



City Council Report

DATE: May 21, 2018

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 2018 District Assessments
Council District No. 4

Purpose and Recommendation

The purpose of this report is to provide information to the City Council to review and consider approval of the 2018 (tax year) Mesa Town Center Improvement District assessments. The assessments will cover the costs and expenses of the District for Fiscal Year (FY) 2018/2019.

It is recommended that the City Council approve the 2018 (tax year) Mesa Town Center district assessments as shown in Exhibit "B" 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, 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 designated property manager for the district, Downtown Mesa Association ("DMA"), has prepared the 2018 Town Center Assessments (see Exhibit "B" of the attached Resolution) based upon previously approved assessment rates. The Association has established their

annual "Estimated Cost of Expenses" as reflected on Exhibit "C". On April 16, 2018, the Council set May 21, 2018 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, 2018. 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 15, 2018 (Exhibit "D").

Alternatives

One alternative would be for the Council to choose not to assess the Mesa 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

For 2018 (tax year), the Town Center Improvement District will be assessing 567 parcels for a total of \$307,551.46. The City of Mesa pays the assessments for city owned property within the district in the amount of \$226,479 per year via an agreement with the Downtown Mesa Association.

Coordinated With

The Downtown Mesa Association concurs with this recommendation.