prohibition Notice for Meetings of Governmental Entities

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistol oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."

ADDITIONS:

Closed Session

Personnel (Sec. 551.074 T.O.M.A.)

- Discussion regarding the appointment of an Interim City Attorney.

CONSENT AGENDA**Office of Economic Development**

1. 18-604 Authorize **(1)** approval of the proposed Dallas Downtown Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance (a) levying a special assessment on property in the District, for services and improvements to be provided during 2019; (b) fixing charges and liens against the property in the District and against the owners thereof; (c) providing for the collection of the 2018 assessment; (d) authorizing payment of City's 2018 assessment and all future City assessments directly to the District; and (e) providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

2. 18-605 Authorize **(1)** approval of the proposed Deep Ellum Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District for services and improvements to be provided during 2018; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

3. 18-610 Authorize **(1)** approval of the proposed Klyde Warren Park/Dallas Arts District Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 assessment roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

4. 18-613 Authorize **(1)** approval of the proposed Knox Street Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
5. 18-614 Authorize **(1)** approval of the proposed Lake Highlands Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
6. 18-615 Authorize **(1)** approval of the proposed North Lake Highlands Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
7. 18-616 Authorize **(1)** approval of the proposed Oak Lawn-Hi Line Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

8. 18-617 Authorize **(1)** approval of the proposed Prestonwood Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
9. 18-619 Authorize **(1)** approval of the proposed South Side Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
10. 18-620 Authorize **(1)** approval of the proposed Tourism Public Improvement District ("District") Service Plan for 2018-2019, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on Dallas hotels with 100 or more rooms, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
11. 18-621 Authorize **(1)** approval of the proposed University Crossing Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

12. 18-622 Authorize **(1)** approval of the proposed Uptown Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 assessment roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
13. 18-623 Authorize **(1)** approval of the proposed Vickery Meadow Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

ITEMS FOR INDIVIDUAL CONSIDERATION

Mayor and City Council Office

14. 18-710 An ordinance amending Chapter 2, "Administration," of the Dallas City Code by amending Section 2-17.2 by **(1)** providing additional organizations from which to select a member of the nominating commission; **(2)** deleting the U.S. Government Accountability Office member requirement; **(3)** amending the annual revenue of a publicly-traded company; and **(4)** providing that members may be current or former executive of a publicly-traded company - Financing: No cost consideration to the City
15. 18-712 Consideration of appointments to the City Auditor Nominating Commission - Financing: No cost consideration to the City
16. 18-713 A resolution appointing Carol A. Smith, as Interim City Auditor for the City of Dallas, effective at the close of business on September 28, 2018, to serve until the City Council selects and appoints a permanent City Auditor - Not to exceed \$168,571.66 annually - Financing: General Fund

ITEMS FOR FURTHER CONSIDERATION

Office of Budget

17. 18-706 Authorize **(1)** public hearings to be held on Wednesday, September 5, 2018 and Wednesday, September 12, 2018 to receive comments on a proposed tax rate; and **(2)** a proposal to consider adoption of a \$0.7650/\$100 valuation tax rate, or a lower rate as may be proposed by the City Council on September 18, 2018 - Financing: This action has no cost consideration to the City (This item was deferred on August 14, 2018)

DELETION:**Department of Sustainable Development and Construction**

53. 18-557 A public hearing to receive comments regarding an application for and **(1)** an ordinance granting a Planned Development Subdistrict for O-2 Office uses and a restaurant without drive-in or drive-thru use; **(2)** an ordinance granting the removal of a portion of the D Liquor Control Overlay; and **(3)** an ordinance terminating Specific Use Permit No. 1293 for a bank or savings and loan office with drive-in window use on property zoned an O-2-D Office Subdistrict within Planned Development District No. 193, the Oak Lawn Special Purpose District with a D Liquor Control Overlay and Specific Use Permit No. 1293 for a bank or savings and loan office with drive-in window use on a portion, on the northwest line of Turtle Creek Boulevard, between Gillespie Street and Fairmount Street
Recommendation of Staff: Approval, subject to a development plan, landscape plan and conditions; approval of the termination of Specific Use Permit No. 1293; and denial of the partial removal of the D Liquor Control Overlay
Recommendation of CPC: Approval, subject to a development plan, landscape plan and conditions; approval of the termination of Specific Use Permit No. 1293; and approval of the partial removal of the D Liquor Control Overlay
Z178-218(CY)

EXECUTIVE SESSION NOTICE

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]
2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]
3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]
4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]
5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]
6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]
7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex Govt. Code §551.089]

Addendum Date: August 22, 2018

ITEM #	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
1.	2, 14	C	ECO	NC	Authorize (1) approval of the proposed Dallas Downtown Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; (2) a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; (3) consideration of an ordinance (a) levying a special assessment on property in the District, for services and improvements to be provided during 2019; (b) fixing charges and liens against the property in the District and against the owners thereof; (c) providing for the collection of the 2018 assessment; (d) authorizing payment of City's 2018 assessment and all future City assessments directly to the District; and (e) providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
2.	2, 14	C	ECO	NC	Authorize (1) approval of the proposed Deep Ellum Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; (2) a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; (3) consideration of an ordinance levying a special assessment on property in the District for services and improvements to be provided during 2018; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
3.	14	C	ECO	NC	Authorize (1) approval of the proposed Klyde Warren Park/Dallas Arts District Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 assessment roll; (2) a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; (3) consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
4.	14	C	ECO	NC	Authorize (1) approval of the proposed Knox Street Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; (2) a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at

ITEM #	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
					the close of the hearing; (3) consideration of an ordinance levying a special assessment on property in the District for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
5.	9, 10, 13	C	ECO	NC	Authorize (1) approval of the proposed Lake Highlands Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; (2) a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; (3) consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
6.	10	C	ECO	NC	Authorize (1) approval of the proposed North Lake Highlands Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; (2) a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; (3) consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
7.	6	C	ECO	NC	Authorize (1) approval of the proposed Oak Lawn-Hi Line Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; (2) a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; (3) consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
8.	12	C	ECO	NC	Authorize (1) approval of the proposed Prestonwood Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018

ITEM #	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
					Assessment Roll; (2) a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; (3) consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
9.	2	C	ECO	NC	Authorize (1) approval of the proposed South Side Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; (2) a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; (3) consideration of an ordinance levying a special assessment on property in the District for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
10.	2, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14	C	ECO	NC	Authorize (1) approval of the proposed Tourism Public Improvement District ("District") Service Plan for 2018-2019, 2018 Assessment Plan and 2018 Assessment Roll; (2) a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; (3) consideration of an ordinance levying a special assessment on Dallas hotels with 100 or more rooms, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
11.	14	C	ECO	NC	Authorize (1) approval of the proposed University Crossing Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; (2) a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; (3) consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

ITEM #	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
12.	14	C	ECO	NC	Authorize (1) approval of the proposed Uptown Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 assessment roll; (2) a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; (3) consideration of an ordinance levying a special assessment on property in the District for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
13.	13	C	ECO	NC	Authorize (1) approval of the proposed Vickery Meadow Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; (2) a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; (3) consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information
14.	N/A	I	MCC	NC	An ordinance amending Chapter 2, "Administration," of the Dallas City Code by amending Section 2-17.2 by (1) providing additional organizations from which to select a member of the nominating commission; (2) deleting the U.S. Government Accountability Office member requirement; (3) amending the annual revenue of a publicly-traded company; and (4) providing that members may be current or former executive of a publicly-traded company - Financing: No cost consideration to the City
15.	N/A	I	MCC	NC	Consideration of appointments to the City Auditor Nominating Commission - Financing: No cost consideration to the City
16.	N/A	I	MCC	\$168,571.66	A resolution appointing Carol A. Smith, as Interim City Auditor for the City of Dallas, effective at the close of business on September 28, 2018, to serve until the City Council selects and appoints a permanent City Auditor - Not to exceed \$168,571.66 annually - Financing: General Fund
17.	N/A	I	OFS	NC	Authorize (1) public hearings to be held on Wednesday, September 5, 2018 and Wednesday, September 12, 2018 to receive comments on a proposed tax rate; and (2) a proposal to consider adoption of a \$0.7650/\$100 valuation tax rate, or a lower rate as may be proposed by the City Council on

ITEM #	DISTRICT	TYPE	DEPT	DOLLARS	DESCRIPTION
					September 18, 2018 - Financing: This action has no cost consideration to the City (This item was deferred on August 14, 2018)

TOTAL \$168,571.66



Agenda Information Sheet

File #: 18-604

Item #: 1.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): 2, 14

DEPARTMENT: Office of Economic Development

EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** approval of the proposed Dallas Downtown Improvement District (“District”) 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance (a) levying a special assessment on property in the District, for services and improvements to be provided during 2019; (b) fixing charges and liens against the property in the District and against the owners thereof; (c) providing for the collection of the 2018 assessment; (d) authorizing payment of City’s 2018 assessment and all future City assessments directly to the District; and (e) providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

BACKGROUND

This item is being placed on the addendum due to the unavailability of 2018 certified appraisal data specific to the public improvement districts (PIDs) prior to regular agenda deadline and subsequent processing time required to update service plan budgets.

In accordance with the Public Improvement District Assessment Act (Act) in Chapter 372 of the Texas Local Government Code, the City Council calls and holds a public hearing to hear and pass on any objections to the annual assessment to be levied against property in the Public Improvement District (PID) and approves the Service Plan for each PID.

Downtown Dallas, Inc., provided the proposed District 2019 Service Plan and proposed 2018 Assessment Plan for review, and staff found the services and improvements to be advisable and recommended approval subject to the public hearing on September 12, 2018.

The Public Improvement District Service Plan is outlined in the following way:

(a) Nature of the Services and Improvements. The proposed services and improvements to be provided in the District include Downtown Safety Patrol program, safety awareness and

education programs, Clean Team program, operation of the mass transportation facilities, landscaping, banner program, installation and maintenance of trash containers, promotion of downtown, installation of lighting, implementation of signage and wayfinding system, development of new public and green space, and related expenses incurred in establishing, administering and operating the District as authorized by the Act. The purpose of the District is to supplement and enhance services within the District, but not to replace or supplant existing City services provided within the District.

- (b) Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$8,107,177.00 in 2019 and reach \$8,475,000.00 in 2022. The total estimated assessment to be collected during the next five-year period is approximately \$41,461,177.00. The District shall incur no bonded indebtedness.
- (c) Boundaries.** The boundaries of the District are shown on the attached map of the District.
- (d) Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District (DCAD). The gross assessment amount for 2018 is estimated to be \$8,323,181.11. This amount is approximately equal to \$0.129 per \$100.00 of appraised value, as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation, subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the City Council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.
- (e) Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. The City of Dallas has contractually agreed to pay assessments against exempt City property in the District. City rights-of-way, railroad right-of-way, parks and cemeteries are not specially benefitted and therefore are not subject to assessment. Payment of assessments by other exempt jurisdictions and entities must also be established by contract. For FY 2018-2019, the estimated City participation is approximately \$715,329.00 (this amount excludes an estimated \$380,721.00 assessment for the Convention Center Hotel property under the auspices of a Local Government Corporation). Beginning with FY 2016-2017, the County discontinued collecting the City's assessment for City property within the District. The City's 2018

assessment \$715,329.00 and all future assessments will be paid directly to the District at the County's request. Every dollar of City assessment paid to the District will leverage approximately \$10.00 of assessments paid by private property owners. As a contributor, the City of Dallas is represented on the governing Boards of Directors.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 24, 1992, City Council authorized the creation of the Dallas Downtown Improvement District by Resolution No. 92-2445.

On August 9, 2006, City Council held a public hearing to receive comments on the renewal of the Public Improvement District and authorized the renewal of the District for a seven-year period by Resolution Nos. 06-2048 and 06-2049.

On June 12, 2013, City Council authorized the renewal of the District for a seven-year period and approval of the Service Plan and management contract by Resolution No.13-1015.

On September 10, 2014, City Council authorized an ordinance approving and adopting the final 2015 Service Plan, 2014 Assessment Plan and 2014 Assessment Roll by Resolution No. 14-1506; Ordinance No. 29456.

On September 9, 2015, City Council authorized the approval and adoption of the proposed and final 2016 Service Plan, 2015 Assessment Plan and 2015 Assessment Roll by Resolution No. 15-1695; Ordinance No. 29860.

On September 14, 2016, City Council authorized the 2017 Service Plan, 2016 Assessment Plan and 2016 Assessment Roll by Resolution No. 16-1496; Ordinance No. 30201.

On September 13, 2017, City Council authorized the 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1482; Ordinance No. 30636.

Information about this item was provided to the Economic Development and Housing Committee on August 6, 2018.

FISCAL INFORMATION

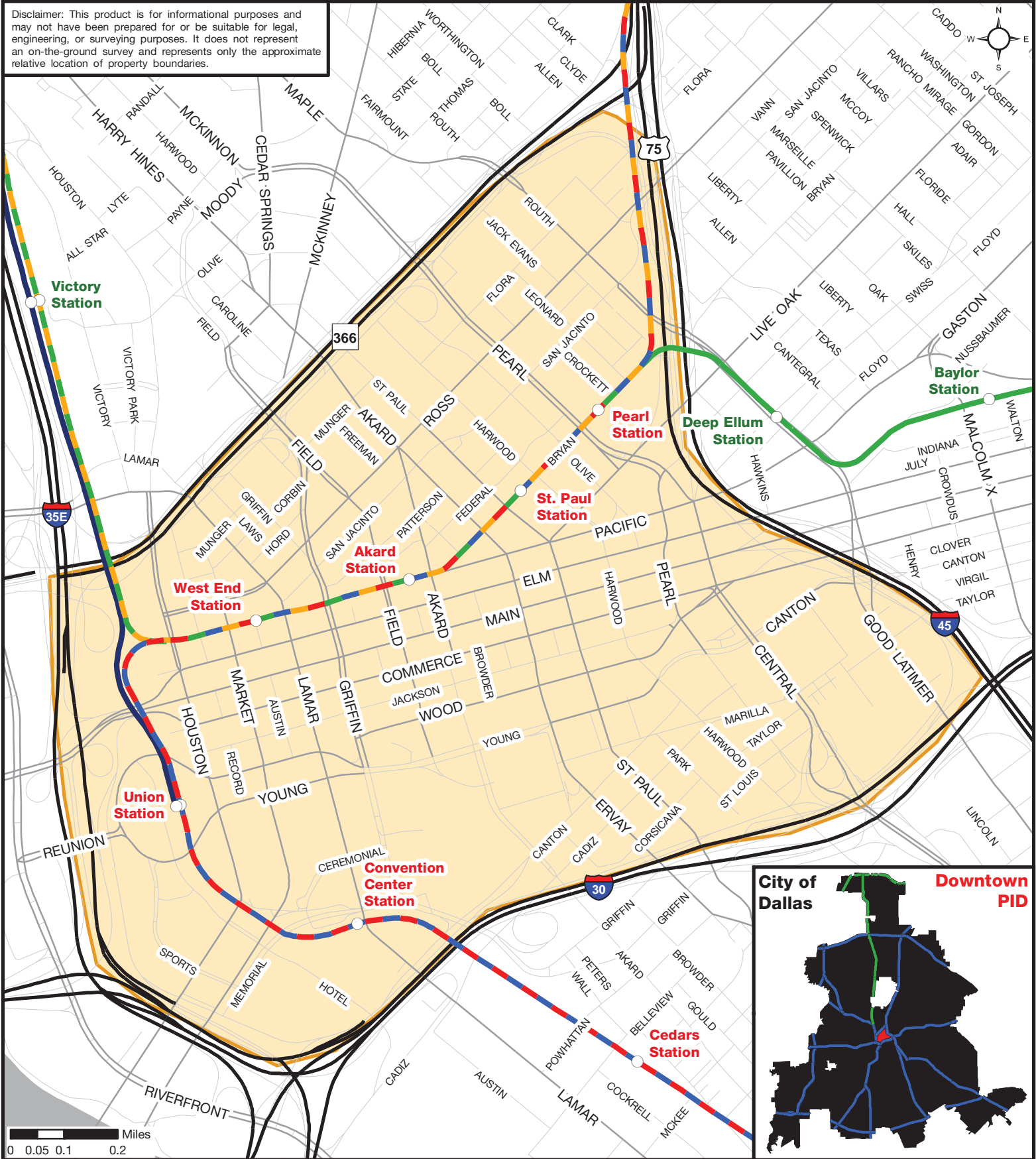
Cost consideration to others - the proposed assessment amount is approximately equal to \$0.129 per \$100.00 of appraised value as determined by the DCAD. (i.e. property owners within the boundaries of the Public Improvement District pay the assessment and the funds are managed by private, non-profit entities under a management contract with the City).

MAP

Attached

Downtown Improvement District (DID)

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



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Created 3.17.10, Last Updated 8.31.11 - PID_Downtown.TCG

Legend

- Downtown Improvement District
- Rail Station
- DART Green Line
- DART Orange Line
- DART Red Line
- Trinity Railway Express
- DART Blue Line
- Freeway or Tollway
- Arterial
- Local Road
- Flood Plain

Source: Rail Lines - DART, 2010; Parcels - DCAD, 2009; All Other Data - City of Dallas, 2010

August 22, 2018

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (“Act”) allows for the creation of public improvement districts; and

WHEREAS, on June 24, 1992, City Council authorized the creation of the Dallas Downtown Improvement District (District), as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated Downtown Dallas Inc., as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 92-2445; and

WHEREAS, on June 12, 1996, City Council authorized the renewal of the Dallas Downtown Improvement District by Resolution No. 96-2039; and

WHEREAS, on August 9, 2006, City Council held a public hearing to receive comments on the renewal of the Public Improvement District by Resolution No. 06-2048 and authorized the renewal of the District by Resolution No. 06-2049; and

WHEREAS, on June 12, 2013, City Council authorized the renewal of the Dallas Downtown Improvement District and approval of the Service Plan and management contract by Resolution No.13-1015; and

WHEREAS, on September 10, 2014, City Council authorized an ordinance approving and adopting the final 2015 Service Plan and 2014 Assessment Plan and 2014 Assessment Roll by Resolution No. 14-1506; Ordinance No. 29456; and

WHEREAS, on September 9, 2015, City Council authorized the approval and adoption of the proposed and final 2016 Service Plan , the 2015 Assessment Plan and the 2015 Assessment Roll by Resolution No. 15-1695; Ordinance No. 29860; and

WHEREAS, on September 14, 2016, City Council authorized the 2017 Service Plan and 2016 Assessment Plan by Resolution No. 16-1496; Ordinance No. 30201; and

WHEREAS, on September 13, 2017, City Council authorized the 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1482; Ordinance No. 30636; and

WHEREAS, Downtown Dallas Inc., provided City staff with the proposed District 2019 Service Plan and 2018 Assessment Plan as shown in **Exhibits B and C**; and

August 22, 2018

WHEREAS, the City Council must review the proposed 2019 Service Plan and 2018 Assessment Plan and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the 2018 assessment against real property and real property improvements exclusive of right-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That pursuant to the requirements of the Act, the City Council, after reviewing the proposed 2019 Service Plan and the proposed 2018 Assessment Plan for the Dallas Downtown Improvement District will consider approval of the final 2019 Service Plan and 2018 Assessment Plan, subject to the public hearing on September 12, 2018.

The City Council makes the following findings concerning the Service Plan for the Public Improvement District:

- (a) **Advisability of the Services Proposed for the District.** The District promotes the interests of the City and confers a special benefit to the property within its boundaries and it is advisable to continue the District and to provide the services and improvements described in this resolution.
- (b) **Nature of the Services and Improvements.** The proposed services and improvements to be provided in the District include Downtown Safety Patrol program, safety awareness and education programs, Clean Team program, operation of the mass transportation facilities, landscaping, banner program, installation and maintenance of trash containers, promotion of downtown, installation of lighting, implement signage and wayfinding system, development of new public and green space, and related expenses incurred in establishing, administering and operating the District as authorized by the Act. The purpose of the District is to supplement and enhance services within the District, but not to replace or supplant existing City services provided within the District.
- (c) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$8,107,177.00 in 2019 and reach \$8,475,000.00 in 2022. The total estimated assessment to be collected during the next five-year period is approximately \$41,461,177.00. The District shall incur no bonded indebtedness.

August 22, 2018

- (d) **Boundaries.** The boundaries of the District are located wholly within the City of Dallas, Texas. The boundaries of the District are shown in Exhibit A.
- (e) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District (DCAD). The gross assessment amount for 2018 is estimated to be \$8,323,181.11. This amount is approximately equal to \$0.129 per \$100.00 of appraised value, as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the City Council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.
- (f) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. The City of Dallas has contractually agreed to pay assessments against exempt City property in the District. City rights-of-way, railroad right-of-way, parks and cemeteries are not specially benefitted and therefore are not subject to assessment. Payment of assessments by other exempt jurisdictions and entities must also be established by contract.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 3. That a public hearing shall be held at 1:00 p.m. on September 12, 2018, in the City Council Chamber, Dallas City Hall, 6th Floor, 1500 Marilla Street, Dallas, Texas 75201 at which time any interested person may appear and speak for or against the setting of an assessment against real property and real property improvements, exclusive of rights-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

August 22, 2018

SECTION 4. That notice of such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners in the District before the 10th day before the public hearing.

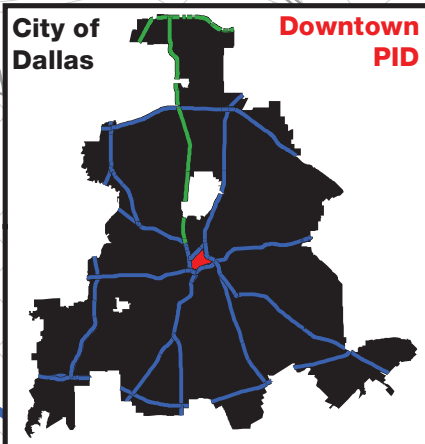
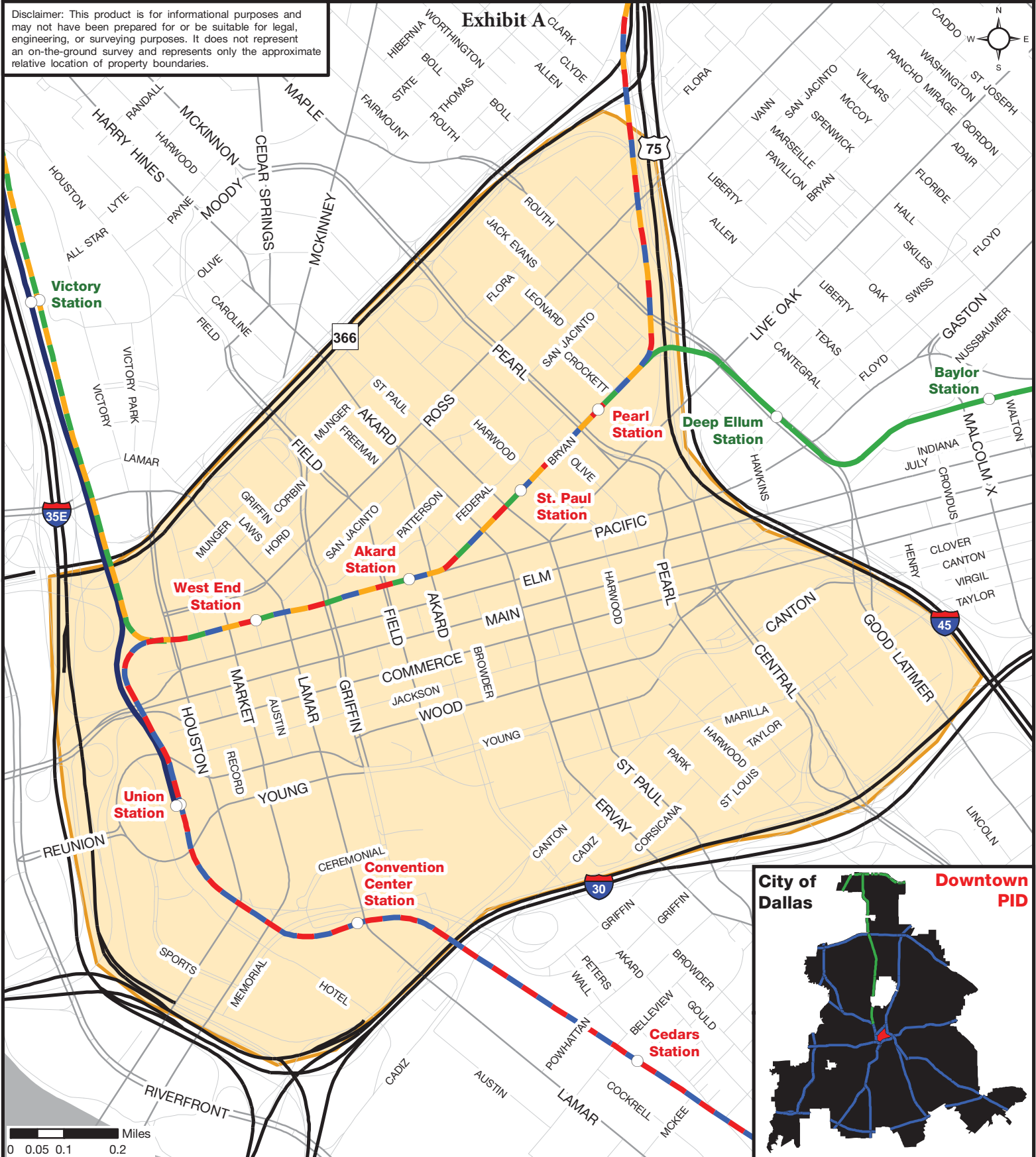
SECTION 5. That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2018 Assessment Roll on file with the City Secretary; approving the Service Plan for 2019; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the assessment; and providing an effective date.

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Downtown Improvement District (DID)

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Exhibit A



0 0.05 0.1 0.2 Miles

DALLAS ECONOMIC DEVELOPMENT
 Research & Information Division
 214.670.1685
 dallas-ecodev.org

Legend

- Downtown Improvement District
- DART Green Line
- Arterial
- Rail Station
- DART Orange Line
- Local Road
- DART Red Line
- Trinity Railway Express
- Flood Plain
- DART Blue Line
- Freeway or Tollway

Exhibit B

Dallas Downtown Improvement District (DID)
Service Plan 2019-2023

	<i>2019 Budget</i>	<i>2020 Budget</i>	<i>2021 Budget</i>	<i>2022 Budget</i>	<i>2022 Budget</i>
REVENUES & RESERVES					
Fund balance from previous year	\$3,383.00	\$11,387.00	\$11,932.99	\$11,815.99	\$12,018.70
Net assessment revenue*	\$8,033,181.00	\$8,121,545.99	\$8,210,883.00	\$8,301,202.71	\$8,392,515.94
Exempt jurisdictions	\$81,500.00	\$81,500.00	\$81,500.00	\$81,500.00	\$81,500.00
Interest on cash balances	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00
Other income & contributions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL INCOME & RESERVES	\$8,118,564.00	\$8,214,932.99	\$8,304,815.99	\$8,395,018.70	\$8,486,534.64
EXPENDITURES					
Organization & Administration	\$809,944.00	\$630,000.00	\$680,000.00	\$730,000.00	\$780,000.00
Capital Improvements ¹	\$333,788.00	\$300,000.00	\$300,000.00	\$305,000.00	\$315,000.00
Transportation and Improvements ²	\$455,811.00	\$455,000.00	\$460,000.00	\$465,000.00	\$470,000.00
Communications & Events ³	\$1,193,176.00	\$1,250,000.00	\$1,275,000.00	\$1,295,000.00	\$1,310,000.00
Services and Improvements ⁴	\$1,922,090.00	\$2,100,000.00	\$2,105,000.00	\$2,110,000.00	\$2,116,000.00
Safety ⁵	\$3,392,368.00	\$3,468,000.00	\$3,473,000.00	\$3,478,000.00	\$3,484,000.00
TOTAL EXPENDITURES	\$8,107,177.00	\$8,203,000.00	\$8,293,000.00	\$8,383,000.00	\$8,475,000.00
FUND BALANCE/RESERVES	\$11,387.00	\$11,932.99	\$11,815.99	\$12,018.70	\$11,534.64

* 2018 Assessment less admin fees, delinquent and/or protested accounts contingency, and exempt accounts removed by the County.

¹ Public Improvements, landscape and parks.

² Downtown circulator, operation and maintenance of mass transportation facilities.

³ Special supplemental service for promotion and improvement of the DID, including, entertainment and events, and retail recruitment.

⁴ Community programs, Clean Team, environmental enhancements and sanitation.

⁵ Downtown Safety Patrol, Homeless outreach, education & coordination.

Exhibit C



**DOWNTOWN
DALLAS INC**

901 Main Street
Suite 7100
Dallas, TX 75202
p 214.744.1270
f 214.744.1986

Downtown Dallas, Inc. Improvement District 2018 Assessment Plan

The costs of the services and improvements by the District will be paid primarily by special assessment against properties in the District. Annual assessments are based on the total value of real property and real property improvements as determined by the Dallas Central Appraisal District ("DCAD").

The District service area is shown on a map attached hereto. The assessment to be levied for properties in the District service area is \$.1290 per \$100 of appraised value. Dependent upon future District property values and the changing needs of the District, the assessment rate stated above is not anticipated to change in the next five years. Actual assessment rates and levies will be set by the Dallas City Council subject to a maximum of \$0.15 per \$100 of value and according to procedures stipulated by Chapter 372 of the Texas Local Government Code.

As provided by Chapter 372 of The Code, the City of Dallas is responsible for payments of assessments against exempt municipal property in the District. Properties not liable for assessment include City rights-of-way and properties not owned by the City of Dallas but have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code). Payment of assessments by other exempt jurisdictions shall be established by contract.



Agenda Information Sheet

File #: 18-605

Item #: 2.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): 2, 14

DEPARTMENT: Office of Economic Development

EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** approval of the proposed Deep Ellum Public Improvement District (“District”) 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District for services and improvements to be provided during 2018; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

BACKGROUND

This item is being placed on the addendum due to the unavailability of 2018 certified appraisal data specific to the public improvement districts (PIDs) prior to regular agenda deadline and subsequent processing time required to update service plan budgets.

In accordance with the Public Improvement District Assessment Act (Act) in Chapter 372 of the Texas Local Government Code, the City Council calls and holds a public hearing to hear and pass on any objections to the annual assessment to be levied against property in the Public Improvement District (PID) and approves the Service Plan for each PID.

The Deep Ellum Foundation provided the proposed District 2019 Service Plan and proposed 2018 Assessment Plan for review, and staff found the services and improvements to be advisable and recommended approval subject to the public hearing on September 12, 2018.

The Public Improvement District Service Plan is outlined in the following way:

(a) Nature of the Services and Improvements. The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District. The general nature of the proposed services and

improvements to be performed by the District includes enhanced security and public safety, capital improvements, improvement of common areas, landscaping, trash/litter removal, graffiti control, marketing and promotional activities, distinctive lighting and signage, business development and recruitment to promote the area, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.

- (b) Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$614,394 in 2019 and reach \$1,132,489 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$4,390,350. The District shall incur no bonded indebtedness.
- (c) Boundaries.** The boundaries of the District are shown on the attached map of the District.
- (d) Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District (DCAD). The assessment amount for 2018 is proposed to be \$623,275. This amount is approximately equal to \$0.12 per \$100.00 of appraised value as determined by the DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections.
- (e) Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 25, 1999, City Council authorized creation of the Deep Ellum Public Improvement District by Resolution No. 99-2604.

On August 9, 2006, City Council authorized a public hearing to receive comments on the renewal of the public improvement district by Resolution No. 06-2050 and authorized the Deep Ellum Public Improvement District and contract by Resolution No. 06-2051.

On August 14, 2013, City Council authorized renewal of the Deep Ellum Public Improvement District Service Plan and contract by Resolution No. 13-1376.

On September 13, 2017, City Council authorized an ordinance approving and adopting the final 2017 Assessment Plan and Assessment Roll by Resolution No. 17-1483; Ordinance No. 30637.

On May 23, 2018, City Council authorized renewal of the Deep Ellum Public Improvement District Service Plan and contract by Resolution No. 18-0784.

Information about this item was provided to the Economic Development and Housing Committee on August 6, 2018.

FISCAL INFORMATION

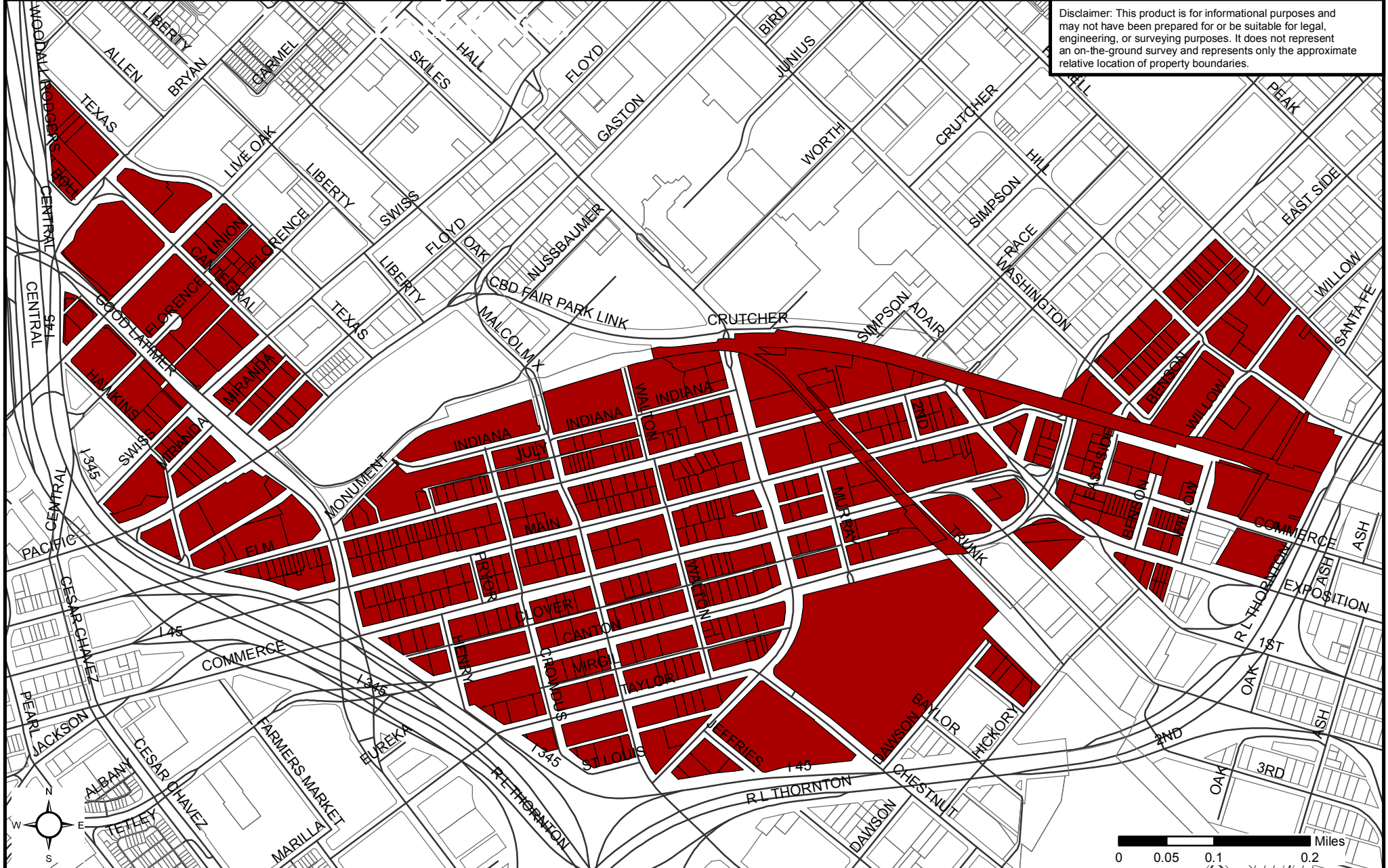
Cost consideration to others - the proposed assessment amount is approximately equal to \$0.12 per \$100.00 of appraised value as determined by the DCAD. (i.e. property owners within the boundaries of the Public Improvement District pay the assessment and the funds are managed by private, non-profit entities under a management contract with the City).

MAP

Attached

Deep Ellum PID 2018 Renewal

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



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Created 4.22.2018 - Deep EllumPID

- Legend**
- DEPID 2018 Renewal Parcels
 - Parcel 2017
 - STREETS

August 22, 2018

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (“Act”) allows for the creation of public improvement districts; and

WHEREAS, on August 25, 1999, City Council authorized the creation of the Deep Ellum Public Improvement District (District), as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated Deep Ellum Foundation as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 99-2604; and

WHEREAS, on August 9, 2006, City Council held a public hearing to receive comments on the renewal of the public improvement district by Resolution No. 06-2050 and authorized the Deep Ellum Public Improvement District (District), approval of the service plan and contract by Resolution No. 06-2051; and

WHEREAS, on August 14, 2013, City Council authorized the renewal of the District Service Plan and contract by Resolution No. 13-1376; and

WHEREAS, on September 13, 2017, City Council authorized an ordinance approving the adopting the final 2018 Service Plan and the 2017 Assessment Plan and the 2017 Assessment Roll by Resolution No. 17-1483; Ordinance No. 30637; and

WHEREAS, on May 23, 2018, City Council authorized the renewal of the District Service Plan and contract by Resolution No. 18-0784; and

WHEREAS, the Deep Ellum Foundation provided City staff with the proposed District 2019 Service Plan and 2018 Assessment Plan as shown in **Exhibits B and C**; and

WHEREAS, the City Council must review the proposed 2019 Service Plan and 2018 Assessment Plan and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the 2018 assessment against real property and real property improvements exclusive of right-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

August 22, 2018

SECTION 1. That pursuant to the requirements of the Act, the City Council, after reviewing the proposed 2019 Service Plan and the proposed 2018 Assessment Plan for the Deep Ellum Public Improvement District will consider approval of the final 2019 Service Plan and 2018 Assessment Plan, subject to the public hearing on September 12, 2018.

The City Council makes the following findings concerning the Service Plan for the Public Improvement District:

- (a) **Advisability of the Services Proposed for the District.** The District promotes the interests of the City and confers a special benefit to the property within its boundaries and it is advisable to continue the District and to provide the services and improvements described in this resolution.
- (b) **Nature of the Services and Improvements.** The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District. The general nature of the proposed services and improvements to be performed by the District includes enhanced security and public safety, capital improvements, improvement of common areas, landscaping, trash/litter removal, graffiti control, marketing and promotional activities, distinctive lighting and signage, business development and recruitment to promote the area, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.
- (c) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$614,394 in 2019 and reach \$1,132,489 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$4,390,350. The District shall incur no bonded indebtedness.
- (d) **Boundaries.** The boundaries of the District are located wholly within the city of Dallas, Texas. The boundaries of the District are as shown in **Exhibit A**.
- (e) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District (DCAD). The assessment amount for 2018 is proposed to be \$623,275. This amount is approximately equal to \$0.12 per \$100.00 of appraised value as determined by the DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year.

August 22, 2018

The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections.

- (f) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way and City parks and cemeteries are not specially benefited and therefore are not subject to PID assessment.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 3. That a public hearing shall be held at 1:00 p.m. on September 12, 2018, in the City Council Chamber, Dallas City Hall, 6th Floor, 1500 Marilla Street, Dallas, Texas 75201 at which time any interested person may appear and speak for or against the setting of an assessment against real property and real property improvements, exclusive of rights-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

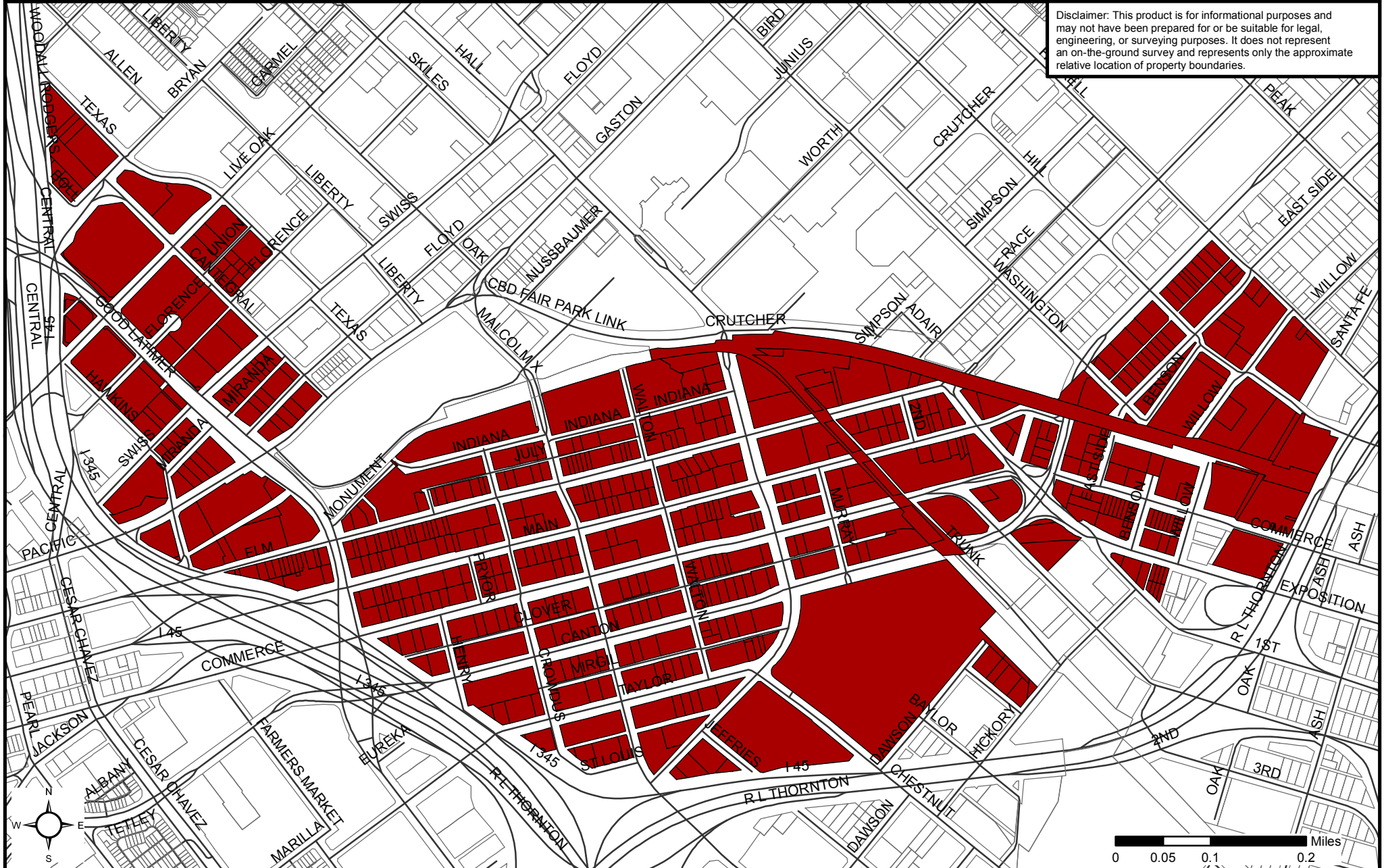
SECTION 4. That notice of such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners in the District before the 10th day before the public hearing.

SECTION 5. That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2018 Assessment Roll on file with the City Secretary; approving the Service Plan for 2019; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the assessment; and providing an effective date.

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Exhibit A - Deep Ellum PID 2018 Renewal Boundaries

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



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- Legend**
- DEPID 2018 Renewal Parcels
 - Parcel 2017
 - STREETS

EXHIBIT B
DEEP ELLUM PID
Service Plan 2018-2023 | Updated July 11, 2018

		2018	2019	2020	2021	2022	2023
Revenues and Reserves		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
Gross assessments revenue		\$502,620.36	\$630,658.32	\$760,242.00	\$874,341.92	\$1,005,560.20	\$1,156,464.73
PID Oversight Charge from City + County Fees		\$22,383.50	-\$7,383.50	-\$7,383.50	-\$7,383.50	-\$7,383.50	-\$7,383.50
Net Assessment Revenue		\$480,236.86	\$623,274.82	\$752,858.50	\$866,958.42	\$998,176.70	\$1,149,081.23
Fund balance from previous year ⁶		\$4,348.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00
Interest on cash balances		\$600.00	\$630.00	\$661.50	\$694.58	\$729.30	\$765.77
Projected Adjustment for Property Tax Protest		NA	-\$9,511.00	-\$11,413.00	-\$13,125.00	-\$15,094.00	-\$17,358.00
Total Income and Reserves		\$485,184.86	\$629,393.82	\$757,107.00	\$869,528.00	\$998,812.00	\$1,147,489.00
Improvements ¹	19%	\$82,481.43	17%	N/A	N/A	N/A	N/A
Transportation and related expenses ²	4%	\$29,111.09	6%	N/A	N/A	N/A	N/A
Capital Improvements & Maintenance ⁷		N/A	\$122,878.76	20%	\$148,421.40	\$170,905.60	\$196,762.40
Business Development and Recruitment ³	3%	\$19,407.39	4%	\$61,439.38	10%	\$74,210.70	\$85,452.80
Marketing and Promotion ⁴	50%	\$208,629.49	43%	\$92,159.07	15%	\$111,316.05	\$128,179.20
Public Safety ⁵	6%	\$33,962.94	7%	\$202,749.96	33%	\$244,895.31	\$281,994.24
Administration	11%	\$72,777.73	15%	\$92,159.07	15%	\$111,316.05	\$128,179.20
Financial Audit and Insurance	7%	\$38,814.79	8%	\$43,007.57	7%	\$51,947.49	\$59,816.96
	100%		100%		100%		
Total Expenditures^o		\$485,184.86	\$614,393.82	\$742,107.00	\$854,528.00	\$983,812.00	\$1,132,489.00
Fund Balance/Reserves		\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00

1. Graffiti control, landscaping, park improvements, trash pickup and neighborhood improvements

2. Acquisition, construction, operation and maintenance of transportation facilities and wayfinding signage including neighborhood parking programs

3. Business development and recruitment to promote the District as well as efforts to ease the burden of opening and operating a business.

4. Marketing and other promotional activities including but not limited to wifi, website, light pole banners, and newsletter.

5. Safety and security related initiatives including but not limited to lighting and signage.

6. The Public Improvement District started 2015 with a carry over balance of approximately \$200,000 accumulated from unspent funds from the Categories of Improvements, Business Development, and Marketing and Promotion. The Carry over funds is the rest of loss of staff to oversee the management of these categories for most of FY 2015. Following the hiring of a new Executive Director, who started June 1, 2015, and the expansion of the DEPID boundaries in 2014 the DEPID has requested to spend the carry over balance for delayed neighborhood projects, which will include testing Crowds Street as a pedestrian corridor, neighborhood-wide parking strategies, art mural projects and a new professionally done Deep Ellum website.

7. The Public Improvement District was renewed in 2018 with an adjusted service plan for 2019-2025. With the renewed service plan, the two Categories of Improvements and Transportation and related expenses were combined into one new category, Capital Improvements & Maintenance. The years 2019 through 2023 here reflect the renewed service plan categories. The years 2016 through 2018 reflect the previous service plan categories. Category descriptions are based on the current service plan structure. They will be updated to the new service plan in 2019 when the new service plan goes into effect.

EXHIBIT C



DEEP ELLUM FOUNDATION

Stephanie Keller Hudiburg
Executive Director
Deep Ellum Foundation
PO Box 710596, Dallas, Texas 75371

July 16, 2018

Deep Ellum Public Improvement District 2018 Assessment Plan

The cost of the services and improvements provided by the Deep Ellum Public Improvement District (DEPID) will be paid primarily by special assessments against property in the District. Annual assessments will be based on the total value of real property and improvements as certified by the Dallas Central Appraisal District.

All property owners not exempt from assessment will be assessed at a uniform rate. For the tax year of 2018, the rate continues to be \$0.12 per \$100.00 of value. Assessments will be carried out in accordance with procedures stipulated in Chapter 372 of the Texas Local Government Code.

The City of Dallas shall not be responsible for payment of assessments against exempt City property in the District. DEPID will recognize and honor exemptions listed by the Dallas Central Appraisal District, including homestead, disability, senior citizen and exemptions for property owned by tax-exempt entities. Payment of the DEPID assessment by any exempt owners must be established by contract.

DEPID's assessments will be collected by Dallas County for the City of Dallas, in accordance with the management contract between the City of Dallas and The Deep Ellum Foundation, the non-profit corporation that manages the District.

Sincerely,

Stephanie Keller Hudiburg, Deep Ellum Foundation
Executive Director



Agenda Information Sheet

File #: 18-610

Item #: 3.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): 14

DEPARTMENT: Office of Economic Development

EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** approval of the proposed Klyde Warren Park/Dallas Arts District Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 assessment roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

BACKGROUND

This item is being placed on the addendum due to the unavailability of 2018 certified appraisal data specific to the Public Improvement Districts (PIDs) prior to regular agenda deadline and subsequent processing time required to update service plan budgets.

In accordance with the Public Improvement District Assessment Act (Act) in Chapter 372 of the Texas Local Government Code, the City Council calls and holds a public hearing to hear and pass on any objections to the annual assessment to be levied against property in the PID and approves the Service Plan for each PID.

The Woodall Rodgers Park Foundation provided the proposed District 2019 Service Plan and proposed 2018 Assessment Plan for review, and staff found the services and improvements to be advisable and recommended approval subject to the public hearing on September 12, 2018. The assessment values provided herein are preliminary. The assessment values based on 2018 certified Dallas Central Appraisal District (DCAD) information and final Service Plan budget will be provided in the September 12, 2018 public hearing item.

The Public Improvement District Service Plan is outlined in the following way:

(a) Nature of the Services and Improvements. The purpose of the District is to supplement and enhance services and improvements for properties specifically benefitted by their proximity to Klyde Warren Park (KWP) and Dallas Arts District (DAD), but not to replace or supplant existing City or other services provided.

The general nature of the proposed services and improvements to be performed by the District for KWP and DAD includes security, sanitation, graffiti control and landscape improvements, marketing and promotional activities, distinctive lighting and signage, landscaping and water features, KWP/DAD improvements, trash pick-up, cultural enhancement, programs, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.

(b) Estimated Cost of the Services and Improvements. During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$1,268,012 in 2019 and reach \$1,856,497 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$7,741,342. The District shall incur no bonded indebtedness.

(c) Boundaries. The boundaries of the District are shown on the attached Map of the District.

(d) Method of Assessment. The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by DCAD. The assessment amount for 2018 is proposed to be \$1,268,012. This amount is approximately equal to \$0.025 per \$100.00 of appraised value as determined by the DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate is capped and shall not exceed \$0.025 per \$100.00 evaluation.

Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.

(e) Apportionment of costs between the District and the Municipality as a Whole. The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 13, 2013, City Council authorized creation of the Klyde Warren Park Public Improvement District by Resolution No. 13-1375.

On June 25, 2014, City Council authorized the dissolution of the Klyde Warren Park Public Improvement District by Resolution No. 14-1073.

On June 25, 2014, City Council authorized the creation of the Klyde Warren Park/Dallas Arts District Public Improvement District for a period of seven-years and designated the Woodall Rodgers Park Foundation as the management entity for the District by Resolution No. 14-1074.

On September 14, 2016, City Council authorized the 2016 assessment rate for the Klyde Warren Park/Dallas Arts District Public Improvement District and approved a decrease in the Security line item in the 2017 Service Plan by more than 20% of the budgeted amount for that category and shifting of funds from Security cost savings to other Service Plan budget categories by Ordinance No. 30203.

On September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1484; Ordinance No. 30638.

Information about this item was provided to the Economic Development and Housing Committee on August 6, 2018.

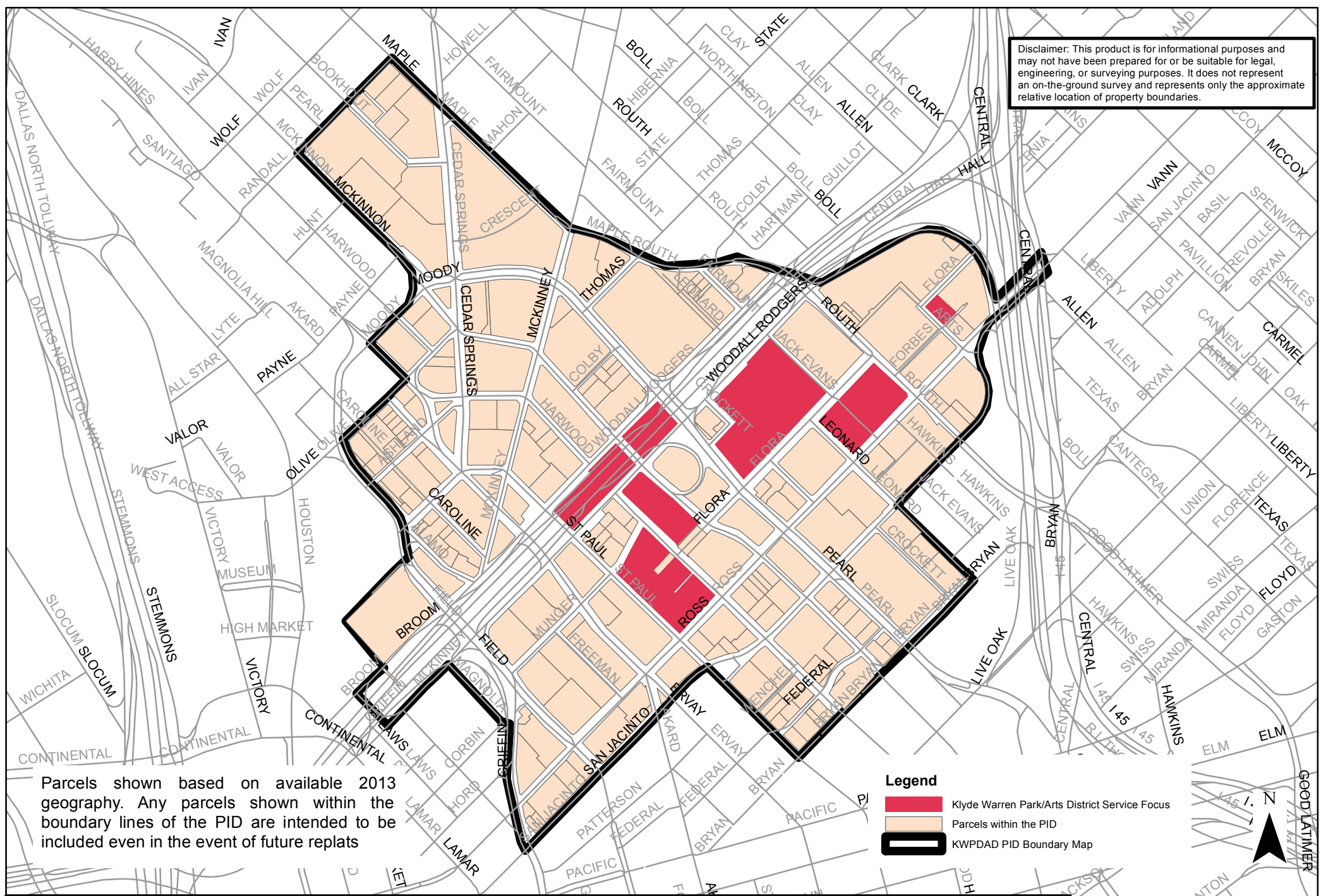
FISCAL INFORMATION

Cost consideration to others - the proposed assessment amount is approximately equal to \$0.025 per \$100.00 of appraised value as determined by the DCAD. (i.e. property owners within the boundaries of the Public Improvement District pay the assessment and the funds are managed by private, non-profit entities under a management contract with the City).

MAP

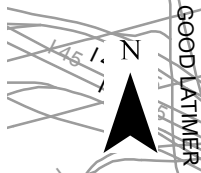
Attached

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



Parcels shown based on available 2013 geography. Any parcels shown within the boundary lines of the PID are intended to be included even in the event of future replats

- Legend**
- Klyde Warren Park/Arts District Service Focus
- Parcels within the PID
- KWP/DADPID Boundary Map



August 22, 2018

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (“Act”) allows for the creation of public improvement districts; and

WHEREAS, on August 13, 2013, City Council authorized the creation of the Klyde Warren Park Public Improvement District (District), as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated Woodall Rodgers Park Foundation as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 13-1375; and

WHEREAS, on June 25, 2014, City Council authorized the dissolution of the Klyde Warren Park Public Improvement District by Resolution No. 14-1073; and

WHEREAS, on June 25, 2014, City Council authorized the creation of the Klyde Warren Park/Dallas Arts District Public Improvement District for a period of seven-years and designated the Woodall Rodgers Park Foundation as the management entity for the District by Resolution No. 14-1074; and

WHEREAS, on September 13, 2017, City Council authorized the 2018 Service Plan and 2017 Assessment Plan for the Klyde Warren Park/Dallas Arts District Public Improvement District and approved a decrease in the Security line item in the 2017 Service Plan by more than 20% of the budgeted amount for that category and shifting of funds from Security cost savings to other Service Plan budget categories by Resolution No. 17-1484; Ordinance No. 30638; and

WHEREAS, the Woodall Rodgers Park Foundation provided City staff with the proposed District 2019 Service Plan and 2018 Assessment Plan as shown in **Exhibits B and C**; and

WHEREAS, the City Council must review the proposed 2019 Service Plan and 2018 Assessment Plan and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the 2018 assessment against real property and real property improvements exclusive of right-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

August 22, 2018

SECTION 1. That pursuant to the requirements of the Act, the City Council, after reviewing the proposed 2019 Service Plan, which includes the shifting of funds in excess of 20% among budget categories as previously approved by Ordinance No. 30638, and the proposed 2018 Assessment Plan for the Klyde Warren Park/Dallas Arts District Public Improvement District, will consider approval of the final 2019 Service Plan and 2018 Assessment Plan, subject to the public hearing on September 12, 2018.

The City Council makes the following findings concerning the Service Plan for the Public Improvement District:

- (a) **Advisability of the Services Proposed for the District.** The District promotes the interests of the City and confers a special benefit to the property within its boundaries and it is advisable to continue the District and to provide the services and improvements described in this resolution.
- (b) **Nature of the Services and Improvements.** The purpose of the District is to supplement and enhance services and improvements for properties specifically benefitted by their proximity to Klyde Warren Park (KWP) and Dallas Arts District (DAD), but not to replace or supplant existing City or other services provided. The general nature of the proposed services and improvements to be performed by the District for KWP and DAD includes security, sanitation, graffiti control and landscape improvements, marketing and promotional activities, distinctive lighting and signage, landscaping and water features, KWP/DAD improvements, trash pick-up, cultural enhancement, programs, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.
- (c) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$1,268,012 in 2019 and reach \$1,856,497 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$7,741,342. The District shall incur no bonded indebtedness.
- (d) **Boundaries.** The boundaries of the District are located wholly within the City of Dallas, Texas. The boundaries of the District are as shown in **Exhibit A**.
- (e) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District (DCAD).

August 22, 2018

The assessment amount for 2018 is proposed to be \$1,268,012. This amount is approximately equal to \$0.025 per \$100.00 of appraised value as determined by the DCAD. Once levied, this assessment rate shall not increase during the 2019 service plan year. The annual assessment rate is capped and shall not exceed \$0.025 per \$100.00 valuation. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections.

The real property of jurisdictions and entities that have obtained an exemption from City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.

- (f) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 3. That a public hearing shall be held at 1:00 p.m. on September 12, 2018, in the City Council Chamber, Dallas City Hall, 6th floor, 1500 Marilla Street, Dallas, Texas at which time any interested person may appear and speak for or against the setting of an assessment against real property and real property improvements, exclusive of rights-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

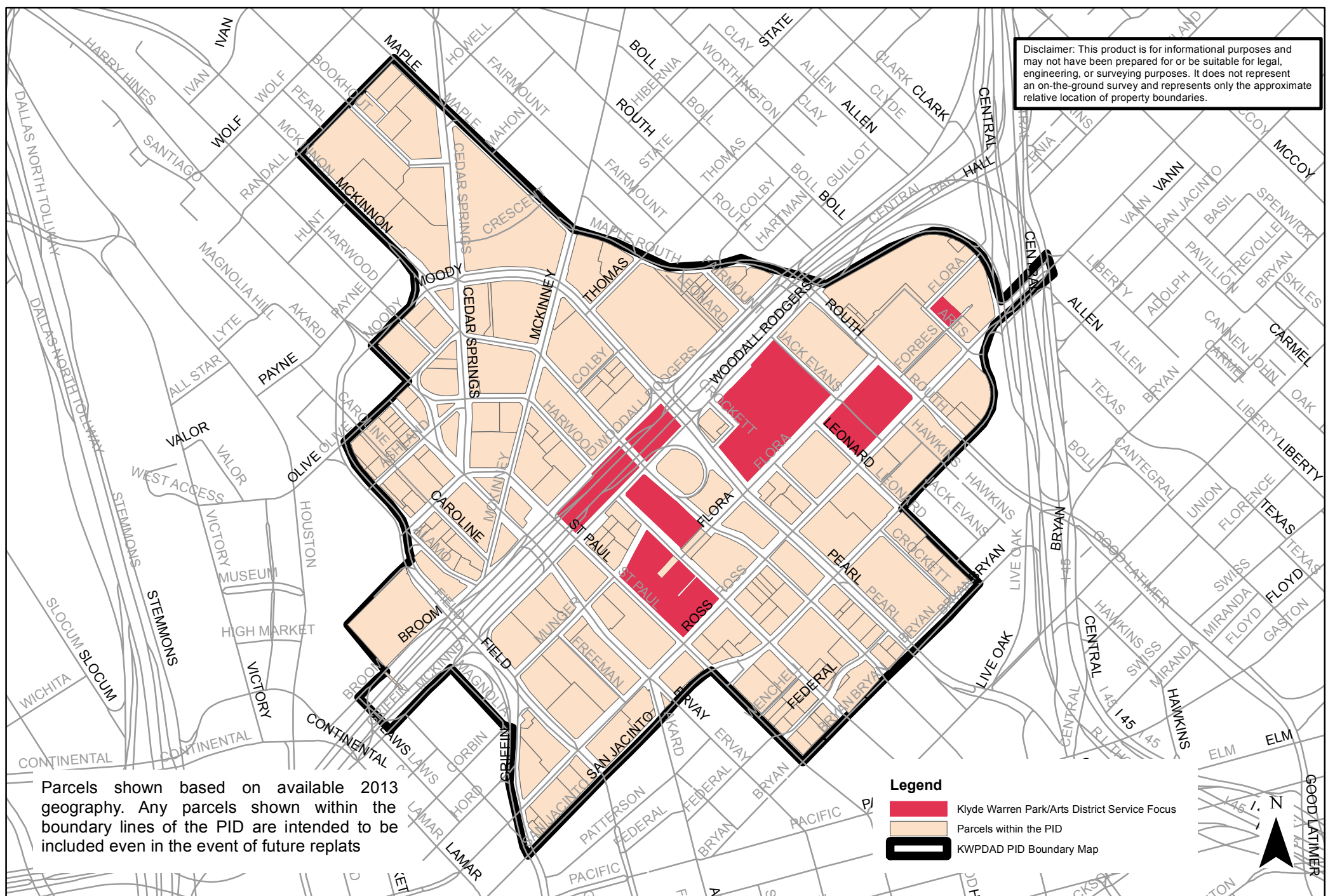
SECTION 4. That notice of such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners in the District before the 10th day before the public hearing.

August 22, 2018

SECTION 5. That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2018 assessment roll on file with the City Secretary; approving the Service Plan for 2019; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the assessment; and providing an effective date.

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



Parcels shown based on available 2013 geography. Any parcels shown within the boundary lines of the PID are intended to be included even in the event of future replats

Exhibit A Klyde Warren Park/Arts District PID (KWP/DADPID) Boundary Map

DALLAS
ECONOMIC
DEVELOPMENT
Area Redevelopment Division
214.670.1685
dallas-ecodev.org

EXHIBIT B

KLYDE WARREN PARK/DALLAS ARTS DISTRICT PID BUDGET PROPOSED SERVICE PLAN 2019

REVENUE	2019 Proposed Plan	2020 Revised Plan	2021 Revised Plan	2022 Plan *	2023 Plan *
Fund Balance from previous year	-	-	-	-	-
1 Net assessment revenue	\$1,268,012.25	\$1,394,813.48	\$1,534,294.82	\$1,687,724.30	\$1,856,496.74
TOTAL REVENUE	\$1,268,012.25	\$1,394,813.48	\$1,534,294.82	\$1,687,724.30	\$1,856,496.74
EXPENDITURES					
Security	\$244,603.01	\$269,063.31	\$295,969.64	\$325,566.61	\$358,123.27
Sanitation	\$260,039.82	\$286,043.81	\$314,648.19	\$346,113.00	\$380,724.31
Scrubbing and power washing pavers	\$22,004.24	\$24,204.67	\$26,625.13	\$29,287.65	\$32,216.41
Waste disposal	\$17,749.77	\$19,524.75	\$21,477.23	\$23,624.95	\$25,987.44
Landscape improvements	\$249,626.23	\$274,588.86	\$302,047.74	\$332,252.52	\$365,477.77
Water features and general maintenance	\$100,850.87	\$110,935.95	\$122,029.55	\$134,232.50	\$147,655.75
Cultural enhancement (programs)	\$99,412.71	\$109,353.98	\$120,289.38	\$132,318.32	\$145,550.15
Marketing and promotion	\$91,012.02	\$100,113.22	\$110,124.54	\$121,136.99	\$133,250.69
Administration	\$47,694.83	\$52,464.32	\$57,710.75	\$63,481.82	\$69,830.01
Liability insurance and financial audit	\$79,804.58	\$87,785.04	\$96,563.54	\$106,219.90	\$116,841.89
Holiday lighting and Decorations	\$31,942.71	\$35,136.99	\$38,650.68	\$42,515.75	\$46,767.33
Signage	\$14,829.82	\$16,312.80	\$17,944.08	\$19,738.49	\$21,712.33
2 Contingency	\$8,441.63	\$9,285.79	\$10,214.37	\$11,235.80	\$12,359.39
TOTAL OPERATING EXPENDITURES	\$1,268,012.25	\$1,394,813.48	\$1,534,294.82	\$1,687,724.30	\$1,856,496.74
FUND BALANCE/ RESERVES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

KWP and DAD will support the remaining operating costs of their organizations, which is not included in the Service Plan

* 2022 Plan is first year of PID renewal; Assume renewal of PID

¹ Proposed plan assumes a 10% increase in property values each year based on future Uptown and Downtown development

² Allowance made for anticipated tax refunds due to protests by property owners

Exhibit C

Klyde Warren Park/Dallas Arts District Public Improvement District Assessment Plan

The costs of the services and improvements by the District will be paid primarily by special assessment against properties in the District. Annual assessments are based on the total value of real property and real property improvements as determined by the Dallas Central Appraisal District ("DCAD").

