

**LETTER AGREEMENT  
BETWEEN THE CITY OF GLEN ROSE  
AND SOMERVELL COUNTY**

This Agreement is entered into by and between the City of Glen Rose (hereinafter referred to as "City") and Somervell County, Texas (hereinafter referred to as "County") as of the 9 day of April, 2007.

**WHEREAS**, City, by ordinance, imposed a "Local Hotel Occupancy Tax" of seven percent (7%) on hotels within its city limits, under the provisions of V.T.C.A., Tax Code, Section 351.002, and also on hotels within its extraterritorial jurisdiction (ETJ), under the provisions of Section 351.0025(a) of the Code, which became effective on October 1, 1996; and

**WHEREAS**, on the 11<sup>th</sup> day of July, 2005, the Commissioners Court of Somervell County passed an order imposing a tax of seven percent (7%) on all hotels within the confines of Somervell County, Texas, to begin on September 1, 2005; and

**WHEREAS**, the provisions of the Tax Code exempted the hotels located within the municipal limits of the City, but not the ETJ of the City; and

**WHEREAS**, at the time of the imposition of the tax by City, there were three qualifying hotels within the City's ETJ, namely: "Tres Rios River Ranch", "Shady Oaks Cottages", and "Paluxy River Bend Cabins"; and

**WHEREAS**, City and County wish to make provisions for the collecting of the hotel occupancy taxes by each entity in such a manner that there will not exist an "overburdening" of taxes on the hotels located within the ETJ of City.


**NOW, THEREFORE**, it is hereby agreed by the parties hereto that:

1. City will continue to collect its 7% hotel occupancy tax on the three existing qualifying hotels within its ETJ, namely: "Tres Rios River Ranch", "Shady Oaks Cottages", and "Paluxy River Bend Cabins".
2. County will collect its 7% hotel occupancy tax on any existing as well as future hotels outside the ETJ of the City and on any future qualifying hotels which might come into existence within the ETJ of the City.

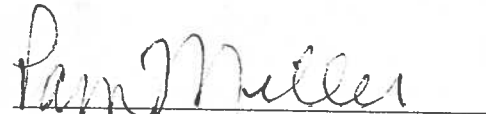
PASSED AND APPROVED by the County of Somervell at a regular/special session duly posted and held on the 17 day of April, 2007.

  
Walter Maynard, County Judge

ATTEST:

  
Candace Garrett, County/District Clerk

PASSED AND APPROVED by the City of Glen Rose at a regular/special session  
duly posted and held on the 9 day of April, 2007.

  
Pam Miller, Mayor

ATTEST:

  
Peggy Bush, City Secretary