



Downtown Fort Worth, Inc.  
Fort Worth Public Improvement District #1  
Advisory Board Meeting

**WEDNESDAY, JULY 27, 2022  
MINUTES**

The Advisory Board for the Fort Worth Public Improvement District #1 met on Wednesday, July 27, 2022 in the Conference Room of Downtown Fort Worth, Inc. located at 777 Taylor Street, Suite 100, Fort Worth, Texas 76102.

**Advisory Board Members in Attendance:** Larry Auth; Laura Bird (via proxy); Ed Kraus; Dale Kesteloot (representing Johnny Campbell, City Center FW); Carlos De La Torre (via proxy); Amber Finley; Ashlee Johnson (representing Taylor Gandy); Dr. Mare Holliday; Michelle Lynn (via proxy); Mark Michalski; Don Perfect, Jed Wagenknecht; Gavin Behr (representing Whit Kelly, 777 Main).

**Board Members unable to attend:** Shantella Dahl, Gary Cumbie, Drew Hayden, Walter Littlejohn, and Renee Massey.

**Others in attendance:** Harrison Mantas with the Fort Worth Star-Telegram.

**DFWI Staff present:** Andy Taft, Matt Beard, Becky Fetty, Brandi Ervin, Melissa Konur, Shane Smith and Barbara Sprabary.

**City Staff present:** Crystal Hinojosa

**CALL TO ORDER** – With a quorum being present (and via proxy), Chairman Larry Auth called the PID #1 Advisory Committee meeting to order.

Andy Taft informed the PID 1 Committee that City staff informed DFWI that this is now an informal advisory committee to DFWI as the manager of PID #1. Today's meeting is being held in the private offices of Downtown Fort Worth, Inc. and DFWI maintains its rights as a private organization to control the use of recording equipment in these private offices. Taft stated the following:

*“Sundance Square informed DFWI that they are bringing a camera crew this morning and DFWI notified you via email of this fact, and the fact that we gave Sundance the go ahead to invite the crew. Given feedback to that email and how Sundance Square has repeatedly posted private citizen’s photos on the official Sundance Square social media pages with critical descriptions of those citizens, we are not comfortable making the decision for you to be videoed by Sundance Square at this meeting.*”

*If any of you would like to consent to being videoed by Sundance Square during this meeting, you may require consent forms. Forms are available in the middle of the table. If no one consents, we will ask that the video crew leave the room. (DFWI) is making an audio recording of this meeting to assure accurate minutes of the proceedings.”*

Chairman Auth opened the floor for discussion. Doc Holliday said she was opposed.

None of the members of the Advisory Committee opted to sign a consent form. Chairman Auth asked the video crew to leave and they complied.

**INTRODUCTIONS** – Chair Auth invited the DFWI staff and PID 1 Committee members to introduce themselves.

**CONSIDERATION OF THE JANUARY 12, 2022 MINUTES** – Mr. Auth called the Committee's attention to the January 12, 2022 minutes. The minutes were emailed prior to today's meeting.

**UPON A MOTION BY Dr. Marie Holliday and duly seconded by Jed Wagenknecht, the PID #1 Advisory Committee unanimously approved the January 12, 2022 meeting minutes.**

**SUNDANCE SQUARE GRIEVANCE** – Matt Beard reminded the Advisory Committee that following the January 2022 PID meeting, DFWI received a copy of a grievance that Sundance Square filed with the city regarding PID 1. Mr. Beard went over the Dispute Resolution Process:

- In Section X, which was adopted by City Council on December 15, 2020, it states that if a property owner has a complaint, they must provide a written communication of the complaint to the managing company (which in this case is DFWI).
- Step 2 states that if they are dissatisfied, they may submit the complaint to the head of the Economic Development Department, which is currently Robert Sturns at the City.
- Step 3 states that if they are dissatisfied with his decision, they may appeal to the City Manager (or his authorized designee), and that decision is final.

DFWI did not receive a complaint as outlined in step 1. The complaint was sent directly to the city. The city received Sundance Square's original complaint on March 18, 2022. DFWI's attorney, Decker Jones, responded on April 13. On July 1, 2022 we received a follow up to that complaint. We have replied to the follow up. This is now in the hands of Robert Sturns and we are waiting for his decision.

