

ORDINANCE NO. _____

An ordinance designating a certain geographic area in the City of Dallas as “Project Financing Zone Number One, City of Dallas, Texas” (“Zone”) and providing an expiration date for the Zone; making certain findings related thereto; directing that the Texas Comptroller of Public Accounts be notified of the Zone’s creation within thirty (30) days of its designation; requesting that the Texas Comptroller of Public Accounts deposit incremental hotel-associated tax revenues from the Zone into a suspense account held in trust for the City’s financing of qualified project activities; providing for notification to the Texas Comptroller of Public Accounts in the event that qualified project activities are abandoned or not commenced within five years of the initial deposit to the suspense account; and containing other related matters; providing a saving clause; providing a severability clause; and providing an effective date.

WHEREAS, the City of Dallas (the “City”) had a population of 1,304,379 persons according to the 2020 Census; and

WHEREAS, Section 351.106(c) of the Texas Tax Code applies to any municipality which (i) has a population of 1.18 million or more, (ii) is located predominately in a county that has a total area of less than 1,000 square miles, and (iii) has adopted a council-manager form of government; and

WHEREAS, the City of Dallas meets the population requirement and is the only such municipality in Texas that is located within a county of less than 1,000 square miles and has a city-manager form of government; and

WHEREAS, the applicability of Section 351.106(c) entitles the City of Dallas “to receive in the same manner all funds and revenue that a municipality to which Section 351.1015 applies”

and “may pledge the funds and revenue for the payment of obligations incurred for the construction of qualified projects authorized under that section”; and

WHEREAS, Section 351.1015 of the Texas Tax Code permits a qualifying municipality to pledge incremental hotel-associated revenue generated within a designated Project Financing Zone for the financing of costs associated with the payment of bonds or other obligations issued or incurred to acquire, lease, construct, improve, enlarge, and equip a qualified project located in the zone; and

WHEREAS, as authorized by Section 351.1015 of the Texas Tax Code, the Kay Bailey Hutchison Convention Center Dallas, located at 650 South Griffin, Dallas, Texas 75202, is a “qualified project” under Section 351.1015(a)(5) of the Texas Tax Code (the “Qualified Project”);

WHEREAS, as authorized by Section 351.1015 of the Texas Tax Code, the City of Dallas, Dallas City Council wishes to designate an area of the City that is within a three-mile radius of the center of the Qualified Project as a project financing zone in order to assist in the financing of costs associated with the payment of bonds or other obligations issued or incurred to acquire, lease, construct, improve, enlarge, and equip the Qualified Project;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS, TEXAS:

SECTION 1. That the City Council hereby designates the area depicted in the map attached hereto as Exhibit A, which is hereby made a part of this Ordinance for all purposes, as a project financing zone pursuant to and in accordance with Section 351.1015 of the Texas Tax Code. This project financing zone shall be known as “Project Financing Zone Number One, City of Dallas, Texas” (the “Zone”). The Zone shall expire on the thirtieth (30th) anniversary of the effective date of this Ordinance or, so long as there are no outstanding Qualified Project Activities existing at

the time, an earlier expiration date designated by an ordinance adopted by the City Council after the effective date of this Ordinance.

SECTION 2. That after reviewing all information before it regarding the establishment of the Zone, the City Council hereby makes the following determinations and findings of fact:

- 2.1. The statements and facts set forth in the recitals of this Ordinance are true and correct.
- 2.2. The Qualified Project constitutes a “qualified project,” as such term is defined in Section 351.1015(a)(5) of the Texas Tax Code.
- 2.3. The latitude and longitude of the center of the Qualified Project is as follows:

Kay Bailey Hutchison Convention Center Dallas, 650 South Griffin Street:
Latitude: 32 46’ 29.15 N; Longitude -96° 47’ 54.56 W
- 2.4. The boundaries of the Zone encompass an area that is within a three-mile radius of the center of the Qualified Project.

SECTION 3. That the City Council hereby directs the City Manager to notify the Texas Comptroller of Public Accounts (the “Comptroller”) of the designation of the Zone within thirty (30) calendar days of the date of adoption of this Ordinance and to request the Comptroller (i) to deposit incremental hotel-associated revenue collected by the Comptroller into a suspense account (the “Suspense Account”) pursuant to the terms and conditions of Section 351.1015 of the Texas Tax Code and (ii) to notify the City in writing of the date of the first deposit into the Suspense Account. In addition, the City Manager is hereby directed to notify the Comptroller in the event that Qualified Project Activities are abandoned or if Qualified Project Activities are not commenced within five (5) years of the date of the Comptroller’s first deposit to the Suspense Account.

SECTION 4. That the ordinances of the City of Dallas shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 5. That any act done or right vested or accrued, or any proceeding, suit, or prosecution had or commenced in any action before the amendment or repeal of any ordinance, or part thereof, shall not be affected or impaired by amendment or repeal of any ordinance, or part thereof, and shall be treated as still remaining in full force and effect for all intents and purposes as if the amended or repealed ordinance, or part thereof, had remained in force.

SECTION 6. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 7. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

CHRISTOPHER J. CASO, City Attorney

By: _____
Assistant City Attorney

Passed: _____