



September 19, 2019

Austin City Attorney Anne Morgan  
Austin City Attorney's Office  
301 W 2nd St  
Austin, TX 78701

Madame City Attorney,

As a sixty-year citizen of Austin and a long time homeowner, I have concerns about an issue that will appear on this November's Municipal Ballot. I am concerned about questions raised by Proposition B, which would require a public vote on future expenditures of the Hotel Occupancy Tax (HOT).

Specifically, I have the following questions that I think you are in the best position to answer:

- Is it the City's position that under the Texas Tax Code, Section 351.1065 (the basis for the recently adopted 2% increase for convention center expansion) that the revenue cannot be spent on anything else but expansion of the existing convention center?
- What is the projected total cost of a new Convention Center including specifically:
  - Demolition of the existing facility to build the new facility.
  - Loss of revenue for the existing convention center during the period of construction of the West-side expansion.
  - Cost of buying, including legal proceedings, the 2.5 blocks the City wants for the West-side expansion and does not own now.
  - How much would the City lose in property tax revenue annually, based on 2020 tax rates, if the 2.5 blocks the City proposes to acquire were used instead for private residential or office towers?
  - What is the total projected building cost of the build out of the new Convention Facility proposed?

Separately, from any issues raised in my first question, we have heard a good deal about community benefits from the convention center expansion, including funds for homeless programs and assistance to the local music scene. These benefits I understand will partly be funded by money contributed by hotel operators through a PID. I would like to know what written agreements the City has in place and with whom to assure that if the new Convention Center is built any obligations are mandatory, irrevocable and enforceable.

Madame Attorney I know how busy you and your staff must be. However, I believe the community wants answers to these questions. I will deeply appreciate your attention to this request as soon as possible. Thank you in advance for your work on this.

Sincerely,

Gonzalo Barrientos  
Former State Senator  
Dist. 14

CC City Manager Spencer Cronk