

RESOLUTION NO. 20220609-081

WHEREAS, Chapter 372 of the Texas Local Government Code (the "Act") authorizes the creation of public improvement districts which are created to confer enhanced city services to a defined geographic area paid for through assessments made by property owners; and

WHEREAS, owners of real property located within the Austin Central Business District delivered to the City of Austin a Petition (the "Petition") to authorize, for a ten-year term, the Austin Downtown Public Improvement District (the "District"), as shown on the map attached and incorporated as Exhibit "A" (the "Map of the District"); and

WHEREAS, the City Clerk of the City of Austin has reviewed the Petition and determined that under the proposal as set out in the Petition (i) the owners of more than 50% of the appraised value of the taxable real property liable for assessment and (ii) the owners of more than 50% of the area of all taxable real property liable for assessment within the District have executed the Petition and that the Petition complies with the Act and authorizes the City Council to consider the reauthorization of the District; and

WHEREAS, after providing the notices required by Section 372.009 of the Act, the City Council on June 9, 2022, has conducted a public hearing on the advisability of the improvements and services; and

WHEREAS, the City Council adjourned such public hearing; **NOW, THEREFORE,**

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

Section 1. Pursuant to the requirements of the Act, the City Council, after considering the Petition for the proposed District and the evidence and testimony presented at the public hearing on June 9, 2022, finds and declares:

- (a) Advisability of the Services and Improvements Proposed for the District: It is advisable to create the District to provide the services and improvements described in this Resolution, and the services and improvements will contribute to the public health, safety, and welfare.
- (b) Nature of the Services and Improvements: The general nature of the services and improvements to be performed by the District is to increase security, supplement the maintenance of streets, sidewalks, and landscaping, provide marketing information to promote the District, provide streetscape enhancements, and provide other services and improvements that are authorized by the Act. The District is created with the intention of supplementing and enhancing services within the District, and will continue to do so, but is not intended to replace or supplant existing City services provided within the District, as described in the service plan (the "Service Plan") attached and incorporated as Exhibit "B". The Service Plan is hereby approved and accepted by the City Council.
- (c) Estimated Cost of the Services and Improvements: The estimated annual cost of the services and improvements to be provided by the District is approximately \$13,300,000 for the first year of the reauthorization. Revenues to support services and improvements are anticipated to increase to an estimated \$23.9 million annually by the tenth year. The District shall not incur bond indebtedness.
- (d) Boundaries: The District is located wholly within the City of Austin, Texas. The District is located within the Austin Central Business

District, which is devoted primarily to commercial activity. The boundaries of the District are shown on the Map of the District, Exhibit "A".

- (e) Method of Assessment: The method of assessment is based on the value of the real property and real property improvements as determined by the Travis Central Appraisal District. The following classes of property shall be excluded from assessment: (1) property of the City (provided, however, that during each year in which the District remains in effect and the Council appropriates sufficient funds, the City shall pay a certain amount in lieu of an assessment), (2) property of the County, and property owned by political subdivisions of the State of Texas and used for public purposes, (3) property owned by a church or by a strictly religious society, and which yields no revenue to such church or religious society, and which is used as an actual place of religious worship or as a dwelling place for the ministry of such church or religious society, (4) property owned by persons or associations of persons which is used exclusively for school purposes, (5) property owned by an association engaged in promoting the religious, educational, and physical development of boys, girls, young men, or young women operating under a state or national organization of like character and used exclusively and necessarily for such purpose, including, but not limited to, property owned by the Austin Independent School District, (6) property owned by institutions of purely public charity, (7) property that was used primarily for recreational, park, or scenic purposes during the immediately preceding calendar year, (8) property owned by public or private utilities that is located in public streets or rights-of-way, (9)

property used for residential purposes that fall under the definition of a homestead provided in Section 41.001 of the Texas Property Code, (10) property owned by The University of Texas and the State of Texas, (11) all hospitals, and (12) the first \$500,000 in valuation of all properties liable for assessment.

All property owners assessed in the District automatically become members of the District and others may join by the voluntary payment of dues. The Service Plan reflects the District's intention to provide services in a manner that will primarily benefit District members.

After reviewing the testimony and evidence, it is found that the exemptions for excluded classes are reasonable because the excluded property will not receive a benefit from the District sufficient to justify assessments. It is further found that the exemptions are reasonable and necessary to promote the efficient management of the District.

- (f) Apportionment of Cost Between District and Municipality: The District shall pay the costs of the services and improvements by special assessment against the real property and real property improvements. The City will make an annual payment to the District in lieu of an annual assessment of City-owned property, subject to annual appropriation of funds by the Council. The City agrees to pay the District a sum in each year not to exceed \$360,000. The City Manager is hereby instructed to provide for an annual payment in future budgets for the term of the District.
- (g) Assessment Roll and Setting of Rate: The City Manager is hereby directed to annually prepare an assessment roll and file the roll with

the City Clerk. The assessment rate shall not exceed \$0.10 per \$100.00 valuation of taxable real property as shown on the tax rolls of the Travis Central Appraisal District, provided, however, that property designated by the City as "H" Historic shall have the exemptions from assessment contained in Section 11-1-22 of the City Code and shall be assessed on the basis of the reduced value provided by the formula therein.

- (h) The recitals in the preamble of the Resolution are found to be true and correct.

Section 2. The Austin Downtown Public Improvement District is authorized effective June 10, 2022 and continued as a Public Improvement District under the Act in accordance with the findings in this Resolution as to the advisability of the services and improvements. The District shall be subject to the terms, conditions, limitations, and reservations contained in the findings of Section 1 of this Resolution.

Section 3. The District shall automatically dissolve ten years from the date of this Resolution unless the District is renewed through the Petition and approval process provided for in the Act, or the District is terminated earlier as provided by law. The power of the City to continue to levy and collect assessments within the District pursuant to the Act will cease and the District will be dissolved on the date that a petition requesting dissolution is filed with the City Clerk of the City of Austin and the petition contains the signatures of at least enough property owners in the District to make the petition sufficient for creation of a public improvement district as provided in Section 372.005(b) of the Act.

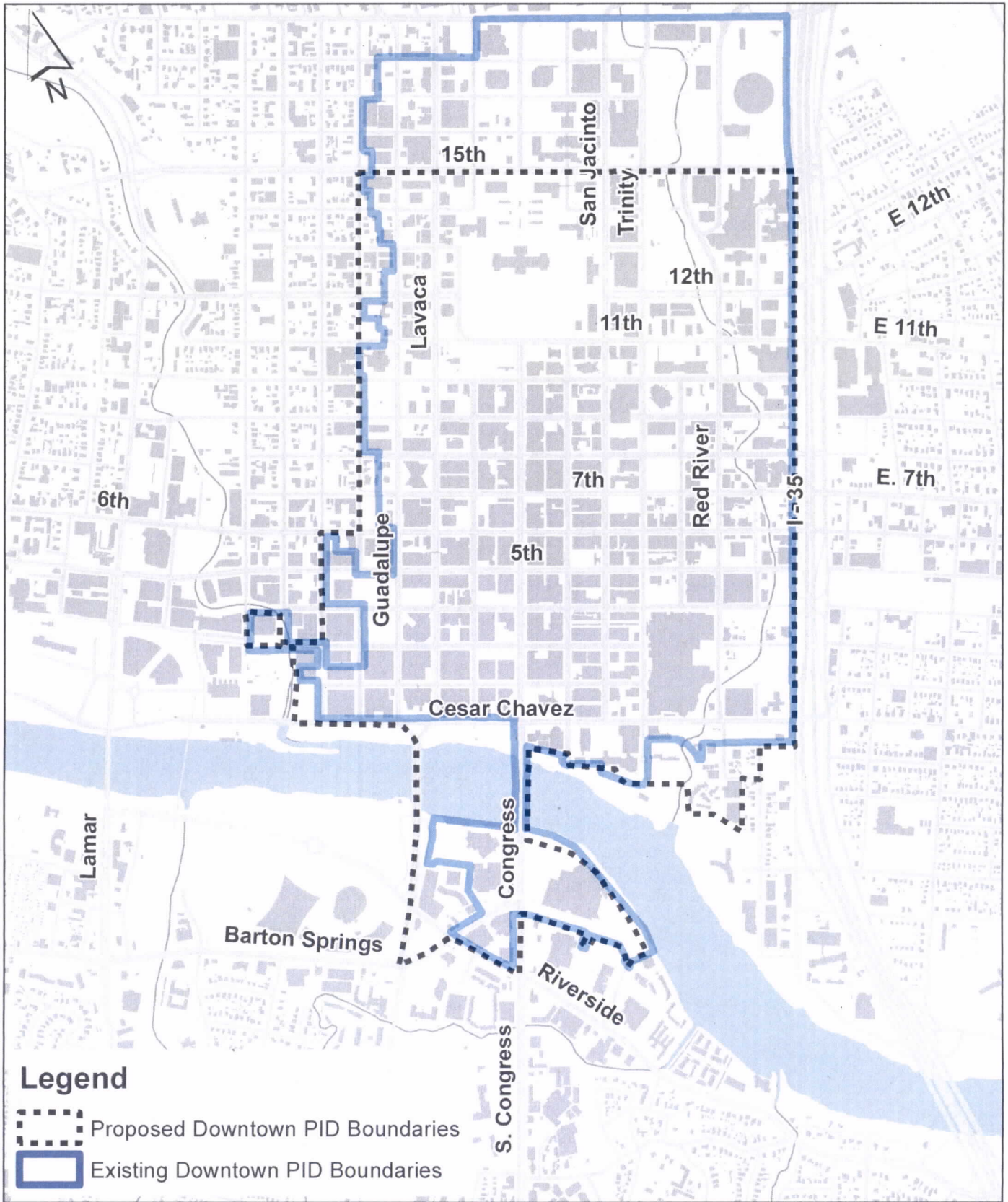
Section 4. The City Council designates Austin DMO, Inc., a Texas nonprofit corporation, d/b/a Downtown Austin Alliance, as the advisory body as contemplated by Section 372.008 of the Act.

