

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") allows for the creation of public improvement districts; and

WHEREAS, on April 1, 2011, owners of real property located within the Prestonwood Public Improvement District (PID) area, delivered to the City of Dallas a Petition (the "Petition") to re-establish the Prestonwood Public Improvement District (the "District") that is shown on the map attached hereto and made a part hereof and labeled (**Exhibit A**) (the "Map of the District"); and

WHEREAS, the Act states that the Petition is sufficient if signed by owners of more than 50 percent of taxable real property, according to appraised value, and either of the following: more than 50 percent of the area of all taxable real property liable for assessment under the proposal, or more than 50 percent of all record owners of property liable for assessment; and

WHEREAS, City staff reviewed the petitions and determined that the Petitions for creation are signed by owners of taxable real property in the proposed Public Improvement District representing more than seventy-one percent (71%) of the appraised value of taxable real property liable for assessment in the proposed District, and owners of more than seventy percent (70%) of the land area had signed the petitions for the renewal of the Prestonwood PID; and

WHEREAS, the Act further requires that prior to the adoption of the resolution providing for the establishment of the Prestonwood Public Improvement District to provide supplemental public services to be funded by assessments on real property and real property improvements, the City Council must hold a public hearing on the advisability of the improvements; the nature of the improvement; the estimated cost of the improvement; the boundaries of the public improvement district; the method of assessment; and the apportionment of costs between the district and the municipality as a whole; and

WHEREAS, on May 25, 2011, the City Council called for a public hearing to be held on June 22, 2011, to hear comments and concerns regarding the re-establishment of the Prestonwood Public Improvement District (PID) and stated its intent at the close of that hearing to consider a Resolution renewing the Prestonwood PID by Resolution 11-1347; and

WHEREAS, after providing notices required by Section 372.009 of the Act, the City Council on June 22, 2011, conducted a public hearing on the advisability of the improvements and services, and adjourned such public hearing.

NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That pursuant to the requirements of the Act, the City Council, after considering the Petition for the proposed District and evidence and testimony presented at the public hearing on June 22, 2011, hereby finds and declares:

- A. Advisability of Service and Improvements Proposed for the District.** It is advisable to create the District to provide the services and improvements described in this Resolution.
- B. Nature of the Services and Improvements.** The nature of the services and improvements to be performed by the District is to enhance public safety and security related improvements within the District that are authorized by the Act and approved by the Dallas City Council.
- C. Estimated Cost of the Services and Improvements.** The total estimated cost of services and improvements provided by the District for the seven year period is approximately two million four hundred thirty-four thousand, nine hundred eighty-eight dollars (\$2,434,988). The estimated average annual cost of services for the District is approximately three hundred forty-seven thousand eight hundred fifty-five dollars (\$347,855) (**Exhibit B**). The District shall incur no bonded indebtedness.
- D. Boundaries.** The District is located wholly within the City of Dallas, Texas. The boundaries of the District are shown on the Map of the District (**Exhibit A**).
- E. Method of Assessment.** The proposed method of assessment attached as (**Exhibit C**) which may specify included or excluded classes of assessable property, is based on the value of the real property and real property improvements, as determined by the Dallas Central Appraisal District. The proposed 2011 annual assessment rate in the District is \$0.087 per \$100.00 of appraised value by the Dallas Central Appraisal District. The proposed assessment rate for the seven year period is between \$0.087 to \$0.095 per \$100.00 of value. The final assessment rate for 2011 will be established by City Council after the close of an assessment rate public hearing on September 28, 2011. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. The assessment rate will be reviewed and approved annually by the Dallas City Council and will be carried out in accordance with procedures stipulated in Chapter 372 of the Texas Local Government Code.

Section 2. (Continued)

- F. Apportionment of costs between the District and the Municipality as a Whole.** The District shall pay the costs of the services and improvements by special assessment against the real property and real property improvements. The City of Dallas is not responsible for payment of assessments against exempt City property in the District which is specifically benefited. City rights-of-way, parks and cemeteries are not subject to assessment. Payment of assessments by other exempt jurisdictions and entities must be established by contract. No such contract is in place, nor is any proposed.

Section 2. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

Section 3. That the Prestonwood Public Improvement District is hereby authorized and established as a Public Improvement District under the Act in accordance with the findings as to the advisability of the services and improvements contained in this Resolution, with an effective date of January 1, 2012. The District shall be subject to all of the terms, conditions, limitations and reservations contained in the findings of Section 2 of this Resolution.

Section 4. That the City Secretary is directed to give notice of the authorization for the establishment of the District by publishing a copy of this Resolution once in the newspaper of general circulation in the City of Dallas. Such authorization shall take effect and the District shall be deemed to be established effective upon the publication of such notice. The District shall automatically dissolve on December 31, 2018 unless the District is renewed through the petition and approval process as provided by the Act, or the District is sooner terminated as provided by law. The power of the City to continue to levy and collect assessments within the District will cease and the District will be dissolved on the date that a petition requesting dissolution is filed with the City Secretary of the City of Dallas and the petition contains the signatures of at least enough property owners in the District to make the petition sufficient for creation of a public improvement district as provided in Section 372.005(b) of the Act.

