

ORDINANCE NO. 31315

AN ORDINANCE APPROVING AND ADOPTING THE FINAL 2020 SERVICE PLAN, THE FINAL 2019 ASSESSMENT PLAN, AND THE 2019 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 PUBLIC HEARING AND LEVYING A SPECIAL ASSESSMENT ON PROPERTY IN THE DISTRICT FOR SERVICES AND IMPROVEMENTS TO BE PROVIDED IN THE DISTRICT DURING 2020; PROVIDING FOR REIMBURSEMENT OF CITY ADMINISTRATIVE COSTS 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 2019 ASSESSMENT; AUTHORIZING THE RECEIPT AND DEPOSIT OF ASSESSMENTS FROM DALLAS COUNTY; AUTHORIZING THE DISBURSEMENT OF ASSESSMENTS TO DOWNTOWN DALLAS, INC.; AUTHORIZING PAYMENT OF CITY'S 2019 ASSESSMENT AND ALL FUTURE CITY ASSESSMENTS DIRECTLY TO THE DISTRICT; PROVIDING FOR CITY'S 2019 PARTICIPATION IN THE DISTRICT IN AN AMOUNT NOT TO EXCEED \$780,602.03; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Public Improvement District Assessment Act, 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 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 authorized the renewal of the Dallas Downtown Improvement 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, as shown on the attached **Exhibit A - Map of the District**; and

WHEREAS, on September 12, 2018, City Council authorized an amended and restated management contract with the Downtown Dallas, Inc., pursuant to Resolution No. 18-1305; and

WHEREAS, on September 12, 2018, City Council authorized an ordinance approving and adopting the final 2019 Service Plan, 2018 Assessment Plan and 2018 Assessment Roll by Resolution No. 18-1304, Ordinance No. 30978; and

WHEREAS, City Council must review the proposed 2020 Service Plan and hold a public hearing to receive comments and pass on any objections to the 2019 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 28, 2019, the City Council authorized a public hearing to be held on September 11, 2019, to receive comments on the Dallas Downtown Improvement District final 2020 Service Plan and 2019 assessment rate; and

WHEREAS, the Downtown Dallas, Inc. provided City staff with the proposed District 2020 Service Plan and 2019 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 2020 Service Plan, the final 2019 Assessment Plan and the 2019 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 public hearing and levying a special assessment on property in the District for services and improvements to be provided during 2020; providing for reimbursement of city administrative costs 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 2019 assessment; authorizing the receipt and deposit of assessments from Dallas County; authorizing the disbursement of assessments to Downtown Dallas, Inc.; authorizing payment of the City's 2019 assessment directly to the District; 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 assessment amount for 2019 is proposed to be \$8,601,197.00. 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 2019-20 Service Plan year. The City of Dallas has contractually agreed to pay assessments against exempt City property in the District. Properties otherwise exempt from ad valorem taxes are not subject to assessment. Payment of assessments by other exempt jurisdictions and entities must be established by contract.

SECTION 4. That the City Council hereby authorizes and adopts the final 2020 Service Plan, the final 2019 Assessment Plan and the 2019 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 tax year ending December 31, 2019, of approximately \$8,601,197.00. 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 notice of City Council's intention to consider the proposed assessments at a public hearing on September 11, 2019 at 6:00 p.m. in the City Council Chamber, 6th Floor, 1500 Marilla Street, Dallas, Texas 75201 was published in the official newspaper of the City of Dallas, Texas 75201 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 6. 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 7. 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 8. 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 9. 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 10. That the assessments levied herein shall be due and payable in full on or before January 31, 2020. 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 11. 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 12. That the Chief Financial Officer is hereby authorized to receive and deposit assessment funds from Dallas County (net County collection fees) in the Dallas Downtown Improvement District Fund, Fund 9P02, Department ECO, Unit 1857, Revenue Code 8576.

SECTION 13. That as part of the assessment levied herein, and as a part of the service plan, the District shall reimburse the 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 14. That the Chief Financial Officer is hereby authorized to reimburse the General Fund, Fund 0001, Department ECO, Unit Various, Object Code 5011 for administrative costs incurred for the day-to-day administrative and operational oversight of the District, in amounts to be determined based upon costs incurred and related rates in effect, from Fund 9P02, Department ECO, Unit 1857, Object Code 3090.

