

**ECONOMIC DEVELOPMENT DEPARTMENT**



## **Overview FY20**

# **Hotel Occupancy Tax Funded Programs**

August 10, 2020



# Economic Development Department

The Economic Development Department's mission is to develop and lead innovative programs that increase the prosperity of Austinites, businesses, and diverse neighborhoods, creating a cultural and economic environment that enhances the vitality of the community.



PROSPERITY FOR ALL PEOPLE · PROSPERITY FOR BUSINESS · PROSPERITY FOR COMMUNITIES

 <b>Cultural Arts</b> CITY OF AUSTIN ECONOMIC DEVELOPMENT <p>Executes programs and initiatives that integrate arts into economic development, tourism, community development and commercial neighborhood revitalization strategies.</p>	 <b>Global Business &amp; Expansion</b> CITY OF AUSTIN ECONOMIC DEVELOPMENT <p>Increases jobs and investment in Austin through business attraction and by assisting local businesses with international expansion and trade.</p>	 <b>Heritage Tourism</b> CITY OF AUSTIN ECONOMIC DEVELOPMENT <p>Provides leadership and management for programs aimed to attract tourists and convention delegates and to derive economic, business, and community benefits associated with honoring and preserving Austin as a place of personal heritage.</p>	 <b>Music &amp; Entertainment</b> CITY OF AUSTIN ECONOMIC DEVELOPMENT <p>Develops and executes initiatives that accelerate the growth of Austin's music &amp; entertainment industry by focusing on job creation, talent export, trade development, and industry revenue growth.</p>	 <b>Redevelopment</b> CITY OF AUSTIN ECONOMIC DEVELOPMENT <p>Facilitates innovative partnerships and projects to re-invigorate Austin's existing built environment, binding neighborhoods and business hubs into civic urban villages.</p>	 <b>Small Business</b> CITY OF AUSTIN ECONOMIC DEVELOPMENT <p>Provides opportunities, programs and resources to Austin's local businesses and entrepreneurs, helping them expand their opportunities at home and throughout the world.</p>
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# Hotel Occupancy Tax – Supported Divisions

- Cultural Arts
- Heritage Tourism
- Music & Entertainment

*Cultural Diversity*  
as an Economic Strength



## Hotel Occupancy Tax Fund

	2017-18	2018-19	2019-20	2019-20	2020-21
	Actual	Actual	Estimated	Amended	Proposed
<b>Beginning Balance</b>	0	0	0	0	0
<b>Revenue</b>					
Hotel/Motel Occupancy Tax	99,188,325	111,553,768	90,139,523	122,552,987	81,407,748
H/MOT Penalties & Interest	169,038	198,375	200,000	243,956	208,000
<b>Total Revenue</b>	<b>99,357,364</b>	<b>111,752,143</b>	<b>90,339,523</b>	<b>122,796,943</b>	<b>81,613,748</b>
<b>Total Available Funds</b>	<b>99,357,364</b>	<b>111,752,143</b>	<b>90,339,523</b>	<b>122,796,943</b>	<b>81,613,748</b>
<b>Transfers Out</b>					
Trf to Conv Ctr Tax Fund	48,122,181	54,153,725	36,957,077	50,916,981	33,387,443
Trf to Conv Ctr Capital Fund	0	459	16,425,368	20,962,980	14,838,863
Trf to Conv Ctr Venue Fund	21,385,497	24,065,916	16,425,368	22,629,770	14,838,863
Trf to Cultural Arts Fund	11,231,717	12,639,480	8,623,318	11,880,629	7,790,403
Trf to Historical Preservation Fund	7,035,463	12,639,480	8,623,318	11,880,629	7,790,403
Trf to Tourism & Promotion Fnd	8,469,504	4,808,851	3,285,074	4,525,954	2,967,773
<b>Total Transfers Out</b>	<b>96,244,361</b>	<b>108,307,910</b>	<b>90,339,523</b>	<b>122,796,943</b>	<b>81,613,748</b>
<b>Total Requirements</b>	<b>96,244,361</b>	<b>108,307,910</b>	<b>90,339,523</b>	<b>122,796,943</b>	<b>81,613,748</b>
<b>Excess (Deficiency) of Total Available Funds Over Total Requirements</b>	3,113,003	3,444,234	0	0	0
<b>Adjustment to GAAP</b>	(3,113,003)	(3,444,234)	0	0	0
<b>Ending Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Historic Preservation Fund & Heritage Grant Overview

