

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: May 24, 2018

Item Number: 067

Public Hearing and Possible Action

Conduct a public hearing on Amendment No. 2 to the Project and Financing Plan of the Waller Creek Tax Increment Financing Reinvestment Zone (TIRZ) No. 17 to update current project design and project cost estimates, to extend the length of time in which the TIRZ operates, and to provide the most recent estimates of underlying funding sources that are anticipated to pay for the design, construction, and operations and maintenance of projects within the district. The projects proposed within Amendment No. 2 include park, stream, and trail improvements to enhance the developed land in the Waller Creek District. (Related to Items 11, 12, 13, 14, 15, 16, and TIF #1).

District(s) Affected: District 1, District 9

Lead Department	Financial Services
Fiscal Note	See Attachment 2- Project and Financing Plan Amendment #2
Prior Council Action	<p>May 10, 2018- City Council (Council) set the public hearing for May 24, 2018</p> <p>February 17, 2011 - Council approved an ordinance approving Amendment No. 1 to the project and financing plan for TIRZ No. 17 to update current project design and project cost estimates, provide the most recent estimates of underlying funding sources that are anticipated to pay for the construction, operation and maintenance of the tunnel, and to provide for emergency passage.</p> <p>March 20, 2008 - Council approved the project and financing plan for the Waller Creek Tunnel Project, as well as an Agreement to Participate in TIRZ No. 17 with Travis County.</p> <p>June 21, 2007 - Council approved an ordinance creating TIRZ No. 17 to finance the construction of flood control improvements related to the Waller Creek Tunnel.</p>

For More Information	Greg Canally (512)974-2610

Additional Backup Information:

The purpose of Amendment No. 2 to the Final Project Plan and the Reinvestment Zone Financing Plan adopted in 2008 is to:

- Capture the benefits of building the surface-level improvements known as Waller Creek and the Chain of Parks (The Chain of Parks)
- Amend the duration of the Waller Creek Tax Increment Financing (TIF) Reinvestment Zone No. 17, as it relates to the City of Austin's participation, to provide bonding capacity to fund the design and construction of The Chain of Parks
- Provide updated cost estimates for the new projects to be executed
- Update estimates for revenue growth anticipated in the TIRZ District to support bonds for building The Chain of Parks

In accordance with State law, the Board of Directors of the Waller Creek TIRZ No. 17 at any time may adopt an amendment to the Project Plan consistent with the requirements and limitations of applicable State law. The amendment takes effect on approval by the City of Austin, as the municipality that created the zone. The original agreement was executed in March 2008 between the City of Austin and Travis County, and was amended in July 2011 for project design and cost estimates for the Waller Creek Tunnel Project. This second amendment does not change Travis County's participation in the TIRZ No. 17, and only affects the City of Austin's participation. If an amendment increases the total estimated project costs, the approval must be by ordinance or order, as applicable, adopted after a public hearing that satisfies the procedural requirements outlined in State law. The City has completed the necessary procedural requirements. Notice of the public hearing was published in the Austin American Statesman on May 11, 2018.

Project and Financing Plan

The Project and Financing Plan amendments include updates to the planning documents, project design, an updated financing plan, and an extension to the duration of the TIRZ. The planning documents and subsequent project designs support the vision to transform Austin's Waller Creek from an ignored and dilapidated creek system into a signature park and public space within the heart of downtown Austin. Informed by the groundwork completed as part of the Waller Creek Master Plan (ROMA Design Group, June 2010), The Chain of Parks design plan is the planning tool directing the vision for the Waller Creek District.

The combination of the increase in value during the current term of the TIRZ No. 17 associated with Waller Creek Tunnel and these new investments in the Chain of Parks, plus extending the duration of TIRZ No. 17 for the City of Austin's participation at 100% capture, allows for issuance of an additional

\$110 million to finance the additional projects included in the updated Project Plan. This public funding will be matched by \$203 million in private contributions.

Waller Creek and the Chain of Parks

The City of Austin, in partnership with the Waller Creek Conservancy, is developing *The Parks* along a restored Waller Creek in downtown Austin. Extending from Waterloo Park to Lady Bird Lake, The Chain of Parks will include 35-acres of revitalized and newly designed public open space along 1.5 miles of a restored Waller Creek. Within the public open space will be 3 miles of new hike and bike trails, world class art installations, parks and open space, and engaging cultural programs for all. Historically plagued by flash floods and undesirable uses, the new park and open space district will reintroduce Waller Creek to the City; transforming a forgotten place into a signature destination for Austinites and visitors alike.