

ORDINANCE NO. 29038

**AN ORDINANCE ESTABLISHING CLASSIFICATIONS FOR THE APPORTIONMENT OF COSTS AND THE METHODS OF ASSESSING SPECIAL BENEFITS FOR THE SERVICES AND IMPROVEMENTS TO HOTEL PROPERTIES IN THE TOURISM PUBLIC IMPROVEMENT DISTRICT (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 IMPROVEMENTS TO BE PROVIDED IN THE TOURISM PUBLIC IMPROVEMENT DISTRICT DURING 2013; FIXING CHARGES AND LIENS AGAINST THE PROPERTY IN THE DISTRICT AND AGAINST THE OWNERS THEREOF; PROVIDING FOR THE COLLECTION OF THE ASSESSMENT; AND PROVIDING AN EFFECTIVE DATE.**

**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 May 22, 2013, City Council authorized the Tourism PID Service Plan for 2013 and authorized a public hearing to be held on June 12, 2013, to hear and receive comments concerning the proposed 2013 assessment rate; and

**WHEREAS**, the Dallas Convention & Visitors Bureau presented City staff with the proposed District Service Plan for 2013 and the proposed assessment rate for 2013 (attached hereto as **Exhibits A and B**) for the purpose of apportioning the cost of services and improvements to be assessed against the hotel properties in the District; and

**WHEREAS**, pursuant to the Act, the City Council authorized the updated District Service Plan for 2013 on May 22, 2013, and called a public hearing to be held on June 12, 2013, to receive comments from interested persons concerning the proposed 2013 assessment rate for the District; and

**WHEREAS**, pursuant to the Act, the City Council's intention to consider the proposed assessment at a public hearing on June 12, 2013 at 1:00 p.m. was published in the official newspaper of the City of Dallas, Texas 10 days prior to the hearing; and

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**WHEREAS**, as further required by the Act, the City held the public hearing on June 12, 2013, and subsequently closed the public hearing after receiving interested persons' concerns and comments on the proposed 2013 assessment rate for the District; and

**WHEREAS**, the City Council desires to authorize and adopt the 2013 Assessment Roll that was filed with the City Secretary and subject to public inspection in the City's official records prior to the public hearing; and

**WHEREAS**, the City Council finds that the Service Plan and Assessment Plan are feasible and sound and will serve the needs and desires of the hotel property owners and that the apportionment of the cost for the services and improvements based on a 2% rate on hotel room nights sold at certain Dallas hotels with 100 or more rooms are reasonable and adequate.

**NOW, IS THEREFORE,**

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

**SECTION 1.** That the City Council in accordance with the Assessment Plan shall apportion the costs of the services and improvements to be assessed against property in the District on the basis of special benefits accruing to the hotel property. The apportionment of such costs shall be based on 2% of hotel room nights sold at certain Dallas hotels with 100 or more rooms (attached hereto as **Exhibit C**). The 2% rate will only apply to hotel stays that are subject to the City's hotel occupancy tax.

**SECTION 2.** That the recitals and findings listed above are true and correct and that the action of the City Council closing the public hearing in these proceedings is hereby ratified and confirmed.

**SECTION 3.** That the City Council hereby authorizes and adopts the Assessment Roll filed with the City Secretary apportioning the total cost of the services and improvements to be assessed against property in the District for fiscal year (August 2013 to September 2014) of approximately \$13,320,813. The assessment roll states that the assessment is against each parcel of land in the District and is subject to public inspection in the City's official records.

**SECTION 4.** That notice of the City Council's intention to consider the proposed assessments at a public hearing on June 12, 2013 at 1:00 p.m. in the City Council Chamber, 1500 Marilla Street, Dallas, Texas was published in the official newspaper of the City of Dallas, Texas before the 10th day before the date of the hearing. The notice stated: (1) the date, time and place of the hearing; (2) the general nature of the services and improvements; (3) the cost of the services and improvements; (4) the boundaries of the District; and (5) that written or oral objections will be considered at the hearing.

**SECTION 5.** That Dallas City staff mailed to the owners of hotel property liable for assessment notice of the hearing as the ownership appears on the City tax roll. The notice contained the information required by the Act. The notice was mailed before the 15th day before the date of the hearing to the last known address of the hotel property owner on the City tax roll. The failure of the hotel property owner to receive notice does not invalidate the proceeding.

**SECTION 6.** That the City Council finds that the assessments should be made and levied against the respective parcels of property within the District and against the owners thereof, and are substantially in proportion to the benefits to the respective parcels of hotel property by means of the services and improvements in the District for which such assessments are levied, and further finds that in each case the hotel property assessed is specially benefited by means of the said services and improvements in the District, and further finds that the apportionment of costs of the services and improvements is in accordance with the law in force in this City and the State and in the proceedings of the City heretofore had with reference to the formation of the District and the imposition of assessments for said services and improvements are in all respects valid and regular.

**SECTION 7.** That there shall be and is hereby levied and assessed against the parcels of property within the District, and against the real and true owners thereof (whether such owners be correctly named or not), the sums of money as listed in the Assessment Roll on file with the City Secretary and subject to inspection, and the several amounts assessed against the same, and the owners thereof.