ADOPTED: June 9, 2022

ATTEST:



Myrna Rios
City Clerk



Austin Downtown Public Improvement District (PID)



CERTIFICATE OF THE CITY CLERK

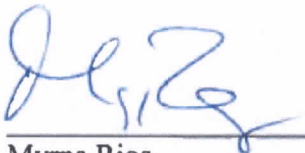
CITY OF AUSTIN

THE STATE OF TEXAS

COUNTY OF TRAVIS

I, Myrna Rios, City Clerk of the City of Austin, Texas, do hereby certify that I have examined certain petitions styled "Petition to Authorize the Austin Downtown Public Improvement District" that were filed with the City on March 8, 2022, in the form of individually signed and notarized copies. The petitions appear to have been signed by the required number of property owners. The petitions appear to contain: (1) the signatures of the owners of taxable real property representing more than 50% of the appraised value of taxable real property liable for assessment under the proposal in said petition; and (2) the signatures of the record owners of taxable real property constituting more than 50% of the area of taxable real property liable for assessment under the proposal in said petition. Based on the foregoing examination, I hereby certify said petitions to be sufficient to meet the requirements of Texas Local Government Code Chapter 372.

GIVEN UNDER MY HAND AND SEAL OF OFFICE AT AUSTIN, TEXAS, THIS 20TH DAY
OF APRIL 2022.



Myrna Rios
City Clerk



DOWNTOWN AUSTIN PUBLIC IMPROVEMENT DISTRICT SERVICE PLAN AND BUDGET 2023-2032

REAUTHORIZATION TASK FORCE

DOWN
AUSTINTOWN
ALLIANCE

Participating Board Members:

Joel Sher, Co-Chair

Jerry Frey, Co-Chair

Tara Shaikh

Brad Maples

David Bodenman

Tim Sullivan

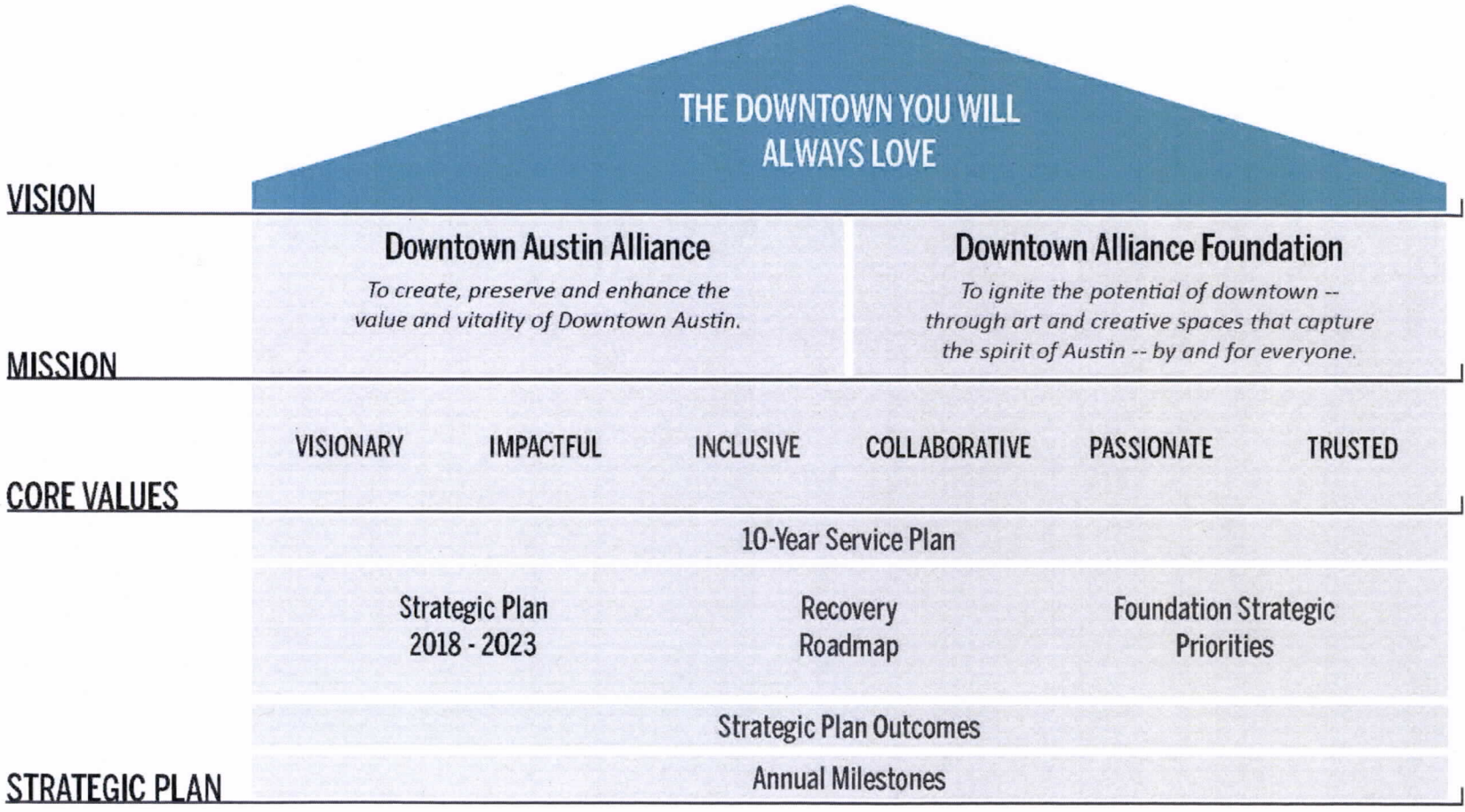
Michael Kennedy

Jenny Wiebrand, 20-21 board chair

Jeff Howard, 21-22 board chair

Task Force convened
13 times between
August 2020 -
February 2022

DOWNTOWN ALLIANCE VISION, MISSION & VALUES



THE DOWNTOWN YOU WILL ALWAYS LOVE



More than 3,000 Austinites helped shape this vision for downtown Austin, identifying four priorities that work together to create and sustain *the downtown you will always love*. By the year 2039 — Austin's 200th birthday—downtown will be a place with vibrant neighborhoods and places that welcome everyone. It will be a place that is convenient to get to and enjoyable to get around. Because of this, downtown will thrive and prosper. And when downtown prospers, so does the entire region.

► PRIORITIES

THRIVING CENTER

Downtown is the thriving center of business and community life, creating economic prosperity for the entire region.

1. Maintain and promote downtown as the region's primary business and cultural center.
2. Continue to attract and grow new businesses, residents and visitors to foster downtown's economy.
3. Foster a range of attainable creative office and start-up spaces.
4. Preserve and grow existing retail businesses, historic and cultural assets. Attract new ones.
5. Position downtown for a successful retail future.
6. Invest in and grow the local workforce downtown.

WELCOMING PLACES

Downtown is beloved for diverse and engaging parks, places and experiences that attract and welcome everyone.

1. Deliver a consistently clean and safe downtown experience.
2. Broadly address the needs of people experiencing homelessness, and the associated impacts.
3. Transform public spaces into an integrated, walkable, vibrant experience of arts, greenspace, music, culture and creativity- for everyone.
4. Create new parks, places and connections where possible.
5. Maximize the green infrastructure benefits of the public realm.
6. Tell the varied stories of Austin and its people in downtown's public places.
7. Leverage the waterfront as an integral part of the downtown experience.

GROWING NEIGHBORHOODS

Downtown is a growing and ever-evolving tapestry of complete, vibrant and walkable neighborhoods and districts that express Austin's authentic character.

1. Grow downtown's unique and vibrant mixed-use neighborhoods and districts. Preserve and leverage what is authentically Austin as we grow—history, nature, music, art, and culture.
2. Foster the growth of a more diverse downtown residential population.
3. Make downtown a family-friendly place to live and visit.
4. Create extremely vibrant and walkable streets.
5. Plan collaboratively for downtown's evolving edges, connections and urban density.

LEADING MOBILITY

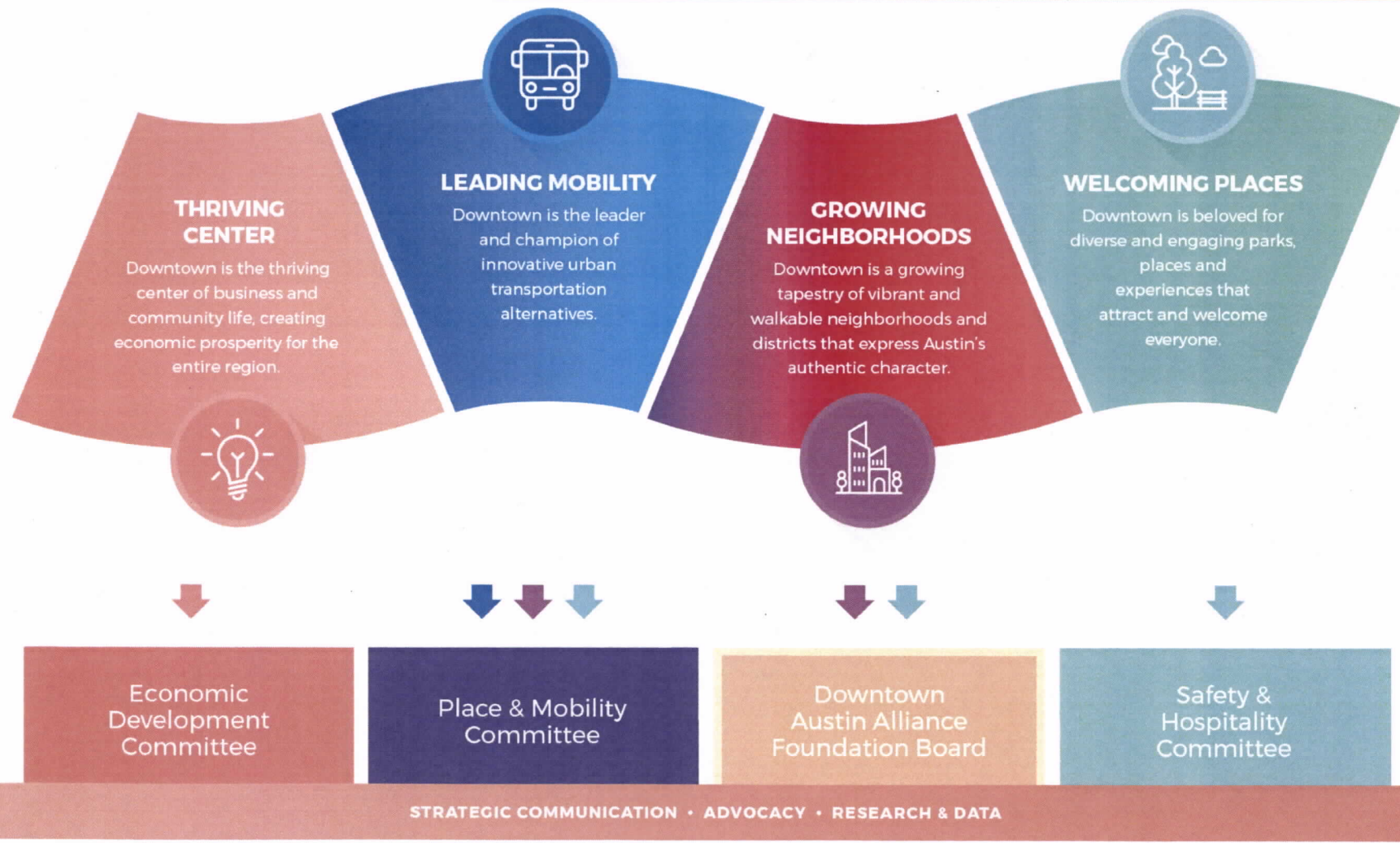
Downtown is the leader and champion of innovative urban transportation alternatives.

