

RESOLUTION AUTHORIZING THE CREATION OF THE CORPUS CHRISTI TOURISM PUBLIC IMPROVEMENT DISTRICT; AND RESOLVING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, Chapter 372, as amended, Texas Local Government Code (the *Act*) authorizes the creation of public improvement districts and the levy of assessments against property within the district to pay the costs of public improvement projects that confer a special benefit on property within such district; and

WHEREAS, Section 372.0035 authorizes the creation of public improvement districts common characteristic or use for project in municipalities, specifically authorizing the creation of a tourism public improvement district made up of one or more hotels within the City limits; and

WHEREAS, the City received a petition for the creation of the Corpus Christi Tourism Public Improvement District (the "District") from the owners of several hotels within the City on May 18, 2022 ("the Petition"); and

WHEREAS, the Petition, has been examined, verified, and found to meet the requirements of Section 372.005(b-1) of the Act and the Petition is found to be sufficient for consideration by the City Council; and

WHEREAS, the Petition is of such a nature as to not be subject to the City's Public Improvement District Policy adopted on March 31, 2020 (the *PID Policy*), which focuses on developer public improvement districts; and

WHEREAS, it is contemplated that no bond funding will be used for the District; and

WHEREAS, after providing the notices required by Section 372.009 of the Act, the City Council, on June 28, 2022, conducted a public hearing on the advisability of the improvements and services to be providing within the District; and

WHEREAS, after all persons having an interest in the creation of the District were given the opportunity to be heard, the City Council closed the public hearing; and

WHEREAS, the City Council has determined that the approval of this Resolution is in the best interest of the City and its residents; NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF CITY OF CORPUS CHRISTI, TEXAS THAT:

SECTION 1. The Petition submitted to the City on May 18, 2022, was filed with the City Secretary and complies with Section 372.005 of the Act.

SECTION 2. Pursuant to the requirements of the Act, the City Council, after considering the Petition for the proposed District and the evidence and testimony presented at the public hearing, hereby finds and determines:

(a) Advisability of the Services and Improvements Proposed for the District. It is advisable to create the District to provide the services and improvements described in this Resolution, and the services and improvements will contribute to the economic growth of the City of Corpus Christi.

(b) Nature of the Services and Improvements. The purpose of the District will be to provide special supplemental services related to the District limited to advertising, promotion, activities and business recruitment activities that are authorized by the Public Improvement District Assessment Act for improvement and promotion of the District, including supplemental marketing to increase hotel activity and the provision of supplemental sales activities including but not limited to incentives by the Corpus Christi Tourism Public Improvement District to organizations to encourage them to bring their meetings and events to Corpus Christi. The District will supplement and enhance the existing marketing and sales services provided by the Corpus Christi Convention and Visitors Bureau within the area of assessment and may include contracts for services with third-party entities such as marketing and other agencies.

(c) Estimated Cost of the Authorized Improvements. **No Bonded Indebtedness.** During the proposed ten-year period, the estimated annual cost of improvements and services provided by the District are estimated to range from about \$3,000,000 to \$6,000,000 annually; however, in no event shall the assessment amount exceed two percent of the price paid to hotels for a taxable room night in a hotel. The District shall not incur bonded indebtedness.

(d) Boundaries. The District will be located wholly within the City of Corpus Christi, a Texas home rule municipality. The proposed boundaries of the assessment district shall solely include non-contiguous hotel properties with 40 or more rooms within the City of Corpus Christi, as described in the District Boundaries list, which is attached hereto as **Exhibit A**. A map of the boundaries is included in **Exhibit A**. The hotels listed on the District Boundaries list will make up the assessment roll for assessment in accordance with the Method of Assessment listed below.

(e) Method of Assessment. The District assessment will be levied on hotels with 40 or more rooms located within the City of Corpus Christi. The total cost of the services and improvements to be provided shall be apportioned during the year based on a rate of 2% of taxable room-nights sold at qualifying hotels located within the District. Accordingly, those qualifying hotels that sell more rooms will pay a greater portion of the assessment since those properties benefit more from the incentives and the promotion and

marketing services provided by the District. Room night sales that are not subject to the City's hotel occupancy tax shall not be subject to the District assessment. The amount of the assessment must be reviewed and approved annually by the Corpus Christi City Council.

(f) Apportionment of Cost between the City and the District. The District shall pay the cost of the supplemental services described in this petition by assessment against the hotels with 40 or more rooms within the district. City will not be obligated to provide any funds other than from assessments levied on the District property.

(g) Management of the District. The District shall be managed in accordance with a three-party agreement between the City, the Corpus Christi Tourism Public Improvement District Corporation and the Corpus Christi Area Convention and Visitors' Bureau.

(h) Advisory Body. There is no advisory body for the District. The City assigns responsibility for the Service Plan to the Board of Directors for the Corpus Christi Tourism Public Improvement District Corporation, which is made up of hoteliers within the District.

SECTION 3. Due to the unique nature of the District as a public improvement district defined by Section 372.0035, the District is exempt from the City's PID Policy.