The Klyde Warren Park/Dallas Arts District Public Improvement District (PID) proposed assessment rate for 2018 is \$0.025 per \$100 of appraised value. The annual assessment rate shall not exceed \$0.025 per \$100 valuation. City right-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment. Payment of assessments by other exempt jurisdictions and entities must be established by contract.



Agenda Information Sheet

File #: 18-613

Item #: 4.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): 14

DEPARTMENT: Office of Economic Development

EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** approval of the proposed Knox Street Public Improvement District (“District”) 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

BACKGROUND

This item is being placed on the addendum due to the unavailability of 2018 certified appraisal data specific to the public improvement districts (PIDs) prior to regular agenda deadline and subsequent processing time required to update service plan budgets.

In accordance with the Public Improvement District Assessment Act (Act) in Chapter 372 of the Texas Local Government Code, the City Council calls and holds a public hearing to hear and pass on any objections to the annual assessment to be levied against property in the Public Improvement District (PID) and approves the Service Plan for each PID.

The Knox Street Improvement District Corporation provided the proposed District 2019 Service Plan and proposed 2018 Assessment Plan for review, and staff found the services and improvements to be advisable and recommended approval subject to the public hearing on September 12, 2018.

The Public Improvement District Service Plan is outlined in the following way:

(a) Nature of the Services and Improvements. The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District. The general nature of the proposed services and

improvements to be performed by the District includes enhanced security and public safety, capital improvements, improvement of common areas, landscaping, trash/litter removal, graffiti control, marketing and promotional activities, distinctive lighting and signage, business development and recruitment to promote the area, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.

- (b) Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$1,199,352 in 2019 and reach \$333,866 in 2023. The total estimated assessments to be collected for during the next five-year period is approximately \$1,948,078. The District shall incur no bonded indebtedness. Future years' budgets may alter significantly as the result of the carryover funds accumulated through 2018 from the previous term to be used to fund capital improvement projects such as gateway markers and streetscape improvements and/or possibly in conjunction with Knox Complete Streets (and related feasibility study costs). Capital Improvements include traffic studies related to Knox Complete Streets and Cole-McKinney Two Way Conversion, as well as gateway marker costs. 2019 Capital Improvements reflects anticipated spending of majority of carryover funds from prior years to complement Knox Complete Streets (but may be separate project from Complete Streets).
- (c) Boundaries.** The boundaries of the District are shown on the attached map of the District.
- (d) Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District (DCAD). The assessment amount for 2018 is proposed to be \$362,208. This amount is approximately equal to \$0.15 per \$100.00 of appraised value as determined by the DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the City Council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.
- (e) Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not

subject to PID assessment.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 23, 2010, City Council authorized creation of the Knox Street Public Improvement District, Service Plan and management contract by Resolution No. 10-1670.

On September 9, 2015, City Council authorized an ordinance approving and adopting the proposed and final 2015 Assessment Plan and the 2016 Assessment Roll by Resolution No. 15-1698; Ordinance No. 29863.

On June 28, 2017, City Council held a public hearing to receive comments on the renewal of the Knox Street Public Improvement District and authorized the Service Plan and the management contract by Resolution No. 17-1119.

On September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan, and 2017 Assessment Roll by Resolution No. 17-1485; Ordinance 30639.

Information about this item was provided to the Economic Development and Housing Committee on August 6, 2018.

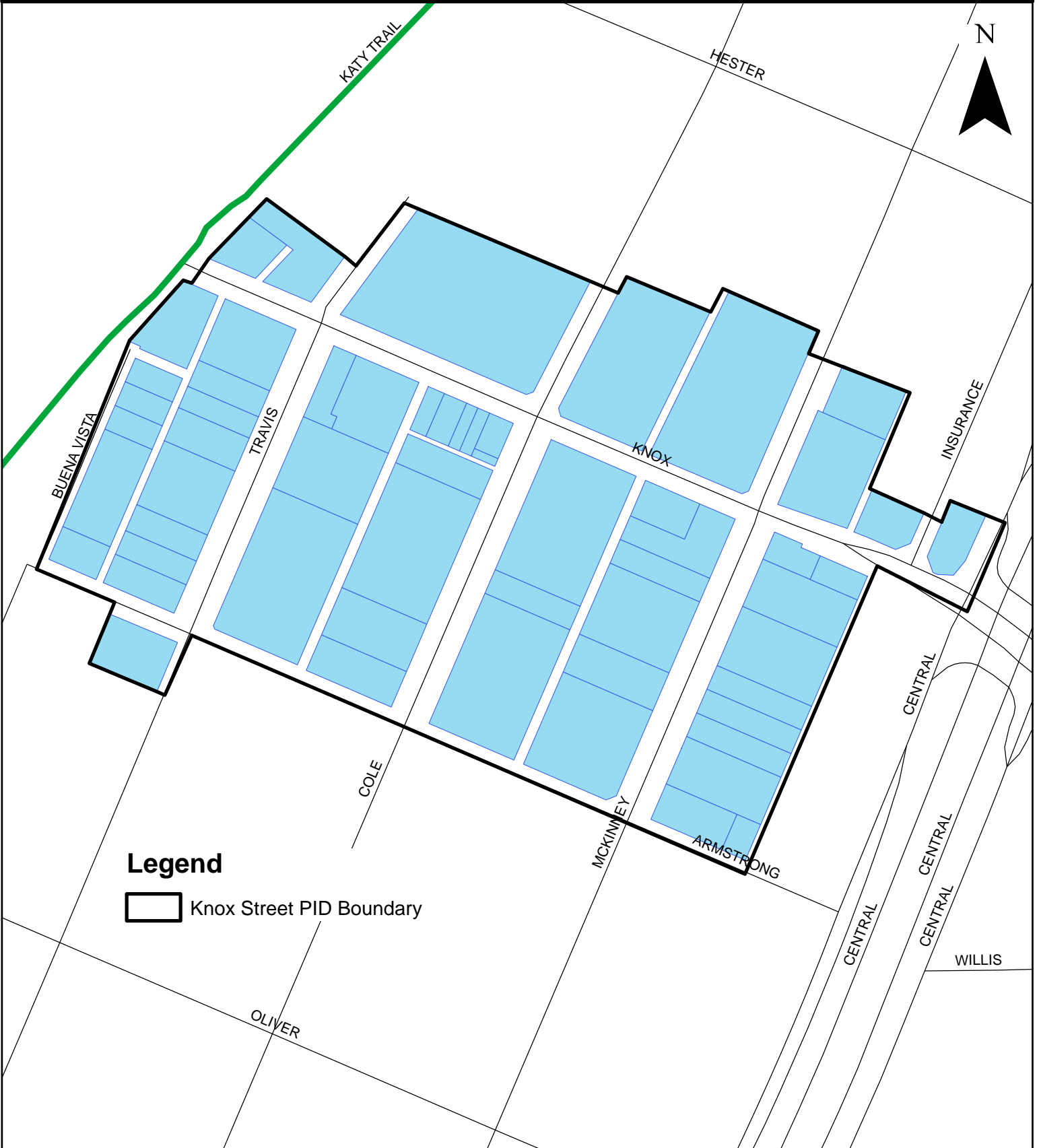
FISCAL INFORMATION

Cost consideration to others - the proposed assessment amount is approximately equal to \$0.15 per \$100.00 of appraised value as determined by the DCAD. (i.e. property owners within the boundaries of the Public Improvement District pay the assessment and the funds are managed by private, non-profit entities under a management contract with the City).

MAP

Attached

Knox Street PID



Legend

 Knox Street PID Boundary

City of Dallas

Office of Economic Development

<http://www.Dallas-EcoDev.org>

Created 04/2010

August 22, 2018

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (“Act”) allows for the creation of public improvement districts; and

WHEREAS, on June 23, 2010, City Council authorized the creation of the Knox Street Public Improvement District (District), as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated Knox Street Improvement District Corporation as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 10-1670; and

WHEREAS, on June 28, 2017, City Council held a public hearing to receive comments on the renewal of the Knox Street Public Improvement District (District), as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated Knox Street Improvement District Corporation as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 17-1119; and

WHEREAS, on September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1485; Ordinance No. 30639; and

WHEREAS, the Knox Street Improvement District Corporation provided City staff with the proposed District 2019 Service Plan and 2018 Assessment Plan as shown in **Exhibits B and C**; and

WHEREAS, the City Council must review the proposed 2019 Service Plan and 2018 Assessment Plan and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the 2018 assessment against real property and real property improvements exclusive of right-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That pursuant to the requirements of the Act, the City Council, after reviewing the proposed 2019 Service Plan and the proposed 2018 Assessment Plan for the Knox Street Public Improvement District will consider approval of the final 2019 Service Plan and 2018 Assessment Plan, subject to the public hearing on September 12, 2018.

August 22, 2018

The City Council makes the following findings concerning the Service Plan for the Public Improvement District:

- (a) **Advisability of the Services Proposed for the District.** The District promotes the interests of the City and confers a special benefit to the property within its boundaries and it is advisable to continue the District and to provide the services and improvements described in this resolution.
- (b) **Nature of the Services and Improvements.** The proposed services and improvements to be provided in the District include public safety and security, lighting, sidewalk and streetscape, operation and maintenance of public improvements, landscaping improvements including plantings and hardscape, District marketing and promotional activities and improvements authorized by the Act and approved by the Dallas City Council.
- (c) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$1,199,352 in 2019 and reach \$333,866 in 2023. The total estimated assessments to be collected for during the next five-year period is approximately \$1,948,078. The District shall incur no bonded indebtedness. Future years' budgets may alter significantly as the result of the carryover funds accumulated through 2018 from the previous term to be used to fund capital improvement projects such as gateway markers and streetscape improvements and/or possibly in conjunction with Knox Complete Streets (and related feasibility study costs). Capital Improvements include traffic studies related to Knox Complete Streets and Cole-McKinney Two Way Conversion, as well as gateway marker costs. 2019 Capital Improvements reflects anticipated spend of majority of carryover funds from prior years to complement Knox Complete Streets (but may be separate project from Complete Streets).
- (d) **Boundaries.** The boundaries of the District are located wholly within the City of Dallas, Texas. The boundaries of the District are shown in **Exhibit A**.
- (e) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District (DCAD). The assessment amount for 2018 is proposed to be \$362,208. This amount is approximately equal to \$0.15 per \$100.00 of appraised value as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation.

August 22, 2018

Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.

- (f) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 3. That a public hearing shall be held at 1:00 p.m. on September 12, 2018, in the City Council Chamber, Dallas City Hall, 6th Floor, 1500 Marilla Street, Dallas, Texas 75201 at which time any interested person may appear and speak for or against the setting of an assessment against real property and real property improvements, exclusive of rights-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

SECTION 4. That notice of such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners in the District before the 10th day before the public hearing.

August 22, 2018

SECTION 5. That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2018 Assessment Roll on file with the City Secretary; approving the Service Plan for 2019; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the assessment; and providing an effective date.

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Knox Street Public Improvement District - 2019-2023 Service Plan

YTD July 31, 2018

Exhibit B

	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast	2023 Forecast
INCOME					
Carryover Fund Balance From Previous Year	\$ 882,603	\$ 45,459	\$ 34,612	\$ 23,768	\$ 12,922
Interest	\$ -	\$ -	\$ -	\$ -	\$ -
Net Assessment Revenue	\$ 362,208	\$ 310,839	\$ 320,165	\$ 329,770	\$ 339,663
TOTAL INCOME & RESERVES	\$ 1,244,811	\$ 345,452	\$ 343,931	\$ 342,692	\$ 341,739
EXPENSES					
Capital Improvements ⁽¹⁾	\$ 1,050,280	\$ 158,020	\$ 163,483	\$ 169,111	\$ 169,111
Public Safety and Security ⁽²⁾	\$ 49,173	\$ 50,648	\$ 52,167	\$ 53,732	\$ 55,344
Marketing & Promotions ⁽⁵⁾	\$ 88,709	\$ 90,647	\$ 92,643	\$ 94,700	\$ 96,818
PID Renewal Fee	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance & Audit	\$ 11,033	\$ 11,364	\$ 11,704	\$ 12,056	\$ 12,417
Administrative	\$ 157	\$ 161	\$ 166	\$ 171	\$ 176
TOTAL EXPENSES	\$ 1,199,352	\$ 310,840	\$ 320,163	\$ 329,770	\$ 333,866
Balance YTD 2018					
Current New Income ⁽⁴⁾	\$ -	\$ -	\$ -	\$ -	\$ 5,796
TOTAL CARRYOVER FUNDS AT YEAR END	\$ 45,459	\$ 34,612	\$ 23,768	\$ 12,922	\$ 7,873

⁽¹⁾ Carryover funds will be used to fund capital improvement projects such as (but not limited to) gateway markers, streetscape improvements and/or in conjunction with Knox Complete Streets (and related feasibility study costs). 2018 Capital Improvements reflects anticipated spend of majority of carryover from prior years to complement Knox Complete Streets (but may be separate projects from Complete Streets).

⁽⁴⁾ Security includes private security patrol, off-duty police, camera and related security systems equipment and monitoring.

⁽⁵⁾ Website, marketing, social media, branding, banners, special events and Christmas lights.

⁽⁶⁾ Pringing, mailing, notice, legal, audit and miscellaneous administrative expenses.

⁽⁷⁾ Payment to City of allad upon successful renewal of PID.

⁽⁴⁾ Actual Revenues (ie Cash Basis) in these years. Future years are on a tax year basis.

^(**) pid Oversight Charges: Starting in 2016, includes \$2.75 per account fee.

EXHIBIT C
KNOX STREET PUBLIC IMPROVEMENT DISTRICT
ASSESSMENT PLAN 2018

The cost of the services and improvements provided by the Knox Street Public Improvement District will be paid primarily by assessments against real properties within the Knox Street Public Improvement District boundaries. Annual assessments will be based on the value of real property and improvements as certified by the Dallas Central Appraisal District.

The cost of improvements and services in the district will be assessed by application of a single rate applied to all non-exempt property on the combined value of the real property and real property improvements as determined by the Dallas Central Appraisal District. The assessment rate for 2018 is proposed at \$0.15 per \$100.00 of appraised value. The annual assessment rate, during the seven-year life of the District, will not exceed \$0.15 per \$100.00 of appraised value as determined by the Dallas Central Appraisal District.

The Knox Street PID assessments will be collected by the Dallas County Tax Office in accordance with the contract with the City of Dallas and in accordance with the management contract between the City of Dallas and the Knox Street Improvement District Corporation.



Agenda Information Sheet

File #: 18-614

Item #: 5.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): 9, 10, 13

DEPARTMENT: Office of Economic Development

EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** approval of the proposed Lake Highlands Public Improvement District (“District”) 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

BACKGROUND

This item is being placed on the addendum due to the unavailability of 2018 certified appraisal data specific to the public improvement districts (PIDs) prior to regular agenda deadline and subsequent processing time required to update service plan budgets.

In accordance with the Public Improvement District Assessment Act (Act) in Chapter 372 of the Texas Local Government Code, the City Council calls and holds a public hearing to hear and pass on any objections to the annual assessment to be levied against property in the Public Improvement District (PID) and approves the Service Plan for each PID.

The Lake Highlands Improvement District Corporation provided the proposed District 2019 Service Plan and proposed 2018 Assessment Plan for review, and staff found the services and improvements to be advisable and recommended approval subject to the public hearing on September 12, 2018. The assessment values provided herein are preliminary. The assessment values based on 2018 certified Dallas Central Appraisal District (DCAD) information and final Service Plan budget will be provided in the September 12, 2018 public hearing item.

The Public Improvement District Service Plan is outlined in the following way:

- (a) **Nature of the Services and Improvements.** The proposed services and improvements to be provided in the District include enhanced security and public safety, capital improvements, improvement of common areas, landscaping, trash/litter removal, graffiti control, marketing and promotional activities, distinctive lighting and signage, business development and recruitment to promote the area, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.
- (b) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$689,814 in 2019 and reach \$1,278,439 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$4,832,410. The District shall incur no bonded indebtedness.
- (c) **Boundaries.** The boundaries of the District are shown on the attached map of the District.
- (d) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by DCAD. The assessment amount for 2018 is proposed to be \$689,814.34. This amount is approximately equal to \$0.13 per \$100.00 of appraised value as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Property owned by persons already receiving and qualifying for 65-or-older homestead exemption under Section 11.13 (c) or (d) of the Texas Property Tax Code will be exempt from assessment. Payment of assessments by other exempt jurisdictions and entities must be established by contract.
- (e) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 25, 2008, City Council authorized creation of the Lake Highlands Public Improvement

District, approval of the Service Plan and management contract by Resolution No. 08-1866.

On August 12, 2015, City Council held a public hearing to receive comments concerning the renewal and expansion of the Lake Highlands Public Improvement District, and authorized approval of the Service Plan and management contract by Resolution No. 15-1473.

On September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1486; Ordinance No. 30640.

Information about this item was provided to the Economic Development and Housing Committee on August 6, 2018.

FISCAL INFORMATION

Cost consideration to others - the proposed assessment amount is approximately equal to \$0.13 per \$100.00 of appraised value as determined by the DCAD. (i.e. property owners within the boundaries of the Public Improvement District pay the assessment and the funds are managed by private, non-profit entities under a management contract with the City).

MAP

Attached

August 22, 2018

The City Council makes the following findings concerning the Service Plan for the Public Improvement District:

- (a) **Advisability of the Services Proposed for the District.** The District promotes the interests of the City and confers a special benefit to the property within its boundaries and it is advisable to continue the District and to provide the services and improvements described in this resolution.
- (b) **Nature of the Services and Improvements.** The proposed services and improvements to be provided in the District include enhanced security and public safety, capital improvements, improvement of common areas, landscaping, trash/litter removal, graffiti control, marketing and promotional activities, distinctive lighting and signage, business development and recruitment to promote the area, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.
- (c) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$689,814 in 2019 and reach \$1,278,439 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$4,832,410. The District shall incur no bonded indebtedness.
- (d) **Boundaries.** The boundaries of the District are located wholly within the city of Dallas, Texas. The boundaries of the District are as shown in **Exhibit A**.
- (e) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by Dallas Central Appraisal District (DCAD). The assessment amount for 2018 is proposed to be \$689,814. This amount is approximately equal to \$0.13 per \$100.00 of appraised value as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections.

August 22, 2018

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (“Act”) allows for the creation of public improvement districts; and

WHEREAS, on June 25, 2008, City Council authorized the creation of the Lake Highlands Public Improvement District (District), as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated Lake Highlands Improvement District Corporation as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 08-1866; and

WHEREAS, on August 12, 2015, City Council held a public hearing to receive comments concerning the renewal and expansion of the Lake Highlands Public Improvement District (District), and authorized approval of the Service Plan and management contract by Resolution No. 15-1473; and

WHEREAS, on September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1486; Ordinance No. 30640; and

WHEREAS, the Lake Highlands Improvement District Corporation provided City staff with the proposed District 2019 Service Plan and 2018 Assessment Plan as shown in **Exhibits B and C**; and

WHEREAS, the City Council must review the proposed 2019 Service Plan and 2018 Assessment Plan and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the 2018 assessment against real property and real property improvements exclusive of right-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That pursuant to the requirements of the Act, the City Council, after reviewing the proposed 2019 Service Plan and the proposed 2018 Assessment Plan for the Lake Highlands Public Improvement District, will consider approval of the final 2019 Service Plan and 2018 Assessment Plan, subject to the public hearing on September 12, 2018.

August 22, 2018

The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Property owned by persons already receiving and qualifying for 65-or-older homestead exemption under Section 11.13 (c) or (d) of the Texas Property Tax Code will be exempt from assessment. Payment of assessments by other exempt jurisdictions and entities must be established by contract.

- (f) Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 3. That a public hearing shall be held at 1:00 p.m. on September 12, 2018, in the City Council Chamber, Dallas City Hall, 6th Floor, 1500 Marilla Street, Dallas, Texas 75201 at which time any interested person may appear and speak for or against the setting of an assessment against real property and real property improvements, exclusive of rights-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.




SECTION 4. That notice of such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners in the District before the 10th day before the public hearing.

SECTION 5. That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2018 Assessment Roll on file with the City Secretary; approving the Service Plan for 2019; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the assessment; and providing an effective date.

August 22, 2018

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

-  LHPID boundary
-  Parcels inside LHPID
-  Excluded Parcels – not in the PID

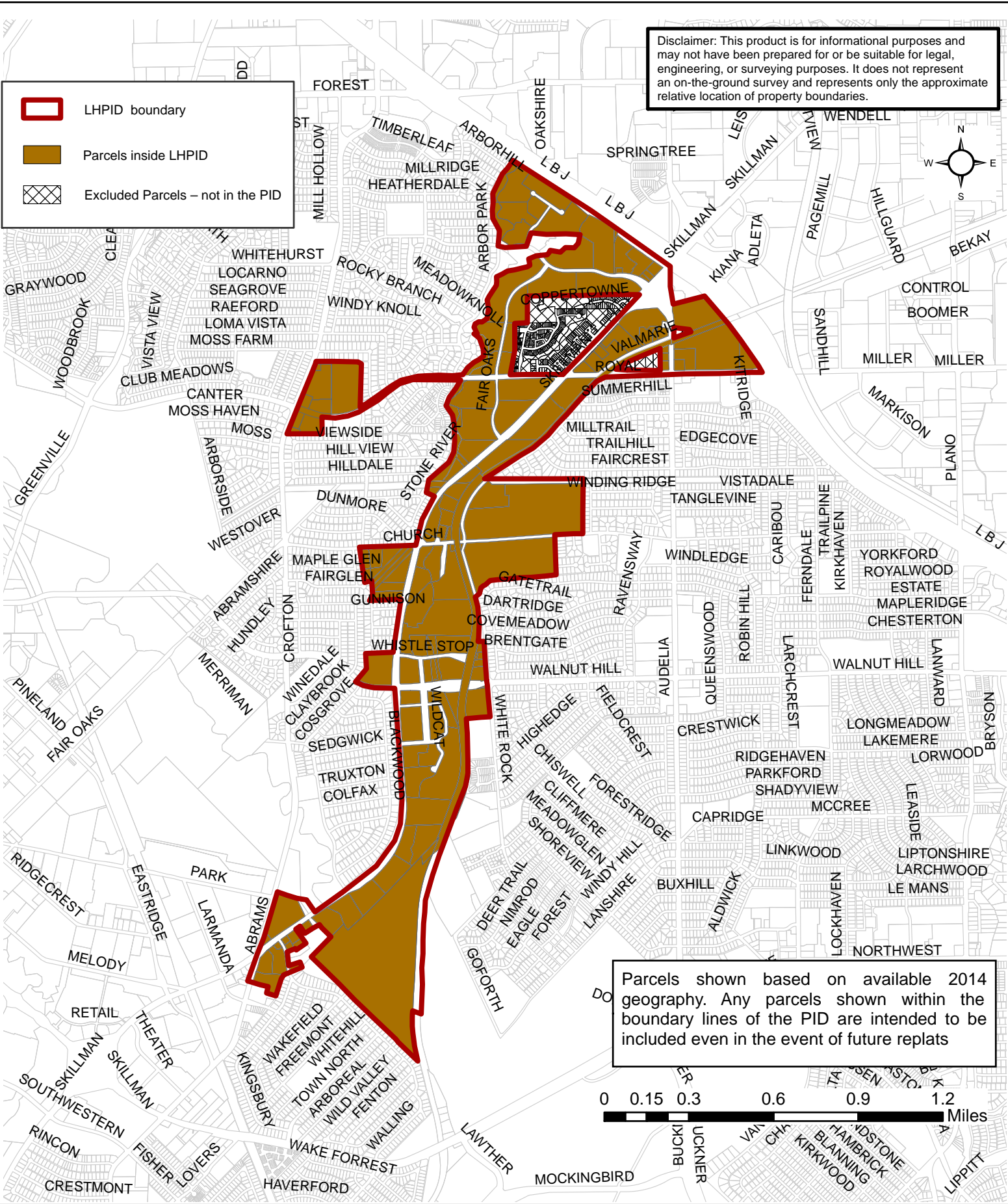
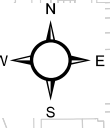


Exhibit A - Lake Highlands PID Boundary Map

**LAKE HIGHLANDS PUBLIC IMPROVEMENT DISTRICT
FIVE YEAR SERVICE PLAN (2019-2023)**

	2019	2020	2021	2022	2023 ⁽⁵⁾
INCOME					
Net Assessment	\$689,814.34	\$815,669.91	\$947,678.41	\$1,100,808.28	\$1,278,438.92
Interest on Cash Balance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Income	\$689,814.34	\$815,669.91	\$947,678.41	\$1,100,808.28	\$1,278,438.92
EXPENSES					
Renewal/Creation Fee					
Public Safety ⁽¹⁾	45% \$310,416.45	45% \$367,051.46	45% \$426,455.29	45% \$495,363.72	45% \$575,297.51
Improvements ⁽²⁾	33% \$227,638.73	33% \$269,171.07	33% \$312,733.88	33% \$363,266.73	33% \$421,884.84
Promotion ⁽³⁾	6% \$41,388.86	6% \$48,940.19	6% \$56,860.70	6% \$66,048.50	6% \$76,706.34
Administration ⁽⁴⁾	10% \$68,981.43	10% \$81,566.99	10% \$94,767.84	10% \$110,080.83	10% \$127,843.89
Audit	2% \$13,796.29	2% \$16,313.40	2% \$18,953.57	2% \$22,016.17	2% \$25,568.78
Insurance	4% \$27,592.57	4% \$32,626.80	4% \$37,907.14	4% \$44,032.33	4% \$51,137.56
	100%				
Total Expenses	\$689,814.34	\$815,669.91	\$947,678.41	\$1,100,808.28	\$1,278,438.92
Surplus Carried Forward	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Notes:

The assessment amount is approximately equal to \$0.13 per \$100 of appraised value as determined by the Dallas Central Appraisal District (DCAD).
Net assessment reflects the deduction of City and County fees from the gross assessment collection.

⁽¹⁾ Regular Security Patrol, patrol vehicle lease and related expenses

⁽²⁾ Design and construction of public infrastructure improvements and maintenance of common areas including non standard ROW, medians and parks;

⁽³⁾ Website, marketing and outreach, marketing materials, promotion, community events, business development

⁽⁴⁾ Office supplies, administration, notice mailings

⁽⁵⁾ 2023 Assessment is an estimate pending a successful renewal.

Exhibit C
LAKE HIGHLANDS PUBLIC IMPROVEMENT DISTRICT
2018 ASSESSMENT PLAN

The cost of the services and improvements provided by the Lake Highlands Public Improvement District will be paid primarily by assessments against real properties within the Lake Highlands Public Improvement District boundaries. Annual assessments will be based on the value of real property and improvements as certified by the Dallas Central Appraisal District.

The service area is identified on the enclosed map. All properties will be assessed at a uniform rate. The proposed assessment rate for the 2018 is proposed at \$0.13 per \$100.00 of appraised value. Each subsequent year, a recommended assessment rate will be determined by the budget prepared by the management corporation. Assessment will be carried out in accordance with procedures stipulated in Chapter 372 of the Texas Local Government Code.

Properties not liable for assessment include City rights-of-way, City-owned park properties and properties not owned by the City of Dallas but have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (exempt under the provisions of Section 11.24 and 11.28 of the Property Tax Code), and property owned by persons already receiving and qualifying for the 65-or-older homestead exemption (under Section 11.13(c) or (d) of the Texas Property Tax Code. Payment of assessment by other exempt jurisdictions must be established by contract.

The District's assessments will be collected by Dallas County or other collection agent as determined by the City of Dallas, in accordance with management contract between the City of Dallas and the Lake Highlands Improvement District Corporation, the non-profit management corporation for the District.



Agenda Information Sheet

File #: 18-615

Item #: 6.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): 10

DEPARTMENT: Office of Economic Development

EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** approval of the proposed North Lake Highlands Public Improvement District (“District”) 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

BACKGROUND

This item is being placed on the addendum due to the unavailability of 2018 certified appraisal data specific to the public improvement districts (PIDs) prior to regular agenda deadline and subsequent processing time required to update service plan budgets.

In accordance with the Public Improvement District Assessment Act (Act) in Chapter 372 of the Texas Local Government Code, the City Council calls and holds a public hearing to hear and pass on any objections to the annual assessment to be levied against property in the Public Improvement District (PID) and approves the Service Plan for each PID.

The North Lake Highlands Improvement District Corporation provided the proposed District 2019 Service Plan and proposed 2018 Assessment Plan for review, and staff found the services and improvements to be advisable and recommended approval subject to the public hearing on September 12, 2018. The assessment values provided herein are preliminary. The assessment values based on 2018 certified Dallas Central Appraisal District (DCAD) information and final Service Plan budget will be provided in the September 12, 2018 public hearing item.

The Public Improvement District Service Plan is outlined in the following way:

- (a) **Nature of the Services and Improvements.** The proposed services and improvements to be provided in the District include enhanced security and public safety, capital improvements, improvement of common areas, landscaping, trash/litter removal, graffiti control, marketing and promotional activities, distinctive lighting and signage, business development and recruitment to promote the area, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.
- (b) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$382,588 in 2019 and reach \$763,927 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$2,752,411. The District shall incur no bonded indebtedness.
- (c) **Boundaries.** The boundaries of the District are shown on the attached map of the District.
- (d) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by DCAD. The assessment amount for 2018 is proposed to be \$382,588. This amount is approximately equal to \$0.12 per \$100.00 of appraised value as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.
- (e) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 9, 2017, City Council authorized creation of the North Lake Highlands Public Improvement District, approval of the Service Plan and management contract by Resolution No. 17-1232.

On September 13, 2017 City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1487; Ordinance No. 30641.

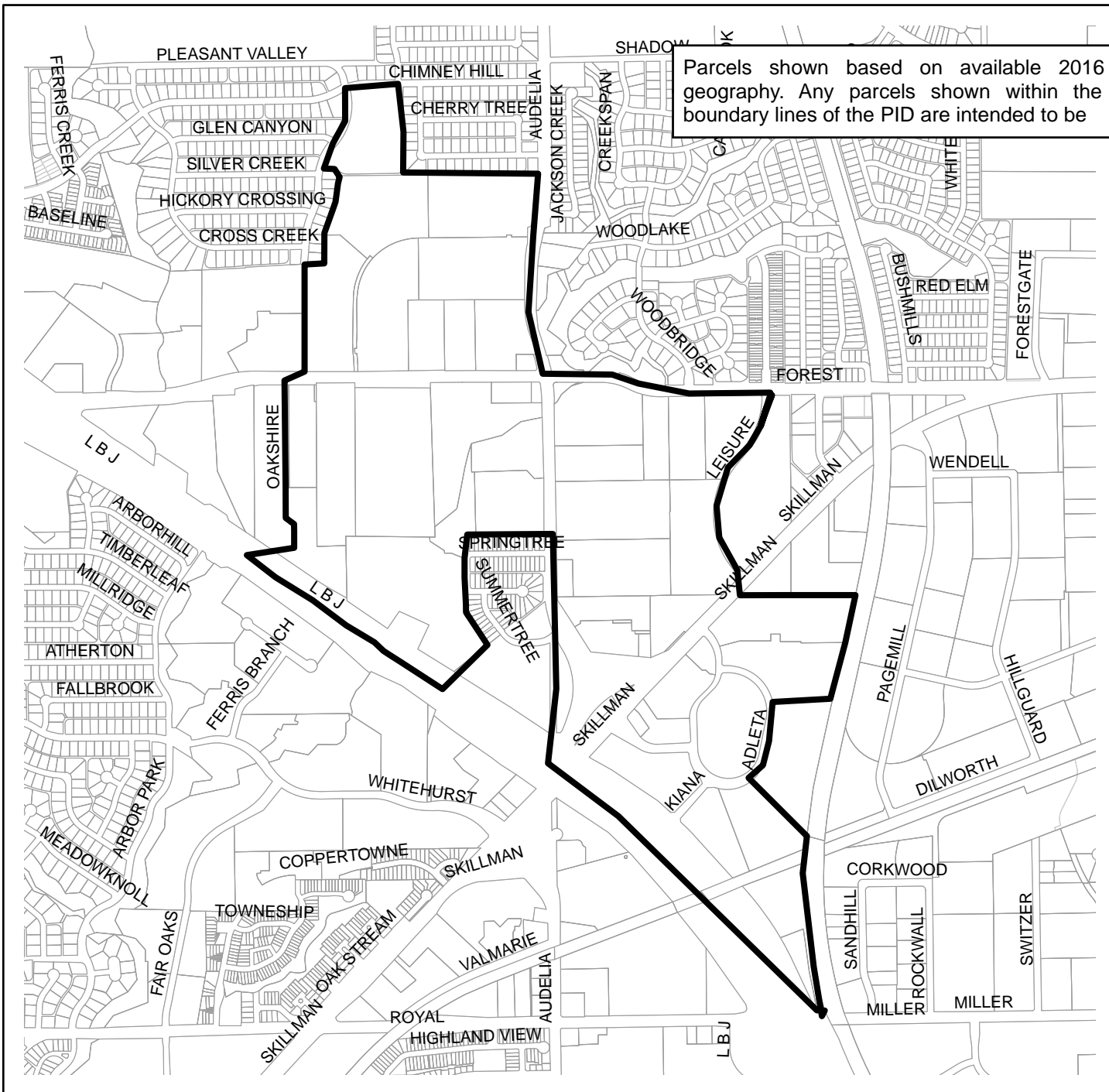
Information about this item was provided to the Economic Development and Housing Committee on August 6, 2018.

