

**ORDINANCE NO. 26427-09-2023**

**AN ORDINANCE APPROVING AND ADOPTING THE FISCAL YEAR 2023-2024 BUDGET, FIVE-YEAR SERVICE PLAN, ASSESSMENT PLAN, AND TAX YEAR 2023 ASSESSMENT ROLL (TO BE KEPT ON FILE WITH THE CITY SECRETARY) FOR PUBLIC IMPROVEMENT DISTRICT NO. 7 – HERITAGE; LEVYING ASSESSMENTS FOR THE COST OF CERTAIN IMPROVEMENTS AND SERVICES PROVIDED IN FORT WORTH PUBLIC IMPROVEMENT DISTRICT NO. 7 – HERITAGE DURING FISCAL YEAR 2023-2024; SETTING CHARGES AND LIENS AGAINST PROPERTY IN THE DISTRICT AND AGAINST THE OWNERS THEREOF; PROVIDING FOR THE COLLECTION OF SUCH ASSESSMENTS; RESERVING UNTO THE CITY COUNCIL THE RIGHT TO ALLOW CREDITS REDUCING THE AMOUNT OF THE RESPECTIVE ASSESSMENT TO THE EXTENT OF ANY CREDIT GRANTED; AND PROVIDING 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;

**WHEREAS**, on September 26, 2000, the City Council of the City of Fort Worth (“City Council”) authorized the establishment of Public Improvement District No. 7 – Heritage (“District”), as a public improvement district in accordance with the Act and Resolution No. 2675, a map of which is attached hereto as Exhibit A and incorporated herein for all purposes;

**WHEREAS**, Section 372.013 of the Act, as recently amended by the 87<sup>th</sup> Texas Legislature through House Bill No. 1543 (effective September 1, 2021), requires the City Council to annually review and adopt an ordinance approving the Service Plan (“Service Plan”) for the District;

**WHEREAS**, Sections 372.013 and 372.014 of the Act require the annual Service Plan to (i) cover a period of at least five years; (ii) define the annual indebtedness and the projected costs for improvements; (iii) include an Assessment Plan (“Assessment Plan”); and (iv) include a copy of the notice form required by Section 5.014 of the Texas Property Code (the Service Plan and Assessment Plan are collectively referred to herein as the “Service and Assessment Plan”);

**WHEREAS**, City Council must review the proposed fiscal year 2023-2024 Service Plan and hold a public hearing to receive comments and pass on any objections to the 2023 Assessment Plan raised by any owner of property located within the District and, at the conclusion of the hearing, levy an assessment for the purpose of providing supplemental services and improvements for the District;

**WHEREAS**, the Service and Assessment Plan is attached hereto as Exhibit B and incorporated herein for all purposes;

**WHEREAS**, City Council desires to approve and adopt the 2023 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 (“Assessment Roll”);

**WHEREAS**, the Service and Assessment Plan and Assessment Roll were previously presented in a public hearing conducted by the City Council on August 22, 2023 (M&C 23-0680);

**WHEREAS**, the Service and Assessment Plan and Assessment Roll were once again presented to the City Council in a public hearing conducted on the 12<sup>th</sup> day of September, 2023, at 6:00 p.m. in the Council

Chamber in the City Hall in the City of Fort Worth, Texas ("Public Hearing"), notice of which was published and mailed to all record owners of property in the District, and at such hearing all desiring to be heard were given a full and fair opportunity to be heard; and

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS THAT:**

**SECTION 1.**

The Public Hearing is hereby closed and any and all protests and objections, whether herein enumerated or not, are hereby overruled. That, the Recitals and findings listed above are true and correct and form the basis upon which this Ordinance is being adopted and are incorporated herein by reference.

**SECTION 2.**

The City Council hereby approves and adopts the Service and Assessment Plan and Assessment Roll (to be kept on file with the City Secretary). In doing so, the City Council finds that the supplemental services and improvements set forth in the Service Plan are feasible and advisable and will serve the needs and desires of the property owners in the District.

