

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 authorized creation of the Tourism Public Improvement District (the "District") by Resolution 12-1581 to promote increased hotel activities within the City of Dallas; and

WHEREAS, on September 9, 2015, City Council authorized the method of assessment for 2015 by Ordinance No. 29868; and

WHEREAS, on May 23, 2016, the Dallas Tourism Public Improvement District Corporation, which manages the District and represents Dallas hotels within the District, delivered to the City of Dallas a petition in accordance with Chapter 372 of the Texas Local Government Code (the "Act") to renew the District with boundaries shown on the attached Map (**Exhibit A**). City staff reviewed the petition and determined that property owners of record representing approximately ninety percent (90%) of the appraised value of Dallas hotels with 100 or more rooms ("Qualifying Hotels"), and approximately sixty-four percent (64%) of the land area for Qualifying Hotels executed the petition, meeting the Act's thresholds for calling a public meeting after which the City Council may consider authorizing renewal of the District; and

WHEREAS, pursuant to Section 372.007 of the Act, the City staff, with the assistance of the Dallas Tourism Public Improvement District Corporation verified the petitions, evaluated the Service Plan to determine whether the improvements and services should be made as proposed by the petition, and found the improvements and services to be desirable and feasible; and

WHEREAS, on June 22, 2016, the City Council called for a public hearing to be held on August 10, 2016, to hear comments and concerns regarding the reestablishment of the District and stated its intent at the close of that hearing to consider a Resolution renewing the District by Resolution 16-1062; and

WHEREAS, after providing notices required by Section 372.009 of the Act, the City Council on August 10, 2016, conducted a public hearing on the advisability of the improvements and services, 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 August 10, 2016, hereby finds and declares:

A. Nature of the Services and Improvements. The purpose of the District will continue to be to enhance services, undertake certain improvements, in particular, special supplemental services relating to District marketing, business recruitment, and promotional activities authorized by the Act for improvement and promotion of the District, including the provision of incentives by the Dallas Convention and Visitors Bureau to organizations to encourage them to bring their large and city-wide meetings to Dallas and to fund additional marketing by the Dallas Convention and Visitors Bureau to increase hotel stays within the City. The District will continue to supplement and enhance services within the area of assessment; no more than five percent of district proceeds may be used to fund existing Dallas Convention and Visitor Bureau expenses.

B. Estimated Cost of the Services and Improvements. During the thirteen (13) year period, the annual cost of the improvements and services provided by the existing District is estimated to range from approximately \$16,528,576 to \$29,682,948; however, in no event shall the assessment amount exceed two percent of the price paid to hotels for a room in a hotel. Based on the estimated maximum cost of improvements and services, the thirteen year total assessment collection requested by the District shall not exceed a collective total of \$292,770,388. In the event the District requires additional funds, the District shall re-petition the hotel owners for such an increase. The District shall not incur bonded indebtedness. At no time shall the total amount levied exceed the total amount shown in the approved petition budget for the services and improvements to be provided for the year in which the hotel is assessed except as provided in the petition and subject to the collective total for the 13 year period.

The service plan budget and assessment amount are subject to annual review by the tourism public improvement district board, and are subject to an annual public hearing and approval by the City Council.

The District shall not incur bonded indebtedness. The service plan budget and assessment rate are subject to annual review, a public hearing and approval by the City Council.

C. Boundaries. The District is located wholly within the City of Dallas, Texas. The boundaries of the District are shown on the attached map marked Exhibit "A" and shall solely include non-contiguous hotel properties with 100 or more rooms within the City of Dallas as shown on the attached list marked Exhibit "A-1".

