

ORDINANCE NO. 29868

**AN ORDINANCE APPROVING AND ADOPTING THE FINAL SERVICE PLAN FOR 2015-16, THE FINAL 2015 ASSESSMENT PLAN, AND THE 2015 ASSESSMENT ROLL (TO BE KEPT ON FILE WITH THE CITY SECRETARY); ESTABLISHING CLASSIFICATIONS FOR THE APPORTIONMENT OF COSTS AND THE METHODS OF ASSESSING SPECIAL ASSESSMENTS FOR THE SERVICES AND IMPROVEMENTS TO PROPERTY IN THE TOURISM PUBLIC IMPROVEMENT DISTRICT (DISTRICT); CLOSING THE HEARING AND LEVYING A SPECIAL ASSESSMENT ON PROPERTY IN THE DISTRICT FOR SERVICES AND IMPROVEMENTS TO BE PROVIDED IN THE DISTRICT DURING 2016; PROVIDING FOR REIMBURSEMENT OF CITY ADMINISTRATIVE COSTS FOR OPERATIONAL OVERSIGHT OF THE DISTRICT; FIXING CHARGES AND LIENS AGAINST THE PROPERTY IN THE DISTRICT AND AGAINST THE OWNERS THEREOF; PROVIDING FOR THE COLLECTION OF THE 2015 ASSESSMENT; AND PROVIDING FOR AN EFFECTIVE DATE.**

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

**WHEREAS**, on June 13, 2012, City Council authorized the creation of the Tourism Public Improvement District (District), as shown on the attached **Exhibit A - Map of the District**, as a public improvement district in accordance with the Act and found that the District promoted the interests of the City and conferred a special benefit to the property in the District, designated the Dallas Tourism Public Improvement District Management Corporation as the manager of the District, authorized a contract for management services; and approved the District Service Plan, and annual updates by Resolution No. 12-1581; and

**WHEREAS**, on September 10, 2014, City Council authorized the Service Plan for 2014-15 and 2014 Assessment Plan by Ordinance No. 29467; and

**WHEREAS**, City Council must review the proposed Service Plan for 2015-16 and 2015 Assessment Plan and hold a public hearing to provide a reasonable opportunity for any owner of property located within the District to speak for or against the 2015 assessment against real property and real property improvements exclusive of right-of-way, to continue funding for the District for the purpose of providing supplemental services and improvements; and

**WHEREAS**, on August 17, 2015, information about this item was presented to the Economic Development Committee; and

**WHEREAS**, on August 26, 2015, this item was considered by the City Council and the approval of the proposed Tourism Public Improvement District 2016 Service Plan, 2015 Assessment Plan and 2015 assessment roll was deferred to the September 9, 2015 agenda; and

**WHEREAS**, the Dallas Tourism Public Improvement District Management Corporation provided City staff with the proposed District Service Plan for 2015-16 and 2015 Assessment Plan as shown in **Exhibits B and C**; and

**WHEREAS**, City Council desires to authorize and adopt the 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**, 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 among the hotel properties with 100 or more rooms for the services and improvements based on a 2% rate on hotel room nights sold are reasonable and adequate.

**NOW, THEREFORE,**

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

**SECTION 1.** That City Council shall adopt an ordinance approving and adopting the proposed and final Service Plan for 2015-16, the 2015 Assessment Plan and the 2015 Assessment Roll (to be kept on file with the City Secretary); establishing classifications for the apportionment of costs and the methods of assessing special assessments for the services and improvements to property in the Tourism Public Improvement District (District); closing the hearing and levying a special assessment on property in the District, for services and improvements to be provided during 2016; fixing charges and liens against the property in the District and against the owners thereof; providing for the collection of the 2015 assessment; and providing for an effective date.

**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 TPID assessment will be levied on hotels with 100 or more rooms ("qualifying hotels") located within the TPID territory attached hereto as **Exhibit D**. The proposed cost of the services and improvements to be provided shall be assessed in a manner that results in imposing equal shares of the cost of the services on qualifying hotels that are similarly benefitted. The apportionment of the cost of the services against property in the TPID territory must be made on the basis of special benefits accruing to the property because of the services and improvements provided.

