

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

ORDINANCE

**RE-ESTABLISHING THE DOWNTOWN PUBLIC
IMPROVEMENT DISTRICT FOR AN ADDITIONAL TEN-YEAR
PERIOD BEGINNING OCTOBER 1, 2023 THROUGH
SEPTEMBER 30, 2033.**

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WHEREAS, pursuant to the Public Improvement District Assessment Act, V.T.C.A., Local Government Code, Chapter 372, as amended (the “Act”), the governing body of a municipality is authorized to undertake improvements and/or services which confer a special benefit on a definable part of the City; and

WHEREAS, in 1998, in conjunction with the goals of the City’s Downtown Strategic Plan, certain business and property owners desired to receive and underwrite the cost of supplemental services for the downtown area through the establishment of a public improvement district (“PID”); and

WHEREAS, on April 29, 1999, following the receipt of a statutorily required petition of the property owners representing both more than 50% of the total appraised value of the real property in the proposed district and the total number of record property owners, the City Council created the Downtown PID by Ordinance No. 89696; and

WHEREAS, the Downtown PID was re-established on June 3, 2004 by the passage of Ordinance No. 99288, again by the passage of Ordinance No. 2009-05-07-0356 on May 7, 2009, and again by the passage of Ordinance No. 2013-05-30-0380 on May 30, 2013; and

WHEREAS, property owners representing 71% of the total appraised value of the real property in the proposed PID and 62.8% of the total acreage in the proposed PID have submitted a petition requesting that the City Council take action to re-establish the PID for a period of ten years and expand its boundaries, establishing a means through which property owners in the district can continue to self-fund and provide additional services to enhance the appearance and safety of downtown; and

WHEREAS, the general nature of the improvements proposed to continue in the re-established PID include 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, such improvements shall continue to enhance the vitality and quality of the downtown area by providing supplemental services in addition to existing City services; and

WHEREAS, in addition to annual property taxes, property owners in the district would be required to pay an annual assessment rate of \$0.15 per \$100 value for commercial properties and \$0.09 per \$100 value for residential properties, except for those subject to a homestead exemption where the assessment rate shall be \$0.045 per \$100 value; and

WHEREAS, pursuant to the Act, a municipality is responsible for the payment of assessments against exempt municipal property in the PID; and

WHEREAS, a public hearing was held and closed on the re-establishment of the Downtown PID on September 21, 2023, and pursuant to Section 372.009 of the Act, all property owners in the proposed PID were notified in writing of the public hearing on June 1, 2023 and a notice of the public hearing was advertised in the San Antonio Express News on June 4, 2023; and

WHEREAS, it is officially found and determined that the public hearing concerning the re-establishment of the Downtown PID and the meeting at which this Ordinance was passed were open to the public, that public notice of the time, place and purpose of said meetings were given and all notice requirements of the Act were met; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Council, having duly considered the petition for the re-establishment of the Downtown PID for a ten-year term, and the comments of those who made presentations at the public hearing, finds:

- 1) It is advisable for improvements to continue to be undertaken and provided in the Downtown PID;
- 2) The general nature of the improvements in the re-established Downtown PID shall include 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 that consists of small capital projects and other special projects of short duration; and any other improvement or administrative cost authorized by the Act;

- 3) A preliminary cost estimate of the services and improvements in the re-established PID is \$7,137,349 annually or \$71,373,490 for the ten-year term of the PID;
- 4) The proposed boundaries of the Downtown PID are set forth in Exhibit I;
- 5) The method of assessment in the proposed PID will be according to the value of real property and will be based on a percentage of the appraised value of real property as determined by the current rolls of the Bexar Appraisal District for commercial properties and the San Antonio Independent School District for residential properties; and
- 6) The City's property included in the Downtown PID shall be subject to the assessment. Otherwise, all costs of the PID activities shall be paid by and apportioned to the PID and not to the City as a whole.

SECTION 2. The City Council of the City of San Antonio finds that the Downtown PID will promote the interest of the City and authorizes the re-establishment of the area described in Exhibit I as a public improvement district, and all other activities necessary to effectuate the PID.

SECTION 3. The City Council finds that the statements set forth in the recitals of this Ordinance are true and correct and the Council incorporates such recitals as a part of this Ordinance.

SECTION 4. Upon passage by at least eight affirmative votes, this Ordinance shall become effective upon publication in a newspaper as required by Section 372.010(b) of the Act. If passed by less than eight affirmative votes, this Ordinance shall become effective on the later of the tenth day after passage or upon publication in a newspaper as required by Section 372.010(b) of the Act.

PASSED AND APPROVED this 21st day of September, 2023.

M A Y O R
Ron Nirenberg

ATTEST:

APPROVED AS TO FORM:

City Clerk

Andrew Segovia, City Attorney