Melissa Alvarado  
Manager, Heritage Tourism Division



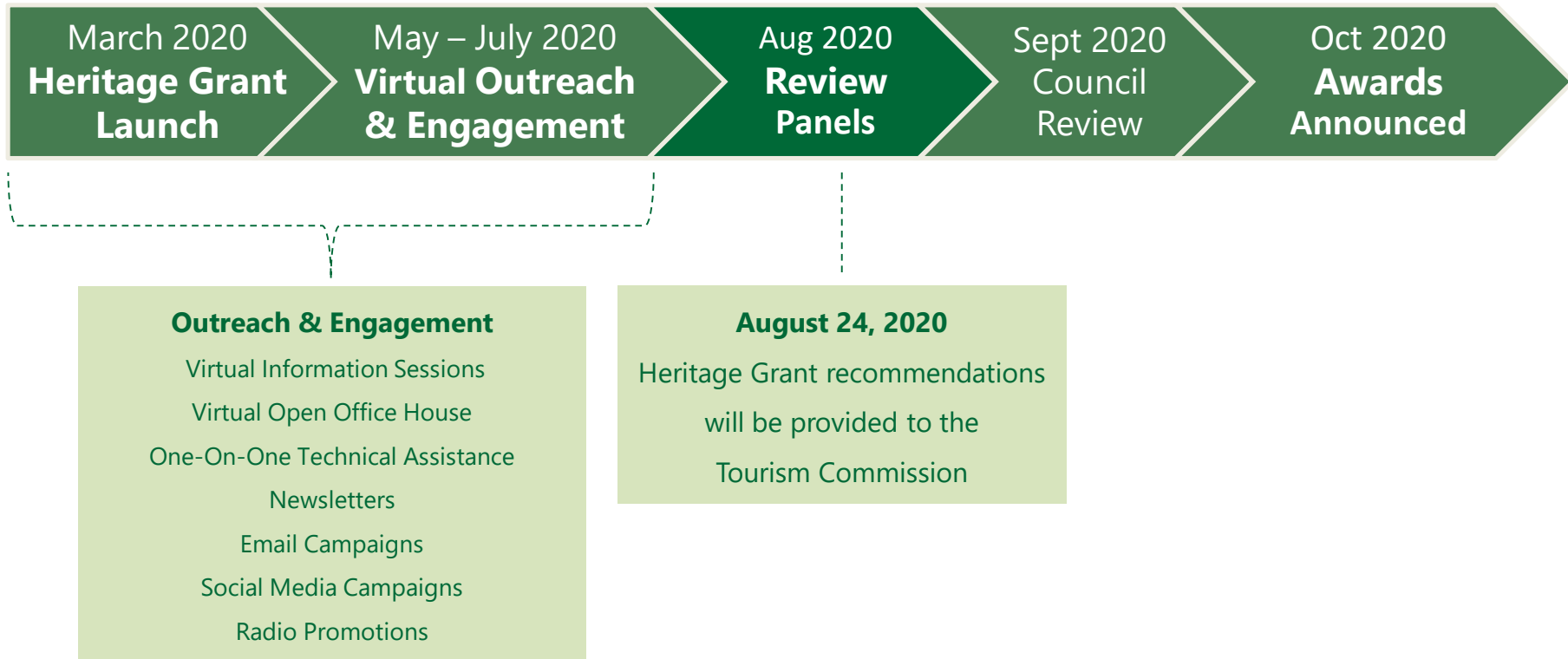
**Heritage Tourism**

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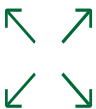