FISCAL INFORMATION

Cost consideration to others - the proposed assessment amount is approximately equal to \$0.12 per \$100.00 of appraised value as determined by the DCAD. (i.e. property owners within the boundaries of the Public Improvement District pay the assessment and the funds are managed by private, non-profit entities under a management contract with the City).

MAP

Attached



North Lake Highlands PID Boundary Map

City of Dallas
Office of Economic Development
Created 8/2017

August 22, 2018

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (“Act”) allows for the creation of public improvement districts; and

WHEREAS, on August 9, 2017, City Council authorized the creation of the North Lake Highlands Public Improvement District (District), as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated Lake Highlands Improvement District Corporation as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 17-1232; and

WHEREAS, on September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1487; Ordinance No. 30641; and

WHEREAS, the North Lake Highlands Improvement District Corporation provided City staff with the proposed District 2019 Service Plan and 2018 Assessment Plan as shown in **Exhibits B and C**; and

WHEREAS, the City Council must review the proposed 2019 Service Plan and 2018 Assessment Plan and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the 2018 assessment against real property and real property improvements exclusive of right-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That pursuant to the requirements of the Act, the City Council, after reviewing the proposed 2019 Service Plan and the proposed 2018 Assessment Plan for the North Lake Highlands Public Improvement District, will consider approval of the final 2019 Service Plan and 2018 Assessment Plan, subject to the public hearing on September 12, 2018.

The City Council makes the following findings concerning the Service Plan for the Public Improvement District:

- (a) Advisability of the Services Proposed for the District.** The District promotes the interests of the City and confers a special benefit to the property within its boundaries and it is advisable to continue the District and to provide the services and improvements described in this resolution.

August 22, 2018

- (b) **Nature of the Services and Improvements.** The proposed services and improvements to be provided in the District include enhanced security and public safety, capital improvements, improvement of common areas, landscaping, trash/litter removal, graffiti control, marketing and promotional activities, distinctive lighting and signage, business development and recruitment to promote the area, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.
- (c) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$382,588 in 2019 and reach \$763,927 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$2,752,411. The District shall incur no bonded indebtedness.
- (d) **Boundaries.** The boundaries of the District are located wholly within the city of Dallas, Texas. The boundaries of the District are as shown in **Exhibit A**.
- (e) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by Dallas Central Appraisal District (DCAD). The assessment amount for 2018 is proposed to be \$382,588. This amount is approximately equal to \$0.12 per \$100.00 of appraised value as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.

August 22, 2018

- (f) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 3. That a public hearing shall be held at 1:00 p.m. on September 12, 2018, in the City Council Chamber, Dallas City Hall, 6th Floor, 1500 Marilla Street, Dallas, Texas 75201 at which time any interested person may appear and speak for or against the setting of an assessment against real property and real property improvements, exclusive of rights-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

SECTION 4. That notice of such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners in the District before the 10th day before the public hearing.

SECTION 5. That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2018 Assessment Roll on file with the City Secretary; approving the Service Plan for 2019; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the assessment; and providing an effective date.

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

NORTH LAKE HIGHLANDS PUBLIC IMPROVEMENT DISTRICT

	2019	2020	2021	2022	2023
INCOME					
Net Assessment*	\$ 382,587.75	\$ 440,530.35	\$ 529,375.67	\$ 635,990.05	\$ 763,927.31
Interest on Cash Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total Income	\$ 382,587.75	\$ 440,530.35	\$ 529,375.67	\$ 635,990.05	\$ 763,927.31
Public Safety ⁽¹⁾	60% \$ 229,552.65	60% \$ 264,318.21	55% \$ 291,156.62	55% \$ 349,794.53	50% \$ 381,963.66
Improvements ⁽²⁾	18% \$ 68,865.80	18% \$ 79,295.46	23% \$ 121,756.40	23% \$ 146,277.71	28% \$ 213,899.65
Promotion ⁽³⁾	6% \$ 22,955.27	6% \$ 26,431.82	6% \$ 31,762.54	6% \$ 38,159.40	6% \$ 45,835.64
Administration ⁽⁴⁾	10% \$ 38,258.78	10% \$ 44,053.04	10% \$ 52,937.57	10% \$ 63,599.01	10% \$ 76,392.73
Audit	2% \$ 7,651.76	2% \$ 8,810.61	2% \$ 10,587.51	2% \$ 12,719.80	2% \$ 15,278.55
Insurance	4% \$ 15,303.51	4% \$ 17,621.21	4% \$ 21,175.03	4% \$ 25,439.60	4% \$ 30,557.09
	100%	100%	100%	100%	100%
Total Expenses	\$ 382,587.75	\$ 440,530.35	\$ 529,375.67	\$ 635,990.05	\$ 763,927.31
Surplus Carried Forward					

Notes:

The assessment amount is approximately equal to \$0.12 per \$100.00 of appraised value as determined by the Dallas Central Appraisal District (DCAD).

*Net assessment reflects the deduction of City and County fees from the gross assessment collection.

⁽¹⁾ Public Safety consists of enhanced neighborhood patrols, security enhancements, emergency preparedness

⁽²⁾ Improvements include asthetic improvements, acquisition and instillation of public art, the establishment of parks and youth recreation sites, and educational programming

⁽³⁾ Promotion includes business recruitment related expenses, branding efforts, marketing and outreach efforts and materials, and advertising

⁽⁴⁾ Adminstrative costs include management fee, annual tax preperation, bookkeeping charges, office supplies, and postage for public notifications

Exhibit C
NORTH LAKE HIGHLANDS PUBLIC IMPROVEMENT DISTRICT
2018 ASSESSMENT PLAN

The cost of the services and improvements provided by the North Lake Highlands Public Improvement District will be paid primarily by assessments against real properties within the North Lake Highlands Public Improvement District boundaries. Annual assessments will be based on the value of real property and improvements as certified by the Dallas Central Appraisal District.

The service area is identified on the enclosed map. All properties will be assessed at a uniform rate. The proposed assessment rate for the 2018 is proposed at \$0.12 per \$100.00 of appraised value. Each subsequent year, a recommended assessment rate will be determined by the budget prepared by the management corporation. Assessment will be carried out in accordance with procedures stipulated in Chapter 372 of the Texas Local Government Code.

Properties not liable for assessment include City rights-of-way, City-owned park properties and properties not owned by the City of Dallas but have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (exempt under the provisions of Section 11.24 and 11.28 of the Property Tax Code). Payment of assessment by other exempt jurisdictions must be established by contract.

The District's assessments will be collected by Dallas County or other collection agent as determined by the City of Dallas, in accordance with management contract between the City of Dallas and the Lake Highlands Improvement District Corporation, the non-profit management corporation for the District.



Agenda Information Sheet

File #: 18-616

Item #: 7.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): 6

DEPARTMENT: Office of Economic Development

EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** approval of the proposed Oak Lawn-Hi Line Public Improvement District (“District”) 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

BACKGROUND

This item is being placed on the addendum due to the unavailability of 2018 certified appraisal data specific to the public improvement districts (PIDs) prior to regular agenda deadline and subsequent processing time required to update service plan budgets.

In accordance with the Public Improvement District Assessment Act (Act) in Chapter 372 of the Texas Local Government Code, the City Council calls and holds a public hearing to hear and pass on any objections to the annual assessment to be levied against property in the Public Improvement District (PID) and approves the Service Plan for each PID.

The Oak Lawn-Hi Line Improvement Corporation provided the proposed District 2019 Service Plan and proposed 2018 Assessment Plan for review, and staff found the services and improvements to be advisable and recommended approval subject to the public hearing on September 12, 2018. The assessment values provided herein are preliminary. The assessment values based on 2018 certified Dallas Central Appraisal District (DCAD) information and final Service Plan budget will be provided in the September 12, 2018 public hearing item.

The Public Improvement District Service Plan is outlined in the following way:

- (a) **Nature of the Services and Improvements.** The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District. The general nature of the proposed services and improvements to be performed by the District includes enhanced security and public safety, capital improvements, improvement of common areas, landscaping, trash/litter removal, graffiti control, marketing and promotional activities, distinctive lighting and signage, business development and recruitment to promote the area, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.
- (b) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$368,084 in 2019 and reach \$446,344 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$2,024,396. The District shall incur no bonded indebtedness.
- (c) **Boundaries.** The boundaries of the District are shown on the attached map of the District.
- (d) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by DCAD. The assessment amount for 2018 is proposed to be \$362,146. This amount is approximately equal to \$0.15 per \$100.00 of appraised value as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.
- (e) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way and City parks are not subject to assessment.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 24, 2009, City Council authorized the creation of the Oak Lawn-Hi Line Public Improvement District and approval of the Service Plan and management contract by Resolution No. 09-1679.

On June 15, 2016, City Council authorized the renewal of the Oak Lawn-Hi Line Public Improvement District and approval of the Service Plan and management contract by Resolution No. 16-1022.

On September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and the 2017 Assessment Roll by Resolution No. 17-1488; Ordinance No. 30642.

Information about this item was provided to the Economic Development and Housing Committee on August 6, 2018.

FISCAL INFORMATION

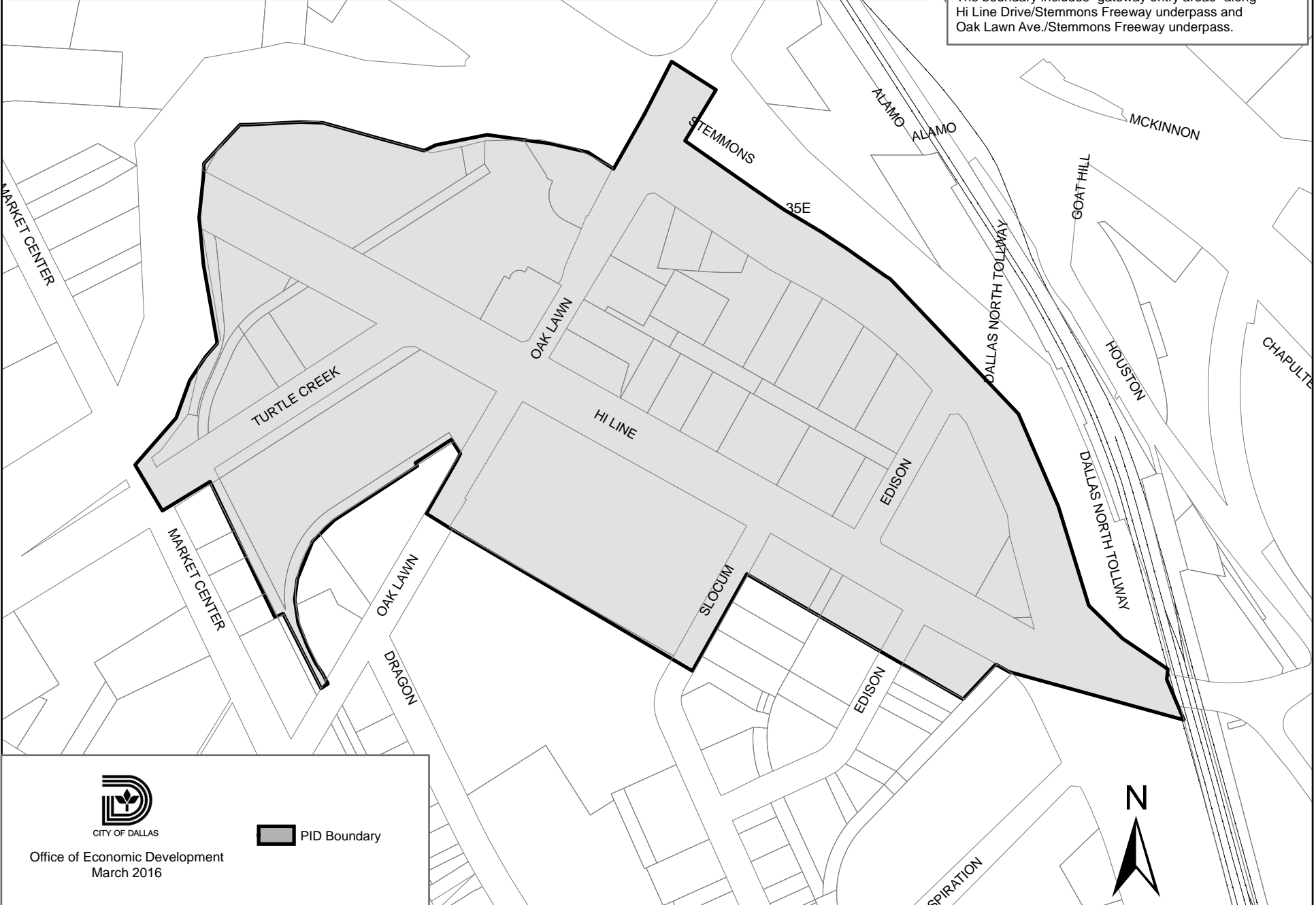
Cost consideration to others - the proposed assessment amount is approximately equal to \$0.15 per \$100.00 of appraised value as determined by the DCAD. (i.e. property owners within the boundaries of the Public Improvement District pay the assessment and the funds are managed by private, non-profit entities under a management contract with the City).

MAP

Attached


Oak Lawn - Hi Line Public Improvement District

Note: Parcels shown based on available 2015 geography. Any parcels shown within the boundary lines of the PID are intended to be included even in the event of future replats creating new or reconfigured parcels. The boundary includes "gateway entry areas" along Hi Line Drive/Stemmons Freeway underpass and Oak Lawn Ave./Stemmons Freeway underpass.



CITY OF DALLAS

Office of Economic Development
March 2016

 PID Boundary

August 22, 2018

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (“Act”) allows for the creation of public improvement districts; and

WHEREAS, on June 24, 2009, City Council authorized the creation of the Oak Lawn-Hi Line Public Improvement District (District), as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated Oak Lawn-Hi Line Improvement Corporation as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 09-1679; and

WHEREAS, on June 15, 2016, City Council authorized the renewal of the Oak Lawn-Hi Line Public Improvement District and approval of the Service Plan and management contract by Resolution No. 16-1022; and

WHEREAS, on September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1488; Ordinance No. 30642; and

WHEREAS, the Oak Lawn-Hi Line Improvement Corporation provided City staff with the proposed District 2019 Service Plan and 2018 Assessment Plan as shown in **Exhibits B and C**; and

WHEREAS, the City Council must review the proposed 2019 Service Plan and 2018 Assessment Plan and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the 2018 assessment against real property and real property improvements exclusive of right-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That pursuant to the requirements of the Act, the City Council, after reviewing the proposed 2019 Service Plan and the proposed 2018 Assessment Plan for the Oak Lawn-Hi Line Public Improvement District, will consider approval of the final 2019 Service Plan and 2018 Assessment Plan, subject to the public hearing on September 12, 2018.

August 22, 2018

The City Council makes the following findings concerning the Service Plan for the Public Improvement District:

- (a) **Advisability of the Services Proposed for the District.** The District promotes the interests of the City and confers a special benefit to the property within its boundaries and it is advisable to continue the District and to provide the services and improvements described in this resolution.
- (b) **Nature of the Services and Improvements.** The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District. The general nature of the proposed services and improvements to be performed by the District includes enhanced security and public safety, capital improvements, improvement of common areas, landscaping, trash/litter removal, graffiti control, marketing and promotional activities, distinctive lighting and signage, business development and recruitment to promote the area, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.
- (c) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$368,084 in 2019 and reach \$446,344 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$2,024,396. The District shall incur no bonded indebtedness.
- (d) **Boundaries.** The boundaries of the District are located wholly within the city of Dallas, Texas. The boundaries of the District are as shown in **Exhibit A**.
- (e) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District (DCAD). The assessment amount for 2018 is proposed to be \$362,146. This amount is approximately equal to \$0.15 per \$100.00 of appraised value as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections.

August 22, 2018

The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.

- (f) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way and City parks are not subject to assessment.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

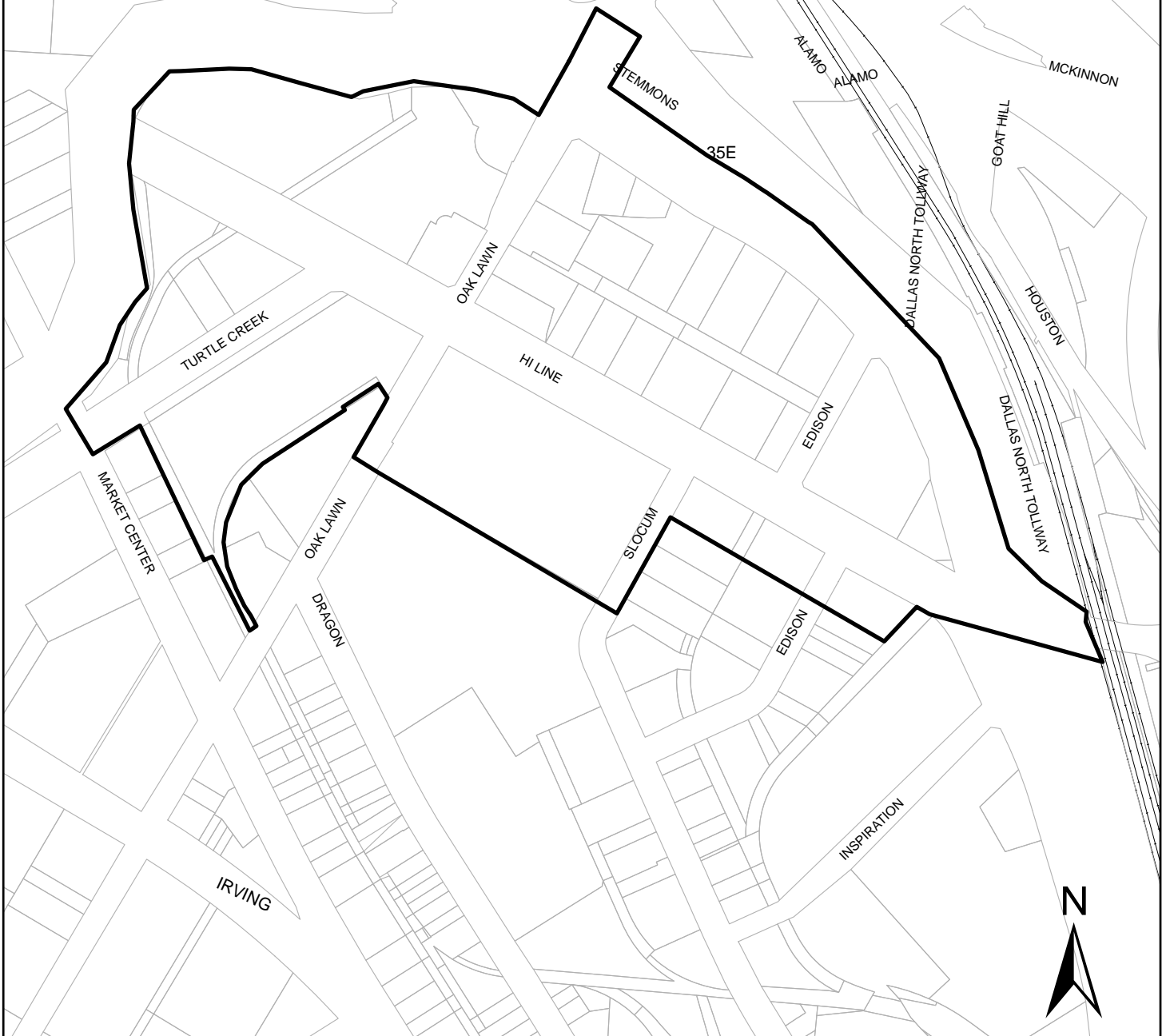
SECTION 3. That a public hearing shall be held at 1:00 p.m. on September 12, 2018, in the City Council Chamber, Dallas City Hall, 6th Floor, 1500 Marilla Street, Dallas, Texas 75201 at which time any interested person may appear and speak for or against the setting of an assessment against real property and real property improvements, exclusive of rights-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

SECTION 4. That notice of such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners in the District before the 10th day before the public hearing.

SECTION 5. That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2018 Assessment Roll on file with the City Secretary; approving the Service Plan for 2019; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the assessment; and providing an effective date.


SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Note: Parcels shown based on available 2015 geography. Any parcels shown within the boundary lines of the PID are intended to be included even in the event of future replats creating new or reconfigured parcels. The boundary includes "gateway entry areas" along Hi Line Drive/Stemmons Freeway underpass and Oak Lawn Ave./Stemmons Freeway underpass.



Oak Lawn - Hi Line Public Improvement District

Exhibit A

 PID Boundary



CITY OF DALLAS S

Office of Economic Development
March 2016

Exhibit B
Oak Lawn-Hi Line Public Improvement District - Five Year Service Plan

	2019	2020	2021	2022	2023
INCOME					
Net assessment revenue ⁽¹⁾	\$362,146	\$386,000	\$405,000	\$425,000	\$446,250
Interest on cash balances	\$84	\$87	\$90	\$92	\$94
Other income & contributions ⁽²⁾	\$5,854	\$0	\$0	\$0	\$0
TOTAL INCOME	\$368,084	\$386,087	\$405,090	\$425,092	\$446,344
EXPENDITURES					
Security/PID Patrol ⁽³⁾	\$75,000	\$78,220	\$81,631	\$85,212	\$88,972
Area Improvements ⁽⁴⁾	\$120,000	\$126,000	\$132,000	\$138,000	\$144,000
General Administrative ⁽⁵⁾	\$30,000	\$33,000	\$36,000	\$39,000	\$42,000
Marketing/Promotion ⁽⁶⁾	\$20,000	\$23,000	\$26,000	\$29,000	\$32,000
Capital Improvements ⁽⁷⁾	\$102,084	\$103,411	\$105,580	\$109,230	\$114,032
Insurance and Audit ⁽⁸⁾	\$21,000	\$22,456	\$23,879	\$24,650	\$25,340
TOTAL EXPENDITURES	\$368,084	\$386,087	\$405,090	\$425,092	\$446,344

Oak Lawn-Hi Line Public Improvement District--Assessment Plan

The assessment amount is approximately equal to \$0.15 per \$100.00 of appraised value as determined by the Dallas Central Appraisal District (DCAD).

Notes

1. Net assessment reflects the deduction of City and County fees from the gross assessment collection.
2. Expenditures are anticipated to exceed net assessment revenue and interest income in the earlier years. Deficits will be met with property owner donations.
3. Public Safety consists of contract security patrols inside PID boundary.
4. Area improvements include landscape/irrigation to include turf, trees and periodic flower changes as well as litter and graffiti control. Maintenance of above standard improvements including benches, trash receptacles and bike racks is included. Periodic improvements to refurbish specialty signage and painting treatments.
5. General Administrative costs include management fee, annual tax preparation, bookkeeping charges and postage for public notices.
6. Marketing/Promotion is a public information dissemination primarily through Internet which links neighborhoods together for public safety communication, etc. Seasonal decorations are also planned.
7. Capital Improvements may include transportation planning/design for gateway connections around PID. Replacement of signage, gateway icons, benches, light fixtures, statues, and water falls, etc. Major fencing project around Oak Lawn and Hi Line bridge intersections is being added.
8. Insurance expense provides for liability coverage binder and cost of required annual financial audit.

**OAK LAWN - HI LINE PUBLIC IMPROVEMENT DISTRICT
2018 ASSESSMENT PLAN**

The cost of the services and improvements provided by the Oak Lawn-Hi Line Public Improvement District will be paid primarily by assessments against real properties within the Oak Lawn-Hi Line Public Improvement District boundaries. Annual assessments will be based on the value of real property and improvements as certified by the Dallas Central Appraisal District.

The cost of improvements and services in the district will be assessed by application of a single rate applied to all non-exempt property on the combined value of the real property and real property improvements as determined by the Dallas Central Appraisal District. The 2018 assessment rate is proposed at \$0.15 per \$100.00 of appraised value. The annual assessments rate, during the seven-year life of the District, will not exceed \$0.15 per \$100.00 of appraised value as determined by the Dallas Central Appraisal District.

The District shall pay the costs of the services and improvements by special assessment against the real property and real property improvements. The City of Dallas is not responsible for payment of assessments against exempt City property in the District, which is specially benefited. City rights-of-way and city parks are not subject to assessment. Properties otherwise exempt from ad valorem taxes are not subject to assessment. Payment of assessment by other exempt jurisdictions must be established by contract.

The Oak Lawn Hi Line PID assessments will be collected by the Dallas County Tax Office in accordance with the contract with the City of Dallas and in accordance with the management contract between the City of Dallas and the Oak Lawn-Hi Line Improvement District Corporation.



Agenda Information Sheet

File #: 18-617

Item #: 8.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality
AGENDA DATE: August 22, 2018
COUNCIL DISTRICT(S): 12
DEPARTMENT: Office of Economic Development
EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** approval of the proposed Prestonwood Public Improvement District (“District”) 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

BACKGROUND

This item is being placed on the addendum due to the unavailability of 2018 certified appraisal data specific to the public improvement districts (PIDs) prior to regular agenda deadline and subsequent processing time required to update service plan budgets.

In accordance with the Public Improvement District Assessment Act (Act) in Chapter 372 of the Texas Local Government Code, the City Council calls and holds a public hearing to hear and pass on any objections to the annual assessment to be levied against property in the Public Improvement District (PID) and approves the Service Plan for each PID.

The Prestonwood Homeowners Association provided the proposed District 2019 Service Plan and proposed 2018 Assessment Plan for review, and staff found the services and improvements to be advisable and recommended approval subject to the public hearing on September 12, 2018.

The Public Improvement District Service Plan is outlined in the following way:

(a) Nature of the Services and Improvements. The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District. The general nature of the proposed services and

improvements to be performed by the District includes enhanced security and security related improvements within the District as authorized by the Act.

- (b) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$378,520 in 2019 and reach \$427,284 in 2023. The total estimated assessments to be collected for during the next five-year period is approximately \$2,505,392. The District shall incur no bonded indebtedness.
- (c) **Boundaries.** The boundaries of the District are shown on the attached map of the District.
- (d) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by Dallas Central Appraisal District (DCAD). The assessment amount for 2018 is proposed to be \$423,306. This amount is approximately equal to \$0.0825 per \$100.00 of appraised value as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.
- (e) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 14, 1997, City Council authorized the creation of the Prestonwood Public Improvement District, approval of the Service Plan and management contract by Resolution No. 97-1575.

On August 11, 2004, City Council authorized the renewal of the Prestonwood Public Improvement District, approval of the Service Plan and management contract by Resolution No. 04-2328.

On June 22, 2011, City Council authorized the renewal of the Prestonwood Public Improvement

District, approval of the Service Plan and management contract by Resolution No. 11-1796.

On September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1489; Ordinance No. 30643.

On May 23, 2018, City Council authorized the renewal of the Prestonwood Public Improvement District, approval of the Service Plan and management contract by Resolution No. 18-0785.

Information about this item was provided to the Economic Development and Housing Committee on August 6, 2018.

FISCAL INFORMATION

Cost consideration to others - the proposed assessment amount is approximately equal to \$0.0825 per \$100.00 of appraised value as determined by the DCAD. (i.e. property owners within the boundaries of the Public Improvement District pay the assessment and the funds are managed by private, non-profit entities under a management contract with the City).

MAP

Attached

August 22, 2018

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (“Act”) allows for the creation of public improvement districts; and

WHEREAS, on May 14, 1997, City Council authorized the creation of the Prestonwood Public Improvement District (District), as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated Prestonwood Homeowners Association, Inc., as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 97-1575; and

WHEREAS, on August 11, 2004, City Council authorized the renewal of the Prestonwood Public Improvement District, approval of the Service Plan and management contract by Resolution No. 04-2328; and

WHEREAS, on June 22, 2011, City Council authorized the renewal of the Prestonwood Public Improvement District, approval of the Service Plan and management contract by Resolution No. 11-1796; and

WHEREAS, on September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1489; Ordinance No. 30643; and

WHEREAS, on May 23, 2018, City Council authorized the renewal of the Prestonwood Public Improvement District, approval of the Service Plan and management contract by Resolution No. 18-0785; and

WHEREAS, the City Council must review the proposed 2019 Service Plan and 2018 Assessment Plan as shown in **Exhibits B and C** and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the 2018 assessment against real property and real property improvements exclusive of right-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That pursuant to the requirements of the Act, the City Council, after reviewing the proposed 2019 Service Plan and the proposed 2018 Assessment Plan for the Prestonwood Public Improvement District will consider approval of the final 2019 Service Plan and 2018 Assessment Plan, subject to the public hearing on September 12, 2018.

August 22, 2018

The City Council makes the following findings concerning the Service Plan for the Public Improvement District:

- (a) **Advisability of the Services Proposed for the District.** The District promotes the interests of the City and confers a special benefit to the property within its boundaries and it is advisable to continue the District and to provide the services and improvements described in this resolution.
- (b) **Nature of the Services and Improvements.** The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District. The general nature of the proposed services and improvements to be performed by the District includes enhanced security and security related improvements within the District as authorized by the Act.
- (c) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$378,520 in 2019 and reach \$427,284 in 2023. The total estimated assessments to be collected for during the next five-year period is approximately \$2,505,392. The District shall incur no bonded indebtedness.
- (d) **Boundaries.** The boundaries of the District are located wholly within the city of Dallas, Texas. The boundaries of the District are as shown in **Exhibit A**.
- (e) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District (DCAD). The assessment amount for 2018 is proposed to be \$423,306. This amount is approximately equal to \$0.0825 per \$100.00 of appraised value as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections.

August 22, 2018

The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.

- (f) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 3. That a public hearing shall be held at 1:00 p.m. on September 12, 2018, in the City Council Chamber, Dallas City Hall, 6th Floor, 1500 Marilla Street, Dallas, Texas 75201 at which time any interested person may appear and speak for or against the setting of an assessment against real property and real property improvements, exclusive of rights-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

SECTION 4. That notice of such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners in the District before the 10th day before the public hearing.

SECTION 5. That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2018 Assessment Roll on file with the City Secretary; approving the Service Plan for 2019; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the assessment; and providing an effective date.

August 22, 2018

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Exhibit B

**Prestonwood Public Improvement District
Service Plan 2019-2023**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Estimated annual assessment rate requirement	0.0825	0.0750	0.0750	0.0750	0.0800
Estimated annual aggregate property valuation increase	2.0%	1.0%	1.0%	0.5%	0.5%
Estimated annual aggregate property valuation	\$ 521,765,065	\$ 526,982,716	\$ 532,252,543	\$ 534,913,806	\$ 537,588,375

Revenue & Reserves	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Calendar Year Beginning Balance	\$ 70,561	\$ 115,347	\$ 113,275	\$ 103,157	\$ 82,663
Gross Assessment Revenue	\$ 430,456	\$ 395,237	\$ 399,189	\$ 401,185	\$ 430,071
PID Oversight Charge from City	\$ (7,150)	\$ (7,150)	\$ (7,150)	\$ (7,150)	\$ (7,150)
PID Renewal					
Net Assessment Revenue	\$ 423,306	\$ 388,087	\$ 392,039	\$ 394,035	\$ 422,921
Exempt Jurisdictions	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on Cash balances	\$ -	\$ -	\$ -	\$ -	\$ -
Total Income & Reserves	\$ 493,867	\$ 503,434	\$ 505,315	\$ 497,192	\$ 505,584

PID Services					
Public Safety	\$ 350,200	\$ 360,706	\$ 371,527	\$ 382,673	\$ 394,153
Audit & Insurance	\$ 20,000	\$ 20,800	\$ 21,632	\$ 22,497	\$ 23,397
Administrative	\$ 8,320	\$ 8,653	\$ 8,999	\$ 9,359	\$ 9,733
Total Disbursements	\$ 378,520	\$ 390,159	\$ 402,158	\$ 414,529	\$ 427,284

Reserve	\$ 115,347	\$ 113,275	\$ 103,157	\$ 82,663	\$ 78,300
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Assumptions

- Assumes annual audit paid 100% by PID. Insurance fees shared to better reflect benefits received under the policies between PID and PHA.
- Assumes an estimated annual increase in home valuations as indicated.
- Assumes 3.0% annual officer compensation, cost of living & car D31expense increase
- \$15,000 PID renewal fee paid in 2017 Service Plan
- Assumes a 4% annual increase in audit and insurance fees.
- Assumes a 4% annual increase in administrative fees. Additionally, a mmanagement fee of \$500 per month is charged to the PID by PHA to reflect the cost of operating the PID and time spent by PHA members.

The management fee will be paid retroactively to 1/1/2018

Exhibit C

**PRESTONWOOD PUBLIC IMPROVEMENT DISTRICT
2018 ASSESSMENT PLAN**

The cost of services and improvements provided by the Prestonwood Public Improvement District will be paid primarily by assessments against real properties within the Prestonwood Public Improvement District (PID) boundaries. Annual assessments will be based on the value of real property and improvements as certified by the Dallas Central Appraisal District.

The 2018 assessment rate for the property in the Prestonwood PID is proposed at \$0.0825 per \$100.00 of value. Assessments will be carried out in accordance with procedures stipulated in Chapter 372 of the Texas Local Government Code.

