



City of San Antonio

Legislation Details (With Text)

File #: 20-4778
Type: Miscellaneous Item
In control: City Council A Session
On agenda: 9/3/2020
Title: 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 2021 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; approving the Fiscal Year 2021 Service and Assessment Plan for the Downtown Public Improvement District; and approving the Third Amended and Restated Contract for improvements and/or services in the Downtown Public Improvement District to include River Walk level services with the Centro Public Improvement District for the period ending September 30, 2023. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development & Operations]

Sponsors:

Indexes:

Code sections:

Attachments: 1. PIDMap.pdf, 2. THIRD AMENDED & RESTATED CONTRACT FOR IMPROVEMENTS - DRAFT 1 - 2020 0812 (002).pdf, 3. Agreement.pdf, 4. Draft Ordinance, 5. Ordinance 2020-09-03-0605

Date	Ver.	Action By	Action	Result
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DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: 1

SUBJECT:

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 2021 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; approving the Fiscal Year 2021 Service and Assessment Plan for the Downtown Public Improvement District; and approving the Third Amended and Restated Contract for improvements and/or services in the San Antonio Public Improvement District to include River Walk level services with Centro Public Improvement District for the period ending September 30, 2023. Funding for this contract in the amount of \$629,332 is available in the FY 2021 Proposed Center City Development & Operations General Fund Budget subject to Council adoption on September 17, 2020.

SUMMARY:

This public hearing is called to consider public comment in conjunction with City Council consideration of an Ordinance approving the levy of a special assessment to fund supplemental services for the Downtown Public Improvement District (PID); maintaining an assessment rate at \$0.15 per \$100.00 value of commercial real property in the PID and \$0.09 per \$100.00 value of residential condominiums in the PID; and approving the 2021 Service and Assessment Plan (the Plan) for the PID.

BACKGROUND INFORMATION:

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

The Amended and Restated Contract for Improvements and/or Services in the San Antonio Public Improvement District with Centro Public Improvement District was authorized and approved by City Council on September 5, 2013, by the passage of Ordinance Number 2013-09-05-0613.

The current Second Amended and Restated Contract for Improvements and/or Services in the San Antonio Public Improvement District with Centro Public Improvement District was authorized and approved by City Council on September 20, 2018, by the passage of Ordinance Number 2018-09-20-0754 for the continue to supplement City services by providing maintenance, beautification and landscaping, hospitality ambassador services, outreach and security services, 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 capital projects and special project services

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 I is a map of the PID boundary.

The City contracts with the Centro PID, a non-profit corporation to manage services within the PID. The Centro PID 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. 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.

Under the proposed Third Amended and Restated Contract for Improvements and/or Services in the San Antonio Public Improvement District (“Second Amended and Restated Contract”) with the Centro Public Improvement District (“Centro”), Centro will continue to supplement City services and include the proposed amendment which adds River Walk custodial services. This River Walk custodial service was previously in a separate contract. This allows similar sanitation services provided by Centro to be under one contract. Upon approval of this agreement, the separate contract will terminate. A draft copy of the Third Amended and Restated Contract is attached to this Ordinance as Attachment II. An outline of the modification of the contract

is attached as Attachment III.

ISSUE:

The Centro PID has developed and is recommending the attached Service and Assessment Plan for 2021 (Attachment IV). The Plan reflects a total annual budget of \$6,808,427 with the following program services:

- Core Clean & Safe + Landscaping (\$3,666,788)
 - Maintenance to include sidewalk cleaning, pressure washing, and graffiti abatement services performed by uniformed Centro PID crews.
 - Beautification and landscaping including servicing light-pole mounted planters throughout the district, stair-rail planters along the River Walk and clusters of sidewalk planter throughout the PID.
 - Hospitality ambassador program provides information to downtown visitors about the various downtown sites.
 - Outreach and security, including continuation of the Haven for Hope Outreach Partnership on weekdays and daylight hours and the continuation of supplemental morning bike patrol hours in the District.
 - Management services including oversight of the District Operations office space, administrative support and overhead necessary for the daily operations of the PID.
- Marketing, Planning & Management (\$1,684,139)
 - Marketing, promotion and event programming related to the District, the Corporation's brands, and the downtown area.
 - Business retention and recruitment program that includes the on-going development and implementation of the enhanced business retention and recruitment program and collaboration with the Economic Development Foundation, the City's Economic Development Department and the San Antonio Chamber of Commerce in this area.
 - The Centro PID utilizes current staff resources to provide strategic support, project management oversight and research support for key initiatives.
 - The management agreement provides for the administrative oversight of the Centro PID to include administrative support staff to perform key functions including clerical, accounting, bookkeeping, human resources and legal; monitor the performance of said subcontractors; recruit, hire, pay and supervise the work force that the Corporation will utilize to furnish the services and programs defined in the Plan.
- Other Expenditures (\$1,457,500)
 - Small capital projects which could include the replacement of aged maintenance equipment; leasehold improvements to correct conditions of operation offices; two public restrooms; replacement; and a shade structure.
 - Funding is allocated for small capital projects and one-time, short duration programs within the District such as Zona Cultural, Travis Park Holiday Lighting and additional projects such as public art installations, re-branding of the Corporation, a comprehensive Shade Plan, the Main Street Navigator program and long-range urban development.

The Service and Assessment Plan was approved by the Centro PID Board on Wednesday, August 26, 2020. The Act requires the Plan to be approved by City Council.

ALTERNATIVES:

The City Council is required by the Act to approve the Service and Assessment Plan on an annual basis. If the City Council does not approve the Plan, the Centro PID may not implement supplemental services within the PID. The downtown property owners might look to the City to fund the enhanced services they have received in the past twenty-one years, which have been funded through the additional assessment.

FISCAL IMPACT:

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 2021 is \$3,311,349,366. This represents a 1% decrease in the total assessed value of the PID from 2020.

This year the Centro PID is recommending maintaining the assessment levy at \$0.15 per \$100.00 value. Residential condominiums are proposed to remain assessed at \$0.09 per \$100.00 value. This levy will yield \$4,894,316 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 2025.

For FY 2021, the City's contribution to the PID is \$283,976 and is based on the estimated value of City owned property within the PID boundaries. This includes facilities such as Municipal Plaza, City Hall, Metro Health Building, International Center, St. Mary's St and Convention Center parking garages, Plaza de Armas, Spanish Governor's Palace, Fire Station #1, EMS Supply, Casa de Mexico, Market Square and Market Square garage, Visitor Information Center, Central Library and parking garage, and La Villita. The City's contribution is included in the FY 2021 budget to be approved by the City Council on September 17, 2020.

The PID budget also includes \$294,000.00 from VIA for participation in the PID. These funds provide for the pressure washing of bus stops.

This Ordinance also approves the Third Amended and Restated contract for improvements and/or services in the San Antonio Public Improvement District with Centro PID for River Walk custodial services which have previously been provided through a separate contract. Funding for this contract in the amount of \$629,332 is available in the FY 2021 Proposed Center City Development & Operations General Fund Budget which is scheduled to be adopted by City Council on September 17, 2020.

RECOMMENDATION:

Staff recommends approval of the 2021 PID Service and Assessment Plan to fund services and improvements for the Downtown PID. Staff also recommends approving the Third Amended and Restated Contract with the Centro PID to include River Walk custodial services that were previously in a separate contract.