



Recommendation for Action

File #: 22-1906, **Agenda Item #:** 3.

5/19/2022

Posting Language

Approve a resolution amending the Austin Convention and Visitors Bureau, d/b/a Visit Austin, Fiscal Year 2021-2022 Marketing Plan and Approved Budget to increase the Budget by \$1,082,155 for a revised Budget amount of \$12,586,863; amending the contract payment from the City to Visit Austin to establish that payment, as required by Chapter 351 of the Texas Tax Code, in an amount up to \$8,281,613; and authorizing the City Manager to file the approved documents with the City Clerk's Office as required by the Texas Tax Code. Related to Item #2.

Lead Department

Austin Convention Center.

Fiscal Note

Funding in the amount of \$738,956 is available in the Fiscal Year 2021-2022 Austin Convention Center Department Operating Budget. Funding in the amount of \$343,199 is available in the Fiscal Year 2021-2022 Tourism and Promotion Fund.

Prior Council Action:

September 2, 2021: Resolution No. 20210902-006- Council approved the Fiscal Year 2021-2022 Visit Austin Marketing Plan and Budget.

For More Information:

Tom Noonan, President and CEO, Visit Austin, 512-583-7201; Trisha Tatro, Director, Austin Convention Center Department, 512-404-4218.

Additional Backup Information:

Visit Austin has experienced a significant decrease in funding as a result of the COVID-19 pandemic, which has led to staff furloughs and a reduction in programming and marketing of the City of Austin as a destination. Due to these considerable financial struggles, ACCD staff is bringing forward this contract amendment with Visit Austin and corresponding budget amendment to aid in mitigating the extraordinary funding challenges faced by Visit Austin over the past two years. The additional funding will allow Visit Austin to rehire the more than 15 positions lost during the COVID-19 pandemic and increase advertising and marketing efforts, resulting in more conventions, meetings, leisure visitation and spending in the destination year-round versus just during event weekends.

This action increases the Visit Austin Budget by \$1,082,155 for a revised Budget amount of \$12,586,863; and increases the contract payment from the City to Visit Austin to up to \$8,281,613 for fiscal year 2021-2022. The difference between the contract payment from the City to Visit Austin and the total Visit Austin Budget is made up for by Visit Austin tapping into its own reserves and other non-City funding sources. In review of potential funding for Visit Austin staff identified a combined total of \$1,082,155 in prior-year unexpended funds beyond what was estimated within the ACCD Operating Budget and Tourism and Promotion Fund. Approval of this item will allow ACCD to utilize these funds in the current fiscal year to

increase contractual funding to Visit Austin by a total of \$1,082,155.

A companion budget amendment agenda item to amend the Fiscal Year 2021-2022 Austin Convention Center Department Operating Budget and Tourism and Promotion Fund to appropriate this funding will accompany this proposed Visit Austin contract amendment.

Upon approval of this resolution, the Agreement between the City and Visit Austin will be amended to incorporate the revised Marketing Plan. By including the documents set out below with this request for Council action, these documents are also filed with the City Clerk as required by Section 351.108 of the Texas Tax Code.

ATTACHMENTS:

1. Fiscal Year 2021-22 Visit Austin Revised Marketing Plan
2. Fiscal Year 2021-22 Visit Austin Amended Budget (summary and detailed)
3. Fiscal Year 2021-22 Revised Tourism and Promotion Fund Summary.

Strategic Outcome(s):

Economic Opportunity and Affordability.