**SECTION 3. (Continued)**

Accordingly, those qualifying hotels that sell more rooms shall pay a greater portion of the assessment since those properties benefit more from the promotion and marketing services provided by the district. The total cost of the services and improvements to be provided shall be apportioned at a rate of 2% of room-nights sold at qualifying hotels located within the TPID territory until the budget for services and improvements for the year is collected. Rooms that are not subject to the City's hotel occupancy tax shall not be included for the TPID assessment. The future cost of services and improvements that are budgeted for 2016 may be increased beyond the amount shown in the 2016 service plan subject to an enhancement in value of property in the District and a corresponding increase in the services and improvements to be provided therefor. Any future increase in the costs of services and improvements in the service plan would also be subject to a public hearing and the city council passing on all objections. There are no exempt jurisdictions or entities that meet the definition of "qualifying hotels". City-owned hotels such as the Omni are subject to this assessment.

**SECTION 4.** That City Council hereby authorizes and adopts the final Service Plan for 2015-16, the final 2015 Assessment Plan and the 2015 Assessment Roll (to be kept on file with the City Secretary apportioning the total cost of the services and improvements to be assessed against property in the District for fiscal year ending December 31, 2015, of approximately \$14,461,615. The Assessment Roll apportions the assessment against each parcel of land in the District and is subject to public inspection in the City's official records.

**SECTION 5.** That notice of City Council's intention to consider the proposed assessments at a public hearing on September 9, 2015 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 6.** That Dallas City staff mailed to the owners of 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 10th day before the date of the hearing to the last known address of the property owner on the City tax roll. The failure of the property owner to receive notice does not invalidate the proceeding.

**SECTION 7.** That 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 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 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 held 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 8.** 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 public inspection, and the several amounts assessed against the same, and the owners thereof.

**SECTION 9.** That the several sums above mentioned and assessed against the said parcels of property and the owners thereof, and interest thereon at the rate of eight percent (8%) 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 property assessed, superior to all other liens and claims except liens and claims for state, county, school district and municipality ad valorem taxes and are a personal liability of and charge against the owners of the 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 10.** That the assessments levied herein shall be due and payable in full on or before January 31, 2016. That if default be made in the payment of any of the said sums hereby assessed against said property owners and their property, collection thereof, including, costs and fees, shall 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. The owner of the assessed property may pay at any time the entire assessment, with interest that has accrued on the assessment, on any lot or parcel.

**SECTION 11.** That all assessments levied are a personal liability and charge against the real and true owners of the premises described, notwithstanding such owners may not be named, or may be incorrectly named.

**SECTION 12.** That as part of the assessment levied herein, and as a part of the service plan, the District shall reimburse to City, administrative costs for the day to day operations conducted by city staff for the District, which amount shall be paid by the District to City upon receipt of an invoice; and that the Chief Financial Officer is hereby authorized to establish Fund 0694, Department ECO, to support recovery of the costs incurred by the Office of Economic Development for such day to day operational costs incurred.

**Section 13.** That the Chief Financial Officer is hereby authorized to accept and deposit any and all revenues received from the District in Fund 0694, Department, ECO, Unit 9884, Revenue Source 7399; and that the Chief Financial Officer be authorized to transfer annually, funds in amounts to be determined based upon costs incurred and related rates then in effect, from Fund 0694, Department ECO, Unit 9884, to General Fund 0001, Department ECO, Unit 1161 and Unit 1163, Object 5011, to reimburse the Office of Economic Development for administrative costs incurred for the day to day operational oversight of the District.

**SECTION 14.** That the assessments herein levied are made and levied under and by virtue of the terms, powers and provisions of the Public Improvement District Assessment Act, Chapter 372 of the Texas Local Government Code, as amended.

