

A VISITOR PILOT FOR THE PARK BOARD OF TRUSTEES

The Galveston HOT Route



Open-air carts that carry hotel guests and visitors around downtown, from the cruise terminals to their hotels.

I'm here to ask for a pilot.

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The law already allows this.

Texas Tax Code Chapter 351 sets how hotel tax is spent.



A use the law names

Section 351.110(a) allows hotel tax for "a transportation system to move tourists from hotels in and near the municipality to" the commercial center, a convention center, other hotels and tourist attractions.



Built for visitors

Section 351.110(c) bars a system for the general public unless it is "primarily used by tourists." Free rides for hotel guests and rider counts show it.



Spent for tourism

Section 351.101(b) says every dollar must directly promote tourism and the hotel industry. Rider counts and the hotel guest share are the record.

Council holds the money and sets the duties.

3 duties

In the Park Board hotel tax contract today: advertising, lifeguards, beaches

\$21 million

The most the Park Board can receive in FY2027

4 weeks

Notice the City needs before Council takes up a budget change

Council approves the Park Board budget. Hotel tax collected beyond the Board's award stays with the City, and Section 351.110 lets the City spend it on tourist transportation.

Sources: FY2027 hotel tax contract between the City and the Park Board (Council agenda, Sept. 17, 2026), Sections V, VII and XVIII and Exhibit A. City Charter, Art. VIII, Sec. 2(a). Tax Code 351.110.

The Board asks. Council funds.

Three steps, each one already in the rules.

1

The Board asks

A Board vote asking Council to add tourist transportation to its hotel tax duties.

2

Council funds it

Council amends the contract and budget, paying from hotel tax beyond the Board's award.

3

The Board hires

A request for proposals, scored on best value, then a contract under Local Gov't Code 306.038.

The operator is picked in the open.

How the Park Board hires the company that runs the carts.

	Competitive proposals	Contracts over \$100,000 go out for bids or proposals (Local Gov’t Code 252.021). The pilot is \$336,960 a year.
	Best value, not lowest price	Park Board requests for proposals are scored on best value, under Chapter 252 and the Board’s purchasing policy.
	Trustees approve	Any payment over \$15,000 to one vendor needs trustee approval (hotel tax contract, Section XVI).
	Disclosures on file	The operator files Ethics Commission Form 1295, and a conflict of interest form if it has ties to a trustee (Gov’t Code 2252.908; Local Gov’t Code 176).

WHO IS ALREADY HERE

They're already here. Let's show them around.

