

## **RESOLUTION NO.**

**WHEREAS**, Resolution No. 20160818-075 created an 18-member Visitor Impact Task Force by resolution that recommended many of the features, elements, and benefits of the Mayor's Downtown Puzzle; and

**WHEREAS**, the Austin City Council passed Resolution No. 20170209-033 directing the City Manager to provide information about financial needs related to various projects and entities in eastern downtown; and

**WHEREAS**, Resolution No. 20170209-033 directed the City Manager to assess a number of financial tools and possible funding options for the projects and entities in eastern downtown; and

**WHEREAS**, Interim Chief Financial Officer Greg Canally issued a memo on July 6, 2017 titled "Update to Financing for Downtown Projects – 'Downtown Puzzle'," that laid out potential financing mechanisms and options for putting together the Downtown Puzzle; and

**WHEREAS**, long-standing needs, including addressing homelessness, supporting the local music industry, and preserving Latino/Hispanic culture, in and around eastern downtown require immediate and stable funding sources to be realized; **NOW, THEREFORE,**

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

Council directs the City Manager to implement the "Downtown Puzzle" plan by bringing back to Council, as soon as is timely and practicable, ordinances, agreements, and

any other tools necessary to do so. Projects in the puzzle include, but are not limited to, the following:

1. Upon receipt of a petition requesting establishment of a Tourism Public Improvement District (TPID) establish the TPID, renewable after 2029, at 1% as soon as is practicable, to expand to 2% as soon as the current 2% hotel occupancy tax venue tax debt is defeased, including a requirement that 40% of all remitted TPID tax will be used to exclusively fund homeless support and housing which will provide for public safety and health and sanitation purposes in and around downtown which will improve and benefit the downtown hotels participating in the TPID.
2. Expansion of the Austin Convention Center through the option presented to the Council and the Visitor Impact Task Force as option 2b “plus,” which expands the Convention Center using a 2% increase in hotel occupancy tax and which also should explore the use of a public-private partnership, long-term land leases, and construction of residential and office towers above the expanded convention space.
3. Negotiate purchase of the Palm School from Travis County as part of the convention center expansion if possible, allowing for the best option for the City that provides for public and civic use of the space.
4. Complete final phases of the Emma S. Barrientos Mexican American Cultural Center as part of the convention center expansion, or through another capital funding mechanism.

5. Purchase, renovation, or repair of other historic assets in the vicinity of the Convention Center, or elsewhere throughout the city that attract tourists, including historic East Sixth Street, the Red River Cultural District, and visitor centers in the park system.
6. Extension of the Waller Creek Tax Increment Finance Zone (TIF) for a length of time so as to raise enough funding to complete renovation of the chain of parks within the Waller Creek Design Plan approved by Council to be matched by philanthropic funding, and provision for a PID or other funding mechanism so that the area properties pay for the maintenance and operation of the parks.
7. Creation of a downtown TIF or other funding mechanism (including concepts such as participating in the Downtown Austin Alliance funding mechanism) to provide \$30 million of capital funding for permanent supportive housing for those experiencing homelessness.
8. Creation of dedicated funding streams through the convention center expansion that will provide at least \$3.2 million for the local music industry and at least \$3.2 million for historic preservation annually.

**ADOPTED:** \_\_\_\_\_, 2017

**ATTEST:** \_\_\_\_\_

Jannette S. Goodall  
City Clerk