

A Resolution

NO. 5866-01-2024

**AUTHORIZING THE FORT WORTH CONVENTION CENTER AS A VENUE
PROJECT IN ACCORDANCE WITH
CHAPTER 334, TEXAS LOCAL GOVERNMENT CODE,
AND DESIGNATING METHOD OF FINANCING FOR THE PROJECT, SUBJECT
TO VOTER APPROVAL AT
AN ELECTION CALLED FOR SUCH PURPOSE**

WHEREAS, Chapter 334 of the Texas Local Government Code (the “Act”) authorizes the City Council to designate various sports - and community-related capital improvements – including convention centers, convention center facilities, and related improvements in the vicinity of convention centers – as a “venue” and to designate methods of financing to help fund the planning, acquisition, establishment, development, and construction of the venue and related infrastructure, subject to approval of the voters in an election called for that purpose; and

WHEREAS, the Act defines “related infrastructure” to include “any store, restaurant, on-site hotel, concession, automobile parking facility, area transportation facility, road, street, water or sewer facility, park, or other on-site or off-site improvement that relates to and enhances the use, value, or appeal of a venue, including areas adjacent to the venue, and any other expenditure reasonably necessary to construct, improve, renovate, or expand a venue, including an expenditure for environmental remediation”; and

WHEREAS, since opening over fifty-five years ago, the Fort Worth Convention Center has hosted thousands of conventions and other events, drawn visitors to the City, and generated stays in local hotels; and

WHEREAS, studies dating back more than two decades prepared by or for the benefit of the owners of the Fort Worth Convention Center have recommended replacing the outmoded arena space and adding more variably programmable meeting space in order to improve facility usage and meet the needs of the modern convention and meeting space customer; and

WHEREAS, upon acquiring ownership of the Fort Worth Convention Center in 1987, the City embarked on a multi-project process to modernize the facility; and

WHEREAS, the first two phases of this modernization occurred in the early 2000s with the demolition of the John F. Kennedy Theater and construction of a modern ballroom and meeting space; and

WHEREAS, with the opening of Dickies Arena in late 2019, the City’s arena needs have been addressed; and

WHEREAS, the next phase of renovating and expanding the Fort Worth Convention Center – including demolishing and replacing the existing half-century old arena – will benefit the City by increasing visitors and tourism and enhancing the offerings available to visitors and residents relating to conventions, public events, trade

shows, consumer shows, and amateur sports events and is anticipated to greatly enhance the appeal of the City as a destination for conventions and other events drawing visitors to the City; and

WHEREAS, if the voters approve in an election called for purposes of whether the Fort Worth Convention Center and any related infrastructure should be designated as a venue project under the Act and whether the method of financing outlined in this Resolution should be authorized, much of the funding will come from certain taxes paid by persons who stay at hotels within the City, including persons who are using or visiting the Fort Worth Convention Center and other improvements in its immediate vicinity; and

WHEREAS, before calling such an election, the Act requires that the City Council first adopt a Resolution providing for the planning, acquisition, establishment, development, construction or renovation of a venue project and the method of financing authorized by the Act that the City Council wishes to use to finance the project;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS, THAT:

1. The City Council hereby designates the Fort Worth Convention Center and any related infrastructure as a venue project under the Act (collectively, the “**Venue Project**”), subject to approval of the voters at an election called for such purpose.

2. The City Council finds that the Venue Project:

does not constitute a venue or related infrastructure planned, acquired, established, developed, constructed, or renovated under other law, including Chapter 505 of the Texas Local Government Code or Subchapter E, Chapter 451 of the Texas Transportation Code;

is not and will not be primarily used for community, civic, and charitable events that are attended only by residents of the community; and

does not constitute a venue project described by Section 334.2515 or 334.2517 of the Texas Local Government Code.

3. The City Council hereby designates the following method of financing as those that the City wishes to use to finance the Venue Project:

The imposition of a new venue hotel occupancy tax on the price paid for a room in a hotel, at a rate not to exceed two percent (2%) of the price of the hotel room, as and to the extent permitted by Subchapter H of the Act, with such tax to be in addition to the tax imposed under Chapter 351 of the Texas Tax Code and with the combined hotel occupancy tax rate imposed from all sources not to exceed 17 percent of the price paid for a room in a hotel.

4. The City Manager or his designee is authorized and directed to send a copy of this Resolution to the Texas Comptroller of Public Accounts (the

“Comptroller”), together with any other information that may be requested by the Comptroller, for a determination in accordance with the Act as to whether the implementation of this Resolution will have a significant negative fiscal impact on State revenue.

5. The City Manager or his designee shall place an ordinance calling an election under Section 334.024 of the Act as to whether the Venue Project should be designated and whether the method of financing the Venue Project should be authorized in accordance with this Resolution, which ordinance will be considered at a meeting of the City Council to be held as soon as practicable following the earliest of (i) the date that the City receives written notice from the Comptroller that the implementation of this Resolution will not have a significant fiscal impact on State revenue, or (ii) the expiration of thirty (30) days from the date that the Comptroller receives a copy of this Resolution, if the Comptroller does not provide the City with the notice outlined in subsection (i) above, but no later than February 16, 2024.

6. If the method of financing the Venue Project described in Section 2 of this Resolution is approved at the election ordered by the City Council, as contemplated in Section 4 of this Resolution, the City Council subsequently shall establish by resolution a venue project fund to be known as the “Fort Worth Convention Center Venue Project Fund.” The City shall deposit all tax proceeds from such approved method of financing that are imposed by the City under the Act and any other sums required by Section 334.042(b) of the Act into the Fort Worth Convention Center Venue Project Fund. The City may deposit any revenues received by the City for the Venue Project that are described in Section 334.042(c) of the Act into the Fort Worth Convention Center Venue Project Fund. All funds deposited into the Fort Worth Convention Center Venue Project Fund must be used exclusively for the purposes permitted in Section 334.042 of the Act.

7. The City Council officially finds and determines that the meeting at which this Resolution has been adopted was open to the public and that public notice of the time, place and purpose of that meeting was given, all as required by Chapter 551, Texas Government Code.

8. Adoption of this Resolution satisfies the requirements of Section 334.021(b) of the Act.

Adopted this 9th day of January 2024.

ATTEST:

By: Jannette S. Goodall

Jannette S. Goodall, City Secretary

