

ORDINANCE NO. 30978

AN ORDINANCE APPROVING AND ADOPTING THE FINAL 2019 SERVICE PLAN, THE FINAL 2018 ASSESSMENT PLAN, AND THE 2018 ASSESSMENT ROLL (TO BE KEPT ON FILE WITH THE CITY SECRETARY); ESTABLISHING CLASSIFICATIONS FOR THE APPORTIONMENT OF COSTS AND THE METHODS OF ASSESSING SPECIAL ASSESSMENTS FOR THE SERVICES AND IMPROVEMENTS TO PROPERTY IN THE DALLAS DOWNTOWN IMPROVEMENT DISTRICT (DISTRICT); CLOSING THE HEARING AND LEVYING A SPECIAL ASSESSMENT ON PROPERTY IN THE DISTRICT FOR SERVICES AND IMPROVEMENTS TO BE PROVIDED IN THE DISTRICT DURING 2019; PROVIDING FOR REIMBURSEMENT OF CITY ADMINISTRATIVE COST FOR OPERATIONAL OVERSIGHT OF THE DISTRICT; FIXING CHARGES AND LIENS AGAINST THE PROPERTY IN THE DISTRICT AND AGAINST THE OWNERS THEREOF; PROVIDING FOR THE COLLECTION OF THE 2018 ASSESSMENT; AUTHORIZING THE RECEIPT AND DEPOSIT OF ASSESSMENTS FROM DALLAS COUNTY; PURSUANT TO AN AMENDED AND RESTATED MANAGEMENT CONTRACT WITH DOWNTOWN DALLAS, INC. (DDI) AUTHORIZING THE DISPURSEMENT OF ASSESSMENTS TO DDI; AUTHORIZING PAYMENT OF CITY'S 2018 ASSESSMENT AND ALL FUTURE CITY ASSESSMENTS DIRECTLY TO THE DISTRICT; PROVIDING FOR CITY'S 2018 PARTICIPATION IN THE DISTRICT IN AN AMOUNT NOT TO EXCEED \$715,238.85 AND PROVIDING FOR AN EFFECTIVE DATE.

**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 established the Dallas Downtown Improvement District (the "District"), as shown on the attached **Exhibit A - Map of the District**, pursuant to the Act finding that the Act's requirements and supplemental services and improvements were feasible and conferred a special benefit to the property in the District, designated Dallas CBD Enterprises, 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 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 Dallas Downtown Improvement District; approval of findings; establishing an effective date; approval of the service plan; designating the Dallas Central Business District Enterprises, Inc. as manager of the district; authorizing a contract; and authorizing appointment of City representatives to the governing Board by Resolution No. 06-2049; and

**WHEREAS**, on June 12, 2013, City Council the renewal of the held a public hearing to receive comments concerning the renewal of the Downtown Improvement District; authorize approval of a resolution renewing the Downtown Improvement District for a period of seven years and approval of the Service Plan and management contract by Resolution No.13-1015; and

**WHEREAS**, on September 10, 2014, City Council held a public hearing concerning the proposed levy of assessment for the Dallas Downtown Improvement District; and authorized an ordinance approving and adopting the final Service Plan for 2015 and final 2014 Assessment Plan and 2014 Assessment Roll by Resolution No. 14-1506; Ordinance No. 29456; and

**WHEREAS**, on September 9, 2015, City Council held a public hearing concerning the proposed levy of assessment for the Dallas Downtown Improvement District; and authorized an ordinance approving and adopting the proposed and final 2016 Service Plan and 2015 Assessment Roll by Resolution No. 15-1695; Ordinance 29860; and

**WHEREAS**, on September 14, 2016, City Council held a public hearing concerning the proposed levy of assessment for the Dallas Downtown Improvement District and authorized an ordinance approving and adopting the final 2017 Service Plan, the final 2016 Assessment Plan and the 2016 Assessment Roll by Resolution No. 16-1496; Ordinance 30201; and

**WHEREAS**, on September 13, 2017, City Council held a public hearing concerning the proposed levy of assessment for the Dallas Downtown Improvement District and authorized and ordinance approving and adopting the final 2018 Service Plan, 2017 Assessment Plan and 2017 Assessment Roll by Resolution No. 17-1482; Ordinance No. 30636.

