

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

ORDINANCE

APPROVING THE LEVY OF A SPECIAL ASSESSMENT FOR THE DOWNTOWN PUBLIC IMPROVEMENT DISTRICT (“PID”); LEVYING AN ASSESSMENT RATE FOR FISCAL YEAR 2025 AT \$0.15 PER \$100.00 VALUE OF COMMERCIAL REAL PROPERTY IN THE PID AND \$0.09 PER \$100.00 VALUE OF RESIDENTIAL PROPERTY, EXCEPT FOR THOSE SUBJECT TO A HOMESTEAD EXEMPTION WHERE THE ASSESSMENT RATE SHALL BE \$0.045 PER \$100.00 VALUE; AND APPROVING THE FISCAL YEAR 2025 SERVICE AND ASSESSMENT PLAN FOR THE PID.

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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 (“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 Public Improvement District (“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 again in September 2023, the City Council reauthorized the PID for a ten-year term beginning October 1, 2023, through September 30, 2033 (**Exhibit I** is a map of the PID boundary); and

WHEREAS, the method of PID assessment is based on the value of real property as determined by the Bexar Appraisal District and the total estimated value of taxable real property in the PID for Fiscal Year (“FY”) 2024 is \$3,932,045,714; and

WHEREAS, the assessment rate for each year is set in the PID’s Service and Assessment Plan and for FY 2025, in addition to the annual property taxes, commercial property owners in the PID will be required to pay an assessment rate of \$0.15 per \$100.00 value and residential property are proposed to remain assessed at \$0.09 per \$100.00 value, except for those subject to a homestead exemption where the assessment rate shall be \$0.045 per \$100.00 value; and

WHEREAS, the City pays an assessment on exempt municipal property in the PID which staff estimates will be is \$613,959 for FY 2025, and there are agreements for participation in the PID with other entities, including VIA and City Public Service; 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 2025 Services and Assessment Plan (“Plan”) 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 PID, community events and programs, economic development activities including business recruitment and retention activities; project management, planning and research initiatives, and a Capital Improvement Program 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 and Centro has developed and is recommending the proposed Service and Assessment Plan for FY 2025; and

WHEREAS, the total Proposed FY 2025 spending plan is estimated at \$7,592,000 and will be used for Core service and other expenditures and all such expenditures will be paid by the PID fund; and

WHEREAS, the FY 2025 Plan includes additional services to be paid for by the General Fund, to be approved as part of the City's FY25 Operating Budget, in the total amount of \$1,020,370 comprised of \$280,624 for Pressure Washing, \$566,088 for Riverwalk Custodial Service and \$173,658 for custodial and maintenance services for Main Plaza, Trevino Alley and the Riverwalk Portal; and

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 September 6, 2024 and the required public notice appeared in both the San Antonio Express News and La Prensa on Sunday, September 8, 2024; and

WHEREAS, following public notice as required by the Act, a public hearing was held and closed on Thursday, September 19, 2024, 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 2025 at \$0.15 per \$100.00 value of commercial real property and \$0.09 per \$100.00 value for residential property in the PID, except for those subject to a homestead exemption where the assessment rate shall be \$0.045 per \$100.00 value, and approval of the FY 2025 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 2025 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 the approval of the FY 2025 Service and Assessment Plan for the PID; 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 19, 2024 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 PID.

SECTION 2. A special assessment in the PID during FY 2025 is levied to fund improvements and services at the rate of \$0.15 per \$100.00 value of commercial real property and \$0.09 per \$100.00 value for residential property, except for those subject to a homestead exemption where the assessment rate shall be \$0.045 per \$100.00 value. Invoices shall be mailed to and paid by affected property owners in the same manner as ad valorem taxes are mailed.

SECTION 3. The FY 2025 Service and Assessment Plan for the PID is approved. A copy of the Plan is attached to this Ordinance as **Exhibit II**.

SECTION 4. Special assessment revenues and other contributions to the PID are authorized to be deposited in Fund 69018000, Internal Order 207000000122 and General Ledger 4101300.

SECTION 5. If approved by City Council, the amount of \$613,959 shall be appropriated in Fund 11001000, Cost Center 8002430007 and General Ledger 5203050. This amount is authorized to be transferred as Contributions to the PID Fund and shall be deposited in Fund 69018000, Internal Order 207000000122 and General Ledger 4101300.

SECTION 6. Funding in the amount of \$280,624 is available in Fund 11001000, Cost Center 1902010001 and General Ledger 5202020 as part of the Fiscal Year 2025 Adopted Budget approved by City Council.

SECTION 7. Funding in the amount of \$566,088 is available in Fund 11001000, Cost Center 1902010001 and General Ledger 5202020 as part of the Fiscal Year 2025 Adopted Budget approved by City Council.

SECTION 8. Funding in the amount of \$173,658 is available in Fund 11001000, Cost Center 2615050001 and General Ledger 5202025 as part of the Fiscal Year 2025 Adopted Budget approved by City Council.

SECTION 9. Payment in the amount up to \$1,020,370 is authorized to Centro PID and shall be encumbered with a purchase order(s).

SECTION 10. 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 11. The statements set forth in the recitals of this Ordinance are true and correct and are incorporated as a part of this Ordinance.

SECTION 12. This Ordinance shall take effect immediately upon the receipt of eight affirmative votes; otherwise it shall be effective ten days after its passage.

LB
09/19/2024
Item No. _____

PASSED AND APPROVED this 19th day of September 2024.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

Debbie Racca Sittre, City Clerk

Andrew Segovia, City Attorney

EXHIBIT I

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EXHIBIT II

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