



MONROE CITY COUNCIL

Agenda Bill No. 19-125

SUBJECT:	2019-2020 Lodging Tax Advisory Committee Appointments
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DATE:	DEPT:	CONTACT:	PRESENTER:	ITEM:
06/11/2019	Finance	Becky Hasart	Becky Hasart	Consent Agenda #4

Discussion: 06/11/2019

Attachments: 1. Monroe Municipal Code Sections 2.49.010 through 2.49.050.

REQUESTED ACTION: Move to appoint Mike Buse, Doug Hobbs, and Elmer Kim to the City of Monroe Lodging Tax Advisory Committee for the July 1, 2019, to June 30, 2020 term.

POLICY CONSIDERATION

RCW 67.28.1817 requires that all cities with a population over five thousand establish a Lodging Tax Advisory Committee (LTAC) to consider and make recommendations on the use of the City's lodging tax revenues. RCW 67.28.1817 and Monroe Municipal Code (MMC) 2.49 also establishes the qualifications which must be met to serve on this committee and requires an annual review/reappointment.

DESCRIPTION/BACKGROUND

Since 1988, the City of Monroe has levied a two percent lodging excise tax on hotel/motel rooms. This is variously referred to as the lodging tax, the hotel/motel tax, or the tourism tax. The use of the funds collected is governed by State law (RCW 67.28).

As required, the City has a Lodging Tax Advisory Committee (LTAC) to recommend to the City Council how the funds collected from the Lodging Excise Tax be used. The Committee membership must include at least two representatives of businesses that collect the lodging tax, at least two people who are involved in activities that are funded by this tax, and one elected City Official who serves as chairperson of the committee. The Monroe Municipal Code (MMC) further states that the elected official is the Mayor or a Councilmember designated by the Mayor. The City of Monroe's LTAC consists of five members in total.

Appointments to the committee are for one year terms. These terms run from July 1st of each year through June 30th of the next calendar year.

The following are the current members of the LTAC through June 30, 2019:

- Mayor Geoffrey Thomas – City of Monroe.
- Mike Buse – President, Monroe Chamber of Commerce Board.
- Doug Hobbs – High Road Promotions.
- Elmer Kim – General Manager, Evergreen Inn & Suites.

The second hotel position remains vacant.

MMC 2.49.030 requires that the City Council review the LTAC membership annually and make changes as appropriate. The current membership meets the statutory and municipal code requirements for the LTAC. Staff will continue to activity recruit for the second hotel position. Given the limited number of hotels within Monroe, this remains a challenge.

It is staff's recommendation that: 1) because the current membership meets all statutory and code requirements, 2) to maintain continuity with the City's lodging tax program, and 3) because there are specific requirements to be met in order to be eligible to serve on the LTAC, that Council maintains the current membership on the LTAC. Staff has confirmed the interest of the current members at its April 17, 2019, LTAC meeting.

FISCAL IMPACTS

None. However, lodging tax funding cannot be awarded without an active advisory committee.

TIME CONSTRAINTS

Direction is needed prior to July 1, 2019, in order to move forward with the 2020 funding cycle.

ALTERNATIVES

1. Reappoint current incumbents. Staff will continue to recruit for the second hotel position.
2. Direct staff to open all but the elected official position for recruitment. (*By code, only the Mayor or his designated Councilmember may serve in the elected official position.*) The challenge associated with this alternative is the limited pool from which the City may appoint members to the LTAC.
3. Do nothing and let current terms expire. If the Council chooses this alternative, the lodging tax money may not be expended beyond current awards until such time as a statutorily compliant LTAC is formed and can make recommendations to the Council