

ORDINANCE NO. 24-08-15-02

AN ORDINANCE OF THE CITY OF LAGO VISTA, TEXAS, AMENDING SECTIONS 4.1304 AND 4.1305 OF THE LAGO VISTA MUNICIPAL CODE TO ALIGN WITH CHAPTER 351 OF THE TEXAS TAX CODE AND ESTABLISHING AN APPLICATION PROCESS FOR HOTEL OCCUPANCY TAX (HOT) FUNDS AND CHARITABLE CONTRIBUTIONS

WHEREAS, the City of Lago Vista seeks to align its municipal code with state law and enhance the transparency and efficiency of its funding processes;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS:

SECTION 1. AMENDMENT TO SECTION 4.1304

Sec 4.1304 Deposits and Uses

(a) The revenue derived from the hotel occupancy tax shall be deposited in the city treasury and used only for the purposes allowed by Texas Tax Code Chapter 351, which include:

1. **Convention Centers and Visitor Information Centers:** The acquisition of sites for, and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities or visitor information centers.
2. **Registration of Convention Delegates:** The furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants.
3. **Advertising and Promotion:** Advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the city or its vicinity.
4. **Promotion of the Arts:** The encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording, and other arts related to the presentation, performance, execution, and exhibition of these major art forms.
5. **Historical Restoration and Preservation:** Historical restoration and preservation projects or activities or advertising and conducting solicitations and promotional programs to encourage tourists and convention delegates to visit preserved historic sites or museums.
6. **Sporting Events:** Funding sporting events that substantially increase hotel activity.
7. **Signage:** Signage directing tourists to sights and attractions that are visited frequently by hotel guests in the city.

(b) Any or all portions of such funds may be paid to the Lago Vista Chamber of Commerce to fund and pay the costs, expenses, and fees for services of the Chamber of Commerce in advertising the City and promoting tourism pursuant to an agreement to be entered into between the City and the Chamber of Commerce.

(c) The City Council may, at its sole discretion through the annual budget, provide funds from the account for any other community event, agency, and/or organization it deems appropriate as

provided in an agreement, so long as the funds which are provided for the event, agency, and/or organization are used for the advertisement or promotion of tourism as allowed under the laws of the state.

SECTION 2. AMENDMENT TO SECTION 4.1305

Sec 4.1305 Tourism and Charitable Contributions

(a) The City Council shall, through the annual budget, allocate funds derived from the hotel occupancy tax for projects that directly enhance and promote tourism and the convention and hotel industry within the City, in accordance with Texas Tax Code Chapter 351.

(b) The funds allocated for tourism purposes may be used for:

1. Convention centers and visitor information centers.
2. Registration of convention delegates.
3. Advertising and promotional programs.
4. Promotion of the arts.
5. Historical restoration and preservation.
6. Sporting events.
7. Signage.

(c) The City Council shall establish an application process for entities seeking funding from the hotel occupancy tax revenue, ensuring compliance with Chapter 351 of the Texas Tax Code and promoting transparency in the allocation of funds.


(d) Nothing herein shall be construed to limit or prevent the City Council from allocating funds not derived from the hotel occupancy tax to charitable contributions and non-profit organizations that meet community needs, as outlined in the Charitable Contribution and Non-Profit Funding Application.

SECTION 3. EFFECTIVE DATE

This ordinance shall take effect immediately upon its passage and publication as provided by law.

PASSED AND APPROVED this 15th day of August, 2024.

THE CITY OF LAGO VISTA:



Kevin Sullivan, Mayor

ATTEST:



Lucy Aldrich, City Secretary

