

# Memorandum



CITY OF DALLAS

Date July 30, 2010

To Members of the Economic Development Committee: Ron Natinsky (Chair), Tennell Atkins (Vice Chair), Dwaine Caraway, Jerry R. Allen, Sheffie Kadane, Linda Koop, Ann Margolin, Steve Salazar

Subject City of Dallas' Regional Super Bowl XLV Participation – Update Briefing

The Convention and Events Services Department will be briefing the Economic Development Committee on the City of Dallas' Regional Super Bowl XLV Participation – Update on August 2, 2010.

Please let me know if you have any questions regarding this matter.

A handwritten signature in black ink, appearing to read 'A.C. Gonzalez', written over a circular stamp or mark.

A.C. Gonzalez  
Assistant City Manager

C: Honorable Mayor and Members of the City Council  
Mary K. Suhm, City Manager  
Deborah Watkins, City Secretary  
Thomas P. Perkins, Jr., City Attorney  
Craig Kinton, City Auditor  
Judge C. Victor Lander, Administrative Judge Municipal Court  
Ryan S. Evans, First Assistant City Manager  
Jill A. Jordan, P.E., Assistant City Manager  
Forest Turner, Assistant City Manager  
Jeanne Chipperfield, Chief Financial Officer  
Al Rojas, Interim Director, Convention and Event Services  
Helena Stevens-Thompson, Assistant to the City Manager

# City of Dallas' Regional Super Bowl XLV Participation – Update

Economic Development  
Committee  
August 2, 2010



# Purpose

- Brief the City Council regarding the impact of Super Bowl XLV on the local economy
- Explain the State Trust Fund structure and process
- Describe the funding mechanisms for Super Bowl XLV expenses
- Seek recommendation of approval for contribution to the State Trust Fund

# Background

- February 7, 2007 - City Council briefing
  - City Manager authorized to work with the Bidding Committee to bring Super Bowl XLV to the North Texas Region
- March 28, 2007 – City Council approved two resolutions in support of Super Bowl XLV
- May 22, 2007 - Super Bowl XLV awarded to the North Texas Region

# Economic Impact

- February 2010 – Local Organizing Committee issued economic impact study to the State Comptroller of Public Accounts Office information upon which to make a determination of the incremental increase in tax receipts
- March 10, 2010 – Texas Comptroller of Public Accounts published its analysis of tax revenue associated with Super Bowl XLV

# Incremental Tax Revenue Impact

- Local Organizing Committee Study

State	\$ 36.2M
Regional	10.5M
Dallas	5.0M

- State Comptroller Determination

State	\$ 26.8M
Regional	8.5M
Dallas	4.6M

# State Comptroller Determination

- City of Dallas revenue impact of \$4.6M

– Hotel Occupancy Tax	\$ 3.149M
– Sales Tax	1.237M
– Mixed Beverage Tax	<u>.177M</u>
Total	\$ 4.563M

# Trust Fund Deposit Requirements

- Amount deposited by the State into the Trust is determined by the deposit made by the endorsing municipalities
- Each dollar deposited by endorsing municipality is matched by the State with \$6.250 dollars
- The maximum increment of \$26.8M requires communities to deposit \$4.3M
- If communities contribute \$4.3M
  - Trust Fund total will be \$31M



# Trust Fund Deposit Requirements

- City is to contribute \$2.702M of which \$1.465M will come from the Dallas Convention & Visitors Bureau
- Other participating endorsing municipalities contribute the remaining balance
- The largest portion of Dallas' tax increment impact is Hotel Occupancy Tax which is bond pledged to the Convention Center debt

# City of Dallas Event Budget

● DPD	\$ 2.135M
● DFD	486K
● Support Departments	229K
● Supplies & Materials	52K
● Equipment & Fuel	<u>98K</u>
Total Budget	\$3.000M

# Budget Summary

- Super Bowl XLV activities are scheduled January 27<sup>th</sup> through February 6<sup>th</sup>
- DPD expenses are primarily sworn salary and overtime costs to staff officers:
  - At the key Dallas venues, i.e., Media Center, NFL Experience, etc.
  - For deployment teams responding to incidents
  - To ensure safety and circulation in the downtown core
- DFD expenses are primarily emergency medical services and monitoring life safety issues
- Smaller amount for incremental expenses for additional fuel and supplies

# Key Dallas Venues

- NFL Headquarters Hotel
  - Hilton Anatole
- NFL Fan Experience
  - Dallas Convention Center
- NFL Media Center
  - Sheraton Dallas
- NFL Commissioners Party
  - Hilton Anatole

# Trust Fund Agreement

- Sets Dallas' Event Budget at \$3.0M
- Establishes that Dallas Costs will be reimbursed (other than \$1.237M which is offset by the sales tax increment)
- Identifies Dallas' remittance of \$2.702M to the Trust Fund
  - \$1.237M City of Dallas obligation
    - This is fully reimbursed by the trust fund
  - \$1.465M Dallas Convention & Visitors Bureau obligation (to be deposited with the City of Dallas 75 days after the event)
- Dallas' remittance due 90 days after the event
- Establishes Dallas is to be paid on a first priority basis

Note: All incremental Hotel Occupancy Tax included in the \$3.1M protected tax impact and the Mixed Beverage Tax of \$177K go directly to the Convention Center

# Next Steps

- City Council approval of the Event Trust Fund Agreement on August 4, 2010