

THIS IS A PROPOSED DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED ORDINANCE OR RESOLUTION ADOPTED BY CITY COUNCIL.

ORDINANCE

PUBLIC HEARING AND CONSIDERATION OF AN ORDINANCE APPROVING THE LEVY OF A SPECIAL ASSESSMENT FOR THE DOWNTOWN PUBLIC IMPROVEMENT DISTRICT; LEVYING AN ASSESSMENT RATE FOR THE FISCAL YEAR 2020 AT \$0.15 PER \$100.00 VALUE OF REAL PROPERTY IN THE DOWNTOWN PUBLIC IMPROVEMENT DISTRICT AND \$0.09 PER \$100.00 VALUE OF RESIDENTIAL CONDOMINIUMS; AND APPROVING THE FISCAL YEAR 2020 SERVICE AND ASSESSMENT PLAN FOR THE DOWNTOWN PUBLIC IMPROVEMENT DISTRICT.

* * * * *

WHEREAS, a public improvement district is a mechanism authorized by Chapter 372 of the Local Government Code, known as the Public Improvement District Assessment Act (the Act), that permits the City to levy an additional assessment on property owners within specified boundaries that may be used for capital improvements or services which supplement those provided by city government; and

WHEREAS, the Downtown PID was created in 1999 for an initial five-year term and was renewed again in 2004, 2009, and in May 2013, the City Council reauthorized the PID for a ten-year term beginning October 1, 2013 through September 30, 2023; and

WHEREAS, The method of PID assessment is based on the value of real property as determined by the Bexar Appraisal District. The assessment rate for each year is set in the PID's Service and Assessment Plan. The total estimated value of taxable real property in the PID for FY 2020 is \$3,331,704,678. This represents a 1% increase in the total assessed value of the PID from 2019.

WHEREAS, for Fiscal Year ("FY") 2020, in addition to the annual property taxes, property owners in the PID will be required to pay an additional assessment rate of \$0.15 per \$100.00 value. Residential condominiums are proposed to remain assessed at \$0.09 per \$100.00 value. This levy will yield \$4,899,743 in private property assessment. The assessment levy on private properties is expected to grow at an approximate rate 2.5% per each year thereafter through FY 2024.

WHEREAS, the City pays an assessment on exempt municipal property in the PID which staff estimates will be \$278,408.00 for FY 2019, and there are agreements for participation in the PID with Bexar County, VIA, Christus Santa Rosa, and City Public Service; and

WHEREAS, the Act provides for the creation of PIDs, outlines their uses and regulates how they may operate. A PID is created to provide supplemental services to enhance existing services, and a municipality may not reduce the provision of services within the PID boundaries.

Attachment A is a map of the PID boundary; and

WHEREAS, since the establishment of the PID the City has contracted with Centro Public Improvement District (“Centro”), a Texas non-profit corporation, to administer and coordinate daily services in the PID; and

WHEREAS, the terms of the proposed FY 2020 Services and Assessment Plan (“Plan”) with Centro provides supplemental core services for the downtown experience; maintenance, beautification and landscaping, hospitality ambassador services; outreach and security services; and programs and other services such as the marketing and promotion of the District, community events and programs, economic development activities including business recruitment and retention activities; project management, planning and research initiatives, and a Capital Improvement Program (CIP) that consists of small capital projects and other special projects of short duration; and

WHEREAS, this plan details the levels of services and improvements for each program during the coming year, sets the assessment rate, includes financial plan/program budget, and provides a five-year forecast. The Centro PID has developed and is recommending the attached Service and Assessment Plan for 2020 (Attachment B).

WHEREAS, the Act requires that all property owners in the proposed PID be notified in writing of the petitioned action and public hearing; that notice of an annual public hearing be advertised in a newspaper of general circulation at least ten days before the public hearing to consider oral and written objections to the levying of a special assessment to fund services and improvements for the PID in the downtown area; and

WHEREAS, notices were mailed to individual property owners on August 23, 2019 and the required public notice appeared in the Express News on Sunday August 25, 2019; and

WHEREAS, following public notice as required by the Act, a public hearing was held and closed on Thursday, September 5th, 2019, at 9:00 a.m., or as soon thereafter as possible, in the San Antonio City Council Chambers, to consider the levy of a special assessment to fund services for the PID; levying an assessment rate for FY 2019 at \$0.15 per \$100.00 value of commercial real property and \$0.09 per \$100.00 value for residential condominiums in the PID; and approval of the FY 2020 Service and Assessment Plan for the PID; and

WHEREAS, following the public hearing, staff requested the levy of the special assessment, approval of the special assessment rate, and approval of the FY 2020 Service and Assessment Plan for the PID; and

WHEREAS, City Council heard and passed on any objections to the levying of the special assessment; and

NOW THEREFORE:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. A public hearing was held on September 5, 2019 at 9:00 a.m., or as soon after that time as possible, in the San Antonio City Council Chambers in accordance with Chapter 372, Texas Local Government Code to consider the levy of a Special Assessment to fund services for the Public Improvement District.

SECTION 2. The City Manager or designee, or the Director of the Center City Development & Operations Department or designee, is authorized to execute a levy of a special assessment to fund supplemental services for the Downtown Public Improvement District; levying an assessment rate for Fiscal Year 2020 at \$0.15 per \$100.00 value of real property in the Downtown Public Improvement District and \$0.09 per \$100.00 value of residential condominiums; and approving the Fiscal Year 2020 Service and Assessment Plan for the Downtown Public Improvement District.

SECTION 3. Funding for this ordinance is contingent upon approval of the Fiscal Year 2020 Budget for Fund 11001000, per the table below:

| Amount | Fund | Cost Center | General Ledger |
|----------------|----------|-------------|----------------|
| \$278,408 est. | 11001000 | 8002430007 | 5203050 |
| | | | |

SECTION 4. Any other contributions to the PID Fund shall be deposited in Fund 69018000, entitled "Special Public Improvement District Fund", Internal Order 207000000122, and General Ledger 4101300.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 6. The FY 2020 Service and Assessment Plan attached to this Ordinance as Attachment B is approved.

SECTION 7. The statements set forth in the recitals of this Ordinance are true and correct, and are incorporated as a part of this Ordinance.

SECTION 8. This ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this _____th day of _____, 2019.

M A Y O R
Ron Nirenberg

DBS
Xx/xx/xx
Item No. 19-6084

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Andrew Segovia, City Attorney

DRAFT

ATTACHMENT A

DRAFT

ATTACHMENT B

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