

ORDINANCE NO. : 2026-01

AN ORDINANCE AMENDING ORDINANCE NO. 90-2, MUNICIPAL HOTEL OCCUPANCY TAX, SECTION ONE BY UPDATING AND ADDING DEFINITIONS; SECTION NINE BY ADDING VISITOR INFORMATION CENTERS AND SIGNAGE TO THE USE OF REVENUE; AND SECTION TEN REQUIRING QUARTERLY REPORTS FOR ENTITIES MANAGING HOTEL TAX REVENUE FOR THE CITY, AND LIMITING USE OF REVENUE REGARDING VISITOR INFORMATION CENTERS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLDSRING, TEXAS:

I.

That Section 1, of Ordinance 90-2, entitled DEFINITIONS is amended to read as follows:

- (a) Hotel: Any building or building in which the public may, for a consideration, obtain sleeping accommodations, including hotels, motels, tourist homes, tourist houses or tourist courts, lodging houses, inns, rooming houses, beds and breakfast, or other buildings where rooms are furnished for a consideration, including short-term rentals as defined by Section 156.001 of the Texas Property Tax Code; but not including hospitals, sanitariums or nursing homes.
- (h) Permanent Resident: Any occupant who has the right to use or possess a room in a hotel for at least thirty (30) consecutive days, so long as there is no interruption of payment for the period.
- (i) Tourism: The guidance and management of tourists.
- (j) Tourist: An individual who travels from the individual's residence to a different municipality, county, state or country for business, pleasure, recreation, education or culture.
- (k) Visitor Information Center or Tourism Information Center: A building or a portion of a building that is primarily used to distribute or disseminate information to tourists.

II.

That Section 9, of Ordinance 90-2, entitled USE OF REVENUE DERIVED FROM LEVY OF HOTEL OCCUPANCY TAX is amended to read as follows:

- (1) the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of convention center facilities, visitor information centers; or both;
- (5) 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:
 - (a) which are at or in the immediate vicinity of convention center facilities or visitor information centers; or
 - (b) which are located elsewhere in the municipality or its vicinity that would be frequented by tourists, convention delegates, or other visitors to municipality; and
- (6) signage directing the public to sights and attractions that are visited frequently by hotel guests in the municipality.

III.

That Section 10, of Ordinance 90-2, entitled ADMINISTRATIVE REQUIREMENTS: ACCOUNTABILITY; KEEPING RECORDS, the FIRST PARAGRAPH is amended to read as follows:

The City Council may, by contract, delegate to a person, including another governmental entity or a private organization, the management or supervision of programs and activities funded with revenue from the hotel occupancy tax. The City Council shall approve in writing in advance the annual budget of the entity to which it delegates those functions, and shall require the entity to make periodic reports to the City Council at least quarterly listing the expenditures made by the entity of revenue from the tax provided by the municipality.

IV.

That Section 10, of Ordinance 90-2, entitled ADMINISTRATIVE REQUIREMENTS: ACCOUNTABILITY; KEEPING RECORDS, is amended with an additional paragraph added at the end of the section, to read as follows:

A municipality may not use municipal hotel occupancy tax revenue for a visitor information center under Section 9 (1), to acquire a site for, construct, improve, enlarge, equip, repair, staff, operate, or maintain any part of a building or facility that is not primary used to distribute, or disseminate tourism related information to tourist.

V.

SECTION 1. SEVERABILITY

If any provision or any Article or Section of this Ordinance shall be held void or unconstitutional, such holding shall in no way affect the validity of the remaining provisions or sections of this Ordinance, which shall remain in full force and effect.

SECTION 2. EFFECTIVE DATE

This Ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and charter in such cases provide.

SECTION 4. PROPER NOTICE AND MEETING

It is hereby officially found and determined that the meeting at which this Ordinance is passed was open to the public as required and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meeting Act, Chapter 551, Texas Local Government Code.

ADOPTED, PASSED, APPROVED AND EFFECTIVE AS OF this the 5th day of January, 2026.

John Benstante
MAYOR

ATTEST: Jody Bon CITY SECRETARY