# Historic Preservation Fund

	2017-18	2018-19	2019-20	2019-20	2020-21
	Actual	Actual	Estimated	Amended	Proposed
<b>Beginning Balance</b>	0	4,458,142	6,258,387	5,099,843	7,096,358
<b>Revenue</b>					
Interest	15,727	148,839	100,000	0	60,000
<b>Total Revenue</b>	15,727	148,839	100,000	0	60,000
<b>Transfers In</b>					
Other Funds	7,035,463	12,639,480	8,623,318	11,880,629	7,790,403
Convention Center	2,491,937	0	2,463,805	3,144,447	2,225,829
<b>Total Transfers In</b>	9,527,400	12,639,480	11,087,123	15,025,076	10,016,232
<b>Total Available Funds</b>	9,543,126	12,788,319	11,187,123	15,025,076	10,076,232
<b>Requirements</b>					
Capital	0	465,500	72,500	1,782,094	9,595,685
Contractuals	652,680	2,195,523	4,401,652	4,223,535	3,833,531
Personnel	65,721	0	0	0	0
<b>Total Requirements</b>	718,402	2,661,023	4,474,152	6,005,629	13,429,216
<b>Transfers Out</b>					
Trf to PARD CIP Fund	3,075,000	7,848,715	5,000,000	5,000,000	2,150,000
Trf to Library CIP Fund	469,883	500,000	500,000	500,000	500,000
TRF TO ECON GROWTH_DEV(D5507)	0	0	375,000	375,000	0
Trf to GGCIP fund	500,000	0	0	0	0
Trf to PW-Mobility CIP	321,700	0	0	0	0
<b>Total Transfers Out</b>	4,366,583	8,348,715	5,875,000	5,875,000	2,650,000
<b>Total Requirements</b>	5,084,985	11,009,738	10,349,152	11,880,629	16,079,216
<b>Excess (Deficiency) of Total Available Funds Over Total Requirements</b>	4,458,142	1,778,580	837,971	3,144,447	(6,002,984)
<b>Adjustment to GAAP</b>	0	21,665	0	0	0
<b>Ending Balance</b>	4,458,142	6,258,387	7,096,358	8,244,290	1,093,374

# Heritage Grant Timeline/Background



# Heritage Grant Program Updates

Initial Applicant Stats		
	<b>24</b>	<b>Total applications submitted</b> <ul style="list-style-type: none"><li>• \$2.6M requested</li><li>• 29% ALANA</li><li>• Peer Review Panels Ongoing</li></ul>
	<b>18</b> <b>6</b>	<b>Nonprofit applicants</b> <b>Commercial applicants</b>
	<b>9</b>	<b>Heritage Capital Projects</b>
	<b>15</b>	<b>Site-specific Heritage Tourism Projects</b>

# Heritage Grant Scoring Criteria

SCORING CRITERIA	Max Score
Tourism Impact	30
Preservation Impact	30
Project Budget	10
Capacity and Qualifications	10
Project Schedule	5
Equity, Diversity, Inclusion	5
New Applicant	5
Coordination with Essential Partners	5

# Heritage Grant Scoring Criteria

- Expand eligible criteria: Preservation of Historic Interiors
- Wayfinding Scope of Work
- Work with stakeholders to develop and execute expanded Heritage Tourism Plan scope and strategies together with Music & Entertainment and Cultural Arts

# Live Music Fund Overview

Erica Shamaly  
Manager, Music and Entertainment Division



**Music &  
Entertainment**

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# Live Music Fund

- The City Council established the Live Music Fund via Ordinance No. 20190919-149 on September 19, 2019.

## Live Music Fund

	2017-18	2018-19	2019-20	2019-20	2020-21
	Actual	Actual	Estimated	Amended	Proposed
<b>Beginning Balance</b>	0	0	0	0	2,469,405
<b>Revenue</b>					
Interest	0	0	5,600	0	5,000
<b>Total Revenue</b>	0	0	5,600	0	5,000
<b>Transfers In</b>					
Convention Center	0	0	2,463,805	0	2,225,829
<b>Total Transfers In</b>	0	0	2,463,805	0	2,225,829
<b>Total Available Funds</b>	0	0	2,469,405	0	2,230,829
<b>Program Requirements</b>					
Music and Entertainment Division	0	0	0	0	3,000,000
<b>Total Program Requirements</b>	0	0	0	0	3,000,000
<b>Total Requirements</b>	0	0	0	0	3,000,000
<b>Excess (Deficiency) of Total Available Funds Over Total Requirements</b>	0	0	2,469,405	0	(769,171)
<b>Adjustment to GAAP</b>	0	0	0	0	0
<b>Ending Balance</b>	0	0	2,469,405	0	1,700,234

# Live Music Fund – Timeline

## **November 2019:**

- Music Commission established the Live Music Fund Working Group, which includes Music Commissioners and representatives of Austin's Music community

## **February–April 2020:**

- Live Music Fund Working Group meetings

## **May–August 2020:**

- Special Called Music Commission meetings to revisit equity goals and to align efforts with Cultural Arts and Heritage Tourism

# Live Music Fund – Timeline

## **August–October 2020:**

- Guideline and process development with equity consultant, Cultural Arts and Heritage Tourism Staff, and Music and Arts Commissions

## **Fall/Winter 2020:**

- Staff Recommendations to Mayor and City Council on guidelines and process

## **Spring 2021:**

- Live Music Fund application announced

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**Questions?**