

**WHEREAS**, Chapter 372 of the Texas Local Government Code (the "Act") allows for the creation of public improvement districts; and

**WHEREAS**, on June 13, 2012, City Council held and closed a public hearing and authorized the creation of the Tourism Public Improvement District (the "District") and designated the Dallas Tourism Public Improvement District Management Corporation, as the management entity of the District by Resolution No. 12-1581; and

**WHEREAS**, on June 13, 2012, City Council authorized the assessment rate for 2012 by Ordinance No. 28682; and

**WHEREAS**, on April 10, 2013, the Dallas Convention & Visitors Bureau presented City staff with the proposed District Service Plan for 2013 and the proposed Assessment Rate for 2013, as shown in **Exhibits A and B**; and

**WHEREAS**, on April 15, 2013, a memo was submitted to the Economic Development Committee regarding the proposed District Service Plan for 2013 and the proposed Assessment Rate for 2013; and

**WHEREAS**, City Council will hold a public hearing on June 12, 2013 to receive comments concerning the creation of a Tourism Public Improvement District (District), in accordance with Chapter 372 of the Texas Local Government Code, for the Dallas area, for the purpose of increasing hotel activities within the City of Dallas, to be funded by a special assessment on Dallas hotels with 100 or more rooms, based on hotel room nights sold; and

**WHEREAS**, pursuant to Section 372.007 of the Act, City staff, with the assistance of the Dallas Convention & Visitors Bureau, evaluated the Service Plan to determine whether the services should be made as proposed by the Service Plan and found the services and improvements to be viable; and

**WHEREAS**, City Council must review and approve the Service Plan and Assessment Plan and a public hearing shall be held on June 12, 2013 at 1:00 P.M. to provide a reasonable opportunity for any owner of property located within the District to speak for or against the creation of the Tourism Public Improvement District for a special assessment on Dallas hotels with 100 or more rooms, based on hotel room nights sold to provide funding for the District for the purpose of increasing hotel activities within the City.

**NOW, THEREFORE,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**Section 1.** That pursuant to the requirements of the Act, the City Council, after considering the Service Plan for 2013 for the Tourism Public Improvement District hereby approves the Service Plan for 2013 (**See Exhibit A**).

The City Council makes the following findings concerning the Service Plan for the public improvement district:

- A. **Advisability of the Services Proposed for the District.** It is advisable to create the District to provide the services and improvements described in this Resolution.
- B. **Nature of the Services and Improvements.** The nature of the services and improvements to be performed by the District is to provide incentives and increased marketing that will attract more conventions and group meetings to Dallas as authorized by the Act and approved by the Dallas City Council.
- C. **Estimated Cost of the Services and Improvements.** The total estimated cost of services and improvements provided by the District for the five year period is approximately sixty million, seven hundred ninety-seven thousand, seven hundred thirty-one dollars (\$60,797,731). The estimated average annual cost of services for the District is approximately twelve million, one hundred fifty-nine thousand, five hundred forty-six dollars (\$12,159,546).
- D. **Boundaries.** The District is located wholly within the City of Dallas, Texas. The boundaries of the District are shown on the Map of the District.
- E. **Method of Assessment.** The proposed method of assessment is based on a 2% assessment on Dallas hotels with 100 or more rooms, based on hotel room nights sold. Hotels with 100 or more rooms will include the 2% tourism public improvement district fee on the room night charge assessed to each guest. The 2% assessment will only apply on hotel stays that are subject to the City's hotel occupancy tax. The assessment rate will be reviewed and approved annually by the Dallas City Council and will be carried out in accordance with procedures stipulated in Chapter 372 of the Texas Local Government Code.
- F. **Apportionment of costs between the District and the Municipality as a Whole.** The District shall pay the costs of the services and improvements with funding generated by special assessment on hotel room-nights sold at Dallas hotels with 100 or more rooms. Payment of assessments by other exempt jurisdictions and entities must be established by contract. No such contract is in place, nor is any proposed.

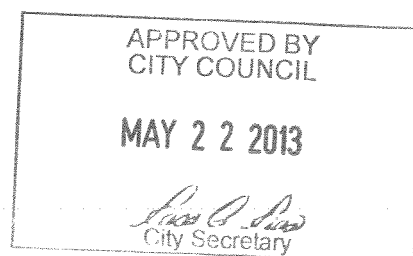
**Section 2.** That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

**Section 3.** That a public hearing shall be held at 1:00 p.m. on June 12, 2013, in the City Council Chamber, Dallas City Hall, 6th floor, 1500 Marilla Street, Dallas, Texas at which time any interested person may appear and speak for or against the setting of a special assessment on Dallas hotels with 100 or more rooms, based on hotel room nights sold to provide funding for the District for the purpose of increasing hotel activities within the City of Dallas.

**Section 4.** That such public hearing shall be published in the official newspaper of the City of Dallas and mailed to the property owners of the District before the 10th day before the public hearing.

