



Recommendation for Action

File #: 21-2442, **Agenda Item #:** 38.

7/29/2021

Posting Language

Authorize an amendment to the resolution reauthorizing the Austin Downtown Public Improvement District. Related to Item #37 and Item #129.

Lead Department

Economic Development.

Fiscal Note

The 2022 assessment rate of \$0.10/\$100 valuation is estimated to produce \$9,473,768 at an 85% collection rate. A fiscal note is not required.

Prior Council Action:

October 11, 2012 - Council reauthorized the Austin Downtown Public Improvement District (PID) and authorized negotiation and execution of a new management contract with Downtown Austin Alliance to provide PID services (Resolution No. 20121011-115).

For More Information:

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Additional Backup Information:

This action seeks to amend Resolution No. 20121011-115, Section 1(f) Apportionment of Cost between District and Municipality to increase the City's annual payment in lieu of assessment, subject to annual appropriation by Council. Reflecting the rise in downtown property values since 2012 when the Downtown DPID was last reauthorized, staff requests Council consider increasing its annual contribution to the PID from \$150,000 to \$360,000. Also, since the reauthorization, the PID has taken on more services, in collaboration with the City. The PID maintains and cleans the downtown Portland Loos bathrooms that were installed at key locations, at an expense of greater than \$150,000 per year. It also provides security services for Brush Square, at an expense of at least \$60,000 per year. Staff recommends amending the reauthorization resolution to increase the City's in lieu fee to \$360,000 so that the PID continues to provide these additional services to the benefit of the district and the City.

The adoption of the PID Service and Assessment Plan (Item 21-2440) accounts for the addition of the \$150,000 for servicing the Portland Loo public restrooms for the City's FY 2022 contract with the Austin DMO, Inc. doing business as Downtown Austin Alliance, which is the City's designated PID management entity.

The PID encompasses an area of approximately 650 acres, from I- 35 westward to Nueces and San Antonio Streets, and from Martin Luther King, Jr. Boulevard to south of Lady Bird Lake. The PID was created by the City Council on April 15, 1993, to provide ongoing and consistent funding to implement certain downtown initiatives. Since then, the City has maintained a contract with the Downtown Austin Alliance to manage the PID. The PID will expire on October 11, 2022, and a petition to reauthorize the PID is expected later this year, as required by the City's PID Policy adopted by Resolution No. 20200220-015.

Strategic Outcome(s):

Economic Opportunity and Affordability.