

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

AN ORDINANCE

**RE-ESTABLISHING THE DOWNTOWN PUBLIC IMPROVEMENT
DISTRICT FOR A TEN-YEAR PERIOD BEGINNING OCTOBER 1, 2013
THROUGH SEPTEMBER 30, 2023 AND INCREASING ITS
BOUNDARIES.**

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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 and again by the passage of Ordinance No. 2009-05-07-0356 on May 7, 2009; and

WHEREAS, the property owners representing both more than 68% of the total appraised value of the real property in the proposed district and 56% of the total number of record property owners 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 boundaries of the PID are proposed to expand to include additional properties, including the Grand Hyatt Hotel, Central Library and La Villita, as set forth in Exhibit I; and

WHEREAS, the general nature of the improvements proposed to continue in the re-established PID include landscaping of public areas, including light pole planters, river access stair rail planters and sidewalk planter clusters, maintenance activities, including graffiti removal, litter pick-up, sidewalk sweeping and power washing, ambassador program activities, including visitor information and assistance, marketing services, including public information and the promotion

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of downtown events, business recruitment and retention and any other improvement or administrative cost authorized by the Act; 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 estimated annual assessment rate of \$0.9 per \$100 valuation for residential properties and up to \$0.15 per \$100 valuation for commercial properties, with such assessment rate to be determined by City Council at a later date; 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 May 16, 2013, and pursuant to Section 372.009 of the Act, all property owners in the proposed PID were notified in writing of the public hearing and notices of the public hearing were advertised in a newspaper of general circulation at least fifteen (15) days prior to the public hearing; 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, hereby 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 landscaping of public areas, including light pole planters, river access stair rail planters and sidewalk planter clusters, maintenance activities, including graffiti removal, litter pick-up, sidewalk sweeping and power washing, ambassador program activities, including visitor information and assistance, marketing services, including public information and the promotion of downtown events, business recruitment and retention and any other improvement or administrative cost authorized by the Act;
- (3) A preliminary cost estimate of the improvements in the re-established PID is \$3,300,000.00 annually or \$33,000,000.00 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 _____ day of _____, 2013.

M A Y O R
Julián Castro

ATTEST:

APPROVED AS TO FORM:

Leticia M. Vacek, City Clerk

Michael D. Bernard, City Attorney