

LEGAL NOTICE

NOTICE IS HEREBY GIVEN that on the 16th day of February, 2010, at its regular meeting at 6:00 p.m. in the City Commission Chambers at City Hall, 200 East Broadway, Hobbs, New Mexico, the governing body of the City of Hobbs proposes to adopt an ordinance which reads as follows:

AN ORDINANCE AMENDING CHAPTER 3.08.145 OF THE HOBBS MUNICIPAL CODE RELATING TO LODGERS' TAX FUNDS

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that Section 3.08.145 of the Hobbs Municipal code is amended to read as follows:

3.08.145 Allocation of Proceeds

1. Per Section 3-38-15 NMSA, 1978 Compilation, as amended, a minimum of 50% of the lodgers' tax proceeds generated in Lea County as a Class A county must be used for advertising and promotion and such 50% portion may not be accumulated beyond two years nor used for any other purpose. Once each year the Lodgers' Tax Board shall recommend general allocations or events for uses of said 50% minimum.

2. The Lodgers' Board is hereby authorized to approve expenditures for smaller events of \$10,000 or less and make recommendations to the City Commission for expenditures of greater amounts for a single event or purpose; such events needing approval prior to the next scheduled Lodgers' Tax Board meeting or if a quorum cannot be obtained, may be considered and approved by the City Manager.

~~3. Twenty percent (20%) of the lodgers' tax will be utilized to promote larger events approved by the City Commission.~~

4. Events funded at greater than \$50,000 in lodgers' tax must submit a determination of economic impact prepared by a certified economic developer, unless waived by the Commission, prior to receiving second and subsequent year funding to ensure acceptable cost-benefit.

5. \$200,000 annually for the next four years, per prior agreement will be paid to the Lea County Commission for capital improvements to the Lea County Events Center.

6. Each event shall be billed all applicable municipal costs for police, fire, and sanitation and may apply for lodgers' tax to defray such costs.

7. Specified allocation percentages shall be based on the budgeted lodgers' tax revenues.

8. Forty-four thousand five hundred dollars (\$44,500.00) shall be paid for the administration of Lodgers' Tax.

9. The remaining funds shall be used in accordance with ~~for a centralized marketing effort to advertise the attractions in Hobbs or toward efforts proven to create motel/RV park occupancy, and for tourist related facilities per 3.08.140 (2)-~~ and production of various approved events is hereby considered one of the acceptable methods to promote tourist related facilities.

10. Second and subsequent years funding regarding for-profit events or those charging a fee, must be reviewed by the Commission, since such events are expected to become self-sustaining over time and require less or no lodgers' tax subsidy.

BE IT FURTHER ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that Sections 3.08.130 and 3.08.150 of the Hobbs Municipal Code are amended to read as follows:

3.08.130 Lodgers' Tax Advisory Board--Duties.

A. The Mayor shall appoint a five-member Advisory Board that consists of two members who are owners or operators of lodgings subject to the occupancy tax within the municipality, two members who are owners or operators of industries located within the municipality that primarily provide services or products to tourists and one member who is a resident of the municipality and represents the general public. All members of the Lodgers' Tax Advisory Board shall qualify for office by taking an oath to faithfully discharge the duties of the office.

B. The Advisory Board shall serve at the pleasure of the City Commission. The Board shall advise the City Commission on the expenditure of funds authorized by Section 3.08.140A of this chapter for advertising, publicizing, and promotion of tourist related attractions, facilities and events.

C. The City Commission shall directly determine expenditures of remaining funds authorized by Section 3.08.140(B) of this chapter.

D. The Advisory Board may make the final determination on the expenditure of funds authorized by Section 3.08.140A of this chapter, up to the amount of ten thousand dollars (\$10,000.00). The Advisory Board shall submit to the City Commission recommendations for the expenditures of funds authorized by Section 3.08.140A of this chapter in excess of ten thousand dollars (\$10,000.00).

E. The members of the Lodgers' Tax Advisory Board shall serve without compensation as members during the term for which they are appointed, or until their removal or resignation, and until their successors are duly appointed and qualified. The City Commission may remove a member of the Lodgers' Tax Advisory Board for cause or for failure to remain qualified to serve, and shall fill any vacancy on the Lodgers' Tax Advisory Board that may occur.

F. The Lodgers' Tax Advisory Board shall meet regularly at least quarterly, on a regular date to be designated by the Lodgers' Tax Advisory Board; provided, that a special meeting may be called at any time by the written request to the Chairperson of the Lodgers' Tax Advisory Board by three members, or on call by the Chairperson with the written consent of all members of the Board. All meetings, whether regular or special, shall be open to the public, as provided by the laws of the State. A majority of the whole membership shall constitute a quorum, and no action can be had in the absence of a quorum.

3.08.150 Contracting for services.

A. The City Commission may contract for the management of programs and activities funded with revenue from the lodgers' tax. The governing body shall require periodic reports to the governing body, at least quarterly, listing the expenditures for those periods. Within ten (10) days of receiving the reports, the governing body shall furnish copies of them to the Advisory Board. Funds provided to the contracting person or governmental agency shall be maintained in a separate account established for that purpose and shall not be commingled with any other money.

BE IT FURTHER ORDAINED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that this ordinance will become effective March 1, 2010 and does hereby repeal Resolution No. 1013.

Copies of the ordinance are available to interested persons during regular business hours in the Office of the City Clerk, City Hall, 200 East Broadway, Hobbs, New Mexico, and also available online at www.hobbsnm.org.

/s/ Jan Fletcher
JAN FLETCHER, City Clerk