



City Council Report

DATE: May 16, 2016

TO: City Council

THROUGH: Kari Kent, Assistant City Manager

FROM: Elizabeth Huning, City Engineer
Rob Kidder, Assistant City Engineer

SUBJECT: Mesa Town Center Improvement District No. 228
Approval of the 2016 District Assessments
Council District 4

Strategic Initiatives



Purpose and Recommendation

The purpose of this report is to provide information to the City Council to review and consider approval of the 2016 (tax year) Mesa Town Center Improvement District assessments. The assessments will cover the costs and expenses of the District for Fiscal Year (FY) 2016/2017.

It is recommended that the City Council approve the 2016 (tax year) Mesa Town Center district assessments as shown in Exhibit “A” of the attached Resolution.

Background

On October 7, 1985, the Council passed Resolution No. 5617 establishing the Mesa Town Center Improvement District No. 228 (“District”) to provide enhanced services for the Mesa Town Center (see Exhibit “A”). The Council is required by law to hold an annual public hearing on the assessments to provide the property owners with the opportunity to review their annual assessments to ensure that the assessment rates and use classification have been correctly applied and assessed to their property. The annual hearing is not to address the continuation of the District. On November 7, 2011, the Council approved the District for an additional five (5) years. The next hearing to address the continuation of the District will be held in the fall of 2016.

Discussion

The Downtown Mesa Association ("DMA") has prepared the 2016 Town Center Assessments (see Exhibit "A" of the attached Resolution) based upon previously approved assessment rates. The Association has established their annual "Estimated Cost of Expenses" as reflected on Exhibit "B". This includes a rate increase for the upcoming fiscal year. This increase is due to expanding ridership of the Central Mesa Light Rail system. On April 18, 2016, the Council set May 16, 2016 as the public hearing date for the proposed final assessments. A "Notice of Hearing" was mailed to each assessed property owner as listed on the Maricopa County tax rolls on Tuesday, April 19, 2016. The resolution setting the public hearing date will also be published in the Arizona Republic Newspaper for five (5) consecutive days beginning on Tuesday, May 10, 2016.

Alternatives

One alternative would be for the Council to choose not to assess the Town Center property owners as outlined under Resolution No. 5617. This would mean that the City would not levy any assessments this year and that the enhanced services being provided by the DMA would be terminated or funded by another funding source, rather than with assessments.

This alternative is not recommended at this time because the DMA provides a valuable service to the downtown area.

Fiscal Impact

The FY 16/17 assessment total was amended on May 16, 2016 based on a calculation that was unintentionally miscoded. For 2016 (tax year), the Town Center Improvement District will be assessing 546 parcels for a new total of \$287,262.47. The County ownership records indicate that the City of Mesa owns three of the parcels being assessed.

Coordinated With

The Downtown Mesa Association concurs with this recommendation.