



City of Austin

Recommendation for Action

File #: 26-1508, **Agenda Item #:** 11.

4/23/2026

Posting Language

Authorize an amendment to the management agreement with Austin DMO, Inc. dba Downtown Austin Alliance for management services to extend the term to April 30, 2031 and update the 5-Year Service and Assessment Plan and Budget to align with the extended term. Funding: This item has no fiscal impact. Related to Item #12.

Lead Department

Austin Financial Services.

Fiscal Note

This item has no fiscal impact.

Prior Council Action:

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

February 23, 2023 - Council authorized the execution of a management agreement for management services with Austin DMO, Inc. for a period of five years for a total contract amount of \$79,197,757.

For More Information:

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Additional Backup Information:

This action requests Council approval to negotiate and execute an amendment to the management agreement with Austin DMO, Inc., dba Downtown Austin Alliance (DAA), by changing the expiration date from May 1, 2026 to April 30, 2031 and replacing the management agreement with a revised Five-Year Service and Assessment Plan (SAP) and Budget. The DAA is the designated management entity of the Public Improvement District (PID). All other business terms of the management agreement would remain in effect.

This SAP provides administrative flexibility and improved reporting abilities as requested by DAA. Recently DAA leadership shared with City staff operational and financial challenges they faced in responding to downtown needs post-COVID under certain PID administrative requirements. Resolution No. 20200220-015, the City's PID Policy, requires Council approval if a PID's management entity wishes to move more than 20% of budgeted funds from one spending category to another. The consolidation of programmatic categories reduces the number of programmatic line items in the SAP, providing greater flexibility and allowing the DAA to respond more nimbly to changing market conditions.

Since the PID's inception in 1993, DAA has been the management entity designated by Council to oversee the PID.