SECTION 4. The District is authorized and created as a Public Improvement District under the Act in accordance with the findings set forth in this Resolution as to the advisability of the services and improvements. The District shall be subject to the terms, conditions, limitations, and reservations contained in the findings of this Resolution.

SECTION 5. The City Secretary is directed to coordinate the filing of a copy of this Resolution with the county clerk of Nueces County not later than the seventh day after the date of adoption of this Resolution. This Resolution shall take effect and the District shall be deemed to be established effective upon adoption of this Resolution. The District can be terminated as provided by law.

SECTION 6. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the City Council.

SECTION 7. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 8. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 9. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and this City Council hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 10. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 11. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

* * *

PASSED AND APPROVED on the 28th DAY OF JUNE, 2022:

Paulette Guajardo

Aye

Roland Barrera

Aye

Gil Hernandez

Aye

Michael Hunter

Aye

Billy Lerma

Aye

John Martinez

Aye

Ben Molina

Aye

Mike Pusley

Aye

Greg Smith

Aye

ATTEST:

Ruth Bocchino for
Rebecca Huerta
City Secretary
R.H.

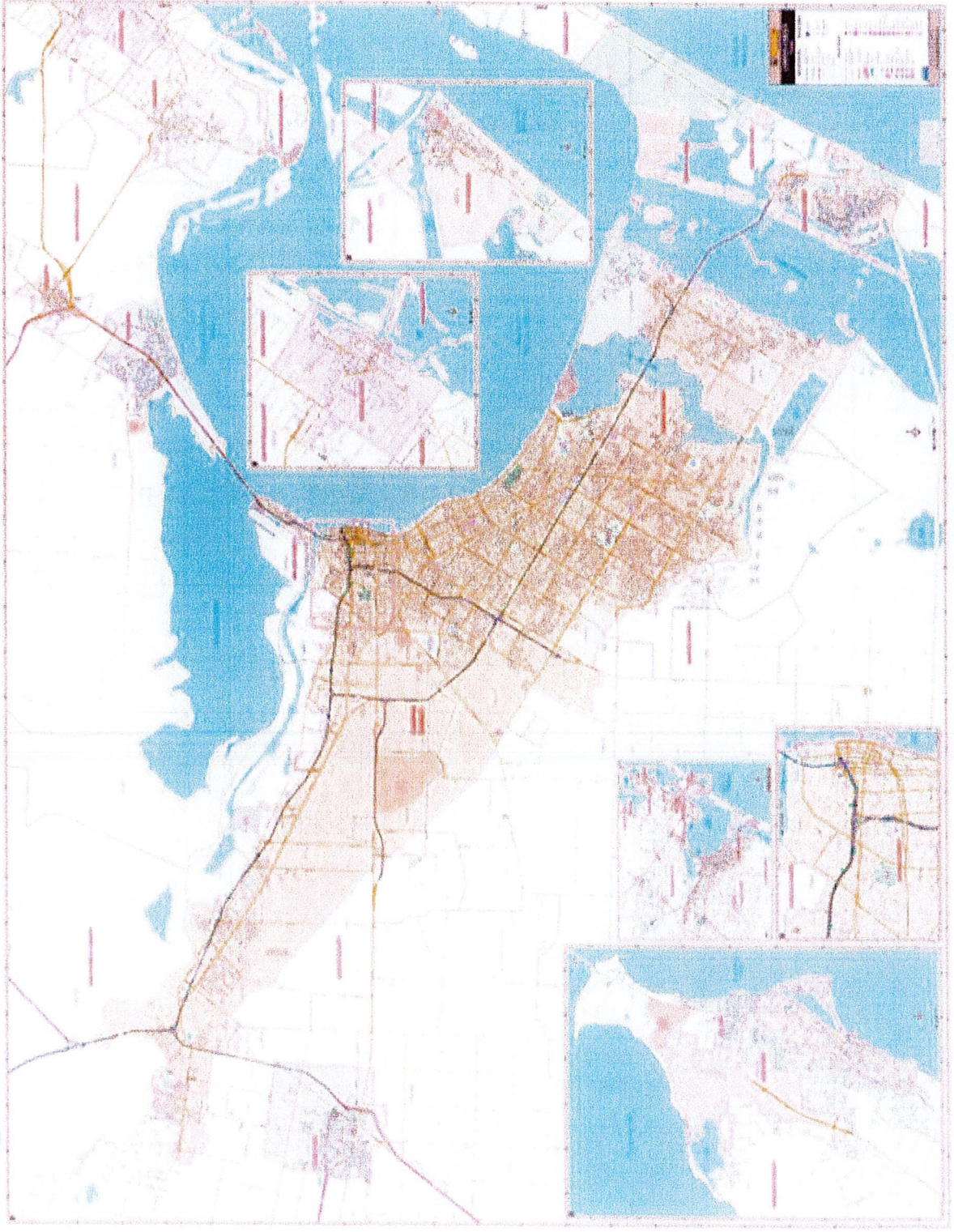
CITY OF CORPUS CHRISTI
Paulette Guajardo
Paulette Guajardo
Mayor

EXHIBIT "A"

District Boundaries and Map

The district boundaries are made up of all hotels within the City of Corpus Christi with 40 or more hotel rooms. A list of such hotels is provided in the following pages along with a map of the City of Corpus Christi City limits. All hotels include on the provided list are included in the district boundaries, except that the Fairbridge Inn at 910 Corn Products Road is excluded as it has been determined that is no longer an operating hotel.

