



## Legislation Text

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File #: 22-1605, Version: 1

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**STRATEGIC PRIORITY:** Government Performance & Financial Management  
**AGENDA DATE:** August 10, 2022  
**COUNCIL DISTRICT(S):** N/A  
**DEPARTMENT:** City Secretary's Office  
**EXECUTIVE:** Bilierae Johnson

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### **SUBJECT**

An ordinance **(1)** ordering a special election to be held in the city of Dallas (the City) on November 8, 2022, on the question of approving and implementing a resolution designating the expansion of the Kay Bailey Hutchison Convention Center Dallas and certain improvements at Fair Park within the City as venue projects and designating the method of financing pursuant to Chapter 334, Texas Local Government Code; **(2)** making provisions for the conduct of the election; and **(3)** providing an effective date - Financing: No cost consideration to the City

### **BACKGROUND**

To ensure that Dallas continues to be competitive economically in multiple sectors, including the tourism and hospitality space, and to keep pace with the downtown growth of other large comparable cities, the City began developing the Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Master Plan. The KBHCCD Master Plan is in the fifteenth month of the master planning process, which aims to transform the KBHCCD into the top convention center with an integrated transportation hub, and to improve land use in the downtown district.

On February 9, 2022, City Council authorized the recommended 3C West of Lamar alternative as the preferred alternative to implement the KBHCCD expansion and authorized the city manager to take necessary steps to implement the 3C West of Lamar alternative by Resolution No. 22-0334. Resolution No. 22-0660, adopted by City Council on April 27, 2022, designated qualifying venue projects and approved a financing method.

During its regular session, the 87th Texas Legislature (Legislature) enacted Senate Bill 2181 (SB 2181), which added Section 334.2518 to Chapter 334 of the Texas Local Government Code, as amended (Chapter 334). Section 334.2518 authorizes the City to use revenue generated from an additional 2% hotel occupancy tax under Chapter 334 (2% HOT) as a finance method for certain Fair Park facility improvements. The City intends to use Section 334.2518 as a finance method for: (i) the KBHCCD Expansion Venue Project; and (ii) the Fair Park Facilities Venue Project, which includes the acquisition, construction, and improvement of the Automobile Building, the Centennial Building, the Band Shell, the Music Hall, the Cotton Bowl, the Coliseum, and related infrastructure. The additional 2% HOT can only be used for these venue projects if approved by qualified City voters.

The attached proposed ordinance orders a special election on November 8, 2022, for the purpose of submitting to the qualified voters of the City on the question of approving and implementing a resolution designating the expansion of the KBHCCD and certain improvements at Fair Park as venue projects and designating the 2% HOT increase as the method of financing pursuant to Chapter 334; and makes provisions to conduct the election pursuant to applicable law. The exhibits to the ordinance specify: (i) the election day polling locations designated by Dallas County, Denton County, and Collin County or their respective election officers (**Exhibit A**); and (ii) early voting places, the early voting times, and the addresses for early voting by mail for the special election (**Exhibit B**).

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On February 9, 2022, City Council authorized: (i) adoption of the 3C West of Lamar alternative as the preferred alternative to implement the KBHCCD Master Plan - Phase 1; and (ii) the city manager to take the necessary steps to implement the 3C West of Lamar alternative by Resolution No. 22-0334.

On April 7, 2022, the Park and Recreation Board unanimously voted to designate the following Fair Park sites as the Fair Park Facilities Venue Projects: the Automobile Building, the Centennial Building, the Band Shell, the Music Hall, the Cotton Bowl and the Coliseum, and related infrastructure.

On April 27, 2022, City Council authorized: (i) designating the following as venue projects: an expansion of the KBHCCD, a convention center facility, and related infrastructure (collectively, the Convention Center Expansion Venue Project); and the acquisition, construction, and improvement of certain Fair Park facilities and related infrastructure (collectively, the Fair Park Facilities Venue Project, and, together with the Convention Center Expansion Venue Project, the Venue Projects); (ii) designating the imposition of a new hotel occupancy tax increase at the rate of two percent as a method of financing the Venue Projects; (iii) directing the city manager to send the resolution to the Texas Comptroller for a determination on whether the implementation of the resolution will have a significant negative fiscal impact on state revenue; (iv) directing the city manager to place an ordinance on the city council's agenda calling an election on the question of approving and implementing the resolution upon the first of the following to occur: (a) receiving notice from the Texas Comptroller that implementation of the resolution will not have a significant negative fiscal impact on state revenue; or (b) the expiration of 30 days from the date the Comptroller receives a copy of the resolution if the notice is not provided; and (v) authorizing the city council, if the method of financing is approved at the election, to establish the Convention Center Expansion and Fair Park Facilities Venue Projects Funds by Resolution No. 22-0660.

### **FISCAL INFORMATION**

No cost consideration to the City.