



## FY 17 Hotel Occupancy Tax PARD Spending Plan and Horizon Issues

### Introduction

City Council allocated Hotel Occupancy Tax (HOT) funding to be directly spent by the Parks and Recreation Department (PAR) in Fiscal Year 2016-17 to support projects and initiatives that meet allowable uses as defined under Chapter 351 of the Texas Tax Code. HOT revenue is an important tool for the promotion of tourism and supports the growth of the tourism, convention and hotel industry. PAR is an important partner in this effort as public parks, museums, and cultural centers are among the top tourist attractions in the city.

PAR intends to strengthen our partnership with the Austin Convention Center, the Austin Convention and Visitor's Bureau and the tourism and hospitality sector through the enhancement and promotion of historic parks, museums and cultural centers. This document is PAR's plan and recommended process for expending HOT revenue that was directly allocated in FY 2016-17.

### The amounts allocated in FY 2016-17:

\$ 5,370	Marketing and Promotions: Paying for advertising, solicitations, and promotions that attract tourists and convention delegates to the city or its vicinity
\$ 993,841	Capital Expenditures: Funding historical restoration or preservation programs



## FY 17 Hotel Occupancy Tax PARC Spending Plan and Horizon Issues

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## FY 17 Hotel Occupancy Tax PARD Spending Plan and Horizon Issues

### Executive Summary

PARD is the steward for more than 300 parks and maintains more than 20,000 acres of greenspace including local treasures like Zilker Park and Barton Springs Pool, Brush Square Museums, Mayfield Park, Deep Eddy Pool, Butler Hike and Bike Trail, Mount Bonnell, Austin Nature and Science Center, and the Barton Creek Greenbelt. Each of these sites are visited by tourists and rank amongst the most popular and iconic destinations in the Capital City.

With close proximity to downtown hotels, it is reasonable to conclude thousands of visitors frequent the City's central parks and facilities on an annual basis. For example, PARD estimates that more than 80,000 non-residents visited Barton Springs Pool in 2016 based on point of sale data.

Considering the scope and scale of events at Austin's prominent facilities, it is clear that millions of tourists enjoy Austin's parks each year. South by Southwest (SXSW) and the Austin City Limits Festival alone bring approximately 200,000 to 300,000 guests to the City with nearly all participants enjoying our parkland.

The Austin Convention and Visitors Bureau's (ACVB) website states, "A trip to Austin wouldn't be complete without walking or running along Lady Bird Lake Hike and Bike Trail." PARD's natural assets are a center point of ACVB's marketing efforts. While the promotion of amenities paid for by Austin taxpayers is beneficial in attracting tourists, the funds generated from Hotel Occupancy Tax (HOT) are rarely reinvested directly back into the park system. Traditionally, this lack of investment is because the use of HOT must not simply be used to promote tourism and the convention industry, but the use must also fit within the categories of uses outlined in the state law, and the use must be for a purpose that is not a general fund expense. Additionally, at this time, the full funding from HOT for the arts is utilized by the City, per City Code, for the arts grants managed by the Economic Development Department.

PARD has worked carefully to find uses that fit within the state law and welcomes the opportunity to directly utilize HOT funding for appropriate capital and marketing purposes. Hotel Occupancy Tax revenue provides the Department with needed funding to promote and preserve the historic park facilities that are adjacent to the Convention Center or that are in areas frequented by tourists and convention visitors annually. This funding will help the Department preserve, enhance, and maintain its resources for generations to come.



## FY 17 Hotel Occupancy Tax PARD Spending Plan and Horizon Issues

### Spending Plan: Advertising and Promotion of the Arts Program

Total Amount: \$ 5,370

#### Proposed Expenditure: Updating and printing PARD's History, Arts & Culture Guide

The *History, Arts & Culture Guide* is a concise brochure for Austin's tourists that provides an overview of accessible PARD programming, facilities, and events. It encourages visitors to have their own authentic Austin experience utilizing the many resources within a short distance of downtown hotels. The publication highlights cultural amenities such as the diverse exhibits on display at the *Emma S. Barrientos Mexican American Cultural Center* as well as historical exhibitions at Austin's *Brush Square Museums*. It also provides guidance to accessing Austin's popular parks and trails. Finally, it highlights the diversity of authentic Austin recreational experiences available within the City of Austin's park system. With the funding allotted for FY16-17, the Department plans to revise the Guide and distribute it to hotels and tourist information centers.

#### How will it meet two-part test for HOT expenditure?

1. How will it directly enhance and promote tourism and the convention and hotel industry?  
Part 1 of the state law HOT test is that the use must promote tourism and the convention industry. The History, Arts & Culture Guide provides information and guidance for visitors and will be regularly distributed at hotel accommodations and tourist centers. At the end of FY16-17, PARD will provide a log of the number of brochures distributed, the frequency of distribution, and the location where brochures are provided in a status report.
2. How does it meet one of the authorized uses?  
Chapter 351.101(a)(3) of the Texas Tax Code allows HOT to be used for "paying for advertising, solicitations, and promotions that attract tourists and convention delegates for the city or its vicinity." This provision allows for expenditures on brochures and similar promotional material that advertises and promotes an event or facility.