**SECTION 15.** That this ordinance shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM

WARREN M. S. ERNST  
CITY ATTORNEY

By:   
Assistant City Attorney

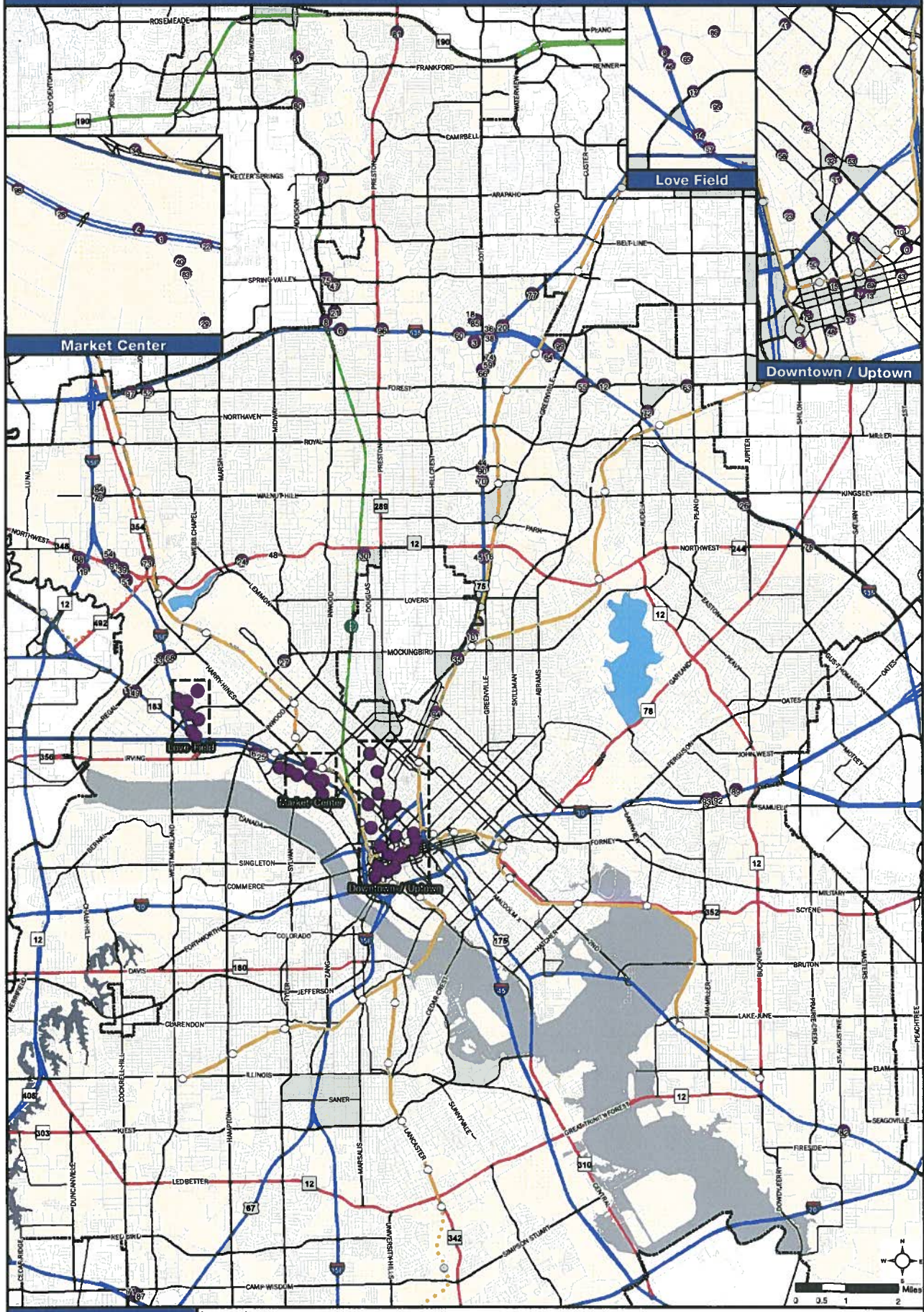
SEP 09 2015

Passed and correctly enrolled \_\_\_\_\_



# Tourism PID Hotels

# Exhibit A



**DALLAS ECONOMIC DEVELOPMENT**  
 Research & Information Division  
 214.670.1685  
 dallas.ecodev.org

**Legend**

- Proposed PID Hotel (Purple dot)
- Rail Station (White circle with black border)
- Future Station (Grey circle with black border)
- DART Light Rail (Blue line)
- Commuter Rail (Orange line)
- Future DART Light Rail (Yellow line)
- Freeway (Red line)
- Tollway (Green line)
- Highway (Black line)
- Arterial (Black line)
- Local Road (Grey line)
- Escarpment (Dark grey shaded area)
- Flood Plain (Light grey shaded area)
- Lake (Blue shaded area)
- City of Dallas (Yellow dashed border)

Source: Hotels - Texas State Comptrollers Office, 2011 - Hotels with 100+ rooms; All Other Data - City of Dallas, 2011



