Ordinance No. 23362-08-2018

AN ORDINANCE (1) INCREASING THE ESTIMATED RECEIPTS AND APPROPRIATIONS IN THE FISCAL YEAR 2018-2019 FORT WORTH PUBLIC IMPROVEMENT DISTRICT 17 – ROCK CREEK RANCH FUND IN THE AMOUNT OF $151,060.00, FROM AVAILABLE FUNDS, AND (2) INCREASING APPROPRIATIONS IN THE SAME FUND IN THE AMOUNT OF $49,440.00 AND REDUCING FUND BALANCE BY THE SAME AMOUNT, FOR THE PURPOSE OF FUNDING OPERATING EXPENSES ASSOCIATED WITH THE FORT WORTH PUBLIC IMPROVEMENT DISTRICT 17 - ROCK CREEK RANCH DURING FISCAL YEAR 2018-2019; PROVIDING FOR A SEVERABILITY CLAUSE; MAKING THIS ORDINANCE CUMULATIVE OF PRIOR ORDINANCES; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS:

SECTION 1.

That in addition to those amounts allocated to the various City departments for Fiscal Year 2018-2019 in the Budget of the City Manager, there shall also be (1) increased estimated receipts and appropriations in the Fiscal Year 2018-2019 Fort Worth Public Improvement District 17 – Rock Creek Ranch Fund ("Fund") in the amount of $151,060.00, from available funds, and (2) increased appropriations in the Fund in the amount of $49,440.00.00 and reducing fund balance by the same amount for the purpose funding operating expenses associated with Fort Worth Public Improvement District 17 - Rock Creek Ranch during Fiscal Year 2018-2019.

SECTION 2.

That should any portion, section or part of a section of this ordinance be declared invalid, inoperative or void for any reason by a court of competent jurisdiction, such decision, opinion or judgment shall in no way impair the remaining portions, sections, or parts of sections of this ordinance, which said remaining provisions shall be and remain in full force and effect.

SECTION 3.

That this ordinance shall be incorporated into the ordinance effecting the budget of the municipal government of the City of Fort Worth for the ensuing Fiscal Year beginning October 1, 2018, and ending September 30, 2019, and all other ordinances and appropriations amending the same except in those instances where the provisions of this ordinance are in direct conflict with such other ordinances and appropriations, in which instance said conflicting provisions of said prior ordinances and appropriations are hereby expressly repealed.

SECTION 4.

This ordinance shall take effect upon adoption.

APPROVED AS TO FORM AND LEGALITY:

Tyler F. Wallach, Sr. Assistant City Attorney

CITY SECRETARY

Mary J. Kayser

ADOPTED AND EFFECTIVE: August 28, 2018

Fort Worth Public Improvement District No. 17 (Rock Creek Ranch)

Annual Service Plan Update – Fiscal Year 2019

August 7, 2018

For additional information, please contact:

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Department of Financial Management Services
City of Ft. Worth, Texas
200 Texas Street
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FORT WORTH PUBLIC IMPROVEMENT DISTRICT NO. 17

(ROCK CREEK RANCH)

FORT WORTH, TEXAS

ANNUAL SERVICE PLAN UPDATE

A. Introduction

The Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) (the "PID") was created pursuant to the PID Act and a resolution of the City Council on December 13, 2016 to finance certain Authorized Improvements for the benefit of the property in the PID. The City of Fort Worth, Texas Special Assessment Revenue Bonds, Series 2017 (Fort Worth Public Improvement District No. 17 – Rock Creek Ranch – Major Improvement Project) (the "Major Improvement Bonds"), in the aggregate principal amount of $12,685,000 were issued to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the Major Improvements that benefited all of the property in the PID. In addition, the City of Fort Worth, Texas Special Assessment Revenue Bonds, Series 2018 (Fort Worth Public Improvement District No. 17 – Rock Creek Ranch – Roadway Improvement Project) (the "Roadway Improvement Bonds"), in the aggregate principal amount of $5,155,000 were issued to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the Roadway Improvements that benefited the Western Improvement Area within in the PID.

The Service and Assessment Plan was initially prepared at the direction of the City and approved by the City Council on August 15, 2017 identifying the Major Improvements to be provided by the PID, the costs of the Major Improvements, the indebtedness to be incurred for the Major Improvements, and the manner of assessing the Assessed Property within the PID for the costs of the Major Improvements. The Service and Assessment Plan was updated at the direction of the City and approved by the City Council on June 5, 2018 (the "Updated Service and Assessment Plan") identifying the Roadway Improvements to be provided by the PID, the costs of the Roadway Improvements, the indebtedness to be incurred for the Roadway Improvements, and the manner of assessing the Assessed Property within the Western Improvement Area of the PID for the costs of the Roadway Improvements.

