

CITY OF BUCKLEY, WASHINGTON

ORDINANCE NO. 12-23

AN ORDINANCE OF THE CITY OF BUCKLEY, PIERCE COUNTY, WASHINGTON, REPEALING AND REPLACING BMC CHAPTER 3.14 LODGING EXCISE TAX TO UPDATE EXISTING LANGUAGE AS ARTICLE 1 AND CREATE ARTICLE 2 LODGING TAX ADVISORY COMMITTEE AND FIXING A TIME WHEN THE SAME SHALL BECOME EFFECTIVE

WHEREAS, Sections 67.28.1816 and 67.28.1817 of the Revised Code of Washington (RCW's) set forth certain requirements and rules for the Lodging Tax Advisory Committees (LTACs) as well as the City's executive and legislative body dealings with the LTACs and the LTACs recommendations; and

WHEREAS, in order to best serve the public interest and the purpose for which LTAC funds are intended, the City of Buckley (City) wishes to clarify establishment of the LTAC and certain procedures;

NOW THEREFORE THE CITY COUNCIL OF THE CITY OF BUCKLEY, PIERCE COUNTY, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Buckley Municipal Code Chapter 3.14 is hereby repealed and replaced as follows:

Chapter 3.14
Lodging Excise Tax

Sections:

3.14.010 Hotel-motel tax levied.

3.14.015 Pierce County hotel-motel tax levied.

3.14.020 Collection.

3.14.035 Visitor promotion and development fund.

3.14.010 Hotel-motel tax levied.

~~There is levied a two percent excise tax on all charges made for the furnishing of lodging by a hotel, roominghouse or motel within the city. The provider of the lodging shall be principally responsible for the collection of the tax from the consumer. (Ord. 38-97 X 1, 1997; Ord. 5-95 X 1, 1995; Ord. 1054 X 1, 1983).~~

3.14.015 Pierce County hotel-motel tax levied.

~~There is levied a two percent excise tax on all charges made for the furnishing of lodging by a hotel, roominghouse or motel within the city. The provider of the lodging shall be principally responsible for the collection of the tax from the consumer. (Ord. 8-98 X 1, 1998).~~

3.14.020 Collection

~~The collection of the excise taxes referred to in this chapter shall be collected by the Washington State Department of Revenue on behalf of the city. (Ord. 13-90 X, 1990; Ord. 1054 X 2, 1983).~~

3.14.035 Visitor promotion and development fund

~~The city shall maintain a visitor promotion and development fund designated as Fund No. 136. All moneys received pursuant to the tax imposed by BMC 3.14.010 and 3.14.015 shall be deposited into this fund. Moneys deposited into this fund shall be used solely for the purpose of paying all or any part of the cost~~

~~of tourism promotion, acquisition of tourism related facilities, or operation of tourism related facilities.~~
(Ord. 8-98 X 3, 1998).

Chapter 3.14 Lodging Excise Tax

Sections:

Article 1. Tax Procedures

- 3.14.010 Hotel-motel tax levied.**
- 3.14.015 Pierce County hotel-motel tax levied.**
- 3.14.020 Collection.**
- 3.14.035 Visitor promotion and development fund.**

3.14.010 Hotel-motel tax levied.

There is levied a two percent excise tax on all charges made for the furnishing of lodging by a hotel, roominghouse, motel, short term rental, or inn within the city. The provider of the lodging shall be principally responsible for the collection of the tax from the consumer. (Ord. 38-97 X 1, 1997; Ord. 5-95 X 1, 1995; Ord. 1054 X 1, 1983).

3.14.015 Pierce County hotel-motel tax levied.

There is levied a two percent excise tax on all charges made for the furnishing of lodging by a hotel, roominghouse, motel, short term rental, or inn within the city. The provider of the lodging shall be principally responsible for the collection of the tax from the consumer. (Ord. 8-98 X 1, 1998).

3.14.020 Collection

The collection of the excise taxes referred to in this chapter shall be collected by the Washington State Department of Revenue on behalf of the city. (Ord. 13-90 X 1, 1990; Ord. 1054 X 2, 1983).

