



**Purchasing Modification  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.:** 93  
**AGENDA DATE:** Thu 06/23/2005  
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**SUBJECT:** Authorize an amendment to the contract with DOWNTOWN AUSTIN ALLIANCE, Austin, Texas, for the management of the Downtown Public Improvement District, to increase the 2005-2006 contract in an amount not to exceed \$219,049, with the total agreement amount not to exceed \$1,446,658.

**AMOUNT & SOURCE OF FUNDING:** Funding is available in the Fiscal Year 2004-2005 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.

**REQUESTING** Purchasing **DIRECTOR'S**  
**DEPARTMENT:** for Economic Growth and Redevelopment Services; **AUTHORIZATION:** Vickie Schubert

**FOR MORE INFORMATION CONTACT:** Mick Osborne, Sr. Buyer/974-2995

**PRIOR COUNCIL ACTION:** 10/24/02 - Reauthorized the Austin Downtown PID and approved a five year extension of the DAA management contract. November 18, 2004 - Approved the 2005/2006 DAA Service Plan and Budget of \$1,227,609 and the 2005 PID assessment rate (\$0.10 / \$100 valuation) and proposed assessment roll. December 16, 2004 - Adopted a budget for the Austin Downtown PID.

**BOARD AND COMMISSION ACTION:** N/A

**PURCHASING:** N/A

**MBE / WBE:** 14% MBE and 12% WBE subcontractor participation to date.

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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. \$219,049 of this fund balance will be used to increase the DAA's fiscal year 2005-06 contract to \$1,446,658. This additional funding will be used for increased marketing of downtown, and to begin implementation of the joint City and DAA funded "Downtown Austin Retail Market Strategy." A reserve amount of more than \$200,000 will remain in the Special Revenue Fund for pending and future adjustments to the assessment role.