

Sec. 42-27. - Management and administration.

- (a) All revenue generated by the hotel occupancy tax shall be held by the city in a separate account established for that purpose and shall not be co-mingled with any other money or maintained in any other account.
- (b) Revenue derived from the hotel occupancy tax shall be expended in a manner that directly enhances and promotes tourism and the convention and hotel industry. Revenue generated by the hotel occupancy tax shall not be used for general revenue purposes or to pay for governmental expenses that are not directly related to increasing tourism or promoting the convention and hotel business.
- (c) As authorized by V.T.C.A., Tax Code § 351.101(c), the city council by contract may delegate to a person, including another governmental entity or private organization, the management or supervision of programs and activities funded with revenue from the hotel occupancy tax; otherwise, the city council retains administrative control over the revenue generated by the hotel occupancy tax and retains supervision of programs and activities funded with such revenue.
- (d) The tourism advisory committee, hereby referred to as the "committee" is created. The committee shall recommend to city council those activities, programs, events and policies that will best promote tourism and the convention and hotel industry within the city. Such activities, programs, events and policies, if approved by the city council, would be funded all or in part by revenue generated by the hotel occupancy tax adopted by the city pursuant to the provisions of V.T.C.A., Tax Code ch. 351. The committee shall be organized under the following terms and conditions:
 - (1) The committee shall consist of nine members who shall be recommended by the mayor and approved by the city council to serve three-year staggered terms. The initial term for positions one, four and seven will be one year; positions two, five, and eight will be two years; and positions three, six and nine will be three years. Members serve at the will and pleasure of the city council, and may be removed without cause at any time by a majority vote of the city council. Members will become ineligible to serve if such member fails to meet one of the qualifications as described in subsection (7) of this section. Unless a member is removed, becomes ineligible, or resigns, such member will continue to serve until a new member has been recommended by the mayor and approved by city council. The mayor shall designate a chairperson from among the appointees who shall preside over all meetings. The chair shall retain the right to vote and make motions as a member of the committee. Any vacancies shall be filled by recommendation of the mayor with the city council approval.
 - (2) The committee shall meet at least once quarterly during a fiscal year. The committee may meet in special session upon call by the chair, vice-chair, or the city manager. Meetings shall be held in council chambers, or such other public place as approved by the committee. Notice

of every meeting (of the committee shall be posted in accordance with the Texas Open Meetings Act, V.T.C.A., Government Code ch. 551). The committee shall elect a vice-chair at its first meeting. The vice-chair shall preside over meetings when the chair is unable to attend. The city secretary, or the city secretary's designee, shall review and maintain the minutes of committee meetings and shall sign minutes of meetings with the chair or vice-chair once approved by the majority of the committee.

- (3) The committee may adopt other rules and regulations for the conduct of its meetings. The chair of the committee shall present any recommendations from the committee to the city council.
- (4) The city manager, or the city manager's designee, is an ex officio (nonvoting) member of the committee.
- (5) The committee shall promulgate forms for use by persons or entities requesting hotel occupancy tax funds for use in qualifying events or projects. In addition to furnishing other information that may be required, such forms shall require the applicant to state in writing how the requested expenditure will enhance and promote tourism and the convention and hotel industry in the city.
- (6) The committee shall use its best efforts to study proposed use of funds generated by the hotel occupancy tax and shall recommend allocation of all funds as required by V.T.C.A., Tax Code § 351.103. From time to time, the committee shall recommend activities, events, and programs to the city council that will best promote the city as a convention site and tourist destination. To assist it in achieving its goals, the committee may communicate with other cities and examine their policies and practices regarding conventions and tourism. Members of the committee may attend workshops and studies created for the purpose of assisting cities develop convention and visitor incentives.
- (7) Members of the committee shall possess at least one of the following qualifications:
 - a. Positions one, two and three must reside within the city limits, provided, however, that no more than three committee members may qualify solely under this subsection;
 - b. Positions four, five and six must work for, own, or be an officer or director of a business, other than a hotel or motel, with business locations within the city limits, provided, however, that no more than three committee members may qualify solely under this subsection;
 - c. Positions seven, eight and nine must work for, own, or be an officer of a hotel or motel located in the city limits, who may either be a resident or nonresident of the city, provided, however, that no more than three committee members may qualify solely under this subsection.
- (8)

No member, or an organization or entity for which a member has an ownership interest or is serving on the board of such organization or entity, shall be eligible for hotel occupancy tax financial assistance for any activities, programs, or events, during the term of such member or for a period of two years after the end of that member's term. No person shall be eligible to serve on the committee who has a spouse, child or stepchild who owns or is employed by or is serving on the board of any organization or entity which is applying for or may apply for hotel occupancy tax financial assistance for any activities, program, or events.

(9) A majority of the committee members shall constitute a quorum. Once a request for hotel occupancy tax financial assistance has been filed, the committee shall indicate in a written report to the city council whether it does or does not recommend the request within 60 days. The report shall also describe how the request complies with any one or more of the statutory categories for expenditures set out in V.T.C.A., Tax Code § 351.101(a)(1) through (8). A copy of the request accompanied by the report of the committee shall be delivered to city council for a determination on whether the project is related to the promotion of tourism and the convention and hotel industry within the city limits. The city council shall not be bound by the recommendation of the committee in determining whether the project should be approved.

(e) Each budget year, the city council shall allocate funds for use by the committee as a line item in the following fiscal year based upon anticipated administrative costs and estimated costs for committee member education and other matters. Any expenditure of funds by members of the committee must be authorized in writing in advance by the city manager. Any member receiving funds under this subsection shall keep records of any and all expenditures and shall deliver copies of such records supported by receipts or invoices to the city manager.

(Ord. No. 2010-21, § 2(74-32), 11-1-2010)