There were no questions from the Advisory Committee.

**CITY OF FORT WORTH PID #1 UPDATE** – Crystal Hinojosa gave an update on the status of the PID #1 Board. Ms. Hinojosa described the two types of boards:

- **“Statutory Board** – A PID Board that is more formal in nature because the City Council appoints the board based on criteria set forth in the PID act. This type of board is not required, but is at the discretion of City Council.”
- **“Informal Board** – This type of PID Board is typically made up of the property owners within the PID and subject to city policy, both being subject to city policy, of course. Both type of boards have the same purpose: advise on the PID services, improvements and budgets that go to city council.”
- **“History of PID 1 Board** – The current PID 1 Board was formed in 2009 by resolution of the city council. The composition of the Board was included representatives of property owners within the boundaries of the PID and complied with the State statute. As the property owners and representatives changed, the city-council approved list of board members did not, which means that at some point the board no longer matched the City Council's 2009 appointing

resolution. At that point, the Board became informal, which aligns with the rest of the PIDs in the city. So, in effect, the informal Advisory Committee will serve in the same capacity as it would if it were Statutory - which is to develop and recommend the improvements and services to the city council and the board remains advisory to the City Council.”

There were no questions from the Advisory Committee.

**FINANCIAL REPORT FOR 3<sup>rd</sup> QUARTER OF FY 2022** – Brandi Ervin reviewed the fiscal year 3Q 2022 statement of activities. (A copy of the report was included in today’s handouts.)

**Revenue**

- The PID has generated \$117,329 in revenue. This includes the \$49K Tarrant County grant that helps fund the homeless outreach coordinator; \$22K for the bus shelter cleaning contract; and \$46K in banner revenue.
- This year we budgeted \$64K in banner revenue. Ms. Ervin estimates that we will generate \$56,300 this year.

**Expenses – Operations are at 74% of the annual budget.**

- **Transportation and Planning** is at 75% and this includes the \$25K payment for the Strategic Action Plan;
- **Marketing** is currently at 63%. Ms. Ervin anticipates this line item to end the year at 91% because of personnel changes and the annual report coming in under budget.
- **Research** is currently at 47%. This line item will end the year around 86% due to personnel changes.
- **Administration** is at 71%. This line item includes \$10K in attorney fees for the Sundance Square grievance.
- **Total expenses** is under the expected 75%. Ms. Ervin projects the PID will spend 96 1/2% of the annual budget and will contribute \$108K to the reserve balance held at the city.
- **Operating income** as of the 3<sup>rd</sup> quarter is \$135,962. These funds will be sent to the City in September.

There were no questions from the Advisory Committee.

**UPON A MOTION BY Jed Wagenknecht and duly seconded by Mark Michalski, the PID #1 Advisory Committee unanimously approved the Financial Report for Fiscal Year 2021-2022 as presented.**

**CONSIDERATION OF THE PID 1 DRAFT BUDGET FISCAL YEAR 2022-2023 (included in today’s handouts.)** Mr. Beard talked about how the budget is created for the PID:

DFWI receives the July certified values from the Tarrant Appraisal District to evaluate the change in downtown property values. The Tarrant Appraisal Review Board reviews value challenges submitted by property owners, so there is often a difference between July and September values. We are seeing significant review board adjustments lowering values of commercial (office and hotel) properties.

Our starting position is at the current 11.5 cents per \$100 of value. Mr. Beard took the board through a series of operating budgets and resulting compromises given the value drop predicted for this year. The scenarios ranged from 11.5 cents to 13 cents per \$100/value.

Note: Per discussions with the city, we are budgeting \$100K for the reinstallation of the decorative tree lights and landscaping adjustments to the raised beds on Main, Houston and a portion of Throckmorton.

Historically, the PID Board increases the rate when values go down and then lowers the rate when property values go back up. This is done to maintain the level of service.