9.1 million

Visitors to the island in 2025

1.84 million

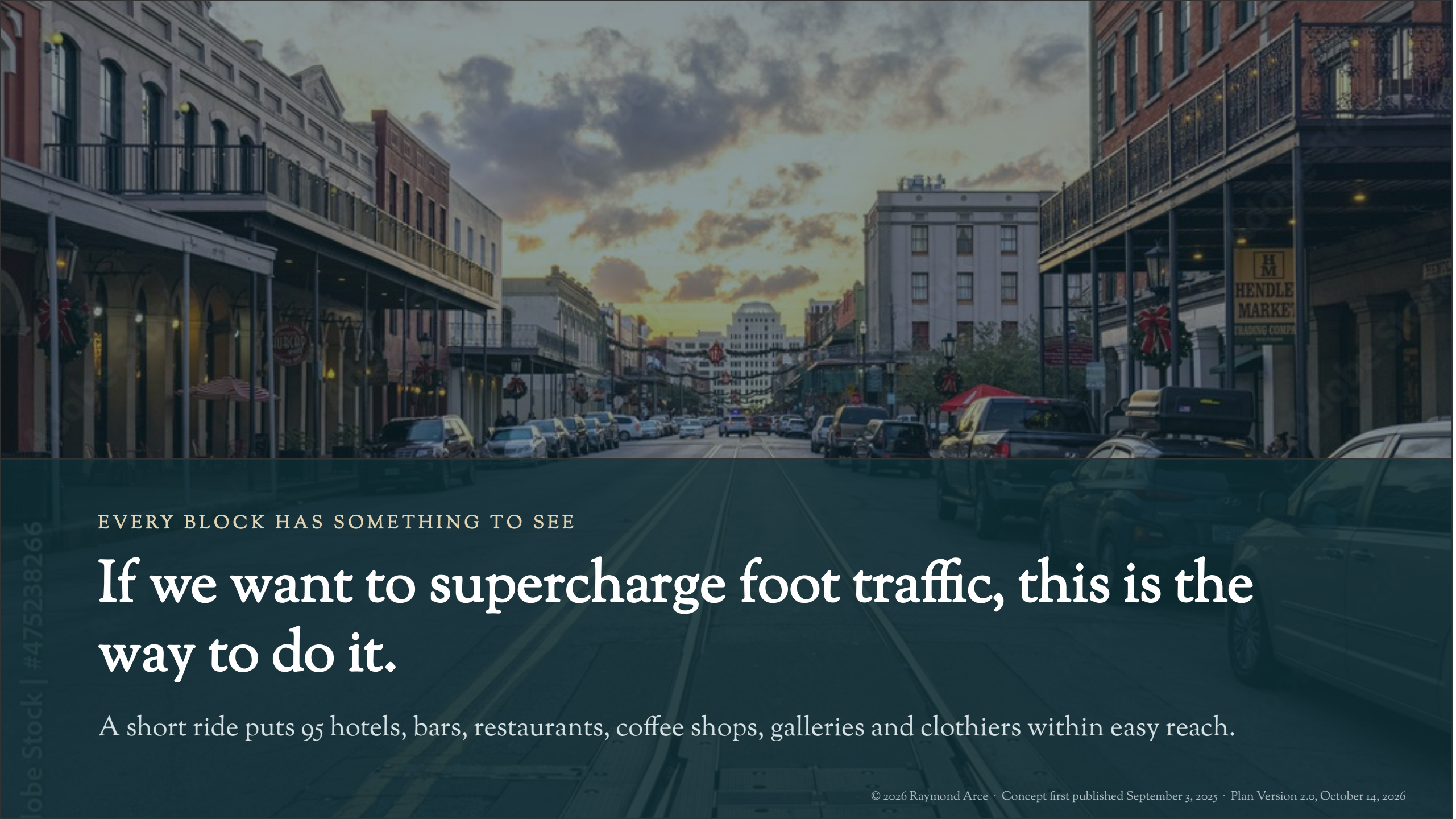
Cruise visitors who board or
leave ship here

60 minutes

Trolley wait before noon and
after 6 p.m.

In our heat, few people walk far. Most park on one block and stay there. Downtown merchants say cruise guests are not reaching their doors.

Visitors: Tourism Economics for the Park Board, 2025 report, May 2026. Trolley: City of Galveston Island Transit, fall 2026. Merchants: The Daily News, Aug. 11, 2026.

A wide-angle photograph of a historic city street at dusk. The street is lined with multi-story brick and stone buildings featuring balconies and arched windows. Festive decorations, including red bows and garlands, are visible on the buildings and streetlights. Several cars are parked along the sides of the road, and a few vehicles are driving in the distance. The sky is filled with soft, orange and yellow clouds from the setting sun. The overall atmosphere is warm and inviting.

