



Recommendation for Action

File #: 23-2590, **Agenda Item #:** 14.

8/31/2023

Posting Language

Approve an ordinance adopting the East Sixth Street Public Improvement District Service and Assessment Plan and Budget update for 2024. Related to Item #13.

Lead Department

Economic Development.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

August 8, 2019 - Council approved Resolution No. 20190808-094 reauthorizing the East Sixth Street Public Improvement District (PID).

June 9, 2022 - City Council approved Ordinance No. 20220609-007, setting the assessment rate and approving the proposed 2023 assessment roll for the PID.

July 28, 2022 - City Council approved Resolution No. 20220728-011, adopting the PID Service and Assessment Plan and Budget update for 2023.

June 1, 2023 - Council approved Ordinance No. 20230601-008 setting the calendar year 2024 rate of assessment and proposed calendar year 2024 assessment roll for the PID.

July 20, 2023 - City Council held a public hearing to set the assessment rate and approve the 2024 assessment roll for the PID.

For More Information:

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Sabine Romero, Global Business Expansion Division Manager, Economic Development Department, 512-974-9235.

Additional Backup Information:

This action will approve the proposed PID Service and Assessment Plan and Budget for 2024-2025, as provided to the City by Sixth Street Austin. State law requires City Council Approval of the Service and Assessment Plan and Budget, which serves as the basis for the proposed 2024 assessment roll. The PID assessment will be used to provide services in the following areas: Infrastructure and Physical Environment, Public Safety, Communications and Membership, and Marketing, Economic Development, and Fundraising.

On June 1, 2023, Council approved the Ordinance setting the 2024 assessment rate for the PID (at a rate of \$.10 per \$100 valuation) and approved the proposed 2024 assessment roll (list of property owners subject to assessment). The assessments paid by the property owners fund the PID services. On July 20, Council held a public hearing to set the rate and approve the 2024 assessment roll for the PID. With no comments, the public

hearing was closed and Council approved the subsequent action item of approving the Service and Assessment Plan. However, the July 20 posting for the Public Hearing provided incorrect ordinance backup. Therefore, this Council action will ensure approval of the correct ordinance language reflecting the Service and Assessment Plan appropriately noticed for the July 20 Council date.

The PID submitted a 2024 budget in the amount of \$83,458 as Exhibit A. The amount includes \$46,491 in 2024 assessments (at an 85% collection rate) from the 2024 proposed assessment roll, \$35,000 annual City contribution in lieu of paying an assessment on City-owned tax-exempt property and other City priorities, \$7,460 from prior-year revenue collections from reserve maintained for property protests and unpaid taxes, and \$2,088 from interest accrued and late payments in the East 6th PID Account and less \$6,459 in City and County fees.

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 through City Council approval in the Fiscal Year 2024 Budget. Appropriation of \$83,458 in the Economic Development Department Special Revenue Fund will require City Council authorization.