



MEMORANDUM

TO: Mayor and Council

FROM: Elaine Hart, Deputy City Manager *Elaine Hart*

DATE: June 14, 2019

SUBJECT: Resolution No. 20190523-029 – Response re: Rainey Street District Fund

This memo is in response to Resolution No. 20190523-029 directing the City Manager to provide a report concerning deposits in the Rainey Street District Fund. The resolution specified that the report should provide the amount that would have been in this fund had right of way, alley vacation, and license agreement fees been deposited since 2013. Additionally, the report should account for city investments in the Rainey Street District during the same period. This investment data took additional time to gather delaying this response.

From FY 2013-2019 year-to-date, \$600,000 has been deposited into the Rainey Street District Fund as prescribed by Ordinance No. 20131024-010. The Austin Transportation Department (ATD) provided \$506,775 in right-of-way fees while the Office of Real Estate Services (ORES) provided the remaining \$93,225 from alley vacation and license agreement fees. If the same deposits had continued beyond the \$600,000 ceiling set in Ordinance No. 20131024-010, an additional \$1,724,908 from ATD and \$54,347 from ORES, for a combined total of \$1,779,255, would have been added to the Rainey Street District Fund.

Regarding investments made in the Rainey Street District (the “District”), several departments have made numerous infrastructure and capital investments in the District over the same time. The following table lists the type of investments meeting the criteria set forth in this Resolution and the funding amount. Funding for major public infrastructure projects such as the Waller Creek Tunnel, chilled water and transmission lines, and rehabilitation and replacement of water and wastewater lines, are not included with this project list.

Department	Type of Investment (FY 2013-2019)	Amount
Austin Energy	Duct line and bank work	\$1.2 million
Austin Energy	Multi-family property improvements	\$753,000
Austin Energy	Alley relocation and various improvements	\$308,000
Austin Transportation	Traffic circle design and construction	\$20,000
Austin Transportation	B-cycle and back-in angled parking installations	\$105,000
Austin Transportation	Signal cameras and vertical deflection units (speed control humps)	\$88,000
Parks and Recreation	Emma S. Barrientos Mexican American Cultural Center: landscape improvements and Master Plan update	\$850,000
Parks and Recreation	Rainey Street pocket park connectivity, architectural services, and creek delta link work at Palm Park	\$995,000
Parks and Recreation	Dumpster enclosure at Town Lake Metro Park	\$29,100
Parks and Recreation	Playscape improvements at Palm Neighborhood Park	\$57,800
Public Works	Sidewalks for Rainey Street alley	\$107,000
Public Works	Rainey Street mobility and parking improvements	\$127,000

The Resolution also directed the City Manager to return to Council by June 20 with an ordinance that requires funds from **right-of-way fees, alley vacation sales, and license agreements for developments** within the Rainey Street Historic District to be deposited into the Rainey Street District Fund. The City Manager was directed to provide a positive or negative recommendation on the ordinance based on additional information including:

- a. Previous investments made in the Rainey Street Historic District (see table above),
- b. Needed investments in the Rainey Street Historic District (see attached table),
- c. Citywide funding needs and strategic priorities, and
- d. An analysis of equity in city investments, recognizing the importance of safe access to the Mexican American Cultural Center and Fifth Street Mexican American Heritage Corridor as well as the importance of investing in communities of color currently underserved by the City.

City-wide funding needs and strategic priorities will be presented as part of the FY 2020 Proposed Budget. There was not sufficient time to complete the requested analysis of equity in city investments.

At this time, we do not recommend establishing a permanent set aside of revenues for a specific purpose. Best financial practices focus on consideration and evaluation of overall city-wide needs prior to prioritizing a specific project or program need. This set aside, if acted on June 20, would occur before staff and Council's budget discussions and consideration of overall City priorities and weighing of this action against such overall priorities. Given the uncertainty of future budgetary changes due to recent State action to cap property tax rate increases, we should preserve all available revenue streams until staff and Council can have broader budgetary discussions.

As requested, a proposed Ordinance will be on the June 20 Addendum Agenda for Council's consideration. It is my recommendation Council defer action on this ordinance until it can be considered as part of the FY 2020 budget adoption. Should you have questions or require additional information, please contact Elaine Hart, Deputy City Manager, at 974-1380.

xc: City Manager
Assistant City Managers
Deputy Chief Financial Officers

Planned City Investments in the Rainey Street Historic District

Department	Description	Funding Notes
Public Works	Includes development of a comprehensive downtown wayfinding master plan (pedestrian, visitor, historical, cultural, bicycle, automobile/parking, transit) and design and construction of associated the plan's physical elements.	Dynamic parking system - pilot-funded \$890k.
Public Works	Develop a downtown wayfinding master plan for pedestrian, visitor, historical, cultural, bicycle, automobile/parking & transit. Develop design and bid documents for the physical elements of the plan. Begin constructing wayfinding improvements.	Funded \$2.4 million.
Public Works	In accordance with Ordinance 20131212-031, City of Austin will work with Austin Rainey St. LLC on the rehabilitation of the Alley between Rainey Street and East Avenue, and Driskill Street and River Street.	Partially funded.
Planning and Zoning	Assist with improvements to the Station Area Plans including re-calibration of density bonuses and standardization of processes across multiple plans.	Station area plans phase 2 - regulatory project is on hold pending citywide rewrite of Land Development Code which is expected to address at least some of the needed regulatory improvements in the area, including calibration of density bonuses.
Watershed Protection	Erosion Risk Reduction CIP Program	General.
Watershed Protection	Water Quality CIP Program	General.
Watershed Protection	This project provides for aquatic invasive species management, and restoration of littoral and riparian environments within and along Austin's reservoirs to protect and enhance resource diversity, quality, and integrity.	Funded - Ladybird Lake shoreline.
Austin Transportation	The communications network is the infrastructure that allows information transfer and management between various field devices and the Transportation Management Center (TMC). This network is critical to the overall operation of the ATMS.	No additional information.
Austin Transportation	Purchase and install pay and display parking pay stations and related equipment to replace single space parking meters. Add sidewalk/pedestrian facilities along Rainey Street and investigate/implement traffic configuration improvements.	Waiting on results of the area study to implement improvements. Study completion with recommendations 9/30/2019.

Austin Transportation	ATD is also moving forward with a planned study of the area to determine the best approach to manage traffic, pedestrian and bike safety and speed management	Funded through savings in the FY 2019 Operating budget. Expected completion by 9/30/2019.
Parks and Recreation	Phase II improvements from the MACC Master Plan, which include which include expanding the existing building, renovations, and new landscape elements (including the recently dedicated parkland at 64 Rainey).	Funding from 2018 bonds.