#### Timeframe for review and/or production

- Design to be completed by PARD graphic design team
- Full color, full bleed, high gloss print stock, X-panel brochure;
- Quantity: TBD depending on quotes
- Estimated Timeline:
  - Pre-production complete by 3/1/17
  - Proof Review by 3/8/17
  - To Printer by 3/10/17
  - Received from Printer by 3/24/17
  - Distribution starting April 2017



## FY 17 Hotel Occupancy Tax PARD Spending Plan and Horizon Issues

### Spending Plan: Historical Restoration and Preservation Programs

Total Amount: \$993,841

#### Proposed Expenditures:

\$319,140	Oakwood Chapel Historic Restoration
\$364,701	Elisabet Ney Museum: Window, Door and Masonry Restoration
\$ 25,000	Elisabet Ney Historic Wall and Gate Restoration
\$ 15,000	O. Henry Museum Porch Restoration
\$ 10,000	O. Henry Museum HVAC
\$180,000	O. Henry Museum Restoration—Phase I
\$ 35,000	Mayfield Historic Garden Shed Restoration
\$ 45,000	Mayfield Historic Wall and Stone Masonry Repair/Reconstruction
\$993,841	TOTAL AMOUNT PROPOSED*

\*These are estimated costs and the final expenditure may vary.

#### How will the expenditures meet two-part test for HOT expenditure?

1. How will it directly enhance and promote tourism and the convention and hotel industry?
  - Each of the facilities proposed for capital expenditures in FY 2016-17 are historic sites that are open to the public on a regular basis and are either located in the immediate vicinity of convention center and are facilities frequented by tourists, or located elsewhere in the municipality or vicinity that is frequented by tourists and convention attendees.
2. How does it meet one of the allowable uses?
  - Chapter 351.101(a)(5) of the Texas Tax Code allows for HOT revenue to be spent on “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.” This provision allows for expenditures on historic sites “at or in the immediate vicinity of convention center facilities or visitor information centers; or located elsewhere in the municipality or its vicinity that would be frequented by tourists and convention delegates.”

All of the facilities proposed for historic preservation projects are officially designated as a City of Austin Historic Landmark and/or are listed on the National Register of Historic Places. Some are in the vicinity of the convention center, and some are not within the vicinity, but are reasonably likely to be frequented by tourists and convention delegates or attendees.

It should be noted that in the past, PARD has accessed HOT revenue through the ACVB’s Heritage Grant Program. This grant program has imposed restrictions on the allowable uses of funding that make the grant program difficult to access for PARD capital projects. For example, restoration of interior finishes and replacement of mechanical and electrical systems are critical aspects of PARD’s historic preservation program, but were not allowable expenditures under the Heritage Grant Program. PARD’s proposed capital spending plan is fully compliant with the city code and the state statute.



## FY 17 Hotel Occupancy Tax PARC Spending Plan and Horizon Issues

### *Oakwood Cemetery Chapel*

*\*City of Austin Historic Landmark*

*\*Historic Texas Cemetery*

*\*National Register of Historic Places*

Hours: 7:00 a.m.—7:00 p.m. daily

**Description of site:** The Oakwood Chapel is located within the Oakwood Cemetery, the city's oldest municipal burial ground. The cemetery is the final resting place for thousands of early Austinites, including a diverse roster of well-known leaders and public figures. Centrally located, the cemetery is in close proximity to the Texas Capitol, Bob Bullock Texas State History Museum, Blanton Art Museum, State Cemetery, and the UT campus.

**Visitor Attraction:** Oakwood Cemetery is a recommended visitor destination as evidenced by its inclusion in prominent websites such as the Travel Channel<sup>1</sup>, Trip Advisor<sup>2</sup>, Texas Highways<sup>3</sup> among many other tourism and travel-related websites. Further, the Oakwood Cemetery will be a featured destination in the 2017 annual conference of the American Association of State and Local History.

**Justification for expenditures:** The Oakwood Cemetery Chapel was constructed in 1914 by prominent Austin architect, Charles Page. Once restored, the Oakwood Chapel will once again be open to the public and serve as a visitor center for the cemetery. The Oakwood Chapel will be programmed in partnership with PARC's Cemetery Operations and Museums & Cultural Divisions as recommended by the COA [Historic Cemeteries Master Plan](#). Construction is expected to be complete in the first quarter of 2018. The Chapel will provide a space for staff and volunteer docents to welcome visitors, provide cemetery information, conduct regular and special tours, as well as heritage programming. Further, the chapel will provide an accessible restroom, which is not currently available. PARC is in the process of developing a visitor brochure that will be available at the cemetery and will also be distributed to the ACVB and downtown hotels. Once the chapel is open to visitors, PARC will track the number of out-of-town visitors.

Rehabilitation of the Chapel will include restoration of interior and exterior finishes, including doors, windows, masonry, roof, plaster; structural stabilization of foundation; surface drainage improvements; ADA site access improvements, rehabilitation of a single unisex restroom; mechanical, electrical, lighting overhaul.

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<sup>1</sup> The Travel Channel: <http://www.travelchannel.com/destinations/us/tx/austin/articles/austin-history-tours>

<sup>2</sup> Trip Advisor: [https://www.tripadvisor.com/ShowUserReviews-g30196-d558669-r394475354-Oakwood\\_Cemetery-Austin\\_Texas.html](https://www.tripadvisor.com/ShowUserReviews-g30196-d558669-r394475354-Oakwood_Cemetery-Austin_Texas.html)

<sup>3</sup> Texas Highways: <http://www.texashighways.com/blog/item/1551-rest-in-peace-grave-sites-of-famous-texans>



**Funding:** Restoration of the Gothic-Revival chapel was identified among the top priorities under the 2012 G.O. Bond funding for Cemeteries. By allocating HOT finds toward the restoration phase of the chapel, PARP will be able to direct the remaining 2012 G.O. Bond funding for Cemeteries toward other needed improvements.