1. Create compact centers and corridors in Austin's central core.
2. Provide a variety of options for people to get to and from downtown, including a robust transit network in central Austin.
3. Provide a variety of options for people to get around downtown.
4. Position downtown as the leader and hub of smart mobility technology.
5. Improve the experience and availability of parking in downtown while planning smartly for the future.
6. Maximize effective transportation options for downtown commuters, visitors and residents.



STRATEGIC PLAN FRAMEWORK

DOWN
AUSTINTOWN
ALLIANCE

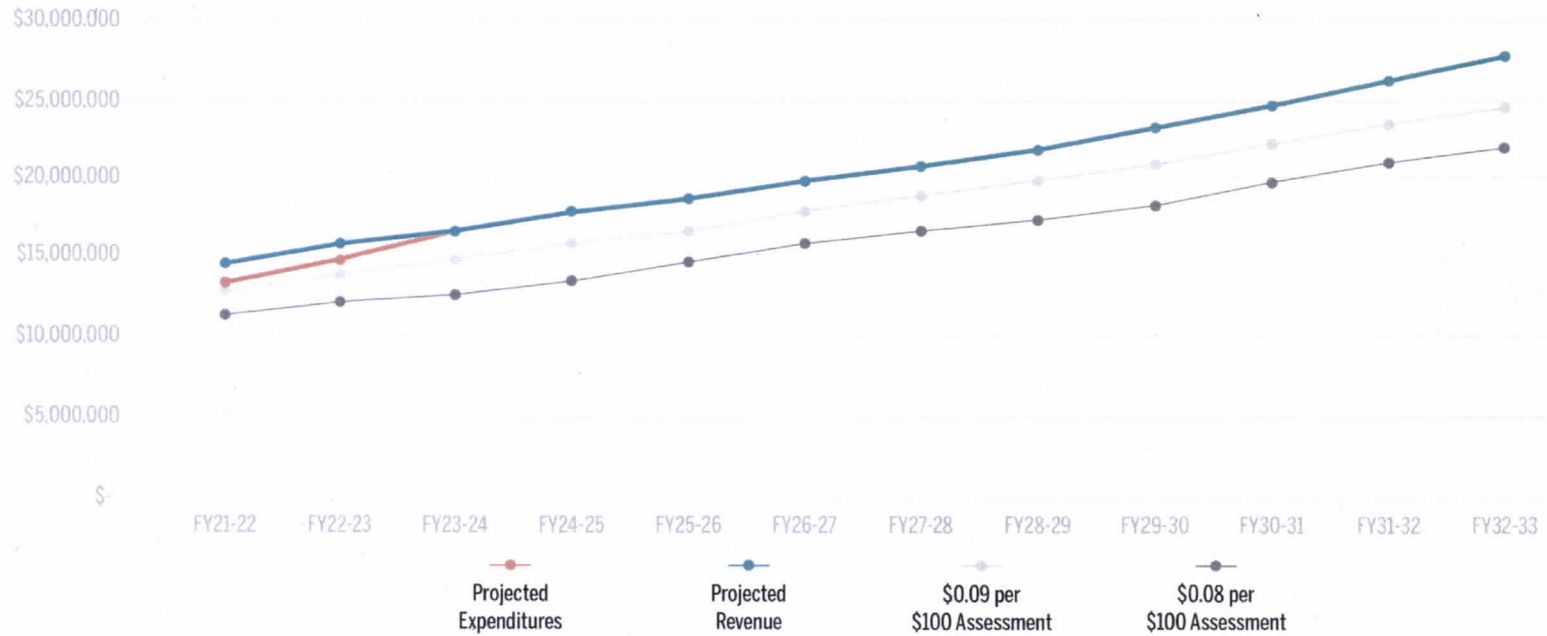


**DOWN
AUSTINTOWN
ALLIANCE**

**10-Year Budget and Service Plan
FY 2023-2032**

PROJECTED REVENUE & PROJECTED EXPENDITURES

DOWN
AUSTINTOWN
ALLIANCE



	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY30-31	FY31-32	FY32-33
Projected Expenditures	\$16,487,766	\$17,433,536	\$18,542,775	\$19,705,763	\$20,917,492	\$22,173,569	\$23,481,659	\$24,834,557	\$26,236,755	\$27,548,593
Projected Revenue	\$16,487,766	\$17,433,536	\$18,542,775	\$19,705,763	\$20,917,492	\$22,173,569	\$23,481,659	\$24,834,557	\$26,236,755	\$27,548,593
\$0.09 Assessment	\$16,487,766	\$15,690,182.4	\$16,688,497.5	\$17,735,186.7	\$18,825,742.8	\$19,956,212.1	\$21,133,493.1	\$22,351,101.3	\$23,613,079.5	\$24,793,773.5
\$0.08 Assessment	\$13,190,212.8	\$13,946,828.8	\$14,834,220.0	\$15,764,610.4	\$16,733,993.6	\$17,738,855.2	\$18,785,237.2	\$19,867,645.6	\$20,989,404.0	\$22,038,874.2

Expenditures by Program Area (FY23-24)

DOWN
AUSTINTOWN
ALLIANCE

Safety and Hospitality

Homelessness

Economic Development

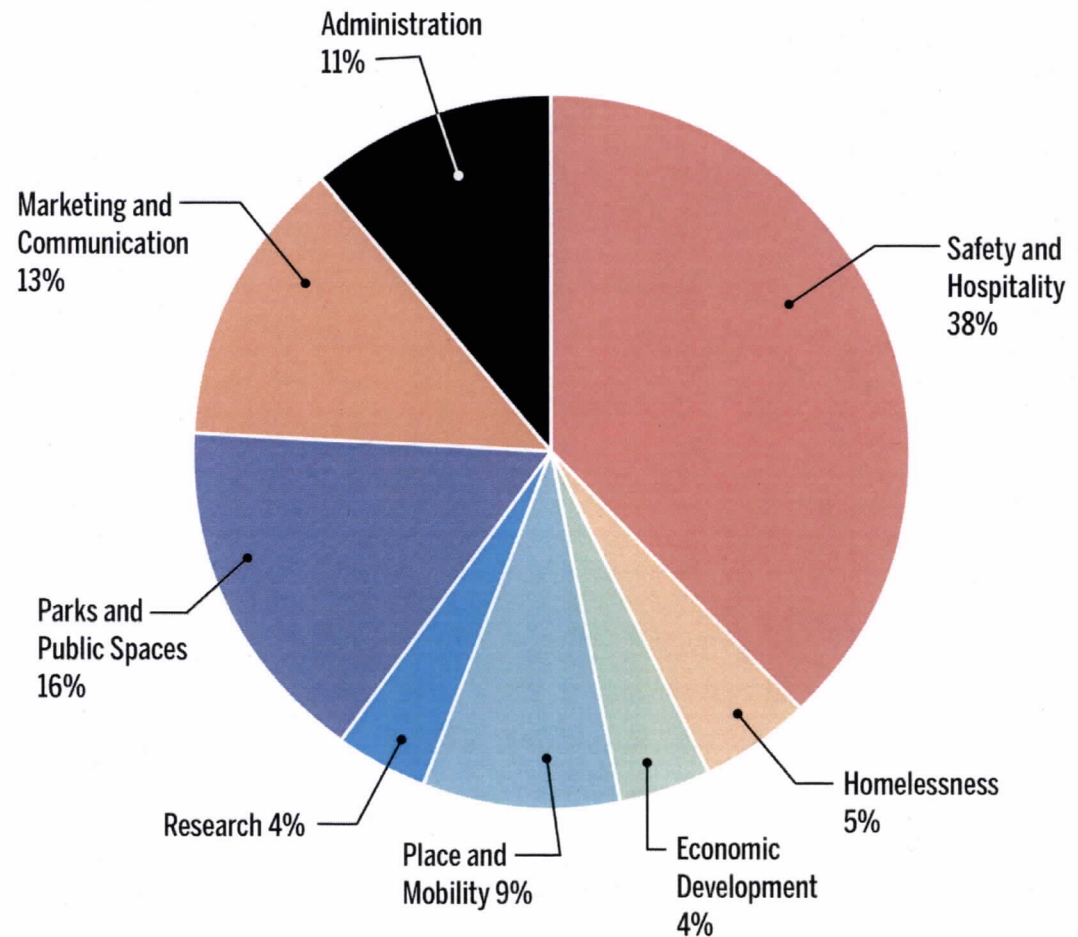
Place & Mobility

Research

Parks & Public Space

Marketing Communication

Administration



Expenses by Program Area (FY23-32)