**SECTION 3.**

The City Council, from all evidence before it, including all information provided to it and considered in the Public Hearing, finds that the assessments herein described should be made and levied against the respective parcels of privately-owned property in the District and against the owners of such property. Such assessments and charges are right, proper, and substantially in proportion to the benefits of the respective parcels of property by means of the improvements and services in the District for which such assessments are levied and establish substantial justice, equality, and uniformity between all parties concerned, considering the benefits received and burdens imposed. The City Council further finds that in each case the property assessed is specially benefited in enhanced value to the said property by means of the Improvements in the District and for which assessment is levied and charge made, and further finds that the apportionment of the cost of the Improvements is in accordance with applicable law. The City Council, from the evidence, further finds that the values of the respective parcels of property on January 1, 2023, are true and correct reflections of the information contained in the records of the relevant appraisal district.

**SECTION 4.**

There is hereby levied and assessed against the parcels of privately-owned property in the District, and against the real and true owners thereof (whether such owners be correctly named herein or not), the sums of money itemized per parcel of property, and the owners thereof, as far as such owners are known, at the following rate and method of payment: \$0.145 per each \$100 of value for residential property in the District and \$.11 per each \$100 of value for commercial property in the District. This ordinance will not be construed to levy assessments on any city-owned property within the District.

**SECTION 5.**

Where more than one person or entity owns an interest in any property described herein, each such person or entity will be personally liable only for its, his, or her pro rata share of the total assessment against such property in proportion to its, his, or her respective interest to the total ownership of such property, and its, his, or her respective interest in such property may be released from the assessment lien upon payment of a

proportionate sum.

#### **SECTION 6.**

The several sums above mentioned and assessed against the said parcels of property, and owners thereof, and penalty and interest thereon at the rate prescribed by Chapter 372, Texas Local Government Code ("Public Improvement District Assessment Act"), together with reasonable attorney's fees and cost of collection, if incurred, are hereby declared to be and are made a lien upon the respective parcels of privately-owned property against which the same are assessed, and a personal liability and charge against the real and true owners of such property, whether such owners be correctly named herein or not, and such liens shall be and constitute the first enforceable lien and claim against the property on which such assessments are levied, and will be a first and paramount lien thereon, superior to all other liens and claims, except state, county, school district and city ad valorem taxes. A copy of this ordinance will be filed with the County Clerk of Tarrant County, Texas, and when so filed constitutes complete and adequate legal notice to the public concerning the liens hereby assessed against the respective parcels of property and the owners thereof.

The sums so assessed against the respective parcels of property and the owners thereof become due and payable on or before January 31, 2024, and become delinquent if not paid by February 1, 2024. The entire amount assessed against each parcel of property bears penalty and interest, from and after February 1, 2024 at the same rate as prescribed by law for any delinquent ad valorem tax until paid.

#### **SECTION 7.**

If default is made in the payment of any assessments, collection thereof will be enforced by suit in any court of competent jurisdiction, and said City may exercise all of its lawful powers to aid in the enforcement and collection of said assessments.

#### **SECTION 8.**

The total amount assessed against the respective parcels of property, and the owners thereof, is in accordance with the proceedings of the City hereto and is less than the proportion of the cost allowed and permitted by applicable law.

#### **SECTION 9.**

Although the aforementioned charges have been fixed, levied, and assessed in the respective amounts herein stated, the City Council hereby reserves the right to reduce the aforementioned assessments by allowing credits to certain property owners where deemed appropriate and provided that any such allowance does not result in any inequity or unjust discrimination.

#### **SECTION 10.**

Full power to make and levy reassessments and to correct mistakes, errors, invalidities or irregularities in the assessments are, in accordance with the law in force in this City, vested in the City.

#### **SECTION 11.**

In any suit upon any assessment or reassessment, it will be sufficient to allege the substance of the provision recited in this ordinance and that such recitals are in fact true, and further allegations with reference to the proceedings relating to such assessment and reassessment shall not be necessary.

**SECTION 12.**

Should any portion, section or part of a section of this Ordinance be declared invalid, inoperative, or void for any reason by a court of competent jurisdiction, such decision, opinion or judgment shall in no way impair the remaining portions, sections, or parts of sections of this Ordinance, which shall remain in full force and effect.

**SECTION 13.**

This Ordinance is cumulative of all other ordinances and appropriations amending the same except in those instances where the provisions of this Ordinance are in direct conflict with such other ordinances and appropriations, in which instance said conflicting provisions of said prior ordinances and appropriations are hereby expressly repealed.