PARP proposes to allocate HOT funding to the following items that comprise the restoration:

\$82,620	Masonry cleaning, repair, repointing, decorative flume
\$42,768	Roofing
\$70,200	Door and window restoration
\$72,900	Millwork and finish carpentry
\$4,320	Paint
\$28,620	Historic Plaster
\$13,716	Steel and Misc. Metals
\$3,996	Tile
<b>\$319,140</b>	<b>TOTAL</b>

Total Project Cost	Proposed HOT allocation	2012 G.O. Bond
\$1,077,250	\$319,140	\$758,110



**Figure 1: Oakwood Cemetery is the final resting place for four Texas Governors, famed survivor of the Alamo Susanna Dickinson and many significant Texas leaders.**



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### *Elisabet Ney Museum*

*\*City of Austin Historic Landmark*

*\*Recorded Texas Historic Landmark*

*\*State Antiquities Landmark*

*\*National Register of Historic Places*

**Hours:** 12:00 p.m.—5:00 p.m. Wednesday through Sunday

**Description of the site:** The Elisabet Ney Museum is among the most significant historic sites in Austin. The 1892 Classical Revival building was the sculpture studio of German sculptor Elisabet Ney and is the centerpiece of the Hyde Park Historic District. Many of Ney's most famous works were created in the studio, which now houses more than 80 pieces of her original works. She is particularly well known for full-scale statues of Sam Houston and Stephen F. Austin in the State Capitol. Soon after her 1907 death, the studio was opened as a museum, and in 1911 became the home of the Texas Fine Arts Association, establishing it as the oldest art museum in the State. A Restoration Master Plan was funded through the National Park Service's *Save America's Treasures* grant program, which "helps preserve nationally significant historic properties and collections that convey our nation's rich heritage to future generations of Americans."<sup>4</sup> The plan was adopted in 2007, and while much work has been done towards that goal, significant phases of the plan have yet to be implemented.

**Visitor Attraction:** Of the more than 22,810 visitors to the Ney Museum in 2016, out-of-town visitors comprise 43% based on sign-in logs, visitor sampling and questionnaires. In the last 15-month period, records indicate that visitors came from 162 distinct zip codes outside of the Austin area, including 18 countries. Staff reports that 50% of advance-booked site tours are from out of town visitors. The Elisabet Ney Museum is the only Texas property included in the *Historic Artists' Homes and Studios Program* of the National Trust for Historic Preservation<sup>5</sup>. Notable conference tours include the Cultural Landscape Foundation, the American Institute of Architects, the Society of Architectural Historians, Preservation Texas, National Trust for Historic Preservation, and the American Association for State and Local History. As the home of a significant and influential early woman artist, contemporary visitor appeal is high. The site's evolving practice of spotlighting emerging Austin women artists, meanwhile programming larger-scale events with bands and artists from all over Texas and beyond, has paid off in continued strong growth and tourist profile. Further, the Elisabet Ney Museum is listed as attractions on the ACVB website and further takes part in the city-wide "Austin Museum Day" each September, which is promoted in the ACVB visitor guide.

**Justification for expenditures:** The Elisabet Ney Museum is a historically and architecturally-significant building that houses the most extensive collection of Elisabet Ney's work in the world with more than 80 pieces. The current condition of the doors and windows make climate control within the building complicated and inconsistent, placing the priceless, internationally-known collection at risk. The expenditure will ensure that the Ney building and its collection, which comprise a significant visitor attraction, endure for decades to come.

This restoration phase at the Ney will include window and door restoration, masonry finish and repair and restoration of interior finishes and woodwork.

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<sup>4</sup> Save America's Treasures Grant Program: <https://www.nps.gov/preservation-grants/sat/>

<sup>5</sup> Historic Artists Homes and Studios: <http://artistshomes.org/>

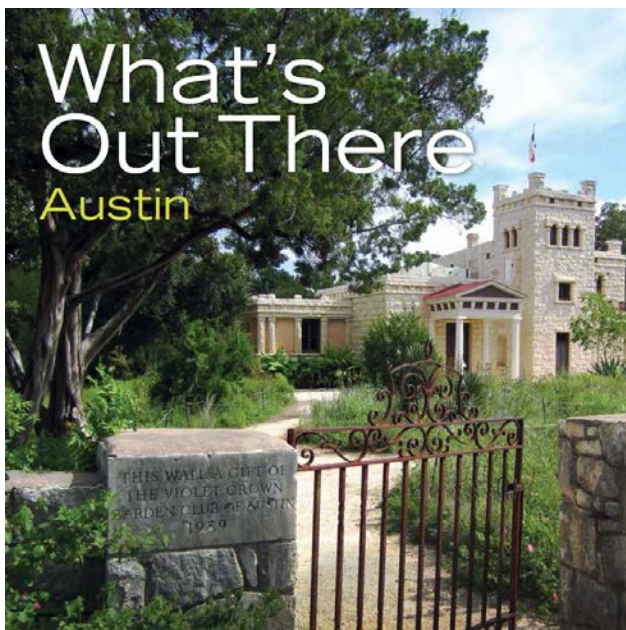


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**Funding:** Restoration of the Ney windows and doors was identified among the top priorities under the 2012 G.O. Bond funding for The Elisabet Ney Museum. By allocating HOT funds toward this restoration phase of the Ney, PARD will be able to direct the remaining 2012 G.O. Bond funding for the Ney toward the development of a visitor center in the historic lodge building to the north of the Ney and the construction of a pedestrian bridge across Waller Creek that will provide an accessible route from the proposed visitor center to the museum.

