



RESOLUTION NO. 2024-232

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT AGREEMENT THAT PROVIDES SOUTHWEST AIRLINES CO. A PARTIAL REIMBURSEMENT OF THE CITY HOTEL OCCUPANCY TAXES PAID TO THE CITY FOR HOTEL ROOM NIGHT RESERVATIONS MADE AT HOTELS LOCATED IN FARMERS BRANCH, TEXAS, AS AUTHORIZED IN TEXAS TAX CODE §351.101 ET SEQ; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Southwest Airlines Co. (“Company”) has or intends to reserve approximately 7,455 hotel room nights during the 2024 calendar year and desires to reserve an additional 20,000 hotel room nights during the 2025 calendar year in specific hotels located in Farmers Branch, Texas, to support its Southwest Airlines (“SWA”) training program; and

WHEREAS, the Company has advised the City that a contributing factor that would induce it to make such commitments to reserve the above-stated number of hotel room nights in the City would be an agreement by the City to provide an economic development incentive grant to the Company; and

WHEREAS, the City is authorized by Article III, Section 52-a of the Texas Constitution and Texas Local Government Code, Chapter 380, to provide economic development grants to promote local economic development and to stimulate business and commercial activity in the City; and

WHEREAS, specifically, the City desires to provide the Company an economic development incentive grant in the form of a partial reimbursement of the City hotel occupancy taxes paid by the Company to the City for hotel room night reservations made at hotels located in Farmers Branch, Texas, as authorized in Texas Tax Code §351.101 et seq.; and

WHEREAS, City Administration, having reviewed the foregoing request, has determined that it is in accordance with the City’s economic development programs, Chapter 351 of the Texas Tax Code, and will (i) further the objectives of the City; (ii) benefit the City and the City’s inhabitants; (iii) promote local economic development and stimulate business and commercial activity in the City; and (iv) enhance and promote the tourism and hotel industry in Farmers Branch; and

WHEREAS, the City Council of the City of Farmers Branch finds it to be in the public interest to authorize the execution of an agreement setting forth the terms and conditions by which the Company shall receive the requested economic development grant.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THAT:

SECTION 1. The City Manager is hereby authorized to execute on behalf of the City of Farmers Branch an Economic Development Incentive Agreement with the Company, substantially in the form set forth in Exhibit “A,” attached hereto and incorporated herein by reference.

SECTION 2. The City Manager has full authority to administer the above-approved agreement on behalf of the City, including, but not limited to, providing notices of default and termination as the City Manager may, from time to time, deem appropriate and necessary.

SECTION 3. This Resolution shall be effective immediately upon final passage.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FARMERS
BRANCH, TEXAS, THIS 10Th DAY OF DECEMBER 2024.**

ATTEST:

APPROVED:

Stacy Henderson, City Secretary

Terry Lynne, Mayor

APPROVED AS TO FORM:

Whitt Wyatt, City Attorney
[vf.11.01.2024]

EXHIBIT “A”