City of Austin

Recommendation for Action

File #: 26-1464, **Agenda Item #:** 6. 4/23/2026

Posting Language

Authorize negotiation and execution of a Business Expansion Program economic development incentive agreement with RIDA COTA Hotel, LLC for a term up to 30 years, with performance-based payments in an amount not to exceed an amount equal to 8.25 percent of the gross room night revenue generated by hotel operations and approve an ordinance waiving the staff presentation, public announcement and portal setup, and public hearing requirements of Ordinance Nos. 20180830-057 and 20240926-013. Funding: Funding is contingent upon available funding in future budgets of the Economic Incentive Reserve Fund.

Lead Department

Austin Economic Development.

Fiscal Note

Funding is contingent upon available funding in future budgets of the Economic Incentive Reserve Fund.

Prior Council Action:

March 6, 2025 - Council approved an ordinance authorizing negotiation and execution of an agreement with RIDA COTA Hotel, LLC, related to the development of a hotel and convention center located on or around the Circuit of the Americas site generally located at 9201 Circuit of the Americas Boulevard, Del Valle, Texas 78617, for the City to provide a $20,000 contribution of hotel occupancy tax and a 10-year funding agreement for the City to provide an amount not to exceed the amount of revenue the City receives from the State of Texas as a rebate of hotel occupancy tax and sales tax generated by the project that would otherwise be retained by the State, designating the project a qualifying project under Subchapter C of Chapter 351 of the Tax Code, and authorizing the City Manager to submit any necessary documents to the State Comptroller.

July 24, 2025 - Council authorized negotiation and execution of all documents and agreements necessary or desirable to acquire approximately 21.0 acres of real property and approximately 460,000 square feet of adjacent convention center facilities to be located in the Thomas Westbrook Survey No. 5, Abstract No. 797, generally located at 9201 Circuit of the Americas Boulevard, Del Valle, Texas 78617 and being a portion of that certain 288.93-acre tract which comprises a portion of that certain 399.528-acre Tract One described by and conveyed in the General Warranty Deed to AHSPE, LLC recorded under Document No. 2011010836 of the Official Public Records of Travis County, Texas, and being part of ‘Area 4’ of the Planned Unit Development approved in Ordinance No. 20201001-042, as amended by Ordinance No. 20231214-105, from RIDA COTA Hotel, LLC or its successor, related to the development of a hotel and convention center located on or around the Circuit of the Americas site, including a ground lease that contains an option for RIDA COTA Hotel, LLC or its successor to repurchase the hotel property at the conclusion of the term at no cost and a facilities purchase and management agreement that contains an option for RIDA COTA Hotel, LLC or its successor to repurchase the convention center facilities at the conclusion of the term at no cost, all upon the issuance of a confirmatory Private Letter Ruling by the State Comptroller.

For More Information:

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Additional Backup Information:

This proposed action would authorize staff to negotiate and execute a Business Expansion Program economic development agreement with RIDA COTA Hotel, LLC (RIDA) and waive the staff presentation, public announcement and portal setup, and public hearing requirements under Ordinance Nos. 20180830-057 and 20240926-013. RIDA is proposing to develop and construct a hotel and convention center at the Circuit of the Americas, located at 9201 Circuit of the Americas Boulevard, Del Valle, Texas 78617. RIDA and the City are currently in negotiations and additional information such as the fiscal impact analysis, community benefits narrative, and other supplemental information that will support the project upon completion will be supplied to Council and the public prior to any formal action.

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