Pursuant to the PID Act, the Service and Assessment Plan (as updated and/or amended from time to time) must be reviewed and updated annually for the purpose of determining the annual budget for the Authorized Improvements. This document is the annual update of the Service and Assessment Plan for fiscal year 2019 (the "Annual Service Plan Update").

The City also adopted assessment rolls (the "Assessment Rolls") identifying the assessments on each Parcel of Assessed Property within the PID, based on the method of assessment identified in the Service and Assessment Plan. This Annual Service Plan Update also updates the Assessment Rolls for tax year 2018 and fiscal year 2019.

Capitalized terms not defined herein shall have the meaning specified in the Updated Service and Assessment Plan.

B. Update of the Service Plan

Budget for the Authorized Improvements

The updated total estimated costs of the Major Improvements to be funded with the Major Improvement Bonds (including bond issuance costs) was equal to $12,765,569 and the updated total estimated costs of the Major Improvements (including the Major Improvements to be funded with the Major Improvement Bonds, the University Improvements and the Non-PID Related Improvements) was equal to $14,362,900 as shown in the Updated Service and Assessment Plan. According to the Developer, there have been no changes to the updated total estimated costs of the Major Improvements as shown in the Updated Service and Assessment Plan and summarized in Table B-1 on following page.

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Table B-1
Major Improvement Bonds
Updated Sources and Uses of Funds

Description	Major Improvement Bonds	University Improvements	Non-PID Related Improvements	Total
Sources of Funds				
Gross Bond Amount	$ 12,685,000	$ -	$ -	$ 12,685,000
City of Fort Worth contribution	$ -	$ -	$ 1,111,047	$ 1,111,047
Net premium	$ 70,569	$ -	$ -	$ 70,569
Developer deposit to property tax account	$ 10,000	$ -	$ -	$ 10,000
Other contribution [a]	$ -	$ 486,284	$ -	$ 486,284
Total Sources	**$ 12,765,569**	**$ 486,284**	**$ 1,111,047**	**$ 14,362,900**
Uses of Funds				
Water	$ 2,759,319	$ 155,045	$ 98,570	$ 3,012,934
Sanitary sewer	$ 5,724,317	$ 331,239	$ 1,012,477	$ 7,068,033
Authorized/Off-Site Improvements Subtotal:	$ 8,483,636	$ 486,284	$ 1,111,047	$ 10,080,967
Other Fund Deposits:				
Debt service reserve fund [b]	$ 1,151,119	$ -	$ -	$ 1,151,119
Capitalized interest [c]	$ 1,898,149	$ -	$ -	$ 1,898,149
Other Fund Deposits Subtotal:	$ 3,049,268	$ -	$ -	$ 3,049,268
Developer deposit to Property Tax Account	$ 10,000	$ -	$ -	$ 10,000.00
Costs of issuance [d]	$ 844,283	$ -	$ -	$ 844,283.00
Underwriter's costs/underwriter counsel [e]	$ 378,382	$ -	$ -	$ 378,382.00
Total uses of funds	**$ 12,765,569**	**$ 486,284**	**$ 1,111,047**	**$ 14,362,900**

(a) Under the PID Reimbursement Agreement, the Developer is obligated to fund any cost overruns of the Major Improvements and University Improvements in excess of the funds deposited with the trustee under the Indenture related to the Major Improvement Bonds.
(b) The Major Improvement Bonds include a debt service reserve fund calculated at the maximum annual debt service for the Major Improvement Bonds. Such calculation is in accordance with the IRS rules and the Indenture.
(c) The Major Improvement Bonds include capitalized interest from September 14, 2017 through September 30, 2020.
(d) Inclusive of prepayment of a portion of the initial year's Administrative Expenses.
(e) Calculated at 2.98% of the Gross Bond Amount.

The updated total estimated costs of the Roadway Improvements to be funded with the Roadway Improvement Bonds (including bond issuance costs) was equal to $8,427,774 and the updated total estimated costs of the Roadway Improvements (including the Roadway Improvements to be funded with the Roadway Improvement Bonds, the Chisholm Trail Ranch Roadway Improvements and the University Road Improvements) was equal to $10,960,362 as shown in the Updated Service and Assessment Plan. According to the Developer, there have been no changes to the updated total estimated costs of the Roadway Improvements as shown in the Updated Service and Assessment Plan and summarized in Table B-2 on following page.