Exhibit B

Tourism Public Improvement District (PID) Service Plan

FISCAL YEAR	2015-16 <sup>1</sup>	2016-17 <sup>2</sup>	2017-18	2018-19	2019-2020	TOTAL
Assessment Revenue	\$ 14,461,615	\$ 14,895,463	\$ 15,342,327	\$ 15,802,597	\$ 16,276,675	\$ 76,778,678
Investment Income	\$ 144,616	\$ 148,955	\$ 153,423	\$ 158,026	\$ 162,767	\$ 767,787
<b>TOTAL INCOME</b>	<b>\$ 14,606,231</b>	<b>\$ 15,044,418</b>	<b>\$ 15,495,751</b>	<b>\$ 15,960,623</b>	<b>\$ 16,439,442</b>	<b>\$ 77,546,465</b>

Marketing (Promotion/Advertising)	\$ 4,381,869	\$ 4,513,325	\$ 4,648,725	\$ 4,788,187	\$ 4,931,833	\$ 23,263,939
Marketing Support for DCVB	\$ 730,312	\$ 752,221	\$ 774,788	\$ 798,031	\$ 821,972	\$ 3,877,323
Marketing/Event Application Pool	\$ 1,095,467	\$ 1,128,331	\$ 1,162,181	\$ 1,197,047	\$ 1,232,958	\$ 5,815,985
Marketing Reserve	\$ 365,156	\$ 376,110	\$ 387,394	\$ 399,016	\$ 410,986	\$ 1,938,662
Marketing Sub-total	\$ 6,572,804	\$ 6,769,988	\$ 6,973,088	\$ 7,182,280	\$ 7,397,749	\$ 34,895,909
Site Visits & Familiarization Tours	\$ 1,460,623	\$ 1,504,442	\$ 1,549,575	\$ 1,596,062	\$ 1,643,944	\$ 7,754,646
Incentives & Sales Efforts <sup>3</sup>	\$ 5,477,337	\$ 5,641,657	\$ 5,810,906	\$ 5,985,234	\$ 6,164,791	\$ 29,079,924
Incentives & Sales Efforts Reserve	\$ 365,156	\$ 376,110	\$ 387,394	\$ 399,016	\$ 410,986	\$ 1,938,662
Incentives Sub-total	\$ 7,303,116	\$ 7,522,209	\$ 7,747,875	\$ 7,980,312	\$ 8,219,721	\$ 38,773,232
Start-up expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance and Audit	\$ 146,062	\$ 150,444	\$ 154,958	\$ 159,606	\$ 164,394	\$ 775,465
Research	\$ 292,125	\$ 300,888	\$ 309,915	\$ 319,212	\$ 328,789	\$ 1,550,929
Administration	\$ 292,125	\$ 300,888	\$ 309,915	\$ 319,212	\$ 328,789	\$ 1,550,929
Operations Sub-total	\$ 730,312	\$ 752,221	\$ 774,788	\$ 798,031	\$ 821,972	\$ 3,877,323
<b>TOTAL EXPENSES</b>	<b>\$ 14,606,231</b>	<b>\$ 15,044,418</b>	<b>\$ 15,495,751</b>	<b>\$ 15,960,623</b>	<b>\$ 16,439,442</b>	<b>\$ 77,546,465</b>
NET Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Notes:

<sup>1</sup> Assessment collections are higher than originally anticipated due to increased costs and service levels provided to the District.

<sup>2</sup> Budget includes the final 10 months from the Tourism PID's initial five year term. Accordingly, expenses are estimated and are subject to the PID's successful early re-petition and renewal.

<sup>3</sup> Incentive funds are committed to future scheduled events. These funds will not be expended until the event occurs.

29868

151703

**Exhibit C**

**Tourism Public Improvement District  
2015 Assessment Plan**

The cost of the services and improvements provided by the Tourism Public Improvement District ("District") will be levied by special assessment against Dallas hotels located within the District territory with 100 or more rooms ("qualifying hotels") based on hotel room nights sold. The total cost of the services and improvements to be provided shall be apportioned at a rate of 2% of room-nights sold at qualifying hotels until the budget for services and improvements for the year is reached. Rooms that are not subject to the City's hotel occupancy tax shall not be included for the District assessment.



