

HOTEL/MOTEL OCCUPANCY TAX AGREEMENT

COUNTY OF POLK

and

THE LIVINGSTON-POLK COUNTY CHAMBER OF COMMERCE

WHEREAS, the Commissioners Court of Polk County, Texas has authorized the execution of this Agreement by an Order entered into the Minutes of the Court at a regularly scheduled meeting thereof; and

WHEREAS, The Livingston-Polk County Chamber of Commerce, a Texas non-profit corporation, located within said county, has authorized the execution of this Agreement by a duly adopted resolution of its Board of Directors; and

WHEREAS, The County of Polk, by order of the Commissioners Court, has imposed an occupancy tax on hotel/motel rooms, pursuant to the provisions of Chapter 351 of the Texas Tax Code, as amended; and

WHEREAS, The Livingston-Polk County Chamber of Commerce is involved with the promotion of tourism within the County of Polk and desires to obtain a portion of the revenue derived from the imposition of said hotel/motel occupancy tax, to further and promote tourism within Polk County; and

WHEREAS, the County of Polk desires, through this Agreement, to contract with the Livingston-Polk County Chamber of Commerce, pursuant to the provisions of Section 351.101 of the Texas Tax Code, to delegate the management and/or supervision of programs and activities relating to tourism, funded with revenues from the tax imposed and collected by the County of Polk, and to fund the Livingston-Polk County Chamber of Commerce, under the provisions of this Agreement, a portion of that tax revenue collected by the County of Polk.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that, for and in consideration of the mutual benefits to be gained by both parties hereto, the County of Polk and the Livingston-Polk County Chamber of Commerce do hereby mutually agree as follows:

COUNTY OF POLK ("COUNTY") OBLIGATIONS:

1. Upon the continuing satisfaction of the Livingston-Polk County Chamber of Commerce ("Chamber") obligations, the County shall pay to the Chamber in quarterly payments, a sum equal to Forty Percent (40%) of the actual hotel/motel occupancy taxes collected by the County during each calendar quarter.

2. The County shall pay such sum to the Chamber within 60 days after the end of each calendar quarter. However, the County shall not be obligated to pay any of such funds until the County actually has collected and received such taxes. The County shall have no obligation to the Chamber to pursue the collection of delinquent occupancy taxes and/or penalties.

3. The County shall review the annual budget of the Chamber for the expenditure of hotel/motel occupancy tax received from the County, and, if the County finds the same to be satisfactory, shall approve the said budget in writing.

LIVINGSTON-POLK COUNTY CHAMBER OF COMMERCE ("CHAMBER")
OBLIGATIONS

1. All funds received from the County pursuant to this agreement shall be placed in a separate bank account established for such purpose, and may not be commingled with any other funds nor placed in any other account.

2. The Chamber shall submit to the County each year in advance its proposed annual budget for the expenditure of hotel/motel occupancy tax funds, for approval by the County. In reviewing the proposed annual budget, the County may, at its option, hold a public hearing. In such event, the County shall give notice of the public hearing not later than seven (7) days prior to the date of the public hearing, in a newspaper of general circulation within the county.

3. The Chamber shall submit to the County, not later than 30 days following the end of each calendar quarter, a detailed accounting of the funds received and expended, listing the expenditures made of the tax revenue from the County, and shall show the date, amount, recipient and purpose of each such expenditure. The County shall have no obligation to pay the Chamber its share of funds collected for any calendar quarter until the Chamber has submitted its accounting for the previous quarter. All records for expenditures shall be available for inspection by the County at any time.

4. By receiving such funds, and by the County's approval of the annual budget provided by the Chamber, the Chamber recognizes it has a fiduciary to the County with respect to the funds received from the County.

5. The Chamber may expend such funds for day-to-day operations, supplies, salaries, office rental, travel expenses or other administrative costs, only if those administrative costs are incurred directly in the promotion or service of tourism. As it is anticipated that the Chamber shall be conducting other activities for which the tax revenue funds may not be used, the portion of total costs of the Chamber for which the tax revenue funds may be used may not exceed that portion of the costs actually incurred in the conduct of the authorized activities.

6. Tax revenue funds may not be expended for travel for any Chamber personnel to attend any event or conduct any activity, the primary purpose of which is not directly related to the promotion of tourism or the convention or hotel industry of Polk County, Texas.

7. The Chamber may not subcontract any duty, obligation or function hereunder, nor may it make any sub-grants of the funds received from the County without the express approval of the Polk County Commissioners Court.

8. In the event that the County determines that any expenditure of the tax revenue funds by the Chamber was for an unauthorized purpose, the County may require that the Chamber reimburse the County for the funds so expended for such unauthorized purpose. The County shall give written notice to the Chamber, and the Chamber shall reimburse the County such funds within thirty (30) days from the date of such notification.

GENERAL PROVISIONS:

1. This Agreement may be terminated at any time by either party by the giving of written notice to the other, effective immediately upon the receipt of such notice. For all purposes under this Agreement, the parties agree that the following addresses shall be used for all notices hereunder:

To
COUNTY: County Judge
Polk County Courthouse
101 W. Church, Ste. 300
Livingston, Texas 77351

To
CHAMBER: Executive Director
Livingston-Polk County
Chamber of Commerce
P.O. Box 600
Livingston, Texas 77351

2. In the event the Chamber ceases to exist or to actively pursue its functions, all tax revenue funds remaining on hand with the Chamber shall be returned to the County.

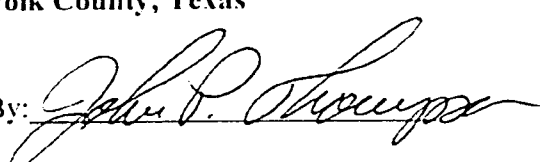
3. This Agreement is executed pursuant to the provisions of Chapter 351 of the Texas Tax Code, as amended 2011 legislative session. It is the intention that any future amendments to said code shall amend this Agreement, and any such future amendments may be incorporated herein by written amendments hereto.

4. This Agreement represents the entire agreement of the parties, and all prior agreements relating to the subject matter hereof, whether written or oral, are hereby superseded and are null and void.

5. This Agreement shall be effective from and after December 11, 2012.

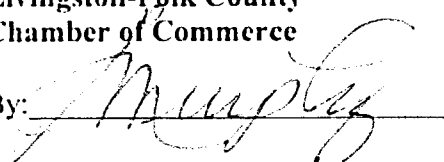
Polk County, Texas

By:


John P. Thompson, County Judge

Livingston-Polk County
Chamber of Commerce

By:


Sydney Murphy, Executive Director