The District shall pay the costs of the services and improvements by special assessment against the real property and real property improvements. The City of Dallas is not responsible for payment of assessments against exempt City property in the District which is specifically benefited. City rights-of-way, parks and cemeteries are not subject to assessment. Payment of assessments by other exempt jurisdictions and entities must be established by contract. No such contract is in place, nor is any proposed.

The Prestonwood PID's assessments will be collected by the Dallas County Tax Office in accordance with the contract with the City of Dallas and in accordance with the management contract between the City of Dallas and the Prestonwood Homeowners Association.



Agenda Information Sheet

File #: 18-619

Item #: 9.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): 2

DEPARTMENT: Office of Economic Development

EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** approval of the proposed South Side Public Improvement District (“District”) 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

BACKGROUND

This item is being placed on the addendum due to the unavailability of 2018 certified appraisal data specific to the public improvement districts (PIDs) prior to regular agenda deadline and subsequent processing time required to update service plan budgets.

In accordance with the Public Improvement District Assessment Act (Act) in Chapter 372 of the Texas Local Government Code, the City Council calls and holds a public hearing to hear and pass on any objections to the annual assessment to be levied against property in the Public Improvement District (PID) and approves the Service Plan for each PID.

The South Side Quarter Development Corporation provided the proposed District 2019 Service Plan and proposed 2018 Assessment Plan for review, and staff found the services and improvements to be advisable and recommended approval subject to the public hearing on September 12, 2018.

The Public Improvement District Service Plan is outlined in the following way:

(a) Nature of the Services and Improvements. The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District. The general nature of the proposed services and

improvements to be provided in the District include enhanced security; safety and security related services to promote the District; services to enhance and protect property values, improve infrastructure, streetscape, and service of common areas; business recruitment; marketing; and other services and improvements as authorized by the Act.

- (b) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$287,500.00 in 2019 and reach \$289,000.00 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$1,587,000.00. The District shall incur no bonded indebtedness. Unless a specific purpose is identified in the Service Plan, any over collections of assessments for any year shall be returned to the property owners or the assessment rate shall be reduced in the following year so that such surplus cash may be absorbed by the cost of services and improvements to be provided by the management company for that following year. The City shall not levy assessments against property owners that exceed the total amount budgeted for the entire term of the PID without a new petition securing consent of the property owners to such increases in the Service Plan and city council approval.
- (c) **Boundaries.** The boundaries of the District are shown on the attached map of the District.
- (d) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District (DCAD). The assessment amount for 2018 is proposed to be \$260,997.36. This amount is approximately equal to \$0.15 per \$100.00 of appraised value for the premium service area in the District and \$0.12 per \$100.00 of appraised value for the standard service area as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.
- (e) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District.

The City of Dallas is not responsible for payment of assessment against exempt City property

in the District. City rights-of-way, railroad rights-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 10, 2005, City Council authorized creation of the South Side Public Improvement District, approval of the Service Plan and management contract by Resolution No. 05-2230.

On June 13, 2012, City Council authorized the renewal of the South Side Public Improvement District, approval of the Service Plan and management contract by Resolution No. 12-1585.

On September 9, 2015, City Council authorized an ordinance approving and adopting the final 2016 Service Plan, 2015 Assessment Plan and 2015 Assessment Roll by Resolution No. 15-1702; Ordinance No. 29867.

On September 14, 2016, City Council authorized an ordinance approving and adopting the final 2017 Service Plan, 2016 Assessment Plan and 2016 Assessment Roll by Resolution No. 16-1504; Ordinance No. 30209.

On September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1491; Ordinance No. 30645.

Information about this item was provided to the Economic Development and Housing Committee on August 6, 2018.

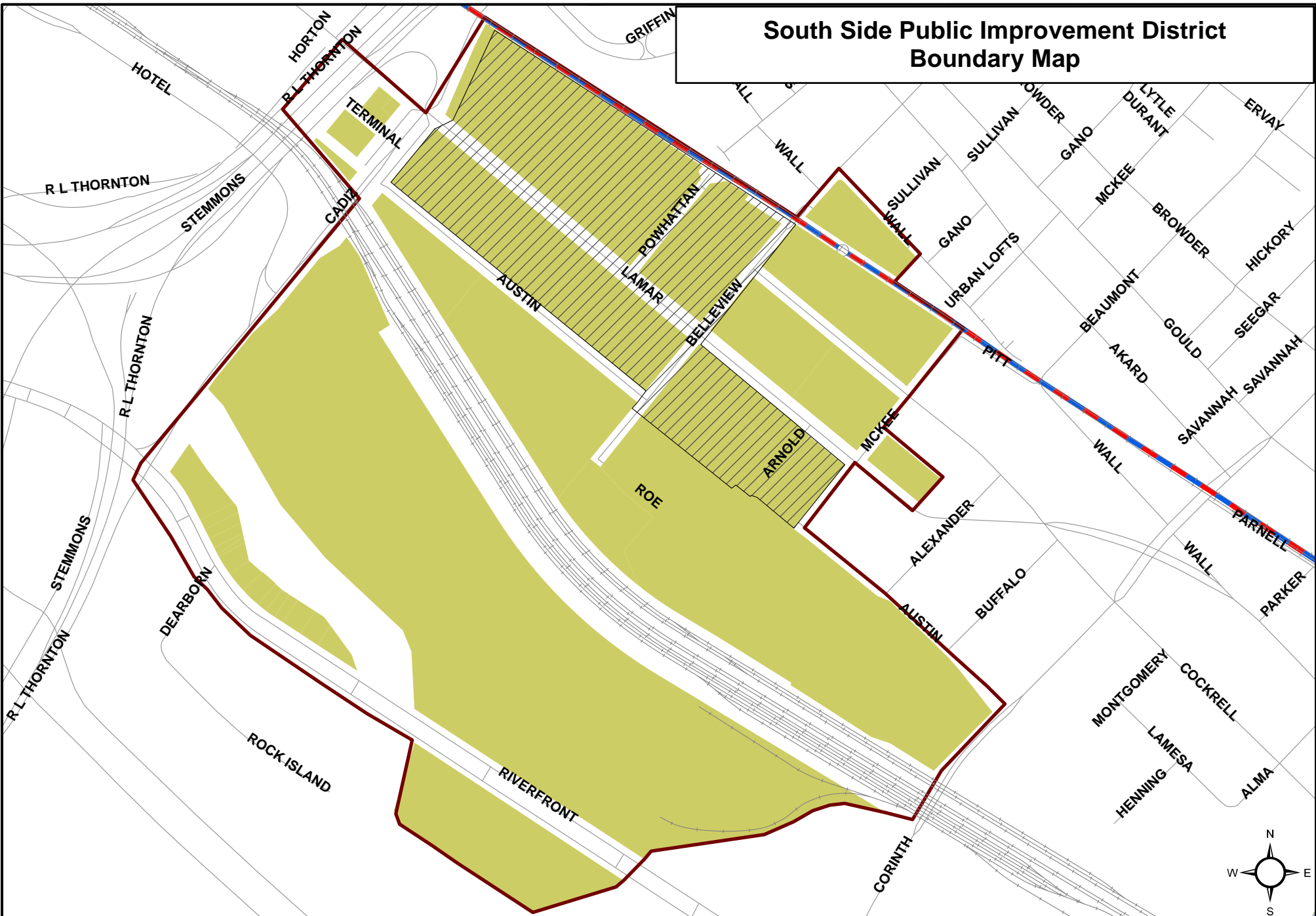
FISCAL INFORMATION

Cost consideration to others - the proposed assessment amount is approximately equal to \$0.15 per \$100.00 of appraised value for the premium service area in the District and \$0.12 per \$100.00 of appraised value in the standard service area of appraised value as determined by the DCAD. (i.e. property owners within the boundaries of the Public Improvement District pay the assessment and the funds are managed by private, non-profit entities under a management contract with the City).

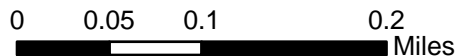
MAP

Attached

South Side Public Improvement District Boundary Map





City of Dallas
Office of Economic Development
Created August 2015



Parcels shown based on available 2014 geography. Any parcels shown within the boundary lines of the PID are intended to be included even in the event of future replats creating new or reconfigured parcels.

Legend

-  South Side PID Boundary
-  SouthSide PID Premium Boundary

August 22, 2018

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (“Act”) allows for the creation of public improvement districts; and

WHEREAS, on August 10, 2005, City Council authorized the creation of the South Side Public Improvement District (District) as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated the South Side Quarter Development Corporation as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 05-2230; and

WHEREAS, on June 13, 2012, City Council authorized the renewal of the South Side Public Improvement District, and approval of the Service Plan and management contract by Resolution No. 12-1585; and

WHEREAS, on September 9, 2015, City Council authorized an ordinance approving and adopting the final 2016 Service Plan, 2015 Assessment Plan and 2015 Assessment Roll by Resolution No. 15-1702; Ordinance No. 29867; and

WHEREAS, on September 14, 2016, City Council authorized an ordinance approving and adopting the final 2017 Service Plan, 2016 Assessment Plan and 2016 Assessment Roll by Resolution No. 16-1504; Ordinance No. 30209; and

WHEREAS, on September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1491; Ordinance No. 30645; and

WHEREAS, the South Side Quarter Development Corporation provided City staff with the proposed District 2019 Service Plan and 2018 Assessment Plan as shown in **Exhibits B and C**; and

WHEREAS, the City Council must review the proposed 2019 Service Plan and 2018 Assessment Plan and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the 2018 assessment against real property and real property improvements exclusive of right-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

August 22, 2018

SECTION 1. That pursuant to the requirements of the Act, the City Council, after reviewing the proposed 2019 Service Plan and the proposed 2018 Assessment Plan for the South Side Public Improvement District, will consider approval of the final 2019 Service Plan and 2018 Assessment Plan, subject to the public hearing on September 12, 2018.

The City Council makes the following findings concerning the Service Plan for the Public Improvement District:

- (a) **Advisability of the Services Proposed for the District.** The District promotes the interests of the City and confers a special benefit to the property within its boundaries and it is advisable to continue the District and to provide the services and improvements described in this resolution.
- (b) **Nature of the Services and Improvements.** The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District. The general nature of the proposed services and improvements to be provided in the District include enhanced security; safety and security related services to promote the District; services to enhance and protect property values, improve infrastructure, streetscape, and service of common areas; business recruitment; marketing; and other services and improvements as authorized by the Act.
- (c) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$287,500.00 in 2019 and reach \$289,000.00 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$1,587,000.00. The District shall incur no bonded indebtedness. Unless a specific purpose is identified in the Service Plan, any over collections of assessments for any year shall be returned to the property owners or the assessment rate shall be reduced in the following year so that such surplus cash may be absorbed by the cost of services and improvements to be provided by the management company for that following year. The City shall not levy assessments against property owners that exceed the total amount budgeted for the entire term of the PID without a new petition securing consent of the property owners to such increases in the Service Plan and city council approval.
- (d) **Boundaries.** The boundaries of the District are located wholly within the city of Dallas, Texas. The boundaries of the District are as shown in **Exhibit A**.

August 22, 2018

- (e) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by Dallas Central Appraisal District (DCAD). The assessment amount for 2018 is proposed to be \$260,997.36. This amount is approximately equal to \$0.15 per \$100.00 of appraised value for the premium service area in the District and \$0.12 per \$100.00 of appraised value for the standard service area as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Payment of assessments by other exempt jurisdictions and entities must be established by contract.
- (f) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad rights-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 3. That a public hearing shall be held at 1:00 p.m. on September 12, 2018, in the City Council Chamber, Dallas City Hall, 6th Floor, 1500 Marilla Street, Dallas, Texas 75201 at which time any interested person may appear and speak for or against the setting of an assessment against real property and real property improvements, exclusive of rights-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

August 22, 2018

SECTION 4. That notice of such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners in the District before the 10th day before the public hearing.

SECTION 5. That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2018 Assessment Roll on file with the City Secretary; approving the Service Plan for 2019; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the assessment; and providing an effective date.

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Exhibit B

South Side Public Improvement District Service Plan 2017-2022					
	2019	2020	2021	2022	2023
NET TOTAL ASSESSMENTS	\$ 253,449.00	\$ 261,000.00	\$ 270,000.00	\$ 275,000.00	\$ 280,000.00
Surplus/Deficit from previous year	\$ 57,701.12	\$ 23,650.12	\$ 19,150.12	\$ 20,650.12	\$ 17,150.12
Estimated Annual Income to District	\$ 311,150.12	\$ 284,650.12	\$ 289,150.12	\$ 295,650.12	\$ 297,150.12
Public Improvements					
Distinctive lighting/signs					
Water, wastewater, drainage					
Fountains					
Special Supplemental Services					
Park improvements ⁽¹⁾	\$ 90,000.00	\$ 92,500.00	\$ 95,000.00	\$ 100,000.00	\$ 110,000.00
Public safety/security ⁽²⁾	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00	\$ 85,000.00
Public art projects ⁽³⁾	\$ 15,000.00				
Business recruitment/marketing ⁽⁴⁾	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00	\$ 30,000.00
Cultural events ⁽⁵⁾	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Administration	\$ 30,000.00	\$ 35,000.00	\$ 35,000.00	\$ 40,000.00	\$ 40,000.00
Audit ⁽⁶⁾	\$ 6,500.00	\$ 7,000.00	\$ 7,500.00	\$ 7,500.00	\$ 8,000.00
Insurance ⁽⁷⁾	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
2019 Renewal Fee	\$ 15,000.00				
Estimated Annual Expenses to District	\$ 287,500.00	\$ 265,500.00	\$ 268,500.00	\$ 278,500.00	\$ 289,000.00
SURPLUS (DEFICIT)	\$ 23,650.12	\$ 19,150.12	\$ 20,650.12	\$ 17,150.12	\$ 8,150.12
(1) Dog park/pedestrian area/plaza improvements (2) RHI security group patrol and ensure safety throughout PID (3) mural and artistic updates to beautify PID (4) marketing and promotional ads & events, website maintainance & development (5) events and programs to enrich the culture of the historic area (6) Audit line item also includes quarterly and annual accounting charges (7) Insurance line item covers both insurance and legal fees					

Exhibit C



SOUTH SIDE QUARTER PUBLIC IMPROVEMENT DISTRICT 2019 ASSESSMENT PLAN

The cost of the services and improvements provided by the South Side Public Improvement District will be paid primarily by assessments against real properties within the South Side Public Improvement District boundaries. Annual assessments will be based on the value of real property and improvements as certified by the Dallas Central Appraisal District.

The 2019 assessment rate for the property in the premium service area is proposed at \$0.15 per \$100.00 of value. The 2019 assessment rate for the property in the standard service area is proposed at \$0.12 per \$100.00. Assessments will be carried out in accordance with procedures stipulated in Chapter 372 of the Texas Local Government Code.

The District shall pay the costs of the services and improvements by special assessment against the real property and real property improvements. The City of Dallas shall not be responsible for payment of assessments against exempt City property including City rights-of-way and parks. Payment of assessments by other tax-exempt owners must be established by contract. No such contracts are in place at present.

The South Side PID's assessments will be collected by the Dallas County Tax Office in accordance with the contract with the City of Dallas and in accordance with the management contract between the City of Dallas and the South Side Quarter Development Corporation.



Agenda Information Sheet

File #: 18-620

Item #: 10.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality
AGENDA DATE: August 22, 2018
COUNCIL DISTRICT(S): 2, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14
DEPARTMENT: Office of Economic Development
EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** approval of the proposed Tourism Public Improvement District (“District”) Service Plan for 2018-2019, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on Dallas hotels with 100 or more rooms, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

BACKGROUND

This item is being placed on the addendum due to the unavailability of 2018 certified appraisal data specific to the public improvement districts (PIDs) prior to regular agenda deadline and subsequent processing time required to update service plan budgets.

In accordance with the Public Improvement District Assessment Act (Act) in Chapter 372 of the Texas Local Government Code, the City Council calls and holds a public hearing to hear and pass on any objections to the annual assessment to be levied against property in the Public Improvement District (PID) and approves the Service Plan for each PID.

The Dallas Tourism Public Improvement District Management Corporation provided the proposed District Service Plan for 2018-19 and proposed 2018 Assessment Plan for review, and staff found the services and improvements to be advisable and recommended approval subject to the public hearing on September 12, 2018.

The Public Improvement District Service Plan is outlined in the following way:

(a) Nature of the Services and Improvements. The proposed services and improvements to be provided in the District include marketing, business recruitment, and promotional activities

authorized by the Act for improvement and promotion of the district, including the provision of incentives by the Dallas Convention and Visitors Bureau to organizations to encourage them to bring their large and city wide meetings to Dallas and to fund additional marketing by the Dallas Convention and Visitors Bureau to increase hotel stays within the City.

(b) Estimated Cost of the Services and Improvements. During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$18,222,755 in 2018-19 and reach \$22,149,873 in 2021-22; however, in no event shall the assessment amount exceed two percent of the price paid to hotels for a room in a hotel. The total estimated assessments to be collected during the next five-year period is approximately \$100,692,226. In the event the District requires additional funds; the District shall re-petition the hotel owners for such an increase. The District shall not incur bonded indebtedness. At no time shall the total amount levied exceed the total amount shown in the approved petition budget for the services and improvements to be provided for the year in which the hotel is assessed except as provided in the petition and subject to the collective total for the five-year period. The Service Plan budget and assessment amount are subject to annual review by the Tourism Public Improvement District Board, and are subject to an annual public hearing and approval by the City Council.

(c) Boundaries. The District is located wholly within the city of Dallas, Texas. The boundaries of the District are shown on the attached map of the District.

(d) Method of Assessment. The District assessment will be levied on hotels with 100 or more rooms ("qualifying hotels") located within the District. The proposed cost of the services and improvements to be provided shall be assessed in a manner that results in imposing equal shares of the cost of the services qualifying on hotels that are similarly benefitted. Under the Act, the apportionment of the cost of the services against property in the District territory must be made on the basis of special benefits accruing to the property because of the services and improvements provided. The total cost of the services and improvements to be provided shall be apportioned at a rate of 2 percent of room-nights sold at qualifying hotels located within the District territory until the budget for services and improvements for the year is reached. Accordingly, those qualifying hotels that sell more rooms will pay a greater portion of the assessment since those properties benefit more from the promotion and marketing services provided by the District. Rooms that are not subject to the City's hotel occupancy tax shall not be included for the District assessment. The total assessment must be reviewed and approved annually by the Dallas City Council. The future cost of services and improvements that are budgeted in the 2018-19 Service Plan may be increased in amounts indicated in subsequent Service Plans, beyond the amount shown subject to an enhancement in value of property in the District and a corresponding increase in the services and improvements to be provided, and subject to the limitations on the assessment per occupied room and the aggregate amount approved in the petition. Each year's assessment must be reviewed and approved annually by the Dallas City Council following a public hearing. The total assessment amount for the year may be less than the amount budgeted for the year, but it shall not be more than the amount budgeted for the year as shown in the adopted service plan.

(e) Apportionment of costs between the District and the Municipality as a Whole. The District shall continue to pay the cost of the supplemental services described in the Service Plan by assessment against the hotels with 100 or more rooms within the District, including

City-owned qualifying hotels located within the District territory, such as the Omni Hotel.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 13, 2012, City Council authorized the creation of the Tourism Public Improvement District, approval of the Service Plan and management contract by Resolution No. 12-1581.

On August 10, 2016, City Council authorized the renewal of the Tourism Public Improvement District, approval of the Service Plan and management contract by Resolution No. 16-1250.

On September 13, 2017, City Council authorized an ordinance approving and adopting the final Service Plan for 2017-18, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1492; Ordinance No. 30646.

Information about this item was provided to the Economic Development and Housing Committee on August 6, 2018.

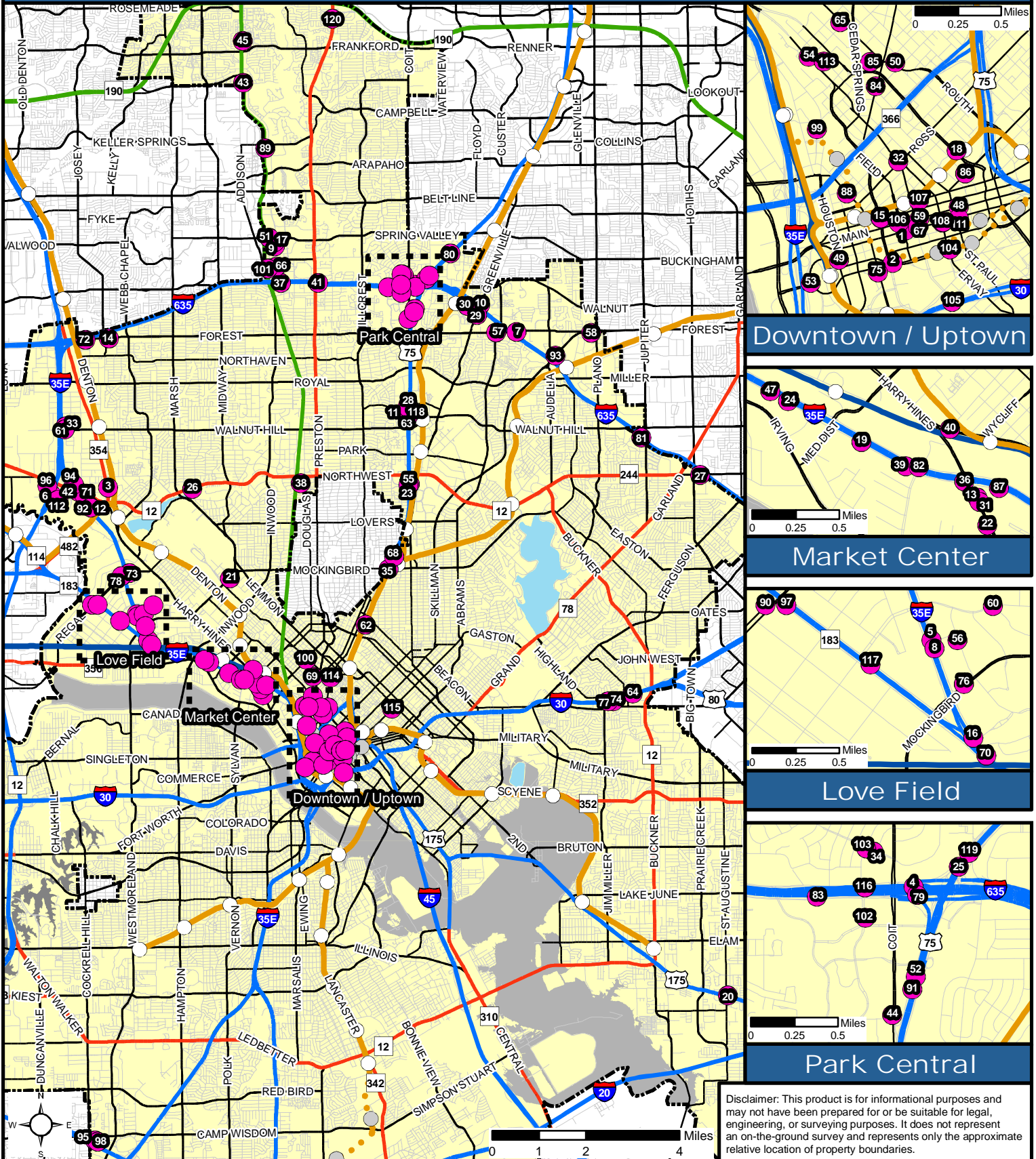
FISCAL INFORMATION

For designated hotel properties, the total cost of the services and improvements to be provided shall be apportioned at a rate of 2 percent of room-nights sold at qualifying hotels located within the District territory until the budget for services and improvements for the year is reached.

MAP

Attached

Tourism PID Hotels



DALLAS ECONOMIC DEVELOPMENT
 Research & Information Division
 214.670.1685
 dallas-ecodev.org
 Created 5.30.2016, Updated 6.2.2016 - Tourism_PID_2016.TCG

Legend

- Tourism PID Hotel (Pink circle)
- Rail Station (White circle)
- Future Station (Grey circle)
- DART Light Rail (Orange line)
- Commuter Rail (Blue line)
- Future DART Light Rail (Dashed orange line)
- Freeway (Blue line)
- Tollway (Green line)
- Highway (Red line)
- Arterial (Black line)
- Local Road (Grey line)
- Escarpment (Dark grey area)
- Flood Plain (Light grey area)
- Lake (Blue area)
- City of Dallas (Dashed line)

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Source: Hotel List - Dallas CVB, 2016; All Other Data - City of Dallas, 2016

August 22, 2018

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (“Act”) allows for the creation of public improvement districts; and

WHEREAS, on June 13, 2012, City Council authorized the creation of the Tourism Public Improvement District (District), as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit on hotel properties within the City, designated the Dallas Tourism Public Improvement District Management Corporation as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 12-1581; and

WHEREAS, on August 10, 2016, City Council authorized the renewal of the Tourism Public Improvement District, approval of the Service Plan and management contract by Resolution No. 16-1250; and

WHEREAS, on September 13, 2017, City Council authorized an ordinance approving and adopting the final Service Plan for 2017-18, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1492; Ordinance No. 30646; and

WHEREAS, the Dallas Tourism Public Improvement District Management Corporation provided City staff with the proposed District Service Plan for 2018-2019 and 2018 Assessment Plan as shown in **Exhibits B and C**; and

WHEREAS, the City Council must review the proposed District Service Plan for 2018-2019 and 2018 Assessment Plan and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the special assessment on Dallas hotels with 100 or more rooms, to provide funding for the District for the purpose of increasing hotel activities within the City.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That pursuant to the requirements of the Act, the City Council, after reviewing the proposed District Service Plan for 2018-2019 and the proposed 2018 Assessment Plan for the Tourism Public Improvement District, will consider approval of the final District Service Plan for 2018-2019 and 2018 Assessment Plan, subject to the public hearing on September 12, 2018.

August 22, 2018

The City Council makes the following findings concerning the Service Plan for the Public Improvement District:

- (a) **Advisability of the Services Proposed for the District.** The District promotes the interests of the City and confers a special benefit on hotel properties within the City's boundaries and it is advisable to continue the District and to provide the services and improvements described in this resolution.
- (b) **Nature of the Services and Improvements.** The proposed services and improvements to be provided in the District include marketing, business recruitment, and promotional activities authorized by the Act for improvement and promotion of the district, including the provision of incentives by the Dallas Convention and Visitors Bureau to organizations to encourage them to bring their large and city wide meetings to Dallas and to fund additional marketing by the Dallas Convention and Visitors Bureau to increase hotel stays within the City.
- (c) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$18,222,755 in 2018-19 and reach \$22,149,873 in 2022-23; however, in no event shall the assessment amount exceed two percent of the price paid to hotels for a room in a hotel. The total estimated assessments to be collected during the next five-year period is approximately \$100,692,226. In the event the District requires additional funds; the District shall re-petition the hotel owners for such an increase. The District shall not incur bonded indebtedness. At no time shall the total amount levied exceed the total amount shown in the approved petition budget for the services and improvements to be provided for the year in which the hotel is assessed except as provided in the petition and subject to the collective total for the five-year period. The Service Plan budget and assessment amount are subject to annual review by the tourism public improvement district board, and are subject to an annual public hearing and approval by the City Council.
- (d) **Boundaries.** The District is located wholly within the city of Dallas, Texas. The boundaries of the District are shown on the attached map marked **Exhibit A** and shall solely include non-contiguous hotel properties with 100 or more rooms within the City of Dallas as shown on the attached list marked **Exhibit A-1**.
- (e) **Method of Assessment.** The District assessment will be levied on hotels with 100 or more rooms ("qualifying hotels") located within the District. The proposed cost of the services and improvements to be provided shall be assessed in a manner that results in imposing equal shares of the cost of the services qualifying on hotels that are similarly benefitted.

August 22, 2018

Under the Act, the apportionment of the cost of the services against property in the District territory must be made on the basis of special benefits accruing to the property because of the services and improvements provided. The total cost at a rate of 2 percent of room-nights sold at qualifying hotels located within the District territory until the budget for services and improvements for the year is reached. Accordingly, those qualifying hotels that sell more rooms will pay a greater portion of the assessment since those properties benefit more from the promotion and marketing services provided by the District. Rooms that are not subject to the City's hotel occupancy tax shall not be included for the District assessment. The total assessment must be reviewed and approved annually by the Dallas City Council. The future cost of services and improvements that are budgeted in the 2018-2019 Service Plan may be increased in amounts indicated in subsequent Service Plans, beyond the amount shown subject to an enhancement in value of property in the District and a corresponding increase in the services and improvements to be provided, and subject to the limitations on the assessment per occupied room and the aggregate amount approved in the petition. Each year's assessment must be reviewed and approved annually by the Dallas City Council following a public hearing. The total assessment amount for the year may be less than the amount budgeted for the year, but it shall not be more than the amount budgeted for the year as shown in the adopted Service Plan.

- (f) **Apportionment of costs between the District and the Municipality as a Whole.** The District shall continue to pay the cost of the supplemental services described in the Service Plan by assessment against the hotels with 100 or more rooms within the District, including City-owned qualifying hotels located within the District territory, such as the Omni Hotel.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 3. That a public hearing shall be held at 1:00 p.m. on September 12, 2018, in the City Council Chamber, Dallas City Hall, 6th Floor, 1500 Marilla Street, Dallas, Texas 75201 at which time any interested person may appear and speak for or against the setting of a special assessment on Dallas hotels with a 100 or more rooms, to provide funding for the District for the purpose of increasing hotel activities within the City of Dallas.

SECTION 4. That notice of such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners in the District before the 10th day before the public hearing.

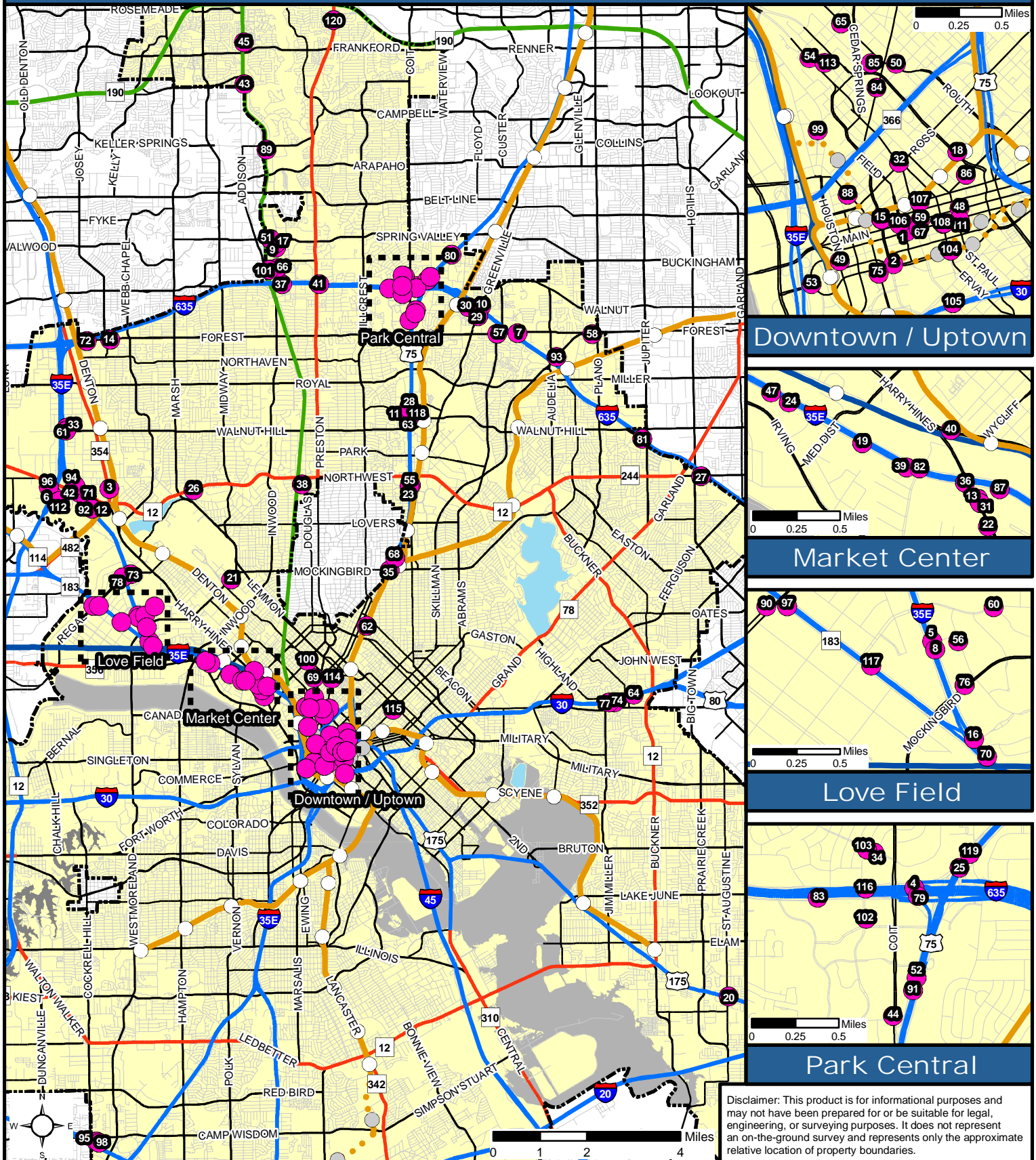
August 22, 2018

SECTION 5. That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2018 Assessment Roll on file with the City Secretary; approving the District Service Plan for 2018-2019; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2018-2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the assessment; and providing an effective date.