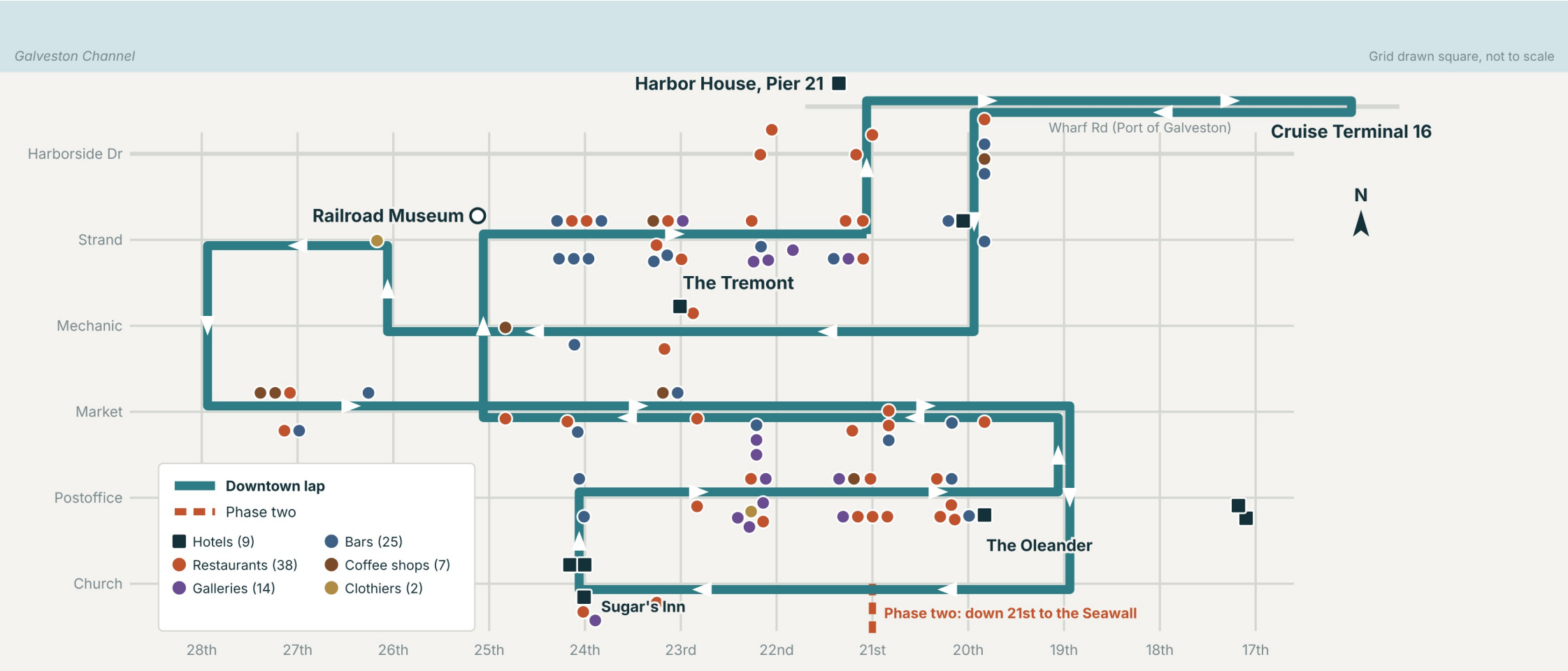
EVERY BLOCK HAS SOMETHING TO SEE

If we want to supercharge foot traffic, this is the way to do it.

A short ride puts 95 hotels, bars, restaurants, coffee shops, galleries and clothiers within easy reach.

THE ROUTE

One lap, from the port to Church Street.



THE CARTS

Already on our streets.



Seven riders and a driver, open to the breeze

Photographs courtesy of Carriage Haus Rentals, Galveston, used with permission.



Sized for downtown blocks and brick streets

HOW IT WORKS

Wave. It stops. Hop on.

Easier than a trolley, and a lot more fun.



A wristband, not a ticket

Free with the room at participating hotels. Everyone else buys a \$10 day band downtown or by QR code.



Flag it from the curb

Hold up the band. The next cart pulls over at the curb, never in a travel lane, a crosswalk or on trolley track.



On and off all day

Shop a block, ride two, stop for lunch. The whole route is the stop.



Open air the whole way

A ride people remember, and photograph.

See the carts coming.

A live map

Every cart on a live map, like a ride share app, with the businesses on the route marked.

Scan the wristband

A QR code on every band opens the live map in a browser and links to the app.

Step out when it's close

Riders see a cart coming, walk to the curb and flag it down.

A record for the Board

Cart locations and wristband scans show who rides, where and when, and how many are hotel guests.

Park once. Enjoy the day.

Leave the car and take in the town.

1

Park once

Leave the car at the hotel or a downtown garage for the day.

