

A U S T I N C I T Y C O U N C I L

AGENDA



Thursday, November 16, 2006

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Economic Growth & Redevelopment Services RECOMMENDATION FOR COUNCIL ACTION

ITEM No 10

Subject Approve a resolution adopting the Austin Downtown Public Improvement District (PID) Service Plan and Budget for 2007-2008

Amount and Source of Funding The Downtown Austin Alliance submitted a 2007-2008 budget for the PID in the amount of \$2,023,061. This budget will be funded from a total of \$2,123,061. This amount includes \$1,868,116 in 2007 assessments (at a 96% collection rate), \$42,915 in collections from 2006, \$62,030 interest accrued in the PID Account and late payments, and a \$150,000 annual contribution from the City of Austin (\$75,000 Austin Convention Center Fund, and \$75,000 in the Water & Wastewater Utility fund). Appropriation of the \$2,123,061 in the Economic Growth and Redevelopment Services Department Special Revenue Fund will require City Council authorization, and possible adjustment, after the assessment roll hearing on November 30, 2006. \$100,000 of the total amount will be retained as a reserve fund to cover revenue adjustments to the assessment roll. (Related to item #11)

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

Additional Backup Material

(click to open)

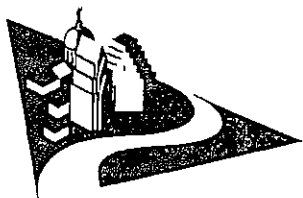
- ☐ PID Service Plan and Budget
- ☐ Resolution
- ☐ Staff Report

For More Information Michael Knox, Downtown Officer, 974-6415, David Lloyd, Assistant City Attorney, 974-2918

Prior Council Action Reauthorized the Austin Downtown PID and extended the DAA management contract on 10/24/02

This action will approve the proposed Austin Downtown Public Improvement District Service Plan and Budget for 2007-2008, as provided to the City by the Downtown Austin Alliance. The proposed 2007 Assessment roll is based on the proposed Service Plan. State law requires Council approval of the Service Plan and Budget.

Total projected revenue is \$2,123,061 and total DAA proposed budget is \$2,023,061. The balance of \$100,000 is a reserve for revenue adjustments to the assessment roll. These estimates are based on the appraisal roll from TCAD as of October 15, 2006. Adjustments to the roll may be required based on new information from TCAD and Council action as a result of the November 30, 2006 public hearing. 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.



DOWNTOWN AUSTIN ALLIANCE

A Vision and a Voice for Downtown

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G. Kent Collins, Vice Chair
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Capital Metro
Will Wynn
City of Austin

Charles Betts, Executive Director
Downtown Austin Alliance

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OCT 06 2006

MEMORANDUM

REDEVELOPMENT SERVICE OFFICE

To Michael Knox
From John Rosato, Chair
Date October 5, 2006
Subject FY07-08 Draft Service Plan and Budget

Attached is the Draft FY 2007-2008 Service Plan and Budget for the Downtown Austin Alliance's fourteenth fiscal year.

This budget was developed using the projection of P I D revenue for FY 2007-2008 as provided by the City, and so this projection does not include memberships, carryover, or any miscellaneous revenues.

P I D Assessments 96% Collection	\$ 1,868,116
City of Austin Contribution	150,000
Prior Year Revenue, Interest & Late Payments	104,945
Less Reserve for Revenue Collection	(100,000)
Total Projected P I D Fund Revenue	<u>\$ 2,023,061</u>

The Projected DAA 07-08 budget plans for an increase from last year by \$621,603. Allocations to programs are not changed significantly from prior year.

The Executive Committee of Alliance Board will consider approval of this preliminary 07-08 budget at its next meeting on November 3, 2006.

The Draft Service Plan and budget is, as always, presented in terms of broader categories, than the individual programs. The program budget will be developed before the start of the Alliance fiscal year beginning May 1, 2007.

If you have any questions please call myself or Alliance staff at 469-1766. Thank you for your attention to this matter.

DOWNTOWN AUSTIN ALLIANCE
Draft Service Plan and Budget FY 2007-2008
May 1, 2007-April 30, 2008

INTRODUCTION

The Austin DMO, Inc. was chartered in May 1992. The City Council created the Downtown Austin Public Improvement District in April 1993 and contracted with the DMO in August 1993 to provide services to this District. In September 1995, the Austin DMO, Inc. changed its name to the Downtown Austin Alliance.

During FY 2007-2008, the Downtown Austin Alliance will move forward in accordance with its mission to protect and strengthen the business, cultural, arts and entertainment environment of Downtown Austin, to provide services to increase the quality of life for people who live, work, and play in Downtown, to communicate the concerns of the Downtown community to local and state entities, and to support the constructive initiatives on issues of public policy that affect the community.

SERVICE PLAN

In this document, the Downtown Austin Alliance's Draft FY 2007-2008 Service Plan and Budget is outlined. The Alliance's FY 2007-2008 P I D fund budget totaling \$2,023,061 is based on the projected assessment revenues as well as a City of Austin contribution. It does not reflect potential carryover funds from the current year, potential voluntary membership dues, fund-raising, or other miscellaneous revenue.

By April 2007, the Alliance's Board of Directors will develop a detailed program budget for the fiscal year that starts May 1, 2007. The Draft FY 2007-2008 budget is shown below.

FY 2007-2008 Preliminary Budget

Security	\$610,750	30.19%
Maintenance	165,764	8.19%
Membership	116,000	5.73%
Economic Development	180,000	8.90%
Streetscapes & Transportation	105,000	5.19%
Arts, Entertainment & Marketing	536,547	26.52%
Communication	117,000	5.78%
Parks & Community Support	34,000	1.68%
Administration	158,000	7.81%
Total Expenses	\$2,023,061	100.00%

PROGRAM DESCRIPTIONS

I Security - \$610,750 or 30.19%

The Downtown Austin Alliance promotes a safe downtown with the Austin Downtown Rangers program and by working closely with the Austin Police Department, Community Court, City of Austin, and Travis County on a variety of issues. Security is the top priority of the Downtown community and will continue to be the Alliance's main focus.

II Maintenance - 165,764 or 8.19%

The Alliance will continue its litter removal and private property graffiti removal programs. The Alliance also provides monthly sidewalk power washing on Congress Avenue. The Alliance works hard to have a quick graffiti removal response time. Working with property owners, the Alliance has improved the "graffiti resistance" of Downtown properties. The Alliance also funds a supervisor for the weekend and afternoon Community Service Restitution program of the Community Court.

III Membership - \$116,000 or 5.73%

Membership programs include monthly Issues & Eggs breakfasts, luncheons, the annual meeting, and membership recruitment and development. The membership committee also has responsibility for holiday decorations and programs, and the Downtown IMPACT Awards.

IV Economic Development - \$180,000 or 8.90%

This program promotes business development and the positive growth of retail and residential uses in Downtown. The Downtown Austin Alliance website provides detailed information for potential investors and employers. The Economic Development Committee works closely with area private sector entities to address and advocate Downtown development issues with local and state governments. A major Alliance initiative will be participating with the City to implement ERA's recommendations from the Downtown Retail Development Strategy Study, including hiring a retail recruiter and producing marketing materials. The role of the retail recruiter has been expanded to include not only Congress Avenue, but also Sixth Street from IH-35 to Lamar. Working with consulting firm ERA, a retail mix strategy will be identified for Sixth Street. The goal of this for W 6th St. will be to capitalize on the street's existing entertainment brand.

V Streetscapes & Transportation - \$105,000 or 5.19%

Streetscapes and Transportation covers all issues and programs for Downtown access, mobility, and parking. The Alliance works with a variety of partners in planning the future of Downtown's transportation infrastructure. Current projects include working with Capital Metro on transit planning, including the downtown connector system. Streetscapes and Transportation staff also works closely with City of Austin staff on Great Streets, the conversion of Cesar Chavez and other transit projects. The Alliance

assists the City in communicating with affected property owners during street reconstruction project such as 2nd street, the upcoming Brazos and Colorado projects and weekly street closing announcements. A Wayfinding Task Force has been formed to look at the development of a coordinated wayfinding system for downtown.

VI Arts, Entertainment & Marketing - \$536,547 or 26.52%

Marketing downtown, as an arts, cultural, entertainment and visitor destination. Current projects include reprinting the Downtown tear-off map, update and maintain the Alliance's website (downtownaustin.com) as needed. This web site is designed to be the one stop source for information on Downtown Austin – it is currently receiving over 7,000 visits per day with searches for information about downtown events or doing business downtown. Also, the third season of the EMMY® winning television series DOWNTOWN will air during the late spring/summer of '07. DOWNTOWN is a co-production of the Downtown Austin Alliance, Action Figure and KLRU, Austin's PBS station. Additional "next generation" media/communication ideas are in the formative stages, but may include using additional technologies such as podcasts, webcasts and RSS feeds of information about DOWNTOWN and events taking place downtown.

VI Communications - \$117,000 or 5.78%

The Alliance distributes a print newsletter, and a new a weekly web-based electronic newsletter has been developed to coordinate with the new web site events calendar. The format of the weekly electronic newsletter is being redesigned by using a web-based electronic marketing company to avoid issues of being labeled as spam and to have better control and tracking of newsletter flow. In addition, the Alliance provides information to the media and to the public upon request.

VII Community Support - \$34,000 or 1.68%

The Alliance leverages its funds through partnerships with other nonprofit organizations. Working with the Austin Parks Foundation and PARD the Alliance plans to help revitalize Republic Square and other downtown historic parks. A vital part of this includes successful programming of Republic Square Park—turning this park into a vibrant urban space. The Republic Square Partnership has been formed to work with the Government Services Administration as the new Federal Courthouse is developed. This group is coordinating the redesign of Republic Square with the new design of the Federal Courthouse. In addition, a full inventory of downtown parks and green spaces has been undertaken following the example of Partnership for Public Spaces. In the next year, work priorities will be established based on this assessment.