**SECTION 14.**

The City Secretary is directed to cause a copy of this Ordinance to be recorded in the real property records of Tarrant County, Texas no later than the seventh (7<sup>th</sup>) day after the adopted date of this Ordinance.

**SECTION 15.**

This Ordinance takes effect and will be in full force and effect from and after the date of its passage.

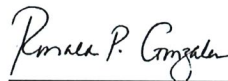
**AND IT IS SO ORDAINED.**

**APPROVED AS TO FORM  
AND LEGALITY:**

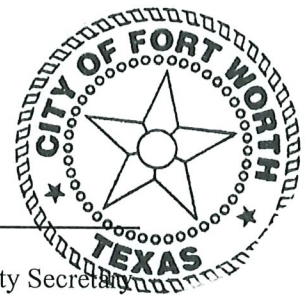
  
Nico Arias (Sep 13, 2023 16:46 CDT)

Nico Arias, Assistant City Attorney

**ATTEST:**



Jannette S. Goodall, City Secretary

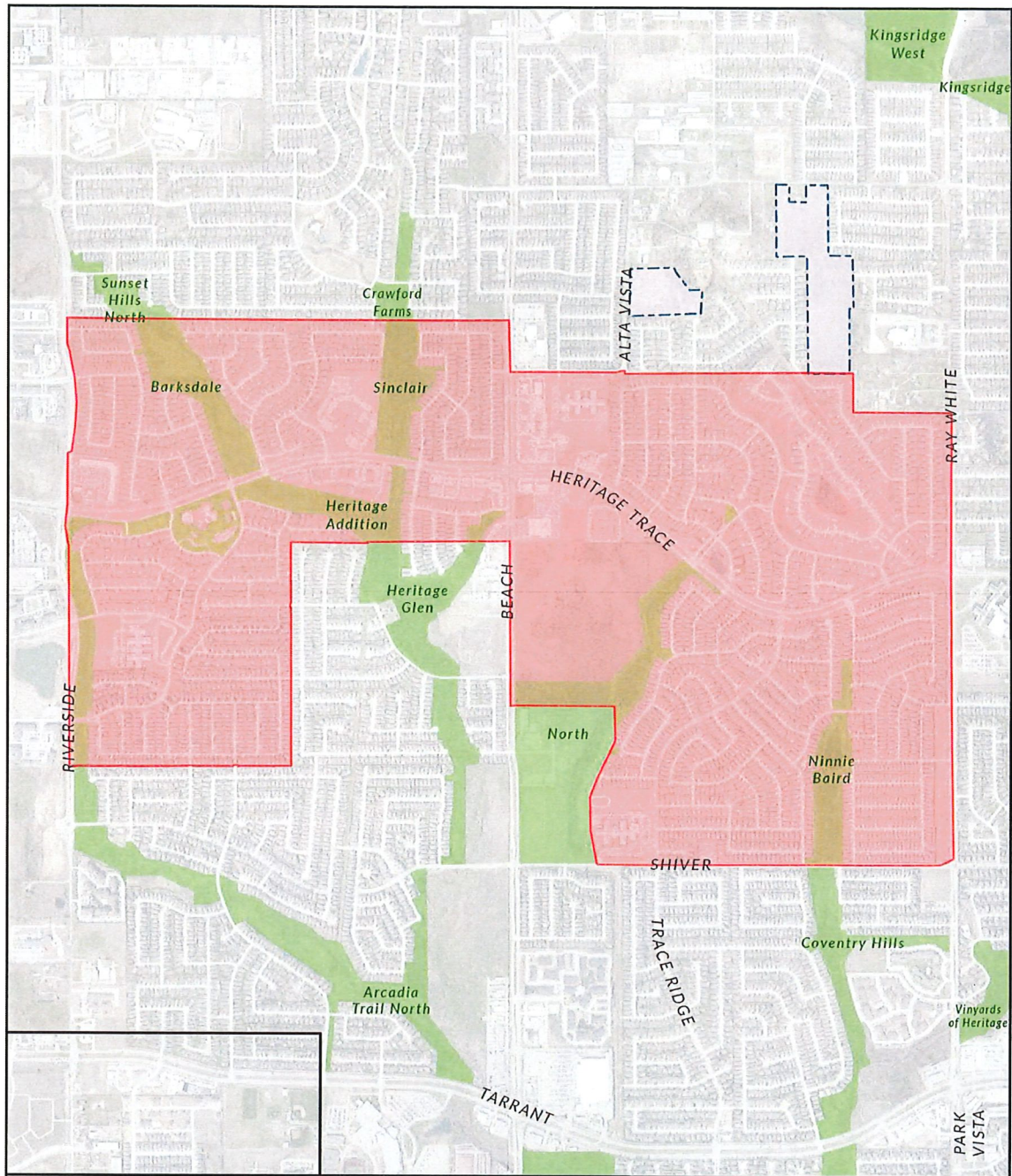


Adopted and Effective: September 12, 2023

M&C: 23-0716



# EXHIBIT A MAP OF THE DISTRICT



**PID 7: Heritage**

Source: Planning and Data Analytics  
Date: July 2020



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0 1,250 2,500 5,000 Feet

# **EXHIBIT B** **SERVICE AND ASSESSMENT PLAN**

## **SERVICE PLAN**

City of Fort Worth  
Five Year Service Plan FY24 - FY28  
Public Improvement District No. 7 - Heritage

	FY23/24	FY24/25	FY25/26	FY26/27	FY27/28
<b>REVENUES</b>					
PID Assessments	\$ 2,020,700	\$ 2,061,114	\$ 2,102,336	\$ 2,144,363	\$ 2,187,271
COFW Payment in lieu of Services	191,096	194,918	198,816	202,793	206,848
COFW Assessment	16,716	16,473	16,473	16,473	16,473
<b>Total Budgeted Revenues</b>	<b>\$ 2,228,512</b>	<b>\$ 2,274,505</b>	<b>\$ 2,319,626</b>	<b>\$ 2,365,649</b>	<b>\$ 2,412,592</b>
Use of Fund Balance	\$ 64,950				
