

BEFORE THE COMMON COUNCIL OF THE CITY OF CANNON BEACH

FOR THE PURPOSE OF AMENDING THE) ORDINANCE NO. 10-06
MUNICIPAL CODE, CHAPTER 3, TO)
INCREASE THE AMOUNT OF THE)
TRANSIENT LODGING TAX FROM SIX)
PERCENT (6%) TO SEVEN PERCENT (7%);)
THE LOCAL TRANSIENT ROOM (LODGING))
TAX IN ACCORDANCE WITH OREGON)
REVISED STATUTES 320.300 TO 320.350)

WHEREAS the Cannon Beach Municipal Code Chapter 3.12 creates and implements a local transient room (lodging) tax in accordance with Oregon Revised Statutes 320.300 to 320.350;

WHEREAS the Cannon Beach City Council desires to increase the amount of the transient lodging tax from six percent (6%) to seven percent (7%);

WHEREAS the Oregon Revised Statutes Chapter 320 specifies that no less than 70% of the 1% increase must be dedicated to tourism and tourism related facilities and that no more than 30% of the increase may be dedicated to fund City services;

WHEREAS the City Council desires that the intended purpose of 70% of the 1% increase is to develop and support events and attractions that enhance tourism, in accordance with ORS 320.300 and 320.350, specifically tourists staying overnight in or traveling distances greater than 50 miles to Cannon Beach, and with additional emphasis given to tourism tied to the arts community of Cannon Beach;

WHEREAS 70% of the 1% increase would be collected and maintained in a fund entitled the "Tourism and Arts Fund";

WHEREAS a City Committee, the "Cannon Beach Tourism and Arts Commission", is created to develop grant guidelines and procedures to distribute and account for the monies in the "Tourism and Arts Fund" and that these procedures and any subsequent changes to the procedures be presented for approval to the City Council before implementation of such procedures;

WHEREAS the intent is to distribute monies in the Tourism and Arts Fund on a quarterly basis with the first distribution to be made to the recipients during November of each year with ensuing distributions during February, May and August;

WHEREAS the recipients of the Tourism and Arts Fund understand that the level of funding may fluctuate on a quarterly basis due to the fact that the amount of money in the Fund is entirely dependent upon the amount of tax revenue collected on a quarterly basis from the Lodging Tax;

WHEREAS it is the expectation of the Council that all recipients of the monies from the Tourism and Arts Fund exemplify accountability and transparency in all matters related to the application of these funds, further it is imperative that the recipients demonstrate to the Tourism and Arts Commission that they are in compliance with the State statute (ORS Chapter 320), City Ordinance and local rules related to the use of these funds;

WHEREAS the Tourism and Arts Commission shall present for approval to the City Council their recommendations as to grant recipients and amounts of such grants from the Tourism and Art Fund before final awards and distributions are made;

WHEREAS the Council recognizes the need for the recipients of these funds to rely upon funding from year to year; therefore, applicants may apply for multi-year grants contingent upon the Tourism and Arts Commission's annual review of the recipient's application and use of the funding to ensure compliance with the State statute (ORS Chapter 320), City Ordinance and local rules related to the use of the funds; and

WHEREAS the Cannon Beach Tourism and Arts Commission shall be comprised of a total of five (5) voting members. Each member shall have experience in one or more of the following areas: public relations, marketing, advertising, tourism, lodging, promotions, events promotion and/or publicity.

NOW, THEREFORE, the City of Cannon Beach does ordain as follows:

Section 1. Amend the Municipal Code, 3.12.020 Tax imposed, to read as follows:

A. As of July 1, 2010 a transient shall pay a tax in the amount of seven percent for the privilege of occupancy in a hotel in the city. The tax constitutes a debt owed by the transient to the city and the debt is extinguished only when the tax is remitted by the operator to the city. The transient shall pay the tax to the operator at the time rent is paid. The operator shall enter the tax into the record when rent is collected if the operator keeps records on the accrual accounting basis. If the rent is paid in installments, a proportionate share of the tax shall be paid by the transient to the operator with each installment. In all cases, rent is paid or charged for occupancy shall exclude the sale of goods, services or commodities. (Ord. 91-8 § 1: Ord. 86-5 § 1: Ord. 83-21 §2)

B. Such tax increase shall not apply to reservations for lodging in the City of Cannon Beach made prior to the passage of this Ordinance. Reservations made prior to the passage of the Ordinance by the City Council are exempt from the 1% lodging tax increase; however, such tax increase shall apply to all reservations made after the date of passage of the Ordinance.

