



February 19, 2004

City Clerk File Nos.:
OPR 03-982

COUNCIL ACTION MEMORANDUM

RE: REVISED AGREEMENT TO ESTABLISH SPOKANE COUNTY TOURISM PROMOTION AREA BETWEEN THE CITY OF SPOKANE, CITY OF SPOKANE VALLEY AND SPOKANE COUNTY

During its 3:30 p.m. Briefing Session held Monday, February 16, 2004, the Spokane City Council took the following actions:

Motion by Council Member French, seconded by Council Member Rodgers, to suspend the (Council) Rules **carried unanimously (Council Member Stark absent)**.

Motion by Council Member French, seconded by Council Member Rodgers, to place the revised agreement to establish the Spokane County Tourism Promotion Area between the City of Spokane, City of Spokane Valley and Spokane County on the (February 16) Consent Agenda **carried unanimously (Council Member Stark absent)**.

Subsequently, during its Administrative Session, which immediately follows the Briefing Session, the Council took the following action:

Motion by Council Member Rodgers, seconded by Council Member French, to approve the February 16, 2004 Consent Agenda items (excluding Item 4 [Contract with WCCC] which was moved to the 6 p.m. Legislative Session and including the revised agreement to establish the Spokane County Tourism Promotion Area) **carried unanimously (Council Member Stark absent)**.

Terri L. Pfister, CMC
Spokane City Clerk

04/23/04

16



AGENDA SHEET FOR COUNCIL MEETING OF: February 23, 2004

Submitting Dept.

Contact Person

Phone No.

ADMINISTRATIVE SESSION

- Contract
- Report
- Claims

LEGISLATIVE SESSION

- Emergency Ord
- Resolution
- Final Reading Ord
- First Reading Ord
- Special Consideration
- Hearing

CITY PRIORITY

- Communications
- Economic Development
- Growth Management
- Human Services
- Neighborhoods
- Public Safety
- Quality Service Delivery
- Racial Equity/Cultural Diversity
- Rebuild/Maintain Infrastructure

CLERK'S FILE

OPR 03 982

RENEWS

CROSS REF

ENG

BID

REQUISITION

STANDING COMMITTEES

(Date of Notification)

- Finance
- Neighborhoods
- Planning/Community & Econ Dev

- Public Safety
- Public Works

Neighborhood/Commission/Committee Notified:

Action Taken:

AGENDA WORDING:

Revised agreement to establish Spokane County Tourism Promotion area between the City of Spokane, City of Spokane Valley and Spokane County.

BACKGROUND:

(Attach additional sheet if necessary)

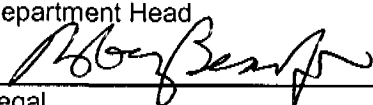
This agreement supports creation of a "tourism promotion area" (TPA) authorized by SB 6026 (RCW 35.101) requested by the Hotel/Motel industry. It allows lodging businesses to be assessed charges ranging from \$1.50/room/day to 50 cents/room/day to be used to fund tourism promotion activities. The money will be collected by the State Department of Revenue (DOR) and paid over to Spokane County to administer. An 8 member advisory hotel motel commission is also created. A similar contract was approved by the City Council November 10, 2003, but Spokane Valley, County and DOR then requested modifications. DOR requested a technical correction to comply with its interpretation of its duties under the statute. [provision for zone E in paragraph 3B to cover non hotel/motel lodging businesses- no assessment charged]. Additional changes requested include 1) delete paragraph 2C which restricted uses of the funds collected; 2) reword provision 6A to remove express mention of Spokane Regional Visitors and Convention Bureau as TPA manager; same change in 6C3; 3) removal of provision 7C so that 7D becomes new 7C. The removed paragraph allowed a protest by those which pay over 40% of the assessments in the Hotel/Motel industry to block a proposed County change of the TPA area or assessment. Added however was a provision for local governments to withdraw from the Agreement on 3 months notice upon protest by over 40% of this same group. 4) provision for the agreement to expire on 12/31/08 unless extended in 3 year increments; 5) provision 8 H for the TPA to hire an attorney and pay legal costs in case of litigation.

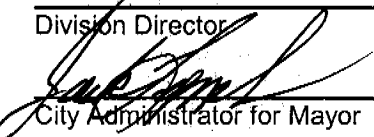
RECOMMENDATION: approve

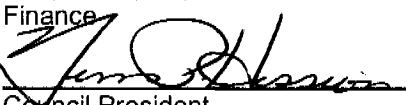
Fiscal Impact:	X N/A	Budget Account:	o N/A
<input type="checkbox"/> Expenditure: \$		#	
<input type="checkbox"/> Revenue: \$		#	
<input type="checkbox"/> Budget Neutral			

ATTACHMENTS: Include in Packets: XX
On file for Review in Office of City Clerk:

SIGNATURES:

Department Head

 Legal

Division Director

 City Administrator for Mayor

Finance

 Council President

DISTRIBUTION: See distribution 11-10-03

COUNCIL ACTION:

February 16, 2004: See Council Action Memorandum dated February 19, 2004, for Council Action on February 16, 2004.

**INTERLOCAL COOPERATION ACT AGREEMENT
FOR ESTABLISHMENT OF
SPOKANE COUNTY TOURISM PROMOTION AREA**

3-16-04
CITY CLERK'S OFFICE
SPOKANE, WA

THIS AGREEMENT ("Agreement") dated this 9th day of March, 2004, is made and entered into by and among SPOKANE COUNTY, a Class A county of the State of Washington ("Spokane County"); the CITY OF SPOKANE, a municipal corporation of the State of Washington ("Spokane"); and the CITY OF SPOKANE VALLEY, a municipal corporation of the State of Washington ("Spokane Valley"), pursuant to the authority of chapter 39.34 RCW and Engrossed Substitute Senate Bill No. 6026 authorizing the establishment of a Tourism Promotion Area to levy Special Assessments to fund tourism promotion.

WITNESSETH:

WHEREAS, pursuant to the provisions of the Revised Code of Washington, the Board of County Commissioners of Spokane County has the care of county property and the management of county funds and business; and

WHEREAS, the 2003 State Legislature of the State of Washington has recognized the importance of tourism promotion in the State of Washington and passed Engrossed Substitute Senate Bill No. 6026 authorizing the establishment of a Tourism Promotion Area by a county to permit the levy of Special Assessments to fund tourism promotion; and

WHEREAS, the Operators of Lodging Businesses within the County of Spokane have presented an Initiation Petition to Spokane County seeking to have the Board of County Commissioners of Spokane County establish a Spokane County Tourism Promotion Area, specifically including the areas within the jurisdiction of Spokane and Spokane Valley, pursuant to the terms of Engrossed Substitute Senate Bill No. 6026; and

WHEREAS, the Initiation Petition submitted to the Board of County Commissioners of Spokane County, Exhibit "A" attached to this Agreement, included:

- (1) A description of the boundaries of the proposed Spokane County Tourism Promotion Area, including the areas within the jurisdiction of Spokane and Spokane Valley; and
- (2) The proposed uses and projects for which the proposed revenue from the Special Assessments levied by the Spokane County Tourism Promotion Area would be dedicated, and the total estimated costs of such uses; and
- (3) The estimated rate for the Special Assessments to be levied on Lodging Businesses in various Zones within the Spokane County Tourism Promotion Area; and

- (4) The signatures of the persons who operate Lodging Businesses in the proposed Spokane County Tourism Promotion Area who would pay over sixty percent (60%) of the proposed Special Assessments levied within the area.

