

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 2024 AT \$0.15 PER \$100.00 VALUE OF COMMERCIAL REAL PROPERTY IN THE PID AND \$0.09 PER \$100.00 VALUE OF RESIDENTIAL CONDOMINIUMS, 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 2024 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 (the 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 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

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 \$3,827,659,156, which represents a 9.72% increase in the total assessed value of the PID from FY 2023; and

WHEREAS, the assessment rate for each year is set in the PID’s Service and Assessment Plan and for FY 2024, in addition to the annual property taxes, commercial property owners in the PID will be required to pay an additional assessment rate of \$0.15 per \$100.00 value and residential condominiums 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 \$596,077 for FY 2024, and there are agreements for participation in the PID with other entities, including VIA and City Public Service; and

WHEREAS, the PID Service and Assessment Plan budget totals \$7,137,349, which includes assessments, voluntary contributions, grants, interest and funding from the FY 2023 fund balance; 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 2024 Services and Assessment Plan (“Plan”) provides supplemental core services for the downtown experience; maintenance, beautification and landscaping, hospitality ambassador services; safety 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 2024; 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, 2023 and the required public notice appeared in both the San Antonio Express News and La Prensa on Sunday, September 10, 2023; and

WHEREAS, following public notice as required by the Act, a public hearing was held and closed on Thursday, September 21, 2023, 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 2024 at \$0.15 per \$100.00 value of commercial real property and \$0.09 per \$100.00 value for residential condominiums 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 2024 Service and Assessment Plan for the PID; and

WHEREAS, following the public hearing, staff requested the re-establishment of the PID and the levy of the special assessment, approval of the special assessment rate and approval of the FY 2024 Service and Assessment Plan for the PID; and

WHEREAS, City Council heard and passed on any objections to the reestablishment of the PID, levying of the special assessment, and approving the FY 2024 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 21, 2023 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 2024 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 condominiums, 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 2024 Service and Assessment Plan for the PID is approved. A copy of the Plan is attached to this Ordinance as Exhibit I.

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

SECTION 7. This Ordinance shall take effect immediately upon the receipt of eight affirmative votes; otherwise it shall be effective ten days after its passage.

PASSED AND APPROVED this 21st day of September 2023.

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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