Section 1. (Continued)

- D. Method of Assessment.** The District assessment will be levied on hotels with 100 or more rooms (“qualifying hotels”) located within the District. 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 qualifying on hotels that are similarly benefitted. Under the Act, the apportionment of the cost of the services against property in the District territory must be made on the basis of special benefits accruing to the property because of the services and improvements provided. 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 District territory until the budget for services and improvements for the year is reached. Accordingly, those qualifying hotels that sell more rooms will pay a greater portion of the assessment since those properties benefit more from the promotion and marketing services provided by the District. Rooms that are not subject to the City’s hotel occupancy tax shall not be included for the District assessment. The total assessment must be reviewed and approved annually by the Dallas City Council. The future cost of services and improvements that are budgeted in the 2016-17 Service Plan may be increased in amounts indicated in subsequent Service Plans, beyond the amount shown subject to an enhancement in value of property in the District and a corresponding increase in the services and improvements to be provided, and subject to the limitations on the assessment per occupied room and the aggregate amount approved in the petition. Each year’s assessment must be reviewed and approved annually by the Dallas City Council following a public hearing. The total assessment amount for the year may be less than the amount budgeted for the year, but it shall not be more than the amount budgeted for the year as shown in the adopted service plan. Each year’s assessment must be reviewed and approved annually by the Dallas City Council following a public hearing. The total assessment amount for the year may be less than the amount budgeted for the year, but it shall not be more than the amount budgeted for the year as shown in the adopted service plan. No over-collection is anticipated, however if the District assessment collection is greater than the approved amount for any year, the managing entity shall: return the funds to the property owners, reduce the amount of the assessment in the following year to absorb the over-collection, or submit a revised petition to obtain consent of the property owners for an increased collection.
- E. Apportionment of costs between the District and the Municipality as a Whole.** The District shall continue to pay the cost of the supplemental services described in the Service Plan by assessment against the hotels with 100 or more rooms within the District, including City-owned qualifying hotels located within the District territory, such as the Omni Hotel.

Section 1. (Continued)

- F. District Management.** The District shall be managed through a private nonprofit corporation created under the provisions of section 501(c)(6) of the Internal Revenue Code, the Dallas Tourism Public Improvement District Corporation. The Dallas City Council will review and approve annually the District's Service Plan and Assessment Plan, determine and levy assessments, and conduct other functions as required by the Act. The Dallas Tourism Public Improvement District Corporation will continue to manage the District pursuant to a contract with the City. The Dallas Tourism Public Improvement District Corporation shall have the authority to make minor adjustments of up to ten percent of the funds within approved budget categories of the adopted service plan.
- G. Advisory Body.** The District shall continue to be managed through a contract between the City and the Dallas Tourism Public Improvement District Corporation, an advisory body established to develop and recommend an improvement plan to the governing body of the municipality.
- H. District Dissolution.** The District shall automatically dissolve on September 30, 2029 unless it is renewed or dissolved through the petition and approval process as provided by the Act. (Additionally, a public hearing may be called for the purpose of dissolving the District if a petition requesting dissolution is filed with the Dallas City Secretary and the petition contains the signatures for at least enough Dallas hotels with 100 or more rooms to make the petition sufficient for the creation of a public improvement district as provided in Section 372.005(b) of the "Act." If the District is dissolved, the District nonetheless shall remain liable for the payment of any indebtedness for the District).

The term of the District upon renewal is thirteen years (October 2016 to September 2029). Pending approval, actual operations in the District will commence from October 1, 2016.

Section 2. That the facts and recitals contained in the preamble of this resolution are found and declared to be true and correct.

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 October 1, 2016. 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 authorization for 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 this notice. The District shall automatically dissolve on September 30, 2029, 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 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 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 Corporation, which is attached hereto and made part hereof and marked **(Exhibit B)** and directs the Dallas Tourism Public Improvement District Corporation, to implement it in accordance with the Act. The Service Plan covers a period of thirteen (13) years and defines the annual indebtedness and projected cost for services and improvements. The City Council may approve a Service Plan that increases and/or decreases the amount within 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 ten percent (10%) of the budgeted amount for that category. "Program categories" in the Service Plan include 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 Corporation, to manage special supplemental services for increasing hotel activities within the City of Dallas, to be paid from the assessments collected.

Section 7. (Continued)

The contract with the Dallas Tourism Public Improvement District Corporation shall be in accordance with the Service Plan and this Resolution and shall provide for compliance by the Dallas Tourism Public Improvement District Corporation with the Business Inclusion and Development Plan for participation of minorities and women providing services and improvements to the District.