Table B-2
Roadway Improvement Bonds
Updated Sources and Uses of Funds

Description	Roadway Improvement Bonds	Chisholm Trail Ranch Roadway Improvements	University Road Improvements	Total
Sources of Funds				
Gross bond amount	$ 5,155,000	$ -	$ -	$ 5,155,000
Bond premium	$ 88,228	$ -	$ -	$ 88,228
City of Fort Worth contribution (a)	$ 3,184,546	$ 1,239,594	$ -	$ 4,424,140
Chisholm Trail contribution	$ -	$ 635,002	$ -	$ 635,002
Other contribution (b)	$ -	$ -	$ 657,992	$ 657,992
Total Sources	**$ 8,427,774**	**$ 1,874,596**	**$ 657,992**	**$ 10,960,362**
Uses of Funds				
Authorized/Off-Site Improvements:				
Roadway improvements	$ 6,931,647	$ 1,874,596	$ 657,992	$ 9,464,235
Authorized/Off-site Improvements Subtotal:	$ 6,931,647	$ 1,874,596	$ 657,992	$ 9,464,235
Other Fund Deposits:				
Debt service reserve fund (c)	$ 463,000	$ -	$ -	$ 463,000
Capitalized interest (d)	$ 564,902	$ -	$ -	$ 564,902
Other Fund Deposits Subtotal:	**$ 1,027,902**	**$ -**	**$ -**	**$ 1,027,902**
Costs of issuance (e)	$ 314,100	$ -	$ -	$ 314,100
Underwriter's costs/underwriter counsel (f)	$ 154,125	$ -	$ -	$ 154,125
Total uses	**$ 8,427,774**	**$ 1,874,596**	**$ 657,992**	**$ 10,960,362**

(a) The total Roadway Improvement Costs are $9,464,235, which include $6,973,683 in construction costs, $375,000 in ROW, $90,956 in project management fees, $150,000 in developer financing costs and $1,874,596 in Chisholm Trail improvement costs. The University share of the Roadway Improvements (excluding the Chisholm Trail improvement cost) is **$657,992** [($9,464,235 - $1,874,596) × 8.669609%)], which will be funded in full with private funds of the Developer. The City contribution for the Roadway Improvement Costs is **$3,184,546**. In addition, the City contribution for Chisholm Trail improvements is **$1,239,594** and the balance of the Chisholm Trail improvement costs, **$635,002** ($1,874,596 - $1,239,594), will be funded with private funds of the Developer.

(b) The Developer will fund all Major Improvements not funded by the Major Improvement Bonds. The Developer and the City will equally share any cost overruns for the Roadway Improvements (excluding ROW costs, project management costs, or Developer financing costs) under the terms of the Roadway Financing Agreement. The Owner's contributions include 100% of the University share of the Roadway Improvement Costs, **$657,992** ($7,589,639 × 8.669609%).

(c) The Roadway Improvement Bonds include a debt service reserve fund calculated in accordance with IRS rules.

(d) The Roadway Improvement Bonds include capitalized interest from June 22, 2018 through September 1, 2020.

(e) Inclusive of the initial year's Administrative Expenses.

(f) Calculated at 2.99% of the gross Roadway Improvement Bond amount.

A service plan must cover a period of five years. The Major Improvements are expected to be built within a period of five years. The projected Annual Installments for the Major Improvements over a period of five years is shown in Table B-3 on the following page.

Table B-3 Projected Annual Installments – Major Improvements						
Period Ending September 1	Principal Payments	Interest Expense	Administrative Expenses (a)	Delinquency & Prepayment Reserve	Capitalized Interest	Projected Annual PID Installments (a)
2018	$0	$617,299	$20,000	$63,425	($617,298)	$83,426
2019	$0	$640,425	$66,300	$63,425	($640,425)	$125,285
2020	$0	$640,425	$67,626	$63,425	($640,425)	$131,051
2021	$480,000	$640,425	$68,979	$63,425	$0	$1,252,829
2022	$505,000	$616,425	$70,358	$61,025	$0	$1,252,808
2023	$530,000	$591,175	$71,765	$58,500	$0	$1,251,440
Total	**$1,515,000**	**$3,746,174**	**$365,028**	**$373,225**	**($1,898,148)**	**$4,096,839**

(a) the 2019 PID Annual Installments amount is net of $4,440 in excess PID Annual Installments from 2018.

The Roadway Improvements are also expected to be built within a period of five years. The projected Annual Installments for the Roadway Improvements over a period of five years is shown in Table B-4 below.

