

ORDINANCE NO. 2014-37

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS, AMENDING THE CODE OF ORDINANCES CHAPTER 21, TAXATION, ARTICLE II SECTION 21-20 RELATING TO THE DEFINITION OF A HOTEL, SECTION 21-21 RELATING TO THE LEVY OF AN ADDITIONAL ONE PERCENT HOTEL TAX AND SECTION 21-22 RELATIVE TO USE OF TAX REVENUE; DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Grapevine, Texas (the "City") is a home rule city pursuant to Article II, Section 5 of the Texas Constitution, Section 9.001 et seq, Tex. Loc. Gov. Code. Ann. (Vernon), and its Home Rule Charter; and

WHEREAS, as a home rule City, the City has the full power of self-government, and looks to acts of the Legislature not for grants of power but only for limitation of the City's authority; and

WHEREAS, the City is authorized by Chapter 351 of the Texas Tax Code to impose a tax for occupancy of a hotel room as outlined therein; and

WHEREAS, the City has heretofore imposed such a hotel occupancy tax, as set forth in Article II, Chapter 21 of the City's Code of Ordinances; and

WHEREAS, the City is authorized by statute generally to collect taxes authorized by law and impose penalties for delinquent taxes (§ 302.102 (b), Tax Code), and specifically to collect delinquent hotel taxes by the filing of an injunction suit ((§ 351.004(a), Tax Code) or by other remedies provided by law or ordinance (§ 3g, art. 1269j-4.1, codified in § 351.004(b), Tax Code); and

WHEREAS, in addition to other remedies available to the City, the City desires to collect delinquent hotel taxes by placing a first lien for such nonpayment on the real property on which a hotel which is subject to the tax is located.

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

Section 1. That all of the above premises are found to be true and correct and are incorporated into the body of this ordinance as if copied herein in their entirety.

Section 2. That Article II of Chapter 21 of the Code of Ordinances of the City of Grapevine, Texas relating to a hotel occupancy tax is hereby amended in the following particulars, and all other chapters, articles, sections, subsections, paragraphs, sentences, phrases, and words of the said Code are not amended but are in all things ratified, verified, approved and affirmed:

A. That Chapter 21 Taxation, Section 21-20 Definitions is hereby amended so that the definition of "Hotel" shall hereafter read as follows:

"Hotel: A building in which members of the public obtain sleeping accommodations for a consideration. The term includes a hotel, motel, tourist home, tourist house, tourist court, lodging house, inn, rooming house, or airport terminal, but does not include a hospital, sanitarium, or nursing home."

B. That Chapter 21 Taxation, Section 21-21 Levy of tax; rate; exceptions, subsection (a) is hereby amended so that it shall hereafter read as follows:

"(a) There is hereby levied a tax of seven percent (7%) of the price paid for a room in a hotel on a person who, under a lease, concession, permit, right of access, license, contract or agreement, pays for the use or possession or for the right of use or possession of a room in the hotel, costing ten dollars (\$10.00) or more each day, and is ordinarily used for sleeping."

C. That Chapter 21 Taxation, Section 21-22 Use of tax revenue is hereby amended to add a new subsection (d) to read as follows:

- (d) Funds derived from the enacted 1% increase in 2014 will be directed to the 215 Fund for the express purposes:
 - (1) to incentivize and promote need periods group convention/tourism business, sporting events, trade shows and exhibitions.
 - (2) to incentivize new hotel room construction in Grapevine through a marketing agreement that would return the 1% from the project hotel's occupancy tax to the hotel property for a period of time specified in the marketing agreement. Following the conclusion of the time period the 1% would then be retained for incentive and promotion of need periods group convention/tourism business, sporting events, trade shows and exhibitions as stated in (d)(1) above."

Section 3. That this ordinance shall be cumulative of all other ordinances of the City of Grapevine, Texas, affecting taxes and shall not repeal any of the provisions

of said ordinances except in those instances where provisions of those ordinances are in direct conflict with the provisions of this ordinance.

Section 4. That if any section, article, paragraph, sentence, clause, phrase or word in this ordinance, or application thereto any person or circumstances is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this ordinance; and the City Council hereby declares it would have passed such remaining portions of the ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

Section 5. That the fact that the present ordinance and regulations of the City of Grapevine, Texas, are inadequate to properly safeguard the health, safety, morals, peace and general welfare of the inhabitants of the City of Grapevine, Texas, creates an emergency for the immediate preservation of the public business, property, health, safety and general welfare of the public which requires that this ordinance shall become effective from and after the date of its final passage, and it is accordingly so ordained.

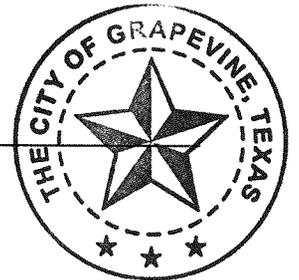
Section 6. That this ordinance shall take effect on October 1, 2014.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF GRAPEVINE, TEXAS on this the 15th day of July, 2014.

APPROVED:



William D. Tate
Mayor

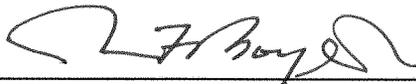


ATTEST:



Jodi C. Brown
City Secretary

APPROVED AS TO FORM:



John F. Boyle, Jr.
City Attorney