

**ORDINANCE NO.** \_\_\_\_\_

**AN ORDINANCE LEVYING SPECIAL ASSESSMENTS FOR THE COSTS OF CERTAIN IMPROVEMENTS AND SERVICES BENEFITTING PROPERTIES IN PUBLIC IMPROVEMENT DISTRICT 18 – TOURISM DURING FISCAL YEAR 2019-2020; SETTING CHARGES AND LIENS AGAINST PROPERTY IN THE DISTRICT AND AGAINST THE OWNERS THEREOF; PROVIDING FOR THE COLLECTION OF THE SPECIAL ASSESSMENTS; PROVIDING FOR DUE DATES, PENALTIES, AND INTEREST; PROVIDING FOR RELIANCE ON ORDINANCE AND RECITALS IN EVENT OF A SUIT; PROVIDING A SEVERABILITY CLAUSE; PROVIDING THAT ORDINANCE IS CUMULATIVE OF ALL NON-CONFLICTING PRIOR ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, Chapter 372 of the Texas Local Government Code authorizes the creation of a public improvement district consisting of non-contiguous territory in which is located hotels meeting certain criteria, with owners/operators of such hotel properties being subject to assessment to pay for the services and benefits provided by the district; and

**WHEREAS**, on August 29, 2017, the City Council adopted Resolution No. 4837-08-2017, establishing Public Improvement District No. 18 - Tourism (the “**PID**”) in accordance with Section 372.0035 and other applicable sections of Chapter 372, Texas Local Government Code; and

**WHEREAS**, under Section 372.013, Texas Local Government Code, the City Council annually must review and approve the annual budget for special, supplemental services to be provided in the PID (the “**Services**”) and to determine the amount of assessment that is to be levied against property in the PID in order to pay for the costs of such services; and

**WHEREAS**, the Services to be provided in Fiscal Year 2019-2020 and their estimated costs are as follows:

Incentives and Sales Efforts	\$2,167,873.00
Marketing and Research	\$1,785,307.00
Customer Engagement and Market Strategy	\$ 510,088.00
Cultural Enhancements through Marketing and Promotion of the Arts	\$ 382,566.00
Operations and Administration	\$ 255,044.00
City Administrative Fee	\$ 55,000.00
Total Budget Expenses	\$5,155,878.00
Estimated Operating Reserve	\$0
<b>Total Expenses</b>	<b>\$5,155,878.00</b>

The total budgeted cost of the Services is \$5,155,878.00, the entirety of which will be funded

by special assessments on the owners/operators of PID hotels with 100 or more rooms, with such assessments being in an amount equal to two percent of revenues that the hotels receive from taxable hotel room night charges and with the names of such hotels being listed in **Exhibit “A,”** which is attached hereto and hereby made a part of this Ordinance for all purposes (such properties hereinafter being referred to as **“Hotel Parcels”** and the hotels located thereon being referred to as **“Qualifying Hotels”**); and

**WHEREAS,** the Texas Comptroller of Public Accounts has indicated that owners/operators may seek reimbursement in an amount equal to the special assessment from hotel guests, with such reimbursement being a mandatory charge that is subject to state and local hotel tax (Texas Comptroller Opinion Letter 201111277L, November 8, 2011); and

**WHEREAS,** it is proposed that the owners/operators of the Hotel Parcels located in the PID be assessed at a rate of two percent (2%) of the consideration received from occupancy of any sleeping room furnished by Qualifying Hotels, which assessments shall be collected in the same manner and in accordance with the same procedures as those established for collection of the City’s hotel occupancy tax, as set forth in Chapter 32, Article II of the City Code; and

**WHEREAS,** the Services and proposed assessments were previously presented in public hearings conducted by the City Council beginning at 7:00 p.m. on both September 10, 2019 (M&C 13FMS PID 18FY20 BENEFIT) and September 17, 2019 in the City Council Chambers in City Hall in the City of Fort Worth, Texas (the **“Public Hearings”**); and

**WHEREAS,** notice of Public Hearings was published and mailed in accordance with state law, and all persons desiring to be heard were given a full and fair opportunity to be heard at the Public Hearing.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS:**

**SECTION 1.**

The Public Hearings are hereby closed, and any and all protests and objections, whether herein enumerated or not, are hereby overruled.

