

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

**WHEREAS**, on April 20, 2012, the Dallas Convention & Visitors Bureau delivered to the City of Dallas a Petition (the "Petition") to establish the Tourism Public Improvement District (the "District") that is shown on the map attached hereto and made a part hereof and labeled (**Exhibit A**) (the "Map of the District"); and

**WHEREAS**, the Act states that the Petition is sufficient if signed by owners of more than 50 percent of the taxable real property, according to appraised value, and either of the following: more than 50 percent of the area of all taxable real property liable for assessment under the proposal, or more than 50 percent of all record owners of property liable for assessment; and

**WHEREAS**, City staff reviewed the petitions and determined that approximately seventy percent (70%) of Dallas hotels with 100 or more rooms and approximately eighty-four percent (84%) of the taxable value of Dallas hotels with 100 or more rooms had signed the petitions for the creation of the Tourism PID.

**WHEREAS**, the Act further requires that prior to the adoption of the resolution establishing the Tourism Public Improvement District 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 room nights sold, the City Council must hold a public hearing on the advisability of establishing the District, increasing hotel activities within the City of Dallas; the nature of the improvement; the estimated cost of the improvement; the boundaries of the public improvement district; the method of assessment; and the apportionment of costs between the district and the municipality as a whole; and

**WHEREAS**, on May 7, 2012, a briefing was submitted to the Economic Development Committee regarding the creation of the Tourism Public Improvement District (TPID); and

**WHEREAS**, on May 23, 2012, the City Council authorized a public hearing to be held on June 13, 2012, to hear comments and concerns regarding the creation of the Tourism Public Improvement District; and

**WHEREAS**, after providing notices required by Section 372.009 of the Act, the City Council on June 13, 2012, conducted a public hearing on the advisability of increasing hotel activities within the City of Dallas, and adjourned such public hearing.

**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 Petition for the proposed District and evidence and testimony presented at the public hearing on June 13, 2012, hereby finds and declares:

- A. Advisability of Service and Improvements Proposed for the District.** It is advisable to establish 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 fifty-six million, three hundred sixty-one thousand, four hundred thirty-nine dollars (\$56,361,439). The estimated average annual cost of services for the District is approximately eleven million, two hundred seventy-two thousand, two hundred eighty-eight dollars (\$11,272,288).
- D. Boundaries.** The District is located wholly within the City of Dallas, Texas. The boundaries of the District consist of noncontiguous areas authorized under Subchapter 372.0035 of the Act and include hotel properties with 100 or more rooms ordinarily used for sleeping. Such hotel properties comprising the District are shown on the Map of the District (**Exhibit A**).
- E. Method of Assessment.** The apportionment of costs for the services and improvements to be provided shall be made on the basis of special benefits accruing to the hotel property and shall be levied on the hotel properties located in the District. The apportionment of such costs shall be based on a 2% of the price of hotel room nights sold at Dallas hotels with 100 or more rooms (**See Exhibit C**). The 2% rate will only apply to hotel stays that are subject to the City's hotel occupancy tax. The assessment 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 levied on 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 recitals contained in the preamble of this resolution are found and declared to be true and correct.

June 13, 2012

**Section 3.** That the Tourism Public Improvement District is hereby authorized and established as a Public Improvement District under the Act in accordance with the findings as to the advisability of the services and improvements contained in this Resolution, with an effective date of August 1, 2012. The District shall be subject to all of the terms, conditions, limitations and reservations contained in the findings of Section 2 of this Resolution.

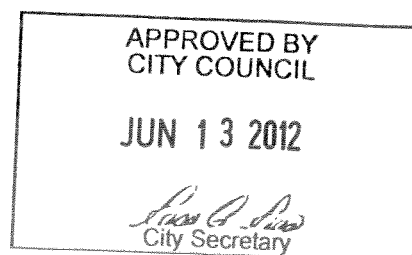
**Section 4.** That the City Secretary is directed to give notice of the establishment of the District by publishing a copy of this Resolution once in the newspaper of general circulation in the City of Dallas. Such authorization shall take effect and the District shall be deemed to be established effective upon the publication of such notice. The District shall automatically dissolve on July 31, 2017 unless the District is renewed through the petition and approval process as provided by the Act, or the District is sooner terminated as provided by law. The power of the City to continue to levy and collect assessments within the District will cease and the District will be dissolved on the date that a petition requesting dissolution is filed with the City Secretary of the City of Dallas and the petition contains the signatures of at least enough property owners in the District to make the petition sufficient for creation of a public improvement district as provided in Section 372.005(b) of the Act.

**Section 5.** That the City Council authorizes that the District shall be managed through the Dallas Tourism Public Improvement District Management Corporation, a private nonprofit corporation established under the provisions of Section 501(c)(6) of the Internal Revenue Code, to develop and recommend a service plan, improvement plan, assessment roll and assessment plan for approval by the City Council in order to promote the efficient management of the District. The Dallas Tourism Public Improvement District Management Corporation shall be the entity responsible for the management of the District

**Section 6.** That City Council hereby approves the Service Plan prepared by the Dallas Tourism Public Improvement District Management Corporation, which is attached hereto and made part hereof and marked **(Exhibit B)** and directs the Dallas Tourism Public Improvement District Management Corporation, to implement it in accordance with the Act. The Service Plan covers a period of five (5) years and defines the annual indebtedness and projected cost for services and improvements. The Dallas Tourism Public Improvement District Management Corporation, is hereby granted the ability to modify or substitute items without City Council approval within the program categories in the Service Plan if such changes serve the common interest of owners in the District and the increase and/or decrease in the amount of a program category does not exceed twenty percent (20%) of the budgeted amount for that category. "Program categories" in the Service Plan includes marketing the District's hotels, and providing related incentives that are authorized by the Act. Program Categories in subsequent years may include other types of services and improvements authorized by the Act subject to the approval of City Council and the hotel property owners.

**Section 7.** That pursuant to the exception granted by Section 252.022(a)(9) of the Texas Local Government Code, the City Manager is hereby authorized and directed, upon approval as to form by the City Attorney, to enter into a contract with the Dallas Tourism Public Improvement District Management Corporation, to manage special supplemental services for increasing hotel activities within the City of Dallas, to be paid from the assessments collected. The contract with the Dallas Tourism Public Improvement District Management Corporation shall be in accordance with the Service Plan and this Resolution and shall provide for compliance by the Dallas Tourism Public Improvement District Management Corporation with the Business Inclusion and Development Plan for participation of minorities and women providing services and improvements to the District.

**Section 8.** 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 it is accordingly so resolved.







**Exhibit C****Tourism Public Improvement District  
2012 Assessment Plan**

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.