

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") allows for the creation of public improvement districts; and

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

WHEREAS, on August 9, 2006, City Council authorized the renewal of the Dallas Downtown Improvement District by Resolution Nos. 06-2048 and 06-2049; and

WHEREAS, on April 1, 2013, Dallas CBD Enterprises, Inc., representing homeowners of downtown area, delivered to the City of Dallas a Petition (the "Petition") to re-establish the Downtown Improvement District (the "District") that is shown on the map attached hereto and made a part hereof and labeled **(Exhibit A)** (the "Map of the District"); and

WHEREAS, the Act states that the Petition is sufficient if signed by owners of more than 50 percent of taxable real property, according to appraised value, and either of the following: more than 50 percent of the area of all taxable real property liable for assessment under the proposal, or more than 50 percent of all record owners of property liable for assessment; and

WHEREAS, City staff reviewed the petitions and determined that the Petitions for renewal are signed by owners of taxable real property in the District representing owners of sixty-six percent (66%) of the property value and owners of sixty-three percent (63%) of the land area; and

WHEREAS, the Act further requires that prior to the adoption of the resolution providing for the re-establishment of the Downtown Improvement District to provide supplemental public services to be funded by assessments on real property and real property improvements, the City Council must hold a public hearing on the advisability of the improvements; the nature of the improvement; the estimated cost of the improvement; the boundaries of the public improvement district; the method of assessment; and the apportionment of costs between the district and the municipality as a whole; and

WHEREAS, as further required by the Act, the City held the public hearing on May 22, 2013, and subsequently closed the public hearing after receiving interested persons' concerns and comments on the proposed 2013 assessment rate for the District; and

WHEREAS, on May 22, 2013, the City Council called for a public hearing to be held on June 12, 2013, to hear comments and concerns regarding the re-establishment of the Downtown Improvement District and stated its intent at the close of that hearing to consider a Resolution renewing the Downtown Improvement District; and

WHEREAS, after providing notices required by Section 372.009 of the Act, the City Council on June 12, 2013, conducted a public hearing on the advisability of the improvements and services, and adjourned such public hearing.

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 considering the Petition for the proposed District and evidence and testimony presented at the public hearing on June 12, 2013, hereby finds and declares:

- A. Advisability of Service and Improvements Proposed for the District.** It is advisable to create the District 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 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 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.
- C. Estimated Cost of the Services and Improvements.** The total estimated cost of services and improvements provided by the District for the seven year period is approximately forty-four million three hundred thirty-nine thousand five hundred fifty dollars (\$44,339,550). The estimated average annual cost of services for the District is approximately six million three hundred thirty-four thousand two hundred twenty-one dollars (\$6,334,221) (Exhibit B).
- D. Boundaries.** The District is located wholly within the City of Dallas, Texas. The boundaries of the District are shown on the Map of the District.

- E. Method of Assessment.** The proposed method of assessment, which may specify included or excluded classes of assessable property, is based on the value of the real property and real property improvements as determined by the Dallas Central Appraisal District. 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. The annual assessment rate for next seven (7) years will be \$0.1190 per \$100.00 of appraised value as determined by the Dallas Central Appraisal District (Exhibit C). The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. The assessment rate will be reviewed and approved annually by the Dallas City Council and will be carried out in accordance with procedures stipulated in Chapter 372 of the Texas Local Government Code.
- F. Apportionment of costs between the District and the Municipality as a Whole.** The District shall pay the cost of the improvements and services described in this petition. The City of Dallas contractually has agreed to pay assessments against exempt City property in the District. City right-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 the Downtown Improvement District is hereby authorized and established as a Public Improvement District under the Act in accordance with the findings as to the advisability of the services and improvements contained in this Resolution, with an effective date of January 1, 2014. The District shall be subject to all of the terms, conditions, limitations and reservations contained in the findings of Section 2 of this Resolution.

Section 4. That the City Secretary is directed to give notice of the authorization for the establishment of the District by publishing a copy of this Resolution once in the newspaper of general circulation in the City of Dallas. Such authorization shall take effect and the District shall be deemed to be established effective upon the publication of such notice. The District shall automatically dissolve on December 31, 2020 unless the District is renewed through the petition and approval process as provided by the Act, or the District is sooner terminated as provided by law.

Section 4. (Continued)

The power of the City to continue to levy and collect assessments within the District will cease and the District will be dissolved on the date that a petition requesting dissolution is filed with the City Secretary of the City of Dallas and the petition contains the signatures of at least enough property owners in the District to make the petition sufficient for creation of a public improvement district as provided in Section 372.005(b) of the Act.

Section 5. That the City Council authorizes that the District shall be managed through Dallas CBD Enterprises, Inc., a private nonprofit corporation established under the provisions of Section 501(c) of the Internal Revenue Code, to develop and recommend a service plan, improvement plan and assessment plan for approval by the City Council in order to promote the efficient management of the District. The Dallas CBD Enterprises, Inc., shall be the entity responsible for the management of the District.

