

**ORDINANCE NO. 960815-J**

**AN ORDINANCE AUTHORIZING AND APPROVING THE CREATION OF A NON-PROFIT CORPORATION FOR THE PURPOSE OF PLANNING AND ADMINISTERING A TOURISM AND CONVENTIONS PROGRAM; APPROVING ARTICLES OF INCORPORATION AND BYLAWS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS, the City of Austin currently levies a hotel occupancy tax, an important source of revenue for the City, a portion of which is currently allocated to the promotion of tourism and conventions; and**

**WHEREAS, the City Council wishes to improve the effectiveness and accountability of expenditures for the promotion of tourism and conventions; Now, Therefore,**

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

**PART 1.** That the Council hereby finds and determines that it is in the public interest of the City and its inhabitants that a not-for-profit corporation, to be officially named "Austin Convention and Visitor's Bureau", be created with authority to plan and develop convention and tourism promotional activities and projects.

**PART 2.** That the Corporation shall be a no-stock, not-for-profit Corporation to be authorized and created under and with the power granted in the Texas Non-Profit Corporation Act, and in connection, the City Council hereby:

- a) approves the Articles of Incorporation (the "Articles") in substantially the form and substance attached and authorizes the incorporators to file said Articles with the Secretary of the State of Texas;
- b) directs that there shall be a Board of Directors, to serve initially, as set out in the Attachment "A", with the right reserved by the City Council to approve the appointment of additional directors as set out more fully in the attached Bylaws;

- c) approves the initial Bylaws for the Corporation in substantially the form and substance attached, to be reviewed by the Board of Directors with a report back to the City Council if amendments are necessary;
- d) directs that no security or debt instrument in the form of bonds, notes, or other similar evidence of indebtedness shall be authorized or approved by the Board of Directors without consent of the City Council;

**PART 3.** That the City Council hereby authorizes the development and implementation of a plan for the promotion of tourism and conventions, and, promptly after its incorporation and organization, the Board of Directors is authorized and directed to:

- a) meet and review bylaws and elect officers within one month of being appointed;
- b) search for and choose an Executive Director who shall be approved by the City Manager of the City of Austin;
- c) develop, and initially and annually thereafter, present to the City Council for consideration and approval a budget and work plan as more fully set out in the contract required by subsection (d) below;
- d) with the City, acting through its City Manager (or his designee) negotiate a contract document setting forth the particulars of the Corporation's action plan for the administration and implementation of the tourism and convention promotional program approved by the Council, which contract shall include provisions for regular and periodic audits, by or on behalf of the City, of the Corporation's activities and performance relative to the contract, with the costs, if any, of said audits to be borne entirely by the Corporation.

**PART 4.** That the Austin Convention and Visitor's Bureau will be a not-for-profit corporation, and no part of its net earnings remaining after payment of its expenses, notes, or other obligations shall ever inure to the benefit of any individual, firm or corporation.

**PART 5.** The Council waives the requirements of Sections 2-2-3 and 2-2-7 of the City Code for this ordinance.

**PART 6.** This ordinance takes effect on August 25, 1996.

**PASSED AND APPROVED**

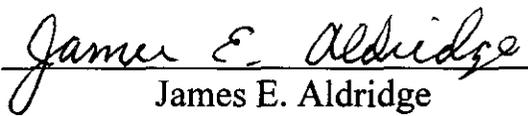
August 15, 1996.

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Bruce Todd  
Mayor

APPROVED:   
Andrew Martin  
City Attorney

ATTEST:   
James E. Aldridge  
City Clerk