



## Recommendation for Action

**File #:** 19-2441, **Agenda Item #:** 26.

8/8/2019

### **Posting Language**

Approve a resolution adopting the Austin Downtown Public Improvement District Service and Assessment Plan and Budget update for 2020. Related to item #97.

### **Lead Department**

Economic Development

### **Fiscal Note**

There is no fiscal impact.

### **Prior Council Action:**

October 11, 2012: Council reauthorized the Austin Downtown PID and authorized negotiation and execution of a new management contract with Downtown Austin Alliance to provide PID services (Resolution 201210011-115). June 19, 2019: Council approved Ordinance 20190619-026 setting the 2020 assessment rate and a proposed assessment roll for the Austin Downtown Public Improvement District and approved to set a public hearing to consider the 2020 proposed assessment.

### **For More Information:**

Veronica Briseño, Director, Economic Development Department, (512) 974-7802; Margaret Shaw, Economic Redevelopment Program Manager, Economic Development (512) 974-6497.

### **Additional Backup Information:**

This action will approve the proposed Austin Downtown Public Improvement District Service and Assessment Plan and Budget for 2020-2021, as provided to the City by the Downtown Austin Alliance (DAA). State law requires City Council approval of the Service and Assessment Plan and Budget which serves as the basis for the 2020 assessment roll. The Public Improvement District (PID) assessment will provide services in the following program areas: Safety and Hospitality; Clean and Beautiful; Retail Development; Mobility and Streetscapes; Homelessness Support; Downtown Plan Implementation; Historic Squares, Parks, & Open Space; Congress Avenue; Communications; Music, Culture, & Events; Education, and; Administration.

DAA submitted a 2020 budget for the PID in the amount of \$10,352,156 at Exhibit A. This amount includes \$9,684,320 in 2020 assessments (at a 96% collection rate) from the 2019 assessment roll; \$230,166 from prior -year revenue collections, \$360,000 City contributions for funds in lieu of paying an assessment on City-owned tax exempt property and other City priorities, \$77,670 in interest accrued and late payments in the Austin Downtown PID Account, and \$147,019 for City and County fees. The total amount provided to DAA, however, is \$10,204,137, which is \$10,352,156 less \$147,019 for City and County fees.

Approval of the proposed PID Service and Assessment Plan and Budget, and the ordinance adopting an assessment rate and assessment roll are part of the annual process of approving PID assessments and subject to City Council approval in the Fiscal Year 2020 Budget. Appropriation of the \$10,205,137 in the Economic Development Department Special Revenue Fund will require City Council authorization. This appropriation is based on the proposed appraisal roll from the Travis Central Appraisal District (TCAD) as the certified roll will not be available until after the deadline to meet Travis County property tax billing cycle.

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Therefore, if 2020 assessment collections are higher than \$9,684,320, the amount will be included in City Council deliberations through the annual PID approval process in 2020. If the amount is less than \$9,684,320, the City of Austin will not provide funding for the difference, and the DAA will have to reduce its spending to meet the lower amount.