



Legislation Text

File #: 20-2140, Version: 1

STRATEGIC PRIORITY: Mobility Solutions, Infrastructure, and Sustainability
AGENDA DATE: April 28, 2021
COUNCIL DISTRICT(S): All
DEPARTMENT: Department of Public Works
EXECUTIVE: Majed Al-Ghafry

SUBJECT

Authorize a resolution to repeal the City's Paving Assessment Policy ~~and cancel the liens for street improvements for Street Group 12-636, which includes Holly Hill Drive from Phoenix Drive to Pineland Drive; Hughes Lane from Churchill Way to Lafayette Way; and Phoenix Drive from Fair Oaks Avenue to Holly Hill Drive; and for Street Group 17-4003, which includes Harlandale Avenue from East Ohio Avenue to East Illinois Avenue; and South Ewing Avenue from Sleeth Street to East Ann Arbor Avenue; and to cancel assessments~~ for future street improvements - Estimated Revenue Foregone: Street and Transportation (A) Fund (2017 General Obligation Bond Fund) (-\$2,000,000.00) and 2012 General Obligation Bond Funds (-\$195,000.00, over a five-year period)

BACKGROUND

On November 11, 2020, City Council authorized street paving, drainage, water and wastewater main improvements for Street Group 12-636 and Street Group 17-4003; provided for partial payment of construction costs by assessment of abutting property owners; an estimate of the cost of the improvements to be prepared as required by law and a benefit assessment hearing to be held on December 9, 2020, by Resolution No. 20-1769. No assessment will be levied for these two projects as a result of this action; however, assessments levied for all other projects approved prior to this action will not be affected.

On December 9, 2020, City Council deferred the levy of assessments against the abutting property owners for two projects, one of which involved Street Group 12-636 and one of which involved Street Group 17-4003, until after the review, evaluation and recommendation of the City's Paving Assessment Policy by the Transportation and Infrastructure Committee regarding the Paving Assessment Policy.

On February 23, 2021, the Transportation and Infrastructure Committee, with the assistance of the Department of Public Works staff, evaluated the City's Paving Assessment Policy and recommended repeal of the City's Paving Assessment Policy.

The Dallas City Charter, Chapter XX, Section 1 provides that all of the powers conferred by the State of Texas authorizing cities to improve streets and to levy assessment for improvement of streets, alleys, sidewalks, curbs, gutters, drive approaches and any other appurtenance or incidental to such an improvement (collectively “street improvements”), as set forth in Chapters 311 and 313 of the Texas Transportation Code, as amended, are adopted as to the methods and procedures to be used for street improvements and assessments in the City of Dallas (“City”).

Section 311.001 of the Texas Transportation Code provides that a home-rule municipality has exclusive control over and under the public highways, streets, and alleys of the city and may control, regulate or improve such public highways, streets or alleys of the city.

Section 313.003(a) of the Texas Transportation Code, the city may: (1) determine the necessity for and order a street improvement in the municipality; (2) contract for the construction of the street improvement in the name of the municipality; and (3) provide for the payment of the cost of the street improvement by the municipality or partly by the municipality and partly by assessments.

The City of Dallas adopted rules appropriate to the exercise of its powers to impose assessments on landowners to recover a portion of the cost of the street improvement is discretionary with the City Council under state law and the City Charter, the City adopted policies and rules requiring the levy of assessments for certain street improvements on May 10, 1965, by Resolution No. 65-2602, for alley improvements on March 25, 1974, by Resolution No. 74-1271, for sidewalk improvements on August 28, 1985, by Resolution No. 85-2863, and for Target Neighborhood street improvements on December 12, 1990, by Resolution No. 90-4037 (collectively “Paving Assessment Policy”) in accordance with the Texas Transportation Code.

[This action has no effect on prior assessments levied pursuant to the City’s Paving Assessment Policy. Once the assessment is levied and the improvements are completed such assessments with interest shall remain a first and prior lien against the properties assessed superior to all other liens except ad valorem taxes and such assessments shall remain a personal liability of and charge against the owner of the property.](#)

[Repeal of the City’s Paving Assessment Policy does not prevent the city from levying assessments in the future. The City Council has discretion to levy assessments by ordinance for future street improvements pursuant to state law and the City Charter, Chapter XX, provided that public notice of the ordinance is posted and a public hearing is conducted in accordance with the requirements of state law. Such notice and hearing requirements must disclose the nature and extent of the street improvements and advise the property owners and the public that assessments will be made for such street improvements.](#)

Over the last ten years, a total of \$3,103,002.31 were levied on assessment projects for collection (revenue). However, in the 2017 Bond Program, Public Works is anticipating a total of \$2,070,517.26 (decrease in revenue) of levied assessments for paving improvements if City Council authorizes a resolution to repeal the City’s Paving Assessment Policy.

This action will authorize a resolution to repeal the City's Paving Assessment Policy and cancel the liens for street improvements for Street Group 12-636 and Street Group 17-4003 and to cancel assessments for future street improvements. The estimated revenue foregone should total approximately \$2,195,000.00 over a five-year period.

ESTIMATED SCHEDULE OF PROJECT

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| Held Public Hearing & Deferred the Levy of Assessments | December 2020 |
| Provided Transportation and Infrastructure Committee Briefing | February 2021 |
| Authorize Resolution to Repeal the City's Paving Assessment Policy | April 2021 |

This project should meet the above schedule.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 10, 1965, City Council approved a resolution to authorize street improvements and to levy assessments for those improvements by Resolution No. 65-2602.

On March 25, 1974, City Council approved a resolution to authorize alley improvements and to levy assessments for those improvement by Resolution No. 74-1271.

On August 28, 1985, City Council approved a resolution to provide property owners with an opportunity to petition for sidewalk improvements and to levy assessments for those improvement by Resolution No. 85-2863.

On December 12, 1990, City Council approved a resolution for certain Target Neighborhood Areas without requiring petitions and to levy assessments for those improvements by Resolution No. 90-4037.

The Transportation and Infrastructure Committee will be briefed regarding this matter on April 19, 2021.

FISCAL INFORMATION

Estimated Revenue Foregone: Street and Transportation (A) Fund (2017 General Obligation Bond Fund) (-\$2,000,000.00) and 2012 General Obligation Bond Funds (-\$195,000.00, over five-year period beginning in FY 2021-22). Estimated revenue foregone should total approximately \$2,195,000.00 over a five-year period.

MAP

Attached