RESOLUTION NO.

WHEREAS, the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code (Act) allows for the establishment of public improvement districts; and

WHEREAS, pursuant to Resolution No. 20190523-029, the City Manager was directed to prepare for the creation of the Austin Tourism Public Improvement District (ATPID or District); and

WHEREAS, on September 14, 2023, City Council approved the draft service plan and draft petition language for the creation of the proposed ATPID; and

WHEREAS, a petition (Petition) was submitted to the City Clerk pursuant to the Act requesting the establishment of the ATPID on land within the City, and such Petition has been made available for public inspection; and

WHEREAS, pursuant to Section 372.009 of the Act, the City provided notice and publication of a public hearing (Public Hearing) to be conducted on December 10, 2024 to consider the creation of the ATPID and the advisability of the improvement (services) that will be offered by the ATPID, which notice and publication included the following: (i) time and place of the public hearing; (ii) general nature of the proposed improvements (services); (iii) estimated costs of the improvements (services); (iv) boundaries of the proposed ATPID; (v) proposed method of assessment; and (vi) proposed apportionment of cost between the ATPID and the City; and

WHEREAS, notice of the Public Hearing was published on November 22, 2024, in the Austin-American Statesman, a newspaper of general circulation in the City, and was also mailed on or before November 22, 2024, to all record owners of

property in the ATPID, and all persons desiring to be heard were given a full and fair opportunity to be heard at the Public Hearing; and

WHEREAS, the City Council conducted and adjourned the Public Hearing to consider the creation of the ATPID and advisability of the improvement (services) after giving due consideration to any objections; NOW, THEREFORE,

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

The City Council, after duly considering the evidence and testimony presented at the Public Hearing and based on the information known by the City Council makes the following findings:

- 1. **Petition.** The Petition was filed with the City Clerk and complies with Section 372.005 of the Act and has been signed by the requisite number of record owners of taxable real property liable for assessment.
- 2. Advisability of the Improvements (Services) Proposed for the District. It is advisable to create the District to provide the proposed improvements (services) described in the Petition and this Resolution. The improvements (services) will promote the interests of the City and confer a special benefit on the assessed properties within the District.
- 3. **General Nature of the District.** The general nature of the proposed improvements and services to be provided by the District include supplemental services related to District marketing, business recruitment, and promotional activities authorized by Chapter 372 of the Texas Local Government Code for the improvement and promotion of the District. These include increased marketing, sales initiatives and incentives to retain and secure meetings, sporting and other events, and conventions at the Austin Convention Center and the Palmer Event Center, sales

incentives to retain and secure additional citywide, transient and group business at District hotels, and research to assess the impact of the District marketing and sales initiatives, all with the purpose of increasing demand for hotel activity within the District.

- 4. **Estimated Cost.** The total assessments to be collected annually are estimated to be between \$20,727,723 and \$52,985,505 during the proposed ten-year term of the District. The District will not incur bonded indebtedness.
- 5. **Method of Assessment.** The proposed District assessment will be levied on hotels within the District, which are hotels with 100 or more rooms located wholly within the City of Austin, at a rate of two percent of the taxable room night sales. The assessments are to be remitted to the City by each individual hotel property in accordance with the same remittance schedule established for the submission of City of Austin hotel occupancy tax. Room night sales that are not subject to the City's hotel occupancy tax shall not be subject to the District assessment. The amount of the assessment will be subject to annual review and approval by the City Council. The City Council hereby finds that the proposed method of assessment is reasonable and necessary.
- 6. **Apportionment of Cost Between the District and the City.** The District shall pay the cost of the supplemental services described in the petition for the District by assessment against the hotels with 100 or more rooms within the District. The City will not be obligated to provide any funds to the District other than from assessments levied on City property that is part of the District.

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- 7. **Boundaries of the District.** The proposed District will be solely composed of non-contiguous and contiguous hotels with 100 or more rooms that are located wholly within the City of Austin.
- 8. **Advisory Body.** The City Council hereby declines to appoint an advisory body for the District but reserves the right to assign responsibility for the preparation of the ongoing service plan for the District to another entity.

BE IT FURTHER RESOLVED:

Based on the findings set forth above, the ATPID comprising the boundaries set forth above is authorized to be established and shall be known as the Austin Tourism Public Improvement District. The District shall take effect on January 1, 2025 (ATPID Effective Date), and shall expire ten years from the ATPID Effective Date unless dissolved in accordance with the Act or any other lawful method provided for dissolution of a public improvement district pursuant to the Act, as it may be amended. The ATPID shall be subject to all conditions, limitations, and reservations set forth in the findings of this Resolution. All other provisions of this Resolution shall be effective from and after adoption of this Resolution.

ADOPTED:	, 2024 ATTEST: _		
		Myrna Rios	
		City Clerk	