

Austin Economic Development  
Business Incentives and Expansion  
Place-Based Enhancement Program  
Austin Block 16 and 18

**Company Name:** Austin Block 16 and 18

**Industry:** Creative Space

**Category:** Category IV – Transformational Investment

**Project Summary:** Rally Austin is supporting the redevelopment of Block 16 and 18, a major cultural mixed-use project on two Urban Renewal Agency properties. This project is based on project terms approved by Council in [Resolution No. 20240718-063](#) and procured through a competitive RFP process. The project will be developed by the Pleasant Hill Collaborative with Servitas acting as lead developer. Rally Austin will be responsible for debt service payments associated with project bond funding. The project will include the following community amenities:

- A 27,000 square foot Cultural Heritage Center including cultural and nonprofit arts space;
- 13,400 of restaurant commercial space;
- 14 live/work townhomes;
- Housing for students, staff, and/or faculty of Huston-Tillotson University;
- 62-72 affordable condominiums; and,
- Culturally-focused public art.

For this incentive, the City will provide a moral obligation pledge as a non-binding credit enhancement tool. This pledge would not require an appropriation or reserve fund in the City Budget, but rather would provide a credible pledge from the City to consider support to the project's financing as a mechanism for lowering the rate of debt and securing various sources of financing capital. Contract compliance will be determined annually by the City and an independent third-party to verify that Rally Austin has performed in accordance with the terms of the contract.

**Current Status:**

**Jobs**

	<u>Direct</u>		<u>Spin-Off</u>	<u>Total</u>
	<u>Created</u>	<u>Retained</u>		
<b>Employment Impact</b>	134	0	59	193

**Fiscal Impact**

<b>Summary of Estimated Ten Year Fiscal Impact</b>	
<b>Total Capital Investment</b>	<b>\$40,802,000</b>
<b>Benefits</b>	<b>\$4,090,608</b>
<b>Costs</b>	<b>\$2,303,483</b>

**Summary of Potential Local Incentive Package & Net Benefit**

<b>Estimated Net City Fiscal Benefit</b>	<b>\$1,787,125</b>
<b>Proposed Incentive:</b>	<b>\$0</b>
<b>Net Benefits Over 10 Years</b>	<b>\$1,787,125</b>

### **Summary of Community Benefits**

Construction of new Creative Space and/or Venue, as a Cultural Heritage Center including cultural and art space	Provision of Affordable Housing and Live/Work Housing
Construction of Space for Local Small Business	Provision of Parkland and Open Space – Two Pocket Parks and Entertainment Courtyard

#### **Council District: 1**

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