

ORDINANCE NO.

AN ORDINANCE APPROVING THE FISCAL YEAR 2026-2027 SERVICE PLAN FOR THE AUSTIN TOURISM PUBLIC IMPROVEMENT DISTRICT, COMPOSED OF HOTELS WITH ONE HUNDRED OR MORE ROOMS, LEVYING THE FISCAL YEAR 2026-2027 SPECIAL ASSESSMENT ON THE PROPERTIES IN THE DISTRICT AND ESTABLISHING THE METHOD OF ASSESSMENT TO ENHANCE SERVICES AND UNDERTAKE IMPROVEMENTS, INCLUDING ACTIVITIES RELATED TO MARKETING, BUSINESS RECRUITMENT, AND PROMOTION FOR THE DISTRICT.

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

PART 1. The City Council finds that:

- (A) Chapter 372 of the Texas Local Government Code (Act) authorizes the creation of the Austin Tourism Public Improvement District (District);
- (B) On December 12, 2024, after notice and hearing, the City Council approved a resolution to authorize the establishment of the District composed of hotels with one hundred or more rooms and made findings related to the advisability of the improvement and creation of the district as authorized by Local Government Code Chapter 372 to enhance services and undertake improvements, including activities related to marketing, business recruitment, and promotion for the district and approved an ordinance approving the service plan for the District, levying a special assessment on the properties in the district and establishing the method of assessment for the district; and
- (C) The proposed fiscal year 2026-2027 assessment roll attached as Exhibit 2 (Assessment Roll) and incorporated into this ordinance, is necessary to fund improvements and services throughout the District and the District assessment will be levied on hotels with 100 or more rooms ordinarily used for sleeping located within the District.

PART 2. The service plan attached as Exhibit 1 (Service Plan), and incorporated in this ordinance by reference, meets the requirements of the Act and is approved, subject to annual review and updates by City Council.

PART 3. The Assessment Roll, attached as Exhibit 2 and incorporated in this ordinance by reference, levying the assessment for fiscal year 2026-2027 on hotels with 100 or more rooms ordinarily used for sleeping located within the District, is approved as the

fiscal year 2026-2027 Assessment Roll for the District. Assessments for fiscal year 2026-2027 will begin October 1, 2026.

PART 4. The annual assessment rate for all hotel properties within the District shall be two percent of gross taxable room night rental revenue. Qualifying hotels that sell more rooms will pay a greater portion of the assessment since those properties benefit more from the incentives and promotion and marketing services provided by the District. The District assessment shall only apply to hotel room night sales which are subject to local hotel occupancy tax under Texas state law. The District shall not incur bonded indebtedness.

PART 5. The City Clerk's publication of notice of City Council's intention to consider proposed assessments for the District at a public hearing is hereby ratified.

PART 6. The City Council directs that the Service Plan, attached as Exhibit 1, and the Assessment Roll, attached as Exhibit 2, be filed with the City Clerk.

PART 7. The City Council directs the City Clerk to file the Service Plan with the County Clerks of Travis and Williamson Counties.

PART 8. The City Council directs the City Clerk to file the Assessment Roll with the Travis Central Appraisal District and the Williamson Central Appraisal District in the formats they require under the Act.

PART 9. The provisions of this ordinance are severable. If any provision of this ordinance or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this ordinance.

PART 10. This ordinance takes effect on _____, 2026.

PASSED AND APPROVED

_____, 2026

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Kirk Watson
Mayor

APPROVED: _____
Deborah Thomas
City Attorney

ATTEST: _____
Erika Brady
City Clerk