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Exhibit A

Tourism PID Hotels



DALLAS ECONOMIC DEVELOPMENT

Research & Information Division
214.670.1685
dallas-ecodev.org

Created 5.30.2016, Updated 6.2.2016 - Tourism_PID_2016.TCG

Legend

- Tourism PID Hotel
- Rail Station
- Future Station
- DART Light Rail
- Commuter Rail
- Future DART Light Rail
- Freeway
- Tollway
- Highway
- Arterial
- Local Road
- Escarpment
- Flood Plain
- Lake
- City of Dallas

Source: Hotel List - Dallas CVB, 2016; All Other Data - City of Dallas, 2016

Exhibit A-1

2016 Assessment Roll for the Tourism Public Improvement District (TPID)

2016 Assessment Roll for the Tourism Public Improvement District (TPID)	Street No.	Street Address	City	ST	ZIP	Owner's Name	Owner's Address	Assessment (2% Approximate)	% Allocation	FY2019 Service Plan
AC Hotels by Marriott Dallas Downtown	1712	Commerce Street	Dallas	TX	75201	Mehul Patel- Newcrest Image	700 State Hwy 121, suite 175	\$65,521	0.40%	\$ 72,237
Adolphus Hotel	1321	Commerce Street	Dallas	TX	75202	Rockbridge Capital- John Rosen	4100 Regent Street Suite G	\$254,180	1.54%	\$ 280,233
Aloft Dallas Downtown	1033	Young Street	Dallas	TX	75202	Larry Hamilton Santa Fe IV Hotel LP/Hamilton Properties Corp.	1033 Young Street	\$9,025	0.05%	\$ 9,950
Anchor Motel	10230	Harry Hines Boulevard	Dallas	TX	75220	Texas Motel Corporation	10230 Harry Hines Blvd	\$10,548	0.06%	\$ 11,629
Best Western Plus Dallas Hotel & Conference Center	8051	Lyndon B Johnson Freeway	Dallas	TX	75251	San Breth Hotels LLC Jay Patel	8051 LBJ Freeway	\$35,406	0.21%	\$ 39,035
Budget Suites of America Empire Central/Dallas	8150	North Stemmons Freeway	Dallas	TX	75247	Bigelow Management- Robert Bigelow	4545 Fuller Drive Suite 405	\$20,637	0.12%	\$ 22,752
Budget Suites of America Loop 12/Dallas	10222	North Walton Walker Boulevard	Dallas	TX	75220	Bigelow Management Inc. - Robert Bigelow	4545 Fuller Drive Suite 405	\$15,276	0.09%	\$ 16,841
Budget Suites of America North Dallas	9519	Forest Lane	Dallas	TX	75243	Bigelow Management Inc. - Robert Bigelow	4545 Fuller Drive Suite 405	\$16,322	0.10%	\$ 17,995
Candlewood Suites Dallas Galleria	13939	Noel Road	Dallas	TX	75240	Hospitality Properties Trust-Dianna Watts	255 Washington Street Ste 300	\$31,695	0.19%	\$ 34,943
Candlewood Suites Dallas Market Center	7930	North Stemmons Freeway	Dallas	TX	75247	Turin Enterprises LLC	7930 North Stemmons Fwy	\$57,557	0.35%	\$ 63,456
Candlewood Suites Dallas Park Central	12525	Greenville Avenue	Dallas	TX	75243	Candlewood Dallas TX %Intercontinental Hotels	11580 Great Oaks Way Suite 100	\$26,444	0.16%	\$ 29,154
Country Inn & Suites by Carlton Dallas Love Field	2383	Stemmons Trail	Dallas	TX	75220	Amit Patel - AMBE Hotels FW LLC	2383 Stemmons Trail	\$41,849	0.25%	\$ 46,139
Courtyard Dallas Central Expressway	10325	North Central Expressway	Dallas	TX	75231	Hospitality Properties Trust-Dianna Watts	255 Washington Street Ste 300	\$101,796	0.62%	\$ 112,230
Courtyard Dallas Medical/Market Center	2150	Market Center Boulevard	Dallas	TX	75207	American Realty Capital	PO Box 4900 Dept 114	\$120,228	0.73%	\$ 132,551
Courtyard Dallas Northwest	2930	Forest Lane	Dallas	TX	75234	Still 88 Hotels Sundip Kumar	3331 University Park Lane	\$53,764	0.33%	\$ 59,275
Crossland Economy Studios - Dallas - North Addison - Tollway	17425	Dallas Parkway	Dallas	TX	75287	PTR Homestead Village LP	PO Box 49550	\$12,750	0.08%	\$ 14,057
Crowne Plaza Dallas Downtown	1015	Elm Street	Dallas	TX	75202	TOG Hotel Downtown	1015 Elm Street	\$113,935	0.69%	\$ 125,614
Crowne Plaza Dallas Market Center	7050	North Stemmons Freeway	Dallas	TX	75247	Sid Siddiqi	2712 Southwest Freeway	\$156,370	0.95%	\$ 172,398
The Stalder Dallas Curo Collection by Hilton	1914	Commerce Street	Dallas	TX	75201	Aimbridge Hospitality	2500 Dallas Parkway Unit 600	\$87,908	0.53%	\$ 96,918
Dallas Marriott City Center	650	North Pearl Street	Dallas	TX	75201	Xenia Hotels & Resorts - Barry Bloom	200 S Orange Ave Suite 1200	\$199,008	1.20%	\$ 219,406
Dallas Marriott Suites Medical/Market Center	2493	North Stemmons Freeway	Dallas	TX	75207	Ashford Market Center LP - John O'Sullivan	14185 Dallas Parkway Suite 1100	\$202,630	1.23%	\$ 223,400
DoubleTree by Hilton Hotel Dallas Campbell Centre	8250	North Central Expressway	Dallas	TX	75206	Black Forest Ventures	24 Waterway Ste 225	\$202,948	1.23%	\$ 223,750
DoubleTree by Hilton Hotel Dallas Love Field	3300	West Mockingbird	Dallas	TX	75235	Mockingbird Partners	2722 Fairmont St.	\$137,580	0.83%	\$ 151,682
DoubleTree by Hilton Hotel Dallas Market Center	2015	Market Center Boulevard	Dallas	TX	75207	Alliance Hospitality Hotel Management	215 N. Boylan Ave	\$169,476	1.03%	\$ 186,847
Dream Dallas	3207	McKinney Avenue	Dallas	TX	75204	Dream Hotel Group	200 West 55th Street Suite 45	\$69,889	0.42%	\$ 77,053
Element Dallas Downtown East	4005	Gaston Avenue	Dallas	TX	75246	Atlantic Hotels Group	2220 Marsh Lane Suite 109	\$82,448	0.50%	\$ 90,898
Embassy Suites by Hilton Dallas Love Field	3880	West Northwest Highway	Dallas	TX	75220	Ronnie Breaux	3880 West Northwest Highway	\$149,906	0.91%	\$ 165,271
Embassy Suites by Hilton Dallas Market Center	2727	North Stemmons Freeway	Dallas	TX	75207	2727 Stemmons Fwy LP %Schulte Hospitality Group Inc.	2120 High Wickham Pl. Suite 200	\$181,267	1.10%	\$ 199,847
Embassy Suites by Hilton Dallas Near the Galleria	14021	Noel Road	Dallas	TX	75240	Ashford Hospitality Trust	14180 Dallas Pkwy Suite 900	\$115,328	0.70%	\$ 127,149
Embassy Suites by Hilton Dallas Park Central	13131	North Central Expressway	Dallas	TX	75243	RBHV Dallas LLC	5 Concourse Pkwy NE Ste2828	\$163,572	0.99%	\$ 180,338
Executive Inn	12670	East Northwest Highway	Dallas	TX	75228	Garland Hospitality Group LLC	12670 E. Northwest Hwy	\$13,280	0.08%	\$ 14,642
Express Studios	10326	Finnell Street	Dallas	TX	75220	Dynasty Hotel Group	PO Box 540681	\$6,613	0.04%	\$ 7,291
Extended Stay America - Dallas - Coit Rd.	12121	Coit Road	Dallas	TX	75251	BRE HV Properties LP%Fances Parker	PO Box 49550	\$16,396	0.10%	\$ 18,076
Extended Stay America - Dallas - Frankford Road	18470	North Dallas Parkway	Dallas	TX	75287	BRE ESA TX PPTIES LP % Property Tax 6016	PO Box 49550	\$16,188	0.10%	\$ 17,848
Extended Stay America - Dallas - Greenville Ave.	12270	Greenville Avenue	Dallas	TX	75243	BRE ESA TX PPTIES LP% Prop. Tax 6016	PO Box 49550	\$16,052	0.10%	\$ 17,697
Extended Stay America - Dallas - Vantage Point Dr.	9019	Vantage Point Drive	Dallas	TX	75243	BRE/ESA P Portfolio TXNC % Frances Parker	PO Box 49550	\$15,980	0.10%	\$ 17,618
Fairfield Inn & Suites Dallas Medical Market Center	2110	Market Center Boulevard	Dallas	TX	75207	Crestline Hotels & Resorts	3950 University Drive Suite 301	\$65,036	0.39%	\$ 71,703
Fairmont Dallas	1717	North Akard Street	Dallas	TX	75201	Xenia Hotels & Resorts, Inc. - Barry Bloom	200 S. Orange Ave. Suite 1200	\$502,351	3.04%	\$ 553,842
Hampton Inn & Suites Dallas	10310	North Central Expressway	Dallas	TX	75231	Mehul Patel	1700 Commerce Street	\$67,705	0.41%	\$ 74,645
Hampton Inn & Suites Dallas North I-35 at Walnut Hill	11069	Composite Drive	Dallas	TX	75229	Ajit Bhakta	640 E. Park Blvd	\$53,997	0.33%	\$ 59,532
Hampton Inn & Suites Downtown	1700	Commerce Street	Dallas	TX	75201	Mehul Patel- Newcrest Image	700 State Hwy 121, suite 175	\$96,098	0.58%	\$ 105,948
Hawthorn Suites by Wyndham Park Central	7880	Alpha Road	Dallas	TX	75240	HPT c/o The RMR Group	255 Washington St. Suite 300	\$36,776	0.22%	\$ 40,545
Hilton Anatole	2201	North Stemmons Freeway	Dallas	TX	75207	Anatole Partners III, LLC	3819 Maple Avenue	\$1,278,246	7.73%	\$ 1,409,266
Hilton Dallas Lincoln Centre	5410	Lyndon B Johnson Freeway	Dallas	TX	75240	ARES Management	200 Crescent Cr. Suite 1425	\$325,928	1.97%	\$ 359,336
Hilton Dallas/Park Cities	5954	Luther Lane	Dallas	TX	75225	Apple Nine Services Dallas	814 E Main Street	\$222,428	1.35%	\$ 245,226
Hilton Garden Inn Dallas/Market Center	2325	North Stemmons Freeway	Dallas	TX	75207	2325 Stemmons TRS, Inc. c/o Pillar Hotels & Resorts	6031 Connection Dr Ste 500	\$154,463	0.93%	\$ 170,295
Hilton Garden Inn Downtown	1600	Pacific Avenue	Dallas	TX	75201	1600 Pacific Landlord LLC	812 Gravier Street Suite 200	\$93,368	0.56%	\$ 102,938
Holiday Inn Dallas Market Center	4500	Harry Hines Boulevard	Dallas	TX	75219	Market Center DFW Hotel, LLC	545 E. John Carpenter Fwy Suite 1300	\$113,288	0.69%	\$ 124,900
Holiday Inn Express & Suites Dallas NW HWY	2225	Connector Drive	Dallas	TX	75220	Bijal Hospitality	2287 W. Northwest Hwy	\$54,601	0.33%	\$ 60,198
Holiday Inn Express & Suites Dallas Stemmons Fwy	2287	West Northwest Highway	Dallas	TX	75220	Bijal Hospitality	2287 W. Northwest Hwy	\$63,205	0.38%	\$ 69,683
Holiday Inn Express & Suites North Dallas at Preston	6055	Lyndon B Johnson Freeway	Dallas	TX	75240	Carol McCutchin Properties LTD	2220 Marsh Lane Ste 109	\$58,015	0.35%	\$ 63,961

The Tourism Public Improvement District's 2016 Assessment Roll was provided by the Dallas Convention & Visitors Bureau

2016 Assessment Roll for the Tourism Public Improvement District (TPID)

2016 Assessment Roll for the Tourism Public Improvement District (TPID)	Street No.	Street Address	City	ST	ZIP	Owner's Name	Owner's Address	Assessment (2% Approximate)	% Allocation	FY2019 Service Plan
Homewood Suites by Hilton Dallas Downtown	1025	Elm Street	Dallas	TX	75202	Apple Ten Hospitality Ownership Inc Mike Hardin	814 E Main St. Richmond VA 23219	\$162,827	0.99%	\$ 179,516
Homewood Suites by Hilton Dallas Market Center	2747	North Stemmons Freeway	Dallas	TX	75207	Island Hospitality Management	222 Lakeview Ave. Suite 260 West Palm Beach FL 33401	\$86,061	0.52%	\$ 94,883
Hotel Indigo Dallas Downtown	1933	Main Street	Dallas	TX	75201	Paul Sandhu	1933 Main Street Dallas TX 75201	\$110,882	0.67%	\$ 122,248
Hotel ZaZa Dallas	2332	Leonard Street	Dallas	TX	75201	Givens Records Development LP	2332 Leonard St Dallas TX 75201	\$226,962	1.37%	\$ 250,226
Hyatt House Dallas/Lincoln Park	8221	North Central Expressway	Dallas	TX	75225	RLJ Lodging Trust	3 Bethesda Metro Center Suite 1000 Bethesda MD 20814	\$104,824	0.63%	\$ 115,568
Hyatt House Dallas/Uptown	2914	Harry Hines Boulevard	Dallas	TX	75201	RLJ Lodging Trust	3 Bethesda Metro Center Suite 1000 Bethesda MD 20814	\$99,589	0.60%	\$ 109,797
Hyatt Place Dallas North by the Galleria	5229	Spring Valley Road	Dallas	TX	75254	Christian Chapel CME%Select Hotel Group	PO Box 2196 Chicago IL 60690	\$75,427	0.46%	\$ 83,159
Hyatt Place Dallas/Park Central	12411	North Central Expressway	Dallas	TX	75243	Interstate Hotels	4501 N. Fairfax Drive Suite 500 Arlington VA 22203	\$62,741	0.38%	\$ 69,172
Hyatt Regency Dallas	300	Reunion Boulevard	Dallas	TX	75207	Hunt Realty-Woodbine Development Corp.	1900 N. Akard Dallas TX 75201	\$917,415	5.55%	\$ 1,011,450
InTown Suites Dallas North, Plano Extended Stay	19059	Preston Road	Dallas	TX	75252	Intown Suites North Dallas LLC	980 Hammond Dr. Suite 1400 Atlanta GA 30328	\$66,067	0.40%	\$ 72,839
InTown Suites Dallas Northeast Extended Stay	9355	Forest Lane	Dallas	TX	75243	SLAM Properties LLC	2727 Paces Ferry Road SE Ste 1200 Atlanta GA 30339	\$8,721	0.05%	\$ 9,614
InTown Suites Dallas/Market Center Extended Stay	8201	Brookriver Drive	Dallas	TX	75247	Intown Suites, Inc. Brookriver	980 Hammond Dr. Ste 1400 Atlanta GA 30328	\$9,470	0.06%	\$ 10,441
InTown Suites Garland Extended Stay	10477	Metric Drive	Dallas	TX	75243	Sun Suites Dallas Spe LLP	10477 Metric Dr. Dallas TX 75243	\$10,445	0.06%	\$ 11,515
Knights Inn Market Center	1550	Empire Central	Dallas	TX	75235	Chetna Patel	8718 DRAYTON DRIVE Irving TX 75063	\$52,488	0.32%	\$ 57,868
La Quinta Inn & Suites Dallas Downtown	302	South Houston Street	Dallas	TX	75202	BMR Dallas Downtown Investments LLC	302 South Houston Street Dallas TX 75202	\$28,688	0.17%	\$ 31,628
La Quinta Inn & Suites Dallas 135 Walnut Hill Lane	2421	Walnut Hill Lane	Dallas	TX	75229	Hemant Patel BDR Hospitality	2421 Walnut Hill Lane Dallas TX 75229	\$47,732	0.29%	\$ 52,625
La Quinta Inn & Suites Dallas Love Field	8300	John W Carpenter Freeway	Dallas	TX	75247	Aaron & Alvin LLS	2730 N. Stemmons Fwy Dallas TX 75207	\$55,693	0.34%	\$ 61,402
La Quinta Inn & Suites Dallas Richardson	13175	North Central Expressway	Dallas	TX	75243	Burleson Inn Inc	13165 N. Central Expy Dallas TX 75243	\$67,705	0.41%	\$ 74,645
La Quinta Inn & Suites Dallas North Central	10001	North Central Expressway	Dallas	TX	75231	Mark Chloupek	909 Hidden Ridge Irving TX 75038	\$59,734	0.36%	\$ 65,857
La Quinta Inn & Suites Dallas Uptown	4440	North Central Expressway	Dallas	TX	75206	La Quinta Management LLC-BRE LQ TX PPTIES LO	909 Hidden Ridge Ste 600 Irving TX 75038	\$47,992	0.29%	\$ 52,911
Lampighter Motel	9001	East R L Thornton Freeway	Dallas	TX	75228	Lampighter Motel Ltd.	9033 ERL Thornton Fwy Dallas TX 75228	\$7,962	0.05%	\$ 8,778
Le Meridien Dallas by the Galleria	13402	Noel Road	Dallas	TX	75240	NB Holdings, Dallas	13402 Noel Road Ste 1700 Dallas TX 75240	\$176,852	1.07%	\$ 194,979
Le Meridien Dallas, The Stoneleigh	2927	Maple Avenue	Dallas	TX	75201	Carey Watermark Investors	50 Rockefeller Plaza New York NY 10020	\$208,123	1.26%	\$ 229,456
Lorenzo Hotel	1011	South Akard Street	Dallas	TX	75202	Scooter Yates	1033 Young Street Dallas TX 75202	\$129,404	0.78%	\$ 142,668
Love Field Hotel and Suites	1241	West Mockingbird Lane	Dallas	TX	75247	Chandler Hotel Company	7502 E. Pinnacle Peak Road Ste B116 Scottsdale AZ 85255	\$256,192	1.55%	\$ 282,452
Magnolia Hotel Dallas Downtown	1401	Commerce Street	Dallas	TX	75201	Holtze Magnolia Hotel	818 17th Street Denver CO 80202	\$236,852	1.43%	\$ 261,129
Magnolia Hotel Dallas Park Cities	6070	North Central Expressway	Dallas	TX	75206	TriGate Capital, LLC	750 N Saint Paul St Ste 900 Dallas TX 75201	\$160,636	0.97%	\$ 177,102
MCM Elegante Hotel & Suites	2320	West Northwest Highway	Dallas	TX	75220	ICA Properties	700 N. Grant Suite 600 Odessa TX 79761	\$76,031	0.46%	\$ 83,824
Motel 6 Dallas - Fair Park #4616	8510	East R L Thornton Freeway	Dallas	TX	75228	Krupalamxi LP	8510 East R.L. Thornton Frwy Dallas TX 75228	\$28,896	0.17%	\$ 31,858
Motel 6 Dallas - Galleria #4657	2660	Forest Lane	Dallas	TX	75234	Aum Sriram LLC	12301 N. Central Expressway Dallas TX 75234	\$30,632	0.19%	\$ 33,772
Motel 6 Dallas - Market Center	1625	Regal Row	Dallas	TX	75247	Krishna Blaram & Raman Patel	1625 Regal Row Dallas TX 75247	\$32,448	0.20%	\$ 35,773
Omni Dallas Hotel	555	South Lamar Street	Dallas	TX	75202	Omni Corporate	555 South Lamar Street Dallas TX 75202	\$394,366	2.39%	\$ 434,789
Ramada by Wyndham Dallas Love Field	1575	Regal Row	Dallas	TX	75247	Danny Patel, Divine Hotels LLC	1575 Regal Row Dallas TX 75247	\$109,748	0.66%	\$ 120,997
Ramada Dallas North	8102	Lyndon B Johnson Freeway	Dallas	TX	75251	Jee Sung Investment Inc	8102 LBJ Freeway Dallas TX 75251	\$28,658	0.17%	\$ 31,596
Red Roof Inn - Dallas Richardson	13685	North Central Expressway	Dallas	TX	75243	MPH Group LLC	13685 N. Central Expressway Dallas TX 75243	\$19,890	0.12%	\$ 21,929
Regency Hotel closed remodeling	11350	Lyndon B Johnson Freeway	Dallas	TX	75238	Eshnam Hospitality Inc	835 Bluff Ridge Dr. Cedar Hill TX 75104	\$32,988	0.20%	\$ 36,370
Renaissance Dallas Hotel	2222	North Stemmons Freeway	Dallas	TX	75207	Deep Ellum Real Estate LLC	9737 Washingtonian Blvd 404 Gaithersburg MD 20878	\$385,410	2.33%	\$ 424,914
Residence Inn Dallas Central Expressway	10333	North Central Expressway	Dallas	TX	75231	Hospitality Properties Trust-Dianna Watts	255 Washington Street Ste 300 Newton MA 2458	\$34,731	0.21%	\$ 38,291
Residence Inn by Marriott Dallas Downtown	1712	Commerce Street	Dallas	TX	75201	Mehul Patel	1712 Commerce Street Dallas TX 75201	\$66,067	0.40%	\$ 72,839
Residence Inn by Marriott Dallas Market Center	6950	North Stemmons Freeway	Dallas	TX	75247	Hospitality Properties Trust-Dianna Watts	255 Washington Street Ste 300 Newton MA 2458	\$66,610	0.40%	\$ 73,438
Residence Inn by Marriott Dallas Park Central	7642	Lyndon B Johnson Freeway	Dallas	TX	75251	Stonebridge Irving Venture %Dilip Pranar	8530 Esters Blvd Irving TX 75063	\$61,715	0.37%	\$ 68,041
Hotel Crescent Court	400	Crescent Court	Dallas	TX	75201	CTF	1300 19th St NW Ste 401 Washington DC 20036	\$304,869	1.84%	\$ 336,118
Rosewood Mansion on Turtle Creek	2821	Turtle Creek Boulevard	Dallas	TX	75219	CTF	1300 19th St NW Ste 401 Washington DC 20036	\$228,515	1.38%	\$ 251,938
Sheraton Dallas Hotel	400	North Olive Street	Dallas	TX	75201	Chartres Lodging Group, LLC-Dustin Kline	50 California Street Suite 3300 San Francisco CA 94111	\$982,929	5.95%	\$ 1,083,679
Sheraton Suites Market Center Dallas	2101	North Stemmons Freeway	Dallas	TX	75207	IStar Dallas GL LP	180 Glastonbury Blvd Ste 201 Glastonbury CT 6033	\$168,119	1.02%	\$ 185,352
Springhill Suites by Marriott Dallas Downtown/West End	1907	North Lamar Street	Dallas	TX	75202	BRE Select Hotels TX LP %Blackstone Real Estate Partners VII LP	345 Park Ave. New York NY 10154	\$117,761	0.71%	\$ 129,832
Stay Express Inn Dallas Fair Park Downtown	8303	East R L Thornton Freeway	Dallas	TX	75228	PCT Hospitality Inc Hiren Patel	8303 E RL Thornton Fwy Dallas TX 75228	\$20,277	0.12%	\$ 22,356
Staybridge Suites Dallas Addison	16060	Dallas Parkway	Dallas	TX	75248	Parkway Lodging LLC	4235 W. Airport Fwy Irving TX 75062	\$39,422	0.24%	\$ 43,463
Sterling Hotel Dallas	1055	Regal Row	Dallas	TX	75247	The Mian Development Corp	1055 Regal Row Dallas TX 75247	\$111,137	0.67%	\$ 122,529
Studio 6 Dallas Garland/Northeast #5003	9801	Adleta Court	Dallas	TX	75243	Kevin Hajari	9801 Adleta Ct Dallas TX 75243	\$15,089	0.09%	\$ 16,636
Studio 6 Dallas Northwest #6035	2395	Stemmons Trail	Dallas	TX	75220	G6 Hospitality LLC	PO Box 117508 Carrollton TX 75011	\$17,577	0.11%	\$ 19,378
Studio 6 Dallas Richardson/North #5010	12301	North Central Expressway	Dallas	TX	75243	Jalaram Hotel LLC	12301 N. Central Expressway Dallas TX 75243	\$22,861	0.14%	\$ 25,204

2016 Assessment Roll for the Tourism Public Improvement District (TPID)

2016 Assessment Roll for the Tourism Public Improvement District (TPID)	Street No.	Street Address	City	ST	ZIP	Owner's Name	Owner's Address				Assessment (2% Approximate)	% Allocation	FY2019 Service Plan	
Super 7 Inn	9626	C F Hawn Freeway	Dallas	TX	75217	Southeast Dallas Hospitality Ltd Ramesh Patel	9626 C F Hawn Fwy		Dallas	TX	75217	\$8,860	0.05%	\$ 9,769
Super 7 Inn Dallas	10335	Gardner Road	Dallas	TX	75220	Northwest Hotel Inc.	10335 Gardner Rd		Dallas	TX	75220	\$14,534	0.09%	\$ 16,024
Super 7 Inn Dallas Southwest	4220	Independence Drive	Dallas	TX	75237	Mayur Patel	4220 Independence Dr		Dallas	TX	75237	\$21,598	0.13%	\$ 23,812
Super 8 Dallas Love Field Market Center	9229	John W Carpenter Freeway	Dallas	TX	75247	Mehalab Management Inc.	9229 E. John W Carpenter Fwy		Dallas	TX	75247	\$17,399	0.11%	\$ 19,182
Hotel Alexis	7815	Lyndon B Johnson Freeway	Dallas	TX	75251	Grand Hotel Hospitality	2416 Park Run Dr.		Arlington	TX	76016	\$79,171	0.48%	\$ 87,287
The Highland Dallas Curio Collection by Hilton	5300	East Mockingbird Lane	Dallas	TX	75206	Thayer Lodging, Brookfield Hotel Properties	1997 Annapolis Exchange #550		Annapolis	MD	21401	\$207,926	1.26%	\$ 229,238
The Joule	1530	Main Street	Dallas	TX	75201	Dunhill 1530 Main LP	2711 N. Haskell Ave	Ste 2800	Dallas	TX	75204	\$22,019	0.13%	\$ 24,275
The Ritz-Carlton, Dallas	2121	McKinney Avenue	Dallas	TX	75201	Crescent Real Estate Equities Theresa Cabilao	777 Main Street	Suite 2260	Fort Worth	TX	76102	\$441,762	2.67%	\$ 487,042
The Westin Dallas Park Central	12720	Merit Drive	Dallas	TX	75251	AWH Dallas PC Corporate, LLC Kieran Doll	1040 AVE OF THE AMERICAS 9TH FL	9B	New York	NY	10018	\$277,491	1.68%	\$ 305,933
The Westin Galleria Dallas	13340	Dallas Parkway	Dallas	TX	75240	UBS Realty Investors	2515 Mckinney	Suite 800	Dallas	TX	75201	\$461,198	2.79%	\$ 508,470
TownePlace Suites by Marriott Dallas Downtown	500	South Ervay Street	Dallas	TX	75201	Alterra International	211 North Ervay Street		Dallas	TX	75201	\$1,010,963	6.12%	\$ 1,114,587
Townhouse Suites	4150	Independence Drive	Dallas	TX	75237	Uppal Gurjit	4150 Independence Drive		Dallas	TX	75237	\$12,040	0.07%	\$ 13,274
Unnamed Hotel @ The Lexi	2815	North Harwood Street	Dallas	TX	75201	HPO Inc.	2501 N. Harwood Street	Suite 1400	Dallas	TX	75201	\$60,061	0.36%	\$ 66,217
W Dallas - Victory	2440	Victory Park Lane	Dallas	TX	75219	Vpust Hotel LP-Estein & Associates USA, Ltd.	4705 S Apopka Vineland Road	Suite 201	Orlando	FL	32819	\$369,335	2.23%	\$ 407,191
Warwick Melrose Hotel Dallas	3015	Oak Lawn Avenue	Dallas	TX	75219	Warwick Melrose Dallas Warwick Amusement Corp.	1776 Grant St. FL 14		Denver	CO	80203	\$184,816	1.12%	\$ 203,760
Westin Dallas	1201	Main Street	Dallas	TX	75202	One Main Place Hotel LLC	1205 St. Charles Ave.	Suite D	New Orleans	LA	70130	\$176,361	1.07%	\$ 194,438
Wyndham Dallas Suites Park Central	7800	Alpha Road	Dallas	TX	75240	Hospitality Properties Trust % The RMR Group-Kristin Sage-Black	Two Newton Place 255 Washington St.	Suite 300	Newton	MA	2458	\$113,533	0.69%	\$ 125,171
Total											\$16,528,576	100.00%	\$ 18,222,755	

Exhibit B

Tourism Public Improvement District (PID) Service Plan						
Fiscal Year		2018-19	2019-20	2020-21	2021-22	2022-23
Assessment Revenue		\$ 18,222,755	\$ 19,133,893	\$ 20,090,588	\$ 21,095,117	\$ 22,149,873
Categories	%					
Incentives & Sales Efforts	42.5%	\$ 7,744,671	\$ 8,131,905	\$ 8,538,500	\$ 8,965,425	\$ 9,413,696
Marketing (Promotion/Advertising)	35.0%	\$ 6,377,964	\$ 6,696,863	\$ 7,031,706	\$ 7,383,291	\$ 7,752,456
Site Visits & Familiarization Tours	10.0%	\$ 1,822,276	\$ 1,913,389	\$ 2,009,059	\$ 2,109,512	\$ 2,214,987
Event Funding Application Pool	7.5%	\$ 1,366,707	\$ 1,435,042	\$ 1,506,794	\$ 1,582,134	\$ 1,661,240
Operations/Research/Administration	5.0%	\$ 911,138	\$ 956,695	\$ 1,004,529	\$ 1,054,756	\$ 1,107,494
Total Expenses	100.0%	\$ 18,222,755	\$ 19,133,893	\$ 20,090,588	\$ 21,095,117	\$ 22,149,873

Note: Expenditures are limited to actual collections, which can not exceed the 2% fee on each occupied room as defined in the petition.

Exhibit C

Tourism Public Improvement District 2018 Assessment Plan

The cost of the services and improvements provided by the Tourism Public Improvement District (“District”) will be levied by special assessment against Dallas hotels located within the District territory with 100 or more rooms (“qualifying hotels”) based on hotel room nights sold. The total cost of the services and improvements to be provided shall be apportioned at a rate of 2% of room-nights sold at qualifying hotels until the budget for services and improvements for the year is reached. Rooms that are not subject to the City’s hotel occupancy tax shall not be included for the District assessment.



Agenda Information Sheet

File #: 18-621

Item #: 11.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): 14

DEPARTMENT: Office of Economic Development

EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** approval of the proposed University Crossing Public Improvement District (“District”) 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

BACKGROUND

This item is being placed on the addendum due to the unavailability of 2018 certified appraisal data specific to the public improvement districts (PIDs) prior to regular agenda deadline and subsequent processing time required to update service plan budgets.

In accordance with the Public Improvement District Assessment Act (Act) in Chapter 372 of the Texas Local Government Code, the City Council calls and holds a public hearing to hear and pass on any objections to the annual assessment to be levied against property in the Public Improvement District (PID) and approves the Service Plan for each PID.

The University Crossing Improvement District Corporation (dba UCPIID, Inc.) provided the proposed District 2019 Service Plan and proposed 2018 Assessment Plan for review, and staff found the services and improvements to be advisable and recommended approval subject to the public hearing on September 12, 2018. The assessment values provided herein are preliminary. The assessment values based on 2018 certified Dallas Central Appraisal District (DCAD) information and final Service Plan budget will be provided in the September 12, 2018 public hearing item.

The Public Improvement District Service Plan is outlined in the following way:

- (a) **Nature of the Services and Improvements.** The proposed services and improvements to be provided in the District include police safety patrol's for the area, safety awareness and education programs, landscaping, banner program, installation and maintenance of trash containers, promotion of the University Crossing area, implement signage and wayfinding systems, management of new and existing public and green space, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.
- (b) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to range from approximately \$1,738,000 in 2019 to \$943,500 in 2023. Carryover funds accumulated through 2018 will be used to support capital improvement projects related to the Mockingbird Lane Pedestrian Bridge and Trail Expansion. The total estimated assessments to be collected during the next five-year period is approximately \$4,531,000. The District shall incur no bonded indebtedness.
- (c) **Boundaries.** The boundaries of the District are shown on the attached map of the District.
- (d) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by DCAD. The assessment amount for 2018 is proposed to be \$871,000. This amount is approximately equal to \$0.10 per \$100.00 of appraised value as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections. With the exception of Southern Methodist University (SMU), the real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes.
- SMU has agreed to participate in the University Crossing Public Improvement District (PID) by contract with the University Crossing Improvement District property owned by SMU or SMU affiliates within the University Crossing PID.
- (e) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, parks and cemeteries are not specially benefitted and therefore are not subject to assessment.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 12, 2013, City Council authorized the creation of the University Crossing Public Improvement District, approval of the Service Plan and management contract by Resolution No. 13-1016.