29868

151703

## Exhibit D

## 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
PARK INN by RADISSON DALLAS LOVE FIELD	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
HOLIDAY INN DALLAS – PARK CITIES	6070	N CENTRAL EXPY	300
WYNDHAM SUITES - PARK CENTRAL	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
RAMADA INN	1575	REGAL ROW	203

29868

151703

HOLIDAY INN DALLAS MARKET CENTER	4500 HARRY HINES BLVD	200
MCM ELEGANTE HOTEL	2330 W NORTHWEST HWY	199
HIGHLAND DALLAS (THE)	5300 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
LE MERIDIEN DALLAS	2927 MAPLE AVE	170
CENTRAL COURTYARD 1N9	10325 N CENTRAL EXPY	160
HYATT SUMMERFIELD SUITES DALLAS/LINCOLN	8221 N CENTRAL EXPY	155
RESIDENCE INN DALLAS PARK CENTRAL	7642 LBJ FREEWAY	151
CANDLEWOOD SUITES	7930 N STEMMONS FWY	150
DALLAS EMBASSY SUITES	14021 NOEL RD	150
SPRING HILL SUITES	1907 N LAMAR ST	149
HOTEL ZAZA	2332 LEONARD ST	148
COUNTRY INN & SUITES	2383 STEMMONS TRL	146
SUBURBAN EXTENDED STAY HOTEL	10326 FINNELL ST	146
COURTYARD DALLAS LBJ	2930 FOREST LN	146
THE MANSION ON TURTLE CRK	2821 TURTLE CREEK BLVD	143
MARRIOTT RESIDENCE 312	6950 N STEMMONS FWY	142
HYATT SUMMERFIELD DOWNTOWN DALLAS	2914 HARRY HINES BLVD	141
MOTEL 6	12301 N CENTRAL EXPY	140
HOMESTEAD STUDIO SUITES # 9709	18470 DALLAS PKWY	137
HOMEWOOD SUITES HOT # 69835	2747 N STEMMONS FWY	137
INTOWN SUITES METRIC	10477 METRIC DR	135
SUPER 8 MOTEL	9229 JOHN W CARPENTER FWY	134
EXTENDED STAY HOTELS # 9835	9019 VANTAGE POINT DR	134
CANDLEWOOD SUITES GALLERIA #00663	13939 NOEL RD	134
INTOWN SUITES BROOK RIVER	8201 BROOKRIVER DR	134
HOMESTEAD STUDIO SUITES # 9708	12121 COIT RD	133
STAYBRIDGE SUITES	16060 DALLAS PKWY	131
MOTEL 6	1625 REGAL ROW	131
LA QUINTA MOTOR INN #706	10001 N CENTRAL EXPY	129
SUPER 7 INN	4220 INDEPENDENCE DR	129
STUDIO SIX (6)	9801 ADLETA BLVD	128
HYATT PLACE DALLAS PARK CENTRAL	12411 N CENTRAL EXPY	128
EXECUTIVE INN	12670 E NORTHWEST HWY	125
JOULE HOTEL	1530 MAIN	125

29868

151703

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
SUPER 7 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
HAWTHORN SUITES – GALLERIA	7880 ALPHA RD	114
HAMPTON INN	11069 COMPOSITE DR	112
KNIGHTS INN -- RED ROOF	1550 EMPIRE CENTRAL DR	111
TOWNHOUSE MOTOR LODGE	4150 INDEPENDENCE DR	108
MOTEL 6	8510 E R L THORNTON FWY	107
LAMPLIGHTER MOTEL	9001 E R L THORNTON FWY	105
EXPRESSWAY RESIDENCE INN #315	10333 N CENTRAL EXPY	103
HOLIDAY INN EXPRESS HOTEL & SUITES	2287 W NORTHWEST HWY	103
QUALITY INN	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
SUPER 7 INN	10335 GARDNER RD	100

151703



## PROOF OF PUBLICATION – LEGAL ADVERTISING

The legal advertisement required for the noted ordinance was published in the Dallas Morning News, the official newspaper of the city, as required by law, and the Dallas City Charter, Chapter XVIII, Section 7.

DATE ADOPTED BY CITY COUNCIL SEP 09 2015

ORDINANCE NUMBER 29868

DATE PUBLISHED SEP 12 2015

ATTESTED BY:

A handwritten signature in black ink, appearing to read "Rose C. Liles".