<b>Total Funds Available for Use</b>	<b>\$ 2,293,462</b>	<b>\$ 2,274,505</b>	<b>\$ 2,319,626</b>	<b>\$ 2,365,649</b>	<b>\$ 2,412,592</b>
<b>EXPENSES</b>					
Utilities	\$ 283,915	\$ 289,593	\$ 295,365	\$ 301,293	\$ 307,319
Landscaping/Tree Maintenance	1,067,329	1,066,676	1,110,449	1,132,658	1,155,311
Common Area Maintenance	155,000	156,100	161,262	164,467	167,777
Holiday Lighting	48,203	49,167	50,150	51,153	52,176
Security Enhancements	100,500	102,510	104,560	106,651	108,764
Advertising	500	500	510	520	531
Public Events	67,560	69,932	71,331	72,757	74,212
Capital Improvements	243,331	248,661	254,167	258,878	263,693
Management Fee	141,000	143,820	146,696	149,630	152,623
City Administrative Fee	45,869	45,490	45,393	47,313	48,262
Annual Review	3,000	3,000	3,060	3,121	3,184
Support Personnel	137,235	139,980	141,895	144,733	147,628
<b>Total Budgeted Expenses</b>	<b>\$ 2,293,462</b>	<b>\$ 2,339,429</b>	<b>\$ 2,385,848</b>	<b>\$ 2,433,196</b>	<b>\$ 2,481,490</b>
Contribution to Fund Balance					
<b>Total Expenses</b>	<b>\$ 2,293,462</b>	<b>\$ 2,339,429</b>	<b>\$ 2,385,848</b>	<b>\$ 2,433,196</b>	<b>\$ 2,481,490</b>
<b>Net Change in Fund Balance</b>	<b>\$ (64,950)</b>	<b>\$ (64,924)</b>	<b>\$ (66,223)</b>	<b>\$ (67,547)</b>	<b>\$ (68,898)</b>
Estimated Fund Balance, Beginning of Year	700,196	700,196	700,196	700,196	700,196
Estimated Fund Balance, End of Year	635,246	635,273	633,974	632,649	631,299
Reserve Requirement	389,963	397,721	405,614	413,664	413,664
<b>Over (Under) Reserve</b>	<b>\$ 245,264</b>	<b>237,552</b>	<b>228,360</b>	<b>218,985</b>	<b>\$ 217,634</b>