\$281,759	Restoration of the building's famed and unique historic windows and doors. The current condition of the doors and windows make climate control within the building complicated and inconsistent, placing the priceless, internationally-known collection at risk.
\$27,346	Masonry repairs and repointing
\$30,596	Interior finish, woodwork and plaster restoration
\$25,000	Restoration of the historic wall and gate (PARD received partial funding for this project through an ACVB grant, but needs additional funding to complete the project)
<b>\$364,701</b>	<b>TOTAL</b>

Total Project Cost	Proposed HOT allocation	2012 G.O. Bond
\$450,000	\$364,701	\$85,299



**Figure 2: The Elisabet Ney Museum was featured on the cover of the Cultural Landscape Foundation's 2015 tour guide to Austin.**

## O. Henry Museum

*\*City of Austin Historic Landmark*

*\*National Register of Historic Places*

**Hours:** 12:00 p.m.—5:00 p.m. Wednesday through Sunday

**Description of site:** The O. Henry Museum is located in the heart of Austin's downtown on Brush Square adjacent to the Convention Center and is one of three Brush Square Museums that comprise an important cultural destination. The late nineteenth century Victorian house was the home of the famous writer William Sidney Porter and opened as a museum in 1934. The mission of the O. Henry Museum is to collect, preserve and interpret artifacts and archival materials relative to William Sidney Porter, the author otherwise known as O. Henry, for literary, educational, and historical purposes. The O. Henry Museum offers a look into the life of Porter in the Austin years leading up to his controversial prison term, after which he assumed the pen name O. Henry and set about transforming himself into the famed short story writer who authored such universal classics as "Gifts of the Magi," "The Ransom of Red Chief," and "The Cop and the Anthem." His nearly 400 short stories won him international fame. O. Henry's collected works have been translated into 10 languages. More than seventy-five percent of the objects in the museum's collection have a direct William S. Porter connection.



**Figure 3: The O. Henry House sits in the heart of Austin's convention center district and attracts thousands of visitors each year.**

**Visitor justification:** More than 8,500 visitors signed the guest book in 2016; and based on intercept services by PARC staff, it is estimated that nearly 68% of visitors are non-residents compared to 32% residents. The O. Henry Museum and the Brush Square Museums are listed in the ACVB's visitor guide. Further, the O. Henry Museum and the Brush Square Museums are listed as attractions on the ACVB website and take part in the city-wide "Austin Museum Day" each September, which is promoted in the ACVB visitor guide. The 40<sup>th</sup> annual O. Henry Pun-Off World Championship will take place in 2017 and while the percentage of out-of-town visitors is difficult to track, the total number of attendees was more than 3,000 in 2016. The event has been featured on CBS News<sup>6</sup>, CBS Sunday Morning<sup>7</sup>, the Paris Review<sup>8</sup>, NPR<sup>9</sup>, LA Weekly<sup>10</sup> C-Span<sup>11</sup>, Wall Street Journal<sup>12</sup>, Huffington Post<sup>13</sup> and the Washington Post<sup>14</sup>.

<sup>6</sup> Once a pun a time, CBS News, 5/25/2014: <http://www.cbsnews.com/videos/once-a-pun-a-time/>

<sup>7</sup> Pun intended: Wordplay at the O. Henry Pun-Off, CBS Sunday Morning, 5/25/2014: <http://www.cbsnews.com/news/pun-intended-wordplay-at-the-o-henry-pun-off/>

<sup>8</sup> Tag Archives: the O. Henry Pun-Off World Championship, the Paris Review, 5/20/2014: <https://www.theparisreview.org/blog/tag/the-o-henry-pun-off-world-championship/>

<sup>9</sup> Texas Prepares for Puns, NPR, 5/17/2008: <http://www.npr.org/templates/story/story.php?storyId=90554054>

<sup>10</sup> At the World Pun Championships, Victory Is Easier Said Than Punned, LA Weekly, 6/5/2014: <http://www.laweekly.com/news/at-the-world-pun-championships-victory-is-easier-said-than-punned-4767308>

<sup>11</sup> O. Henry, C-SPAN, 12/2/14: <https://www.c-span.org/video/?323160-1/o-henry-museum>

<sup>12</sup> It's a Ponderful Life for Competitive Wordsmiths, 5/9/2014: The Wall Street Journal

<sup>13</sup> O. Henry Pun-Off World Championship In Austin, Texas, Is Jest Pun And Games, 5/18/2003: [http://www.huffingtonpost.com/2013/05/18/o-henry-pun-off-world-championship-\\_n\\_3286917.html](http://www.huffingtonpost.com/2013/05/18/o-henry-pun-off-world-championship-_n_3286917.html)

<sup>14</sup> Pun and games at the O. Henry Pun-Off World Championships, 5/21/2012: [https://www.washingtonpost.com/blogs/compost/post/pun-and-games-at-the-o-henry-pun-off-worldchampionships/2012/05/21/gIQA4WsfU\\_blog.html?utm\\_term=.baaaa72c2bb0](https://www.washingtonpost.com/blogs/compost/post/pun-and-games-at-the-o-henry-pun-off-worldchampionships/2012/05/21/gIQA4WsfU_blog.html?utm_term=.baaaa72c2bb0)



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**Justification for expenditures:** The O. Henry Museum requires extensive restoration and conservation, which includes upgrading systems to protect the unique collections, exterior siding abatement and paint, window and door restoration, fire suppression system, as well as the beautification of the surrounding outdoor areas. Two critical projects, the porch restoration and the installation of HVAC, are needed immediately. Phase 1 restoration will enhance the visitor experience through restoration of a site that has serious deteriorating conditions. The systems upgrades will ensure that the O. Henry Museum and its collection, which comprise a significant visitor attraction, endure for decades to come.