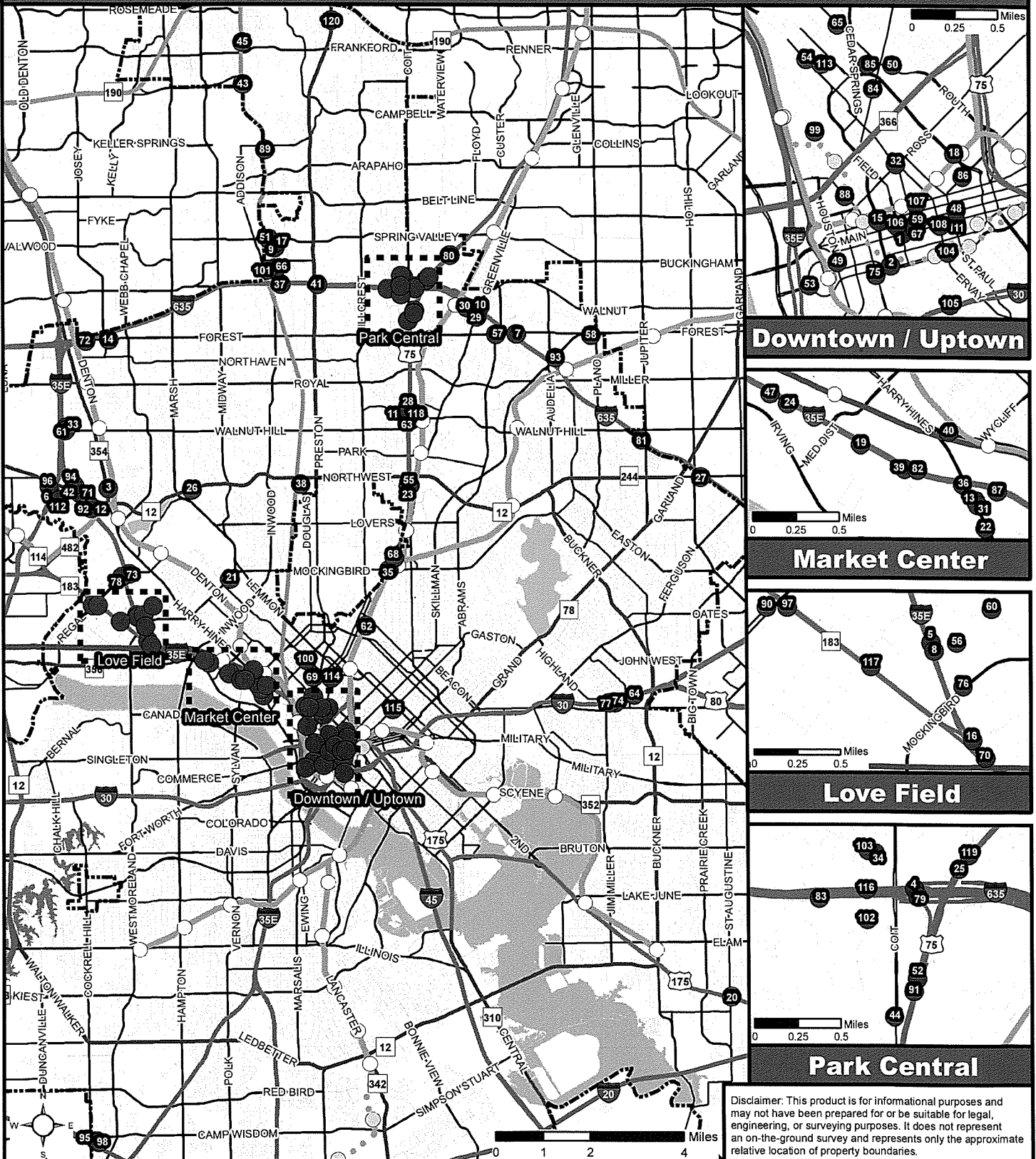
Section 8. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and is accordingly so resolved.