**SECTION 2.**

The City Council, from all evidence before it, including all information provided to it and considered in the Public Hearings, finds that the assessments described herein on Hotel Parcels should be made and levied in a manner that results in imposing the costs of the Services on Qualifying Hotels that are similarly benefitted from the provision of those Services. The apportionment of those costs will be based on the special benefits accruing to the Qualifying Hotels on account of the Services provided. As a result, those Qualifying Hotels that sell more guest rooms will pay a greater portion of the costs of the Services because those properties will have received a greater benefit from the promotions and marketing comprising the Services. The City Council further finds that this method of

assessment is fair and equitable and results in an apportionment of the costs of the Services that complies with applicable law.

### **SECTION 3.**

In accordance with Section 372.017, Texas Local Government Code, in order to pay the costs of the Services provided during Fiscal Year 2019-2020, effective October 1, 2019 the City hereby levies a special assessment against owners/operators of the Hotel Parcels in an amount equal to two percent (2%) of the consideration received from the occupancy of any sleeping room furnished by Qualifying Hotels, which assessments shall be collected in the same manner and in accordance with the same procedures as those established for collection of the City's hotel occupancy tax, as set forth in Chapter 32, Article II of the City Code.

### **SECTION 4.**

The assessments levied hereunder, together with reasonable attorney's fees and cost of collection, if incurred, are hereby declared to be and are made a lien upon the Hotel Parcels and Qualifying Hotels, and are a personal liability and charge against the real and true owners of such properties, whether such owners are correctly named herein or not. Such liens shall be and constitute the first enforceable lien and claim against the Hotel Parcels and Qualifying Hotels, superior to all other liens and claims, except state, county, school district and city ad valorem taxes. A copy of this Ordinance may be filed with the County Clerk of each county in which a Hotel Parcel and Qualifying Hotel are located, and when so filed shall constitute complete and adequate legal notice to the public concerning the liens hereby assessed against the respective parcels of property and the owners thereof.

The sums assessed against the Hotel Parcels shall be and become due at the same time that hotel occupancy taxes on the Qualifying Hotels located thereon become due, and shall become delinquent if not paid by the applicable deadlines for hotel taxes remittance established by Chapter 32, Article II of the City Code. The entire amount assessed against each Hotel Parcel shall bear penalty and interest, from and after the respective due date at the same rate as prescribed Chapter 32, Article II of the City Code, for hotel tax.

### **SECTION 5.**

If default shall be made in the payment of any assessments, collection thereof shall be enforced by suit in any court of competent jurisdiction, and said City shall exercise all of its lawful powers to aid in the enforcement and collection of said assessments.

### **SECTION 6.**

The total amount assessed against the respective parcels of property and the owners thereof is in accordance with the proceedings of the City hereto and is permitted by applicable law.

**SECTION 7.**

Full power to make and levy reassessments and to correct mistakes, errors, invalidities, or irregularities in the assessments are, in accordance with the law in force in this City, vested in the City.

**SECTION 8.**

In any suit upon any assessment or reassessment, it shall be sufficient to allege the substance of the provision recited in this Ordinance and that the Recitals hereto are in fact true, and further allegations with reference to the proceedings relating to such assessment and reassessment shall not be necessary.

**SECTION 9.**

Should any portion, section, or part of a section of this Ordinance be declared invalid, inoperative or void for any reason by a court of competent jurisdiction, such decision, opinion, or judgment shall in no way impair the remaining portions, sections, or parts of sections of this Ordinance, which shall remain in full force and effect.

**SECTION 10.**

This Ordinance shall be cumulative of all other ordinances and appropriations amending the same except in those instances where the provisions of this Ordinance are in direct conflict with such other ordinances and appropriations, in which instance said conflicting provisions of said prior ordinances and appropriations are hereby expressly repealed.

**SECTION 11.**

This Ordinance shall take effect and be in full force and effect from and after the date of its passage.

**AND IT IS SO ORDAINED.**

**APPROVED AS TO FORM AND LEGALITY:**

**ATTEST:**

\_\_\_\_\_  
Tyler F. Wallach, Assistant City Attorney

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Mary J. Kayser, City Secretary

