



## BOARD/COMMISSION RECOMMENDATION

### City of Austin Tourism Commission

#### Recommendation Number: 20201203-?: HOT Funding for Parks and Environment Projects

WHEREAS, Texas state law imposes significant restrictions on how hotel occupancy tax (HOT) funds can be used, including but not limited to Texas Tax Code, Chapters 334 and 351; and

WHEREAS, the City of Austin has numerous parks and environmental features which are some of the strongest tourist attractions in our city and which are prominently featured in local tourism promotion campaigns, including Visit Austin's promotion of "9 Reasons to Explore Austin's Outdoors" (<https://www.austintexas.org/austin-insider-blog/post/explore-austins-outdoors>); and

WHEREAS, the Parks and Environment Working Group was appointed at the February 20, 2020 Tourism Commission meeting to investigate possible uses of HOT funding for parks and environment projects, including (1) Chapter 351 funding options for using hotel occupancy tax funds to benefit parks and/or environment, (2) Chapter 334 funding options for using hotel occupancy tax funds to benefit parks/environment, (3) park amenities to leverage tourism funding for park-specific projects, and (4) Palm Park HOT funding options; and

WHEREAS, it was recognized that economic turmoil and tourism impacts from Covid-19 could impact how the city handles hotel occupancy tax dollars in the future; and

WHEREAS, the Parks and Environment Working Group has assembled the attached report and recommendation to help City Council envision possible uses of HOT funds to benefit our parks and environment; and

WHEREAS, the attached report and recommendation from the Parks and Environment Working Group includes a listing of parks and environment projects/activities that are eligible for HOT funding by identifying specific categories of allowable HOT funded projects (e.g., **"Tourism-Promoting Advertising, Solicitations, and Promotional Programs," "Cultural Arts and Commercial Music," "Visitor Information Centers,"** etc.) along with a description of the statutory basis, limitations, allowed uses, and descriptions of real world examples and parks/environment projects for using HOT funds.

NOW, THEREFORE, BE IT RESOLVED that the Tourism Commission encourages the Austin City Council to consider the attached report and recommendation from the Parks and Environment Working Group on allowable HOT funding to benefit parks and environment projects in any future decision to allocate HOT funds.

Date of Approval: \_\_\_\_\_

Record of the vote:

Attest: \_\_\_\_\_

(Staff or board member can sign)