



City Council Report

DATE: April 15, 2019

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 2019 District Assessments
Council District 4

Purpose and Recommendation

The purpose of this report is to provide information to the City Council to review the proposed annual assessments for the Mesa Town Center Improvement District No. 228, and to set the public hearing date for May 20, 2019. The proposed FY 2019/2020 final assessments do not reflect any increase.

Staff recommends Council approve the Resolution setting the hearing date for the proposed annual assessments.

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, however, is not to address the continuation of the District. On November 7, 2016, 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 2021.

Discussion

The Downtown Mesa Association ("DMA") has prepared the FY 2019/2020 Town Center Assessments (see Exhibit "B") based upon previously approved assessment rates. The Downtown Mesa Association Board of Directors' annual "Estimated Cost of Expenses" is attached (see Exhibit "C").

The first step in the approval process for the proposed assessments is for the Council to set a hearing date. It is proposed that May 20, 2019 be set as the annual public hearing date for the proposed annual assessments. A "Notice of Hearing" to each property owner as listed on the Maricopa County tax rolls will be mailed on Tuesday, April 23, 2019 and the "Notice of Hearing" will be published for five (5) consecutive days in the Arizona Republic beginning on Tuesday, May 14, 2019 (see Exhibit "D").

Alternatives

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

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

Fiscal Impact

For the FY 2019/2020, the Town Center Improvement District will be assessing 572 parcels for a total of \$309,950.59. The City of Mesa pays the assessments for city owned property within the district in the amount of \$226,479.00 per year via an agreement with the Downtown Mesa Association.

Coordinated With

The Downtown Mesa Association concurs with this recommendation.