C. Pursuant to ORS 320.350, 70% of the net proceeds from the additional 1% of the transient lodging tax shall be used for the purposes described in ORS 320.350 (5)(a) or (c) which states that such funds shall be used for tourism promotion or tourism related facilities. Pursuant to ORS 320.350 (5)(A)(6), 30% of the net proceeds from the increased lodging tax may be used by the City for funding City services.

ADOPTED by the Common Council of the City of Cannon Beach this 4th day of May, 2010, by the following roll call vote:

YEAS:
NAYS:
EXCUSED:

Mike Morgan, Mayor

Attest:

Approved as to Form:

Richard A. Mays, City Manager

Tamara Herdener, City Attorney

BEFORE THE COMMON COUNCIL OF THE CITY OF CANNON BEACH

FOR THE PURPOSE OF AMENDING MUNICIPAL) ORDINANCE NO. 10-07
CODE, CHAPTER 2, TO ESTABLISH A CITY)
TOURISM AND ARTS COMMISSION,)
ESTABLISHING RULES AND REGULATIONS)
FOR ITS GOVERNANCE AND PRESCRIBING)
THE POWERS AND DUTIES OF SAID TOURISM)
AND ARTS COMMISSION)

The City of Cannon Beach does ordain as follows:

Chapter 2.32 Tourism and Arts Commission

Section 1. 2.32.010 Created.

Chapter 2.32 hereby creates a Tourism and Arts Commission herein after referred to as "Commission".

Section 2. 2.32.020 Powers and duties.

The powers and duties of the Commission shall include the following:

A. Develop rules and procedures regulating the distribution of the Tourism and Arts Fund which is comprised of 70% of the 1% lodging tax increase effective July 1, 2010 so that the distribution and application of this Fund are in accordance with Oregon Revised Statute 320 such that the funds must be dedicated to tourism and tourism related facilities. Such rules and procedures must be approved by the City Council and any future changes to such rules shall also receive City Council approval. The Commission shall ensure the proper implementation of such Statute and the directives of the Ordinance passed by the City Council when adopting the 1% lodging tax increase;

B. Monitor the distribution of the Tourism and Arts Fund (TAF) such that the proper amounts are distributed to the recipients on a quarterly basis;

C. Monitor and examine with the intent to verify the organization's use of the grant funds in conformance with stated requirements on an annual basis or more frequently as the Commission deems appropriate.

D. Once the TAC has made the final decisions as to how the TAF will be allocated, this information shall be presented to the City Council for review and approval.

E. The decisions of the TAC are appealable to the City Council.

F. Perform other functions as directed by the Council.

Section 3. 2.32.030 Membership.

The Commission shall consist of five (5) voting members.

Section 4. 2.32.040 Appointment—Term.

A. Members of the Commission shall be appointed by the council.

B. Initially, two of the positions shall have a three-year term, two of the positions shall have a two-year term, and one of the positions shall have a one-year term. Thereafter, all terms shall be for three years. All vacancies occurring on the Commission shall be filled by the council for the unexpired term of the predecessor in office.

C. No Commission member shall serve more than six consecutive years, but any person may be reappointed to the Commission after an interval of one year.

D. Each member shall have experience in one or more of the following areas: public relations, marketing, advertising, tourism, lodging, promotions, events promotion and/or publicity.

E. Each member of the Commission shall conform to the requirements of the Municipal Code, Section 2.04.010, Requirements for Appointment, or, in the alternative, the member shall work, at least part-time, within the City of Cannon Beach.

Section 5. 2.32.050 Rules and regulations—Meetings.

A. A majority of the members of the Commission constitute a quorum. The Commission may make and alter rules and regulations for its governance consistent with the laws of the State of Oregon, the city charter and any applicable ordinances and with the approval of the City Council.

B. The Commission shall meet at such times and places as may be fixed by the Commission and provisions shall be made for recording the proceedings of the Commission.

Section 6. 2.32.060 Officer Election.

At its first meeting each calendar year, the Commission shall elect a chair and a vice-chair.

Section 7. 2.32.070 Removal from office.

A member of the Commission may be removed by the city council, after a hearing, for misconduct or the nonperformance of duty. A member who is absent for three meetings in a calendar year, without an approved excuse, is presumed to be in nonperformance of duty and the council shall declare the position vacant unless it finds otherwise following a hearing.

Section 8. 2.32.080 Compensation.

Commission members shall receive no compensation but shall be reimbursed for authorized expenses.

ADOPTED by the Common Council of the City of Cannon Beach this 4th day of May, 2010, by the following roll call vote:

YEAS:
NAYS:
EXCUSED:

Mike Morgan, Mayor

Attest:

Approved as to Form:

Richard A. Mays, City Manager

Tamara Herdener, City Attorney