APPROVED BY
CITY COUNCIL

AUG 10 2016

Anna C. Pineda
City Secretary

Tourism PID Hotels



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Legend

● Tourism PID Hotel	— DART Light Rail	— Tollway	■ Escarpment
○ Rail Station	— Commuter Rail	— Highway	■ Flood Plain
○ Future Station	••••• Future DART Light Rail	— Arterial	■ Lake
	— Freeway	— Local Road	⊠ City of Dallas

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

Exhibit A-1

Hotels Properties that Comprise the Tourism PID

Hotel Name	Street Address	Rooms
Hyatt Regency Dallas	300 Reunion Boulevard	1,120
La Quinta Inn & Suites Dallas Downtown	302 South Houston Street	120
Rosewood Crescent	400 Crescent Court	220
Sheraton Dallas Hotel	400 North Olive Street	1,840
TownePlace Suites Dallas Downtown	500 South Ervay Street	132
Omni Dallas Hotel	555 South Lamar Street	1,001
Dallas Marriott City Center	650 North Pearl Street	416
Lorenzo Hotel	1011 South Akard Street	237
Crowne Plaza Dallas Downtown	1015 Elm Street	293
Homewood Suites by Hilton Dallas Downtown	1025 Elm Street	130
Aloft Dallas Downtown	1033 Young Street	193
Sterling Hotel Dallas	1055 Regal Row	360
Westin Dallas	1201 Main Street	323
Love Field Hotel and Suites	1241 West Mockingbird Lane	348
Adolphus Hotel	1321 Commerce Street	422
Magnolia Hotel Dallas Downtown	1401 Commerce Street	329
The Joule	1530 Main Street	160
Knights Inn Market Center	1550 Empire Central	111
Ramada Dallas Love Field	1575 Regal Row	201
Hilton Garden Inn Downtown	1600 Pacific Avenue	171
Motel 6 Dallas - Market Center	1625 Regal Row	130
Hampton Inn & Suites Downtown	1700 Commerce Street	176
AC Hotels by Marriott Dallas Downtown	1712 Commerce Street	120
Residence Inn Dallas Downtown	1712 Commerce Street	121
Fairmont Dallas	1717 North Akard Street	545
Springhill Suites Dallas Downtown/West End	1907 North Lamar Street	148
Curio Collection Statler Hotel & Residences	1914 Commerce Street	161
Hotel Indigo	1933 Main Street	170
DoubleTree by Hilton Hotel Dallas Market Center	2015 Market Center Boulevard	227
Sheraton Suites Market Center Dallas	2101 North Stemmons Freeway	251
Fairfield Inn & Suites Dallas Medical Market Center	2110 Market Center Boulevard	116
The Ritz-Carlton, Dallas	2121 McKinney Avenue	218
Courtyard Dallas Medical/Market Center	2150 Market Center Boulevard	184
Hilton Anatole	2201 North Stemmons Freeway	1,608
Renaissance Dallas Hotel	2222 North Stemmons Freeway	514
Holiday Inn Express & Suites Dallas	2225 Connector Drive	100
Holiday Inn Express & Suites Dallas Stemmons	2287 West Northwest Highway	103
MCM Elegante Dallas	2320 West Northwest Highway	197
Hilton Garden Inn Dallas/Market Center	2325 North Stemmons Freeway	240
Hotel ZaZa Dallas	2332 Leonard Street	167