DOWN
AUSTIN TOWN
ALLIANCE

Safety and Hospitality

Homelessness

Economic Development

Place & Mobility

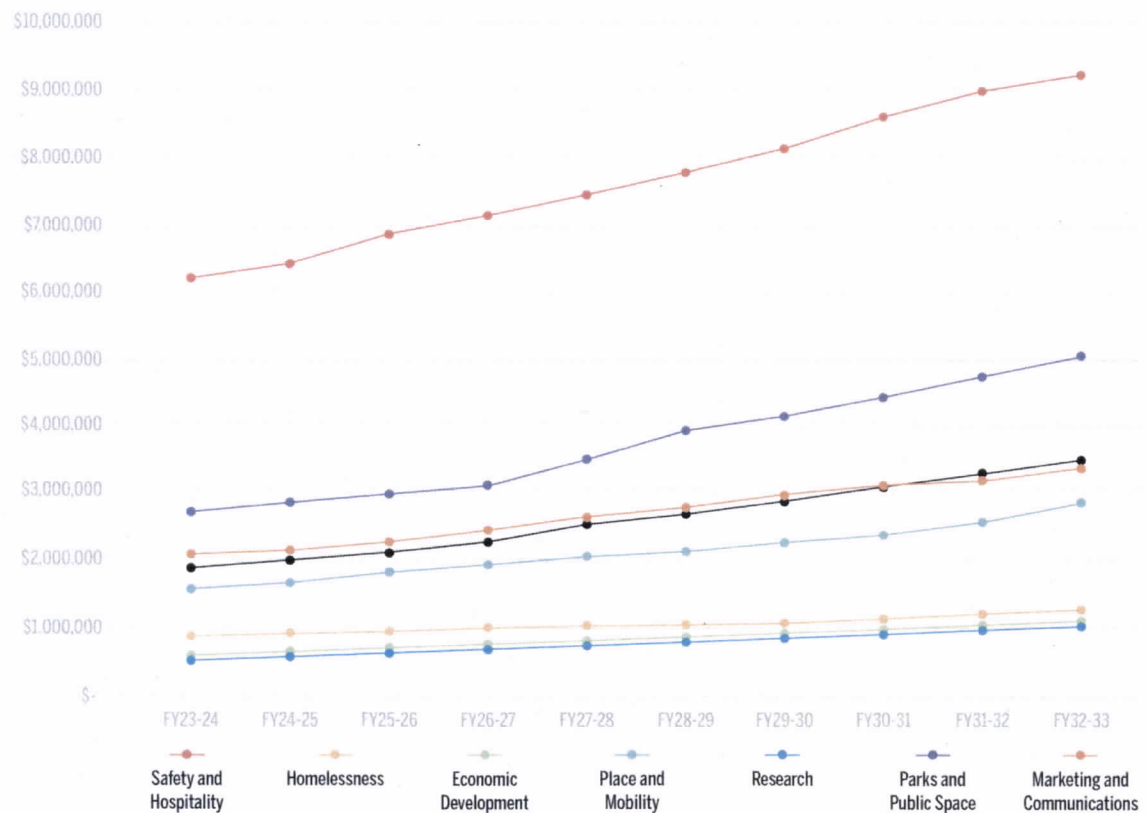
Research

Parks & Public Space

Marketing Communication

Administration

Expenses by Program Area
FY24-33



GENERAL ASSUMPTIONS

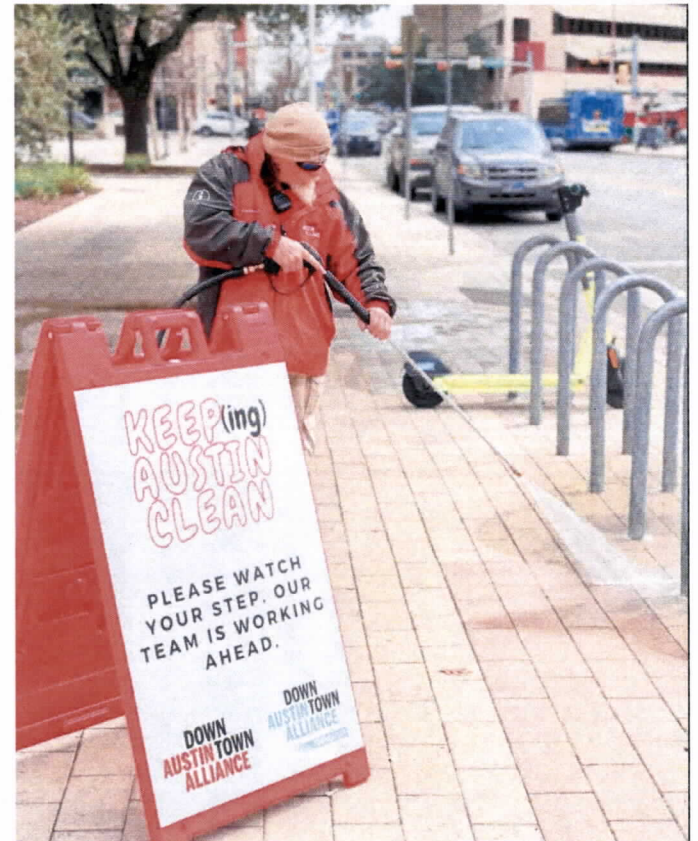
- We anticipate the Downtown Alliance staff will grow from 27 FTEs to 38 FTEs during the 10-year service plan
- Expenditures will increase 5% year over year in each program area, regardless of other added expenses
- Includes \$30k increase every year in Downtown Alliance office rent

Service Plan: Safety & Hospitality

- Continue to spend the most significant portion of our annual budget on providing direct services.
- Maintain current safety and hospitality services and add capacity for growth.
- Consider work with City of Austin departments on critical infrastructure improvement projects and crisis planning.

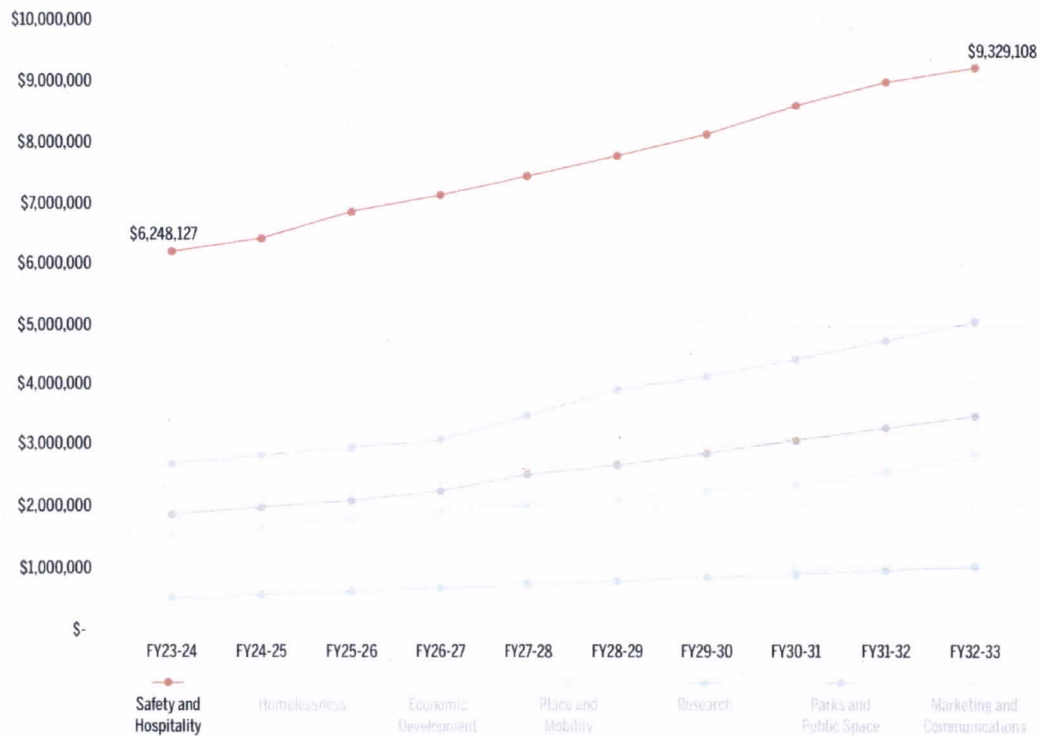
Includes:

- Litter and graffiti removal, doubling Downtown Ambassador pressure washing team capacity
- Beautification currently focused to Congress Avenue will be expanded and enhanced in other areas of downtown
- Dedicated hospitality team launched in 2021 to serve current and upcoming downtown parks, including Waterloo Greenway
- Monthly homeless count
- APD Overtime Initiative & funding for security cameras
- Urban Bird Services bird mitigation

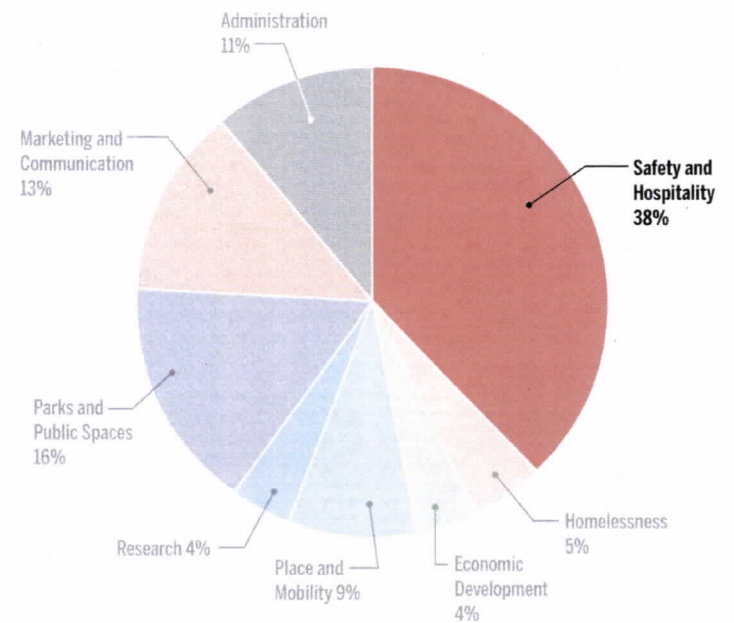


10-Year Budget: Safety & Hospitality

Expenses by Program Area



Budget Share by Program Area



FY 23-24

We anticipate the proportion of the Safety & Hospitality budget will be 34% of our overall expenses by FY 32.

Service Plan: Homelessness

- Build on our work to guide the creation and implementation of a strategy to address unsheltered homelessness and significantly reduce the number of unsheltered individuals downtown.
- Continue advocacy, partnerships and contributions to organizations that house and provide services to those experiencing homelessness.

