

RESOLUTION NO. 19 - 14

A RESOLUTION RELATING TO SUPPORTING HOUSE BILL 2665, THANKING REPRESENTATIVE DAN FLYNN FOR HIS EFFORTS TO RETURN FUNDING TO COMMERCE, ENCOURAGING SENATOR BOB HALL TO PROMOTE THIS LEGISLATION IN THE SENATE, AND AUTHORIZING THE CITY MANAGER TO SPEAK IN SUPPORT OF THIS LEGISLATION.

A regular meeting of the City Council of the City of Commerce, Texas, was held in Commerce, Texas, at City Hall, on the 19th day of March 2019, at 6:00 p.m.; a majority of council members being present and constituting a quorum, the following resolution was adopted:

WHEREAS, a Hotel Occupancy Tax is charged on all room night stays of less than 30 consecutive days with a few exceptions enumerated in the City Code of Ordinances;

WHEREAS, the combined Hotel Occupancy Tax of 13% includes a 7% tax for the City of Commerce and a 6% tax for the State of Texas;

WHEREAS, Chapter 2303 of the Texas Government Code identifies severely distressed areas of the state and provides incentives by state and local government to induce private investment in those areas by removing unnecessary governmental regulatory barriers to economic growth and to provide tax incentives and economic development program benefits.

WHEREAS, Representative Dan Flynn has filed House Bill 2665, which would amend Chapter 2303 of the Texas Government Code to return the State of Texas' share of the Hotel Occupancy Tax to the City of Commerce for all Hotel Occupancy Taxes collected in a privately-owned hotel adjoining a publicly-owned convention center in a city of at least 8,000 people that is within 50 miles of the Oklahoma border, home to a four-year university, and not a county seat;

WHEREAS, the 2017 American Community Survey reports the median household income in Commerce is \$22,429, which is substantially lower than the statewide median income of \$57,051;

WHEREAS, the 2017 American Community Survey reports that 31.4% of the families in Commerce have an annual income below the poverty line, while only 12.4% of the families live below the poverty line; and

WHEREAS, the sales tax accounts for approximately 18% of the budgeted revenues in the City of Commerce's Fiscal Year 2019 General Fund, while property tax revenue is expected to account for 36% of the Fiscal 2019 General Fund Revenues;

WHEREAS, a hotel and convention center project would boost the local economy by creating jobs, promoting tourism and activities in the City, and encouraging taxable sales at local restaurants and retail establishments; and

WHEREAS, an increase in the City's revenue from sales tax would reduce the overall burden on property tax payers.

THEREFORE, BE IT RESOLVED, that the Mayor of the City of Commerce, Texas, be authorized and he is hereby authorized to execute this resolution;

BE IT FURTHER RESOLVED, that the City of Commerce supports House Bill 2665;

BE IT FURTHER RESOLVED, the City of Commerce wishes to express sincere appreciation to Representative Dan Flynn for filing this and other legislation that is beneficial to the community; and

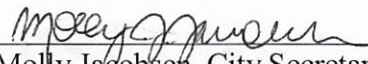
BE IT FURTHER RESOLVED, the City of Commerce encourages Senator Bob Hall to promote this legislation in the Senate; and

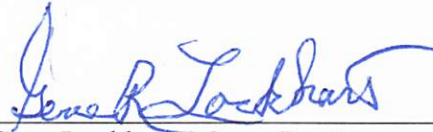
BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to carry the City Council's endorsement of House Bill 2665 and any related legislation to any interested party.

PASSED BY THE GOVERNING BODY of the City of Commerce, Texas, at a regular meeting of the City Council of the City of Commerce, Texas, on the 19th day of March 2019.

ATTEST:

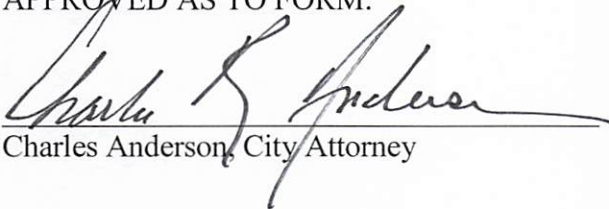
CITY OF COMMERCE, TEXAS


Molly Jacobsen, City Secretary


Gene Lockhart, Mayor Pro-Tem

(Seal)

APPROVED AS TO FORM:

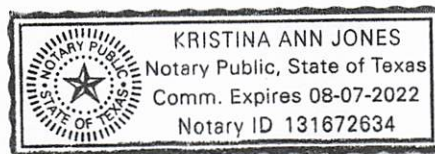

Charles Anderson, City Attorney

I, Molly Jacobsen, City Secretary of the City of Commerce, Texas, do hereby certify that the above is a true and correct copy of a resolution and that the same has not been repealed and is in full force and effect.

(Seal)


Molly Jacobsen, City Secretary
City of Commerce, Texas

Sworn to and subscribed before me, on this the 28 day of March 2019, to certify which witness my hand and seal of office.




Notary Public, State of Texas