

AGENDA



Recommendation for Council Action

Austin City Council	Item ID	71732	Agenda Number	5.
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Meeting Date:	6/15/2017	Department:	Controller's Office
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Subject

Approve an ordinance setting the assessment rate and approving a proposed 2018 assessment roll for the East Sixth Street Public Improvement District. Related to Item 77

Amount and Source of Funding

The 2018 assessment rate of \$0.19/\$100 valuation is estimated to produce \$90,291 at a 90% collection rate.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	August 7, 2014 – Council approved Resolution No. 20140807-174 reauthorizing the East Sixth Street Public Improvement District (PID).
For More Information:	Kevin Johns, Director, Economic Development Department, (512)974-7802; Nicole Klepadlo, Redevelopment Project Manager, Economic Development (512)974-7739
Council Committee, Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

The East Sixth Street Public Improvement District (PID) comprises 116 properties lining East 6th Street from I-35 to Congress Avenue. The assessment rate is \$.19/\$100 valuation, on the first \$500,000 of value. In 2018 this assessment rate is expected to generate \$90,281 at a 90% collection rate.

This action will approve the proposed PID assessment rate and proposed assessment roll for 2018. State law requires City Council approval of a proposed assessment roll. Approval of the proposed assessment roll is necessary so that notices may be sent to the property owners, giving them an opportunity to review the property valuations prior to the public hearing. All previously approved exemptions and exclusions from assessments are retained in this year's roll. City Council requested that this assessment process be timed so that it coincides with the receipt of other real property tax bills.

A related item sets a public hearing on August 10, 2017 to consider the 2018 assessments for the PID. State law requires a public hearing by Council to consider the proposed assessments. Each property owner has a right to appear

at the hearing, Sixth Street Austin (the entity with whom the City contracts for operation of the PID) submitted a 2018 budget for the PID in the amount of \$126,586. This amount includes \$90,281 in 2018 assessments (at a 90% collection rate); \$35,000 annual contribution in-lieu of paying an assessment on City-owned tax exempt property by the City of Austin; \$1,505 interest accrued in the PID account and late payments; along with a reduction of \$200 in collections that came in below the 2017 anticipated amount. Approval of the PID budget and service and assessment plan and the ordinance adopting a final assessment rate will conclude the process that begins with the setting of the hearing and the establishment of the proposed assessment roll. After the hearing is set and council establishes the proposed roll, staff will send out notice in accordance with State law.