

AGENDA



Thursday, November 19, 2009

**Economic Growth & Redevelopment Services
RECOMMENDATION FOR COUNCIL ACTION****Item No. 29**

Subject: Approve an ordinance setting the assessment rate and proposed 2010 assessment roll for the E. 6th Street Public Improvement District (PID).

Amount and Source of Funding: The 2010 assessment rate of \$0.15/\$100 valuation is estimated to produce \$63,486 at a 90% collection rate. Related to Items #31, 32, & 80.

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

For More Information: Michael Knox, Downtown Officer / 974-6415; Thomas Nuckols, Attorney / 974-2568

Prior Council Action: August 20, 2009 - Council reauthorized the E. 6th Street PID.

The E. Sixth St. PID comprises 116 properties lining E. 6th St from I-35 to Congress Avenue. The assessment rate is \$.15 / \$100 valuation, on the first \$500,000 of value. In 2010 this assessment rate is expected to generate \$63,486 at a 90% collection rate. To supplement this, Sixth Street Austin 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 2010. 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 10, 2009 to consider the 2010 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 2010 budget for the PID in the amount of \$136,934. This budget will be funded from a total projected revenue of \$140,934. This amount includes \$63,486 in 2010 assessments (at a 90% collection rate), (\$145) in collections from 2009, \$3,803 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.