

AGENDA



Thursday, November 8, 2007

**Economic Growth & Redevelopment Services
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 15

Subject: Approve a resolution adopting the E. 6th Street Public Improvement District (PID) Service Plan and Budget for 2008.

Amount and Source of Funding: The Pecan Street Owners Association (PSOA) submitted a 2008 budget for the PID in the amount of \$112,408. This budget will be funded from a total projected revenue of \$116,408. This amount includes \$41,772 in 2008 assessments (at an approximate 91% collection rate), (\$450) in collections from 2007, \$1,586 interest accrued in the PID Account and late payments; a \$43,500 annual contribution from the City of Austin; and \$30,000 in donations to be raised by the PSOA. Appropriation of the \$86,408 in the Economic Growth and Redevelopment Services Department Special Revenue Fund will require City Council authorization, and possible adjustment, after the assessment roll hearing on December 6, 2007. An amount of \$4,000 of the total amount will be retained as a reserve fund to cover revenue adjustments to the assessment roll.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Michael Knox, Downtown Officer / 974-6415; David Lloyd, Attorney / 974-2918

Prior Council Action: Authorized the E. 6th Street PID on 8/26/04. Awarded the management contract to the Pecan Street Owners Association on 12/2/04.

The E. 6th St. Public Improvement District (PID) was created by Council on August 26, 2004. The resolution outlined that the general nature of the services and improvements to be performed by the District were to include improved public safety, economic development, streetscape improvements, marketing and public relations, historic preservation, and accentuation of the historic character of the area. On December 2, 2004 the City Council authorized negotiation and execution of a management contract for the E. 6th St. PID with the Pecan Street Owners Association, an organization representing property owners in the E. 6th St. PID.

The E. 6th St. PID comprises 112 properties lining E. 6th St. from I-35 to Congress Avenue. The assessment rate is \$.10/\$100 valuation, on the first \$500,000 of value. In 2008, the fourth year of the PID, this assessment rate is expected to generate \$41,772. To supplement this, the Pecan Streets Owners Association is proposing to raise an additional \$30,000. The City of Austin has also committed to provide \$43,500.

FY 2008: Budget City of Austin/Public Order/Safety 15%, Communications/Membership 25%, Physical Improvements 10%, Marketing/PR/Economic Development/Partnerships 25%, Historic Preservation/Accentuation 10%, Administration 15%.

This action will approve the proposed E. 6th St. Public Improvement District Service Plan and Budget for 2008, as provided to the City by the Pecan Street Owners Association (PSOA). The proposed 2008 Assessment roll is based on the proposed Service Plan. State law requires Council approval of the Service Plan and Budget.

Total projected revenue is \$116,408 and total PSOA proposed budget is \$112,408. The balance of \$4,000 is a reserve for revenue adjustments to the assessment roll. These estimates are based on the appraisal roll from TCAD as of October 15, 2007. Adjustments to the roll may be required based on new information from TCAD and Council action as a result of the December 6, 2007 public hearing. Approval of the proposed PID budget and the ordinance adopting an assessment rate and proposed assessment roll are the first steps in the annual process of approving PID assessments.