M&C: \_\_\_\_\_

Adopted: September 17, 2019

**EXHIBIT "A"**

**QUALIFYING HOTELS IN THE TOURISM PID**

<b>Account Name</b>	<b>Address</b>	<b>City, State, Zip</b>	<b>RMS</b>
Aloft Downtown Fort Worth	300 W. 3rd St.	Fort Worth, TX 76102	180
American Airlines Training and Conference Center	4200 American Blvd 76155	Fort Worth, TX 76155	299
Autograph Collection Downtown Fort Worth	512 Main St.	Fort Worth, TX 76102	165
Budget Suites of America - Fossil Creek	3500 NE Loop 820	Fort Worth, TX 76137	366
Candlewood Suites - DFW South	4200 Reggis Drive	Fort Worth, TX 76155	174
Courtyard by Marriott - Alliance	3001 Amador Dr.	Fort Worth, TX 76177	127
Courtyard by Marriott - Blackstone	601 Main Street	Fort Worth, TX 76102	203
Courtyard by Marriott - Fossil Creek	3751 NE Loop 820	Fort Worth, TX 76137	154
Courtyard by Marriott - Stockyards	2537 Main St.	Fort Worth, TX 76164	124
Courtyard by Marriott - University Drive	3150 Riverfront	Fort Worth, TX 76107	130
Courtyard by Marriott - West at Cityview	6400 Overton Ridge Boulevard	Fort Worth, TX 76132	104
Crossland Economy Studios - Fossil Creek	3804 Tanacross	Fort Worth, TX 76137	124
Dalworth Inn	812 E. Felix Street	Fort Worth, TX 76115	120
DFW Airport Marriott South	4151 Centreport Boulevard	Fort Worth, TX 76155	295
DFW Marriott Hotel and Golf Club at Champions Circle	3300 Championship Pkwy	Fort Worth, TX 76177	286
Embassy Suites Hotel - Downtown Fort Worth	600 Commerce Street	Fort Worth, TX 76102	156
Extended Stay America - City View	5831 Overton Ridge Blvd	Fort Worth, TX 76132	104

Fairfield Inn & Suites Downtown	1010 Houston	Fort Worth, TX 76102	110
Fairfield Inn & Suites Fossil Creek	3701 NE Loop 820	Fort Worth, TX 76137	106
Hampton Inn and Suites - West/I-30	2700 Green Oaks	Fort Worth, TX 76177	105
Hampton Inn and Suites - DFW South	4201 Reggis Court	Fort Worth, TX 76155	116
Hampton Inn and Suites Downtown Fort Worth	210 E. 9th Street	Fort Worth, TX 76102	245
Hawthorn Suites - University	1701 South University Drive	Fort Worth, TX 76107	120
Hilton Fort Worth	815 Main Street	Fort Worth, TX 76102	294
Hilton Garden Inn - Fort Worth Alliance Airport	2600 Westport Parkway	Fort Worth, TX 76177	127
Hilton Garden Inn - Medical Center	912 Northton Street	Fort Worth, TX 76104	157
Holiday Inn - DFW Airport South	14320 Centre Station Road	Fort Worth, TX 76155	143
Holiday Inn Express - Downtown	1111 W Lancaster	Fort Worth, TX 76102	132
Holiday Inn North - Fossil Creek	4635 Gemini Place	Fort Worth, TX 76106	126
Homewood Suites - Fossil Creek	3701 Tanacross	Fort Worth, TX 76137	137
Homewood Suites - Medical Center	2200 Charlie Lane	Fort Worth, TX 76104	157
Hyatt Place - Cityview	5900 Cityview Street	Fort Worth, TX 76132	127
Hyatt Place - Stockyards	132 E Exchange	Fort Worth, TX 76164	100
La Quinta Inn and Suites - Fort Worth North	4700 North Street	Fort Worth, TX 76137	133
La Quinta Inn and Suites - Southwest	4900 Bryant Irvin	Fort Worth, TX 76132	128
Omni Fort Worth Hotel	1300 Houston	Fort Worth, TX 76102	614
Quality Inn and Suites - Cattle Baron	2700 S Cherry Lane	Fort Worth, TX 76116	109
Radisson - Fort Worth South Hotel	100 Alta Mesa East	Fort Worth, TX 76134	247

Radisson Hotel - Fort Worth Fossil Creek	2540 Meacham Street	Fort Worth, TX 76106	247
Residence Inn - Alliance Airport	13400 North Freeway	Fort Worth, TX 76177	111
Residence Inn - Cultural District	2500 Museum Way	Fort Worth, TX 76107	150
Residence Inn - Fossil Creek	5801 Sandshell Drive	Fort Worth, TX 76137	114
Sheraton Fort Worth Hotel and Spa	1701 Commerce Street	Fort Worth, TX 76102	429
SpringHill Suites by Marriott - University	3250 Lovell Street	Fort Worth, TX 76107	145
Stay Express Hotel Fort Worth	2000 Beach Street	Fort Worth, TX 76111	168
TownePlace Suites Downtown	805 E Belknap	Fort Worth, TX 76102	140
TownePlace Suites University	W. Vickery & Trinity Street	Fort Worth, TX 76107	128
WoodSpring Suites Fort Worth	3501 NE Loop 820	Fort Worth, TX 76137	121
Worthington Renaissance Hotel	200 Main Street	Fort Worth, TX 76102	504