

Memorandum



CITY OF DALLAS

DATE December 2, 2022

TO Honorable Mayor and Members of the City Council

SUBJECT **Kay Bailey Hutchison Convention Center Dallas Master Plan – Next Steps**

On Monday, November 21, 2022, the City Council held a Special Called Meeting to receive, approve, and adopt the report of the Ad Hoc City Council Canvassing Committee (AHCCCC) declaring that a majority of the votes cast at a duly ordered special election held on November 8, 2022 were in favor of Proposition A, on the question of approving and implementing a proposition: (1) designating the expansion of the Kay Bailey Hutchison Convention Center Dallas (KBHCCD) and certain improvements at Fair Park within the City of Dallas as venue projects; and, (2) designating the method of financing as a new hotel occupancy tax at the rate of two percent pursuant to Chapter 334.042, Texas Local Government Code (Proposition A). The signed resolution and order (CR 22-1720) were provided to the City Council following the AHCCCC meeting adjournment.

With the passage of Proposition A, City Council approval, and adoption of the canvassing committee report, the next steps will be for city staff to provide: (1) an amendment to Dallas City Code Chapter 44 authorizing the levying and collecting of the additional two percent Hotel Occupancy Tax (HOT); and (2) a resolution establishing a venue fund in accordance with state law, to segregate the additional 2% of HOT collections to disburse for debt service and construction costs related to the KBHCCD expansion and Fair Park improvements. Both the ordinance amendment and resolution are scheduled for City Council consideration on December 14, 2022.

In the interim, Convention and Event Services (CES) and the City Controller's Office (CCO) are preparing advance notification and reminder information through GovOS, Inc. for hoteliers, moteliers, and short-term rental owners regarding the timeframe and process for assessment of the tax. Following City Council consideration and approval of the Chapter 44 amendments, staff will provide more formal notification.

Additionally, CES, CCO, the City Attorney's Office, Dallas Park and Recreation and Jack Ireland, Chief Financial Officer, will continue to work on other items that will be presented to City Council for consideration to further implement Proposition A, including: (1) drafting a resolution authorizing reimbursement from bond proceeds for expenditures related to the venue projects; and, (2) drafting an ordinance authorizing the issuance and sale of revenue bonds for the KBHCCD expansion and Fair Park improvements.

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Should you have any questions, please contact Rosa Fleming, Director, Convention and Event Services, at 214-939-2755 or by email at rosa.fleming@dallas.gov.



Majed A. Al-Ghafry, P.E.
Assistant City Manager

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager

M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Dr. Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Jack Ireland, Chief Financial Officer
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors