



# City of Austin

## Recommendation for Action

**File #:** 24-4858, **Agenda Item #:** 123.

7/18/2024

### **Posting Language**

Approve an ordinance approving the Austin Downtown Public Improvement District Service and Assessment Plan and Budget update for 2025 and declaring an emergency. Related to Item #101.

### **Lead Department**

Financial Services Department.

### **Fiscal Note**

Funding for this ordinance is dependent on available funding in the Fiscal Year 2024-2025 Austin Downtown Public Improvement District Fund.

### **Prior Council Action:**

June 9, 2022 - Council approved Resolution No. 20220609-081, authorizing the Downtown Public Improvement District with expanded boundaries from the original Public Improvement District, and approved a management agreement with Austin DMO, Inc. d/b/a Downtown Austin Alliance.

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

May 30, 2024 - Council approved Ordinance No. 20240530-014 to set the Downtown Public Improvement District 2025 assessment rate and roll.

### **For More Information:**

Kimberly Olivares, Deputy Chief Financial Officer, Financial Services, 512-974-2924; Margaret Shaw, Economic Redevelopment Program Manager, Financial Services, 512-974-6497.

### **Additional Backup Information:**

This action will approve the proposed Downtown Public Improvement District (PID) Service and Assessment Plan and Budget for Fiscal Year 2025-2026, as provided to the City by the Downtown Austin Alliance, the PID's management entity. State law requires Council approval of the Service and Assessment Plan and Budget which serves as the basis for the 2025 assessment roll. The assessments will provide services in the following program areas:

- Public Space Experience: Cleanliness, Safety and Hospitality;
- Public Space Experience: Homelessness;
- Built Environment; Mobility, Research;
- Active Urbanism;
- Promotion and Communication, and
- Administration.

The Downtown Austin Alliance has presented a budget for Fiscal Year 2025-2026 of \$14,264,637.12. The total available in the amount of \$14,416,494.12 includes \$13,772,330.18 in 2025 assessments at an 85% collection rate of \$16,202,741.39 from the assessment roll, \$46,641.04 from adjusted prior-year revenue collections,

---

\$360,000 contribution from the City in lieu of paying an assessment on City-owned tax-exempt property, and \$237,522.90 in interest accrued and late payments in the Austin Downtown Public Improvement District Fund. A total of \$151,857 in City and Travis County related administrative expenses for PID management is subtracted from the total funds available to arrive at the amount available for services budgeted by the Downtown Austin Alliance.

Approval of ordinances adopting the proposed PID Service and Assessment Plan and Budget and adopting an assessment rate and proposed roll are part of the annual process of approving the PID assessments under State law and subject to Council approval in the Fiscal Year 2025-2026 Budget. Appropriation of these funds in the Austin Downtown Public Improvement District Special Revenue Fund will require Council authorization during budget deliberations.