Section 5. That the City Council authorizes that the District shall be managed through Prestonwood Homeowners Association, Inc., a private nonprofit corporation established under the provisions of Section 501(c) of the Internal Revenue Code, to develop and recommend a service plan, improvement plan and assessment plan for approval by the City Council in order to promote the efficient management of the District. The Prestonwood Homeowners Association, Inc shall be the entity responsible for the management of the District.

Section 6. That the City Council hereby approves the Service Plan prepared by the Prestonwood Homeowners Association, Inc., which is attached hereto and made part hereof and marked **(Exhibit B)** and directs the Prestonwood Homeowners Association, Inc., to implement it in accordance with the Act. The Service Plan covers a period of seven (7) years and defines the annual indebtedness and projected cost for services and improvements. The Prestonwood Homeowners Association, Inc., is hereby granted the ability to modify or substitute items without City Council approval within the program categories in the Service Plan if such changes serve the common interest of owners and tenants in the District and the increase and/or decrease in the amount of a program category does not exceed twenty percent (20%) of the budgeted amount for that category. "Program categories" in the Service Plan includes enhancing public safety within the District, and security related improvements that are authorized by the Act. Program Categories in subsequent years may include other types of services and improvements authorized by the Act.

Section 7. That pursuant to the exception granted by Section 252.022(a)(9) of the Texas Local Government Code, the City Manager is hereby authorized and directed, upon approval as to form by the City Attorney, to enter into a contract with Prestonwood Homeowners Association, Inc., to manage special supplemental services for enhancing security within District, including services relating to security and public safety, to be paid from the assessments collected. The contract with the Prestonwood Homeowners Association, Inc shall be in accordance with the Service Plan and this Resolution and shall provide for compliance by the Prestonwood Homeowners Association, Inc, with the Business Inclusion and Development Plan for participation of minorities and women providing services and improvements to the District.

Section 8. That the contract with the Prestonwood Homeowners Association, Inc., shall also provide for assessment collection services that the County will provide to the Prestonwood Homeowners Association, Inc., for collection of the special assessments. The County shall receive a fee per account as compensation for its collection services.

Section 9. This resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

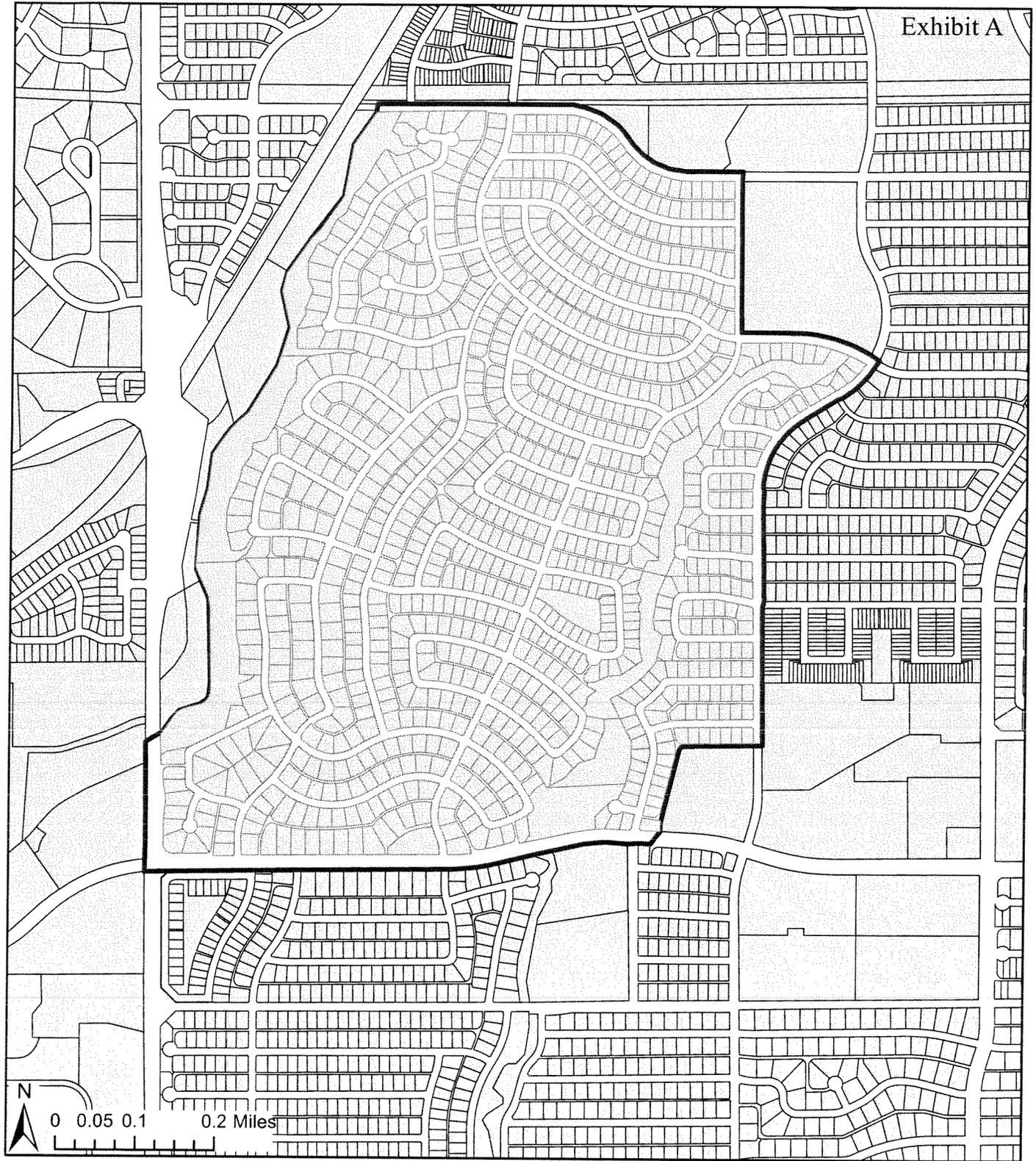
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APPROVED BY
CITY COUNCIL