**SECTION 8.** That the several sums above mentioned and assessed against the said parcels of hotel property and the owners thereof, and interest thereon at the rate of ten percent (10%) per annum, provided, however, that such interest rate shall not exceed the maximum amount allowed by law, together with reasonable fees and the costs of collection, if incurred, are hereby declared to be and are made a first and prior lien against the hotel property assessed, superior to all other liens and claims except liens and claims for state, county, school district and municipality ad valorem taxes and is a personal liability of and charge against the owners of the hotel property regardless of whether the owners are named. The lien is effective from the date of this ordinance until the assessment is paid and may be enforced by the governing body in the same manner that an ad valorem tax lien against real property may be enforced by the governing body.

**SECTION 9.** That the assessment levied herein shall be due and payable in full on or before the 15th day of the month succeeding the month during which it is due for collection, to earn a 1% prompt payment discount. Net payment is due, without discount, on or before the 25th day of the month succeeding the month during which it is due for collection, and a penalty of 15% will be assessed on the delinquent balance. The assessment becomes delinquent on the 26th day of the month succeeding the month during which it is due for collection.



# 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>	TOTAL
Assessment Revenue	\$ 13,188,924	\$ 11,710,855	\$ 12,062,181	\$ 10,437,046	\$ 12,796,767	\$ 60,195,773
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	\$ 601,958
<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

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**Exhibit B**  
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**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.

## Exhibit C

## Hotel Properties that Comprise the Tourism PID

Hotel Name	Street No.	Street Name	Rooms
SHERATON DALLAS	400	N OLIVE ST	1840
HILTON ANATOLE HOTEL	2201	N STEMMONS FWY	1620
HYATT REGENCY DALLAS	300	REUNION BLVD	1194
OMNI DALLAS HOTEL	555	LAMAR	1001
RENAISSANCE DALLAS HOTEL	2222	N STEMMONS FWY	556
FAIRMONT DALLAS	1717	N. AKARD STREET	545
WESTIN PARK CENTRAL HOTEL	12720	MERIT DR	545
HILTON DALLAS LINCOLN CTR	5410	LBJ FREEWAY	500
WESTIN GALERIA DALLAS	13340	DALLAS PKWY	432
ADOLPHUS HOTEL	1321	COMMERCE ST	421
BUDGET SUITES OF AMERICA	8150	N STEMMONS FWY	408
DALLAS MARRIOTT CITY CENTER	650	N PEARL ST	407
STERLING HOTEL DALLAS	1055	REGAL ROW	360
CROWNE PLAZA HOTEL DALLAS MKT CNTR	7050	N STEMMONS FWY	354
BUDGET SUITES OF AMERICA TX	9519	FOREST LN	348
RADISSON DALLAS LOVE FIELD HOTEL	1241	W MOCKINGBIRD LN	348
MAGNOLIA HOTEL (THE)	1401	COMMERCE ST	330
CROWNE PLAZA DOWNTOWN DALLAS	1015	ELM ST	304
DOUBLETREE HOTEL CAMPBELL CENTER	8250	N CENTRAL EXPY	300
RADISSON HOTEL-DALLAS	6060	N CENTRAL EXPY	300
CROWNE PLAZA SUITES #15517	7800	ALPHA RD	295
BUDGET SUITES OF AMERICA	10222	N WALTON WALKER BLVD	282
EMBASSY SUITES	13131	N CENTRAL EXPY	279
DALLAS MARRIOTT SUITES	2493	STEMMONS FWY	266
LE MERIDIEN DALLAS NORTH	13402	NOEL RD	258
W DALLAS VICTORY	2440	VICTORY PARK LN	252
SHERATON SUITES MARKET CENTER	2101	N STEMMONS FWY	251
EMBASSY SUITES HOTEL	3880	W NORTHWEST HWY	248
Regency Hotel	11350	LBJ FREEWAY	244
WYNDHAM / HOLIDAY INN SELECT-LOVE	3300	W MOCKINGBIRD LN	244
EMBASSY SUITE-MARKET CNTR	2727	N STEMMONS FWY	244
WILSON WORLD HOTEL	2325	N STEMMONS FWY	240
DOUBLETREE HOTEL MARKET CENTER	2015	MARKET CENTER BLVD	227
HILTON DALLAS PARK CITIES	5954	LUTHER LANE	224
ROSEWOOD CRESCENT HOTEL	400	CRESCENT CT	220
RITZ-CARLTON DALLAS	2121	MCKINNEY AVE	218
WARWICK MELROSE DALLAS	3015	OAK LAWN AVE	205
REGAL ROW HOSPITALITY LLC	1575	REGAL ROW	203

