



Recommendation for Action

File #: 21-2440, **Agenda Item #:** 37.

7/29/2021

Posting Language

Approve a resolution adopting the Austin Downtown Public Improvement District Service and Assessment Plan and Budget update for 2022. Related to Item #38 and #129.

Lead Department

Economic Development.

Fiscal Note

There is no fiscal impact.

Prior Council Action:

October 11, 2012 - Council reauthorized the Austin Downtown PID and authorized negotiation and execution of a new management contract with Downtown Austin Alliance to provide PID services (Resolution 201210011-115).

June 10, 2021 - Council approved Ordinance 20210610-14 setting the 2022 assessment rate and a proposed assessment roll for the Austin Downtown Public Improvement District and approved to set a public hearing to consider the 2022 proposed assessment.

For More Information:

Sylvia Holt-Rabb, Acting Director, Economic Development Department, 512-974-3131

Margaret Shaw, Economic Redevelopment Program Manager, Economic Development Department, 512-974-6497.

Additional Backup Information:

This action will approve the proposed Austin Downtown Public Improvement District Service and Assessment Plan and Budget for 2022-2023, as provided to the City by the Downtown Austin Alliance (DAA). State law requires City Council approval of the Service and Assessment Plan and Budget which serves as the basis for the 2022 assessment roll. The Public Improvement District (PID) assessment will provide services in the following program areas: Safety and Hospitality; Economic Development; Place, Planning and Mobility, Research; Activations, Strategic Communications and Events, and Administration.

DAA submitted a 2022 budget for the PID in the amount of \$10,822,656. This amount includes \$9,819,290 in 2022 assessments (at an 85% collection rate of \$11,552,105 at Exhibit A) from the assessment roll; \$628,823 from adjusted prior-year revenue collections, \$360,000 City contribution for funds in lieu of paying an assessment on City-owned tax exempt property and other City priorities, \$14,543 in interest accrued and late payments in the Austin Downtown PID Account. The total amount DAA will receive is \$10,354,958. Additional expenditures of the fund include administrative expenses of \$145,044 and a one-time adjustment of \$322,653 for prior-year uncollected assessments, referred to as "doubtful accounts".

Approval of the proposed PID Service and Assessment Plan and Budget, and the ordinance adopting an assessment rate and assessment roll are part of the annual process of approving PID assessments and

subject to City Council approval in the Fiscal Year 2022 Budget. Appropriation of these funds in the Economic Development Department Special Revenue Fund will require City Council authorization during budget deliberations.

Strategic Outcome(s):

Economic Opportunity and Affordability.