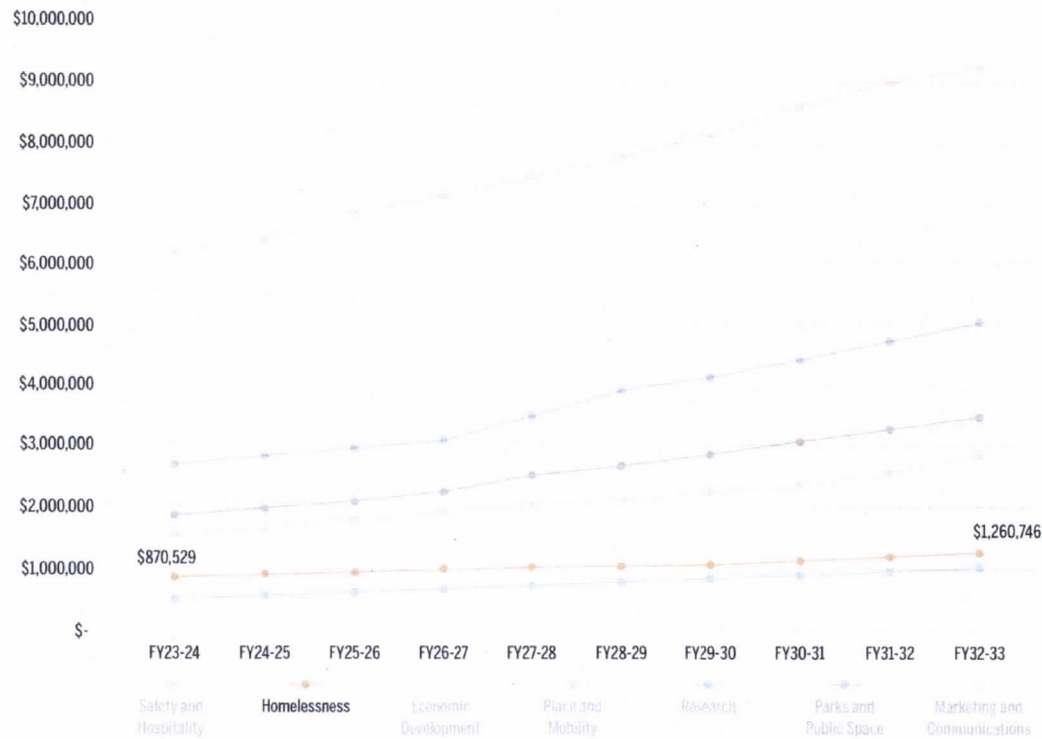
Includes:

- Healthcare for the Homeless support & advocacy
- Annual Commitment to Community First! Village
- Advocacy, partnerships, education

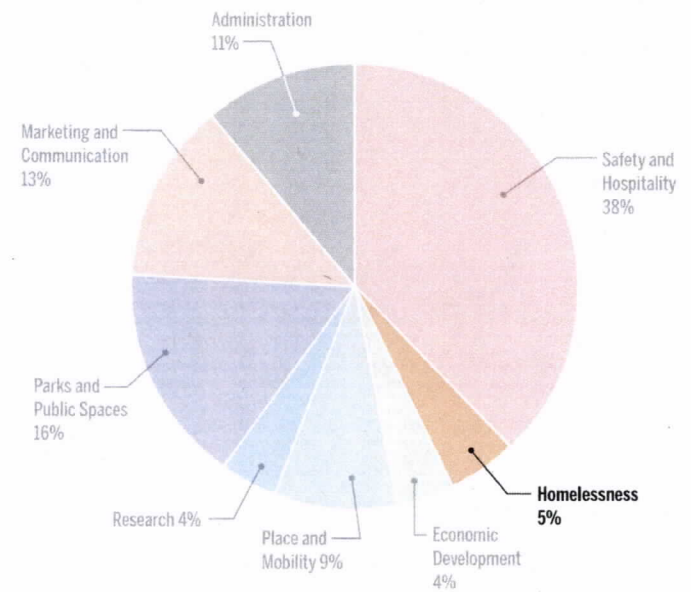


10-Year Budget: Homelessness

Expenses by Program Area



Budget Share by Program Area



FY 23-24

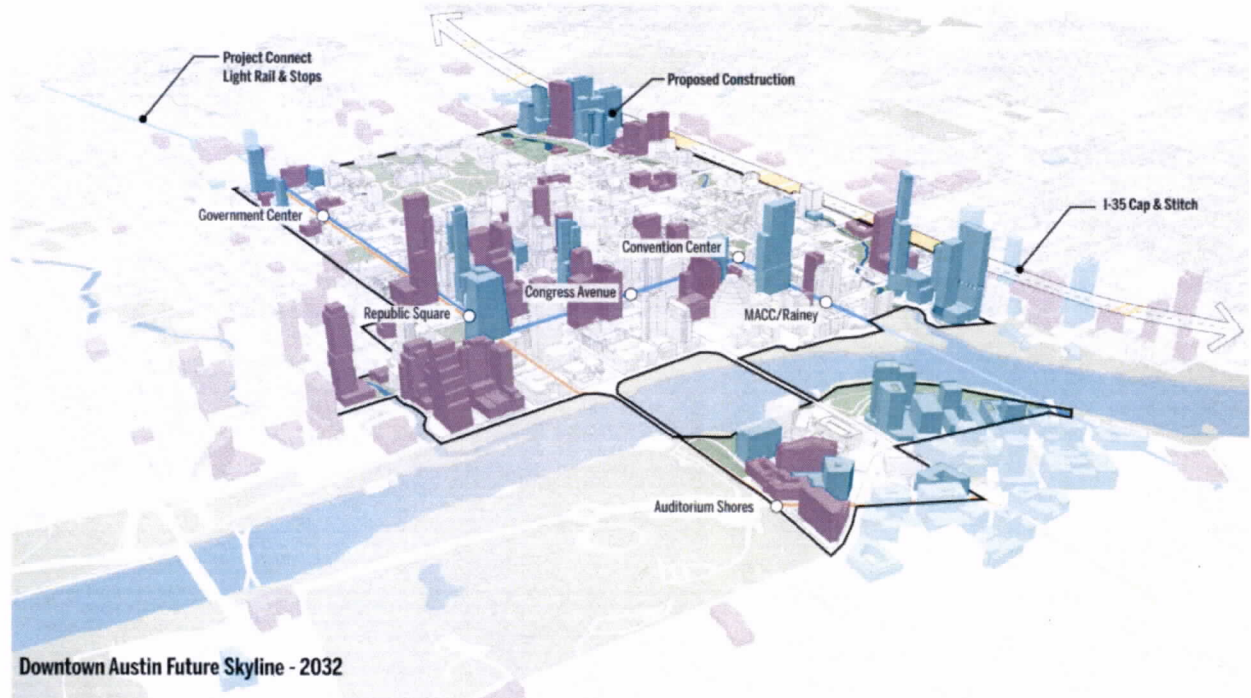
We anticipate the proportion of the homelessness budget will remain the same over the 10-year period.

Service Plan: Economic Development

- Ensure downtown is the center of business, community life and economic prosperity for the entire region.
- Support the preservation and recovery of locally-owned businesses and live music.

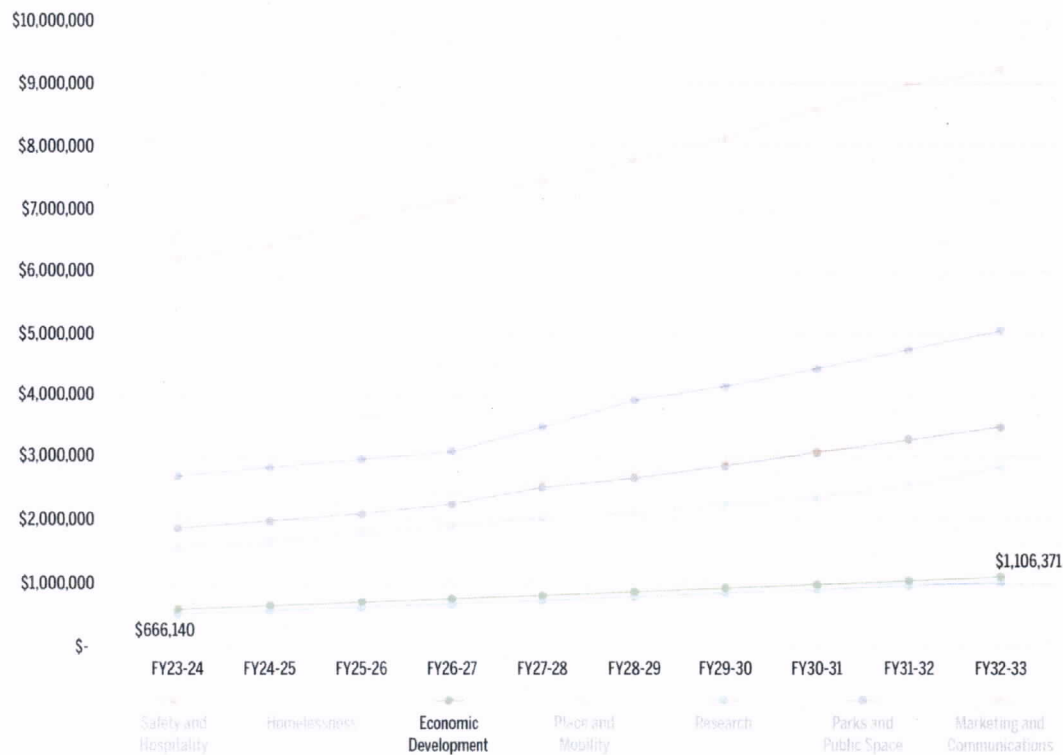
Includes:

- Innovation district
- Advocacy to maintain downtown's competitive advantage (eg. land development code)
- Advocating for financial support for small business and live music
- Activating street-level vacancies

