



PRESENTATION TO THE DOWNTOWN COMMISSION

September 15, 2021

Trisha Tatro, Director, Austin Convention Center

Katy Zamesnik, CAO, Austin Convention Center





AGENDA

- Hotel Occupancy Tax Review
- History of Convention Center Redevelopment and Expansion
Planning
- Convention Center Redevelopment and Expansion Update and Next
Steps



HOTEL OCCUPANCY TAX



CHAPTER 351 AND ALLOWABLE USES OF HOT

- Sec. 351.101. USE OF TAX REVENUE*.
- (a) Revenue from the municipal hotel occupancy tax may be used only to promote tourism and the convention and hotel industry, and that use is limited to the following:
 - (1) the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers, or both;
 - (2) the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants;
 - (3) advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity;
 - (4) the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting,



CHAPTER 351 AND ALLOWABLE USES OF HOT

- sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms;
- (5) historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums:
 - (A) at or in the immediate vicinity of convention center facilities or visitor information centers; or
 - (B) located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates;
- (9) signage directing the public to sights and attractions that are visited frequently by hotel guests in the municipality;

Chapter 351 prohibits HOT use for general government activities



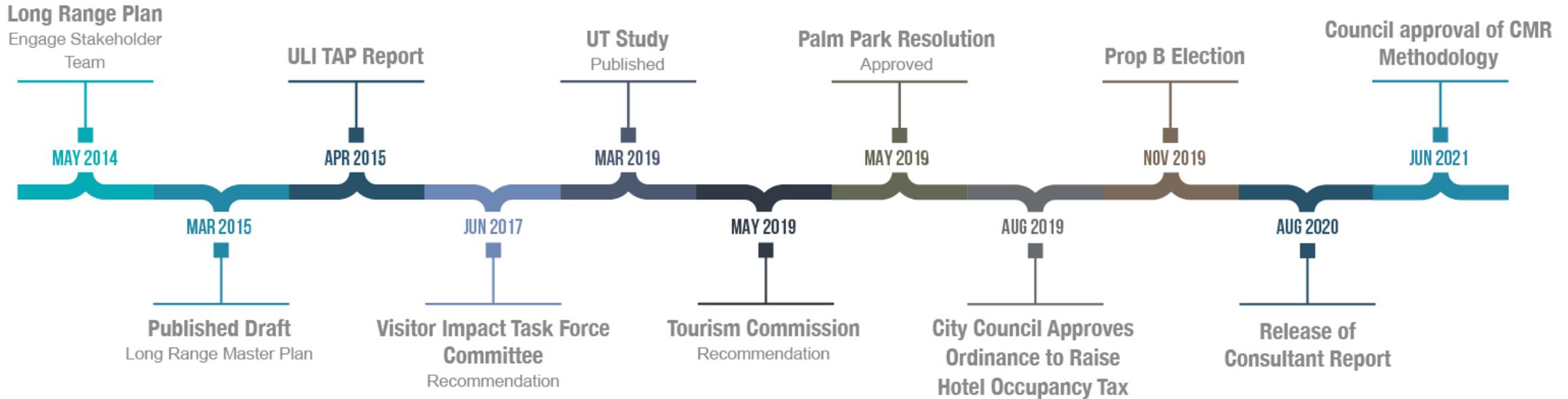
HOW DID WE GET HERE?

AUSTIN
CONVENTION CENTER
DEPARTMENT



EXPANSION HISTORY

EXPANSION TIMELINE



EXPANSION HISTORY

Convention Center Long Range Master Plan (May 2015)

- Outside core not viable
 - Musts include proximity to
 - Existing and planned hotel room supply
 - Variety of services
 - Dining
 - Entertainment
 - Concluded west expansion was the only viable option

Urban Land Institute (Spring 2015)

- Created Technical Assistance Panel (TAP)
- TAP review reaffirmed the Master Plan conclusion of westward expansion

Visitor Impact Task Force (June 2017)

- Council appointed 18 members
- Recommended expansion to the west, leaving Trinity open

EXPANSION HISTORY

Center for Sustainable Development at University of Texas (April 2019)

- Council Resolution No. 20170928-052
- Concluded westward expansion was well vetted and the only realistic option for expansion
- Council's preferred scenario of the options researched and presented was Scenario 5

Tourism Commission Recommendation (May 2019)

- Commission formed in 2018 by Council action to advise the Council on HOT and issues that involve the tourism industry
- Recommendation 20190513-4b

Palm District Resolution (May 2019)

- Recommendation 20190523-029
- Council directed City Manager to proceed with developing initial design and financing for expansion

EXPANSION HISTORY

Ordinance 20190808-148 (August 2019)

- Council approved increasing by 2% for Convention Center Expansion

Master Plan Update (August 2020)

- Presented 2 possible design scenarios based on a three-phase western expansion and redevelopment

Economic Impact and Market Viability Study (August 2020)

- Companion document to Master Plan Update



RECENT COUNCIL ACTION

June 10, 2021- Request for Council approval of the Construction Manager at Risk Methodology

Allows the Convention Center team to release RFQ and RFP for architect/design work and the Construction Manager

June 10, 2021- Council Resolution 20210610-096

City Council affirms its commitment to the planning principles documented in Resolution No. 20190523-029, the Palm District Planning Initiative and provides guidance for design elements and direction to be included in the Request for Qualifications (RFQ) for architecture/engineering services for redevelopment and expansion



COUNCIL ACTION EXPANSION

Council Resolution [20141211-218](#) – Urban Land Institute (ULI) to review Long Range Master Plan (2014)

Council Resolution [20151112-033](#) – 14-point Plan (2015)

Council Resolution [20160818-075](#) Created Visitor Impact Task Force (2016)

Council approves [interlocal agreement](#) with UT to study expansion (2018)

Council [appoints](#) Tourism Commission to evaluate expansion (2018)

Council passes Palm District Planning [Resolution](#), including Convention Center expansion (2019)

Council [approves](#) increase in HOT by 2% for Convention Center expansion (2019)

Council [approval](#) of negotiation and execution of Exclusive Negotiating Agreement with western property owners (2020)

Council approves Resolution [20210610-005](#) - CMAR methodology for expansion (2021)

Council approves [20210610-096](#) providing additional direction for RFQ for Architect/Engineering services for expansion (2021)



WHERE DO WE GO FROM HERE?

AUSTIN
—  —
CONVENTION CENTER
D E P A R T M E N T



AUSTIN

CONVENTION CENTER
DEPARTMENT

FRAMEWORK FOR EXPANSION

2019 Center for Sustainable Development at University of Texas Study (UT Study)

Palm District Plan: Council Resolution No. 20190523-029

2020 Convention Center Expansion Master Plan Update

Council Resolution 20210610-096



NEXT STEPS

Fall 2021



- Discussion with Council on financing plan and proof of concept
- Release of RFQ for architect/engineering services, followed by RFP for construction services

Spring/Summer 2022



- Architect on board to begin design work
- Construction firm under contract

ON BEHALF OF THE TEAM
THANK YOU