**Funding:** Restoration of the O. Henry Museum is a top priority, but is currently unfunded. PARD proposes two smaller projects to address critical, immediate needs as well as a Phase I restoration. Proposed expenditures include:

\$ 15,000	Restoration of porch roof
\$ 10,000	Installation of five-ton split-HVAC system with a heat pump and two evaporators to sustain the collections; repairing the oversized HVAC intake ducts with appropriate sized ducts
\$180,000	Historic Restoration: Phase 1—Design and construction documents and construction of phase 1
<b>\$205,000</b>	<b>TOTAL</b>

Item	Total Project Cost	Proposed HOT allocation	PARD funding
Porch restoration	\$15,000	15,000	0
HVAC system to support collections	\$10,000	10,000	0
Phase 1 Restoration	\$180,000	\$180,000	0



**Figure 4: The O. Henry Pun Off has received media attention from all over the world.**

## Mayfield Park

\*City of Austin Historic Landmark

\*National Register of Historic Places

**Hours:** 5:00 a.m.—10:00 p.m. daily

**Description of site:** The Historic Mayfield-Gutsch Estate, also known as Mayfield Park, is a true Austin gem. From the 1920s-1960s, Milton and Mary Mayfield Gutsch and their gardener, Esteban Arredondo, crafted a two-acre, classically-influenced cottage garden with rustic details, surrounded by a 21-acre nature preserve. Perhaps best known for its peacocks, Mayfield Park is a destination for outdoor enthusiasts, as well as heritage tourists.

**Visitor justification:** The gardens are open to the public daily and a visitor sign-in is available at the entrance. From July—December, 2016, total visitors who signed in numbered 5,429 with 3,099 listed as out-of-town visitors. In that six-month period alone, 28 countries were represented including New Zealand, Hong Kong, Israel, and Chile. Mayfield Park is adjacent to Laguna Gloria and together, these properties create a cultural destination. The ACVB also promotes Mayfield Park in its visitor guide (p. 32).



**Figure 5: The 1920s Mayfield Estate is a historic, natural and cultural destination.**

**Justification of expenditures:** The listing of the Mayfield–Gutsch Estate to the National Register of Historic Places was largely in recognition of its historic landscape. Therefore, the site’s historic landscape features are an integral part of the visitor attraction. The historic 1920s stone wall has areas that require stabilization, reconstruction, and repair. Currently, orange construction fencing at sections of wall collapse dominate the visitor’s first view of the estate. Further, the Historic Gardner’s Shed is a deteriorated state and requires restoration of exterior siding and window and door restoration.

PARC has recently worked with the Mayfield Council on the development of a historic landscape restoration plan. Improvements to Mayfield Park include:

\$ 35,000	Mayfield Historic Garden Shed Restoration
\$ 45,000	Extensive masonry repair to sections of collapsed wall and masonry repairs to historic pond
<b>\$ 80,000</b>	<b>TOTAL</b>

Item	Total Project Cost	Proposed HOT allocation	PARC funding
Historic Garden Shed	\$35,000	\$35,000	0
Masonry repairs to wall and historic pond	\$45,000	\$45,000	0





**Figure 6: Wall restoration is a priority project at Mayfield Park.**



**Figure 7: The Historic Gardner's Shed is an integral part of the historic landscape.**



**Figure 8: The Gardner's Shed is experiencing deterioration and requires restoration.**



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### Proposed Process for Transference of Funds and Status Reports

1. Upon review and approval of PARD's spending plan, the Austin Convention Center will transfer HOT revenue funding to PARD.
2. \$5,370 will be transferred into a General Fund FDU and will be fully expended in FY 2016-17 for the updating and printing of PARD's *History, Arts & Culture Guide*.
3. \$993,841 will be transferred to PARD and distributed into Capital Expenditure Funds to be allocated to proposed projects. Large capital projects typically span more than one fiscal year. While several projects are expected to be complete at the end of FY 2016-17, large capital projects may require additional time.
4. In allocating capital funding to each project, PARD will keep the HOT revenue funding in a separate sub-account to allow for easier tracking of expenditures. PARD is accustomed to working with funding streams with restrictions on use, such as Parkland Dedication and Capital Bond Funding. A full transfer of funding will allow for PARD to better manage the expenditures.
5. At the end of FY 2016-17, PARD will provide a status report with the following information:
  - a. Newly printed *History, Arts & Culture Guide* with a log tracking distribution and detailed invoices totaling at least \$5,370. Note: should PARD not spend all of the funding, the balance will be transferred back into the Tourism and Promotion fund.
  - b. For Capital Projects
    - i. Detailed information about each project, including how the HOT revenue was allocated. If the project has reached completion, the report will include "before" and "after" photos. If the project is not yet complete, a timeline for completion will be provided. Annual status reports will be provided at the end of each fiscal year until the FY2016-17 allocation has been expended. As previously noted, capital projects typically span more than one fiscal year.
    - ii. Historic review permitting information to demonstrate that each project has been properly reviewed and permitted.
    - iii. PARD would have the ability to allocate funding to projects not listed above as long as the proposed project meets the requirements of HOT revenue allowable expenditures under state statute and City Code. In the event that funding needs to be allocated to a different project, PARD will prepare an amendment to the spending plan and submit it to the ACCD and Law Department for review.
6. PARD maintains a rolling needs assessment of projects that are eligible for funding and will be prepared for future direct allocations of HOT revenue.





## FY 17 Hotel Occupancy Tax PARD Spending Plan and Horizon Issues

### Horizon Issues

PARD plays a critical role in the preservation and promotion of the unique cultural and historical assets that support Austin's convention, tourism and hotel industry. For the first time, PARD has received HOT revenue directly, which will allow us to promote our assets through the production of a brochure promoting PARD sites and will support multiple historic preservation projects. Going forward, PARD has identified a number of horizon projects that would be excellent candidates for HOT funding. These projects include, but are not limited to the following:

#### **Barton Springs Bathhouse**

**Project:** Barton Springs Bathhouse Rehabilitation—Full historic rehabilitation of the bathhouse to include full systems upgrade, ADA accessibility, life safety egress, structural stabilization, restoration of rotunda and dressing rooms.