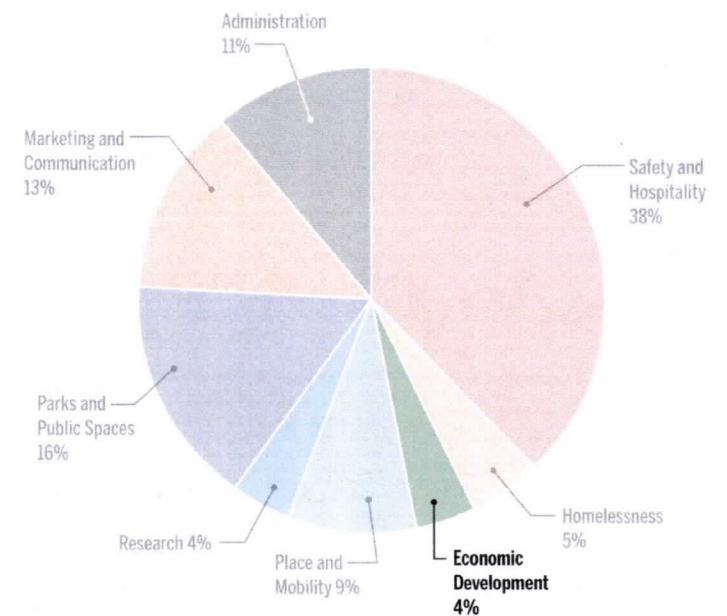


10-Year Budget: Economic Development

Expenses by Program Area



Budget Share by Program Area



FY 23-24

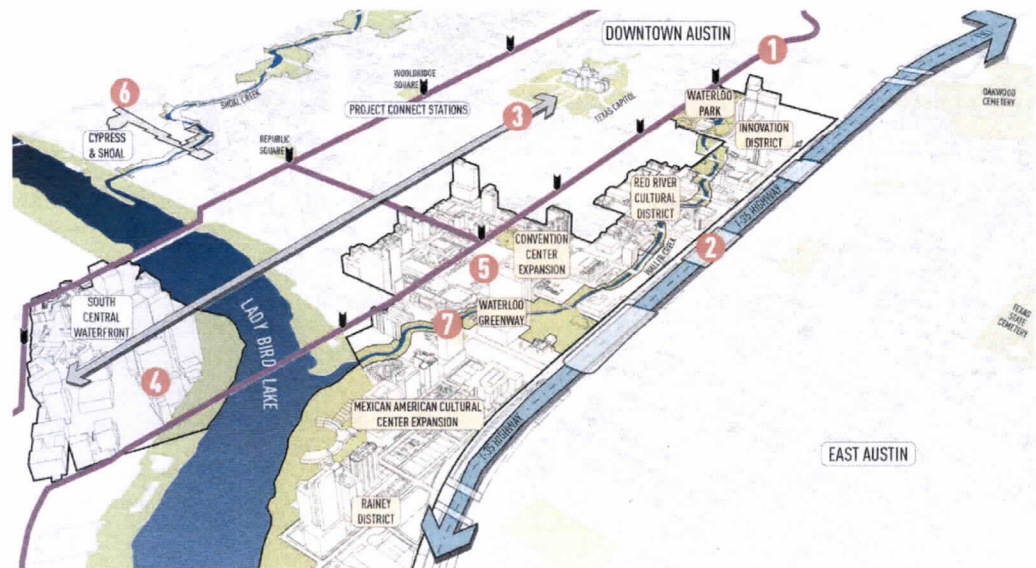
We anticipate the proportion of the Economic Development budget will remain the same over the 10-year period.

Service Plan: Place & Mobility

- Continue to be leader, advocate, and champion for downtown.
- Ensure downtown grows in a well-planned way that preserves unique character and prioritizes urban density, placemaking, and mobility.
- Lead and champion innovative urban transportation alternatives.

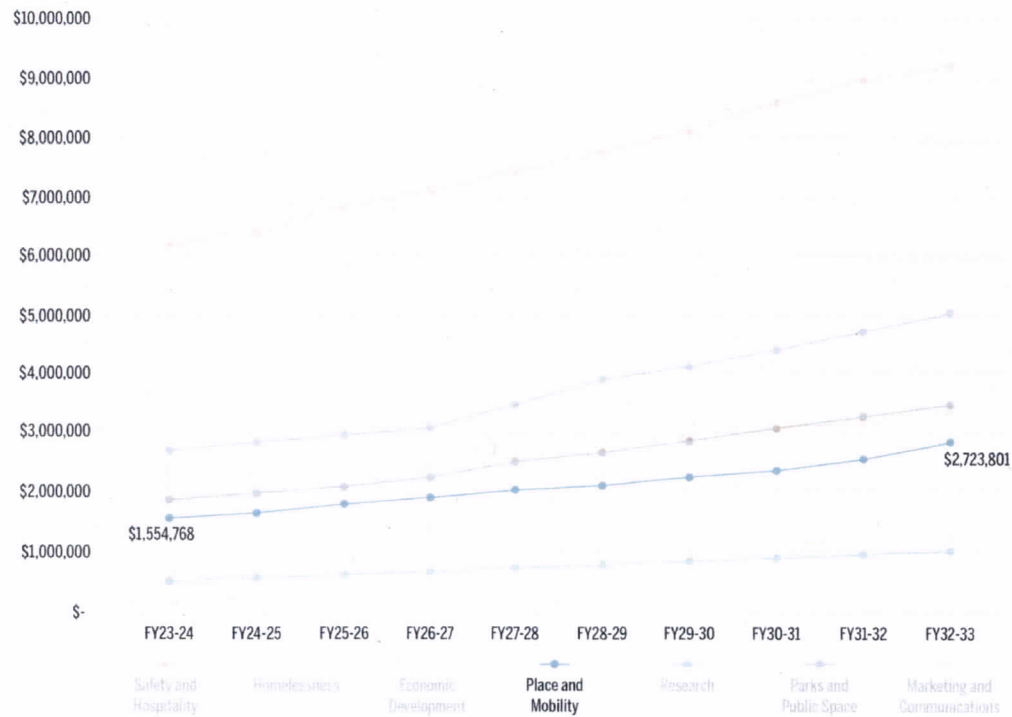
Includes:

- Major infrastructure projects including
 - I-35
- Advocacy for a robust transit network including project connect, implementation of transit stations and downtown circulator
- District planning and implementation
- Continued work toward realizing the Downtown Vision

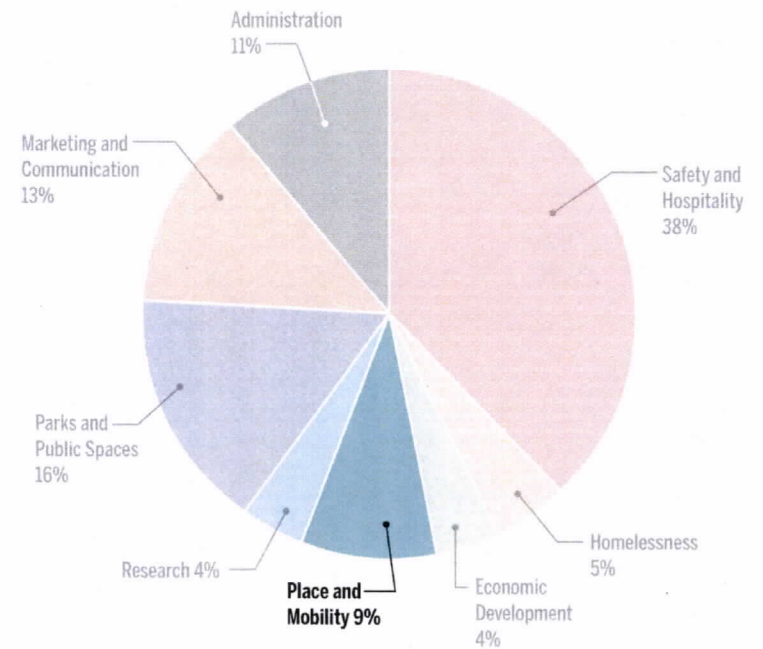


10-Year Budget: Place & Mobility

Expenses by Program Area



Budget Share by Program Area



FY 23-24

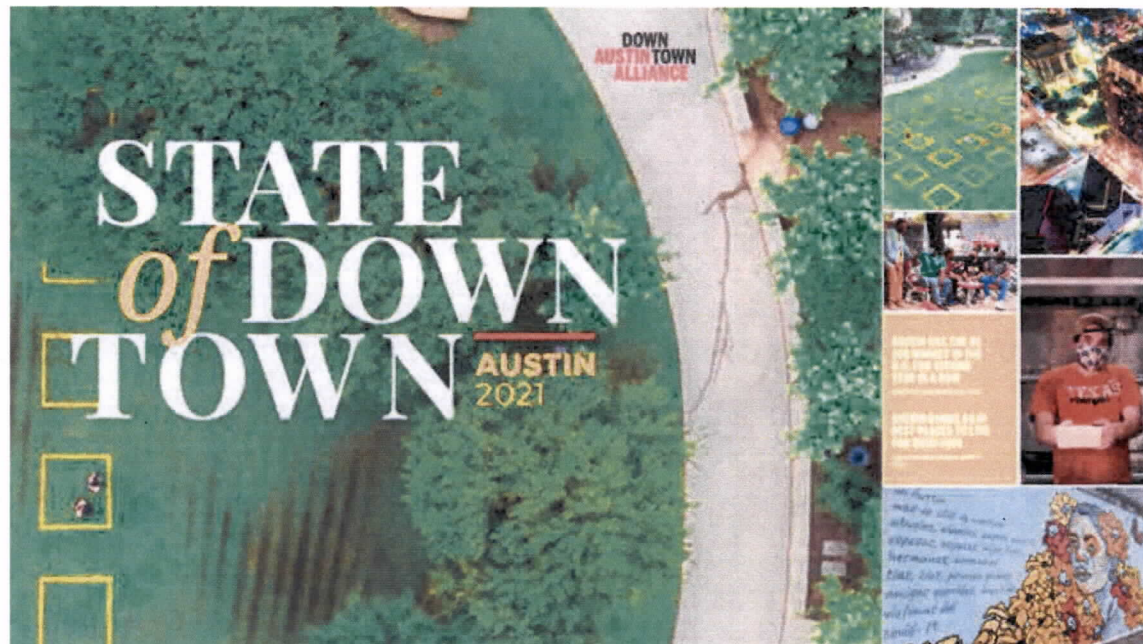
We anticipate the proportion of the Place & Mobility budget will be 10% of our overall expenses by FY 32.

Service Plan: Research

- Lead economic, demographic, geographic, and market research and analysis efforts to support the organization's strategic priorities.
- Produce reports that are valuable for businesses and individuals looking to locate or invest in downtown Austin.