On September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1494; Ordinance No. 30648.

Information about this item was provided to the Economic Development and Housing Committee on August 6, 2018.





FISCAL INFORMATION

Cost consideration to others - the proposed assessment amount is approximately equal to \$0.10 per \$100.00 of appraised value as determined by the DCAD. (i.e. property owners within the boundaries of the Public Improvement District pay the assessment and the funds are managed by private, non-profit entities under a management contract with the City).

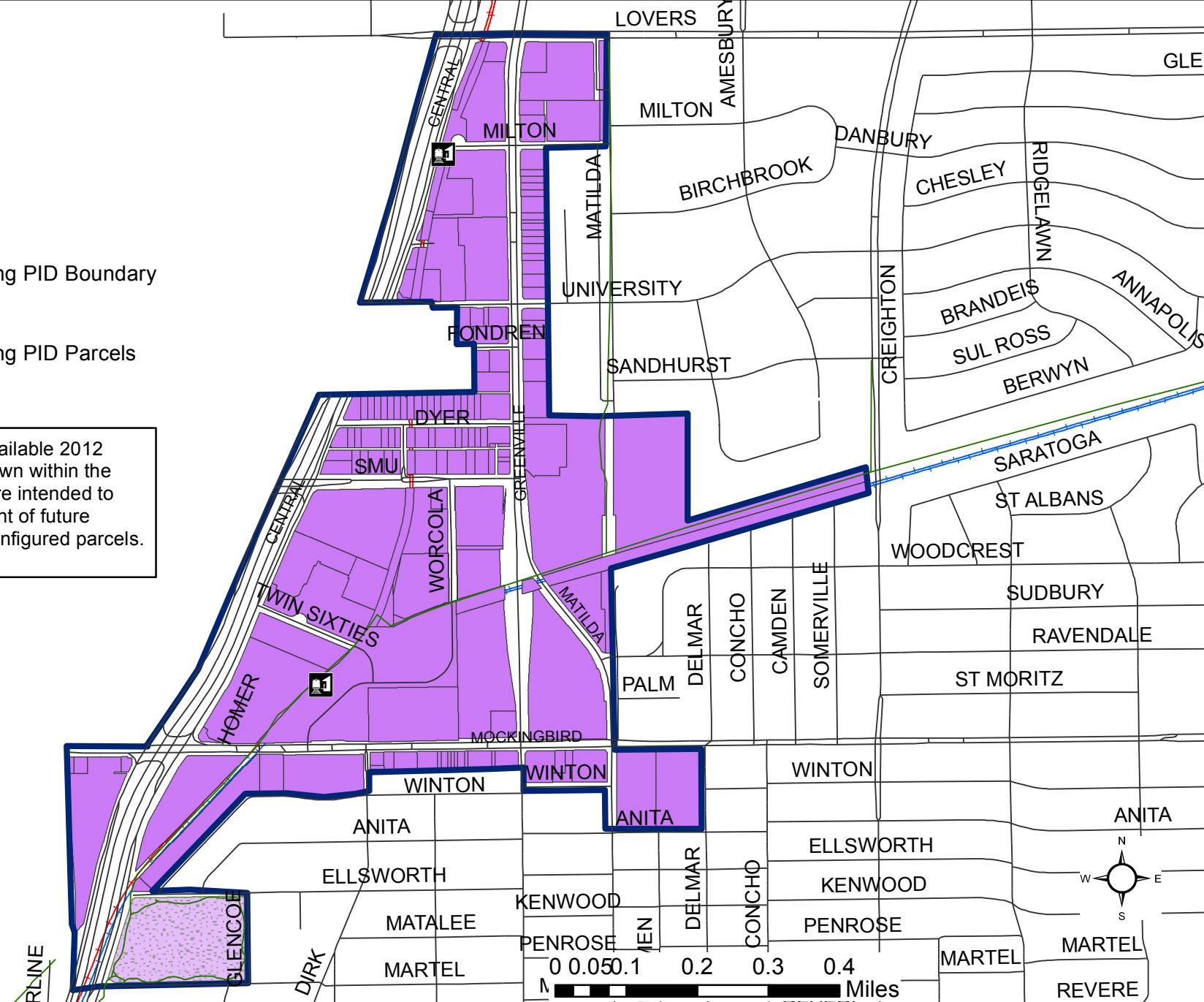
MAP

Attached

Legend

-  trail_master
-  University Crossing PID Boundary
-  Glencoe_park
-  University Crossing PID Parcels

Parcels shown based on available 2012 geography. Any parcels shown within the boundary lines of the PID are intended to be included even in the event of future replats creating new or reconfigured parcels.



August 22, 2018

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (“Act”) allows for the creation of public improvement districts; and

WHEREAS, on June 12, 2013, City Council authorized the creation of the University Crossing Public Improvement District (District), as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated University Crossing Improvement District Corporation (dba UCPIID, Inc.) as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 13-1016; and

WHEREAS, on September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1494; Ordinance No. 30648; and

WHEREAS, the University Crossing Improvement District Corporation provided City staff with the proposed District 2019 Service Plan and 2018 Assessment Plan as shown in **Exhibits B and C**; and

WHEREAS, the City Council must review the proposed 2019 Service Plan and 2018 Assessment Plan and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the 2018 assessment against real property and real property improvements exclusive of right-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That pursuant to the requirements of the Act, the City Council, after reviewing the proposed 2019 Service Plan and the proposed 2018 Assessment Plan for the University Crossing Public Improvement District, will consider approval of the final 2019 Service Plan and 2018 Assessment Plan, subject to the public hearing on September 12, 2018.

The City Council makes the following findings concerning the Service Plan for the Public Improvement District:

- (a) Advisability of the Services Proposed for the District.** The District promotes the interests of the City and confers a special benefit to the property within its boundaries and it is advisable to continue the District and to provide the services and improvements described in this resolution.

August 22, 2018

- (b) **Nature of the Services and Improvements.** The proposed services and improvements to be provided in the District include police safety patrol's for the area, safety awareness and education programs, landscaping, banner program, installation and maintenance of trash containers, promotion of the University Crossing area, implement signage and wayfinding systems, management of new and existing public and green space, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.
- (c) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to range from approximately \$1,738,000 in 2019 to \$943,500 in 2023. Carryover funds accumulated through 2018 will be used to support capital improvement projects related to the Mockingbird Lane Pedestrian Bridge and Trail Expansion. The total estimated assessments to be collected during the next five-year period is approximately \$4,531,000. The District shall incur no bonded indebtedness.
- (d) **Boundaries.** The boundaries of the District are located wholly within the city of Dallas, Texas. The boundaries of the District are as shown in **Exhibit A**.
- (e) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District (DCAD). The assessment amount for 2018 is proposed to be \$871,000. This amount is approximately equal to \$0.10 per \$100.00 of appraised value as determined by DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections. With the exception of Southern Methodist University (SMU), the real property of jurisdictions and entities that have obtained an exemption from the City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes.

August 22, 2018

SMU has agreed to participate in the University Crossing Public Improvement District (PID) by contract with the University Crossing Improvement District Corporation through special assessment based on all taxable and tax exempt real property owned by SMU or SMU affiliates within the University Crossing PID.

- (f) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, parks and cemeteries are not specially benefitted and therefore are not subject to assessment.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.





SECTION 3. That a public hearing shall be held at 1:00 p.m. on September 12, 2018, in the City Council Chamber, Dallas City Hall, 6th Floor, 1500 Marilla Street, Dallas, Texas 75201 at which time any interested person may appear and speak for or against the setting of an assessment against real property and real property improvements, exclusive of rights-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

SECTION 4. That notice of such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners in the District before the 10th day before the public hearing.

SECTION 5. That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2018 Assessment Roll on file with the City Secretary; approving the Service Plan for 2019; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the assessment; and providing an effective date.

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Legend

-  trail_master
-  University Crossing PID Boundary
-  Glencoe_park
-  University Crossing PID Parcels

Parcels shown based on available 2012 geography. Any parcels shown within the boundary lines of the PID are intended to be included even in the event of future replats creating new or reconfigured parcels.

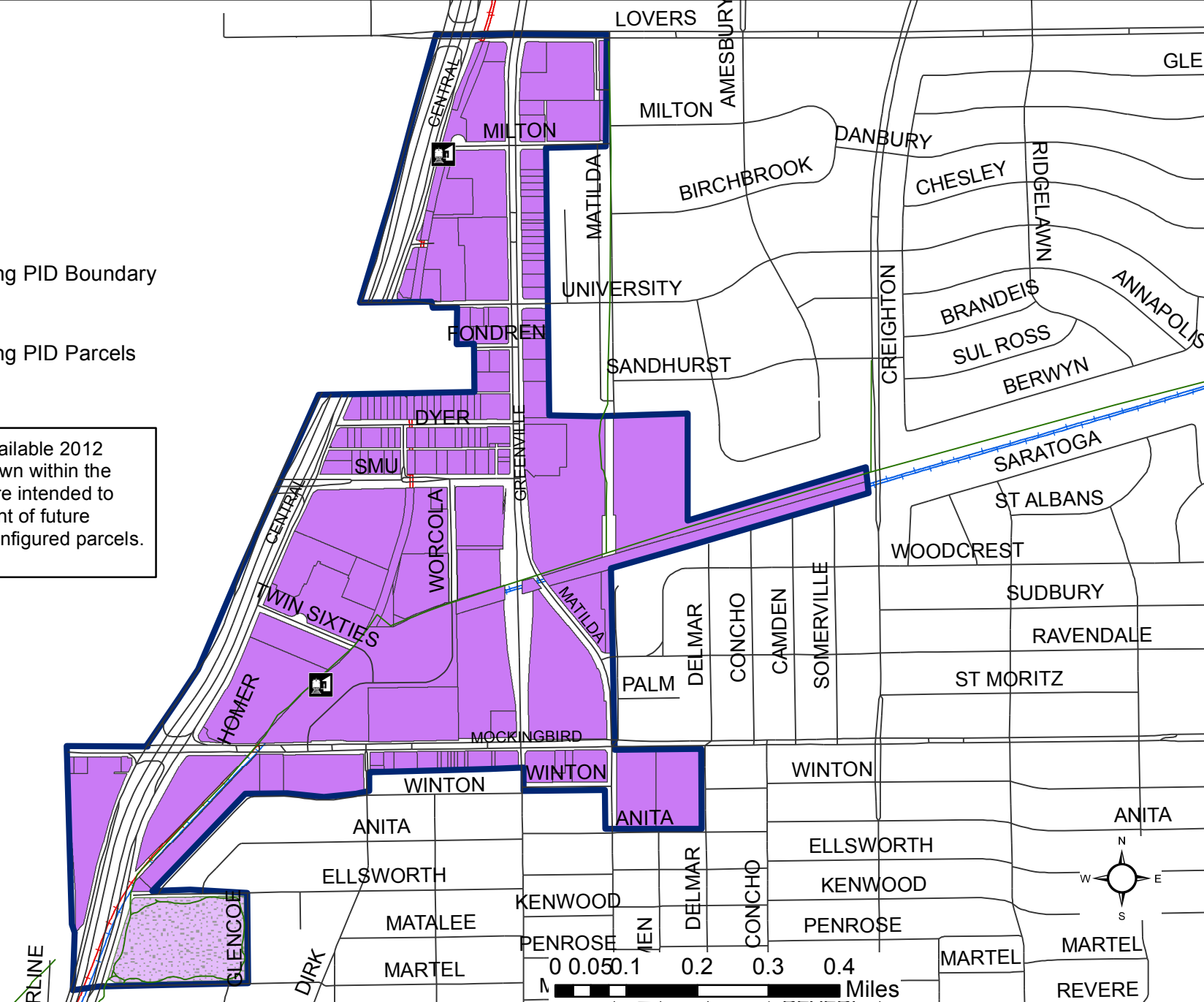


Exhibit B
University Crossing Public Improvement District - Five - Year Budget

	2019 Budget	2020 Budget	2021 Budget ⁽⁹⁾	2022 Budget ⁽⁹⁾	2023 Budget ⁽⁹⁾
INCOME					
Fund balance from previous year ⁸	1,412,000	547,000	304,000	1,500	0
Net assessment revenue	871,000	888,000	906,000	924,000	942,000
Reimbursement from NTCOG	0	640,000	0	0	0
Exempt jurisdictions	0	0	0	0	0
Interest on cash balances	2,000	3,000	1,500	1,500	1,500
Other income & contributions	0	0	0	0	0
TOTAL INCOME¹	\$2,285,000	\$2,078,000	\$1,211,500	\$927,000	\$943,500
EXPENDITURES					
Security ²	227,000	232,000	237,000	237,000	237,000
Improvements ³	1,120,000	1,142,000	564,000	281,000	297,500
Public Area Maintenance ⁴	156,000	159,000	162,000	162,000	162,000
Promotion and Communication ⁵	77,000	79,000	81,000	81,000	81,000
Organization & Administration ⁶	128,000	131,000	134,000	134,000	134,000
Audit & Insurance ⁷	30,000	31,000	32,000	32,000	32,000
TOTAL EXPENDITURES	\$1,738,000	\$1,774,000	\$1,210,000	\$927,000	\$943,500
FUND BALANCE/RESERVES	\$547,000	\$304,000	\$1,500	\$0	\$0

NOTES:

- 1 The income is net of City/County PID and collection fees based on a \$0.10 per \$100 contribution on the total tax value of the area and 0.5% of the assessment is assumed to not be paid due to delinquencies.
- 2 Police patrol of the University Crossing area, owner safety coordination, safety enhancements in lighting, etc.
- 3 Public Improvements, landscape, parks and pedestrian amenities for the PID.
- 4 Sidewalk, public planters, waste disposal, clean area programs, and landscape improvements throughout the University Crossing area.
- 5 University Crossing area coordination among owners, program services for area promotion and awareness
- 6 Expenses of the PID and salary of PID director.
- 7 Annual audit of the PID finances and liability insurance for the PID.
- 8 Fund balances carried over from 2014, 2015, 2016, 2017 and 2018 will be used across all major categories to support the Mockingbird Lane Pedestrian Bridge and Trail Expansion that began in 2017 and was completed in 2018. The majority of the carryover funds are primarily from the improvement category and will be spent there, as shown.
- 9 The five year plan goes to year 2023. However, this assumes that the PID is successfully renewed for another term beginning in 2021. If the PID isn't renewed then the PID would cease collections at the end of 2020.

Exhibit C
University Crossing Public Improvement District
Assessment Plan 2018

The costs of the services and improvements by the District will be paid primarily by special assessment against properties in the District. Annual assessments are based on the total value of real property and real property improvements as determined by the Dallas Central Appraisal District ("DCAD").

The University Crossing Public Improvement District (PID) proposed assessment rate for 2018 is \$0.10 per \$100 of appraised value. Actual assessment rates and levies will be set by the Dallas City Council subject to a maximum of \$0.15 per \$100 of value and according to procedures stipulated by Chapter 372 of the Texas Local Government Code. City right-of-way, railroad right-of-way, parks and cemeteries are not specially benefitted and therefore are not subject to assessment. With the exception of Southern Methodist University (SMU), payment of assessments by other exempt jurisdictions and entities must also be established by contract. SMU has agreed to participate in the University Crossing PID by contract with the University Crossing Improvement District Corporation through special assessment based on all taxable and tax exempt real property owned by SMU or SMU affiliates within the University Crossing PID.



Agenda Information Sheet

File #: 18-622

Item #: 12.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): 14

DEPARTMENT: Office of Economic Development

EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** approval of the proposed Uptown Public Improvement District (“District”) 2019 Service Plan, 2018 Assessment Plan and 2018 assessment roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

BACKGROUND

This item is being placed on the addendum due to the unavailability of 2018 certified appraisal data specific to the public improvement districts (PIDs) prior to regular agenda deadline and subsequent processing time required to update service plan budgets.

In accordance with the Public Improvement District Assessment Act (Act) in Chapter 372 of the Texas Local Government Code, the City Council calls and holds a public hearing to hear and pass on any objections to the annual assessment to be levied against property in the Public Improvement District (PID) and approves the Service Plan for each PID.

Uptown, Inc. provided the proposed District 2019 Service Plan and proposed 2018 Assessment Plan for review, and staff found the services and improvements to be advisable and recommended approval subject to the public hearing on September 12, 2018. The assessment values provided herein are preliminary. The assessment values based on 2018 certified Dallas Central Appraisal District (DCAD) information and final Service Plan budget will be provided in the September 12, 2018 public hearing item.

The Public Improvement District Service Plan is outlined in the following way:

(a) Nature of the Services and Improvements. The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District.

The general nature of the proposed services and improvements to be provided in the District include enhanced public safety and security, lighting, sidewalk and streetscape improvements, landscaping improvements including plantings, hardscape, trolley operation and capital improvements, District marketing and promotional activities and improvements as authorized by the Act.

(b) Estimated Cost of the Services and Improvements. During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$2,757,075 in 2019 and reach \$4,032,142 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$16,575,806. The District shall incur no bonded indebtedness.

(c) Boundaries. The boundaries of the District are shown on the attached Map of the District.

(d) Method of Assessment. The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by DCAD. The assessment amount for 2018 is proposed to be \$2,715,075. This amount is approximately equal to \$0.0450 per \$100.00 of appraised value as determined by the DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the district. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Property owned by tax-exempt religious organizations will be exempt from assessment as will property owned by persons already receiving and qualifying for 65-or-older homestead exemption under Section 11.13 (c) or (d) of the Texas Property Tax Code. Payment of assessments by other exempt jurisdictions and entities must be established by contract.

(e) Apportionment of costs between the District and the Municipality as a Whole. The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 23, 1993, City Council authorized the creation of the Uptown Public Improvement District by Resolution No. 93-2501.

Additionally, the Uptown PID was renewed for a period of five years in 2000 and for periods of seven years in 2005 and 2012.

On September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1493; Ordinance No. 30647.

Information about this item was provided to the Economic Development and Housing Committee on August 6, 2018.

FISCAL INFORMATION


Cost consideration to others - the proposed assessment amount is approximately equal to \$0.0450 per \$100.00 of appraised value as determined by the DCAD. (i.e. property owners within the boundaries of the Public Improvement District pay the assessment and the funds are managed by private, non-profit entities under a management contract with the City).

MAP

Attached

Uptown Public Improvement District Boundary Map

Legend

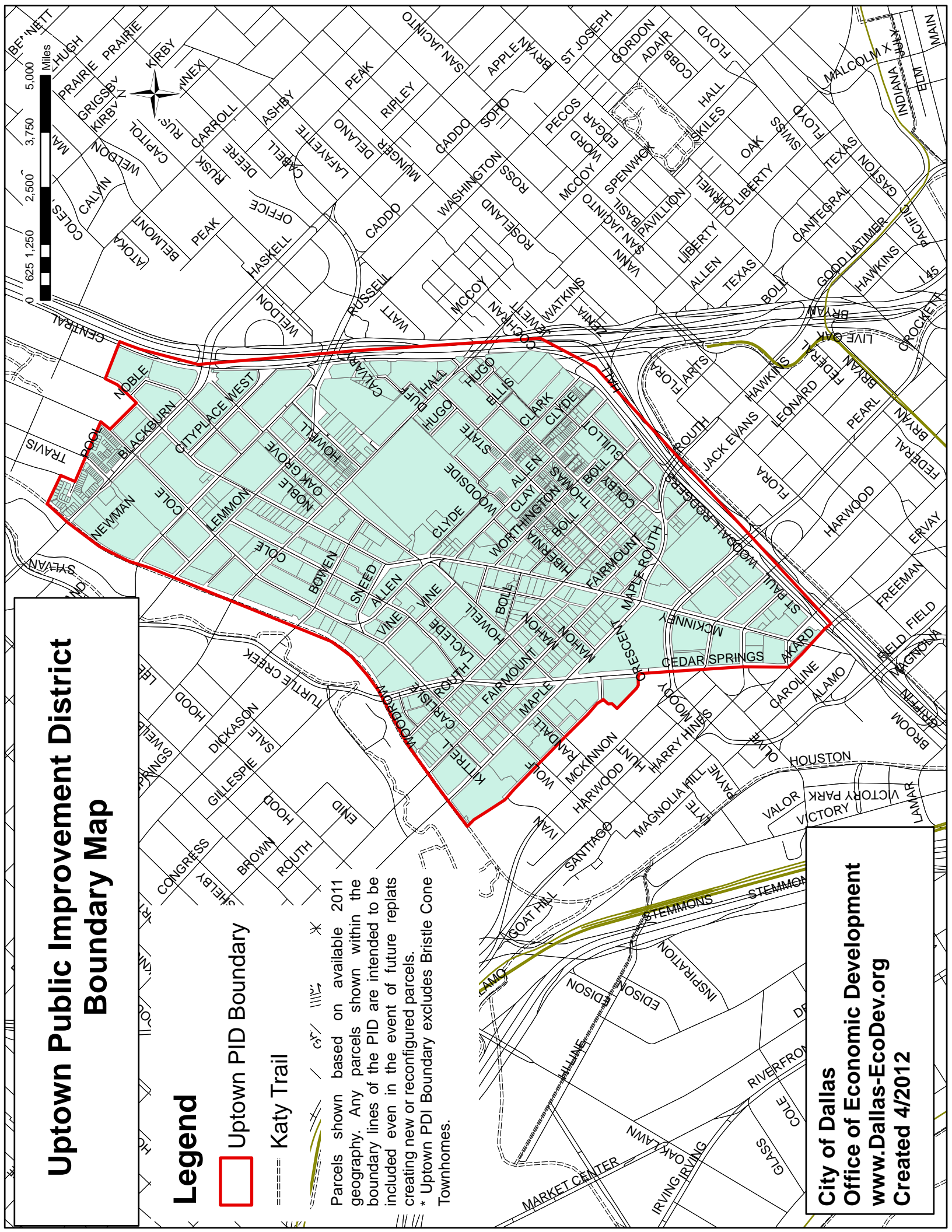
 Uptown PID Boundary

 Katy Trail

Parcels shown based on available 2011 geography. Any parcels shown within the boundary lines of the PID are intended to be included even in the event of future replats creating new or reconfigured parcels.

* Uptown PDI Boundary excludes Bristle Cone Townhomes.

City of Dallas
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Created 4/2012



August 22, 2018

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (“Act”) allows for the creation of public improvement districts; and

WHEREAS, on June 23, 1993, City Council authorized the creation of the Uptown Public Improvement District (District), as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated Uptown, Inc. as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 93-2501; and

WHEREAS, City Council has subsequently authorized the renewal of the Uptown Public Improvement District in 2000, 2005 and 2012; and

WHEREAS, on September 13, 2017, City Council authorized the 2018 Service Plan and 2017 Assessment Plan by Resolution No. 17-1493; Ordinance No. 30647; and

WHEREAS, Uptown, Inc. provided City staff with the proposed District 2019 Service Plan and 2018 Assessment Plan as shown in **Exhibits B and C**; and

WHEREAS, the City Council must review the proposed 2019 Service Plan and 2018 Assessment Plan and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the 2018 assessment against real property and real property improvements exclusive of right-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That pursuant to the requirements of the Act, the City Council, after reviewing the proposed 2019 Service Plan and the proposed 2018 Assessment Plan for the Uptown Public Improvement District, will consider approval of the final 2019 Service Plan and 2018 Assessment Plan, subject to the public hearing on September 12, 2018.

The City Council makes the following findings concerning the Service Plan for the Public Improvement District:

- (a) Advisability of the Services Proposed for the District.** The District promotes the interests of the City and confers a special benefit to the property within its boundaries and it is advisable to continue the District and to provide the services and improvements described in this resolution.

August 22, 2018

- (b) **Nature of the Services and Improvements.** The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District. The general nature of the proposed services and improvements to be provided in the District include enhanced public safety and security, lighting, sidewalk and streetscape improvements, landscaping improvements including plantings, hardscape, trolley operation and capital improvements, District marketing and promotional activities and improvements as authorized by the Act.
- (c) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$2,757,075 in 2019 and reach \$4,032,142 in 2023. The total estimated assessments to be collected during the next five-year period is approximately \$16,575,806. The District shall incur no bonded indebtedness.
- (d) **Boundaries.** The boundaries of the District are located wholly within the City of Dallas, Texas. The boundaries of the District are as shown on **Exhibit A**.
- (e) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District (DCAD). The assessment amount for 2018 is proposed to be \$2,715,075. This amount is approximately equal to \$0.0450 per \$100.00 of appraised value as determined by the DCAD. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the district. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections. The real property of jurisdictions and entities that have obtained an exemption from City of Dallas real property taxes pursuant to the Texas Property Code (except under the provisions of Sections 11.24 and 11.28 of the Property Tax Code) will not be subject to an assessment on that portion of the assessed value of the property exempt from City real property taxes. Property owned by tax-exempt religious organizations will be exempt from assessment as will property owned by persons already receiving and qualifying for 65-or-older homestead exemption under Section 11.13 (c) or (d) of the Texas Property Tax Code. Payment of assessments by other exempt jurisdictions and entities must be established by contract.

August 22, 2018

- (f) Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

SECTION 3. That a public hearing shall be held at 1:00 p.m. on September 12, 2018, in the City Council Chamber, Dallas City Hall, 6th floor, 1500 Marilla Street, Dallas, Texas at which time any interested person may appear and speak for or against the setting of an assessment against real property and real property improvements, exclusive of rights-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.


SECTION 4. That notice of such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners in the District before the 10th day before the public hearing.

SECTION 5. That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2018 assessment roll on file with the City Secretary; approving the Service Plan for 2019; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the assessment; and providing an effective date.


SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Uptown Public Improvement District Boundary Map Exhibit A

Legend

 Uptown PID Boundary

 Katy Trail

 Parcels shown based on available 2011 geography. Any parcels shown within the boundary lines of the PID are intended to be included even in the event of future replats creating new or reconfigured parcels.

* Uptown PDI Boundary excludes Bristle Cone Townhomes.

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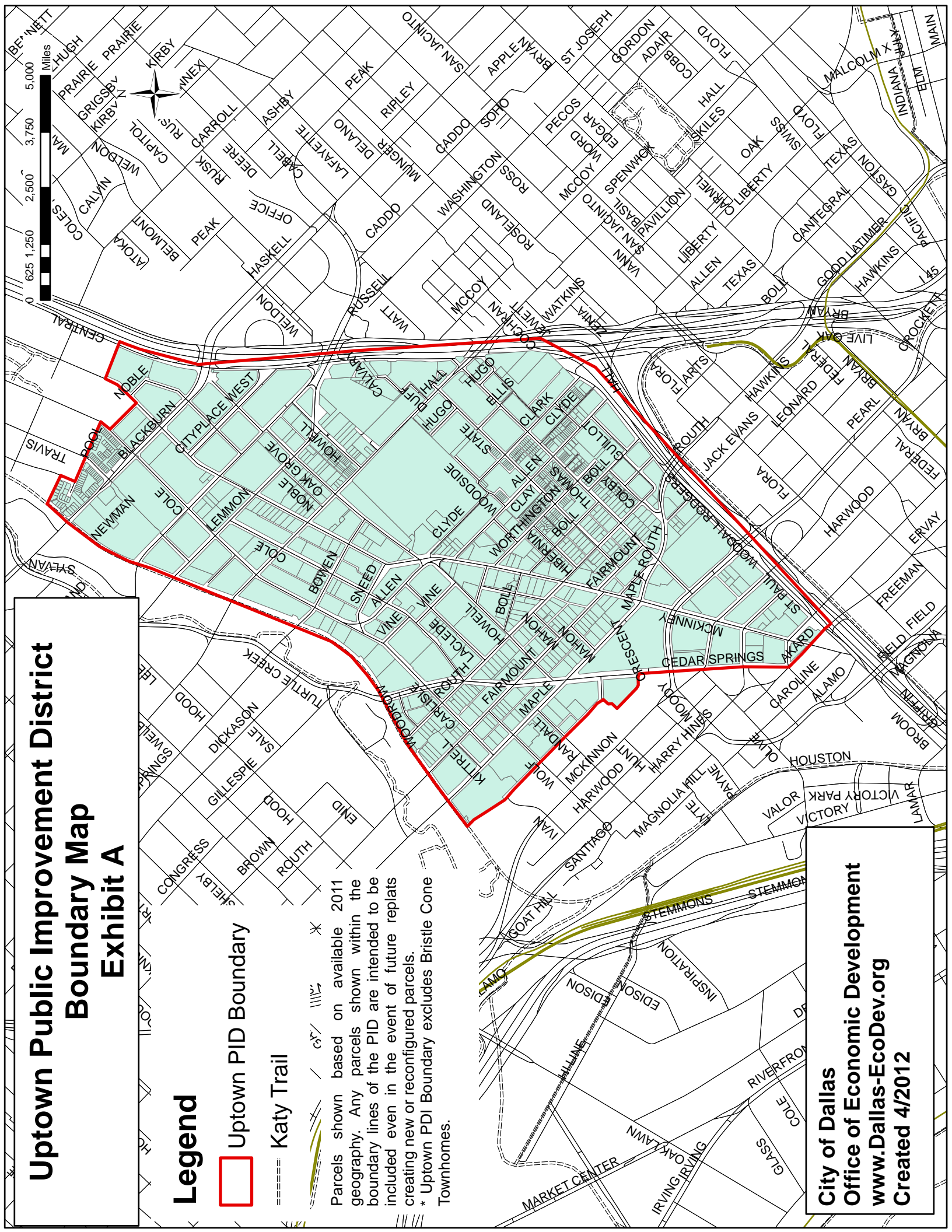


EXHIBIT B

UPTOWN PUBLIC IMPROVEMENT DISTRICT SERVICE PLAN (2019 - 2023)

Income	2019	2020 ²	2021 ²	2022 ²	2023 ²
Net Assessments	\$2,715,075	\$2,986,583	\$3,285,241	\$3,613,765	\$3,975,142
Interest	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Marketing Sponsorships (for events)	\$40,000	\$40,000	\$45,000	\$50,000	\$55,000
Total	\$2,757,075	\$3,028,583	\$3,332,241	\$3,665,765	\$4,032,142
Expenditures					
Capital Improvements (Median Landscaping, gateway markers, walking trails, parks, streetscape, Katy Trail).	\$827,123	\$908,575	\$999,672	\$1,099,730	\$1,209,642
Services (Off-duty police, trolley operations, traffic & parking, marketing and promotion)	\$639,268	\$707,146	\$783,060	\$866,441	\$958,035
General Improvements (Landscape, tree care, street & sidewalk sweeping, trash cans, graffiti removal, grates).	\$827,123	\$908,575	\$999,672	\$1,099,730	\$1,209,642
Finance & Administration (Staff Salaries & benefits, rent, office expenses, audit, insurance)	\$398,561	\$454,287	\$499,836	\$549,865	\$604,821
Griggs Park Improvements ³	\$0	\$0	\$0	\$0	\$0
Contingency ¹	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Renewal/Creation Fee	\$15,000				
Total	\$2,757,075	\$3,028,583	\$3,332,241	\$3,665,765	\$4,032,142

¹ Contingency funds: Allowance made for anticipated tax refunds due to protests by property owners

² Expenses are estimated and are subject to a renewal in 2019.

³ The elimination of expenses for the Griggs Park Improvements is because the related projects have been completed.

EXHIBIT C
2018 ASSESSMENT PLAN Uptown
Public Improvement District

The cost of the services and improvements provided by the Uptown Public Improvement District will be paid primarily by special assessments against properties in the District. Annual assessments will be based on the total value of real property and improvements as determined by the Dallas Central Appraisal District.

All property owners not exempt from assessment will be assessed at a uniform rate. In 2018, the proposed rate continues to be 4.5 cents per \$100 of value. Assessments will be carried out in accordance with procedures stipulated in Chapter 372 of the Texas Local Government Code.

The City of Dallas shall not be responsible for payment of assessments against exempt City property in the District. The District's cemeteries, which operate on a nonprofit basis and are not specifically benefited by most of the improvements and services, are one class of tax-exempt properties. Accordingly, the cemeteries will be exempt from assessment. Property owned by tax-exempt religious organizations will be exempt from assessment and property owned by persons already receiving and qualifying for 65-or-older homestead exemption under Section 11.13 (c) or (d) of the Texas Property Tax Code. Payment of assessment by other exempt jurisdictions must be established by contract. No such contracts are in place, nor are any proposed. City rights-of-way and city parks are exempt from assessment. Properties otherwise exempt from ad valorem taxes are not subject to assessment.

UPID's assessments will be collected by Dallas County or other contractor chosen by the City of Dallas, in accordance with the management contract between the City of Dallas and Uptown Dallas, Inc., the non-profit corporation that manages the District.



Agenda Information Sheet

File #: 18-623

Item #: 13.

STRATEGIC PRIORITY: Economic and Neighborhood Vitality

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): 13

DEPARTMENT: Office of Economic Development

EXECUTIVE: Raquel Favela

SUBJECT

Authorize **(1)** approval of the proposed Vickery Meadow Public Improvement District ("District") 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll; **(2)** a public hearing to be held on September 12, 2018, to receive comments concerning the annual assessment for the District; and, at the close of the hearing; **(3)** consideration of an ordinance levying a special assessment on property in the District, for services and improvements to be provided during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2018 assessment; and providing an effective date - Financing: No cost consideration to the City - See Fiscal Information

BACKGROUND

This item is being placed on the addendum due to the unavailability of 2018 certified appraisal data specific to the public improvement districts (PIDs) prior to regular agenda deadline and subsequent processing time required to update service plan budgets.