**Historic designation:** National Register of Historic Places, Texas State Antiquities Landmark, City of Austin Landmark

**Allowable use:** Chapter 351.101(a)(5) of the Texas Tax Code allows for HOT revenue to be spent on "historical restoration and preservation projects."

**Location:** Not in vicinity of Convention Center, but in an area frequented by tourists near downtown.

**Visitor justification:** More than 80,000 out-of-town visitors were documented through point-of-sale data in 2016

**Status:** Design process to begin in Summer 2017.

**Estimated construction cost:** \$3-4.5 million

**Funding in place:** \$2 million; Barton Springs Conservancy is partnering with PARD to raise additional funds to complete the building rehabilitation.

#### **Elisabet Ney Museum**

**Project:** Elisabet Ney Visitors Center in the Historic Lodge Building—The historic lodge building at Elisabet Ney is envisioned to become a visitor center with exhibition space, offices, a gift shop and classroom allowing for an additional 20,000 visitors a year. Rehabilitation of the building will also allow for the ground floor of the Elisabet Ney Museum to be transitioned into exhibit space, enhancing the visitor's understanding of the historic sculpture studio.

**Historic designation:** National Register of Historic Places, Texas State Antiquities Landmark, City of Austin Landmark

**Allowable use:** Chapter 351.101(a)(5) of the Texas Tax Code allows for HOT revenue to be spent on "historical restoration and preservation projects."

**Location:** This is a historic facility that is not in vicinity of Convention Center, but in an area frequented by tourists in the Hyde Park Historic District, just north of the University of Texas.

**Visitor justification:** Of the more than 22,810 visitors to the Ney Museum in 2016, out-of-town visitors comprise 43% based on sign-in logs, visitor sampling and questionnaires. In the last 15-month period, records indicate that visitors came from 162 distinct zip codes outside of the Austin area, including 18 countries. Staff reports that 50% of advance-booked site tours are from out of town visitors.

**Status:** Design process not fully funded.

**Estimated construction cost:** Unknown at this time.

**Funding in place:** No funding at this time.



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**Project:** Elisabet Ney HVAC replacement—The museum requires the replacement of the HVAC, which would provide stable interior climate control for the collection and would further allow for the removal of the visible rooftop unit, which negatively impacts the front façade.

**Historic designation:** National Register of Historic Places, Texas State Antiquities Landmark, City of Austin Landmark

**Allowable use:** Chapter 351.101(a)(5) of the Texas Tax Code allows for HOT revenue to be spent on “historical restoration and preservation projects.”

**Location:** This is a historic facility that is not in vicinity of Convention Center, but in an area frequented by tourists in the Hyde Park Historic District, just north of the University of Texas.

**Visitor justification:** Of the more than 22,810 visitors to the Ney Museum in 2016, out-of-town visitors comprise 43% based on sign-in logs, visitor sampling and questionnaires. In the last 15-month period, records indicate that visitors came from 162 distinct zip codes outside of the Austin area, including 18 countries. Staff reports that 50% of advance-booked site tours are from out of town visitors.

**Status:** Design process not fully funded; Construction budget not determined.

**Estimated construction cost:** Unknown at this time.

**Funding in place:** No funding at this time.

### O. Henry Museum

**Project:** O. Henry Museum Restoration, Phase II—The historic O. Henry Museum houses a priceless collection of artifacts from life of the famed writer O. Henry. While PARC’s spending plan provides funding for Phase 1: Design and Construction Documents, additional funding will be needed for complete restoration. The late nineteenth century Victorian building requires full restoration including interior and exterior lead abatement, exterior siding repair and painting, window and door restoration, new gutter system, interior floor re-engineering and restoration, fire protection, foundation repair, and upgraded mechanical, electrical and plumbing systems. Further, the construction of a new historically-appropriate back porch will provide more programming space. Additionally, the site requires a professionally-designed landscaping plan.

**Historic designation:** National Register of Historic Places, City of Austin Landmark

**Allowable use:** Chapter 351.101(a)(5) of the Texas Tax Code allows for HOT revenue to be spent on “historical restoration and preservation projects.”

**Location:** This is a historic facility that is in the vicinity of Convention Center and in an area frequented by tourists.

**Visitor justification:** More than 8,500 visitors signed the guest book in 2016 and based on intercept services by PARC staff. It is estimated that nearly 68% of visitors are non-residents compared to 32% residents. The O. Henry Museum and the Brush Square Museums is listed in the Austin Convention and Visitors Bureau’s visitor guide. Further, the O. Henry Museum and the Brush Square Museums are listed as attractions on the ACVB website and take part in the city-wide “Austin Museum Day” each September, which is promoted in the ACVB visitor guide.

**Status:** Phase I Restoration proposed in 2016-17 FY allocation of HOT revenue; Construction budget for Phase II to be determined.

**Estimated construction cost:** Unknown at this time.

**Funding in place:** No funding at this time.



## FY 17 Hotel Occupancy Tax PARC Spending Plan and Horizon Issues

### Mayfield Cottage and Historic Gardens

**Project:** Mayfield Cottage and Historic Gardens Restoration— Mayfield Park is a beautiful estate with a historic cottage and extensive 2 acre gardens. Restoration of the historic cottage and gardens will greatly enhance the visitor experience and will further allow for greater universal accessibility. Mayfield Park is adjacent to Laguna Gloria and together, these properties create a cultural destination. A recently completed Landscape Restoration Plan provides a blueprint for the revitalization of this important space.

**Historic designation:** National Register of Historic Places, City of Austin Landmark

**Allowable use:** Chapter 351.101(a)(5) of the Texas Tax Code allows for HOT revenue to be spent on “historical restoration and preservation projects.”

**Location:** This is a historic facility that is not in vicinity of Convention Center, but in an area frequented by tourists adjacent to The Contemporary Art Museum at Laguna Gloria and Mt. Bonnell.

