



Recommendation for Action

File #: 22-2399, **Agenda Item #:** 9.

7/28/2022

Posting Language:

Approve an ordinance adopting the Austin Downtown Public Improvement District Service and Assessment Plan and Budget update for 2023. Related to Item #112..

Lead Department:

Economic Development.

Fiscal Note:

Funding in the amount of \$10,891,783 is available from the Austin Downtown Public Improvement District Fund.

Prior Council Action:

- April 15, 1993 -- Council authorized the creation of the Downtown Austin Public Improvement District (PID) in Resolution No. 930415-88.
- October 23, 1997 - Council approved reauthorization of the PID in Resolution No. 971023-30.
- October 24, 2002 - Council approved reauthorization of the PID in Resolution No. 021024-53.
- October 18, 2007 - Council approved reauthorization of the PID in Resolution No. 20071018-082.
- October 11, 2012 - Council reauthorized the PID and authorized negotiation and execution of a new management contract with Austin DMO, Inc. dba Downtown Austin Alliance to provide PID services in Resolution No. 201210011-115.
- May 5, 2022 - Council set a public hearing to consider a resolution to authorize a new PID with the same name and management entity.
- June 9, 2022 - Council authorized the PID and authorized negotiation with e a management agreement with Downtown Austin Alliance in Resolution No. 20220609-081.

For More Information:

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Additional Backup Information:

This action will approve the proposed PID Service and Assessment Plan and Budget for 2023-2024, 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 2023 assessment roll. The PID assessment will provide services in the following program areas: Safety and Hospitality; Economic Development; Place, Planning and Mobility, Research; Activations, Strategic Communications and Events, and

Administration.

The DAA has presented a budget for FY 2023 of \$10,744,205, as shown in Exhibit A. Total available funds for the PID in the amount of \$10,891,783 includes \$9,698,918 in 2023 assessments (at an 85% collection rate of \$11,410,492) from the assessment roll, \$819,045 from adjusted prior-year revenue collections, the \$360,000 City contribution of funds in lieu of paying an assessment on City-owned tax-exempt property, and \$13,819 in interest accrued and late payments in the PID Account. Administrative expenses of \$147,578 for City and Travis County expenses related to PID management is subtracted from the total funds available to arrive at the amount available for services budgeted by the DAA.

Approval of the proposed PID service and Assessment Plan and Budget, and the ordinance adopting an assessment rate and proposed assessment roll are part of the annual process of approving PID assessments and subject to Council approval in the Fiscal Year 2023 Budget. Appropriation of these funds in the EDD Special Revenue Fund will require Council authorization during budget deliberations.

Strategic Outcome(s):

Economic Opportunity and Affordability.