

## AGENDA



Thursday, November 20, 2008

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

**Item No. 15**

**Subject:** Approve an ordinance setting the assessment rate and proposed 2009 assessment roll for the E. 6th Street Public Improvement District (PID).

**Amount and Source of Funding:** The 2009 assessment rate of \$0.10/\$100 valuation is estimated to produce \$41,616 at a 90% collection rate. Related to Item #69.

**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 East Sixth Street PID on August 26, 2004. Awarded the management contract to the Pecan Street Owners Association on December 2, 2004.

The East Sixth Street 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. Sixth St. PID with the Pecan Street Owners Association dba Sixth Street Austin, an organization representing property owners in the E. Sixth St. PID.

The E. Sixth St. PID comprises 116 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 2009, the fifth year of the PID, this assessment rate is expected to generate \$41,616. 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. This action will approve the proposed East 6th Street Public Improvement District assessment rate and proposed roll for 2009. Approval of the proposed roll is necessary 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. State law requires Council approval of a proposed roll. (Council requested that this assessment process be timed so that it coincides with the receipt of other tax bills.)

A related item sets a public hearing on Thursday, December 11, 2008 to consider the final 2009 assessment roll for the E. 6th Street PID. State law requires a public hearing by Council to consider the proposed assessments. Each property owner has a right to appear at the hearing. Sixth Street Austin submitted a 2009 budget for the PID in the amount of \$113,687. This budget will be funded from a total projected revenue of \$117,687. This amount includes \$41,616 in 2009 assessments (at a 90% collection rate), (\$704) in collections from 2008, \$3,275 interest accrued in the PID Account and late payments; \$30,000 in donations to be raised by Sixth Street Austin; and a \$43,500 annual contribution from the City of Austin. \$4,000 of the total amount will be retained as a reserve fund to cover adjustments to assessments resulting from settlements between property owners and the Travis Central Appraisal District or court settlements. 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.