Table B-4 Projected Annual Installments – Roadway Improvements						
Period Ending September 1	Principal Payments	Interest Expense	Administrative Expenses	Delinquency & Prepayment Reserve	Capitalized Interest	Projected Annual PID Installments (a)
2018	$0	$0	$0	$0	$0	$0
2019	$0	$307,152	$45,000	$25,775	($307,152)	$25,775
2020	$0	$257,750	$45,900	$25,775	($257,750)	$71,675
2021	$195,000	$257,750	$46,818	$25,775		$525,343
2022	$205,000	$248,000	$47,755	$24,800		$525,555
2023	$220,000	$237,750	$48,709	$23,775		$530,234
Total	**$620,000**	**$1,308,402**	**$234,182**	**$125,900**	**($564,902)**	**$1,678,582**

(a) the 2019 PID Annual Installments amount is net of $45,000 in Administrative Expenses funded at bond closing.

Debt Service and Administrative Expenses

Major Improvement Bonds - Annual Installments

The Major Improvement Special Assessments imposed on any parcel may be paid in full at any time. If not paid in full, the Major Improvement Special Assessment shall be payable in twenty Annual Installments of principal and interest beginning with the tax year following the issuance of the Major Improvement Bonds, of which nineteen Annual Installments currently remain outstanding.

Pursuant to the Service and Assessment Plan, each Major Improvement Special Assessment on the Assessed Property within the Western Improvement Area and Eastern Improvement Area of the PID shall bear interest at the rate on the Major Improvement Bonds plus 0.5% as described below commencing with the issuance of the Major Improvement Bonds. The effective interest rate on the Major Improvement Bonds is 5.05% per annum for fiscal year 2019. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent (0.5%) higher than the actual interest rate (the Additional Interest rate), paid on the debt. Accordingly, the effective interest rate on the Major Improvement Bonds plus Additional Interest of one-half of one percent (5.55%) is used to calculate the interests on the Major Improvement Special Assessments. These payments, the "Annual Installments" of the Major Improvement Special Assessments, shall be billed by the City (or another party designated by the City) in 2018 and will be delinquent on February 1, 2019. Each Annual Installment

shall be reduced by any credits applied under applicable documents including the Service and Assessment Plan and applicable Indenture, such as capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Major Improvement Bonds from the collection of the Annual Installments of the Major Improvement Special Assessments levied against the Assessed Property within the Western Improvement Area and Eastern Improvement Area of the PID. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments and administration of the PID. The Additional Interest collected with the Annual Installments will be used to fund the Delinquency and Prepayment Reserve amounts as described in the Service and Assessment plan and the applicable Indenture, or for such other purposes permitted thereunder.

Major Improvement Annual Installments to be collected for fiscal year 2019

The budget for Major Improvements of the PID will be paid from the collection of Annual Installments collected for fiscal year 2019 as shown by Table B-5 on the following page.

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Table B-5 Budget for the Major Improvement Annual Installments To be collected for Fiscal Year 2018-19	
	Major Improvement Bonds
Interest payment on March 1, 2019	$320,212.50
Interest payment on September 1, 2019	$320,212.50
Principal payment on September 1, 2019	$0.00
Subtotal debt service on bonds	$640,425.00
Administrative expenses	$66,300.00
Additional interest for Delinquency and Prepayment Reserves	$63,425.00
Total Uses	**$770,150.00**
Available reserve fund income	$0.00
Available capitalized interest account	$640,425.00
Other available amounts (a)	$4,439.75
Subtotal funds available	$644,864.75
Annual Installments	$125,285.25
Total Sources	**$770,150.00**
(a) Other available amounts represents interest and penalty collected as part of the 2017-18 Annual Installments.	

As shown in Table B-5 above, the total Annual Installment of the Major Improvement Special Assessments to be collected for fiscal year 2019 is equal to $125,285.25 for payments that will be due within the fiscal year 2019. The total debt service payments on the Major Improvement Bonds, the Administrative Expenses and excess interest for Delinquency and Prepayment Reserve to be collected for fiscal year 2019 are shown as $640,425.00, $66,300.00 and $63,425.00, respectively. The total debt service amounts for the Major Improvement Bonds within the fiscal year 2019 represent two semi-annual interest payments of $320,212.50 each due on March 1, 2019 and September 1, 2019, and $0 in principal payment as there are no principal payments due for the fiscal year 2019. Capitalized interest is available to pay debt service during the fiscal year 2019 in the amount of $640,425.00, and other amounts are available to pay Administrative Expenses during the fiscal year 2019 in the amount of $4,439.75.

