

## **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, preserving historic sites, and preserving Latino/Hispanic and Black culture, in and around eastern downtown require immediate and stable funding sources to be realized;

**WHEREAS**, Interim Chief Financial Officer Canally presented scenario funding options for the downtown puzzle on August 29, 2017, including Scenario C, which is the preferred option; **NOW, THEREFORE**,

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

The City Manager is directed to put the City Council in the position to assemble 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 may include, but are not limited to, the following (including consideration of a process to choose items to be included):

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 (Convention Center Expansion Funding) 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.

Using Convention Center Expansion Funding for:

- a. Negotiating the purchase of the Palm School from Travis County as part of the Convention Center Expansion Funding if possible, allowing for the best option for the City that allows the Palm School to be part of Convention Center facilities and that provides for allowable public and civic use of the space.
- b. Completing the Emma S. Barrientos Mexican American Cultural Center in all or part as a project of the Convention Center Expansion Funding if appropriate as a portion of the Convention Center facilities, or through another funding mechanism.
- c. Purchasing, renovating, or repairing other historic assets in the immediate vicinity of the Convention Center, including historic East Sixth Street, historic portions of the Red River Cultural District, and visitor centers. These projects should include, but not be limited to, Palm Park, Castleman-Bull House, Trask House, Austin Central Fire Station 1, Wedding House, Brush Square Park, O. Henry Museum, Dickinson-Hanning House, Depot, and the Rainey Street Historic District.
- d. Purchasing, renovating, or repairing other historic assets throughout the city that attract tourists and convention delegates as allowed by state law, including, but not limited to, the Austin History Center, Arnold Bakery Building, Barton Springs (Eliza Spring), historic sites within Zilker Park, Buford Tower, Blue Bonnet Courts, Mount Bonnell, Andrew M. Cox Ranch Site, French Legation,

George Washington Carver Museum, Gethsemane Lutheran Church, Tejano Walking Trail, Goodman Building, Laguna Gloria, Haehnel Building, Lamar Boulevard Bridge, Lions Municipal Golf Course, McKinney Homestead, Montopolis Bridge, Moonlight Towers, Elisabet Ney Museum, Oakwood Cemetery, Paramount Theatre, Smith Rock Shelter, Southgate-Lewis House (Fontaine Religious Museum), Vicer Alumni Hall (Huston-Tillotson University), Victory Grill, Wesley United Methodist Church, Wooldridge Park, Judge Sebron Sneed House, Austin Memorial Park, Evergreen Cemetery, Oakwood Cemetery Annex, Plummers Cemetery, Barton Springs Bathhouse, Burditt Prairie Cemetery, Madison Log Cabin, Dedrick-Hamilton House, Zilker Amphitheater, Downs Field, Seaholm Intake Facility, Norwood House, Umlauf Museum, Shoal Creek 6<sup>th</sup> Street Bridge, Shoal Creek Railroad Trestle, Congress Avenue Old Bakery, Cristo Rey Catholic Church, Rosewood Courts, Simpson United Methodist Church, the Mexic-Arte Museum, downtown portions of Congress Avenue, and the Montopolis Negro School.

- e. Creating dedicated funding streams through the Convention Center Expansion Fund that will provide at least \$3.2 million for the local music industry and at least \$3.2 million for historic preservation annually.
- f. Exploring renovation and expansion options of all or part of the Travis County Exposition Center as a convention center facility located in the City of Austin, either funded directly with Hotel Occupancy Tax, or funded through

establishment of a venue with a stream of venue funding as allowed by state law.

3. Extending the Waller Creek Tax Increment Finance Zone (TIF) for a length of time to provide 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 providing for a public improvement district or other funding mechanism so that the area properties pay for the maintenance and operation of the parks.
4. Creating of a downtown TIF or other funding mechanism (including concepts such as participating in the Downtown Austin Alliance funding mechanism) to provide at least \$30 million to help serve those experiencing homelessness.

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

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

Jannette S. Goodall  
City Clerk