3.14.035 Visitor promotion and development fund

(1) The city shall maintain a visitor promotion and development fund designated as Fund No. 136. All moneys received pursuant to the tax imposed by BMC 3.14.010 and 3.14.015 shall be deposited into this fund. Moneys deposited into this fund shall be used solely for the purpose of paying all or any part of the cost of tourism promotion, acquisition of tourism-related facilities, or operation of tourism-related facilities, or for other purposes as authorized in RCW Chapter 67.28, or as it is hereafter amended.

(2) The definitions in this section shall apply throughout this chapter unless the context clearly requires otherwise:

(a) "Tourism" means economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.

(b) "Tourism promotion" means activities, operations, and expenditures designed to increase tourism, including but not limited to advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists; developing strategies to expand tourism; operating tourism promotion agencies; and funding the marketing of or operation of special events and festivals designed to attract tourists.

(c) "Tourism-related facility" means real or tangible personal property with a usable life of three or more years, or constructed with volunteer labor that is: (a)(i) Owned by a public entity; (ii) owned by a nonprofit organization described under section 501(c)(3) of the federal internal revenue code of 1986, as amended; or (iii) owned by a nonprofit organization described under section 501(c)(6) of the federal internal revenue code of 1986, as amended, a business organization, destination marketing organization, main street organization, lodging association, or chamber of commerce, and used to support tourism, performing arts, or to accommodate tourist activities.

Article 2. Lodging Tax Advisory Committee

3.14.210 Established.

3.14.220 Committee Membership.

3.14.230 Duties and Authority.

3.14.240 Quorum.

3.14.250 Applications and Recommendations on Use of Lodging Tax Funds.

3.14.260 Use of Lodging Tax Funds.

3.14.270 Applicant Reporting to City.

3.14.210 Established.

There is hereby created a City of Buckley Lodging Tax Advisory Committee (LTAC), to serve the functions prescribed in RCW 67.28.1817, as currently written, or as may subsequently be amended.

3.14.220 Committee Membership.

(1) The membership of the Lodging Tax Advisory Committee shall consist of five voting members. One member shall consist of a City Council member who shall serve as the chair of the LTAC per RCW 67.28.1817(1). Two members shall be representatives of businesses required to collect tax under this chapter. Two members shall be persons involved in activities authorized to be funded by revenue received under this chapter. Persons eligible for appointment as representatives of businesses required to collect tax under this chapter are not eligible for appointment as persons involved in activities to be funded by revenue collected under this chapter and vice versa. The number of members who are representatives of businesses required to collect tax under this chapter shall equal the number of members who are involved in activities authorized to be funded by revenues received under this chapter. City staff shall provide Committee support.

(2) Members of the LTAC shall be selected by the Mayor and confirmed by the City Council for appointment. A term of membership on the LTAC shall be a calendar year, commencing on January 1st and ending at the expiration of December 31st in the same year. The City shall review the membership of the LTAC annually and make changes as appropriate. Interested parties will make an application in the fall of each year for membership on the committee for the following year.

3.14.230 Duties and Authority.

(1) The LTAC has the authority to make recommendations to the City Council on lodging tax matters per RCW 67.28.1817(2) and on other subjects as the City Council may request.

(2) The LTAC does not have authority to set City policy or authorize expenditures.

(3) LTAC meetings must comply with the Open Public Meetings Act, RCW 42.56.

(4) An LTAC member may not cast a vote, influence, or attempt to influence another LTAC member on an allocation to an entity that LTAC member represents, owns, or is employed by.

(5) A City proposal shall be submitted to the LTAC for review and comment if the City proposes an increase in the rate of the tax imposed under this chapter, the repeal of an exemption from a tax imposed under

this chapter, or a change in the use of revenues received under this chapter. The LTAC shall submit comments on such a proposal to the City Council in a timely manner through generally applicable public comment procedures. Comments from the LTAC shall include an analysis of the extent to which the proposal will accommodate activities for tourists or increase tourism, and the extent to which the proposal will affect the long-term stability of the lodging tax fund created under this chapter.