WHEREAS, the Board of County Commissioners of Spokane County has the authority pursuant to the terms of Engrossed Substitute Senate Bill No. 6026, to enter into an Interlocal Agreement with Spokane and Spokane Valley to establish a Tourism Promotion Area, pursuant to the provisions of the Initiation Petition received from the Operators of Lodging Businesses, to include, within the boundaries of the proposed Spokane County Tourism Promotion Area, the area within the jurisdiction of Spokane and Spokane Valley; and

WHEREAS, the Board of Commissioners of Spokane County, has adopted a "Resolution of Intention to Establish a Spokane County Tourism Promotion Area" following a hearing to be held on the 2nd day of March, 2003^{4de}, pursuant to the request of an Initiation Petition submitted by the Operators of Lodging Businesses within Spokane County; and

WHEREAS, on the 4th day of November, 2003, the County Clerk of the Board of County Commissioners of Spokane received an Initiation Petition authorized by RCW 35.101.020 from the Operators of Lodging Businesses located within Spokane County requesting the conduct of a public hearing by the Board of County Commissioners of Spokane County, pursuant to the authority of Engrossed Substitute Senate Bill No. 6026, for the purposes of considering the establishment of a Spokane County Tourism Promotion Area to provide funds for tourism promotion in Spokane County; and

WHEREAS, on the 2nd day of March, 2003^{4de}, the Board of County Commissioners of Spokane County adopted a resolution entitled a "Resolution of Intention to Establish a Spokane County Tourism Promotion Area," for the promotion of tourism promotion within Spokane County, describing the boundaries of the proposed Spokane County Tourism Promotion Area, the proposed uses and projects to which the proposed revenues from Special Assessments levied within the Spokane County Tourism Promotion Area would be dedicated and setting the proposed rates for the Special Assessments to be levied on Lodging Businesses to fund the uses and projects of the Spokane County Tourism Promotion Area, estimating the total cost for the proposed activities and programs for the use of funds received by the Spokane County Tourism Promotion Area, fixing the date, time and place of a public hearing to be held by the Board of County Commissioners of Spokane County to consider the establishment of such a Spokane County Tourism Promotion Area, and directing the giving of notice of such public hearing; and

WHEREAS, Resolution No. 4-0140, entitled *A Resolution of Intention to Establish a Spokane County Tourism Promotion Area* for the promotion of tourism and convention business within Spokane County was duly published, and copies thereof were mailed to each Lodging Business in the proposed Spokane County Tourism Promotion Area, as provided by law, and

WHEREAS, the City Council of the City of Spokane and the City Council of the City of Spokane Valley have by appropriate legislative action, authorized the execution of an Interlocal Agreement with Spokane County to permit the establishment of a Spokane County Tourism Promotion Area to include collection of Special Assessments from Lodging Businesses within their respective jurisdictions,

NOW, THEREFORE, for and in consideration of the promises set forth hereafter, Spokane County, Spokane and Spokane Valley hereby agree as follows:

1. Definitions. As used in this agreement, the following terms, unless the context otherwise dictates, shall have the following means:

1.1 "Agreement" shall mean this interlocal cooperation agreement between Spokane County, Spokane and Spokane Valley for the establishment of a Spokane County Tourism Promotion Area by Spokane County as authorized by Chapter 35.101.040 (2) RCW.

1.2 "Lodging Business" means a business located within the Spokane County Tourism Promotion Area that furnishes lodging taxable by the state under chapter 82.08 RCW that has forty (40) or more lodging units.

1.3 "Operator" means the Operator of a Lodging Business, whether in the capacity of owner, general manager, lessee, sub lessee, mortgagee in possession, license or any other similar capacity.

1.4 "Room Revenues" means the gross per-night-charge (nights of stay) imposed for the rental of a room or combination of rooms for Lodging.

1.5 "Special Assessment" means the levy (charge) imposed by Spokane County on the Operators of a Lodging Business within the Spokane County Tourism Promotion Area and subsequently passed on to the guests of the Lodging Business, under the authority of RCW 35.101.050 for the purpose of providing for funding of tourism promotion in Spokane County.

1.6 "Spokane Hotel-Motel Association" means the Spokane Hotel-Motel Association, Inc., a Washington non-profit corporation.

1.7 "Spokane Hotel and Motel Commission" means the Spokane Hotel and Motel Commission, established by Spokane County, whose members are appointed by the Board of County Commissioners of Spokane County, the City Council of the City of Spokane, and the City Council of the City of Spokane Valley to provide recommendations to the Board of County Commissioners of Spokane County on proposed uses and projects of the Spokane County Tourism Promotion Area; pursuant to the provisions of RCW 35.101.130 (1) as provided in this Agreement.

1.8 “Spokane Metropolitan Area” means Spokane County, including the entire areas within the jurisdiction of Spokane and Spokane Valley and the unincorporated area of Spokane County.

1.9 “Spokane County Tourism Promotion Area” means the Tourism Promotion Area created by the resolution of the Board of County Commissioners of Spokane County pursuant to the authority of Chapter 35.101 RCW, as authorized by the resolutions of the City Council of the City of Spokane and the City Council of the Spokane Valley adopting the terms of this Agreement.

1.10 “TPA Manager” shall mean a tourism destination marketing organization or other similar organization employed by the Board of County Commissioners to administer the operation of the Tourism Promotion Area.

1.11 “Tourism Promotion” means activities and expenditures designed to increase tourism and convention business, including but not limited to, advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists, and operating tourism destination marketing organizations.

1.12 “Transient Basis” means the rental of a room or rooms for dwelling, lodging, or sleeping purposes by the Operator of a Lodging Business for a period of thirty (30) consecutive calendar days or less, counting a portion of a day as a full calendar day.

1.13 “Zone” or “Zones” means the distinct geographic subarea or subareas within the Spokane County Tourism Promotion Area as established by resolution of the Board of County Commissioners of Spokane County and as set forth in Exhibit “B” attached to this Agreement.

1.14 “Annual Budget” shall mean the Spokane County Tourism Promotion Area budget for a fiscal year, as adopted or amended by the Board of County Commissioners of Spokane County, after the receipt of a recommendation from the Spokane Hotel and Motel Commission, identifying all estimated revenue from Special Assessments for the fiscal year, and providing for all proposed uses of Special Assessment revenue for the purpose of providing tourism promotion in Spokane County for the ensuing fiscal year.

2. Tourism Promotion Area to be Established by Spokane County.

A. It is hereby understood and agreed by Spokane County, Spokane and Spokane Valley that Spokane County, pursuant to the authority of Chapter 35.101.040 (2) RCW, shall establish a “Tourism Promotion Area” designated the Spokane County Tourism Promotion Area to include the unincorporated area of Spokane County and the entire area within the corporate limits of Spokane and Spokane Valley.

B. It is hereby understood and agreed by Spokane County, Spokane, and Spokane Valley that the purpose of permitting the Board of County Commissioners and Spokane County

to form the Spokane County Tourism Promotion Area under RCW 35.101.040 (2) is to provide revenue to fund tourism promotion within Spokane County which will benefit the Operators of Lodging Businesses in Spokane County, Spokane and Spokane Valley.

3. Levy of Special Assessments on Lodging Businesses within the Spokane County Tourism Promotion Area.

A. The Board of County Commissioners of Spokane County will levy Special Assessments on the Operators of Lodging Businesses within the Spokane County Tourism Promotion Area in accordance with the zones and levels of Special Assessments as set forth in Resolution No. 4-0140.

B. It is understood and agreed by and between Spokane County, Spokane and Spokane Valley that the Spokane County Tourism Promotion Area shall include the following five (5) zones:

Zone A. Zone A encompasses those Lodging Businesses located within the area of the incorporated city limits of the City of Spokane defined as follows: Downtown core bordered by Interstate 90 to the south, Hamilton Street to the east, Indiana Avenue to the north, and Monroe Street to the west.

Zone B. Zone B encompasses those Lodging Businesses located within the area of the incorporated city limits of Spokane and the City of Spokane Valley except those Lodging Businesses located in Zone A.

Zone C. Zone C encompasses all Lodging Businesses located outside Zones A and B, but within the unincorporated area of Spokane County.

Zone D. Zone D encompasses all Lodging Businesses with room revenue under \$500,000 per year, situated within the Spokane County Tourism Promotion Area, regardless of their specific location.

Zone E. Zone E encompasses Lodging Businesses located within the Tourism Promotion Area, as that term is addressed in WAC 458-20-166 as it presently exists or may be hereinafter amended, other than hotels, motels, and bed and breakfast facilities. Lodging Businesses within this zone, as addressed in WAC 458-20-166, would include only (i) trailer camps and recreational vehicle parks which charge for the rental of space to transients for locating or parking house trailers, campers, recreational vehicles, mobile homes, and tents; (ii) educational institutions which sell overnight lodging to person other than students; (iii) private lodging houses, dormitories and bunkhouses operated by or on behalf of businesses and industrial firms or schools solely for the accommodation of employees of such firms or student which are not held out to the public as a place where sleeping accommodations may be obtained; and (iv) guest ranches or summer camps which, in addition to supplying meals and lodging, offer special recreational facilities and instruction in sports boating,

riding, outdoor facilities and instruction in sports, boating, riding, and outdoor living.

The charge(s) imposed under this section are not a tax on the "sale of lodging" for the purposes of RCW 82.14.410

C. It is understood and agreed by and between Spokane County, Spokane and Spokane Valley that the Operators of Lodging Businesses within the Spokane County Tourism Promotion Area operating in the above-described zones will be subject to Special Assessments to be levied as follows:

Zone A:	\$1.50 per room/day
Zone B:	\$1.25 per room/day
Zone C:	\$1.00 per room/day
Zone D:	\$0.50 per room/day
Zone E:	\$0.00 per room or space /day

D. Any change in the Special Assessment rates for any zone as set forth hereinabove shall be made only by amendment of the resolution by the Board of County Commissioners, with the approval of the City Council of the City of Spokane and the City Council of the City of Spokane Valley. No increase in the Special Assessment rates for any zone or change in the boundaries of any zone shall be made by the Board of County Commissioners of Spokane County except upon the affirmative recommendation of the Spokane Hotel and Motel Commission.

4. Use of Special Assessment Revenues For the Promotion of Tourism and Convention Business in Spokane County.

A. It is understood and agreed that all of the revenues from Special Assessments collected by Spokane County from Lodging Businesses within the jurisdiction of Spokane County, the City of Spokane, and the City of Spokane Valley shall be allocated by the Board of County Commissioners of Spokane County in accordance with the Annual Budget for the Spokane County Tourism Promotion Area. The Spokane Hotel and Motel Commission shall make a recommendation to the Board of County Commissioners on all Annual Budgets. The Board of County Commissioners shall have the ultimate authority to set and approve all Annual Budgets.

B. The revenues from the Special Assessments levied by Spokane County on the Operators of Lodging Businesses situated within the Spokane County Tourism Promotion Area shall be used for the following purposes only:

(1) The funding of all activities and expenditures designed to increase tourism promotion and convention business within Spokane County as specified in the Spokane County Tourism Promotion Area Budget.

(2) The marketing of convention and business that benefit local tourism and the Lodging Businesses in Spokane County; and

(3) The marketing of Spokane County to the travel industry in order to benefit local tourism and the lodging businesses situated within the Spokane County Tourism Promotion Area; and

(4) The marketing of Spokane County to recruit major sporting events in order to promote local tourism and to benefit the Lodging Businesses within the Spokane County Tourism Promotion Area.

5. Establishment of the Spokane Hotel and Motel Commission.

A. It is understood and agreed that the Board of County Commissioners of Spokane County shall, pursuant to the authority of RCW 35.101.130 (1) create an eleven (11) member Spokane Hotel and Motel Commission to advise the Board of County Commissioners of Spokane County on the expenditure of Special Assessment revenues by the Spokane County Tourism Promotion Area to fund tourism promotion in Spokane County.

B. Members of the Spokane Hotel and Motel Commission shall be selected by the Board of County Commissioners of Spokane County, the City Council of Spokane and the City Council of Spokane Valley from a list of nominees prepared by the Spokane Hotel and Motel Association. All nominees for membership on the Spokane Hotel and Motel Commission must be Operators of Lodging Businesses within Spokane County or employed by the Operator of such a Lodging Business. One *ex officio* member of the Commission may be appointed from the members of the Board of Commissioners of Spokane County; one *ex officio* member may be appointed from the members of the City Council of the City of Spokane; and one *ex officio* member may be appointed from the members of the City Council of the City of Spokane Valley. *Ex officio* members of the Spokane Hotel-Motel Commission may participate in all discussions regarding proposed activities and programs by the Spokane County Tourism Promotion Area for the promotion and marketing of tourism in Spokane County but shall not have voting rights.

C. The Board of County Commissioners of Spokane County shall appoint two members, and one *ex officio* member of the Spokane Hotel and Motel Commission, to represent the County of Spokane; the City Council of the City of Spokane Valley shall appoint two members, and one *ex officio* member, of the Spokane Hotel and Motel Commission to represent the City of Spokane Valley; and the City Council of the City of Spokane shall appoint four members, and one *ex officio* member, of the Spokane Hotel and Motel Commission to represent the City of Spokane. Any vacancy, on the Spokane Hotel and Motel Commission, arising from a resignation or other cause, shall be filled by the appointing agency, from the list of nominees prepared by the Spokane Hotel and Motel Association, within 30 days from the date the "vacancy occurs".

D. It is understood and agreed that the initial members of the Spokane Hotel and Motel Commission shall serve staggered terms, with one member serving a one-year term, two members serving for two-year terms, and three members serving for three-year terms. The length of the term for each individual member of the initial Spokane Hotel and Motel Commission shall be chosen by lot at the first meeting of the Commission. Thereafter, all members subsequently appointed to the Spokane Hotel and Motel Commission shall serve for three-year terms.

6. Contract For Management of Spokane County Tourism Promotion Area.

A. The Board of County Commissioners shall contract with a TPA Manager. The contract shall be awarded consistent with all applicable Spokane County laws, ordinances and regulations. The contract shall require the TPA Manager to comply with all applicable provisions of law, including RCW 35.101 et al and with all Spokane County resolutions and ordinances as well as all regulations lawfully imposed by the state auditor or other state agencies.

B. The TPA Manager will be responsible for administering the activities and programs of the Spokane County Tourism Promotion Area and to prepare an Annual Budget for the Spokane County Tourism Promotion Area to be reviewed and approved by the Spokane Hotel and Motel Commission and submitted to the Board of County Commissioners of Spokane County on or before November 1st of each year. The TPA Manager shall also act as staff to the Spokane Hotel and Motel Commission in conjunction with assisting it in determining what activities and programs to recommend for funding from the Special Assessments.

C. The Annual Budget for the Spokane County Tourism Promotion Area shall consist of:

(1) A list of the Lodging Businesses subject to Special Assessments and an estimate of the revenue to be received from all such Lodging Businesses; and

(2) A statement of the proposed budget for all Spokane County Tourism Promotion Area activities and programs recommended by the Spokane Hotel and Motel Commission to be funded from Special Assessments during the ensuing fiscal year; and

D. All Special Assessments received by Spokane County from the Washington State Department of Revenue and any interest therein shall be deposited by Spokane County in a special account. Payments to the TPA Manager will be made as provided for in the agreement between the Spokane County and the TPA manager. Provided, however, no Special Assessment shall be dispersed in any fiscal year until after the adoption of that year's fiscal Annual Budget, Provided further, Spokane County shall not expend in any fiscal year Special Assessments in excess of the approved fiscal Annual Budget.

7. Modification or Disestablishment of the Spokane County Tourism Promotion Area.

A. The Board of County Commissioners of Spokane County, by appropriate action, may modify the provisions of the resolution establishing the Spokane County Tourism Promotion Area or provide for the disestablishment of the Spokane County Tourism Promotion Area, after adopting a resolution of intention to such effect. Such resolution of intention shall describe the change or changes proposed, or indicate that it is the intention to disestablish the Spokane County Tourism Promotion Area, and shall state the time and place of a public hearing to be held by the Board of County Commissioners of Spokane County to consider the proposed action.

B. If the Operators of Lodging Businesses which pay over forty percent (40%) of the Special Assessments levied within the Spokane County Tourism Promotion Area file a petition with the Clerk of the Board of Spokane County Commissioners requesting the Board of County Commissioners of Spokane County to adopt a resolution of intention to modify or disestablish the Spokane County Tourism Promotion Area, the Board of County Commissioners of Spokane County shall adopt such resolution and act upon it as required by law. Signatures on such petition shall be those of a duly authorized representative of the Operators of Lodging Businesses in the Spokane County Tourism Promotion Area. In the event of failure on the part of the Board of County Commissioners to modify or disestablish the TPA the participating local governments reserve the right to withdraw from this agreement upon three (3) months notice to the other participating local governments.

C.. In the event the resolution proposes disestablishment of the Spokane County Tourism Promotion Area, the Board of County Commissioners of Spokane County shall disestablish the Spokane County Tourism Promotion Area; unless at such public hearing, protest against disestablishment is made by the Operators of Lodging Businesses paying over fifty percent (50%) of the Special Assessments in the Spokane County Tourism Promotion Area.

8. Miscellaneous Provisions:

A. Duration and Termination of this Agreement. (1) This Agreement shall continue in full force and effect until such time as the Spokane County Tourism Promotion Area is disestablished by action of the Board of County Commissioners of Spokane County as provided in Section 7 above. (2) This agreement shall expire December 31, 2008, PROVIDED, it may be extended in increments of three years by consent of Spokane County, City of Spokane, and City of Spokane Valley, expressed either by resolution of the legislative body or written approval of its chief executive officer. The timing of such consent should be coordinated with the needs of the Washington State Department of Revenue. (3) Following termination of this Agreement, Spokane County shall be responsible for utilizing any remaining unallocated revenue from Special Assessments for use for tourism promotion in Spokane County.

B. Waiver. No officer, employee, or agent of Spokane County, Spokane, or Spokane Valley has the power, right, or authority to waive any of the conditions or provisions of this Agreement. No waiver of any breach of this Agreement by Spokane County, Spokane, or

Spokane Valley shall be held to be a waiver of any other or subsequent breach. Failure of Spokane County, Spokane, or Spokane Valley to enforce any of the provisions of this Agreement or to require performance of any of the provisions herein, shall in no way be construed to be a waiver of such conditions, nor in any way effect the validity of this Agreement or any part hereof, or the right of Spokane County, Spokane or Spokane Valley to hereafter enforce each and every such provision.

C. Records. All records prepared, owned, used or retained by the TPA Manager in conjunction with operating or administering the activities and programs of the Spokane County Tourism Promotion Area as provided for under the terms of this Agreement shall be deemed records of Spokane County, Spokane, and Spokane Valley and shall be made available by the TPA Manager upon request to Spokane County, Spokane, or Spokane Valley, State Auditor or their authorized representatives..

D. Property and Equipment. Spokane County Shall be the owner of all property and equipment purchased by the TPA Manager from Special Assessment Revenues. Provided, however, in the event of the termination of the Agreement with the TPA Manager, Spokane County agrees to make the property and/or equipment available to the successor TPA Manager for its use in conjunction with providing similar services. Provided further, in the event of disestablishment of the Spokane County Tourism Promotion Area, all property and equipment purchased by the TPA Manager from Special Assessment Revenues shall be retained by Spokane County and used for any lawful purpose.

E. Integration. This Agreement contains all of the terms and conditions agreed upon by Spokane County, Spokane, and Spokane Valley concerning the establishment of the Spokane County Tourism Promotion Area by the Board of County Commissioners of Spokane County and the collection of Special Assessments from Operators of Lodging Businesses within the entire area, including the area within the jurisdictions of Spokane and Spokane Valley. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto. The parties have read and understand all of this Agreement, and now state that no representation, promise, or agreement not expressed in this Agreement has been made to induce the officials of Spokane County, Spokane, or Spokane Valley to execute this Agreement.

F. Severability. In the event any provision of this Agreement shall be declared by a Court of competent jurisdiction to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not, in any way, be effected or impaired thereby.

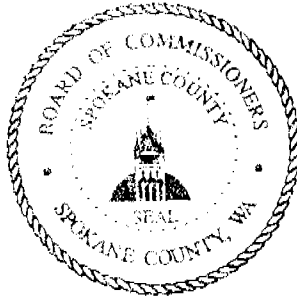
G. Execution of Agreement. This Agreement shall become effective immediately after it is duly adopted by the Board of County Commissioners of Spokane County, the City Council of Spokane, and the City Council of Spokane Valley and shall be filed with the County Auditor of Spokane County, the City Clerk of Spokane, and the City Clerk of Spokane Valley, and the Secretary of State of the State of Washington.

H. Litigation. In the event litigation is brought against the TPA or any party to this Agreement the TPA Manager shall cause legal counsel to be employed for the purpose of

defending or prosecuting the matter. The cost of the legal counsel shall be paid by the TPA. The parties reserve the right to monitor and participate in any litigation as solely determined by the party.

IN WITNESS WHEREOF, the City of Spokane, the City of Spokane Valley, and Spokane County have executed this Agreement by their duly authorized officials pursuant to all requirements of law.

BOARD OF COUNTY COMMISSIONERS



By: _____

By: W. Katschke

By: John Poshelley

Attest: Daniel Erickson
Clerk of the Board

Approved as to form: _____
Chief Civil Deputy Prosecuting Attorney

CITY OF SPOKANE

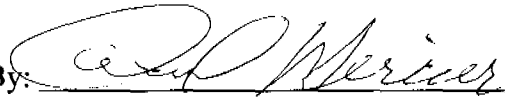
By: _____
Deputy Mayor

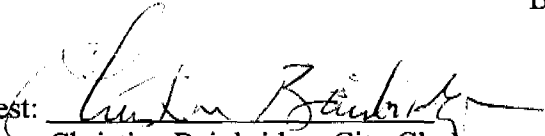
Attest: Leri Foster
City Clerk

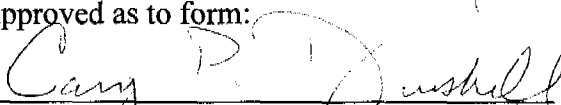
Approved as to form: _____
City Attorney



CITY OF SPOKANE VALLEY

By: 
David R. Mercier, City Manager

Attest: 
Christine Bainbridge, City Clerk

Approved as to form:

Cary P. Driskell, Deputy City Attorney

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COUNTY OF SPOKANE
INITIATION PETITION TO ESTABLISH
A TOURISM PROMOTION AREA

NOV 13 2003
COUNTY COMMISSIONERS

WHEREAS, the 2003 State Legislature of the State of Washington has recognized the importance of tourism promotion in the State of Washington and passed Engrossed Substitute Senate Bill 6026 which authorized the establishment of a Tourism Promotion Area to levy special assessments to fund tourism promotion as defined therein; and

WHEREAS, the Lodging Businesses within the County of Spokane desire now to present an Initiation Petition seeking to have the County Commissioners of the County of Spokane establish a Tourism Promotion Area pursuant to the terms of Engrossed Substitute Senate Bill 6026; and

WHEREAS, pursuant to section 2 of Engrossed Substitute Senate Bill 6026, the Initiative Petition submitted to the Board of County Commissioners must contain the following:

1. A description of the boundaries of the proposed Tourism Promotion Area;
2. The proposed uses and projects to which the proposed revenue from the Special Assessments should be dedicated and the total estimated costs of such uses and projects; and
3. The estimated rate for the Special Assessments to be levied on Lodging Businesses in various Zones within the Tourism Promotion Area with a proposed breakdown by class of lodging business if such classification is to be used; and
4. The signatures of the persons who operate lodging businesses in the proposed area who would pay sixty percent or more of the proposed Special Assessment.

NOW THEREFORE, the Lodging Businesses located within the County of Spokane do hereby petition the County Commissioners of the County of Spokane as follows:

1. The boundaries of the Tourism Promotion Area shall be all of Spokane County.

2. The revenue from the Special Assessments collected from the Operators of Lodging Businesses within the Tourism Promotion Area shall be dedicated to the following uses and projects:

- a. The general promotion of tourism within the Spokane Metropolitan Area as specified in the TPA business plan to be adopted annually;
- b. The marketing of convention and trade shows that benefit local tourism and the Lodging Business in the Spokane Metropolitan Area;
- c. The marketing of the Spokane Metropolitan Area to the travel industry in order to benefit local tourism and the Lodging Businesses in the Spokane area;
- d. The marketing of the Spokane Metropolitan Area to recruit sporting events in order to benefit local tourism and the Lodging Businesses in the Spokane area.

For the Purpose of the Petition, the terminology "Spokane Metropolitan Area" shall mean Spokane County including incorporated and unincorporated areas.

3. The total estimated costs of such uses and projects are as follows:

The Spokane Hotel-Motel Association estimates that, on an annual basis, the revenue from the special assessments collected from the operators of Lodging Businesses within the Tourism Promotion Area shall be between \$1,400,000.00 and \$1,700,000.00. This amount will vary from year to year depending upon the fluctuating occupancy rates of Lodging Businesses in Spokane County.

4. The rate of the Special Assessment to be imposed in support of the functions of the Tourism Promotion Area is as follows:

The Special Assessments to be imposed on the operators of those Lodging Businesses with room revenues during the preceding calendar year, which exceeded five hundred thousand dollars (\$500,000.00) is as follows:

Zone A:	\$1.50 per room/day
---------	---------------------

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COUNTY COMMISSIONERS


Zone B:	\$1.25 per room/day
Zone C:	\$1.00 per room/day

The Special Assessment to be imposed on the Operators of those Lodging Businesses with room revenues during the preceding calendar year which did not exceed five hundred thousand dollars (\$500,000.00) is as follows:

Zone D:	50 cents per room/day
---------	-----------------------

This Petition is hereby presented by the following persons who operate Lodging Businesses in the proposed Tourism Promotion Area and will pay sixty percent or more of the proposed Special Assessments.

Airport Ramada

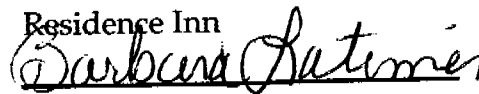


Motel 6 - West

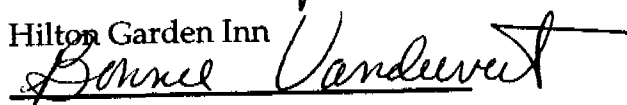
Holiday Inn - Airport



Residence Inn



Hilton Garden Inn

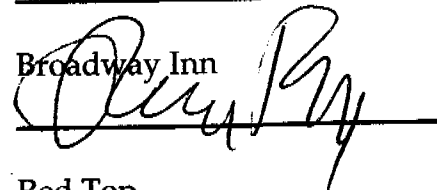


Comfort Inn Valley

Best Western Peppertree Inn



Broadway Inn

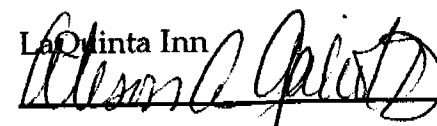


Airway Express

Red Top

Microtel

La Quinta Inn



Willow Springs

Red Lion Grand



Best Western Thunderbird

Fairfield Inn

Hampton Inn

Shilo Inn

Comfort Inn - NORTH

Best Western Tradewinds

Travelodge - City Center
Shaye C. Papp

Howard Johnson Inn

Tradewinds Downtown

Select Inn

Hotel Lusso

Ramada Limited

Downtownner

Budget Inn

Quality Inn Oakwood

Travelodge Spokane House

Ramada Inn and Suites

Apple Tree Inn

Madison Inn

Holiday Inn Express

Days Inn Airport

Super 8 - West

Oxford Suites - Valley

Quality Inn - Valley

Crosslands Economy Suites

Best Western Pheasant Hill

West Coast Ridgepath

Davenport Hotel

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COUNTY COMMISSIONERS

*

* WE AGREE with petition but fee for limited service properties should decrease

Red Lion River Inn

Dan Zimmerman

Courtyard Marriot

Oxford Suites / Downtown

Double Tree Valley ~~MICABETHA PARK HOTEL~~

Double Tree - Downtown

Holiday Inn Express - Valley

Jody Sander

Super 8 Hotel - Valley

Best Western Pepper tree Inn Liberty Lake

Beta Sattler

Motel 6 - Valley

Diz Beck

Spokane Club

Alan A. Asensio

EXHIBIT "B"

NO. **4 0141**

BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

IN THE MATTER OF AN ORDINANCE)
ESTABLISHING A TOURISM PROMOTION)
AREA HAVING CERTAIN BOUNDARIES) **NOTICE OF PUBLIC HEARING**
AND OTHER MATTERS RELATED THERETO)

NOTICE IS HEREBY GIVEN by the Board of County Commissioners of Spokane County, pursuant to the provisions of RCW 35.101.080, that a public hearing will be held at 2:00 p.m., or as soon as possible thereafter, on March 9, 2004, in the Public Works Building, Commissioner's Assembly Room, 1026 West Broadway, Spokane, Washington 99260.

The purpose of the public hearing will be for the Board of County Commissioners to consider public testimony and take action on a proposed Ordinance which would establish a Tourism Promotion Area within Spokane County, impose a charge on the furnishing of lodging by a Lodging Business located in the Tourism Promotion Area, provide for the collection of the charge, provide for the administration of the ordinance and other matters related thereto.

The full text of the proposed Spokane County Ordinance is as follows:

ORDINANCE NO. _____

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF SPOKANE COUNTY, WASHINGTON, ESTABLISHING A TOURISM PROMOTION AREA, IMPOSING A CHARGE OF THE FURNISHING OF LODGING BY A LODGING BUSINESS LOCATED IN THE TOURISM PROMOTION AREA, PROVIDING FOR THE COLLECTION OF THE CHARGE, PROVIDING FOR THE ADMINISTRATION OF THE CHARGE, AND OTHER MATTERS RELATED THERETO.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SPOKANE COUNTY, WASHINGTON, as follows:

SECTION NO. 1: DEFINITIONS

As used in this ordinance, the following terms, unless the context otherwise dictates, shall have the following meanings:

1.1 "Agreement" shall mean the Interlocal Cooperation Agreement between Spokane County, City of Spokane and the City of Spokane Valley for the establishment of a Spokane County Tourism Promotion Area by Spokane County as authorized by RCW 35.101.040(2).

1.2 "Lodging Business" means a business located within the Spokane County Tourism Promotion Area that furnishes lodging taxable by the state under chapter 82.08 RCW that has forty (40) or more lodging units.

4 0141

1.3 "Operator" means the Operator of a Lodging Business, whether in the capacity of owner, general manager, lessee, sub lessee, mortgagee in possession, license or any other similar capacity.

1.4 "Room Revenues" means the gross per-night-charge (nights of stay) imposed for the rental of a room or combination of rooms for Lodging.

1.5 "Special Assessment or Charge" means the levy imposed by Spokane County on the Operators of a Lodging Business within the Spokane County Tourism Promotion Area and subsequently passed on to the guests of the Lodging Business, under the authority of RCW 35.101.050, for the purpose of providing for funding of tourism promotion in Spokane County.

1.6 "Spokane Hotel-Motel Association" means the Spokane Hotel-Motel Association, Inc., a Washington non-profit corporation.

1.7 "Spokane Hotel and Motel Commission" means the Spokane Hotel and Motel Commission, established by Spokane County, whose members are appointed by the Board of County Commissioners of Spokane County, the City Council of the City of Spokane, and the City Council of the City of Spokane Valley to provide recommendations to the Board of County Commissioners of Spokane County on proposed uses and projects of the Spokane County Tourism Promotion Area.

1.8 "Spokane Metropolitan Area" means Spokane County, including the entire areas within the jurisdiction of the City of Spokane, City of Spokane Valley and the unincorporated area of Spokane County.

1.9 "Spokane County Tourism Promotion Area" means the Tourism Promotion Area created by the Ordinance of the Board of County Commissioners of Spokane County pursuant to the authority of chapter 35.101 RCW.

1.10 "Tourism Promotion" means activities and expenditures designed to increase tourism and convention business, including but not limited to, advertising, publicizing, or otherwise distributing information for the purpose of attracting and welcoming tourists to the Spokane Metropolitan Area.

1.11 "Transient Basis" means the rental of a room or rooms for dwelling, lodging, or sleeping purposes by the Operator of a Lodging Business for a period of thirty (30) consecutive calendar days or less, counting a portion of a day as a full calendar day.

1.12. "Zone" or "Zones" means the distinct geographic subarea or subareas within the Spokane County Tourism Promotion Area as established by Ordinance of the Board of County Commissioners of Spokane County.

1.13 "Annual Budget" shall mean the Spokane County Tourism Promotion Area budget for a fiscal year, as adopted or amended by the Board of County Commissioners of Spokane County, after the receipt of a recommendation from the Spokane Hotel and Motel Commission, identifying all estimated revenue from Special Assessments for the fiscal year, and providing for all proposed uses of Special Assessment revenue for the purpose of providing tourism promotion in Spokane County for the ensuing fiscal year.

SECTION NO. 2: ESTABLISHMENT OF TOURISM PROMOTION AREA

There is hereby established a Tourism Promotion Area having boundaries which include the City of Spokane, City of Spokane Valley and unincorporated area of Spokane County. Provided, however, no area within the City of Spokane, City of Spokane Valley or unincorporated area of Spokane County shall be included within the boundaries of the Spokane County Tourism Promotion Area unless the respective Cities and County have entered into an Agreement as provided for in RCW 35.101.040(2).

SECTION NO. 3: RATE

There is imposed and Lodging Business shall collect and Lodging guests shall pay a Special Assessment on the furnishing of lodging by a Lodging Business located in the Tourism Promotion Area as follows:

The Special Assessments to be imposed on the operators of those Lodging Businesses with room revenues during the preceding calendar year, which exceeded five hundred thousand dollars (\$500,000.00), are as follows:

Zone A:	\$1.50 per room/day
Zone B:	\$1.25 per room/day
Zone C:	\$1.00 per room/day
Zone E:	\$0.00 per room or space/day

The Special Assessments to be imposed on the Operators of those Lodging Businesses with room revenues during the preceding calendar year, which did not exceed five hundred thousand dollars (\$500,000.00), are as follows:

Zone D:	50 cents per room/day
Zone E:	0 cents per room or space/day

Zone A. Zone A encompasses those Lodging Businesses located within the area of the incorporated city limits of the City of Spokane defined as follows: Downtown core bordered by Interstate 90 to the south, Hamilton Street to the east, Indiana Avenue to the north, and Monroe Street to the west.

Zone B. Zone B encompasses those Lodging Businesses located within the area of the incorporated city limits of Spokane and the City of Spokane Valley except those Lodging Businesses located in Zone A.

Zone C. Zone C encompasses all Lodging Businesses located outside Zones A and B, but within the unincorporated area of Spokane County.

Zone D. Zone D encompasses Lodging Businesses with room revenue under \$500,000 per year, situated within the Spokane County Tourism Promotion Area, regardless of their specific location.

Zone E. Zone E encompasses Lodging Business located within the Tourism Promotion Area, as that term is addressed in WAC 458-20-166 as it presently exists or may be hereinafter amended, other than hotels, motels and bed and breakfast facilities. Lodging Business within this zone, as

addressed in WAC 458-20-166, would include only (i) trailer camps and recreational vehicle parks which charge for the rental of space to transients for locating or parking house trailers, campers, recreational vehicles, mobile homes, and tents; (ii) educational institutions which sell overnight lodging to person other than students; (iii) private lodging houses, dormitories, and bunkhouses operated by or on behalf of businesses and industrial firms or schools solely for the accommodation of employees of such firms or students which are not held out to the public as a place where sleeping accommodations may be obtained; and (iv) guest ranches or summer camps which, in addition to supplying meals and lodging, offer special recreational facilities and instruction in sports, boating, riding, outdoor facilities and instruction in sports, boating, riding, and outdoor living.

The Special Assessments imposed under this section are not a tax on the "sale of lodging" for the purposes of RCW 82.14.410.

SECTION 4: USE OF SPECIAL ASSESSMENT REVENUES FOR THE PROMOTION OF TOURISM AND CONVENTION BUSINESS IN SPOKANE COUNTY

The revenues from the Special Assessments levied by Spokane County on the Operators of Lodging Businesses situated within the Spokane County Tourism Promotion Area shall be used for the following purposes only:

- (1) The funding of all activities and expenditures designed to increase tourism promotion and convention business within Spokane County as specified in the Spokane County Tourism Promotion Area Budget,
- (2) The marketing of convention and business that benefit local tourism and the Lodging Businesses in Spokane County,
- (3) The marketing of Spokane County to the travel industry in order to benefit local tourism and the lodging businesses situated within the Spokane County Tourism Promotion Area, and
- (4) The marketing of Spokane County to recruit major sporting events in order to promote local tourism and to benefit the Lodging Businesses within the Spokane County Tourism Promotion Area.

SECTION 5: ESTABLISHMENT OF THE SPOKANE HOTEL AND MOTEL COMMISSION

- A. The Board of County Commissioners of Spokane County, pursuant to the authority of RCW 35.101.130(1), hereby establishes an eleven (11) member Spokane Hotel and Motel Commission to advise the Board of County Commissioners of Spokane County on the expenditure of Special Assessment revenues collected within the Spokane County Tourism Promotion Area to fund tourism promotion in Spokane County.
- B. Members of the Spokane Hotel and Motel Commission shall be selected by the Board of County Commissioners of Spokane County, the City Council of Spokane and the City Council of Spokane Valley from a list of nominees prepared by the Spokane Hotel and Motel Association. All nominees for membership on the Spokane Hotel and Motel Commission must be Operators of Lodging Businesses within Spokane County or employed by the Operator of such a Lodging

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Business. One *ex officio* member of the Commission may be appointed from the members of the Board of Commissioners of Spokane County; one *ex officio* member may be appointed from the members of the City Council of the City of Spokane; and one *ex officio* member may be appointed from the members of the City Council of the City of Spokane Valley. *Ex officio* members of the Spokane Hotel-Motel Commission may participate in all discussions regarding proposed activities and programs by the Spokane County Tourism Promotion Area for the promotion and marketing of tourism in Spokane County but shall not have voting rights.

- C. The Board of County Commissioners of Spokane County shall appoint two members, and one *ex officio* member of the Spokane Hotel and Motel Commission, to represent the County of Spokane; the City of Council of the City of Spokane Valley shall appoint two members, and one *ex officio* member, of the Spokane Hotel and Motel Commission to represent the City of Spokane Valley; and the City Council of the City of Spokane shall appoint four members, and one *ex officio* member, of the Spokane Hotel and Motel Commission to represent the City of Spokane.
- D. The initial members of the Spokane Hotel and Motel Commission shall serve staggered terms, with one member serving a one-year term, two members serving for two-year terms, and three members serving for three-year terms. The length of the term for each individual member of the initial Spokane Hotel and Motel Commission shall be chosen by lot at the first meeting of the Commission. Thereafter, all members subsequently appointed to the Spokane Hotel and Motel Commission shall serve for three-year terms.
- E. All of the revenues from Special Assessments collected within the Spokane County Tourism Promotion Area from Lodging Businesses shall be allocated by the Board of County Commissioners of Spokane County in accordance with the Annual Budget for the Spokane County Tourism Promotion Area. The Spokane Hotel and Motel Commission shall make a recommendation to the Board of County Commissioners on all Annual Budgets. The Board of County Commissioners shall have the ultimate authority to set and approve all Annual Budgets.

SECTION 6: MODIFICATION OR DISESTABLISHMENT OF THE SPOKANE COUNTY TOURISM PROMOTION AREA

- A. The Board of County Commissioners of Spokane County, by appropriate action, may modify the provisions of this Ordinance or provide for the disestablishment of the Spokane County Tourism Promotion Area, after adopting a resolution of intention to such effect. Such resolution of intention shall describe the change or changes proposed, or indicate that it is the intention to disestablish the Spokane County Tourism Promotion Area, and shall state the time and place of a public hearing to be held by the Board of County Commissioners of Spokane County to consider the proposed action.
- B. If the Operators of Lodging Businesses which pay for over forty percent (40%) of the Special Assessments levied within the Spokane County Tourism Promotion Area file a petition with the Clerk of the Board of Spokane County Commissioners requesting the Board of County Commissioners of Spokane County to adopt a resolution of intention to modify or disestablish the Spokane County Tourism Promotion Area, the Board of County Commissioners of Spokane County shall adopt such resolution and act upon it as required by law. Signatures on such petition shall be those of a duly authorized representative of the operators of Lodging Businesses in the Spokane County Tourism Promotion Area. In the

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event of failure on the part of the Board of County Commissioners to modify or disestablish the Tourism Promotion Area the participating local governments reserve the right to withdraw from the Spokane County Tourism Promotion Area upon three (3) months notice to the other participating local governments. Provided, however, the effective date of any modification or withdrawal shall be coordinated with the Washington State Department of Revenue in conjunction with their responsibility to administer the special assessments imposed pursuant to this Ordinance.

- C. In the event the resolution under subsection A or subsection B proposes disestablishment of the Spokane County Tourism Promotion Area, the Board of County Commissioners of Spokane County shall disestablish the Spokane County Tourism Promotion Area unless at such hearing protest against disestablishment is made by the operators of Lodging Businesses paying over fifty percent (50%) of the Special Assessments in the Spokane County Tourism Promotion Area.

SECTION NO. 7: ADMINISTRATION/COLLECTION

The special assessment imposed under Section No. 2 shall be administered by the Washington State Department of Revenue and shall be collected by Lodging Businesses from those guests who are taxable by the state under chapter 82.08 RCW. The provisions of chapter 82.32 RCW apply to the special assessments imposed under Section No. 2.

The special assessments collected by the Washington State Department of Revenue shall be deposited by the Washington State Department in the local tourism promotion account created and maintained by the State Treasurer. All receipts from the special assessments imposed hereunder must be deposited into this account. Expenditures from the account may only be used for tourism promotion. The State Treasurer shall distribute the money in the account on a monthly basis to Spokane County.

SECTION NO. 8: INSPECTION

All Lodging Businesses subject to the special assessment as set forth in Section No. 2 herein and Spokane County consent to the inspection of such records as are deemed necessary by the Washington State Department of Revenue pursuant to applicable statutes, rules or regulations.

SECTION NO. 9: CONTRACT WITH STATE FOR ADMINISTRATION

The Chairman of the Board of County Commissioners of Spokane County, or a majority of the Board, is authorized to enter into contract(s), at other than an open meeting, with the Washington State Department of Revenue for the administration of the special assessments imposed pursuant to this Ordinance.

SECTION NO. 10: VIOLATION/PENALTIES

Any person, firm or corporation who fails or refuses to collect the special assessment as required under the terms of this Ordinance with the intent to violate the provisions of this Ordinance or to gain some advantage or benefit, either directly or indirectly, or any guest who refuses to pay any special assessment due under this Ordinance, shall be guilty of a misdemeanor, and upon conviction thereof, shall be punished by imprisonment in the County jail for a maximum term fixed by the court of not more than ninety (90) days, or by a fine in the amount fixed by the court of not more than \$1,000.00 or by both such imprisonment and

4 0141

fine. Provided, however, the penalty provided for under the terms of this Section shall be in addition to any other provisions provided for by law.