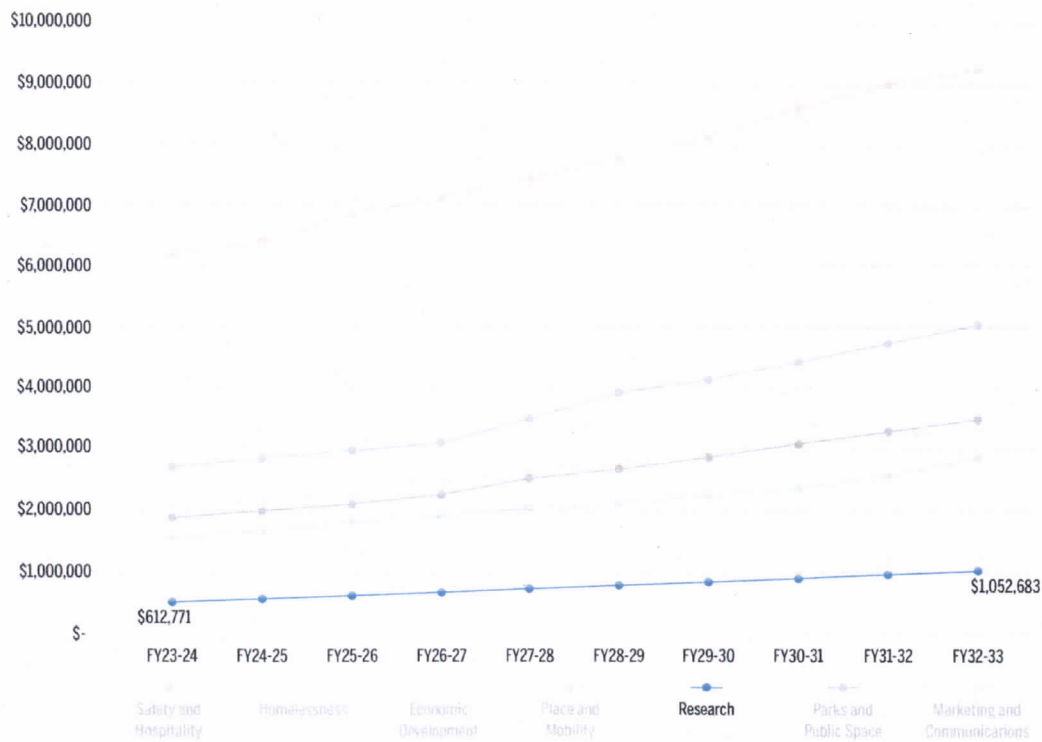
Includes:

- State of Downtown
- Emerging Projects map
- Retail Inventory
- Surveys
- Economic Impact Index

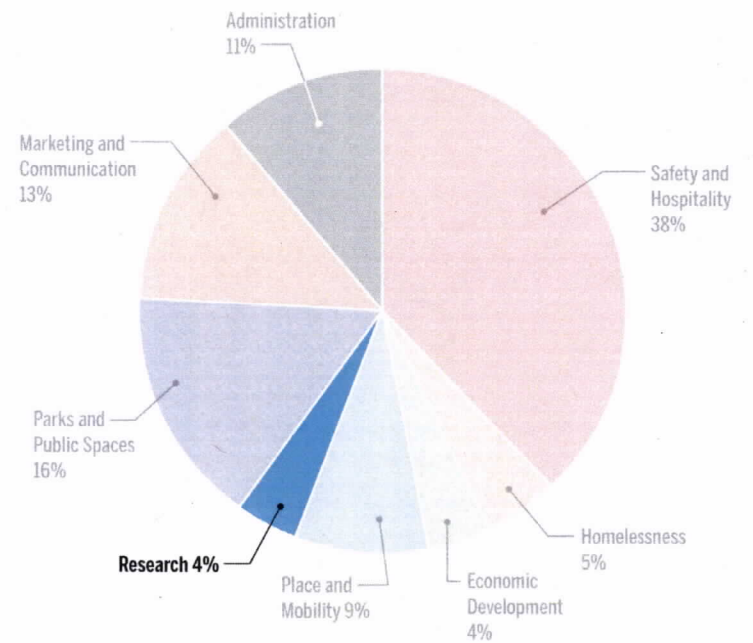


10-Year Budget: Research

Expenses by Program Area



Budget Share by Program Area



FY 23-24

We anticipate the proportion of the research budget will remain the same over the 10-year period.

Service Plan: Parks & Public Space

- Downtown Alliance and Foundation work together to support operations, management, programming and activation of several downtown parks and public spaces.
- Advocate for, maintain and support diverse and engaging parks, places and experiences that attract and welcome everyone.

Includes:

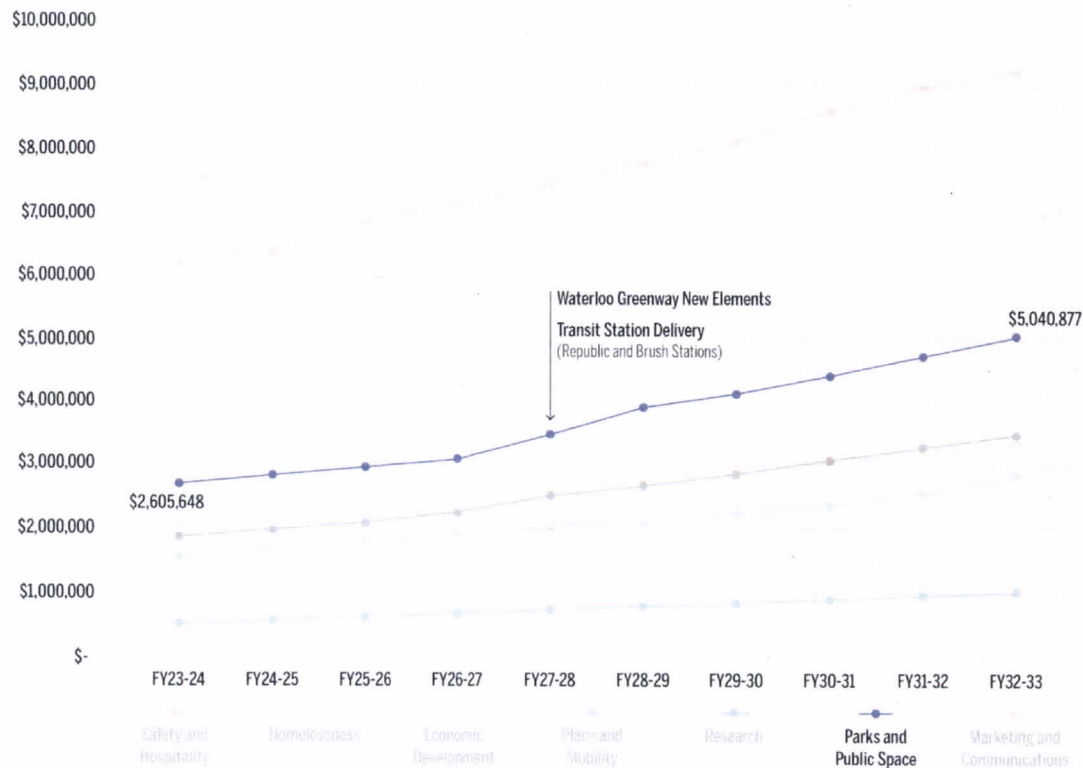
- Operations, maintenance and programming of Republic Square
- Contributions to parks and historic squares, Waterloo Greenway, Shoal Creek, Butler Trail and potential future public spaces including rail stations and I-35 caps
- Signature events
- Passive park programming
- Murals
- WIFI in downtown parks



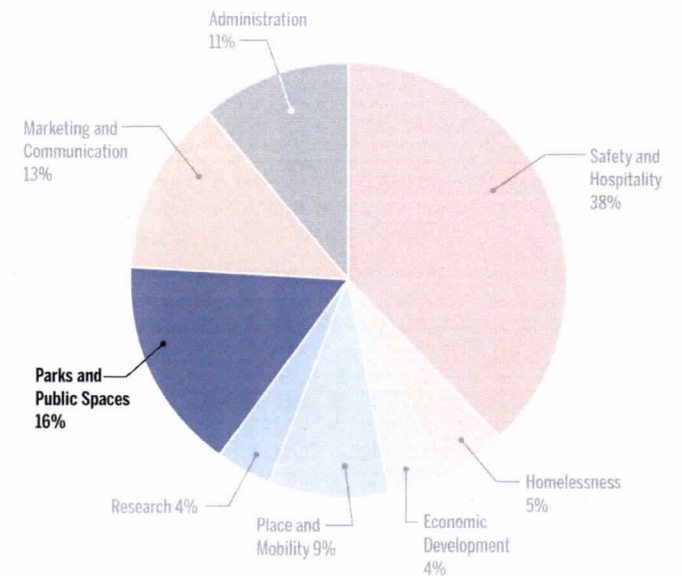
PID revenue would not exceed 1/3 of operating revenue for any park or public space, based on national best practice model.

10-Year Budget: Parks & Public Space

Expenses by Program Area



Budget Share by Program Area



FY 23-24

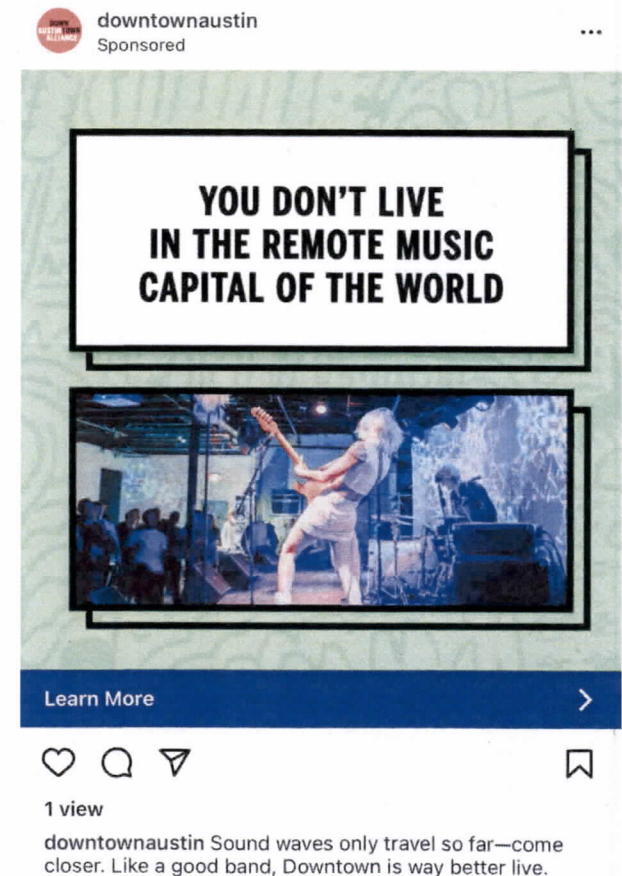
We anticipate the proportion of the parks & public space budget to be 18% of our overall expenses by FY 32.