Pursuant to the Service and Assessment Plan, the Major Improvement Special Assessments and the related Annual Installments shall be allocated to the Assessed Property within the Western Improvement Area and Eastern Improvement Area based on the ratio of the estimated buildout values for each area. As shown in the Updated Service and Assessment Plan, the current estimated total buildout value of the Western Improvement Area, the Eastern Improvement Area and the aggregate total buildout values within the PID are $1,316,418,000, $1,235,340,000 and $2,551,758,000. Accordingly, the total amount of Major Improvement Annual Installments to be collected from Parcels within the Western Improvement Area is equal to 51.59% (i.e. $64,632.99 = [$125,285.25 × ($1,316,418,000 ÷ $2,551,758,000)] and the total amount of Major Improvement Annual Installments to be collected from Parcels within the Eastern Improvement Area is equal to 48.41% (i.e. $60,652.26 = [$125,285.25 × ($1,235,340,000 ÷ $2,551,758,000)]. Similarly, the Major Improvement Annual Installments to be collected from each Parcel within the Western Improvement Area and the Eastern Improvement Area are calculated using the current estimated total buildout values of each Parcel as shown in the Updated Service and Assessment Plan.

The list of parcels within the Western Improvement Area and the Eastern Improvement Area of the PID, the aggregate Major Improvement Special Assessments for the Western Improvement Area and the Eastern Improvement Area, the percentages of the current estimated buildout values calculated for each Parcel within the Western Improvement Area and the Eastern Improvement Area and the corresponding Annual Installments to be collected from each Parcel for fiscal year 2019 are shown in Appendix A-1 – Western Improvement Area - Major Improvement Assessment Roll summary and Appendix A-2 – Eastern Improvement Area - Major Improvement Assessment Roll summary attached herein.

Roadway Bonds - Annual Installments

The Roadway Improvement Special Assessment imposed on any parcel may be paid in full at any time. If not paid in full, the Special Assessment shall be payable in nineteen Annual Installments of principal and interest beginning with the 2018 tax year, which is the tax year following the issuance of the Roadway Bonds.

Pursuant to the Service and Assessment Plan, each Roadway Improvement Special Assessment on Assessed Property within the Western Improvement Area of the PID shall bear interest at the rate on the Roadway Bonds plus 0.5% as described below commencing with the issuance of the Roadway Improvement Bonds. The effective interest rate on the Roadway Bonds is 5.96 percent per annum for fiscal year 2019. Pursuant to Section 372.018 of the PID Act, the interest rate for that assessment may not exceed a rate that is one-half of one percent (0.5%) higher than the actual interest rate (the Additional Interest rate), paid on the debt. Accordingly, the effective interest rate on the Roadway Improvement Bonds plus Additional Interest of one-half of one percent (6.46%) is used to calculate the interests on the Roadway Improvement Special Assessments. These payments, the "Annual Installments" of the Roadway Improvement Special Assessments, shall be billed by the City (or another party designated by the City) in 2018 and will be delinquent on February 1, 2019. Each Annual Installment shall be reduced by any credits applied under applicable documents including the Service and Assessment Plan and applicable Indenture, such as capitalized interest and interest earnings on any account balances and by any other funds available to the PID.

Annual Budget for the Repayment of Indebtedness

Debt service will be paid on the Roadway Improvement Bonds from the collection of the Annual Installments of the Roadway Improvement Special Assessment levied on the Assessed Property within the Western Improvement Area. In addition, Administrative Expenses are to be collected with the Annual Installments to pay expenses related to the collection of the Annual Installments and administration of the PID. The Additional Interest collected with the Annual Installments will be used to fund the Delinquency and Prepayment Reserve amounts as described in the Service and Assessment plan and the applicable Indenture, or for such other purposes permitted thereunder.

Roadway Annual Installments to be collected for fiscal year 2019

The budget for Roadway Bonds that lies within the Western Improvement Area of the PID will be paid from the collection of Annual Installments collected for the fiscal year 2019 as shown by Table B-6 on the following page.

Table B-6
Budget for the Roadway Improvement Annual Installments
To be collected for Fiscal Year 2019

	Roadway Bonds
Interest payment on March 1, 2019	$153,576.04
Interest payment on September 1, 2019	$153,576.04
Principal payment on September 1, 2019	$0.00
Subtotal debt service on bonds	$307,152.08
Administrative expenses	$45,000.00
Additional interest for Delinquency and Prepayment Reserves	$25,775.00
Total Uses	**$377,927.08**
Available reserve fund income	$0.00
Available capitalized interest account	$307,152.08
Available Administrative Expense account (a)	$45,000.00
Subtotal funds available	$352,152.08
Annual Installments	$25,775.00
Total Sources	**$377,927.08**

(a) The available amount represents $45,000 in Administrative Expenses funded at bond closing.