(6) The LTAC should submit its comments on the proposal no more than forty-five days after its receipt of the proposal. However, failure of the LTAC to submit comments shall not prevent the City from acting on the proposal once forty-five days have elapsed since the proposal was submitted to the LTAC. The City is not required to submit an amended proposal to the LTAC.

3.14.240 Quorum.

A quorum of the LTAC shall be a majority of persons currently serving as voting members of the LTAC. A quorum must be present in order for a vote to be taken on a recommendation to go to the City Council.

3.14.250 Applications and Recommendations on Use of Lodging Tax Funds.

(1) Any individual or organization, including local government entities including the City of Buckley itself, may make application to the LTAC for use of lodging tax funds.

(2) An application for use of lodging tax funds must contain the following:

(a) A fixed amount of lodging tax funds requested.

(b) A budget for the proposed activity to be funded.

(c) The estimates required by RCW 67.28.1816(2) regarding the proposed event, attraction, or facility's impact on tourism

(3) The LTAC must consider the applications for proposed use of lodging tax funds and make recommendations on applicants and recommended amounts to the City Council.

(4) For each proposal, the LTAC's recommendation must include the following:

(a) Recommended amount of funding

(b) Consideration of legally allowable uses of the funds under RCW 67.28 RCW as currently prescribed, or subsequently amended.

(c) An evaluation of the history of the applicant's past compliance with reporting requirements on the actual tourism generated as outlined in RCW 67.28.1816(2)(c)(i).

3.14.260 Use of Lodging Tax Funds.

(1) Final approval of use of lodging tax funds shall be made by the City Council through resolution.

(2) The City Council may not authorize an allocation to an entity that was not recommended for funding by the LTAC.

(3) The City Council may award amounts different from the LTAC's recommended amounts, but only after satisfying the procedural requirements of RCW 67.28.1817(2). The City Council shall submit its proposed change(s) to the LTAC for review and comment at least 45 days before final action is taken. The LTAC's failure to respond will not preclude the City Council from a final vote on the proposal.

(4) The City Council approved uses of lodging tax funds shall be incorporated into the following year's budget.

3.14.270 Applicant Reporting to City.

Within sixty (60) days of the close of the calendar year, agencies awarded lodging tax funds in the prior year shall report to the City the following data regarding the project(s) funded by lodging tax funds:

(a) Actual number of people attending the event, attraction, or facility.

(b) Actual number of people traveling for business or pleasure on an overnight trip in paid accommodations.

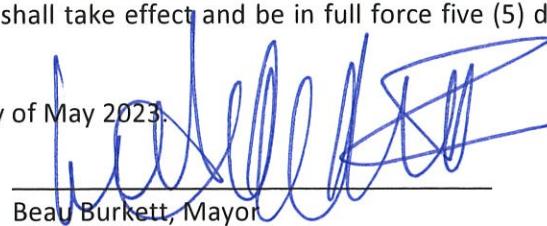
(c) Actual number of people traveling for business or pleasure who did not pay for overnight lodging.

- (d) Actual number of people traveling 50 or more miles away from their business or place of residence for the day or overnight.
- (e) Actual number of people traveling from another country or state.

Section 2. Severability. If any section, sentence, clause, or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

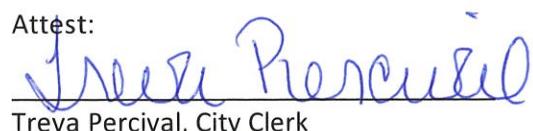
Section 3. Effective Date. This Ordinance or a summary thereof consisting of the title shall be published in the official newspaper of the City and shall take effect and be in full force five (5) days after publication.

Introduced, passed, and approved this 23rd day of May 2023.



Beau Burkett, Mayor

Attest:



Treva Percival

Treva Percival, City Clerk



Phil Olbrechts

APPROVED AS TO FORM:
Phil Olbrechts, City Attorney

PUBLISHED: May 31, 2023

EFFECTIVE: June 5, 2023