\*FY2024 Assessment Rate = \$.145 Residential/ \$.110 Commercial

### **Fiscal Year 2022-2023 Budget**

The total budgeted costs of the improvements and services for the District for fiscal year 2023-2024 are \$2,293,462.00. Of this amount, \$2,020,700.00 will be funded by assessments collected on privately-owned parcels located in the District. The remainder of the costs will be funded by other revenue sources, including:

- \$191,096.00 in direct payments from the City for payment in lieu of services, which will be appropriated from the General Fund balance by City Council action on September 12, 2023;
- \$16,716.00 in direct payment from the City for Payment In-Lieu of Assessments; and
- \$64,950.00 transferred from the unaudited, unassigned fund balance.

## **ASSESSMENT PLAN**

The cost of each improvement and service provided during a fiscal year will be assessed against real property within the District benefitting from such improvement or service based on the value of such property, including the value of structures and other improvements on the property as determined by the applicable appraisal district.

The City will levy and assess against the parcels of privately-owned property in the District, and against the real and true owners thereof, the sums of money itemized per parcel of property, and the owners thereof, as far as such owners are known, at the following rate and method of payment: \$0.145 per each \$100 of value for residential property in the District and \$.11 per each \$100 of value for commercial property in the District. The current names and addresses of the properties that are subject to assessment, along with the ordinance levying such assessments, are on file with the City Secretary of the City of Fort Worth.



**NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT  
TO THE CITY OF FORT WORTH, TEXAS**

**CONCERNING THE FOLLOWING PROPERTY**

(insert property address)

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Fort Worth, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within Fort Worth Public Improvement District No. 7 – Heritage (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City Secretary of the City of Fort Worth, Texas. The exact amount of each annual installment will be approved each year by the City Council of the City of Fort Worth, Texas, in the annual service plan update for the District. More information about the assessments, including the amounts and due dates, may be obtained from the City Secretary of the City of Fort Worth, Texas.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Purchaser

# Mayor and Council Communication

DATE: 09/12/23

M&C FILE NUMBER: M&C 23-0716

LOG NAME: 17ED PID07FY24

## SUBJECT

(CD 4 and CD 10) Conduct Public Benefit Hearing for Fort Worth Public Improvement District 7 - Heritage; Adopt the Attached Ordinance (1) Approving and Adopting the Fiscal Year 2023-2024 Budget, Five-Year Service Plan, Assessment Plan, and Tax Year 2023 Assessment Roll, and (2) Levying Special Assessments for the 2023 Tax Year at a Rate of \$0.145 Per Each \$100.00 of Residential Property Value and \$0.11 Per Each \$100.00 of Commercial Property Value; Authorize Execution of Agreement with FirstService Residential Texas PID, LLC, in the Amount of \$141,000.00 to Manage the Public Improvement District; and Adopt Appropriation Ordinance

(PUBLIC HEARING - a. Report of City Staff: Lacey Ruiz; b. Public Comment; c. Council Action: Close Public Hearing and Act on M&C)

## RECOMMENDATION:

It is recommended that the City Council:

1. Conduct a public benefit hearing concerning the proposed special assessments on the property located in Fort Worth Public Improvement District 7 - Heritage for the 2023 tax year;
2. Adopt the attached ordinance (1) approving and adopting the fiscal year 2023-2024 budget in the amount of \$2,293,462.00, five-year service plan, assessment plan, and tax year 2023 assessment roll (on file with the City Secretary) for the Heritage Public Improvement District; and (2) levying special assessments on privately-owned property located in the Heritage Public Improvement District for the 2023 tax year at the rates of \$0.145 per each \$100.00 of residential property value and \$0.11 per each \$100.00 of commercial property value (Service Assessment Plan and Assessment Ordinance);
3. Direct the City Secretary to record a copy of the Service Assessment Plan and Assessment Ordinance in the real property records of Tarrant County, Texas no later than the seventh (7<sup>th</sup>) day after adoption by the City Council;
4. Authorize the execution of an agreement with FirstService Residential Texas PID, LLC, in the amount of \$141,000.00 to provide management of the improvements and services for the Heritage Public Improvement District during Fiscal Year 2023-2024; and
5. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Fort Worth Public Improvement District 7 - Heritage Fund in the amount of \$2,293,462.00, of which (1) \$2,228,512.00 is from available funds and (2) \$64,950.00 is from available unreserved fund balance.