**WHEREAS**, City Council must review the proposed 2019 Service Plan and hold a public hearing to receive comments and pass on any objections to the 2018 Assessment Plan raised by any owner of property located within the District and at the conclusion of the hearing to levy the assessment for the purpose of providing supplemental services and improvements; and

**WHEREAS**, on August 22, 2018, City Council authorized a public hearing to be held on September 12, 2018, to receive comments on the Dallas Downtown Improvement District final 2019 Service Plan and 2018 Assessment Rate by Resolution No. 18-1182; and

**WHEREAS**, the District's manager provided City staff with the proposed District 2019 Service Plan and 2018 Assessment Plan, as shown in **Exhibits B and C**; and

**WHEREAS**, City Council desires to authorize and adopt the Assessment Roll that was filed with the City Secretary and subject to public inspection in the City's official records prior to the public hearing; and

**WHEREAS**, City Council finds that the supplemental services and improvements described in the Service Plan and Assessment Plan are feasible and advisable and will serve the needs and desires of the property owners, and that an assessment apportioned in an amount equal to a rate of \$0.129 per \$100.00 of appraised value of property or improvements to the property in the District, as determined by the Dallas Central Appraisal District (DCAD) is reasonable and adequate.

**Now, Therefore,**

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

**SECTION 1.** That City Council shall adopt an ordinance approving and adopting the final 2019 Service Plan, the final 2018 Assessment Plan and the 2018 Assessment Roll (to be kept on file with the City Secretary); establishing classifications for the apportionment of costs and the methods of assessing special assessments for the services and improvements to property in the District; closing the hearing and levying a special assessment on property in the District, for services and improvements to be provided during 2019; providing for the collection of the 2018 assessment; authorizing the receipt and deposit of assessments from Dallas County; pursuant to an amendment to the management contract with Downtown Dallas, Inc. (DDI) authorizing the disbursement of assessments to DDI; providing for City participation in the District in an amount not to exceed \$715,238.85; authorizing payment of City's 2018 assessment directly to the District and providing for an effective date and providing for an effective date.

**SECTION 2.** That the recitals and findings listed above are true and correct and that the action of the City Council closing the public hearing in these proceedings is hereby ratified and confirmed.

**SECTION 3.** That 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 gross assessment amount for 2018 is estimated to be \$8,323,181.11. This amount shall be apportioned in an amount 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 City of Dallas has contractually 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 4.** That the City Council hereby authorizes and adopts the final 2019 Service Plan, the final 2018 Assessment Plan and the 2018 Assessment Roll (to be kept on file with the City Secretary) apportioning the total cost of the services and improvements to be assessed against property in the District for fiscal year ending December 31, 2018, of approximately \$8,323,181.11. The Assessment Roll apportions the assessment against each parcel of land in the District and is subject to public inspection in the City's official records.

**SECTION 5.** That the Chief Financial Officer is hereby authorized to disburse funds for a total not to exceed \$715,238.85 for City's 2018 assessment as follows:

Fund 0001, Department BMS, Unit 1991, Object 3599 to pay assessments on City-owned property benefitting from services and improvements provided by the District, in an amount not to exceed \$469,405.87, to Vendor 503465, subject to annual appropriations; and

Fund 0080, Department CCT, Unit 7840, Object 3599 to pay assessments on City-owned property benefitting from services and improvements provided by the District, in an amount not to exceed \$245,832.98, to Vendor 503465, subject to annual appropriations.

**SECTION 6.** That notice of City Council's intention to consider the proposed assessments at a public hearing on September 12, 2018 at 1:00 p.m. in the City Council Chamber, 1500 Marilla Street, 6th Floor, Dallas, Texas 75201 was published in the official newspaper of the City of Dallas, Texas before the 10th day before the date of the hearing. The notice stated: (1) the date, time and place of the hearing; (2) the general nature of the services and improvements; (3) the cost of the services and improvements; (4) the boundaries of the District; and (5) that written or oral objections will be considered at the hearing.

