



City of Austin

Recommendation for Action

File #: 26-1750, **Agenda Item #:** 13.

5/21/2026

Posting Language

Approve an ordinance setting the calendar year 2027 rate of assessment for the Austin Downtown Public Improvement District within the City of Austin and approving the calendar year 2027 assessment roll for the District. Funding: This item has no fiscal impact.

Lead Department

Austin Financial Services.

Fiscal Note

This item has no fiscal impact.

For More Information:

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Additional Backup Information:

This action will approve an ordinance setting the assessment rate and approving the proposed 2027 assessment roll for the Downtown Public Improvement District (District).

State law requires Council approval of a proposed assessment roll so that notices may be sent to the property owners, giving them an opportunity to review the property valuations prior to the public hearing. All previously approved exemptions and exclusions from assessments are retained in this year's roll. Council requested that this assessment process be timed so that it coincides with the receipt of other real property tax bills. At its March 11, 2026 meeting, the Board of Directors of the Downtown Austin Alliance (DAA), which manages the District, confirmed the proposed assessment rate of \$0.0925/\$100 valuation above \$500,000.

State law requires Council to take specific actions each year regarding public improvement districts. To meet statutory notice requirements in Texas Local Government Code Chapter 372 governing Public Improvement Districts (PID), staff needs at least six weeks between the first step of Council setting the proposed PID assessment rate and property roll and the second step for Council to conduct a public hearing and adopt PID rate and roll and approve the PID management entity's annual Service and Assessment Plan. To meet these statutory requirements, the first PID actions are scheduled for May 21, 2026 and the second for July 23, 2026.

A public hearing will be held on July 23, 2026, to consider the 2027 assessments for the District. State law requires a public hearing to consider the assessments. Each property owner has the right to appear at the hearing.

The District encompasses an area of approximately 605 acres, from I- 35 westward to Nueces and San Antonio Streets, including portions of the Seaholm District. Its boundaries end at 15th Street to the north and extend south of Lady Bird Lake to include portions of the South Central Waterfront area. The District was initially created by the Council at the request of property owners on April 15, 1993, to provide ongoing funding for enhanced services and improvements downtown. In 2022, at the request of property owners whose parcels

totaled 51 percent of the total taxable value, Council approved a new District with expanded boundaries to replace the original District. Since the District's inception, the City has contracted with DAA to manage it.