JUN 22 2011


City Secretary

Exhibit A



Prestonwood PID Boundary Map

 Prestonwood PID Boundary



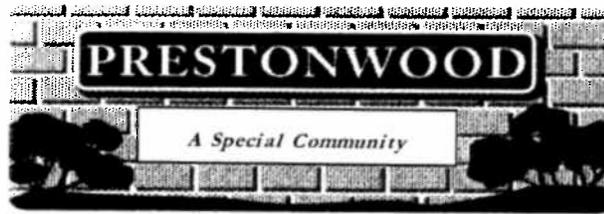
City of Dallas

Office of Economic Development
May 2011

Prestonwood Public Improvement District
Service Plan 2011-2018

Exhibit B

	2011 Budget	2012 Budget	2013 Budget	2014 Budget	2015 Budget	2016 Budget	2017 Budget	2018 Budget
Revenue & Reserves								
Calendar Year End Balance as of 12/31	\$104,937.00	\$75,901.03	\$73,032.62	\$72,149.16	\$73,749.60	\$75,350.04	\$76,950.66	\$53,551.28
Net Assessment Revenue	\$316,819.03	\$338,668.62	\$342,310.22	\$345,951.82	\$345,951.82	\$345,952.00	\$345,952.00	\$345,952.00
Exempt Jurisdictions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest on Cash balances	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00	\$500.00
Other income & contributions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Income & Reserves	\$422,256.03	\$415,069.65	\$415,842.84	\$418,600.98	\$420,201.42	\$421,802.04	\$423,402.66	\$400,003.28
Disbursements								
Public Safety	\$292,855.00	\$308,962.03	\$308,962.03	\$308,962.03	\$308,962.03	\$308,962.03	\$308,962.03	\$308,962.03
Audit/Insurance	\$21,000.00	\$22,050.00	\$23,155.40	\$23,734.29	\$23,734.29	\$23,734.29	\$23,734.29	\$23,734.29
Administrative Expenses	\$10,500.00	\$11,025.00	\$11,576.25	\$12,155.06	\$12,155.06	\$12,155.06	\$12,155.06	\$12,155.06
7 year Recertification Expenses	\$22,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25,000.00	\$0.00
January 2011 Accrued Expenses								
Total Disbursements	\$346,355.00	\$342,037.03	\$343,693.68	\$344,851.38	\$344,851.38	\$344,851.38	\$369,851.38	\$344,851.38
Funds Balance/Reserves	\$75,901.03	\$73,032.62	\$72,149.16	\$73,749.60	\$75,350.04	\$76,950.66	\$53,551.28	\$55,151.90
Proposed yearly Assessment Rate	\$0.0870	\$0.0930	\$0.0940	\$0.0950	\$0.0950	\$0.0950	\$0.0950	\$0.0950



Homeowners Association

P. O. Box 795682

Dallas, TX 75248

**Exhibit C
PRESTONWOOD PUBLIC IMPROVEMENT DISTRICT
2011 ASSESSMENT PLAN**

The cost of the services and improvements provided by the Prestonwood Public Improvement District will be paid primarily by assessments against real properties within the Prestonwood Public Improvement District boundaries. Annual assessments will be based on the value of real property and improvements as certified by the Dallas Central Appraisal District.

The 2011 assessment rate for the property in the Prestonwood PID is proposed at \$0.087 per \$100.00 of value. The proposed assessment rate for the seven year period is between \$0.087 to \$0.095 per \$100.00 of value. The annual assessment rate shall not exceed \$0.15 per \$100.00 valuation. The assessment rate will be reviewed and approved annually by the Dallas City Council and will be carried out in accordance with procedures stipulated in Chapter 372 of the Texas Local Government Code.

The City of Dallas shall not be responsible for payment of assessments against exempt City property including City rights-of-way, parks and cemeteries. Payment of assessment by other tax-exempt owners must be established by contract. No such contracts are in place at present.

The Prestonwood PID's assessments will be collected by the Dallas County Tax Office in accordance with the contract with the City of Dallas and in accordance with the management contract between the City of Dallas and the Prestonwood Homeowners Association, Inc.