

**CHAPTER XI. THE BUDGET AND FINANCIAL
PROCEDURE RELATING THERETO**

SEC. 15. MUNICIPAL OWNERSHIP, FINANCING, CONSTRUCTION, OR OPERATION OF HOTEL OR OTHER LODGING FACILITY.

(a) The voters of the City of Dallas declare that direct or indirect participation by the city in the enterprise of owning, financing, constructing, or operating a hotel or other lodging facility would inappropriately divert valuable taxpayer dollars and other civic resources and attention from the provision of essential city services, which is the primary function of municipal government.

(b) Notwithstanding any other section of this Charter,

(i) no money or other property of the city may be used, directly or indirectly, or transferred to any third party, for the purpose of siting, financing, constructing, acquiring, leasing, or operating a hotel or other lodging facility, nor may the money, property, or credit of the city be lent for any such purpose;

(ii) the city may not create, authorize the creation of, sponsor, or authorize the issuance of bonds, notes, or other debt instruments by, any special-purpose governmental entity or any nonprofit corporation (including but not limited to a local government corporation or a public facility corporation) for the purpose of siting, financing, constructing, acquiring, leasing, or operating a hotel or other lodging facility; and

(iii) within fifteen days after the adoption of this section, the city council shall, in accordance with state law,

(A) assume for the city the powers and duties of any local government corporation theretofore created or authorized by the city, if the creation or authorization of such corporation would have been prohibited by this section had it been in effect at the time such corporation was created or authorized; and

(B) alter the structure, organization, programs, and activities of any public facility corporation theretofore sponsored by the city, to prohibit such corporation from siting, financing, constructing, acquiring, leasing, or operating a hotel or other lodging facility except as exempted by subsection (c) of this section.

(c) This section does not prohibit:

(i) the adoption of a tax increment financing district or tax abatement agreement in accordance with state law;

(ii) the siting, financing, constructing, acquiring, leasing, or operating of a hotel or other lodging facility located wholly within the boundaries of the Dallas/Fort Worth International Airport;

(iii) a subsidy paid directly to the sponsor of a convention, meeting, or other event in consideration of the holding of the event in the city or the renting of hotel rooms in the city;

(iv) the sale or lease of city property to a bona fide third party for fair market value;

(v) the siting, financing, constructing, acquiring, leasing, or operating of a shelter, halfway house, jail, dormitory, or other facility not providing lodging to the general public;

(vi) the acquisition of a hotel or other lodging facility through foreclosure of a tax lien or other governmental lien, provided that the property is not thereafter used or transferred in violation of this section;

(vii) the approval through the city's land use regulatory process of a hotel or other lodging facility; or

(viii) the expenditure of city funds for lodging in connection with travel on official city business.