



City of Austin

Legislation Text

File #: 23-2175, **Version:** 1

Posting Language

Set a public hearing to consider the Downtown Public Improvement District 2024 proposed assessments. (Suggested date: July 20, 2023 at Austin City Hall, 301 W. Second Street, Austin TX). Related to item #73.

Lead Department

Economic Development.

Fiscal Note

This has no fiscal impact.

Prior Council Action:

April 15, 1993 -- Council authorized the creation of the Downtown Austin Public Improvement District (PID) in Resolution No. 930415-88.

October 23, 1997 -Council approved reauthorization of the PID in Resolution No. 971023-30.

October 24, 2002 -Council approved reauthorization of the PID in Resolution No. 021024-53.

October 18, 2007-Council approved reauthorization of the PID in Resolution No. 20071018-082.

October 11, 2012-Council approved reauthorization of the PID in Resolution No. 20121011-115.

May 5, 2022 - Council set a public hearing to consider a resolution to authorize the PID.

June 9, 2022 - Council approved Resolution No. 20220609-081, which authorized a new PID with expanded boundaries from the original PID. Also authorized the negotiation and execution of a management agreement with Austin DMO, Inc. d/b/a Downtown Austin Alliance.

June 16, 2022 - Council approved Ordinance No. 20220616-005, which set the proposed 2023 assessment rate and property roll for the PID.

June 16, 2022 - Council set a public hearing to consider the PID 2023 proposed assessments.

July 28, 2022 - Council adopted the PID's Service and Assessment Plan and Budget for 2023 in Ordinance No. 20220728-009.

July 28, 2022 - Council set the PID calendar 2023 assessment rate and approved the calendar year 2023 assessment roll in Ordinance No. 20220728-112.

August 17, 2022 - Council approved the City of Austin Budget for Fiscal Year 2022-2023 in Ordinance No. 20220817-004, including the PID Fund.

February 23, 2023 -Council approved an ordinance amending the Fiscal Year 2022-2023 Economic Development Department Operating Budget Special Revenue Downtown Public Improvement Fund (Ordinance No. 20220817-004) to increase appropriations in the amount of \$1,818,270 for operating the PID.

February 23, 2023 -Council approved an amendment to Ordinance No. 20220728-009, which adopted the PID Service and Assessment Plan and Budget, to include additional funding for 2023.

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

For More Information:

Sylnovia Holt-Rabb, Acting Director, Economic Development Department, 512-974-3131; Margaret Shaw, Economic Redevelopment Program Manager, EDD 512-974-6497.

Additional Backup Information:

This action would set the public hearing on July 20, 2023 for the PID 2024 assessment. The proposed 2024 assessment rate of \$0.0925/\$100 valuation is estimated to produce \$13,328,896.13 at an 85 percent collection rate. At the request of the Board of Downtown Austin Alliance, the PID management entity, the proposed 2024 rate decreased to \$0.0925 from previous years' rate of \$0.10 per \$100 of valuation.

State law requires a public hearing by Council to consider the proposed 2024 assessments. Council's consideration of the assessment rate and proposed assessment roll on June 8, 2023, under related file no. 23-2175, allows notices to be sent to property owners, giving them an opportunity to review the property valuations prior to the public hearing. Property owners have a right to challenge their assessment at the hearing. At the hearing on July 20, 2023, the Council must hear and pass on any objection, made orally or in writing, to any proposed assessment, prior to approval of the ordinance levying assessments and setting the method of collection and the rate of interest for late payments. The Council also will consider the approval of the PID 2024-2025 Service and Assessment Plan and Budget update.

The PID 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 PID 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. Since then, Council approved a new PID to replace the original PID, with expanded boundaries. The City has maintained a contract with the Downtown Austin Alliance to manage the original PID and the replacement PID. The most recent contract for years 2023-2028 is for more than \$79 million and was authorized by Council on February 23, 2023.