

RESOLUTION NO. 1184

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, ENACTING LIMITATIONS ON THE AMOUNT OF LODGING TAX GRANT FUNDS AWARDED TO NONPROFIT APPLICANTS.

WHEREAS, Lodging tax funds are intended to support projects in four specific categories: Destination Marketing Organizations, Convention and Visitors' Bureaus, Non-Profits and Municipalities; and

WHEREAS, in 2019, the City completed a Blue-Ribbon Committee study, comprised of successful tourism professionals and city councilmembers which determined that having control of tourism dollars by keeping it in-house gives a higher rate of transparency, more ownership and provides a deeper connection with the local community's needs; and

WHEREAS, the Tourism and Communication Department is designed to serve the city with maximum economic efficiency and transparency; and

WHEREAS, it is essential to ensure the tourism marketing function is the first priority in funding allocated; and

WHEREAS, by reinvesting lodging tax dollars in direct marketing efforts, we ensure the ability of the fund to continue to provide grant monies in the future and could potentially see nonprofit grant amounts grow; and

WHEREAS, to ensure a wider and more equitable distribution on funds, having more nonprofit recipients funded at a rate from \$5,000 - \$20,000 provides more opportunities to leverage these nonprofit events and venues as tourism-focused promotions for the city's outreach;

NOW THEREFORE, the City Council of the City of Gig Harbor, Washington, resolves as follows:

Section 1. The City Council hereby resolves that no more than \$125,000 of the City's annual lodging tax revenues shall be distributed to nonprofit organizations in total.

Section 2. The City Council hereby resolves that no nonprofit organization shall be awarded more than \$20,000 in lodging tax funds annually.

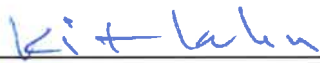
Section 3. The City Council hereby resolves that \$5,000 of the \$125,000 allocated for nonprofit organizations in Section 1 shall be used to support growth of new or emerging nonprofit events or operations costs.

Section 4. The City Council directs the Mayor to provide notice of the limits imposed in Sections 1 through 3 on the City's form to apply for lodging tax funds.

Section 5. These limits shall not apply to the City's own application for lodging tax funds.

Section 6. These limits shall apply only to the allocation of Lodging Tax funds from the City's 2021 Budget. The Lodging Tax Advisory Committee is directed to provide the City Council with a recommended policy on the allocation of Lodging Tax funds for future budget cycles before June 1, 2021.

PASSED by the City Council this 24th day of August, 2020.



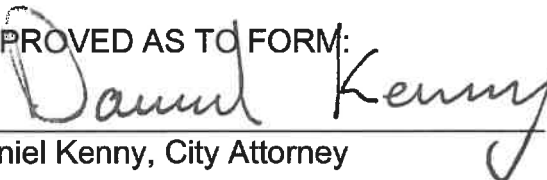
Kit Kuhn, Mayor

AUTHENTICATED:



Molly Towslee, City Clerk

APPROVED AS TO FORM:



Daniel Kenny, City Attorney

FILED WITH THE CITY CLERK: 08/05/20
PASSED BY THE CITY COUNCIL: 08/24/20
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