

ORDINANCE NO. 2019-29

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ESTABLISHING A HOTEL OCCUPANCY TAX (HOT) ADVISORY BOARD, AMENDING ARTICLE IV OF CHAPTER 2 AND ARTICLE IV OF CHAPTER 54 TO INCLUDE THE HOT ADVISORY BOARD AND TO SPECIFY THE CREATION, MEMBERSHIP, APPOINTMENT, PURPOSES, AND RESPONSIBILITIES OF THE BOARD, PROVIDING FOR SEVERANCE, A REPEALER, AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, Texas Tax Code, Chapter 351 authorizes a governmental entity to allocate hotel occupancy tax funds; and

WHEREAS, it is the desire of the Lockhart City Council to establish a HOT Advisory Board to provide recommendations about the HOT grant process and allocation.

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

- I. Sec. 2-207(3) of Article IV of Chapter 2 of the City of Lockhart Code of Ordinances is hereby amended by the addition of a new subsection (e) and by re-designating current (e) as (f), with new (e) to read as follows:

(e) Hotel Occupancy Tax Advisory Board

- II. Article IV of Chapter 54 of the City of Lockhart Code of Ordinance is hereby amended by the addition of new Sections 54-126 through 54-130 which shall read as follows:

Sec. 54-126 CREATION OF HOT ADVISORY BOARD

There is hereby created an advisory board to be known as the City of Lockhart Hotel Occupancy Tax Advisory Board, which shall be referred to as the HOT Advisory Board.

Sec. 54-127 MEMBERSHIP AND MEETING FREQUENCY

- a. The HOT Advisory Board should consist of five (5) members.
- b. Members shall consist of the following, the appointment of whom shall be confirmed by the City Council
 - i. A lodging facility representative;
 - ii. The City Manager or his/her designee;
 - iii. A former member of the City Council; and
 - iv. Two citizens nominated by Mayor.
- c. The HOT Advisory Board shall meet at least quarterly for allocation of funds and post-event reviews.

- d. Three Board members shall constitute a quorum.
- e. Each Board member shall serve a term of two years.
- f. Vacancies on the Board shall be filled by appointment by the City Council for the remainder of the existing term.

Sec. 54-128 PURPOSE AND RESPONSIBILITY

- a. The legislative functions of the city council shall in no way be delegated to the HOT Advisory Board. The HOT Advisory Board shall be considered a special purpose advisory committee.
- b. The purposes and responsibility of the HOT Advisory Board shall be:
 - i. To receive, review, and evaluate applications from organizations requesting HOT funds;
 - ii. To recommend allocation of HOT funds (as authorized by the Texas Tax Code, Chapter 351) to the City Council;
 - iii. To review the actual expenditures of HOT Funds;
 - iv. To offer suggestions for improvements or changes to the use or administration of HOT funds; and
 - v. To submit an annual report to the City Council that identifies approved expenditures by the City for the preceding year, reviews such approved expenditures in the context of compliance with state laws regarding the use of HOT funds, and evaluates the effectiveness of the approved HOT expenditures and the program.

Sec. 54-129 HOT FUND GRANT PROCESS AND POST-EVENT REPORTING

- a. Applications for funding will be considered at each meeting. Completed applications must be received ten (10) days prior to a meeting of the Board at which it will be reviewed.
- b. Applicants will be notified of the award of funds following approval by the City Council of the award, at which time one-half of approved funding will be awarded.
- c. The Board shall produce guidelines for approved applicants regarding a post-event report from each such applicant that demonstrates qualified expenditures
- d. A post-event report from each approved applicant is required in order for the applicant to receive final payment.

Sec. 54-130 HOT FUND GRANT PROCESS GUIDELINES.

In considering the grant of HOT Funds, the Board and City Council shall:

- i. Ensure that each funding requests for HOT revenues is for one or more statutorily defined purpose;
- ii. Establish and implement a policy of properly utilizing 100% of available HOT funds each year;
- iii. Consider whether funding should be based on a formula for pre-determined activities consistent with authorized uses (e.g. advertising, arts, signage, historical restoration/preservation);
- iv. Consider funding approaches that will allow for equitable funding opportunities for new as well as established events and activities;
- v. and
- vi. Consider eligibility criteria beyond the Tax Code requirements (e.g. limiting grants to 25% of the total event budget or disallowing/limiting use of HOT funds for events' programs that occur on a regular (e.g. monthly) basis.

III. Repealer. All provisions of the Code of Ordinances of the City of Lockhart codified or uncodified, in conflict with the provisions of this Ordinance are hereby repealed to the extent of such conflict, and all other provisions of the Code of Ordinances of the City of Lockhart codified or uncodified, not in conflict with the provisions of this Ordinance shall remain in full force and effect. The repeal of any Ordinance or part of Ordinances effectuated by the enactment of this Ordinance shall not be construed as abandoning any action now pending under or by virtue of such Ordinance or as discontinuing, abating, modifying or altering any penalty accruing or to accrue, or as affecting any rights of the municipality under any section or provisions at the time of passage of this Ordinance.

IV. Severability. It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable, and if any phrase, clause, sentence, or section of this Ordinance shall be declared unconstitutional or invalid by any court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any other remaining phrase, clause, sentence, paragraph or section of this Ordinance.


V. Effective Date. This ordinance shall become effective the date of its passage.

PASSED, APPROVED AND ADOPTED this the 3rd day of December, 2019.

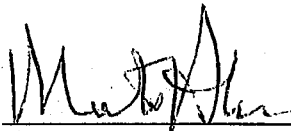
CITY OF LOCKHART


LEW WHITE, MAYOR

ATTEST:


CONNIE CONSTANCIO, TRMC
CITY SECRETARY

APPROVED AS TO FORM:


MONTE AKERS
CITY ATTORNEY

