

**COMMISSIONERS' MINUTES
KITITAS COUNTY, WASHINGTON
COMMISSIONERS' CONFERENCE ROOM
SPECIAL MEETING**

TUESDAY

9:00 AM

JANUARY 6, 2009

Board members present: Chairman Mark McClain; Vice-Chairman Alan Crankovich; Commissioner Paul Jewell.

Others present: Mandy Robinson, Deputy Clerk of the Board; Judy Pless, Budget and Finance Manager.

SPECIAL MEETING 2009 HOTEL MOTEL DISCUSSION COMMISSIONERS

At approximately 9:00 a.m. Chairman McClain opened a special meeting to discuss the Hotel Motel process.

Commissioner Jewell indicated he had requested the meeting, stating that he wanted to discuss with Judy and the Board the Hotel Motel Tax process and get their feelings on considering the possibility of increasing the tax. He indicated he had spoke with Zera Lowe, Deputy Prosecutor regarding her knowledge and opinion on what can and can't be spent. He indicated his desire to look at increasing the tax and that he has been speaking with the Economic Development Group to get a Comprehensive Tourism Component that would be Countywide.

Judy Pless indicated that in 1978 the Board of County Commissioners adopted a resolution to intake 2% sales tax for Hotel Motel (stadium funds). She indicated that it has been levied as well. Judy referred to RCW 67.28.181 and that references what is allowed with the special tax rate. She indicated that the RCW states they could technically take in an additional 2% totaling 4%, but not to exceed 12%. She also stated that the Fair bond debt is paid from the Hotel Motel fund. Judy provided a spreadsheet of the Fair bond payments.

Commissioner Jewell suggested going out and seeing what it would take to collect 4% tax instead of the 2%. He indicated his willingness to head up and meet with legal to see if going about collecting the additional 2% and if it would require going on a ballot and out to vote or if just going through the public hearing process would suffice.

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Commissioner McClain suggested considering the possibility of a sunset clause, if and when potential policy is drafted.

Commissioner Crankovich wanted the Board members to be conscious of how this is approached. He indicated that if its pushed as something that will bring new jobs to the area then since they are tourist based jobs the jobs, may only last three days then those individuals may be unemployed again.

Judy indicated that CTED is requiring all individuals who have applied for Hotel Motel funds will need to fill out a report showing how funds were allocated. She explained that staff has been sending that information to applicants over the past two years to have them prepared for this change. She expressed concern over the potential of individuals not following the reporting requirements.

There was discussion on what a lodging tax advisory tax council group would need to consist of and if they were in a authority position to draft policy language.

Judy encouraged the Board to get aggressively active if they wanted to pursue a lodging tax increase so that legal would be able to do the proper research.

Commissioner McClain asked Ms. Pless to draft a letter outlining what the Board is trying to do.

Commissioner Jewell indicated that he would meet with Zera Lowe, Deputy Prosecutor to find out if a Hotel Motel Tax % increase needed to be done through a Public Hearing process or through the ballot process.

Meeting adjourned at 9:35 a.m.

DEPUTY CLERK OF THE BOARD

**KITTITAS COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON**

Mandy Robinson

Mark McClain, Chairman

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