TRAVIS COUNTY - CITY OF AUSTIN HOT & EXPO CENTER TIMELINE

CITY MANAGER'S OFFICE ALERTS JUDGE OF CITY'S INTENTION TO USE FULL TAX INCREMENT

TC-COA ILA FOR EXPO CENTER MARKET STUDY

COA RESOLUTION FOR CONVENTION CENTER (INCL INTENTIONS FOR PALM SCHOOL) ANTICIPATING FULL USE OF ALL HOT CAPACITY FOR 30 YEARS (BOTH 2% UNDER LGC 334 AND FULL 9% UNDER TAX CODE 351)

COUNCIL PASSES RESOLUTION DIRECTING CITY MANAGER TO PRESENT OPTIONS TO ALLOW REDEVELOPMENT, RENOVATION AND ACTIVATION OF EXPO CENTER

LETTER FROM JUDGE TO MAYOR/COUNCIL RE USE OF LGC 334 FOR EXPO CENTER IN 2021

CITY MANAGER'S OFFICE ALERTS JUDGE OF CITY'S INTENTION TO USE FULL TAX INCREMENT

EXPO CENTER MARKET STUDY (HUNDEN REPORT) COMPLETED - PRESENTED TO COMMISSIONERS COURT; NEVER PRESENTED TO COUNCIL

2017 MAYOR ADLER, COMMR TRAVILLION, JUDGE ECKHARDT DISCUSS EXPO CENTER INCL COA PAYING DOWN LGC 334 HOT DEBT BY 2021 RATHER THAN SCHEDULED 2029 PAYOFF. PAYOFF SCHEDULE DEPENDENT ON CONVENTION CENTER FINANCING DISCUSSION BY CITY

2018 MEMO FROM AUSTIN PARKS TO COUNCIL RE EXPO CENTER

COMMISSIONERS COURT MOVES FORWARD TO EXPLORE REFERENDUM FOR LGC 334 2% TAX PRESUMING CITY PAYS DOWN DEBT BY 2021 AS DISCUSSED IN 2017

**HOTEL OCCUPANCY TAXES IN TEXAS & AUSTIN’S PROPOSAL**

**STATEWIDE HOTEL OCCUPANCY TAX**
- 6%

**TEXAS TAX CODE CHAPTER 351**
- Municipal Hotel Occupancy Tax: 7%
- Austin + 2 others allowed to increase: +2%
- For a total of: 9%

**LOCAL GOVERNMENT CODE CHAPTER 334**
- Local Venue Tax: 2%
- Specific project and tax must be approved by Voter Referendum

Travis County is **NOT ELIGIBLE**

City Council Resolution #20190523-029
- A financial plan for Convention Center expansion that includes raising HOT to 9% from the current 7%

Travis County is **IS ELIGIBLE**

City Council Resolution #20190523-029
- A financial plan for Convention Center expansion that includes continued use of Venue Tax capacity

**TOTAL HOTEL OCCUPANCY TAX RATE FOR A GIVEN LOCALITY:**
**NOT TO EXCEED 17%**
Hunden Strategic Partners Report Summary

Objective: Rodeo Austin, Travis County, and the City of Austin engaged Hunden Strategic Partners to conduct a market and feasibility analysis assessing the optimal future use of the Travis County Exposition Center, as well as to make recommendations for how the complex could interact with the surrounding Walter E. Long Metropolitan park.

Key Findings

- **Faltering Facilities On-Site:** Existing facilities are obsolete, too small, and have significant deferred maintenance.
- **Limited Supply in Market:** The Austin market has a limited supply of event space. The Convention Center and Palmer Events Center cannot accommodate all the demand they are receiving for facilities. Some of that demand is misplaced due to Austin’s lack of:
  - A true civic sports and entertainment arena
  - A true exposition center
  - A true equestrian facility
- **Expanding Demand:** Demand is expanding in the market and on-site; Rodeo Austin has outgrown the existing facilities, and event space in Austin has not kept pace with the metro’s population boom.
- **Economic Development Opportunity:** The area around the site is underdeveloped and presents an opportunity for real estate development, catalyzed by the TCEC.
- **Master Plan for Walter E. Long Park:** The report recognized the larger park as a massive underutilized resource and recommended developing a master plan for the entire park.

<table>
<thead>
<tr>
<th>Facility</th>
<th>Existing</th>
<th>Recommended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arena</td>
<td>9,000 total capacity</td>
<td>15,000-seat capacity</td>
</tr>
<tr>
<td></td>
<td>25,000 SF arena floor</td>
<td>25,000 SF arena floor</td>
</tr>
<tr>
<td>Show Barn/Arena</td>
<td>1 covered, non-enclosed show barn</td>
<td>1 covered, non-enclosed dressage arena + 2 covered, non-enclosed practice arenas</td>
</tr>
<tr>
<td>Exhibit Hall</td>
<td>15,000 SF</td>
<td>200,000 SF + future expansion of 200,000 F</td>
</tr>
<tr>
<td>Ballroom</td>
<td>n/a</td>
<td>30,000 SF</td>
</tr>
<tr>
<td>Meeting Space</td>
<td>10,000 SF Skyline Lounge</td>
<td>25,000 (divisible)</td>
</tr>
<tr>
<td>Parking</td>
<td>4,000 spaces</td>
<td>6,100 spaces</td>
</tr>
<tr>
<td>Grounds</td>
<td>300,000 SF Midway/outdoor event area</td>
<td>400,000 SF Midway/outdoor event area</td>
</tr>
<tr>
<td>Park</td>
<td>Minimal use</td>
<td>Collaborative uses: cultural, nature, leisure, etc.</td>
</tr>
</tbody>
</table>
Developments Since Hunden Study

The Hunden Study was finalized in early 2016. A number of conditions have changed since that time:

**Economics and Demographics**
- The Austin MSA has continued to experience unprecedented growth, gaining over 58,000 new residents in 2016.
- Austin’s economy has also continued forward on an upward trajectory, adding roughly 37,000 jobs in 2016, and another 25,000 in 2017.
- While incomes have risen in the MSA, East Austin has some of the lowest incomes in the city, indicating an ongoing need for economic development. The Travis County Expo Center’s location in far East Austin presents an opportunity to catalyze investment in underserved areas.

**Inadequate Infrastructure**
- With Austin’s continued growth, the city’s infrastructure is increasingly burdened, leading to severe traffic congestion.
- Many of the existing event facilities, such as the Austin convention center, are located in high-traffic areas, limiting opportunities for expansion without raising concerns about worsening congestion.

**Employment, Households, and Population (000s); Austin MSA, 1990-2016**

![Median Household Income by Census Tract](image)

Source: Moody’s Analytics; BLS; Esri; RCLCO