The Alliance also provides community support in the form of arts and entertainment sponsorships. In addition to certain pre-specified sponsorships awarded at the time of the budgeting process, other sponsorships are awarded throughout the fiscal based on established criteria, on a first come, first served basis. These funds are to be used for marketing purposes only.

IX Administration - \$158,000 or 7.81%

Program expenses include overhead charges allocated in proportion to staff time

X Reserve Funds

The Board has not allocated a reserve in the FY 2007-2008 budget because of adequate existing reserves carried forward from prior years

SUMMARY

In its first thirteen years, the Alliance has launched an ambitious array of Downtown programs. As a result, Downtown Austin is safer, cleaner, and more fun than before. The proposed FY 2007-2008 Service Plan and Budget will continue this record of achievement.



MEMORANDUM

TO Charles Betts, Executive Director,
Downtown Austin Alliance

FROM Michael Knox, Principal Planner,
Economic Growth and Redevelopment Services Office

DATE September 25, 2006

SUBJECT 2007-2008 Downtown Austin Public Improvement District (PID) Funding

I am providing you the proposed budget for the 2007-2008 PID/DAA funding. This is the funding available to prepare the DAA's Service Plan and Budget.

Proposed 2007 Assessment Roll - 96.00% collection rate	\$1,868,116
City of Austin Contribution	\$150,000
Collected assessment for 2006 (9/21/06) less appropriated assessment	\$42,915
Earned interest and late payments (9/21/06)	\$62,030
Possible Adjustments to Proposed 2006 Assessment Roll	(\$ 100,000)
<hr/> Total Available	<hr/> \$2,023,061

Please prepare the Service Plan and Budget for 2007-2008 based on this estimated revenue. There may be adjustments in the assessment roll or other sources at a later date.

Michael R. Knox

Michael Knox, Downtown Principal Planner
City of Austin
Economic Growth & Redevelopment Services Office

cc Mindy Griggs, EGRSO
Jia Ming Qian, Controller's Office
Kim Holderread, Treasury
David Lloyd, Law Department

**Downtown Public Improvement District
Collection Rate for 1993 - 2006
As of September 21, 2006**

Year	Assessment Total	Collection Amount	Collection %
1993	423,973	423,973	100 00%
1994	523,212	523,212	100 00%
1995	607,563	607,563	100 00%
1996	635,103	635,103	100 00%
1997	724,667	724,667	100 00%
1998	770,335	769,842	99 94%
1999	909,455	904,995	99 51%
2000	1,121,531	1,120,998	99 95%
2001	1,346,435	1,345,102	99 90%
2002	1,468,183	1,467,574	99 96%
2003	1,418,011	1,417,178	99 94%
2004	1,257,704	1,257,091	99 95%
2005	1,146,888	1,139,392	99 35%
2006	1,337,674	1,330,895	99 49%
Total	13,690,734	13,667,585	99 83%

Projected Collection Rate for 2006-2007

2007	Assessment	1,945,954	96 00%	1,868,116
2007	City Contribution			150,000
Collected Assessment for 2006 thru 9/21/06		1,330,895		
Appropriated Assessment from Total 2006		1,287,980		
Net Available for 2005-2006				42,915
Total Available for 2005-2006				2,061,031
Interest Earned for FY06 Actual @ 9/21/06		48,671		
Late Payments Penalty - Interest Earned as of 9/21/06		13,359		
Total Int/Pen Available for 2006-2007				62,030
Total Available for 2006-2007				2,123,061

RESOLUTION NO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The Austin Downtown Public Improvement District Service Plan and Budget for 2007-2008, attached as Exhibit "A", are hereby approved

ADOPTED: _____, 2006

ATTEST: _____

Shirley A Gentry
City Clerk

Staff Report

The Downtown Austin Public Improvement District (PID) encompasses an area of approximately 650 acres, from I-35 westward to San Antonio and from MLK to south of Town Lake. The PID was created by the City Council April 15, 1993 to provide constant and permanent funding to implement certain downtown initiatives. Since then, the City has maintained a contract with the Downtown Austin Alliance to manage the Downtown PID.

The proposed FY 2007-08 budget has the following program areas (not including administration):

Security	33%	majority of funds to Downtown Rangers and Parks Police
Maintenance	9%	litter and graffiti removal, sidewalk power washing
Membership	6%	Issues and Eggs breakfasts, luncheon speaker series, annual meeting and awards, holiday decorations and programs
Economic Development	10%	implementation of Retail Strategy, contribution to Pecan Street Owners Assoc
Streetscapes & Transportation	6%	downtown access, mobility and parking programs
Arts, Entertainment & Marketing	29%	marketing of downtown, including Emmy winning DOWNTOWN television show on PBS
Communication	6%	print and email newsletters, Web site
Parks & Community Support	2%	support for Austin Parks Foundation and PARD efforts to revitalize downtown parks

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