**Section 5.** That after the public hearing, the City Council may consider approval of an ordinance establishing classifications for the apportionment of costs and the methods of assessing special benefits accruing to property in the District because of the services and improvements in the District, approving and adopting the 2013 assessment roll on file with the City Secretary; closing the hearing and levying assessments for the cost of certain services and/or improvements to be provided in the District during 2013; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2013 assessment; and providing an effective date.

**Section 6.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and is accordingly so resolved.



# Exhibit A

Tourism Public Improvement District (PID) Service Plan					
FISCAL YEAR	2013-14 <sup>1</sup>	2014-15	2015-16	2016-17 <sup>2</sup>	2017-18 <sup>3</sup>
Assessment Revenue	\$ 13,188,924	\$ 11,710,855	\$ 12,062,181	\$ 10,437,046	\$ 12,796,767
Prior Year Balance	\$ 2,089,251	\$ 6,003,898	\$ 8,583,266	\$ 11,120,402	\$ 13,184,612
Investment Income	\$ 131,889	\$ 117,109	\$ 120,622	\$ 104,370	\$ 127,968
<b>TOTAL INCOME</b>	<b>\$ 15,410,065</b>	<b>\$ 17,831,862</b>	<b>\$ 20,766,068</b>	<b>\$ 21,661,819</b>	<b>\$ 26,109,347</b>
					<b>\$ 60,797,731</b>

Marketing (Promotion/Advertising)	\$ 3,996,244	\$ 3,548,389	\$ 3,654,841	\$ 3,162,425	\$ 3,877,421	\$ 18,239,319
Marketing Support for DCVB	\$ 666,041	\$ 591,398	\$ 609,140	\$ 527,071	\$ 646,237	\$ 3,039,887
Marketing/Event Application Pool	\$ 999,061	\$ 887,097	\$ 913,710	\$ 790,606	\$ 969,355	\$ 4,559,830
Marketing Reserve	\$ 333,020	\$ 295,699	\$ 304,570	\$ 263,535	\$ 323,118	\$ 1,519,943
Marketing Sub-total	\$ 5,994,366	\$ 5,322,584	\$ 5,482,261	\$ 4,743,637	\$ 5,816,131	\$ 27,358,979
Site Visits & Familiarization Tours	\$ 1,332,081	\$ 1,182,796	\$ 1,218,280	\$ 1,054,142	\$ 1,292,474	\$ 6,079,773
Incentives <sup>4</sup>	\$ 1,080,658	\$ 1,856,119	\$ 2,031,414	\$ 1,888,822	\$ 2,027,104	\$ 8,884,117
Incentives Reserve	\$ 333,020	\$ 295,699	\$ 304,570	\$ 263,535	\$ 323,118	\$ 1,519,943
Incentives Sub-total	\$ 2,745,760	\$ 3,334,614	\$ 3,554,264	\$ 3,206,499	\$ 3,642,696	\$ 16,483,833
Start-up expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance and Audit	\$ 133,208	\$ 118,280	\$ 121,828	\$ 105,414	\$ 129,247	\$ 607,977
Research	\$ 266,416	\$ 236,559	\$ 243,656	\$ 210,828	\$ 258,495	\$ 1,215,955
Administration	\$ 266,416	\$ 236,559	\$ 243,656	\$ 210,828	\$ 258,495	\$ 1,215,955
Operations Sub-total	\$ 666,041	\$ 591,398	\$ 609,140	\$ 527,071	\$ 646,237	\$ 3,039,887
<b>TOTAL EXPENSES</b>	<b>\$ 9,406,166</b>	<b>\$ 9,248,596</b>	<b>\$ 9,645,666</b>	<b>\$ 8,477,207</b>	<b>\$ 10,105,063</b>	<b>\$ 46,882,699</b>
<b>NET Balance <sup>5</sup></b>	<b>\$ 6,003,898</b>	<b>\$ 8,583,266</b>	<b>\$ 11,120,402</b>	<b>\$ 13,184,612</b>	<b>\$ 16,004,283</b>	<b>\$ 13,915,032</b>

## Notes:

- <sup>1</sup> 14 month budget to align the PID's fiscal year with the City and Dallas Convention & Visitors Bureau's fiscal year
- <sup>2</sup> 10 month budget to finish the PID's existing term
- <sup>3</sup> Expenses for 2017-18 are estimates subject to the Tourism PID's successful renewal
- <sup>4</sup> Reflect actual payments occurring in the fiscal year for meetings that take place in Dallas
- <sup>5</sup> Reflect the remaining Incentives budget that has been obligated, but will not be spent until the meeting occurs

**Exhibit B****Tourism Public Improvement District  
2013 Assessment Rate**

The cost of the services and improvements provided by the Tourism Public Improvement District will be paid primarily by an assessment on Dallas hotels with 100 or more rooms based on hotel room nights sold. The 2% assessment will only apply to hotel stays that are subject to the City's hotel occupancy tax.