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HOLIDAY INN DALLAS MARKET CENTER	4500 HARRY HINES BLVD	200
MCM ELEGANTE HOTEL	2330 W NORTHWEST HWY	199
PALOMAR HOTEL DALLAS	5600 N CENTRAL EXPY	198
BEST WESTERN DALLAS HOTEL & CONFERENCE CENTER	8051 LBJ FREEWAY	194
ALOFT DALLAS DOWNTOWN	1033 YOUNG STREET	193
RAMADA PARK CENTRAL HOTEL	8102 LBJ FREEWAY	192
MOTEL 6/STUDIO 6 #6035	2395 STEMMONS TRL	188
COURTYARD BY MARRIOTT	2150 MARKET CENTER BLVD	184
Hotel Indigo Dallas Downtown	1933 MAIN ST	172
THE STONELEIGH HOTEL & SPA HOTEL MARRIOTT	2927 MAPLE AVE	170
HYATT SUMMERFIELD SUITES DALLAS/LINCOLN	10325 N CENTRAL EXPY	160
RESIDENCE INN DALLAS PARK CENTRAL	8221 N CENTRAL EXPY	155
CANDLEWOOD SUITES	7642 LBJ FREEWAY	151
DALLAS EMBASSY SUITES	7930 N STEMMONS FWY	150
SPRING HILL SUITES	14021 NOEL RD	150
HOTEL ZAZA	1907 N LAMAR ST	149
COURTYARD DALLAS NW HWY AT STEMMONS	2332 LEONARD ST	148
DYNASTY HOTEL GROUP LP	2383 STEMMONS TRL	146
MARRIOTT #1M4	10326 FINNELL ST	146
THE MANSION ON TURTLE CRK	2930 FOREST LN	146
MARRIOTT RESIDENCE 312	2821 TURTLE CREEK BLVD	143
HYATT SUMMERFIELD DOWNTOWN DALLAS	6950 N STEMMONS FWY	142
MOTEL 6	2914 HARRY HINES BLVD	141
HOMESTEAD STUDIO SUITES # 9709	12301 N CENTRAL EXPY	140
HOMWOOD SUITES HOT # 69835	18470 DALLAS PKWY	137
SUN SUITES OF DALLAS	2747 N STEMMONS FWY	137
SUPER 8 MOTEL	10477 METRIC DR	135
EXTENDED STAY HOTELS # 9835	9229 JOHN W CARPENTER FWY	134
CANDLEWOOD SUITES GALLERIA #00663	9019 VANTAGE POINT DR	134
INTOWN SUITES BROOK RIVER	13939 NOEL RD	134
HOMESTEAD STUDIO SUITES # 9708	8201 BROOKRIVER DR	134
Staybridge Suites	12121 COIT RD	133
ECONO LODGE / BNKRUPTCY	16060 DALLAS PKWY	131
LA QUINTA MOTOR INN #706	1625 REGAL ROW	131
MOTEL 6 #1339	10001 N CENTRAL EXPY	129
STUDIO SIX (6)	4220 INDEPENDENCE DR	129
HYATT PLACE DALLAS PARK CENTRAL	9801 ADLETA BLVD	128
BEST WESTERN EXECUTIVE INN	12411 N CENTRAL EXPY	128
JOULE HOTEL	12670 E NORTHWEST HWY	125
	1530 MAIN	125

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HYATT PLACE	5229 SPRING VALLEY RD	125
TEXAS MOTEL CORP ANCHOR MOTEL	10230 HARRY HINES BLVD	125
CANDLEWOOD SUITES NORTH DALLAS #00666	12525 GREENVILLE AVE	122
RED ROOF INN	13685 N CENTRAL EXPY	121
LA QUINTA INN AND SUITES	2421 WALNUT HILL LANE	121
HOTEL LAWRENCE	302 S HOUSTON ST	120
INTOWN SUITES FOREST LANE	9355 FOREST LN	120
HOMESTEAD STUDIO SUITES # 9707	17425 DALLAS PKWY	119
DELUX INN	9626 HAWN FWY	118
FAIRFIELD INN	2110 MARKET CENTER BLVD	118
MOTEL 6	2660 FOREST LANE	117
EXTENDED STAY HOTELS	12270 GREENVILLE AVE	116
STAYBRIDGE SUITES # 00860	7880 ALPHA RD	114
HAMPTON INN	11069 COMPOSITE DR	112
KNIGHTS INN -- RED ROOF	1550 EMPIRE CENTRAL DR	111
SUBURBAN EXTENDED STAY HOTEL	4150 INDEPENDENCE DR	108
MOTEL 6	8510 E R L THORNTON FWY	107
LAMPLIGHTER MOTEL	9001 E R L THORNTON FWY	105
MARRIOTT RESIDENCE INN 315	10333 N CENTRAL EXPY	103
HOLIDAY INN EXPRESS HOTEL & SUITES	2287 W NORTHWEST HWY	103
LA QUINTA MOTOR INN #709	8303 E R L THORNTON FWY	102
LA QUINTA MOTOR INN #512	4440 N CENTRAL EXPY	101
HOLIDAY INN EXPRESS HOTEL & SUITES	6055 LBJ FREEWAY	100
HILTON GARDEN INN	1610 CEDAR SPRINGS RD	100
EMBASSY SUITES DALLAS UPTOWN	2212 MCKINNEY AVE	100
HOMEWOOD SUITES	1025 ELM ST	100
AMERICA'S BEST VALUE INN	10335 GARDNER RD	100