Exhibit A-1

Hotel Name	Street Address	Rooms
Country Inn & Suites by Carlton Dallas Love Field	2383 Stemmons Trail	110
Studio 6 Dallas Northwest #6035	2395 Stemmons Trail	189
La Quinta Inn & Suites Dallas I35 Walnut Hill Lane	2421 Walnut Hill Lane	121
W Dallas - Victory	2440 Victory Park Lane	252
Dallas Marriott Suites Medical/Market Center	2493 North Stemmons Freeway	265
Motel 6 Dallas - Galleria #4657	2660 Forest Lane	114
Embassy Suites by Hilton Dallas Market Center	2727 North Stemmons Freeway	248
Homewood Suites Dallas Market Center	2747 North Stemmons Freeway	137
Unnamed Hotel @ The Lexi	2815 North Harwood Street	110
Rosewood Mansion on Turtle Creek	2821 Turtle Creek Boulevard	143
Hyatt House Dallas/Uptown	2914 Harry Hines Boulevard	141
Le Meridien Dallas, The Stoneleigh	2927 Maple Avenue	170
Courtyard Dallas Northwest	2930 Forest Lane	146
Warwick Melrose Hotel Dallas	3015 Oak Lawn Avenue	184
Dream Dallas	3207 McKinney Avenue	128
DoubleTree by Hilton Hotel Dallas Love Field	3300 West Mockingbird	244
Embassy Suites by Hilton Dallas Love Field	3880 West Northwest Highway	248
element Dallas East	4005 Gaston Avenue	151
Townhouse Suites	4150 Independence Drive	108
Super 7 Inn Dallas Southwest	4220 Independence Drive	128
La Quinta Inn & Suites Dallas Uptown	4440 North Central Expressway	101
Holiday Inn Dallas Market Center	4500 Harry Hines Boulevard	200
Hyatt Place Dallas North by the Galleria	5229 Spring Valley Road	121
The Highland Dallas	5300 East Mockingbird Lane	198
Hilton Dallas Lincoln Centre	5410 Lyndon B Johnson Freeway	500
Hilton Dallas/Park Cities	5954 Luther Lane	224
Holiday Inn Express & Suites North Dallas at Preston	6055 Lyndon B Johnson Freeway	103
Magnolia Hotel Dallas Park Cities	6070 North Central Expressway	300
Residence Inn Dallas Market Center	6950 North Stemmons Freeway	142
Crowne Plaza Dallas Market Center	7050 North Stemmons Freeway	354
Residence Inn Dallas Park Central	7642 Lyndon B Johnson Freeway	139
Wyndham Dallas Suites Park Central	7800 Alpha Road	295
The Grand Hotel	7815 Lyndon B Johnson Freeway	145
Hawthorn Suites by Wyndham Park Central	7880 Alpha Road	114
Candlewood Suites Dallas Market Center	7930 North Stemmons Freeway	150
Best Western Plus Dallas Hotel & Conference Center	8051 Lyndon B Johnson Freeway	197
Ramada Dallas North	8102 Lyndon B Johnson Freeway	200
Budget Suites of America Empire Central/Dallas	8150 North Stemmons Freeway	408
InTown Suites Dallas/Market Center Extended Stay	8201 Brookriver Drive	135
Hyatt House Dallas/Lincoln Park	8221 North Central Expressway	155

Exhibit A-1

Hotel Name	Street Address	Rooms
DoubleTree by Hilton Hotel Dallas Campbell Centre	8250 North Central Expressway	300
La Quinta Inn & Suites Dallas Love Field	8300 John W Carpenter Freeway	102
Stay Express Inn Dallas Fair Park Downtown	8303 East R L Thornton Freeway	102
Motel 6 Dallas - Fair Park #4616	8510 East R L Thornton Freeway	105
Lamplighter Motel	9001 East R L Thornton Freeway	107
Extended Stay America - Dallas - Vantage Point Dr.	9019 Vantage Point Drive	134
Super 8 Dallas Love Field Market Center	9229 John W Carpenter Freeway	110
InTown Suites Dallas Northeast Extended Stay	9355 Forest Lane	145
Budget Suites of America North Dallas	9519 Forest Lane	348
Super 7 Inn	9626 C F Hawn Freeway	118
Studio 6 Dallas Garland/Northeast #5003	9801 Adleta Court	126
La Quinta Inn & Suites Dallas North Central	10001 North Central Expressway	127
Budget Suites of America Loop 12/Dallas	10222 North Walton Walker Boulevard	282
Anchor Motel	10230 Harry Hines Boulevard	126
Hampton Inn & Suites Dallas	10310 North Central Expressway	124
Courtyard Dallas Central Expressway	10325 North Central Expressway	160
Express Studios	10326 Fennell Street	146
Residence Inn Dallas Central Expressway	10333 North Central Expressway	103
Super 7 Inn Dallas	10335 Gardner Road	100
InTown Suites Garland Extended Stay	10477 Metric Drive	135
Hampton Inn & Suites Dallas North I-35 at Walnut Hill	11069 Composite Drive	113
Regency Hotel	11350 Lyndon B Johnson Freeway	236
Extended Stay America - Dallas - Coit Rd.	12121 Coit Road	133
Extended Stay America - Dallas - Greenville Ave.	12270 Greenville Avenue	116
Studio 6 Dallas Richardson/North #5010	12301 North Central Expressway	133
Hyatt Place Dallas/Park Central	12411 North Central Expressway	126
Candlewood Suites Dallas Park Central	12525 Greenville Avenue	122
Executive Inn	12670 East Northwest Highway	120
The Westin Dallas Park Central	12720 Merit Drive	536
Embassy Suites by Hilton Dallas Park Central	13131 North Central Expressway	279
La Quinta Inn & Suites Dallas North	13175 North Central Expressway	124
The Westin Galleria Dallas	13340 Dallas Parkway	448
Le Meridien Dallas by the Galleria	13402 Noel Road	258
Red Roof Inn - Dallas Richardson	13685 North Central Expressway	121
Candlewood Suites Dallas Galleria	13939 Noel Road	134
Embassy Suites by Hilton Dallas Near the Galleria	14021 Noel Road	150
Staybridge Suites Dallas Addison	16060 Dallas Parkway	129
Crossland Economy Studios - Dallas - North Addison - Tollway	17425 Dallas Parkway	120
Extended Stay America - Dallas - Frankford Road	18470 North Dallas Parkway	118
InTown Suites Dallas North, Plano Extended Stay	19059 Preston Road	121

