

WHEREAS, the construction and operation of a convention center hotel would result in approximately \$2.5 billion in economic activity within the City over a 30 year period; and

WHEREAS, On August 20, 2008, by Resolution No. 08-2197, the City Council authorized the execution of a Memorandum of Understanding with Matthews Holdings Southwest, Inc.; and

WHEREAS, on August 20, 2008, by Resolution No. 08-2198, the City Council authorized creation of the Dallas Convention Center Hotel Development Corporation; and

WHEREAS, on September 10, 2008, the City Council authorized \$400,000 for geotechnical and environmental studies of the Chavez Site in accordance with the terms of the memorandum of understanding with Matthews Holdings Southwest, Inc.; and

WHEREAS, there are unspent funds from the geotechnical and environment studies in the amount of \$309,187; and

WHEREAS, on May 9, 2009, the citizens of the City of Dallas authorized the city Council to move forward with the Convention Center Hotel Project.

NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Controller is hereby authorized to transfer an amount not to exceed \$309,187 from the Convention Center Capital Construction Fund 0082, Balance Sheet Account 0271 to the Dallas Convention Center Hotel Development Corp. (LGC) Fund 0985, Balance Sheet Account 0429. Said amount is for the economic development grant to the (LGC), for payment of specified legal and consultant fees-pre-development costs in connection with the Hotel Project. ~~accordance with the terms of the Parameters Ordinance.~~

SECTION 2. That the City Manager is hereby authorized to ~~an~~ increase in appropriations in an amount not to exceed \$309,187 in the Convention Center Hotel Development Corp. (LGC) Fund 0985.

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June 19, 2009

SECTION 3. That the City Controller is further authorized to disburse up to \$309,187 from the Convention Center Hotel Development Corp. (LGC) Fund 0985, Department CCT, Unit 3042, Object Code 4114, Activity CCIM, and Program CCT P431 for payment of ~~costs for legal and consultant fees~~ pre-development costs in connection with the Hotel Project related to preparing documents for the Parameters Ordinance.

SECTION 4. That the City Controller is hereby authorized to disburse funds in accordance with the terms and conditions of this resolution ~~and the Parameters Ordinance.~~

SECTION 5. 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.

APPROVED BY
CITY COUNCIL

JUN 19 2009

Dorothy W. Williams
City Secretary

AGENDA ITEM # 19

KEY FOCUS AREA: Economic Vibrancy
AGENDA DATE: June 19, 2009
COUNCIL DISTRICT(S): 2
DEPARTMENT: Convention and Event Services
CMO: A. C. Gonzalez, 671-8925
MAPSCO: N/A

SUBJECT

Authorize **(1)** an economic development grant in the amount of \$309,187 to the Dallas Convention Center Hotel Development Corporation for payment of pre-development costs in connection with the Hotel Project ~~accordance with the terms of the Parameters Ordinance~~ (to be reimbursed from the sale of Hotel Revenue Bonds); and **(2)** the establishment of appropriations in the amount of \$309,187 in the Convention Center Hotel Development Corporation (LGC) Fund - Total not to exceed \$309,187 - Financing: Convention and Event Services Capital Construction Funds (to be reimbursed from the future sale of Hotel Revenue Bonds)

BACKGROUND

In anticipation of the Pre-Development Agreement the City has taken steps to create the Local Government Corporation (LGC) pursuant to the requirements of Subchapter D of Texas Transportation Code Chapter 431, to assist and act on behalf of the city in connection with design, financing, construction and ownership of the Hotel and to provide a mechanism for financing the Hotel costs and to facilitate the development of the Hotel Project.

On September 10, 2008, the City Council, pursuant to Resolution No. 08-2488, authorized \$400,000 for geotechnical and environmental studies of the Chavez Site. Currently, there are unspent funds from the appropriation for geotechnical and environmental studies that are needed for other pre-development costs in connection with the Hotel Project.

This resolution ~~also~~ authorizes the transfer of \$309,187 of unspent funds to the LGC expenditure of up to \$309,187 for payment of legal and consultant fees and other pre-development costs in connection with the Hotel Project.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 20, 2008, by Resolution No. 08-2197, the City Council authorized the City Manager to execute a memorandum of Understanding with Matthews Southwest to accomplish the next steps in development of a convention center hotel adjacent to the Dallas Convention Center on the site commonly known as the Chavez site.

On August 20, 2008, by Resolution No. 08-2198, the City Council authorized the creation of a Local Government Corporation to be named the Dallas Convention Center Hotel Development Corporation for the purpose of aiding, assisting, and acting on behalf of the City in the performance of its governmental functions to promote the development of the geographic area of the City included or in the vicinity of the Dallas Convention Center in furtherance of the promotion, development, encouragement, and maintenance of employment, commerce, convention and meeting activity, tourism, and economic development in the City, and more specifically for financing the Dallas Convention Center Headquarters Hotel.

FISCAL INFORMATION

Convention and Event Services Capital Construction Funds - \$309,187 (to be reimbursed from the future sale of Hotel Revenue Bonds).