To maintain the levels of service and address the raised planter requirements, staff recommends a 13 cent rate, with an understanding that the rate will go down as values go up. There are 4 or 5 new developments in the pipeline now that will contribute to the PID in the future.

Mr. Beard presented the three options

- **Option 1 – No change to the rate.** This would result in an approximately \$300k decrease to the budget. No dramatically publically visible change to PID services.
  - **Street Sweeping** currently runs 3 nights per week. We would look at significantly cutting them back and contract with them after major weather events and main events.
  - **Pressure Washing** cut by 1-2 days per week, going from 5 days to 3. Mr. Taft said that we could afford, for a period of time, to cut back that day or two, without creating an environment that is unclean. We would pull back from remarkably clean to very clean or clean.
  - **Ambassador Program** –Reduce by 1 person per shift.
  - **Tree Lighting and Landscaping** – \$100K for installation of tree lights between 5<sup>th</sup> and 2<sup>nd</sup> on Main, Houston and Throckmorton would be eliminated.
  
- **Option 2 – 12.5 cents.**
  - \$68k shortfall. We would keep the same services, cutting back minimally in various ways. Subtle reductions would include general operations and modest reduction to tree lighting and maintenance and the marketing campaign.
  
- **Option 3 – 13 cents**
  - Levels of service would remain the same.
  - Raised planter beds would be budgeted.
  - A contribution to the reserves would be made.

The Advisory Committee discussed the three options for the next fiscal year and expressed concerns about cutting services at a time like this.

**Time line:**

- Received certified values on July 22, 2022
- PID 14 will meet tomorrow, July 28, 2022
- Final budgets due to the city, this week.
- August 1-12, city staff and city manager's office will review budgets/
- Public notice goes out in mid-August.
- Two public hearings will be on August 23 and September 13.
- FY2023 begins October 1.

**UPON A MOTION BY Don Perfect and duly seconded by Jed Wagenknecht, the PID #1 Advisory Committee selected Option 3. There was no opposition. Option 3 was unanimously approved.**

**PID #1 REPORT**

**Maintenance, Landscaping & Security Enhancement** – Mr. Beard showed images of the teams working on the brick planter beds that were recently repaired.

**Ambassador Program** – Pre-covid, Ambassadors had 4,270 hospitality assists each month (conventioners, local residents). This dropped by half in 2020.

**Outreach Coordinator** - We created the outreach coordinator position in 2019. Paul Andrade, has effectively helped get 50 people into housing or vouchers for housing. There were an average of 231 outreach attempts every month in 2022. Andrade focuses on the “top 10” for housing. The H.O.P.E. team and the city’s new Tactics teams have deployed to address illegal homeless camp sites.

**MARKETING** – Becky Fetty talked about the summer marketing blog listing things to do in downtown over the course of the summer. We will be revamping this campaign for the end of the summer and DFWI will ramp up its programming in Burnett Park. These events will be privately funded.

**Movies in the Park** will include: *The Sandlot, School of Rock, Grease, and Encanto.*

**Salsa in September** – Every Thursday free Salsa Dance lessons.

Ms. Fetty will be interviewing to fill Nicole Fincher’s position. Ms. Fincher is helping supplement social media in the interim. We hope to have someone hired within the next couple of months.

**TRANSPORTATION & PLANNING** – Upcoming Developments include:

- 7<sup>th</sup> and Henderson – Apartments, 16 stories, 310 unit building. This was approved by DDRB.
- Public Market Building - 6 stories, senior living apartments, 200 units. The Public Market Building will be renovated.
- 1000 Henderson – Apartments, 12 stories, 492 units.
- 1000 Jones – Apartments, 12 stories with 300-400 units.

**RESEARCH** – Shane Smith reported that the State of Downtown is anticipated to be published by the end of the quarter.

**REQUEST FOR FUTURE AGENDA ITEMS** – There were no requests for future agenda items.

**PRESENTATIONS BY THE PUBLIC** – There were no presentations by the public.

**ADJOURNMENT OF MEETING** – With no further business to come before the PID #1 Advisory Committee, the PID #1 meeting was adjourned.

Respectfully Submitted,



Larry Auth, PID #1 Chairman