



City of San Antonio

Agenda Memorandum

File Number:18-6850

Agenda Item Number: 2.

Agenda Date: 12/5/2018

In Control: City Council B Session

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott

COUNCIL DISTRICTS IMPACTED: City-wide

SUMMARY:

This item will be an overview of the proposed San Antonio Tourism Public Improvement District (SATPID).

BACKGROUND INFORMATION:

The creation of the SATPID is designed to protect and grow San Antonio's \$13.6 billion visitor industry and its associated market share. The San Antonio Hotel Lodging Association (SAHLA) presented the City Clerk with petitions signed totaling 106 registered property owners of hotels with 100 or more rooms within the proposed SATPID on October 24, 2018.

The proposed assessment rate of 1.25% of the gross hotel room night revenue of hotels with 100 or more rooms within the proposed SATPID would raise an approximate annual amount of \$10 million to be used for increased marketing and sales initiatives, industry partnerships and research and administration. The assessment would begin January 1, 2019, and the gross hotel room night revenue will be self-reported by hotels within the SATPID and remitted on a monthly basis.

At the request of the petitioning property owners, the SATPID would be created for a period of approximately eight years, terminating September 30, 2026.

ISSUE:

The ordinance authorizing the creation of the SATPID will be considered by City Council on Thursday, December 6, 2018 and specifies the nature and cost of the proposed improvements, sets forth the SATPID's boundaries, specifies the method of assessment, provides for the apportionment of costs between the City and the District, levies an assessment rate of 1.25% of the gross hotel room night revenue of qualified hotels within

the District and provides for the method of payment of the assessment.

ALTERNATIVES:

This item is for briefing purposes only.

FISCAL IMPACT:

This item is for briefing purposes only.

RECOMMENDATION:

This is a staff briefing and no action is required.