**Visitor justification:** From July—December, 2016, total visitors who signed in numbered 5,429 with 3,099 listed as out-of-town visitors. In that six-month period alone, 28 countries were represented including New Zealand, Hong Kong, Israel, and Chile. Mayfield Park is adjacent to Laguna Gloria and together, these properties create a cultural destination.

**Status:** Landscape treatment plan completed but unfunded. Cottage requires accessibility upgrades.

**Estimated construction cost:** Unknown at this time.

**Funding in place:** No funding at this time.

### Old Bakery and Emporium

**Project:** Old Bakery Restoration—The historic nineteenth century building requires masonry cleaning/repainting, stucco and concrete repairs and restoration of interior finishes. Recent evidence of rising damp has caused concern that the building may require additional assessment and potential waterproofing intervention.

**Historic designation:** National Register of Historic Places, Texas State Antiquities Landmark, City of Austin Landmark

**Allowable use:** Chapter 351.101(a)(5) of the Texas Tax Code allows for HOT revenue to be spent on “funding the establishment, improvement, or maintenance of a convention center or visitor information center” as well as “historical restoration and preservation projects.”

**Location:** This is a historic facility that is not within the vicinity of the Convention Center, but its proximity to the Capitol makes it a facility frequented by tourists. It is also a visitor center which is another type of facility on which HOT can be spent under state law.

**Visitor justification:** The 1876 Old Bakery & Emporium is a historic downtown building on Congress Avenue, next to the Texas State Capitol and the Texas Governor’s Mansion. The Bakery operates as a Visitor Information Center and Art Gallery and houses the Lundberg-Maerki Historical Collection. While not every visitor to the facility signs in the visitor log, staff tracked more than 20,000 visitors in 2016 with out-of-town visitors numbering more than 10%, representing all 50 states and more than 30 countries.

**Status:** Full assessment required.

**Estimated construction cost:** Unknown at this time.

**Funding in place:** No funding at this time.



## FY 17 Hotel Occupancy Tax PARC Spending Plan and Horizon Issues

### Historic Cemeteries

**Project:** Additional funding is needed to restore Historic Oakwood Cemetery, which is suffering from deteriorated conditions. Historically-appropriate perimeter fencing, restoration of the entrance gates and rehabilitation of historic walkways will enhance the visitor experience.

**Historic designation:** National Register of Historic Places, City of Austin Landmark

**Allowable use:** Chapter 351.101(a)(5) of the Texas Tax Code allows for HOT revenue to be spent on “historical restoration and preservation projects.”

**Location:** This is a historic facility that is not within the vicinity of the Convention Center, but its proximity to the downtown, the Capitol and UT makes it a facility frequented by tourists and convention delegates.

**Visitor justification:** Oakwood Cemetery is the city’s oldest municipal cemetery and dates to Austin’s original 1839 plan. Centrally located, the cemetery is in close proximity to the Texas Capitol, Bob Bullock Texas State History Museum, Blanton Art Museum, and the UT campus. Restoration and activation of the cemetery through heritage tourism and programming was supported in the City Council-adopted Historic Cemeteries Master Plan. Oakwood Cemetery is a recommended visitor destination as evidenced by its inclusion in prominent websites such as the Travel Channel<sup>15</sup>, Trip Advisor<sup>16</sup>, Texas Highways<sup>17</sup> among many other tourism and travel-related websites. Further, the Oakwood Cemetery will be a featured destination in the 2017 annual conference of the American Association of State and Local History.

**Status:** Adopted master plan; 2012 G.O. Bond funding has been allocated to the Oakwood Chapel and other cemetery projects, but no funding is currently allocated for other needed restoration projects at Oakwood.

**Estimated construction cost:** Unknown at this time.

**Funding in place:** No funding at this time.

### Pease Park

**Project:** Tudor Cottage Restoration—The Pease Park Conservancy is working with PARC to adaptively reuse the historic 1920s Tudor Cottage restroom building, which will activate the historic building for community and visitor use.

**Historic designation:** National Register of Historic Places.

**Allowable use:** Chapter 351.101(a)(5) of the Texas Tax Code allows for HOT revenue to be spent on “historical restoration and preservation projects.”

**Location:** This is a historic park that is not within the vicinity of the Convention Center, but it is frequented by tourists.

**Visitor justification:** Pease District Park and Greenbelt are an 88-acre wooded expanse in the middle of the urban core of the city, adjacent to West Campus and the Downtown hotel and entertainment district. Given the park’s strategic central location along heavily traveled Lamar Blvd., a major civic gateway. Many Austin hotels and bed and breakfasts are located in close proximity to Pease Park. These hotels include the Doubletree Hotel at Lavaca and West 15<sup>th</sup>, Hotel Ella on West MLK Blvd., the Hampton Inn at Lavaca & West 17<sup>th</sup> Street and the AT&T Conference Center at 1900 University Avenue. Multiple Bed and Breakfasts are located near the park, including Pearl Street, Brava House B&B, Austin Folk House, and the Star of Texas Inn, 611 West 22<sup>nd</sup> Street.

**Status:** Conceptual design.

**Estimated construction cost:** approximately \$1.5 million.

**Funding in place:** No funding at this time.

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<sup>15</sup> The Travel Channel: <http://www.travelchannel.com/destinations/us/tx/austin/articles/austin-history-tours>

<sup>16</sup> Trip Advisor: [https://www.tripadvisor.com/ShowUserReviews-g30196-d558669-r394475354-Oakwood\\_Cemetery-Austin\\_Texas.html](https://www.tripadvisor.com/ShowUserReviews-g30196-d558669-r394475354-Oakwood_Cemetery-Austin_Texas.html)

<sup>17</sup> Texas Highways: <http://www.texashighways.com/blog/item/1551-rest-in-peace-grave-sites-of-famous-texans>



## FY 17 Hotel Occupancy Tax PARD Spending Plan and Horizon Issues

### Zilker Metropolitan Park

**Project** Zilker Park, a 350-acre park, is a National Register Historic District with numerous buildings, sites and cultural landscape features. The park's historic features, such as entry gateway, New Deal-era picnic tables and historic walls are in a deteriorated condition and require restoration.