Exhibit B

Tourism Public Improvement District (PID) Service Plan															
Fiscal Year	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	13-year Total	
Assessment Revenue	\$ 16,528,576	\$ 17,355,005	\$ 18,222,755	\$ 19,133,893	\$ 20,090,588	\$ 21,095,117	\$ 22,149,873	\$ 23,257,367	\$ 24,420,235	\$ 25,641,247	\$ 26,923,309	\$ 28,269,474	\$ 29,682,948	\$ 292,770,388	
Categories	%														
Incentives & Sales Efforts	42.5%	\$ 7,024,645	\$ 7,375,877	\$ 7,744,671	\$ 8,131,905	\$ 8,538,500	\$ 8,965,425	\$ 9,413,696	\$ 9,884,381	\$ 10,378,600	\$ 10,897,530	\$ 11,442,406	\$ 12,014,527	\$ 12,615,253	\$ 124,427,415
Marketing (Promotion/Advertising)	35.0%	\$ 5,785,002	\$ 6,074,252	\$ 6,377,964	\$ 6,696,863	\$ 7,031,706	\$ 7,383,291	\$ 7,752,456	\$ 8,140,078	\$ 8,547,082	\$ 8,974,436	\$ 9,423,158	\$ 9,894,316	\$ 10,389,032	\$ 102,469,636
Site Visits & Familiarization Tours	10.0%	\$ 1,652,858	\$ 1,735,501	\$ 1,822,276	\$ 1,913,389	\$ 2,009,059	\$ 2,109,512	\$ 2,214,987	\$ 2,325,737	\$ 2,442,023	\$ 2,564,125	\$ 2,692,331	\$ 2,826,947	\$ 2,968,295	\$ 29,277,039
Event Funding Application Pool	7.5%	\$ 1,239,643	\$ 1,301,625	\$ 1,366,707	\$ 1,435,042	\$ 1,506,794	\$ 1,582,134	\$ 1,661,240	\$ 1,744,302	\$ 1,831,518	\$ 1,923,094	\$ 2,019,248	\$ 2,120,211	\$ 2,226,221	\$ 21,957,779
Operations/Research/Administration	5.0%	\$ 826,429	\$ 867,750	\$ 911,138	\$ 956,695	\$ 1,004,529	\$ 1,054,756	\$ 1,107,494	\$ 1,162,868	\$ 1,221,012	\$ 1,282,062	\$ 1,346,165	\$ 1,413,474	\$ 1,484,147	\$ 14,638,519
Total Expenses	100.0%	\$ 16,528,576	\$ 17,355,005	\$ 18,222,755	\$ 19,133,893	\$ 20,090,588	\$ 21,095,117	\$ 22,149,873	\$ 23,257,367	\$ 24,420,235	\$ 25,641,247	\$ 26,923,309	\$ 28,269,474	\$ 29,682,948	\$ 292,770,388

Note: Expenditures are limited to actual collections, which can not exceed the 2% fee on each occupied room as defined in the petition.