As shown in Table B-6 above, the total Annual Installment of the Roadway Improvement Special Assessments to be collected for fiscal year 2019 is equal to $25,775.00 for payments that will be due within the fiscal year 2019. The total debt service payments on the Roadway Improvement Bonds, the Administrative Expenses and excess interest for Delinquency and Prepayment Reserve to be collected for fiscal year 2019 are shown as $307,152.08, $45,000.00 and $25,775.00, respectively. The total debt service amounts due for the Roadway Improvement Bonds within the fiscal year 2019 represent two semi-annual interest payments of $153,576.04 each due on March 1, 2019 and September 1, 2019, and $0 in principal payments as there are no principal payments due for the fiscal year 2019. Capitalized interest is available to pay debt service during the fiscal year 2019 in the amount of $307,152.08, and other amounts are available to pay Administrative Expenses during the fiscal year 2019 in the amount of $45,000.00.

Pursuant to the Service and Assessment Plan, the Roadway Improvement Special Assessments and the related Annual Installments shall be allocated to the Assessed Property within the Western Improvement Area based on the ratio of the estimated buildout values for each Parcel. As a result, the Roadway Improvement Annual Installments to be collected from each Parcel within the Western Improvement Area are calculated using the current estimated total buildout values of each Parcel as shown in the Updated Service and Assessment Plan.

The list of parcels within the Western Improvement Area, the aggregate Roadway Improvement Special Assessments for the Western Improvement Area, the percentages of the current estimated buildout values calculated for each Parcel within the Western Improvement Area and the corresponding Annual Installments to be collected from each Parcel for fiscal year 2019 are shown in Appendix A-3 – Western Improvement Area – Roadway Improvement Assessment Roll Summary Assessment Roll attached herein.

C. Update of the Assessment Plan

The Updated Service and Assessment Plan adopted by the City Council provided that the cost of Authorized Improvement shall be allocated to the Assessed Property based on the ratio of estimated buildout value anticipated to be built on each Parcel once such property is fully developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvement to Parcels similarly benefited.

This method of assessing property has not been changed and Assessed Property will continue to be assessed as provided for in the Updated Service and Assessment Plan.

D. Update of the Assessment Roll

Pursuant to the Service and Assessment Plan, the Assessment Roll shall be updated each year to reflect:

> (i) the identification of each Parcel; (ii) the Special Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Special Assessment is payable in installments); and (iv) payments of the Special Assessment, if any, as provided by Section VII.C of the Service and Assessment Plan.

The summary Assessment Rolls are shown in Appendix A-1, A-2 and A-3 attached herein. Each parcel in the PID is identified, along with the aggregate Special Assessment for the applicable improvement area and the Annual Installments to be collected from each Parcel.

Parcel Updates

According to the Service and Assessment Plan, upon the subdivision of any Parcel, the Administrator shall reallocate the Special Assessment for the Parcel prior to the subdivision among the new subdivided Parcels according to the formula shown in the Updated Service and Assessment Plan.

According to the Developer, there have been no subdivision of Parcels since the Updated Service and Assessment Plan was approved by the City Council.

Prepayment of Assessments

There have been no Special Assessment prepayments as of June 30, 2018 to be included in this Annual Service Plan Update.

Appendix A-1
Western Improvement Area - Major Improvement Assessment Roll Summary
Fiscal Year 2019

Parcel	Estimated Build Out Value (a)	Percentage of Estimated Buildout Values (b)	Major Improvement Special Assessment (c)	Major Improvement Annual Assessments (d)	Administrative Expenses (e)	Additional Interest for Delinquency and Prepayment Reserve (e)	Fiscal Year 2019 Annual Installments
4103629	$300,900,000	22.86%	$6,544,023	$0.00	$7,294.48	$7,478.99	$14,773.47
6839851	$312,705,800	23.75%		$0.00	$7,580.68	$7,772.43	$15,353.11
3710890	$702,812,200	53.39%		$0.00	$17,037.72	$17,468.69	$34,506.41
41524853	$0	0.00%		$0.00	$0.00	$0.00	$0.00
Total	**$1,316,418,000**	**100.00%**	**$6,544,023**	**$0.00**	**$31,912.88**	**$32,720.11**	**$64,632.99**

(a) The current estimated buildout values for each Parcel are shown in Appendix A-3 of the Updated Service and Assessment Plan.
(b) The percentages represent a ratio of the current estimated buildout value of each Parcel to the total estimated buildout value.
(c) The Major Improvement Special Assessments are shown in Appendix A-1-A of the Updated Service and Assessment Plan.
(d) The amount represents the prorated debt service amount due from each Parcel (net of capitalized interest) for the year.
(e) The amounts represent the prorated Administrative Expenses due from each Parcel (net of other available funds) and the prorated Additional Interest amount due from each Parcel for the year. Administrative Expenses and Additional Interest for Delinquency and Prepayment Reserve amounts for Western Improvement Area Parcels represent 51.59% of the total Administrative Expenses and Additional Interest due for the fiscal year 2019 Major Improvement Bond Annual Installments shown in Table B-5 of this Annual Service Plan Update.

