

**RESOLUTION NO. R-2011-1**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS, SUPPORTING THE PASSAGE OF LEGISLATION AMENDING TEXAS TAX CODE SECTION 351.003 TO AUTHORIZE A MUNICIPALITY THAT HAS A POPULATION OF MORE THAN 95,000 AND THAT IS LOCATED IN A COUNTY THAT BORDERS LAKE PALESTINE AND THAT HAS A POPULATION OF MORE THAN 200,000, TO ESTABLISH A HOTEL OCCUPANCY TAX RATE NOT TO EXCEED 9% OF THE PRICE PAID FOR A ROOM IN A HOTEL; SPECIFYING THE USES OF ANY ADDITIONAL 2% IN THE HOTEL OCCUPANCY TAX RATE; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS,** it is the intent of the City Council to promote the general welfare of the citizens of Tyler; and

**WHEREAS,** the City of Tyler is a home-rule municipality acting under its Charter adopted by the electorate pursuant to Article 11, Section 5 of the Texas Constitution, and other statutory authority; and

**WHEREAS,** Texas Tax Code Section 351.003(a) generally authorizes a hotel occupancy tax not to exceed 7% of the price paid for a room in a hotel; and

**WHEREAS,** pursuant to State law, the City of Tyler has established, in City Code Section 2-15, a hotel occupancy tax not to exceed 7% of the price paid for a room in a hotel; and

**WHEREAS,** Texas Tax Code Section 351.003(b) authorizes certain municipalities to enact a hotel occupancy tax rate not to exceed 9% of the price paid for a room in a hotel; and

**WHEREAS,** the City of Tyler supports the passage of legislation amending Texas Tax Code Section 351.003 to authorize a municipality that has a population of more than 95,000 and that is located in a county that borders Lake Palestine and that has a population of more than 200,000, to establish a hotel occupancy rate not to exceed 9% of the price paid for a room in a hotel; and

**WHEREAS,** it is important to specify the uses of the revenue raised from the additional 2% in the hotel occupancy tax rate; and

**WHEREAS,** it is considered to be in the public interest to obtain and use the additional hotel occupancy tax revenue for the above public purposes; and

**WHEREAS,** the City Council desires to promote the creation of a proper economic and social environment in the City, to induce the investment of private resources in productive business enterprises, and to encourage employment and economic activity for the benefit of all citizens;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS:**

**PART 1:** That the Tyler City Council hereby supports the passage of legislation in the 82nd session of the Texas Legislature, amending Texas Tax Code Section 351.003 to authorize a municipality that has a population of more than 95,000 and that is located in a county that borders Lake Palestine and that has a population of more than 200,000, to establish a hotel occupancy tax rate not to exceed 9% of the price paid for a hotel room.

**PART 2:** In the event that the supported legislation is adopted by the Texas Legislature, it is the express intent of the Tyler City Council to use the revenue raised from the additional 2% in the hotel occupancy tax rate for the costs associated with and related to a new or expanded conference center and/or multi-purpose arena, and any associated facilities, and that said funds shall be accounted for separately within the City of Tyler's Hotel Occupancy Tax Fund and tracked as a reserve for future commitments.

**PART 3:** That the City Manager and City staff are hereby directed to continue their efforts and cooperation with all appropriate State legislators in support of this proposed legislation.

**PART 4:** That this resolution shall become effective immediately from and after its passage and approval by the City Council.

**PASSED AND APPROVED** this 12<sup>th</sup> day of January, A.D., 2011.

  
BARBARA BASS, MAYOR OF  
THE CITY OF TYLER, TEXAS

ATTEST:

  
CASSANDRA BRAGER, CITY CLERK

The seal of the City of Tyler, Texas, is a circular emblem. It features a central five-pointed star surrounded by a wreath. The words "CITY OF TYLER" are inscribed in a circle around the star, and "TEXAS" is at the bottom. The word "SEAL" is prominently displayed in the center of the star.

APPROVED:

  
GARY C. LANDERS, CITY ATTORNEY