SECTION 15. That the Chief Financial Officer is hereby authorized to reimburse the General Fund, Fund 0001, Department BMS, Unit 1272, Object Code 5011 for administrative costs incurred for day-to-day accounting responsibilities associated with oversight of the District, in amounts to be determined based upon costs incurred and related rates in effect, from Fund 9P02, Department ECO, Unit 1857, Object Code 3090.

SECTION 16. That the Chief Financial Officer is hereby authorized to disburse funds from Fund 9P02, Department ECO, Unit 1857, Object 3034 to Downtown Dallas, Inc., Vendor 503465, for assessments due to the District as assessed, paid to Dallas County and transferred to the City for processing net of administrative fees, any retainage necessary, and any required reconciliation adjustments, related to this activity.

SECTION 17. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$780,602.02 for the City's 2019 assessment as follows:

General Fund, 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 \$526,607.42, to Downtown Dallas, Inc., Vendor 503465, subject to annual appropriations

Convention Center Fund, 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 \$253,994.60, to Downtown Dallas, Inc., Vendor 503465, subject to annual appropriations

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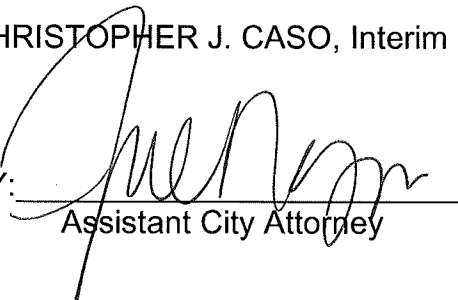
SECTION 18. That the Chief Financial Officer is hereby authorized to disburse funds from Fund 9P02, Department ECO, Unit 1857, Object 3549 to Dallas County, Vendor 243282 for refunding assessments paid by property owners in excess of adjusted amounts resulting from successful appeal of property tax values, and for other necessary reconciliation adjustments.

SECTION 19. 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 20. 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

CHRISTOPHER J. CASO, Interim City Attorney

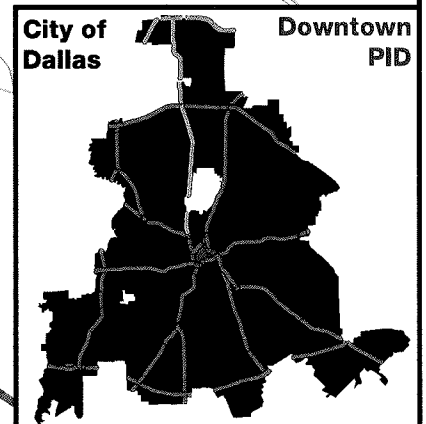
BY: 
Assistant City Attorney

Passed SEP 11 2019

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



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

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 2020

	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget
REVENUES & RESERVES					
Fund balance from previous year	\$11,387	\$6,883	\$11,681	\$13,569	\$21,426
Net assessment revenue*	\$8,601,197	\$8,945,244	\$9,303,054	\$9,675,176	\$10,062,183
Exempt jurisdictions	\$81,500	\$81,500	\$81,500	\$81,500	\$81,500
Interest on cash balances	\$500	\$500	\$500	\$500	\$500
Other income & contributions	\$0	\$0	\$0	\$0	\$0
TOTAL INCOME & RESERVES	\$8,694,584	\$9,034,128	\$9,396,735	\$9,770,746	\$10,165,609
EXPENDITURES					
Organization & Administration	\$936,938	\$974,416	\$1,003,648	\$1,033,758	\$1,064,771
Capital Improvements ¹	\$352,940	\$363,528	\$374,434	\$385,667	\$397,237
Transportation and Improvements ²	\$481,965	\$520,522	\$562,164	\$607,137	\$649,636
Communications & Events ³	\$1,261,639	\$1,299,488	\$1,338,472	\$1,378,626	\$1,419,985
Services and Improvements ⁴	\$2,032,376	\$2,133,995	\$2,262,035	\$2,386,447	\$2,529,634
Safety ⁵	\$3,621,842	\$3,730,497	\$3,842,412	\$3,957,685	\$4,076,415
TOTAL EXPENDITURES	\$8,687,700	\$9,022,447	\$9,383,166	\$9,749,320	\$10,137,678
FUND BALANCE/RESERVES	\$6,883	\$11,681	\$13,569	\$21,426	\$27,931
[*] 2019 Assessment less admin fees and contingency for delinquent and/or protested accounts, as well as 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.					

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Exhibit C

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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 11 2019

ORDINANCE NUMBER 31315

DATE PUBLISHED SEP 14 2019

ATTESTED BY: