CITY OF KIRKLAND
Department of Finance & Administration
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MEMORANDUM

To: Dave Ramsay, City Manager

From: Kathi Anderson, City Clerk

Date: February 3, 2010

Subject: Lodging Tax Advisory Committee Recruitment and Structure

RECOMMENDATION

That the City Council provide direction on the recruitment and appointment process for the Lodging Tax Advisory Committee (LTAC).

BACKGROUND DISCUSSION

Kirkland Municipal Code (KMC) Chapter 5.19 establishes the LTAC and sets forth its membership, duties and procedures. Consistent with State law, before the City proposes an increase in the rate or use of the lodging excise tax, LTAC is to review and submit comments to the City Council. In addition, under KMC Chapter 5.19, the LTAC is to be an ongoing advisory committee to the City Council as to the use of the lodging tax fund revenue for tourism promotion.

The minimum number of members required by state statute to comprise the LTAC is five. The number of members who are representatives of businesses required to collect the tax must equal the number of members who are involved in activities authorized to be funded by the revenue. State law does require that an elected official of the municipality serve as chair. KMC 5.19 establishes membership of the LTAC as seven voting members appointed annually by City Council.[1] One member is a City Councilmember who serves as chair. Three members are representatives of businesses required to collect the lodging excise tax (typically hoteliers). Finally, three members are persons involved in activities authorized to be funded by revenue from the lodging tax fund. Local ordinance provides for annual review of appointments to the LTAC on June 30 of each year.

Current Lodging Tax Advisory Committee (LTAC) members' terms were scheduled to be reviewed June 30, 2009. At its August 4, 2009 meeting, the City Council was presented with applications for the LTAC but chose not to take action on the applications at that time. Further, at its September 1, 2009 meeting, the Council voted to re-examine the selection process and to retain the existing members until that time.

[1] KMC 5.19.220(b) provides: The city council shall review the membership of the advisory committee annually and make changes as appropriate.

In past years, as the membership requirements provide for a select pool of eligible applicants and the number of applicants has historically been no more than the number of seats available on the LTAC, Council has not typically interviewed LTAC applicants individually rather it approved the slate of applicants as recommended by staff.

During the 2009 recruitment, applications were received from a number of individuals, some of whom are current members. Since the time the original recruitment was held, some applicants have withdrawn their applications, and one new application has been submitted to replace a representative from the Woodmark Hotel who is not longer with that business. At this time there are not enough applicants to fill all of the seats on the seven-member LTAC, and a new recruitment will be initiated this month.

Currently we have applications from the following:

Representing hoteliers (3 seats)
Jac Cooper, Controller, Woodmark Hotel, Yacht Club & Spa
Ryan Noel, General Manager, Courtyard by Marriott Hotel
Les Utley, General Manager, Heathman Hotel

Representing businesses (3 seats)
Shirley Day, Crab Cracker Restaurant, representing the Greater Kirkland Chamber of Commerce
Daniel Mayer, representing the Kirkland Performance Center

Council must also select a Councilmember to serve as Chair of the Committee. The Mayor appointed Deputy Mayor Penny Sweet as Chair of the LTAC in January 2009.

Staff requests that Council provide direction on several matters:

1. Does Council believe the current seven member structure is appropriate or would Council like to consider changes (e.g. a five-member LTAC as allowed by state law)?

2. Does the Council want to include the current LTAC applicants in the Council's March interview process along with other City Boards and Commissions or use some other process to make appointments?

3. Does the Council want to change the annual date for reviewing membership from June 30 to March 31, concurrent with other board and commission terms?

Changes to the structure and term dates would require an ordinance to be brought back to Council for adoption.

c: Ellen Miller-Wolfe, Economic Development Manager
Marilynne Beard, Assistant City Manager
Tracey Dunlap, Director of Finance & Administration