Section 6. That City Council hereby approves the Service Plan prepared by the Dallas CBD Enterprises, Inc., which is attached hereto and made part hereof and marked **(Exhibit B)** and directs the Dallas CBD Enterprises, Inc., to implement it in accordance with the Act. The Service Plan covers a period of seven (7) years and defines the annual indebtedness and projected cost for services and improvements. The Dallas CBD Enterprises, Inc., is hereby granted the ability to modify or substitute items without City Council approval within the program categories in the Service Plan if such changes serve the common interest of owners and tenants in the District and the increase and/or decrease in the amount of a program category does not exceed twenty percent (20%) of the budgeted amount for that category. "Program categories" in the Service Plan includes the listed improvement in Exhibit B that is authorized by the Act.

Section 7. That pursuant to the exception granted by Section 252.022(a)(9) of the Texas Local Government Code, the City Manager is hereby authorized and directed, upon approval as to form by the City Attorney, to enter into a contract with Dallas CBD Enterprises, Inc., to manage special supplemental services for enhancing security within District, including services relating to security and public safety, to be paid from the assessments collected. The contract with the Dallas CBD Enterprises, Inc., shall be in accordance with the Service Plan and this Resolution and shall provide for compliance by the Dallas CBD Enterprises, Inc., with the Business Inclusion and Development Plan for participation of minorities and women providing services and improvements to the District.

Section 8. That the contract with the Dallas CBD Enterprises, Inc., shall also provide for assessment collection services that the County will provide to the Dallas CBD Enterprises, Inc., for collection of the special assessments. The County shall receive a fee per account as compensation for its collection services.

Section 9. 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.

APPROVED BY
CITY COUNCIL

JUN 12 2013


City Secretary

Dallas Downtown Improvement District (DID)						
Seven Year Budget						
	2014* Budget	2015* Budget	2016* Budget	2017* Budget	2018* Budget	2019* Budget
	2020* Budget					
REVENUES & RESERVES						
Fund balance from previous year	\$1,961.00	\$1,422.35	\$1,566.77	\$1,293.41	\$1,221.38	\$1,223.24
Net assessment revenue	\$5,359,661.35	\$5,627,644.42	\$5,909,026.64	\$6,204,477.97	\$6,514,701.87	\$6,840,436.96
Exempt jurisdictions	\$99,000.00	\$99,000.00	\$99,000.00	\$99,000.00	\$99,000.00	\$99,000.00
Interest on cash balances	\$300.00	\$500.00	\$700.00	\$1,000.00	\$1,300.00	\$1,500.00
Other income & contributions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL INCOME & RESERVES	\$5,460,922.35	\$5,728,566.77	\$6,010,293.41	\$6,305,771.38	\$6,616,223.24	\$6,942,160.21
EXPENDITURES						
Organization & Administration	\$520,000.00	\$550,000.00	\$600,000.00	\$660,000.00	\$715,000.00	\$775,000.00
Capital Improvements ¹	\$400,000.00	\$435,000.00	\$480,000.00	\$530,000.00	\$585,000.00	\$640,000.00
Transportation and Improvements ²	\$400,000.00	\$400,000.00	\$400,000.00	\$400,000.00	\$400,000.00	\$400,000.00
Communications & Events ³	\$800,000.00	\$840,000.00	\$870,000.00	\$925,000.00	\$975,000.00	\$1,030,000.00
Maintenance ⁴	\$1,125,000.00	\$1,182,000.00	\$1,264,000.00	\$1,315,000.00	\$1,365,000.00	\$1,420,000.00
Safety ⁵	\$2,214,500.00	\$2,320,000.00	\$2,395,000.00	\$2,474,550.00	\$2,575,000.00	\$2,675,500.00
TOTAL EXPENDITURES	\$5,459,500.00	\$5,727,000.00	\$6,009,000.00	\$6,304,550.00	\$6,615,000.00	\$6,940,500.00
FUND BALANCE/RESERVES						
	\$1,422.35	\$1,566.77	\$1,293.41	\$1,221.38	\$1,223.24	\$1,119.02

* The DID is authorized by the City Council through 2013. Expenses for 2014 thru 2020 are estimates pending successful renewal of the DID in 2013.

¹ Public Improvements, landscape and parks, Dealey Plaza Restoration, MATA, DCBDC capital improvements operating expenses

² Transportation, public safety, maintenance, community events and capital improvement

³ Program Services, special programs, entertainment and events, retail recruitment, environmental enhancements, DCBDC communications & events operating expenses

⁴ Sidewalk and landscape maintenance, community programs, Clean Team, DCBDC maintenance operating expenses

⁵ Downtown Safety Patrol, Homeless outreach, Education & coordination, DCBDE Safety operating expenses



Dallas Downtown 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 Dallas Downtown Improvement District proposed assessment rate for 2013 is \$0.1190 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.

The District shall pay the cost of the improvements and services described in this petition. The City of Dallas contractually has agreed to pay assessments against exempt City property in the District. City right-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.