Appendix A-2
Eastern Improvement Area - Major Improvement Assessment Roll Summary
Fiscal Year 2019

Parcel	Estimated Build Out Value (a)	Percentage of Estimated Buildout Values (b)	Major Improvement Special Assessment (c)	Major Improvement Annual Assessments (d)	Administrative Expenses (e)	Additional Interest for Delinquency and Prepayment Reserve (e)	Fiscal Year 2019 Annual Installments
5700908	$120,272,400	9.74%	$6,140,977	$0.00	$2,915.67	$2,989.42	$5,905.09
41295149	$1,003,250,600	81.21%		$0.00	$24,321.01	$24,936.21	$49,257.22
41291522	$111,817,000	9.05%		$0.00	$2,710.69	$2,779.26	$5,489.95
Total	**$1,235,340,000**	**100.00%**	**$6,140,977**	**$0.00**	**$29,947.37**	**$30,704.89**	**$60,652.26**

(a) The current estimated buildout values for each Parcel are shown in Appendix A-3 of the Updated Service and Assessment Plan.
(b) The percentages represent a ratio of the current estimated buildout value of each Parcel to the total estimated buildout value.
(c) The Major Improvement Special Assessments are shown in Appendix A-1-A of the Updated Service and Assessment Plan.
(d) The amount represents the prorated debt service amount due from each Parcel (net of capitalized interest) for the year.
(e) The amounts represent the prorated Administrative Expenses due from each Parcel (net of other available funds) and the prorated Additional Interest amount due from each Parcel for the year. Administrative Expenses and Additional Interest for Delinquency and Prepayment Reserve amounts for Eastern Improvement Area Parcels represent 48.41% of the total Administrative Expenses and Additional Interest due for the fiscal year 2019 Major Improvement Bond Annual Installments shown in Table B-5 of this Annual Service Plan Update.

Appendix A-3
Western Improvement Area - Roadway Improvement Assessment Roll Summary
Fiscal Year 2019

Parcel	Estimated Build Out Value (a)	Percentage of Estimated Buildout Values (b)	Roadway Improvement Special Assessment (c)	Roadway Improvement Annual Assessments (d)	Administrative Expenses (e)	Additional Interest for Delinquency and Prepayment Reserve (e)	Fiscal Year 2019 Annual Installments
4103629	$300,900,000	22.86%	$5,155,000	$0.00	$0.00	$5,891.52	$5,891.52
6839851	$312,705,800	23.75%		$0.00	$0.00	$6,122.67	$6,122.67
3710890	$702,812,200	53.39%		$0.00	$0.00	$13,760.81	$13,760.81
41524853	$0	0.00%		$0.00	$0.00	$0.00	$0.00
Total	**$1,316,418,000**	**100.00%**	**$5,155,000**	**$0.00**	**$0.00**	**$25,775.00**	**$25,775.00**

(a) The current estimated buildout values for each Parcel are shown in Appendix A-3 of the Updated Service and Assessment Plan.
(b) The percentages represent a ratio of the current estimated buildout value of each Parcel to the total estimated buildout value.
(c) The Roadway Improvement Special Assessments are shown in Appendix A-1-A of the Updated Service and Assessment Plan.
(d) The amount represents the prorated debt service amount due from each Parcel (net of capitalized interest) for the year.
(e) The amounts represent the prorated Administrative Expenses due from each Parcel (net of other available funds) and the prorated Additional Interest amount due from each Parcel for the year. Administrative Expenses and Additional Interest for Delinquency and Prepayment Reserve amounts for Western Improvement Area Parcels represent 100% of the total Administrative Expenses and Additional Interest due for the fiscal year 2019 Roadway Improvement Bond Annual Installments shown in Table B-6 of this Annual Service Plan Update.

City of Fort Worth, Texas
Mayor and Council Communication

COUNCIL ACTION: Approved on 8/28/2018 - Ordinance No. 23362-08-2018

DATE: Tuesday, August 28, 2018 **REFERENCE NO.:** G-19355

LOG NAME: 13ROCK_CREEK_RANCH_PID_FY2019

SUBJECT:

Approve the Updated Five Year Service and Assessment Plan for Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) and Adopt Appropriation Ordinance (COUNCIL DISTRICT 6)

RECOMMENDATION:

It is recommended that the City Council:

1. Approve the attached updated Five-Year Service and Assessment Plan for Fort Worth Public Improvement District No. 17 (Rock Creek Ranch); and

2. Adopt the attached appropriation ordinance (i) increasing estimated receipts and appropriations in the Fort Worth Public Improvement District 17 - Rock Creek Ranch Fund (Fund) in the amount of $151,060.00, from available funds, and (ii) increasing appropriations in the Fund in the amount of $49,440.00, from available funds, for the purpose of establishing the fiscal year 2018-2019 operating budget.

