

RESOLUTION NO.

WHEREAS, Chapter 372 of the Texas Local Government Code (the “Act”) authorizes the creation of public improvement districts, which are created to confer enhanced City services to a defined geographic area paid for through assessments made by property owners; and

WHEREAS, the Austin City Clerk has reviewed the Petition and determined that under the proposal as set out in the Petition: (i) the owners of more than 50 percent of the appraised value of the taxable real property liable for assessment and (ii) more than 50 percent of the owners of record of the property within the District have executed the Petition and that the Petition complies with the Act and authorizes the Council to consider the reauthorization of the District; and

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22 **WHEREAS**, Council adjourned such public hearing; **NOW**,

23 **THEREFORE**,

24 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

25 **Section 1.** Pursuant to the requirements of the Act, Council, after considering the
26 Petition for the District and the evidence and testimony presented at the public
27 hearing on March 21, 2024, finds and declares:

28 (a) Advisability of the Services and Improvements Proposed for the District: It is
29 advisable to reauthorize the District to provide the services and improvements
30 described in this Resolution, and the services and improvements will contribute to
31 the public health, safety, and welfare.

32 (b) Nature of the Services and Improvements: The general nature of the services
33 and improvements to be performed by the District is to increase security,
34 supplement the maintenance of streets, sidewalks, and landscaping, provide
35 marketing information to promote the District, provide street scape enhancements,
36 and provide other services and improvements that are authorized by the Act. The
37 District was created with the intention of supplementing and enhancing services
38 within the District, and will continue to do so, but is not intended to replace or
39 supplant existing City services provided within the District, as described in the
40 service plan (the “Service Plan”) attached and incorporated as Exhibit “B. “The
41 Service Plan is hereby approved and accepted by Council.

(c) Estimated Cost of the Services and Improvements: The estimated annual cost of the services and improvements to be provided by the District is approximately \$315,000 for the first year of the reauthorization. Revenues to support the services and improvements are anticipated to increase to an estimated \$373,000 annually by the fifth year. The District shall not incur bond indebtedness.

(d) Boundaries: The District is located wholly within the city of Austin, Texas. The boundaries of the District are shown on the Map of the District, Exhibit "A."

(e) Method of Assessment: The method of assessment is based on the value of the real property and real property Improvements as determined by the Travis Central Appraisal District. The following classes of property shall be excluded from assessment:

- (i) property of the City (provided, however, that during each year in which the District remains in effect and the Council appropriates sufficient funds, the City shall pay a certain amount in lieu of an assessment), (ii) property of Travis County and property owned by political subdivisions of the State of Texas and used for public purposes, (iii) property owned by a religious organization, if the property qualifies for a tax exemption under Section 11.20, Texas Tax Code, (iv) property owned by persons or associations of persons which is used exclusively for school purposes, (v) property owned by an association engaged in promoting the religious, educational, and physical development of girls, boys, young women, or young men operating

63 under a state or national organization of like character and used exclusively
64 and necessarily for such purpose, including, but not limited to, property
65 owned by the Austin Independent School District, (vi) property owned by
66 institutions of purely public charity, (vii) property that was used primarily
67 for recreational, park, or scenic purposes during the immediately preceding
68 calendar year, (viii) property owned by public or private utilities and located
69 in public streets or rights-of-way, (ix) property used for residential purposes
70 that fall under the definition of a homestead provided in Section 11.13(j)(1)
71 of the Texas Tax Code, (x) property owned by public colleges, universities,
72 and the State of Texas, and (xi) all hospitals.

73 Property designated by the City as “H” Historic will have the exemptions
74 from assessment contained in City Code Section 11-1-22 and will be assessed on
75 the basis of the reduced value provided by the formula there.

76 All property owners assessed in the District automatically become members
77 of the District and others may join by the voluntary payment of dues. The Service
78 Plan reflects the District’s intention to provide services in a manner that will
79 primarily benefit District members.

80 After reviewing the testimony and evidence, it is found that the exemptions
81 for excluded classes are reasonable because the excluded property will not receive
82 a benefit from the District sufficient to justify assessments. It is further found that

the exemptions are reasonable and necessary to promote the efficient management of the District.

(f) Apportionment of Cost between District and Municipality: The total cost of the supplemental improvements and services described in the Petition will be paid solely by the District. No portion of the supplemental services will be apportioned to the City, as a whole. City rights-of-way, railroad rights-of-way, parks, and cemeteries are not specially benefited and, therefore, are not subject to assessment. Payment of assessments by other exempt jurisdictions and entities must also be established by contract. The District will pay the cost of City expenses related to the oversight of the District operations.

(g) Assessment Roll and Setting of Rate: The City Manager is hereby directed to annually prepare an assessment roll and file the roll with the City Clerk. The assessment rate shall not exceed \$0.20 per \$100.00 valuation of taxable real property as shown on the tax rolls of the Travis Central Appraisal District.

(h) The recitals in the preamble of the Resolution are found to be true and correct.

Section 2. The District is reauthorized effective October 20, 2024 and continued as a Public Improvement District under the Act in accordance with the findings in this Resolution as to the advisability of the services and improvements. The District shall be subject to the terms, conditions, limitations, and reservations contained in the findings of Section 1 of this Resolution.

Section 3. The City Clerk is directed to give notice of the reauthorization of the District by publishing a copy of this Resolution once in a newspaper of general circulation in the City of Austin. The District shall automatically dissolve five years from the effective date of the reauthorization unless the District is renewed through the Petition and approval process provided for in the Act, or the District is terminated earlier, as provided by law. The power of the City to continue to levy and collect assessments within the District pursuant to the Act will cease and the District will be dissolved on the date that a petition requesting dissolution is filed with the City Clerk of the City of Austin and the petition contains the signatures of at least enough property owners in the District to make the petition sufficient for creation of a public improvement district as provided in Section 372.005(b) of the Act.

Section 4. The City Council designates South Congress Improvement Association, a Texas nonprofit corporation, as the advisory body as contemplated by Section 372.008 of the Act.

ADOPTED: _____, 2024 **ATTEST:** _____
Myrna Rios
City Clerk