

## AGENDA



Thursday, January 28, 2010

**Economic Growth & Redevelopment Services  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 24**

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**Subject:** Authorize negotiation and execution of an amendment to the contract with Austin DMO, Inc. (dba Downtown Austin Alliance), Austin, Texas, for the management of the Downtown Public Improvement District, to increase the 2009-2010 contract in an amount not to exceed \$721,414, to a total amount not to exceed \$3,283,893.

**Amount and Source of Funding:** Funding is available in the Fiscal Year 2009-2010 Amended Operating Budget of the Economic Growth and Redevelopment Services Office Special Revenue Fund.

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

**For More Information:** Michael Knox, Downtown Officer, EGRSO / 974-6415

**Prior Council Action:** October 18, 2007- Reauthorized the Austin Downtown PID, approved the five year 2008-2013 PID Service Plan and Budget, and extended the DAA management contract. November 20, 2008- Approved the 2009-2010 DAA Service Plan and Budget of \$2,562,479.

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The City of Austin has contracted with the Downtown Austin Alliance (DAA) for services to manage the Downtown Austin Public Improvement District (PID). The general nature of the services includes downtown security, litter and graffiti removal programs, promotion of downtown economic development, marketing of downtown, streetscapes and transportation, and arts and entertainment.

In each year, beginning in Fiscal Year 2000, \$100,000 of total PID revenue has been reserved to account for revenue adjustments made to the assessment roll. These adjustments are for property owners in the PID who pay their assessments based on the appraised property value, which they have contested with the Travis Central Appraisal District. If their appeal is successful, some portion of their PID assessment is refunded. Over this period, revenue adjustments have been less than the amount reserved, contributing to an ending fund balance in excess of what is required for estimated refunds. \$721,414 of this fund balance will be used to increase the DAA's fiscal year 2009-10 contract to \$3,283,893. This additional funding will be held in the DAA's reserve fund, to be used as defined in the approved 2008-2013 PID five-year service plan, and subject to Council approval of an amendment to the PID Annual Service Plan. A reserve amount of more than \$100,000 will remain in the Special Revenue Fund for pending and future adjustments to the assessment role.