



**Purchasing Service Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 27
AGENDA DATE: Thu 12/02/2004
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SUBJECT: Authorize negotiation and execution of a 12-month service agreement with PECAN STREET OWNERS ASSOCIATION, Austin, TX, for the management of the E. 6th Street Public Improvement District Service Plan in an amount not to exceed \$76,731, with four 12-month extension options in an amount not to exceed \$76,731 per extension option, for a total agreement amount not to exceed \$383,655.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$43,500 is available in the Fiscal Year 2004-2005 Approved Operating Budget of Austin Energy. \$37,231 is anticipated in 2005 Public Improvement District assessments (at a 96% collection rate), of which \$4,000 will be maintained as a reserve. Funding for the extension options is contingent upon available funding in future budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Purchasing	DIRECTOR'S
DEPARTMENT: for Austin Energy;	AUTHORIZATION: <u>Vickie Schubert</u>
Economic Growth and	
Redevelopment Services;	

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

PRIOR COUNCIL ACTION: August 26, 2004 - Authorized the E. 6th St. Public Improvement District. November 4, 2004 - Approved 2005 Service Plan and Budget.

BOARD AND COMMISSION ACTION: N/A

PURCHASING: One proposal received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This action will authorize negotiation and execution of a 12-month agreement with the Pecan Street Owners Association to manage the service plan of the E. 6th Street Public Improvement District (PID).

On August 26, 2004, the City Council approved the creation of the E. 6th Street PID, adopted a five-year service plan, and set an assessment rate for the District of \$0.10 per \$100 of valuation on the first \$500,000 of property value.

The goals of the E. 6th Street Public Improvement District are to: 1) create a vibrant mixed-use district, where diverse offerings are a strong asset appreciated by both locals and visitors alike; 2) make E. Sixth Street an important economic and cultural asset to the community for present and future generations; and 3) advocate for the preservation and enhancement of the district's unique historic character.

Of the \$125,309 annual budget, approximately \$37,231 will come from PID assessments, \$43,500 from the City of Austin (Austin Energy), with the remainder coming from contributions and fundraising events. A reserve of \$4,000 will be held back to account for revenue adjustments made to the assessment role. The Pecan Street Owners Association intends to be self-sufficient within 3 years, relying only on PID



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assessments and additional funds raised through promotions and special events to supplement the funds from the PID. The Pecan Street Owners Association has to date secured contributions of \$51,000 in cash or in-kind contributions.

Much of the first year budget will be used to hire an Executive Director, who will focus on E. 6th Street and the following six areas within the adopted Service Plan:

1. Public Order/Safety

Work directly with the City to create a working group to begin to identify the issues and barriers facing E. Sixth Street. A working plan will be created with ways to solve/mitigate issues. The E. Sixth Street PID will also work directly with the Downtown Austin Alliance, the Austin Police Department and others to address the issues of public safety, order and evening management of the street.

2. Communications/Membership

Design a database and management system of property information; create public membership opportunities; develop effective communications to members, stakeholders and others through email, phone, fax and mail.

3. Physical Improvements

Create a strategy and a plan for physical improvements in the PID such as signage, sidewalks, entryways, etc.

4. Marketing/Public Relations/Strategic Partnerships

Create a marketing plan and public relations strategy for the PID; develop relationships with the real estate broker and developer community; work with existing tenants to provide educational opportunities and expansion options; create financial strategy for self-sufficiency in three years; create strategic partnerships with private sector for promotional and funding opportunities.

5. Historic Preservation/Accentuation

Create a strong working group to develop this area from among the historic preservation community, tourism, museums, art groups, etc.; develop a working document that sets the vision for the interpretation and enhancement of the historic district.

6. Administration

Set up procedures and policies and create a strategic plan for future fundraising.

MBE/WBE solicited: 4/2

MBE/WBE bid: 0/0

PROPOSAL ANALYSIS

- a. One proposal received.
- b. Forty-three notices were sent, including four MBEs and two WBEs. Four proposals were issued, including one MBE. One proposal was received with no MBEs/WBEs responding.

APPROVAL JUSTIFICATION

- a. The Economic Growth and Redevelopment Services Office concurs with the recommended award.



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b. Advertised in the Austin American-Statesman and on the Internet.