

**RESOLUTION NO.**

**WHEREAS**, Chapter 372 of the Texas Local Government Code (the "Act") authorizes the creation of public improvement districts which are created to confer enhanced city services to a defined geographic area paid for through assessments made by property owners; and

**WHEREAS**, owners of real property located within the Austin Central Business District delivered to the City of Austin a Petition (the "Petition") to authorize, for a ten-year term, the Austin Downtown Public Improvement District (the "District"), as shown on the map attached and incorporated as Exhibit "A" (the "Map of the District"); and

**WHEREAS**, the City Clerk of the City of Austin has reviewed the Petition and determined that under the proposal as set out in the Petition (i) the owners of more than 50% of the appraised value of the taxable real property liable for assessment and (ii) the owners of more than 50% of the area of all taxable real property liable for assessment within the District have executed the Petition and that the Petition complies with the Act and authorizes the City Council to consider the reauthorization of the District; and

**WHEREAS**, after providing the notices required by Section 372.009 of the Act, the City Council on June 9, 2022, has conducted a public hearing on the advisability of the improvements and services; and

**WHEREAS**, the City Council adjourned such public hearing; **NOW, THEREFORE**,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

**Section 1.** Pursuant to the requirements of the Act, the City Council, after considering the Petition for the proposed District and the evidence and testimony presented at the public hearing on June 9, 2022, finds and declares:

- (a) Advisability of the Services and Improvements Proposed for the District: It is advisable to create the District to provide the services and improvements described in this Resolution, and the services and improvements will contribute to the public health, safety, and welfare.
- (b) Nature of the Services and Improvements: The general nature of the services and improvements to be performed by the District is to increase security, supplement the maintenance of streets, sidewalks, and landscaping, provide marketing information to promote the District, provide streetscape enhancements, and provide other services and improvements that are authorized by the Act. The District is created with the intention of supplementing and enhancing services within the District, and will continue to do so, but is not intended to replace or supplant existing City services provided within the District, as described in the service plan (the "Service Plan") attached and incorporated as Exhibit "B". The Service Plan is hereby approved and accepted by the City Council.
- (c) Estimated Cost of the Services and Improvements: The estimated annual cost of the services and improvements to be provided by the District is approximately \$13,300,000 for the first year of the reauthorization. Revenues to support services and improvements are anticipated to increase to an estimated \$23.9 million annually by the tenth year. The District shall not incur bond indebtedness.

- 50 (d) Boundaries: The District is located wholly within the City of Austin,  
51 Texas. The District is located within the Austin Central Business  
52 District, which is devoted primarily to commercial activity. The  
53 boundaries of the District are shown on the Map of the District,  
54 Exhibit "A".
- 55 (e) Method of Assessment: The method of assessment is based on the  
56 value of the real property and real property improvements as  
57 determined by the Travis Central Appraisal District. The following  
58 classes of property shall be excluded from assessment: (1) property of  
59 the City (provided, however, that during each year in which the  
60 District remains in effect and the Council appropriates sufficient  
61 funds, the City shall pay a certain amount in lieu of an assessment),  
62 (2) property of the County, and property owned by political  
63 subdivisions of the State of Texas and used for public purposes, (3)  
64 property owned by a church or by a strictly religious society, and  
65 which yields no revenue to such church or religious society, and  
66 which is used as an actual place of religious worship or as a dwelling  
67 place for the ministry of such church or religious society, (4) property  
68 owned by persons or associations of persons which is used exclusively  
69 for school purposes, (5) property owned by an association engaged in  
70 promoting the religious, educational, and physical development of  
71 boys, girls, young men, or young women operating under a state or  
72 national organization of like character and used exclusively and  
73 necessarily for such purpose, including, but not limited to, property  
74 owned by the Austin Independent School District, (6) property owned  
75 by institutions of purely public charity, (7) property that was used  
76 primarily for recreational, park, or scenic purposes during the

77 immediately preceding calendar year, (8) property owned by public or  
78 private utilities that is located in public streets or rights-of-way, (9)  
79 property used for residential purposes that fall under the definition of  
80 a homestead provided in Section 41.001 of the Texas Property Code,  
81 (10) property owned by The University of Texas and the State of  
82 Texas, (11) all hospitals, and (12) the first \$500,000 in valuation of all  
83 properties liable for assessment.

84 All property owners assessed in the District automatically become  
85 members of the District and others may join by the voluntary payment  
86 of dues. The Service Plan reflects the District's intention to provide  
87 services in a manner that will primarily benefit District members.

88 After reviewing the testimony and evidence, it is found that the  
89 exemptions for excluded classes are reasonable because the excluded  
90 property will not receive a benefit from the District sufficient to  
91 justify assessments. It is further found that the exemptions are  
92 reasonable and necessary to promote the efficient management of the  
93 District.

- 94 (f) Apportionment of Cost Between District and Municipality: The  
95 District shall pay the costs of the services and improvements by  
96 special assessment against the real property and real property  
97 improvements. The City will make an annual payment to the District  
98 in lieu of an annual assessment of City-owned property, subject to  
99 annual appropriation of funds by the Council. The City agrees to pay  
100 the District a sum in each year not to exceed \$360,000. The City  
101 Manager is hereby instructed to provide for an annual payment in  
102 future budgets for the term of the District.

(g) Assessment Roll and Setting of Rate: The City Manager is hereby directed to annually prepare an assessment roll and file the roll with the City Clerk. The assessment rate shall not exceed \$0.10 per \$100.00 valuation of taxable real property as shown on the tax rolls of the Travis Central Appraisal District, provided, however, that property designated by the City as "H" Historic shall have the exemptions from assessment contained in Section 11-1-22 of the City Code and shall be assessed on the basis of the reduced value provided by the formula therein.

(h) The recitals in the preamble of the Resolution are found to be true and correct.

**Section 2.** The Austin Downtown Public Improvement District is authorized effective June 10, 2022 and continued as a Public Improvement District under the Act in accordance with the findings in this Resolution as to the advisability of the services and improvements. The District shall be subject to the terms, conditions, limitations, and reservations contained in the findings of Section 1 of this Resolution.

**Section 3.** The District shall automatically dissolve ten years from the date of this Resolution unless the District is renewed through the Petition and approval process provided for in the Act, or the District is terminated earlier as provided by law. The power of the City to continue to levy and collect assessments within the District pursuant to the Act will cease and the District will be dissolved on the date that a petition requesting dissolution is filed with the City Clerk of the City of Austin 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 4.** The City Council designates Austin DMO, Inc., a Texas nonprofit corporation, d/b/a Downtown Austin Alliance, as the advisory body as contemplated by Section 372.008 of the Act.

**ADOPTED:** \_\_\_\_\_, 2022 **ATTEST:** \_\_\_\_\_

Myrna Rios  
City Clerk