**Historic designation:** National Register of Historic Places

**Allowable use:** Chapter 351.101(a)(5) of the Texas Tax Code allows for HOT revenue to be spent on "historical restoration and preservation projects."

**Location:** This is a historic park that is not within the vicinity of the Convention Center, but it is frequented by tourists.

**Visitor justification:** While it is difficult to track the exact number of out-of-town visitors in a public park, Zilker Park hosts one of the country's largest music festivals with more than 450,000 in 2014<sup>18</sup> and economic impact reports estimate that the festival generates more the 100 million each year in revenue to the city.<sup>19</sup>

**Status:** Projects identified, but no funding allocated at this time.

**Estimated construction cost:** Unknown at this time.

**Funding in place:** No funding at this time.

### Downtown Squares

**Project** Austin's historic downtown squares present opportunities for restoration and interpretation. A preliminary plan for Wooldridge Square was recently adopted and envisions accessibility to the historic bandstand, landscaping and tree planting, and the expansion of visitor amenities such as site furnishings. Brush Square is in the heart of Austin's convention and visitor district and is the home of three museums: The O. Henry Museum, the Susanna Dickinson Museum, and the Austin Fire Museum. In addition to addressing restoration needs of the historic buildings, the historic square lacks a plan and vision to properly support the thousands of visitors that it hosts each year. Finally, Republic Square will re-open in 2017 after an extensive renovation.

**Historic designation:** National Register of Historic Places, Texas State Antiquities Landmark, City of Austin Historic landmarks

**Allowable use:** Chapter 351.101(a)(5) of the Texas Tax Code allows for HOT revenue to be spent on "historical restoration and preservation projects."

**Location:** These are historic downtown squares that are within or the vicinity of the Convention Center and frequented by tourists and convention attendees.

**Visitor justification:** While it is difficult to track the exact number of out-of-town visitors in a public park, the downtown squares are a vital part of Austin's tourism infrastructure. Going forward, intercept surveys may allow PARC to better track the number of out-of-town visitors.

**Status:** Projects identified, but no funding allocated at this time.

**Estimated construction cost:** Unknown at this time.

**Funding in place:** No funding at this time.

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<sup>18</sup> ACL leads Austin list of annual festivals & events with most attendance, Austin Business Journal, 1/16/2015: <http://www.bizjournals.com/austin/subscriber-only/2015/01/16/festivals--events.html>

<sup>19</sup> Austin City Limits 2013, Community Impact Newspaper, 9/23/2013: <https://communityimpact.com/austin/news/2013/09/23/austin-city-limits-festival-2013/>



## FY 17 Hotel Occupancy Tax PARD Spending Plan and Horizon Issues

### Wayfinding Signage

**Project:** Wayfinding and complementary interpretive signage in Austin’s downtown squares and Zilker Park—The Downtown Austin Alliance, in partnership with PARD, is currently funding a Downtown Squares Interpretive Planning process that will result in interpretive signage recommendations for the downtown squares as well as programming recommendations. Interpretive signage provides visitors with a deeper understanding of Austin’s past. This signage will increase the visits of tourists and convention delegates. Advertising and marketing the city to tourists and convention delegates is within the allowable uses of HOT.

**Historic designation:** National Register of Historic Places, Texas State Antiquities Landmark, City of Austin Historic landmarks

**Allowable use:** Chapter 351.101(a)(5) of the Texas Tax Code allows for HOT revenue to be spent on “advertising, solicitations, and promotions that attract tourists and convention delegates to the city or its vicinity” as well as “signage directing tourists to sights and attractions that are visited frequently by hotel guests in the municipality.”

**Location:** These are historic downtown squares that are within or near the vicinity of the Convention Center as well as Zilker Park, and they are all frequented by tourists and convention attendees.

**Visitor justification:** While it is difficult to track the exact number of out-of-town visitors in a public park, the downtown squares are a vital part of Austin’s tourism infrastructure. Going forward, intercept surveys may allow PARD to better track the number of out-of-town visitors.

**Status:** Projects identified, but no funding allocated at this time.

**Estimated construction cost:** Unknown at this time.

**Funding in place:** No funding at this time.

### Additional projects

In addition to projects noted above, PARD is currently working with partners such as the Umlauf Sculpture Garden, the Norwood Foundation, and the Waller Creek Conservancy on projects that will include extensive preservation and restoration projects.

### Additional tools for the promotion of PARD’s historic and cultural sites

PARD manages more historic and cultural sites than any other entity in the city. Going forward, PARD wishes to strengthen its partnership with the tourism, convention and hotel industry. Studies such as market research analysis, statistical research and market surveys would provide useful data in shaping and promoting exhibits and programming for visitors.

The revision and reprinting of PARD’s *History, Arts & Culture Guide* is a good first step, but additional resources would allow PARD to better market our sites through the production of additional collateral and marketing pieces, social media support, a greater online presence and the development of mobile apps. PARD envisions the development of a tourism and marketing plan specific to PARD sites, whether related to heritage, eco-tourism, athletics or art. Finally, PARD manages many facility rentals such as the Zilker Clubhouse, Fiesta Gardens and Mayfield Cottage. The tourism and convention sector can promote the use of these sites to conventions that seek authentic and unique settings for their meetings and events.