



City of Austin

Recommendation for Action

File #: 25-2262, **Agenda Item #:** 11.

11/20/2025

Posting Language

Authorize negotiation and execution of an economic development Place-Based Enhancement Program agreement with Balance Dance Studios LLC for a total amount not to exceed \$547,623. Funding: \$547,623 is contingent upon approval of the Proposed Economic Development Department's Economic Incentive Reserve Fund Budgets.

Lead Department

Economic Development.

Fiscal Note

Funding in the amount of \$547,623 is contingent upon approval of future Fiscal Economic Development Department's Economic Incentive Reserve Fund Budgets.

For More Information:

Anthony Segura, Interim Director, Economic Development Department, 512-974-3187; Donald Jackson, Business Process Consultant, 512-974-2214.

Additional Backup Information:

Balance Dance Studios is launching the Austin Performing Arts Center and Training Complex (APAX), a 33,000-square-foot expansion at its 4544 South Lamar location. The facility will include the Lux Theater, green rooms, and multi-use spaces for performing arts productions, youth programs, childcare, educational workshops, and community events. The project will activate underutilized commercial property, create local jobs, and expand Austin's year-round event capacity. Designed as a solar-powered green facility, APAX also supports sustainability goals. It will serve as a vital cultural hub and flexible civic resource, supporting families, small businesses, freelancers, and the great creative community across Central Texas. The proposed Place-Based Enhancement Program incentive will support this major expansion of a local creative space. High real estate and construction costs, including property taxes and permitting fees, make this project's full construction and effective operation infeasible without incentive support. The prospective total direct economic impact of the project would be a capital investment of \$10,500,000. The economic impact also includes \$2,100,000 in net fiscal impacts tied to tourism spending; this is driven by large numbers of non-local patrons for regional and national competitions, conventions, and corporate events.

The project is eligible for consideration under the Place-Based Enhancement Program guidelines and received the necessary score for an incentive equal to 100 percent of the property taxes and sales taxes paid to the City by Balance Dance Studios, as allowed under the Place-Based Enhancement Program guidelines.

Contract compliance and award payment eligibility will be determined annually by the City and an independent third-party to verify that Balance Dance Studios has performed in accordance with the terms of the contract. Upon confirmation of compliance, the City will provide a Place-Based Enhancement Program award equal to a 100 percent reimbursement of actual property taxes and sales taxes paid to the City for the award up to the maximum award amount of \$547,623. Using the Impact Dashboard fiscal impact model, the City is projected to receive a \$2,200,000 in total net benefits from the project over the 10-year agreement term. The total net benefits amount is calculated after the total Place-Based Enhancement Program award not to exceed

\$547,623.