## DISCUSSION:

On September 26, 2000, the City Council adopted Resolution No. 2675 establishing Fort Worth Public Improvement District No. 7 - Heritage (Heritage PID).

The purpose of this benefit hearing is to receive comments from the public regarding the Fiscal Year 2023-2024 budget and five-year service plan for the Heritage PID and the proposed assessments to be levied on each privately-owned property in the Heritage PID for the 2023 tax year. Following the public hearing, it is recommended that the City Council take the following actions: adopt the attached ordinances (1) approving and adopting the budget, five-year service plan, assessment plan, and assessment roll; (2) levying the proposed assessments; and (3) appropriating funds.

The improvements and services to be provided in the Heritage PID during the Fiscal Year 2023-2024 and the costs thereof are as follows:

### **Fiscal Year 2024 Budget**

Improvements	Total Budgeted Cost
Management Fee	\$ 141,000.00
Utilities	\$ 283,915.00
Landscaping/Tree Maintenance	\$ 1,067,329.00
Common Area Maintenance	\$ 155,000.00
Holiday Lighting	\$ 48,203.00
Security Enhancements	\$ 100,500.00
Advertising	\$ 500.00
Public Events	\$ 67,580.00
Capital Improvements	\$ 243,331.00
Annual Review	\$ 3,000.00
City Administrative Fee	\$ 45,869.00

Support Personnel	\$ 137,235.00
Total Expense	\$ 2,293,462.00

The total budgeted costs of the improvements are in the amount of \$2,293,462.00. Of this amount, \$2,020,700.00 will be funded by assessments collected on privately owned parcels located in the Heritage PID by applying a rate of \$0.145 per each \$100.00 of property value for residential property and \$0.11 per each \$100.00 of property value for commercial property. The remainder of the costs in the amount of \$207,812.00 will be funded by other revenue sources including: (a) \$191,096.00 in direct payments from the City for Payment In-Lieu of Services (b) \$16,716.00 in direct payment from the City for Payment In-Lieu of Assessments, which are calculated at the same rate as privately-owned parcels, and (c) \$64,950.00 transferred from the unaudited, unassigned fund balance.

For Fiscal Year 2022-2023 (tax year 2022) PID 7 levied an assessment of \$0.15 per \$100.00 of residential property value and \$0.11 per each \$100.00 of commercial property value. The Heritage PID experienced growth in estimated net taxable value equal to \$225,107.00, or 12.10%, and have a projected fund balance over their reserves in the amount of \$309,992.00 allowing for the assessment rate to be reduced by \$0.005. Thus, the recommended Fiscal Year 2023-2024 (tax year 2023) assessment rate is \$0.145 per \$100.00 of residential taxable property value.

On August 22, 2023, the City Council conducted a public hearing to receive comments on the proposed 2023-2024 Fiscal Year Budget, Five-Year Service Plan, and 2023 Assessments for the Heritage PID. Notice of the August 22, 2023, benefit hearing and this hearing were published in the *Fort Worth Star-Telegram* and mailed to all owners of property on record in the Heritage PID on August 10, 2023, in accordance with state law.

Funding will be budgeted within the FWPID #7 - Heritage Fund for Fiscal Year 2024.

The Heritage PID is located in COUNCIL DISTRICTS 4 & 10.

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#### **FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that upon approval of the above recommendations and the adoption of the Fiscal Year 2024 Budget by the City Council, funds will be available in the Fiscal Year 2024 operating budget, as appropriated, in the FWPID #7 - Heritage Fund. Prior to any expenditure being incurred, the Economic Development Department has the responsibility to validate the availability of funds.

**Submitted for City Manager's Office by:** William Johnson 5806

**Originating Business Unit Head:** Robert Sturns 2663

**Additional Information Contact:**  
 Crystal Hinojosa 7808  
 Lacey Ruiz 2608