2

Ride all day

One downtown lap. Wave the wristband and the next cart stops.

3

Find something to do

Certified Tourism
Ambassador operators know what's happening on your block: eat, drink, shop, play.

WHAT IT DOES FOR THE ISLAND

Everyone on the route wins.

FOR HOTELS AND SHOPS

More visitors at the door

- Guests see downtown without moving the car
- Cruise guests and crews arrive with hours to spend
- Hotels give the wristband with the room
- Every shop on the route becomes a stop

FOR THE PARK BOARD

Hotel tax put to work

- Links the attractions the Board already promotes
- Free to the guests who pay the tax
- No carts for the Board to buy

WHO RUNS IT

A local operator, chosen in the open.

The operator brings the carts. The Park Board pays for the service.

WHAT THE OPERATOR PROVIDES

Carts, a home base and drivers

- Four carts: three on the road, one accessible cart in reserve
- A facility to store, charge and dispatch the carts
- Trained drivers

WHAT THE PARK BOARD KEEPS

Control, through the contract

- Pays only for the hours the carts run
- Sets the measures and the reports
- Audits the books and can end the contract if measures are missed

The Park Board may contract under Local Government Code 306.038. Tax Code 351.101(d) requires full records of every hotel tax dollar the operator spends.

Three days a week, measured by the hour.

● Three days a week

Three carts run the downtown lap 12 hours a day, 156 days a year. A fourth waits in reserve.

● Measured by the hour

Success is six or more riders per cart hour, and a rising share of hotel guests.

● Riders left waiting earn the next cart

We add a cart when riders are being turned away at the curb.

● Phase two comes after

Next, the Seawall route from Pier 21 down 21st to the Galvez and Stewart Beach.

WHAT IT COSTS

One rate, priced in the open.

\$60

Per cart hour, carts and facility included

\$336,960

A year, three carts, three days a week

10.2%

Of one penny of hotel tax

	Basis	Per year
Drivers	Two 6-hour shifts a cart, \$20 an hour	\$124,675
Facility	\$7,000 a month: storage and charging	\$84,000
Carts	Four at \$20,000, five-year life	\$16,000
Driver permits	9 to 12 drivers at \$25 each	\$300
Everything else	Insurance, upkeep, training, administration, luggage check-in and checkout, margin	\$111,985
Park Board contract	5,616 cart hours at \$60	\$336,960

What the rate covers: the carts, the facility, the drivers, administration, luggage check-in and checkout, insurance, upkeep and the live map. The Park Board buys no vehicles.

The reserve cart: a fourth cart, wheelchair accessible, covers breakdowns and riders who use wheelchairs.

Still to quote: insurance. It comes out of the operator’s share, not a new line. No property tax, sales tax or general fund dollars.

Three years at today’s rate: about \$1.01 million.

Three carts on the road and one in reserve, 12 hours a day in two six-hour shifts, three days a week, 156 days a year: 5,616 cart hours. Comparable city contracts run about \$37 to \$55 per vehicle hour, with the city buying the vehicles; this rate includes the carts and the facility. Drivers at \$20 an hour, about \$22.20 with payroll taxes. Carts at \$20,000 each, owned by the operator, with a five-year life including batteries. One penny of hotel tax is about \$3.3 million in the FY2027 Park Board budget. Fares from riders who are not hotel guests are not counted here.

THE ASK

Three decisions for the Board.

And what we bring.



Ask for the duty

A Board vote asking Council to add tourist transportation to the Board's hotel tax duties.



Ask for the money

\$336,960 a year in hotel tax: \$60 per cart hour, three carts, 12 hours a day, three days a week.



Seek proposals

A request for proposals for a local operator, with riders per cart hour reported every quarter.



What we bring

Signatures from the hotels and businesses on the route, and a program concept the Board can build its request on.



WE'VE SEEN IT WORK

On festival nights, the island shines.

People stroll, the blocks fill up, and no one hunts for parking. The HOT Route brings that feeling to three days of every week.

More than 9 million a year.

Let's welcome them downtown, with a ride they'll remember.

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