Service Plan: Marketing & Communication

- Enhance the visibility and brand of downtown Austin and the Downtown Alliance.
- Keep downtown property owners, businesses, residents and visitors updated on downtown news, events and development.

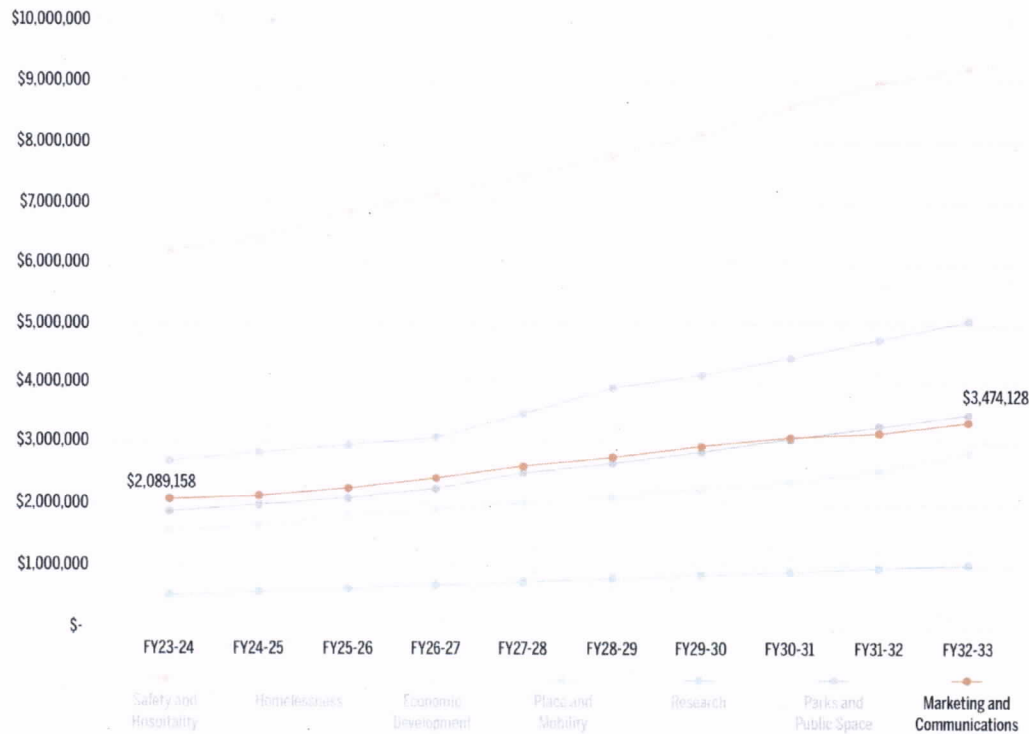
Includes:

- Execute targeted marketing campaigns under a comprehensive strategy to promote downtown's vitality
- Promote businesses, attractions, and places, drawing local patrons to downtown
- Raise downtown Austin's profile through national and local media outreach
- Provide educational programming on issues critical to downtown stakeholders

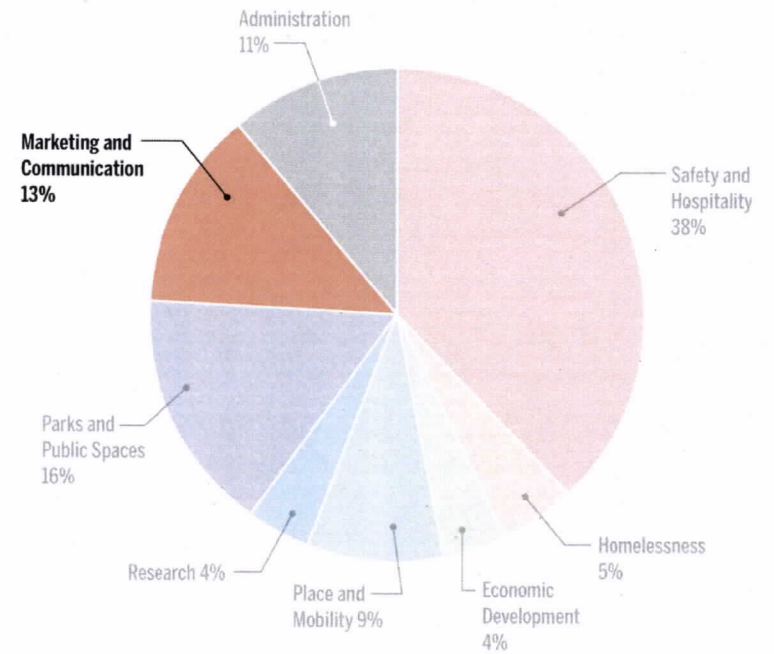


10-Year Budget: Marketing & Communication

Expenses by Program Area

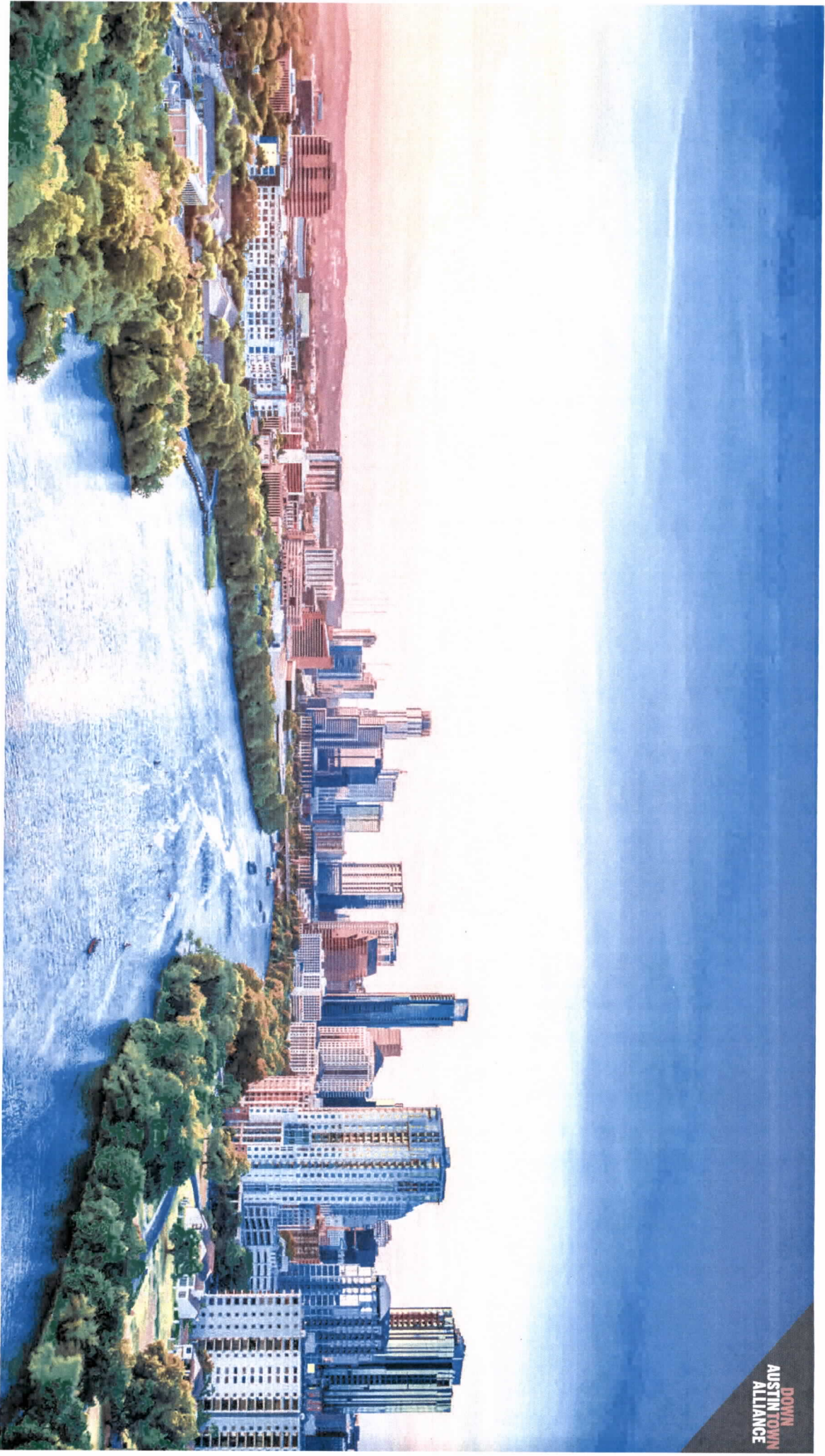


Budget Share by Program Area



FY 23-24

We anticipate the proportion of the marketing & communication budget will remain the same over the 10-year period.



DOWN
AUSTINTOWN
ALLIANCE



BOARD/COMMISSION RECOMMENDATION

Downtown Commission

Recommendation Number: 20220518-2c Downtown Public Improvement District Authorization

Recommendation

The Downtown Commission recommends that the Austin City Council support the authorization of the Downtown Public Improvement District.

Motioned By: Commissioner Joel Sher

Seconded By: Commissioner Ralph Ishmael

Date of Approval: May 18, 2022

Vote 6-0

For: Chair August Harris, Vice Chair Christopher Lehman, Commissioner Ralph Ishmael, Commissioner Laura Templeton, Commissioner Joel Sher, Commissioner Megan Meisenbach,

Against: None

Abstain: None

Absent: Commissioner Kelan Robinson, Commissioner Josh Lickteig, Commissioner Preston Reine, Commissioner Mike Lavigne, Commissioner

Vacant: Commissioner District 3

Attest: Christine Maguire, Commission Executive Liaison, Economic Development Department

Christine Maguire, Economic Development Department