



# City of Austin

## Recommendation for Action

**File #:** 26-2163, **Agenda Item #:** 11.

8/27/2026

### Posting Language

Authorize negotiation and execution of an agreement with Austin Convention and Visitors Bureau d/b/a Visit Austin (ACVB) for an initial five-year term and one five-year extension option for convention and tourism promotion services in an amount not to exceed \$19,993,429 for the City's portion for Fiscal Year 2026-2027, and approve a resolution approving the ACVB 2026-2027 Marketing Plan and Proposed Budget of \$22,453,889, setting the contract payment as required by Chapter 351 of the Texas Tax Code, and authorizing the City Manager to file approved documents with the City Clerk's Office as required by the Texas Tax Code. Funding: \$12,493,429 is available in the Fiscal Year 2026-2027 Tourism and Promotion Fund Operating Budget of the Austin Convention Center Department and \$7,500,000 is available in the Fiscal Year 2026-2027 Operating Budget for the Austin Convention Center Department for the marketing plan and budget. For the agreement, \$19,993,429 is contingent upon approval of the Fiscal Year 2026-2027 Proposed Operating Budget for the Tourism and Promotion Fund, \$12,493,429 of which is funded with a portion of Hotel Occupancy Tax and \$7,500,000 of which is contingent upon approval of the proposed Fiscal Year 2026-2027 Operating Budget of the Austin Convention Center Department. Funding for each fiscal year is contingent upon the availability of Council-approved funds in the Operating Budget of the Tourism and Promotion Fund.

### Lead Department

Austin Convention Center Department.

### Fiscal Note

Funding to perform the work described in the Marketing Plan, in the amount of \$19,993,429, is available in the: (1) Fiscal Year 2026-2027 Operating Budget for the Tourism and Promotion Fund in the amount of \$12,493,429 which is funded with a portion of Hotel Occupancy Tax (non-general fund) and (2) Fiscal Year 2026-2027 Operating Budget for the Convention Center in the amount of \$7,500,000. Additional funding from private sector revenue sources is available to Visit Austin for the remainder of the proposed budget. Visit Austin will earn an additional \$2,460,460 in revenue for Fiscal Year 2026-2027 outside of this contract. This revenue is generated primarily from retail, tour and consignment sales at the Visitors Center which in turn supports local small businesses and Austin artists. Additional revenue is generated through strategic partnerships, fundraising and donated items and services to help amplify Visit Austin's mission.

### Prior Council Action:

August 28, 2025 - Council approved Resolution No. 20250828-008 adopting the Austin Convention and Visitors Bureau, d/b/a Visit Austin, 2025-2026 Marketing Plan and Proposed Budget of \$22,453,065; setting the contract payment as required by Chapter 351 of the Texas Tax Code at \$20,313,215 on a 10-0 vote.

August 11, 2016 - Council authorized negotiation and execution of a five-year agreement with ACVB with a five-year extension option.

June 23, 2011 - Council approved Resolution No. 20110623-017 authorizing execution of a five-year agreement with ACVB.

September 11, 2006 - Council approved Resolution No. 20060911-011 authorizing negotiation and execution of a five-year agreement with ACVB.

August 23, 2001 - Council approved Resolution No. 010823-53 authorizing negotiation and execution of a five-year contract with five one-year extension options with ACVB.

August 15, 1996 - Council approved Resolution No. 960815-J to create the Austin Convention and Visitors Bureau (ACVB) for the purpose of planning and administering a tourism and convention program.

**For More Information:**

Katy Zamesnik, Interim Director, Austin Convention Center Department, 512-404-4208.

**Additional Backup Information:**

This action will authorize the City, through the Austin Convention Center Department (ACCD), to enter into an agreement with Visit Austin, to market and sell Austin as a premier business and leisure destination, enriching Austin's hospitality and travel industry, and approves a resolution approving Visit Austin's Fiscal Year 2026-2027 Marketing Plan and Proposed Budget. Visit Austin was created as a non-profit Corporation by Austin City Council on August 15, 1996, granting Visit Austin the authority to plan and develop convention and tourism promotional activities and projects on behalf of the City.

Per City Code Section 11-2-7, hotel occupancy tax revenue is allocated for Visit Austin services as follows: 5 5/7% of the 7 cents collected by the City from each dollar of hotel revenue is distributed to the Tourism and Promotion Fund and an additional 15% of the 7 cents Hotel Occupancy Tax collected by the City as described by City Code Section 11-2-7(B)(1) less \$2,000,000. In Fiscal Year 2026-2027, the estimated hotel occupancy tax revenue that will be available for Visit Austin's work under this agreement is \$19,993,429.

If approved, this agreement will begin October 1, 2026, and go through September 30, 2031. The agreement will set forth the work to be performed by Visit Austin for the administration and implementation of convention and tourism promotional programs and projects. Following this initial five-year term, the City, at its sole discretion, may elect to extend this agreement for an additional five-year term.

Funding for each fiscal year of the agreement is contingent upon Council's annual adoption of the City's budget. Upon Council's adoption of the budget, ACCD will present to Council for consideration and approval, Visit Austin's marketing plan and proposed budget, which in turn sets the contract payment for the fiscal year.

Upon approval of this resolution, the agreement between the City and Visit Austin will incorporate the newly approved Marketing Plan into Visit Austin's Fiscal Year 2026-2027 work plan. By including the documents set out below with this request for Council action, these documents are also filed with the City Clerk as required by Section 351.108 of the Texas Tax Code.

**Attachments:**

1. Fiscal Year 2026-2027 Visit Austin Proposed Marketing Plan,
2. Fiscal Year 2026-2027 Visit Austin Proposed Budget (summary and detailed); and
3. Fiscal Year 2026-2027 Tourism and Promotion Fund Summary