



# City of Austin

## Recommendation for Action

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**File #:** 25-1365, **Agenda Item #:** 133.

7/24/2025

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### **Posting Language**

Conduct a public hearing and consider an ordinance setting the assessment rate and approving the 2026 assessment roll for the Austin Downtown Public Improvement District. Funding: This item has no fiscal impact of the City. Related to Item #138.

### **Lead Department**

Financial Services Development.

### **Fiscal Note**

There is no fiscal impact on the City.

### **Prior Council Action:**

June 9, 2022 - Council approved Resolution No. 20220609-081 authorizing a new Austin Downtown Public Improvement District with expanded boundaries from the original Public Improvement District.

June 9, 2022 - Council authorized the negotiation and execution of a management agreement with Austin DMO, Inc. dba Downtown Austin Alliance.

February 23, 2023 - Council authorized the execution of a management agreement for management services with the Downtown Austin Alliance.

June 5, 2025 - Council approved an ordinance setting the proposed assessment rate and approving a proposed 2026 assessment roll for the Public Improvement District.

### **For More Information:**

Kim Olivares, Director, Financial Services Department (512) 974-2924; Christine Maguire, Financial Services Department (512) 974-7131; Margaret Shaw, Financial Services Department (512) 974-6497.

### **Additional Backup Information:**

On June 5, 2025, Council approved the proposed 2026 assessment rate for the Public Improvement District (PID) at a valuation rate of \$0.0925 per \$100 on commercial properties valued at more than \$500,000, which is estimated to produce \$12,766,545 at an 85% collection rate. Council also approved the proposed 2026 assessment roll, which lists property owners subject to the assessment. The assessments paid by the property owners fund PID services.

State law requires Council to conduct a public hearing to consider the proposed assessment. Approval of the proposed assessment rate and property roll on June 5, 2025, triggered notices to be sent to property owners, giving them the opportunity to review the property valuations prior to the public hearing. Property owners have a statutory right to challenge the assessment placed on their property at the public hearing. The levy, subject to public inspection and comment at the public hearing, is on the proposed 2026 assessment roll. The property roll also includes properties exempt from assessment or that have zero value.

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The PID encompasses an area of approximately 605 acres, from Interstate 35 westward to Nueces and San Antonio Streets, including portions of the Seaholm District. The boundaries end at 15th Street to the north and extend south of Lady Bird Lake to include portions of the South Central Waterfront area. The PID was initially created by the Council at the request of property owners on April 15, 1993, to provide ongoing funding for enhanced services and improvements downtown. In 2022, at a proper request from property owners, Council approved a new PID with expanded boundaries to replace the original PID. Since its inception, the City has contracted with Downtown Austin Alliance to manage the PID.