DISCUSSION:

The Fort Worth Public Improvement District No. 17 (Rock Creek Ranch) (PID) was created pursuant to the PID Act and a resolution of the Mayor and City Council passed on December 13, 2016 to finance certain authorized improvements for the benefit of the property in the PID. Pursuant to the PID Act, the Service and Assessment Plan for a PID (as updated and/or amended from time to time) must be reviewed and updated annually for the purpose of determining the annual budget for the Authorized Improvements.

An initial Service and Assessment Plan (SAP) for the PID was approved by the City Council on August 15, 2017. The SAP identified the water and sewer Major Improvements to be provided by the PID, the costs of the Major Improvements, the indebtedness to be incurred for the Major Improvements, and the manner of assessing the Assessed Property within the PID for the costs of the Major Improvements. On that same date, City Council approved the issuance and sale of Special Assessment Revenue Bonds, Series 2017 (Fort Worth Public Improvement District No. 17 – Rock Creek Ranch – Major Improvement Project) in the aggregate principal amount of $12,685,000.00, to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the Major Improvements that benefited all of the property in the PID.

On June 5, 2018, an update to the Service and Assessment Plan was approved by the City Council identifying certain Roadway Improvements to be provided by the PID for the benefit of property in the Western Improvement Area of the PID, the costs of the Roadway Improvements, the indebtedness to be incurred for the Roadway Improvements, and the manner of assessing property in the Western Improvement Area for the costs of the Roadway Improvements. Immediately following that action City Council approved issuance and sale of Special Assessment Revenue Bonds, Series 2018 (Fort Worth Public Improvement District No. 17 – Rock Creek Ranch – Roadway Improvement Project), in the

aggregate principal amount of $5,155,000.00 to finance, refinance, provide or otherwise assist in the acquisition, construction and maintenance of the Roadway Improvements that benefited the Western Improvement Area within in the PID.

The document attached to this Mayor and Council Communication fulfills the requirements under the PID Act to update the SAP for the coming fiscal year. Further, approval of this M&C will establish the fiscal year 2019 budget for the Rock Creek Operating Fund and the Assessment Rolls for tax year 2018 and fiscal year 2019.

The fiscal year 2018-2019 budget for the operating fund is summarized in the table below:

Revenues	
Annual Installment Income	$151,060.00
Use of Fund Balance	$49,440.00
Total Revenues	$200,500.00
Expenditures	
Administrative Expenses	$111,300.00
Delinquency & Pre-Payment Reserves	$89,200.00
Total Expenditures	$200,500.00

A portion of the proceeds from each series of bonds was deposited into a capitalized interest account for that series of bonds, and a portion of those funds will be used to pay interest on the bonds during the 2018-2019 fiscal year. The appropriation supporting those payments is included with the City's proposed debt service appropriation ordinance that is included with the annual City budget. FY2019 debt service on each series of bonds is summarized in the table below:

Revenues	
Capitalized Interest	**$947,580.00**
Major Improvements (Series 2017 Bonds)	$640,426.00
Roadway Improvements (Series 2018 Bonds)	$307,154.00
Expenditures	
Principal Payments Due September 1, 2019	$0
Interest Payments Due March 1, 2019	
Major Improvements (Series 2017 Bonds)	$320,213.00
Roadway Improvements (Series 2018 Bonds)	$153,577.00
Interest Payments Due September 1, 2019	
Major Improvements (Series 2017 Bonds)	$320,213.00
Roadway Improvements (Series 2018 Bonds)	$153,577.00
Total Debt Expenditures	$947,580.00

This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

updated Rock Creek Ranch PID Service and Assessment Plan will be approved, and the Fiscal Year 2018-2019 Annual Budget for the Rock Creek PID Operating Fund will be established.

FUND IDENTIFIERS (FIDs):

TO

Fund	Department ID	Account	Project ID	Program	Activity	Budget Year	Reference # (Chartfield 2)	Amount

FROM

Fund	Department ID	Account	Project ID	Program	Activity	Budget Year	Reference # (Chartfield 2)	Amount

CERTIFICATIONS:

Submitted for City Manager's Office by: Susan Alanis (5804)

Originating Department Head: Aaron Bovos (8517)

Additional Information Contact: John Samford (2318)