[illegible]



****All hotels listed on District list are within the Corpus Christi city limits.**



VG-57-2022-2022031770

Nueces County
Kara Sands
Nueces County Clerk

Instrument Number: 2022031770

Official Public Records

CERTIFIED COPY

Recorded On: June 30, 2022 02:12 PM

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STATE OF TEXAS

Nueces County

I hereby certify that this Instrument was filed in the File Number sequence on the date/time printed hereon, and was duly recorded in the Official Records of Nueces County, Texas

Kara Sands
Nueces County Clerk
Nueces County, TX

***** THIS PAGE IS PART OF THE INSTRUMENT *****

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PO BOX 9277

CORPUS CHRISTI, TX 78401

STATE OF WISCONSIN)

))

COUNTY OF BROWN)

I, being first duly sworn, upon oath depose and say that I am a legal clerk and employee of the publisher, namely, the Corpus Christi Caller-Times, a daily newspaper published at Corpus Christi in said City and State, generally circulated in Aransas, Bee, Brooks, Duval, Jim Hogg, Jim Wells, Kleberg, Live Oak, Nueces, Refugio, and San Patricio, Counties, and that the publication of which the annexed is a true copy, was inserted in the Corpus Christi Caller- Times in the following issue(s) dated:

06/12/2022

On this June 12, 2022, I certify that the attached document is a true and exact copy made by the publisher:

Manuela Verhagen

Legal Notice Clerk

Sarah Bertelsen
Notary Public, State of Wisconsin, County of Brown

7/27/28
Notary Expires

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Notary Public
State of Wisconsin

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CITY OF CORPUS CHRIS-
TI, TEXAS
NOTICE OF PUBLIC
HEARING REGARDING
THE
CREATION OF A PUBLIC
I M P R O V E M E N T
DISTRICT

Pursuant to Section 372.009(c) and (d) of the Texas Local Government Code, as amended, notice is hereby given that the City Council of the City of Corpus Christi, Texas ("City"), will hold a public hearing to accept public comments and discuss the petition (the "Petition"), filed by owners of various hotels within the City of Corpus Christi (the "Petitioners"), requesting that the City create the Corpus Christi Tourism Public Improvement District (the "District") to include property owned by the Petitioners. **Time and Place of the Hearing.** The public hearing will start at or after 11:30 a.m. on June 28, 2022, at the regular meeting place of the City Council of the City at City Hall located at 1201 Leopard Street, Corpus Christi, Texas.

General Nature of Proposed Authorized Improvements. The purpose of the District will be to provide special supplemental services related to the District limited to advertising, promotion, activities and business recruitment activities that are authorized by the Public Improvement District Assessment Act for improvement and promotion of the District, including supplemental marketing to increase hotel activity and the provision of supplemental sales activities including but not limited to incentives by the Corpus Christi Tourism Public Improvement District to organizations to encourage them to bring their meetings and events to Corpus Christi. The District will supplement and enhance the existing marketing and sales services provided by the Corpus Christi Convention and Visitors Bureau within the area of assessment and may include contracts for services with third-party entities such as marketing and other agencies.

Estimated Cost of the Improvements. No Bonded Indebtedness. During the proposed ten year period, the estimated annual cost of improvements and services provided by the District are estimated to range from about \$3,000,000 to \$6,000,000 annually; however, in no event shall the assessment amount exceed two percent of the price paid to hotels for a taxable room night in a hotel. The District shall not incur bonded indebtedness.

Boundaries of the Proposed Assessment District. The District will be located wholly within the City of Corpus Christi, a Texas home rule municipality. The proposed boundaries of the proposed assessment district shall solely include non-contiguous hotel properties with 40 or more

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CONTRACTS AND PROCUREMENT

rooms within the City of Corpus Christi. An exhibit is available in the City Secretary's Office at Corpus Christi City Hall.

Proposed Method of Assessment. The District assessment will be levied on hotels with 40 or more rooms located within the City of Corpus Christi. The total cost of the services and improvements to be provided shall be apportioned during the year based on a rate of 2% of taxable room-nights sold at qualifying hotels located within the District. Accordingly, those qualifying hotels that sell more rooms will pay a greater portion of the assessment since those properties benefit more from the incentives and the promotion and marketing services provided by the District. Room night sales that are not subject to the City's hotel occupancy tax shall not be subject to the District assessment. The amount of the assessment must be reviewed and approved annually by the Corpus Christi City Council.

Proposed Apportionment of Cost between the District and the City. The District shall pay the cost of the supplemental services described in this petition by assessment against the hotels with 40 or more rooms within the district. City will not be obligated to provide any funds other than from assessments levied on the District property.
/s/Rebecca Huerta
City Secretary

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