**SECTION 7.** That Dallas City staff mailed to the owners of property liable for assessment notice of the hearing as the ownership appears on the City tax roll. The notice contained the information required by the Act. The notice was mailed before the 10th day before the date of the hearing to the last known address of the property owner on the City tax roll. The failure of the property owner to receive notice does not invalidate the proceeding.

**SECTION 8.** That City Council finds that the assessments should be made and levied against the respective parcels of property within the District and against the owners thereof, and are substantially in proportion to the special benefits accrued to the respective parcels of property by means of the services and improvements in the District for which such assessments are levied, and further finds that in each case the property assessed is specially benefited by means of the said services and improvements in the District, and further finds that the apportionment of costs of the services and improvements is in accordance with the law in force in this City and the State and that the proceedings of the City heretofore held with reference to the formation of the District and the imposition of assessments for said services and improvements are in all respects valid and regular.

**SECTION 9.** That there shall be and is hereby levied and assessed against the parcels of property within the District, and against the real and true owners thereof (whether such owners be correctly named or not), the sums of money as listed in the Assessment Roll on file with the City Secretary and subject to public inspection, and the several amounts assessed against the same, and the owners thereof.

**SECTION 10.** That the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate of eight percent per annum, provided, however, that such interest rate shall not exceed the maximum amount allowed by law, together with reasonable fees and the costs of collection, if incurred, are hereby declared to be and are made a first and prior lien against the property assessed, superior to all other liens and claims except liens and claims for state, county, school district and municipality ad valorem taxes and are a personal liability of and charge against the owners of the property regardless of whether the owners are named. The lien is effective from the date of this ordinance until the assessment is paid and may be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body.

**SECTION 11.** That the assessments levied herein shall be due and payable in full on or before January 31, 2019. That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof, including, costs and fees, shall be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body. The owner of the assessed property may pay at any time the entire assessment, with interest that has accrued on the assessment, on any lot or parcel.

**SECTION 12.** That all assessments levied are a personal liability and charge against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

**SECTION 13.** That the Chief Financial Officer is hereby authorized to receive and deposit assessment funds from Dallas County in the Dallas Downtown Improvement District Fund, Fund 9P02, Department ECO, Unit 1857, Revenue Code 8576.

**SECTION 14.** That as part of the assessment levied herein, and as a part of the service plan, the District shall reimburse to City, administrative costs for the day to day operations and oversight conducted by City staff for the District, which amount shall be reimbursed by the District to City through the deduction from assessment revenues received.

**SECTION 15.** That the Chief Financial Officer is hereby authorized to transfer annually, funds in amounts to be determined based upon costs incurred and related rates then in effect, from Fund 9P02, Department ECO, Unit 1857, Object 3090 to General Fund, Fund 0001, Department ECO, Unit 1272, Object 5011, to reimburse the Office of Economic Development for administrative costs incurred for the day-to-day administrative and operational oversight of the District.

**SECTION 16.** That the Chief Financial Officer is hereby authorized to transfer annually, funds in amounts to be determined based upon costs incurred and related rates then in effect, from Fund 9P02, Department ECO, Unit 1857, Object 3090 to General Fund, Fund 0001, Department BMS, Unit 1272, Object 5011, to reimburse the City Controller's Office for administrative costs incurred for day-to-day accounting responsibilities associated with oversight of the District.

**SECTION 17.** That no assessment revenue will be disbursed to DDI unless an amended and restated management contract is executed.

**SECTION 18.** That the Chief Financial Officer is hereby authorized to disburse funds from Fund 9P02, Department ECO, Unit 1857, Object 3034, Vendor 503465, for assessments due the District as assessed, paid to Dallas County and transferred to the City for processing, net of City administrative fees, any retainage necessary, and any reconciliation adjustments related to this activity.

**SECTION 19.** That the Chief Financial Officer is hereby authorized to disburse funds from Fund 9P02, Department ECO, Unit 1857, Object 3549, Vendor 243282 for reimbursing Dallas County for refunding assessments paid by property owners in excess of adjusted amounts resulting from successful appeal of property tax values, and for other necessary reconciliation adjustments.

**SECTION 20.** That the assessments herein levied are made and levied under and by virtue of the terms, powers and provisions of the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code, as amended.

