

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF DENTON, TEXAS, SUPPORTING HOUSE BILL 2445 RELATED TO THE ALLOCATION OF HOTEL OCCUPANCY TAX FUNDS FOR THE PURPOSE OF ENHANCING AND UPGRADING EXISTING CITY-OWNED SPORTS FACILITIES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Parks and Recreation Department has requested the City of Denton seek introduction and passage of legislation that would amend Tax Code Sec. 351.101 (a)7 by adding the City of Denton to the list of municipalities authorized to utilize Hotel Occupancy Tax (HOT) funds for enhancement and upgrading of city-owned and existing sports facilities or fields, which provide significant economic benefit to the community; and

WHEREAS, the purpose of HOT funds is to “promote tourism and the convention and hotel industry”; and

WHEREAS, the athletic tournaments hosted by the City of Denton Parks and Recreation Department generate revenue for the City’s General Fund, the Recreation Fund, and co-sponsored associations; and

WHEREAS, the tournaments to-date in 2016 alone provided an estimated economic impact to local businesses, such as hotels, restaurants, and retailers, of more than \$1,005,150; and

WHEREAS, the tournaments have generated more than 800 room nights for Denton hotels and brought in an estimated 28,083 spectators; and

WHEREAS, for calendar year 2017 the number of available tournament weekends has been reduced from 30 to 13 due to the lack of funds to provide adequate enhancements and upgrades to the fields; and

WHEREAS, hosting tournaments has become more competitive as cities build and upgrade their facilities to enhance the experience and meet standards of tournament coordinators and teams; and

WHEREAS, the proposed legislative initiative would allow the City Council an innovative funding mechanism to allocate existing HOT funds to the enhancement of Parks and Recreation existing sports facilities or fields in order to continue hosting, at previous levels, the athletic tournaments that have supported the local tourism industry and had such a positive economic impact on the community; and

WHEREAS, the proposed legislative initiative would provide the City Council the statutory authority to allocate HOT funds to the enhancement of existing City-owned sports facilities or fields for the specific purpose of hosting athletic tournaments; and

WHEREAS, enhancements and upgrades to existing facilities may include, but are not limited to fencing, lighting, infield mix, Wi-Fi at the Sports Complexes, soccer goals, scoreboards,

restroom upgrades, bleachers, shade structures, PA Equipment, batting cages, and/or pitching cages; and

WHEREAS, there is a precedent of municipalities gaining statutory authority to access HOT funds for the purposes stated herein, with ten (10) cities already authorized to allocated HOT funds under the Tax Code; and

WHEREAS, Representative Lynn Stucky, District 64, has filed House Bill 2445, relating to the use of municipal hotel occupancy tax revenue in certain municipalities; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HERBY RESOLVES:

SECTION 1. That the Denton City Council supports passage of House Bill 2445 as filed.

SECTION 2. That the Mayor and City Council, City Manager, or their designees shall communicate the City's support of HB 2445 to members of the Texas Legislature by providing testimony, letters, and other appropriate communications.

PASSED AND APPROVED this the ____ day of _____, 2017.

CHRIS WATTS, MAYOR

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
AARON LEAL, INTERIM CITY ATTORNEY

BY:  _____