In accordance with the Public Improvement District Assessment Act (Act) in Chapter 372 of the Texas Local Government Code, the City Council calls and holds a public hearing to hear and pass on any objections to the annual assessment to be levied against property in the Public Improvement District (PID) and approves the Service Plan for each PID.

The Vickery Meadow Management Corporation provided the proposed District 2019 Service Plan and proposed 2018 Assessment Plan for review, and staff found the services and improvements to be advisable and recommended approval subject to the public hearing on September 12, 2018.

The Public Improvement District Service Plan is outlined in the following way:

(a) Nature of the Services and Improvements. The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District. The general nature of the proposed services and

improvements to be performed by the District includes enhanced security and public safety, capital improvements, improvement of common areas, landscaping, trash/litter removal, graffiti control, marketing and promotional activities, distinctive lighting and signage, business development and recruitment to promote the area, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.

- (b) Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$905,460 in 2019 and reach \$1,478,975 in 2023. The total estimated assessments to be collected for during the next five-year period is approximately \$6,627,255. The District shall incur no bonded indebtedness.
- (c) Boundaries.** The boundaries of the District are shown on the attached map of the District.
- (d) Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District. The assessment amount for 2018 is proposed to be \$891,658. This amount is approximately equal to \$0.10 per \$100.00 of appraised value for the premium service area in the District and \$0.05 per \$100.00 of appraised value for the standard service area. Once levied, this assessment rate shall not increase during the 2019 Service Plan year. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections.
- (e) Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 23, 1993, City Council authorized the creation of the Vickery Meadow Public Improvement District, approval of the Service Plan and management contract by Resolution No. 93-2502.

On May 13, 1998, September 10, 2003, June 25, 2008 and August 12, 2015, City Council authorized the renewal of the Vickery Meadow Public Improvement District (District), as a public improvement district in accordance with the provisions of Chapter 372 of the Texas Local Government Code and provided findings as to the advisability of the proposed supplemental services and improvements, to be funded by assessments on real property and real property improvements on property located in

the District, exclusive of rights-of-way; designating Vickery Meadow Management Corporation as manager of the District and authorizing a contract for management services; and approving the District Service Plan and annual updates by Resolution Nos. 98-1440, 03-2475, 08-1867 and 15-1474.

On September 13, 2017, City Council authorized an ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan, and 2017 Assessment Roll by Resolution No. 17-1495; Ordinance No. 30649.

Information about this item was provided to the Economic Development and Housing Committee on August 6, 2018.

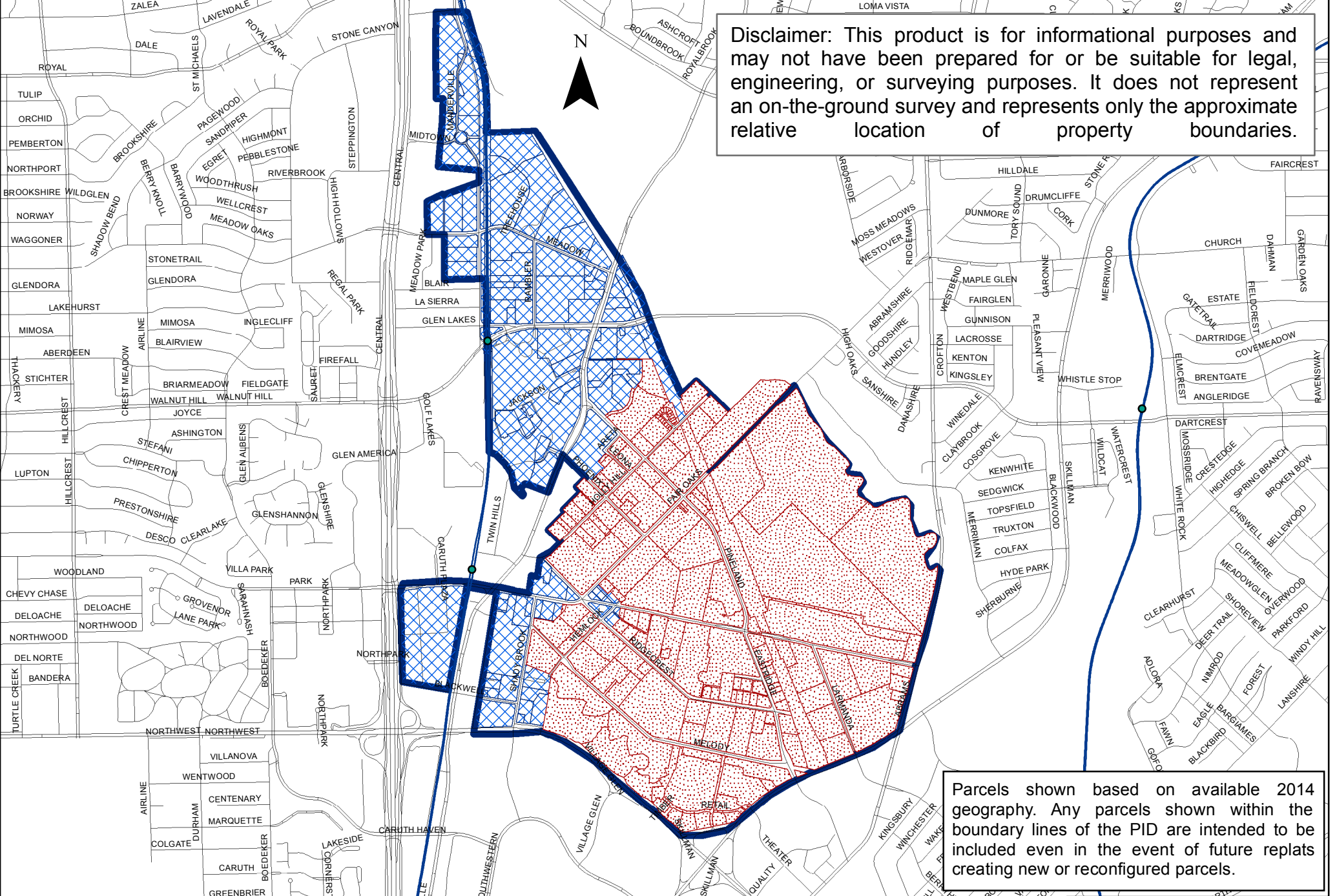
FISCAL INFORMATION

Cost consideration to others - the proposed assessment amount is amount is approximately equal to \$0.10 per \$100.00 of appraised value for the premium service area in the District and \$0.05 per \$100.00 of appraised value in the standard service area as determined by the DCAD. (i.e. property owners within the boundaries of the Public Improvement District pay the assessment and the funds are managed by private, non-profit entities under a management contract with the City).

MAP

Attached

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



Parcels shown based on available 2014 geography. Any parcels shown within the boundary lines of the PID are intended to be included even in the event of future replats creating new or reconfigured parcels.

Vickery Meadow PID Boundary Map

- VMPID Standard Service Area
- VMPID Premium Service Area
- Vickery Meadow PID Boundary

DALLAS ECONOMIC DEVELOPMENT
 Area Redevelopment Division
 214.670.1685
dallas-ecodev.org
 Created 07/2015

August 22, 2018

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (“Act”) allows for the creation of public improvement districts; and

WHEREAS, on June 23, 1993, City Council authorized the creation of the Vickery Meadow Public Improvement District (District), as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated Vickery Meadow Management Corporation as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 93-2502; and

WHEREAS, on May 13, 1998, September 10, 2003, June 25, 2008 and August 12, 2015, City Council authorized the renewal of the Vickery Meadow Public Improvement District (District), as a public improvement district in accordance with the provisions of Chapter 372 of the Texas Local Government Code and provided findings as to the advisability of the proposed supplemental services and improvements, to be funded by assessments on real property and real property improvements on property located in the District, exclusive of rights-of-way; designating Vickery Meadow Management Corporation as manager of the District and authorizing a contract for management services; and approving the District Service Plan and annual updates by Resolution Nos. 98-1440, 03-2475, 08-1867 and 15-1474; and

WHEREAS, on September 13, 2017 City Council authorized an ordinance approving and adopting the final 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll by Resolution No. 17-1495; Ordinance No. 30649; and

WHEREAS, the Vickery Meadow Management Corporation provided City staff with the proposed District 2019 Service Plan and 2018 Assessment Plan as shown in **Exhibits B and C**; and

WHEREAS, the City Council must review the proposed 2019 Service Plan and 2018 Assessment Plan and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the 2018 assessment against real property and real property improvements exclusive of rights-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

August 22, 2018

SECTION 1. That pursuant to the requirements of the Act, the City Council, after reviewing the proposed 2019 Service Plan and the proposed 2018 Assessment Plan for the Vickery Meadow Public Improvement District will consider approval of the final 2019 Service Plan and 2018 Assessment Plan, subject to the public hearing on September 12, 2018.

The City Council makes the following findings concerning the Service Plan for the Public Improvement District:

- (a) **Advisability of the Services Proposed for the District.** The District promotes the interests of the City and confers a special benefit to the property within its boundaries and it is advisable to continue the District and to provide the services and improvements described in this resolution.
- (b) **Nature of the Services and Improvements.** The purpose of the District is to supplement and enhance services provided within the District, but not to replace or supplant existing City services provided within the District. The general nature of the proposed services and improvements to be performed by the District includes enhanced security and public safety, capital improvements, improvement of common areas, landscaping, trash/litter removal, graffiti control, marketing and promotional activities, distinctive lighting and signage, business development and recruitment to promote the area, and related expenses incurred in establishing, administering and operating the District as authorized by the Act.
- (c) **Estimated Cost of the Services and Improvements.** During the next five-year period, the estimated annual cost of the improvements and services provided by the District is expected to begin at approximately \$905,460 in 2019 and reach \$1,478,974 in 2023. The total estimated assessments to be collected for during the next five-year period is approximately \$6,627,255. The District shall incur no bonded indebtedness.
- (d) **Boundaries.** The boundaries of the District are located wholly within the City of Dallas, Texas. The boundaries of the District are as shown in **Exhibit A**.
- (e) **Method of Assessment.** The assessment shall apportion the costs each year among the property owners on the basis of special benefits accruing to the property. The proposed method of assessment, which may specify included or excluded classes of assessable property, shall be assessed according to the value of the real property and real property improvements as determined by the Dallas Central Appraisal District. The assessment amount for 2018 is proposed to be \$891,658. This amount is approximately equal to \$0.10 per \$100.00 of appraised value for the premium service area in the District and \$0.05 per \$100.00 of appraised value for the standard service area. Once levied, this assessment rate shall not increase during the 2019 Service Plan year.

August 22, 2018

The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. Future annual assessment rates, however, may be increased up to a maximum of \$0.15 per \$100.00 valuation subject to appropriations set forth in the petition that created the District. Any future increase in the assessment rate would also be subject to a public hearing and the city council passing on all objections.

- (f) **Apportionment of costs between the District and the Municipality as a Whole.** The assessment is levied on the real property and real property improvements in the District according to the value of such property. Levying the assessment for the services and improvements based on the appraised value of the property results in the apportionment of the costs on the basis of special benefits accruing to the property. No assessment, however, will be levied against exempt City property in the District. The City of Dallas is not responsible for payment of assessment against exempt City property in the District. City rights-of-way, railroad right-of-way, City parks and cemeteries are not specially benefitted and therefore are not subject to PID assessment.

SECTION 2. That the facts and recitations contained in the preamble of this resolution are hereby found and declared to be true and correct.

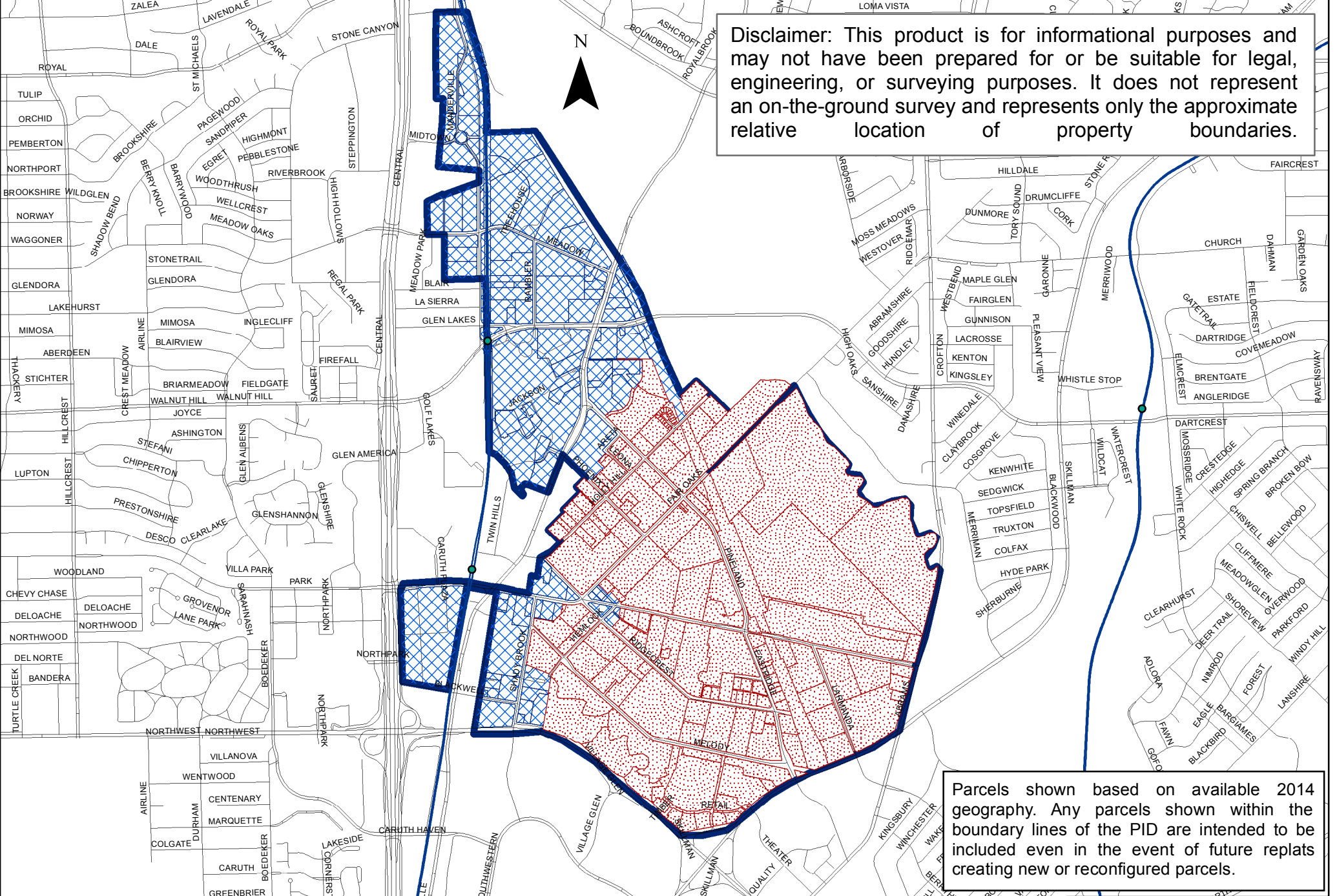
SECTION 3. That a public hearing shall be held at 1:00 p.m. on September 12, 2018, in the City Council Chamber, Dallas City Hall, 6th Floor, 1500 Marilla Street, Dallas, Texas 75201 at which time any interested person may appear and speak for or against the setting of an assessment against real property and real property improvements, exclusive of rights-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements.

SECTION 4. That notice of such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners in the District before the 10th day before the public hearing.

SECTION 5. That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2018 Assessment Roll on file with the City Secretary; approving the Service Plan for 2019; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2019; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the assessment; and providing an effective date.

SECTION 6. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



Parcels shown based on available 2014 geography. Any parcels shown within the boundary lines of the PID are intended to be included even in the event of future replats creating new or reconfigured parcels.

Exhibit A - Vickery Meadow PID Boundary Map

- VMPID Standard Service Area
- VMPID Premium Service Area
- Vickery Meadow PID Boundary

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Exhibit B
**VICKERY MEADOW PUBLIC IMPROVEMENT DISTRICT
SERVICE PLAN (2019-2023)**

	2019 BUDGET	2020 BUDGET	2021 BUDGET	2022 BUDGET	2023* BUDGET
REVENUES:					
Gross Assessment	\$907,500.59	\$1,407,500.59	\$1,449,725.61	\$1,449,725.61	\$1,493,217.38
PID Oversight Charge from City	\$15,843.00	\$16,143.00	\$16,143.00	\$16,143.00	\$16,143.00
Net Assessment	\$891,657.59	\$1,391,357.59	\$1,433,582.61	\$1,433,582.61	\$1,477,074.38
Interest Income	\$1,500.00	\$1,600.00	\$1,800.00	\$1,900.00	\$1,900.00
Surplus Carried Forward ⁹	\$12,302.13	\$0.00	\$0.00	\$0.00	\$0.00
<u>TOTAL REVENUE</u>	\$905,459.72	\$1,392,957.59	\$1,435,382.61	\$1,435,482.61	\$1,478,974.38
DISBURSEMENTS:					
Safety & Security Expenses ¹	39% \$344,074.69	38% \$529,323.88	38% \$545,445.39	38% \$545,483.39	38% \$562,010.26
Capital Improvements ²	15% \$135,818.96	15% \$208,943.64	15% \$215,307.39	15% \$215,322.39	15% \$221,846.16
Property Standard Expenses ³	13% \$117,709.76	13% \$181,084.49	13% \$186,599.74	13% \$186,612.74	13% \$192,266.67
Promotion ⁴	7% \$63,382.18	7% \$97,507.03	7% \$100,476.78	7% \$100,483.78	7% \$103,528.21
Economic Development Expense ⁵	2% \$18,109.19	2% \$27,859.15	2% \$28,707.65	2% \$28,709.65	2% \$29,579.49
Recreation programming/Community Service ⁶	2% \$18,109.19	2% \$27,859.15	2% \$28,707.65	2% \$28,709.65	2% \$29,579.49
Park Lane ⁷	8% \$72,436.78	8% \$111,436.61	8% \$114,830.61	8% \$114,838.61	8% \$118,317.95
Midtown Park ⁸	3% \$27,163.79	3% \$41,788.73	3% \$43,061.48	3% \$43,064.48	3% \$44,369.23
Administrative Expenses ⁹	9% \$90,545.97	10% \$139,295.76	10% \$143,538.26	10% \$143,548.26	10% \$147,897.44
Insurance & Audit Expenses	2% \$18,109.19	2% \$27,859.15	2% \$28,707.65	2% \$28,709.65	2% \$29,579.49
<u>TOTAL DISBURSEMENTS</u>	\$905,459.72	\$1,392,957.59	\$1,435,382.61	\$1,435,482.61	\$1,478,974.38
ENDING FUND BALANCE	\$0	\$0	\$0	\$0	\$0

Notes:

- ¹. Crime Database, Security Patrols, & Crime Prevention
- ². Capital Improvements - large-scale street improvements, sidewalks, enhanced landscaping, etc. Large scale projects may require funds to be carried over multiple years.
- ³. Landscaping, Litter Removal, Graffiti Abatement, Cart Pickup
- ⁴. Marketing, Promotion and Advertising
- ⁵. Neighborhood Planning & Recruitment of Business
- ⁶. Community Enrichment Activities, Youth Development Activities, & Special Events
- ⁷. Improvement of Common Areas or security in the Park Lane Development
- ⁸. Improvements of Common Areas or security in the Mid-Town Development
- ⁹. Office Management & Items Required by PID Contract

Exhibit C

VICKERY MEADOW IMPROVEMENT DISTRICT 2018 ASSESSMENT PLAN

The costs of the services and improvements by the Vickery Meadow Improvement District will be paid primarily by assessments against real properties within the District's boundaries. Annual assessments will be based on the value of real property and improvements as certified by the Dallas Central Appraisal District ("DCAD").

The 2018 assessment rate for the property in the premium service area is proposed at \$.10 per \$100 value. The 2018 assessment rate for the property in the standard service area is proposed at \$.05 per \$100 value. Assessments will be carried out in accordance with procedures stipulated in Chapter 372 of the Texas Local Government Code. The City of Dallas shall not be responsible for payment of assessments against exempt City property including City rights-of-way and parks. Payment of assessment by other tax-exempt owners must be established by contract. No such contracts are in place at present.

The Vickery Meadow PID assessments will be collected by the Dallas County Tax Office in accordance with the contract with the City of Dallas and in accordance with the management contract between the City of Dallas and the Vickery Meadow Management Corporation.



Agenda Information Sheet

File #: 18-710

Item #: 14.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Mayor and City Council Office

EXECUTIVE: T.C. Broadnax

SUBJECT

An ordinance amending Chapter 2, "Administration," of the Dallas City Code by amending Section 2-17.2 by **(1)** providing additional organizations from which to select a member of the nominating commission; **(2)** deleting the U.S. Government Accountability Office member requirement; **(3)** amending the annual revenue of a publicly-traded company; and **(4)** providing that members may be current or former executive of a publicly-traded company - Financing: No cost consideration to the City

BACKGROUND

On June 5, 2018, the Mayor informed City Council that the City Auditor Craig D. Kinton would not seek another term.

On June 18, 2018, the City Auditor Craig D. Kinton gave a presentation to the Government Performance and Financial Management Committee, which outlined the process to select a new City Auditor, including creating a five-member City Auditor Nominating Commission that included one member from the federal government's Accountability Office.

On June 21, 2018, the Chair of the Government Performance and Financial Management Committee sent a memorandum to City Council detailing the City Code criteria for membership on the City Auditor Nominating Commission, and asked City Council to submit suggestions for appointment to this Commission.

On July 24, 2018, the City Auditor informed City Council that his last day with the City will be the close of business on September 28, 2018.

On August 6, 2018, the Government Performance and Financial Management Committee was briefed on the proposed amendments to Dallas City Code Chapter 2-17.2 because the federal government deemed that serving on the City Auditor Nomination Committee would be a conflict of interest.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 6, 2018, the Government Performance and Financial Management Committee was briefed and recommended approval of the Chapter 2-17.2 amendments regarding the City Auditor Nominating Commission.

FISCAL INFORMATION

No cost consideration to the City.

ORDINANCE NO. _____

An ordinance amending Chapter 2, "Administration," of the Dallas City Code by amending Section 2-17.2; providing additional organizations from which to select a member of the nominating commission; deleting the U.S. Government Accountability Office member requirement; amending the annual revenue of a publicly-traded company; providing that members may be a current or former executive of a publicly-traded company; providing that a member must be a resident of the City of Dallas; providing a saving clause; providing a severability clause; and providing an effective date; Now, Therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Section 2-17.2, "Selection of City Auditor; Nominating Commission," of Article I, "In General," of Chapter 2, "Administration," of the Dallas City Code is amended to read as follows:

"SEC. 2-17.2. SELECTION OF CITY AUDITOR; NOMINATING COMMISSION.

(a) Before the end of each term of a city auditor, or at such other times when a vacancy occurs or is anticipated to occur in the office of city auditor, the city council shall appoint a nominating commission to select a city auditor in accordance with Chapter IX, Section 1 of the city charter. The commission shall be composed of five members, including a chair and vice-chair, meeting the following qualifications:

(1) One member must be a representative selected by the board of directors of the Dallas Chapter of one of the following professional organizations, including the: [A]Texas Society of Certified Public Accountants (TSCPA); Institute for Internal Auditors (IIA); Information Systems Audit and Control Association, Inc. (ISACA); Financial Executives International (FEI); Association of Government Accountants (AGA); or other such organizations experienced in accounting and auditing.

(2) ~~[One member must be the Dallas regional director of the United States Government Accountability Office, or the highest ranking auditor of the Dallas division of the United States Government Accountability Office.~~

(3) Four [~~Three~~] members must meet any one of the following qualifications:

(A) Be a current or former managing or founding partner of a multi-national public accounting firm with offices located in the city, excluding any firm under current contract with the city to provide external audit services.

(B) Be one of the following persons associated with a publicly-traded company headquartered in Dallas County that has at least 500 million [~~one billion~~] dollars in annual revenue:

(i) the current or former chief financial officer;

(ii) the current or former chief auditor of an internal audit group;

or

(iii) the current or former chief executive officer [~~or a person who has served as the chief executive officer within the preceding three years~~].

(C) Be a former mayor or council member of the city.

(D) Be a current or former city auditor of the city.

(b) [~~Notwithstanding the general board qualifications of Section 8-1.4(a)(1) and (2) of this code,~~] A [~~a~~] person appointed to the city auditor nominating commission under Subsection (a)(2) or (a)(3)(B) of this section is not required to be a resident or qualified voter of the city of Dallas.

(c) The commission shall, within 15 days after being appointed, hold its first meeting to consider nomination of a person to serve as city auditor. Within 180 days after its first meeting, the commission shall nominate to the city council one or more candidates for city auditor selected by a majority of the commission members. The city council shall, within 30 days after receipt of the nomination, accept one of the nominated candidates or reject all of the candidates.

(d) If the city council rejects all candidates nominated for city auditor, it shall immediately notify the commission and request the nomination of different candidates. Commission members shall serve until the city council accepts a candidate nominated by them to be city auditor.

(e) The director of human resources of the city shall assist the commission, when necessary, in seeking and screening applicants for the position of city auditor.

(f) Notwithstanding Subsections (a) through (e) of this section, at the end of a city auditor's term (including any period in which a city auditor is holding over), the city council government performance and financial management [~~finance and audit~~] committee may, on its own initiative or at the direction of the city council, act as a nominating commission and, by a majority vote, nominate the incumbent city auditor for reappointment by the full city council. If a

majority of the government performance and financial management [~~finance and audit~~] committee does not vote to nominate the incumbent city auditor for another term, or if, upon receiving the nomination from the finance and audit committee, a majority of the city council does not vote to reappoint the incumbent city auditor for another term, then the nominating process described in Subsections (a) through (e) must be followed.”

SECTION 2. That Chapter 2 of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 3. That any act done or right vested or accrued, or any proceeding, suit, or prosecution had or commenced in any action before the amendment or repeal of any ordinance, or part thereof, shall not be affected or impaired by amendment or repeal of any ordinance, or part thereof, and shall be treated as still remaining in full force and effect for all intents and purposes as if the amended or repealed ordinance, or part thereof, had remained in force.

SECTION 4. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 5. That this ordinance shall take effect immediately from and after its passage on August 22, 2018, in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

LARRY E. CASTO, City Attorney

By _____
Assistant City Attorney

Passed _____



Agenda Information Sheet

File #: 18-712

Item #: 15.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Mayor and City Council Office

EXECUTIVE: T.C. Broadnax

SUBJECT

Consideration of appointments to the City Auditor Nominating Commission - Financing: No cost consideration to the City

BACKGROUND

On June 5, 2018, the Mayor informed City Council that the City Auditor Craig D. Kinton would not seek another term.

On June 18, 2018, the City Auditor Craig D. Kinton gave a presentation to the Government Performance and Financial Management Committee, outlining the process to select a new City Auditor. The City Auditor Nominating Commission members are appointed by City Council, in accordance with Dallas City Code Chapter 2-17.2 to select a City Auditor in accordance with Chapter IX, Section 1 of the City Charter. The Nominating Commission must be composed of five members meeting specific qualifications outlined in Chapter 2-17.2.

Within 180 days after its first meeting, the Nominating Commission shall nominate to the City Council one or more candidates for City Auditor. The City Council shall, within 30 days after receipt of the nomination, accept one of the nominated candidates or reject all the candidates.

On June 21, 2018, the Chair of the Government Performance and Financial Management Committee sent a memorandum to City Council detailing the City Code criteria for membership on the Nominating Commission, and asked City Council to submit suggestions for appointment to the Nominating Commission.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 6, 2018, the Government Performance and Financial Management Committee recommended to the City Council five nominees for appointment to the nominating commission.

FISCAL INFORMATION

No cost consideration to the City.

August 22, 2018

WHEREAS, the City Auditor, Craig D. Kinton has resigned effective at the close of business on September 28, 2018; and

WHEREAS, City Council, in accordance with Dallas City Code Chapter 2-17.2, before the end of each term of a city auditor or at such other times when a vacancy occurs or is anticipated to occur in the office of the city auditor, shall appoint a Nominating Commission to select a City Auditor in accordance with Chapter IX, Section 1 of the City Charter; and

WHEREAS, the City Auditor Nominating Commission shall be composed of five members, including a chair and vice-chair meeting specific criteria provided in Chapter 2-17.2(a); and

WHEREAS, the City Auditor Nominating Commission shall meet within 15 days after being appointed, and shall within 180 days after its first meeting, nominate to the city council one or more candidates for city auditor selected by a majority of the nominating commission; and

WHEREAS, the Government Performance and Financial Management Committee on August 6, 2018, recommended five nominees to the City Auditor Nominating Commission that meet the criteria in Chapter 2-17.2.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the following individuals are hereby appointed to the City Auditor Nominating Commission to serve for 180 days from the date of the Nominating Commission's first meeting:

- Ann Margolin, former City Councilmember
- Timothy Scott Pike, CPA, CFE, Howard, LLP - Partner, Audit Director
- Maxine Thornton Reese, Ph.D., former City Councilmember
- Kenneth Travis, Travis Wolff, LLP - retired Founding Partner, Public Accounting Firm
- Michelle Vopni, CPA, Ernst & Young - Office Managing Partner

SECTION 2. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Agenda Information Sheet

File #: 18-713

Item #: 16.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Mayor and City Council Office

EXECUTIVE: T.C. Broadnax

SUBJECT

A resolution appointing Carol A. Smith, as Interim City Auditor for the City of Dallas, effective at the close of business on September 28, 2018, to serve until the City Council selects and appoints a permanent City Auditor - Not to exceed \$168,571.66 annually - Financing: General Fund

BACKGROUND

On June 5, 2018, the Mayor informed City Council that the City Auditor Craig D. Kinton would not seek another term.

On July 24, 2018, the City Auditor informed City Council that his last day with the City will be the close of business on September 28, 2018.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

City Council met in closed session on the appointment of an interim city auditor on June 27, 2018, and August 15, 2018.

FISCAL INFORMATION

General Fund - \$168,571.66

August 22, 2018

WHEREAS, Craig D. Kinton has submitted his resignation as City Auditor, effective at the close of business on September 28, 2018; and

WHEREAS, the City Council has determined that it is necessary to appoint an Interim City Auditor during the time it takes to select a permanent City Auditor.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Carol A. Smith is hereby appointed Interim City Auditor, effective at the close of business on September 28, 2018, to serve until the City Council selects and appoints a permanent City Auditor. During this temporary appointment period, Carol A. Smith shall have the full powers and duties of the City Auditor as provided in the City Charter and ordinances and shall be paid an annual base salary at the rate of \$168,571.66 per year while serving in this capacity.

SECTION 2. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.



Agenda Information Sheet

File #: 18-706

Item #: 17.

STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: August 22, 2018

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Office of Budget

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize **(1)** public hearings to be held on Wednesday, September 5, 2018 and Wednesday, September 12, 2018 to receive comments on a proposed tax rate; and **(2)** a proposal to consider adoption of a \$0.7650/\$100 valuation tax rate, or a lower rate as may be proposed by the City Council on September 18, 2018 - Financing: This action has no cost consideration to the City (This item was deferred on August 14, 2018)

BACKGROUND

The City Manager's recommended FY 2018-19 budget includes a tax rate of \$0.7650/\$100. To set a property tax rate above the effective rate of \$0.7391/\$100, State law requires the following:

- Specify a proposed desired rate; take record vote and schedule two special public hearings;
- Publish "Notice of 2018 Tax Year Proposed Property Tax Rate" (quarter-page notice) at least seven days before public hearing (by August 30, 2018);
- Minimum 72-hour notice for public hearing;
- Hold two special public hearings, schedule and announce meeting to adopt tax rate 3-14 days from this date (Wednesday, September 5, 2018 and Wednesday, September 12, 2018);
- Minimum 72-hour notice for meeting at which Council will adopt tax rate; and
- Meeting to adopt tax rate (September 18, 2018).

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

City Council was briefed on the City Manager's Proposed Budget on August 14, 2018.

On August 14, 2018, this item was deferred by Mayor Michael S. Rawlings.

FISCAL INFORMATION

This action has no cost consideration to the City.

August 22, 2018

WHEREAS, the City Manager's proposed FY 2018-19 Budget includes a \$0.7650/\$100 tax rate; and

WHEREAS, Chapter 26 of the Texas Property Tax Code requires the publication of one notice and holding two public hearings should a tax rate above the lower of the effective or rollback rate be considered; and

WHEREAS, the City's FY 2018-19 effective rate is calculated to be \$0.7391/\$100; and

WHEREAS, the City Council desires to reserve the option to set a tax rate that exceeds the calculated effective rate of \$0.7391/\$100; and

WHEREAS, the City Council is committed to providing the citizens with the opportunity to speak on the City's FY 2018-19 tax rate.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That public hearings on the City's FY 2018-19 proposed tax rate be held on Wednesday, September 5, 2018 after 9:00 a.m. and Wednesday, September 12, 2018 after 1:00 p.m. at Dallas City Hall.

SECTION 2. That the City Council will consider adoption of a \$0.7650/\$100 valuation property tax rate, or a lower rate as may be proposed by the City Council on September 18, 2018.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.