**SECTION 21.** That this ordinance 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 ordained.

APPROVED AS TO FORM  
LARRY E. CASTO, City Attorney

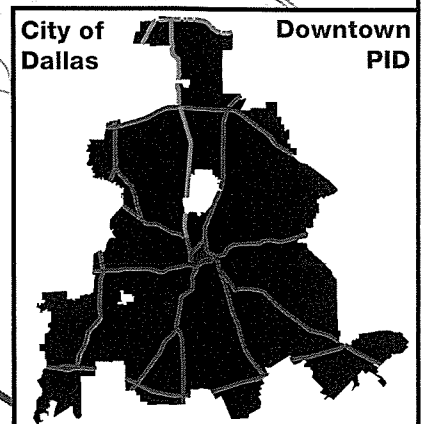
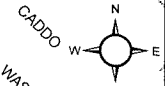
BY:   
Assistant City Attorney

Passed SEP 12 2018

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

30978

## Exhibit B

<b>Dallas Downtown Improvement District (DID)</b>					
<i>Service Plan 2019-2023</i>					
	<i>2019 Budget</i>	<i>2020 Budget</i>	<i>2021 Budget</i>	<i>2022 Budget</i>	<i>2023 Budget</i>
<b>REVENUES &amp; RESERVES</b>					
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
<b>TOTAL INCOME &amp; RESERVES</b>	<b>\$8,118,564.00</b>	<b>\$8,214,932.99</b>	<b>\$8,304,815.99</b>	<b>\$8,395,018.70</b>	<b>\$8,486,534.64</b>
<b>EXPENDITURES</b>					
Organization & Administration	\$809,944.00	\$630,000.00	\$680,000.00	\$730,000.00	\$780,000.00
Capital Improvements <sup>1</sup>	\$333,788.00	\$300,000.00	\$300,000.00	\$305,000.00	\$315,000.00
Transportation and Improvements <sup>2</sup>	\$455,811.00	\$455,000.00	\$460,000.00	\$465,000.00	\$470,000.00
Communications & Events <sup>3</sup>	\$1,193,176.00	\$1,250,000.00	\$1,275,000.00	\$1,295,000.00	\$1,310,000.00
Services and Improvements <sup>4</sup>	\$1,922,090.00	\$2,100,000.00	\$2,105,000.00	\$2,110,000.00	\$2,116,000.00
Safety <sup>5</sup>	\$3,392,368.00	\$3,468,000.00	\$3,473,000.00	\$3,478,000.00	\$3,484,000.00
<b>TOTAL EXPENDITURES</b>	<b>\$8,107,177.00</b>	<b>\$8,203,000.00</b>	<b>\$8,293,000.00</b>	<b>\$8,383,000.00</b>	<b>\$8,475,000.00</b>
<b>FUND BALANCE/RESERVES</b>	<b>\$11,387.00</b>	<b>\$11,932.99</b>	<b>\$11,815.99</b>	<b>\$12,018.70</b>	<b>\$11,534.64</b>
<p>* 2018 Assessment less admin fees, delinquent and/or protested accounts contingency, and exempt accounts removed by the County.</p> <p><sup>1</sup> Public Improvements, landscape and parks.</p> <p><sup>2</sup> Downtown circulator, operation and maintenance of mass transportation facilities.</p> <p><sup>3</sup> Special supplemental service for promotion and improvement of the DID, including, entertainment and events, and retail recruitment.</p> <p><sup>4</sup> Community programs, Clean Team, environmental enhancements and sanitation.</p> <p><sup>5</sup> Downtown Safety Patrol, Homeless outreach, education &amp; coordination.</p>					



30978

181304

**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 2019 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.



## PROOF OF PUBLICATION – LEGAL ADVERTISING

The legal advertisement required for the noted ordinance was published in the Dallas Morning News, the official newspaper of the city, as required by law, and the Dallas City Charter, Chapter XVIII, Section 7.

DATE ADOPTED BY CITY COUNCIL SEP 12 2018

ORDINANCE NUMBER 30978

DATE PUBLISHED SEP 15 2018

ATTESTED BY: