

Mayor and Council Communication

DATE: 09/17/19

M&C FILE NUMBER: M&C 19-0152

LOG NAME: 13FMS PID18FY20

SUBJECT

Conduct Public Benefit Hearing for Fort Worth Public Improvement District No. 18 - Tourism, Approve Fiscal Year 2019-2020 Budget in the Amount of \$5,155,878 and Eight-Year Service Plan, Approve Assessment Roll, Adopt Ordinance Levying Special Assessments for Fiscal Year 2020, and Adopt Appropriation Ordinance (ALL COUNCIL DISTRICTS) (**PUBLIC HEARING** - a. Report of City Staff: Tony Rousseau; b. Citizen Presentations; c. Council Action: Close Public Hearing and Approve the M&C)

RECOMMENDATION:

It is recommended that the City Council:

1. Conduct a public benefit hearing concerning the proposed special assessments on property located in Public Improvement District 18 - Tourism for Fiscal Year 2019-2020;
2. Approve the attached Fiscal Year 2019-2020 Budget in the amount of \$5,155,878 and Eight-Year Service Plan for Public Improvement District 18 - Tourism;
3. Approve the Assessment Roll for Public Improvement District 18 - Tourism, on file with the City Secretary;
4. Adopt the attached ordinance levying special assessments on property located in Public Improvement District 18 - Tourism for Fiscal Year 2019-2020; and
5. Adopt the attached appropriation ordinance increasing estimated receipts and appropriations in the Tourism PID Fund for Fiscal Year 2019-2020 in the amount of \$5,155,878, from available funds.

DISCUSSION:

On August 29, 2017, the City Council adopted Resolution No. 4837-08-2017, establishing Public Improvement District 18 - Tourism (Tourism PID).

The purpose of this benefit hearing is to receive comments from the public regarding the Fiscal Year 2019-2020 budget and eight-year service plan for the Tourism PID and the proposed assessments to be levied on each property in the Tourism PID for the 2019 tax year. Following the public hearing, it is recommended that the City Council take the following actions: (a) approve the attached budget and eight-year service plan, (b) approve the 2019 assessment roll; and (c) adopt the attached ordinances levying the proposed assessments and appropriating funds.

The improvements and services to be provided in the Tourism PID during Fiscal Year 2020 and the associated costs thereof are as follows:

Improvements	Total Budgeted Costs
Incentives & Sales Efforts	\$2,167,873
Marketing and Research	\$1,785,307
Customer Engagement and Market Strategy	\$510,088
Cultural Enhancements through Marketing and Promotion of the Arts	\$382,566
Operations and Administration	\$255,044
City Administrative Fee	\$55,000
Total Expenses	\$5,155,878

The total budgeted costs of the improvements and services are \$5,155,878.00, all of which will be funded by the owners/operators of Tourism PID hotels with 100 or more rooms paying a special assessment at a rate of two percent of revenues they receive from a hotel room. The 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.

On September 10, 2019, the City Council conducted a public hearing to receive comments on the proposed 2019-2020 fiscal year budget, eight-year service plan, and 2019 assessments for the Tourism PID (M&C W/). Notice of the September 10, 2019, benefit hearing and this hearing were published in the [Fort Worth Star-Telegram](#) and mailed to all record hotel owners/operators in the Tourism PID on August 26, 2019, in accordance with state law.

In fiscal year 2018, the City entered into a contract with the Fort Worth Tourism Public Improvement District Corporation and the Fort Worth Convention and Visitors Bureau to manage the operations of the Tourism PID. The term of this agreement is commensurate with the term of the Tourism PID; thus, the Fort Worth Tourism Public Improvement District Corporation and the Fort Worth Convention and Visitors Bureau will continue to manage the operations of the Tourism PID for fiscal year 2020.

The Tourism PID is located on properties in ALL COUNCIL DISTRICTS.

A Form 1295 is not required for this contract because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendations, the levy of assessments on qualified hotels will be approved and funds will be available in the Fiscal Year 2020 operating budget, as appropriated, of the Tourism PID Fund.

Submitted for City Manager's Office by: Kevin Gunn 2015

Originating Business Unit Head: Reginald Zeno 8500

Additional Information Contact: Angela Estrada 8511