



# City Council Report

**DATE:** May 21, 2012  
**TO:** City Council  
**THROUGH:** Kari Kent, Deputy City Manager  
**FROM:** Elizabeth Huning, City Engineer  
**SUBJECT:** Mesa Town Center Improvement District No. 228  
Approval of the 2012 District Assessments  
Council District # 4

## Strategic Initiatives



## Purpose and Recommendation

The purpose of this report is to provide information for the City Council to review and consider approval of the 2012 (tax year) Mesa Town Center district assessments. The assessments will cover the costs and expenses of the District for Fiscal Year (FY) 2012/2013.

It is recommended the City Council approve the 2012 (tax year) Mesa Town Center district assessments as shown on Exhibit B.

## Background

On October 7, 1985, the Council passed Resolution No. 5617 establishing the Mesa Town Center Improvement District No. 228 to provide a greater degree of public services and coordinated management, promotion, and marketing for the Mesa Town Center (see Exhibit "A" for location map). The City Council is required by law to hold an annual public hearing on the assessments, which gives the property owners the opportunity to review their annual assessments to ensure that the approved assessment rates and use classifications have been correctly applied and assessed to their property. The annual hearing is not to protest the continuation of the District. On November 7, 2011, the Mesa City Council approved the District for an additional five (5) years. The next hearing to

protest the continuation of the District will be held in the Fall of 2016.

### **Discussion**

The Downtown Mesa Association ("DMA") has prepared the 2012 Town Center Assessments (see Exhibit "B") based upon previously approved assessment rates. No rate increase is being proposed for this fiscal year. The Association also has established their annual "Estimated Cost of Expenses" (see Exhibit "C"). On April 23, 2012, the Council set May 21, 2012 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 24, 2012, and the "Notice of Hearing" will be published in the Arizona Republic Newspaper for five (5) days beginning on Tuesday, May 15, 2012 (see Exhibit "D" for example of Hearing Notice).

### **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 assessments.

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

### **Fiscal Impact**

For 2012 (tax year), the Town Center Improvement District will be assessing 552 parcels for a total of \$263,993.55. The County ownership records indicate the City of Mesa owns five of the parcels being assessed. However, two of these parcels have been sold and three of them are being leased to private businesses. Therefore the assessment of \$6,016.76 to the City owned parcels will be paid by the new owners or the leasee. The City is not responsible for payment of any of these assessments.

### **Coordinated With**

The Downtown Mesa Association concurs with this recommendation.