SECTION NO. 11: MISCELLANEOUS

The Board of County Commissioners of Spokane County anticipate adopting under Resolution No. 04-0170, to be passed and adopted on March 2, 2004, a Decision captioned: "IN THE MATTER OF ADOPTING A RESOLUTION OF INTENTION TO ESTABLISH A TOURISM PROMOTION AREA HAVING CERTAIN BOUNDARIES" wherein the Board will approved a Resolution of Intention to Establish a Tourism Promotion Area having certain boundaries to include those of the City of Spokane, City of Spokane Valley and unincorporated areas of Spokane County. In anticipation of this action, the Board of County Commissioners has set March 9, 2004 at 2:00 p.m., or as soon as possible thereafter, in the Public Works Building, Commissioner's Assembly Room as the date and time for a Public hearing on an Ordinance to formally establish a Tourism Promotion Area .

SECTION NO. 12: EFFECTIVE DATE

This Ordinance shall take effect as soon as the Washington State Department of Revenue is capable of administering the Ordinance as set forth in written documentation received from the Department. It is anticipated that the effective date will be the earlier of April 1, 2004, May 1, 2004, June 1, 2004, or July 1, 2004.

SECTION NO. 13. TERMINATION

This Ordinance shall continue in full force and effect until December 31, 2008, at which time it shall automatically sunset, unless the Spokane County Tourism Promotion Area is disestablished in whole or part as provided for in Section No. 6 hereinabove prior to such date. The Ordinance will automatically be extended in three (3) year increments beyond December 31, 2008 if all three legislative bodies evidence their joint intention to have their boundaries, or in the case of Spokane County the unincorporated area, remain in the Spokane County Tourism Promotion Area. Evidence of such intention to remain in the Spokane County Tourism Promotion Area and extend the provision of this Ordinance shall be in the form of a resolution signed by the legislative body/mayor or written approval of its chief executive officer/administrator/manager sent by certified mail to the Clerk of the Board of Spokane County. Such resolution or written approval must be received by the Clerk of the Board on or before July 1, 2008, for the initial term, or six (6) months prior to the expiration date of any three (3) year extension. In the event this Ordinance is extended as provided for herein it shall not be necessary to conduct another Notice of Intention Hearing as provided for in RCW 35.101.030 or adopt a new Ordinance as provided for in RCW 35.101.080.

SECTION NO. 13: SEVERABILITY

If any part or provision of this Ordinance, or its application to any person or circumstance is held invalid, it is the intent of the Board of County Commissioners of Spokane County that the remainder of this Ordinance, or its application of the provisions to other persons or circumstances is not affected.

* * * * *

Any person may appear at the time, place and date set forth hereinabove and present testimony in favor of or in opposition to the proposed Ordinance. The Board of County Commissioners has concluded

4 0141

that the proposed Ordinance is exempt from the State Environmental Policy Act and the local environmental ordinance pursuant to WAC 197-11-800(15) and (20).

The Board of County Commissioners reserves the right to establish time limits for persons providing testimony at the public hearing. The Board of County Commissioners further reserves the right to make changes to the proposed Ordinance after the public hearing which are not substantive in nature including the deletion of sections. The Board of County Commissioners will not consider at the public hearing any protests made by Lodging Businesses in the proposed Tourism Promotion Area. Such protests were required to be made at an earlier advertised public hearing.

Any person desiring additional information on the proposed Ordinance may contact James P. Emacio, Chief Civil Deputy Prosecuting at (509) 477-5757.

DATED this 17th day of February, 2004.



BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

ATTEST:
VICKY DALTON,
Clerk of the Board



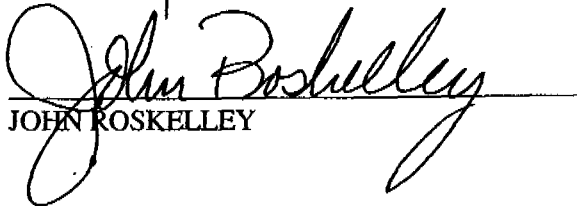
PHILLIP D. HARRIS, Chairman



M. KATE MCCASLIN, Vice-Chair

By: 

Daniela Erickson, Deputy



JOHN ROSKELLEY

PUBLISH: 2/27/04
The Valley Herald &

BEFORE THE BOARD OF COUNTY COMMISSIONERS

OF SPOKANE COUNTY, WASHINGTON

IN THE MATTER OF EXECUTING AN)
INTERLOCAL COOPERATION ACT)
AGREEMENT FOR ESTABLISHMENT)
OF SPOKANE COUNTY TOURISM)
PROMOTION AREA AMONG THE CITY)
OF SPOKANE, CITY OF SPOKANE)
VALLEY AND SPOKANE COUNTY)

RESOLUTION

WHEREAS, the 2003 State Legislature of the State of Washington recognized the importance of tourism promotion in the State of Washington and passed Engrossed Substitute Senate Bill No. 6026, now codified as chapter 35.101 RCW, authorizing the establishment of a Tourism Promotion Area by a County and permitting the levy of Special Assessments to fund tourism promotion; and

WHEREAS, the Operators of Lodging Businesses within the County of Spokane presented an Initiation Petition to Spokane County seeking to have the Board of County Commissioners of Spokane County establish a Spokane County Tourism Promotion Area, specifically including the areas within the jurisdiction of the City of Spokane and Spokane Valley and unincorporated area of Spokane County; and

WHEREAS, pursuant to the provisions of RCW 35.101.040(2), the Board of County Commissioners of Spokane County has the authority to enter into an Interlocal Agreement with the City of Spokane and Spokane Valley to establish a Tourism Promotion Area and include, within the boundaries of the Tourism Promotion Area the area within the jurisdiction of the City of Spokane, Spokane Valley and unincorporated area of Spokane County; and

WHEREAS, the Board of Commissioners of Spokane County following a hearing held on March 2, 2004 adopted a "Resolution of Intention to Establish a Spokane County Tourism Promotion Area Having Certain Boundaries," under Resolution No. 2004-0170; and

WHEREAS, the Board of County Commissioners of Spokane County held a public hearing on March 9, 2004 for the purpose of adopting an Ordinance which would establish a Tourism Promotion Area within Spokane County, to include properties within the City of Spokane, City of Spokane Valley and the unincorporated area of Spokane County, impose a charge on the furnishing of lodging by a Lodging Business located in the Tourism Promotion Area, provide for the collection of the charge, and provide for the administration of other matters related thereto; and

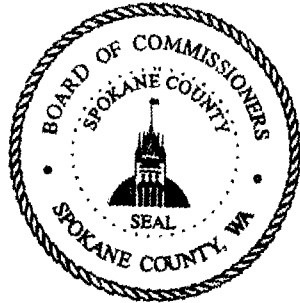
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WHEREAS, under chapter 35.101 RCW, the Board of County Commissioners cannot include within the boundaries of any Tourism Promotion Area properties located within any incorporated city unless that city executes an agreement under chapter 39.34 RCW authorizing inclusion of its properties; and


WHEREAS, the Board of County Commissioners of Spokane County is desirous of entering into an interlocal cooperation agreement with the City of Spokane and City of Spokane Valley where all three entities will agree to the formation of a Tourism Promotion Area to include properties within the boundaries of the City of Spokane, City of Spokane Valley and unincorporated area of Spokane County, the imposition of a charge on the furnishing of lodging by a Lodging Business located in the Tourism Promotion Area, the collection of the charge, and other matters related thereto.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Spokane County, that either the Chairman of the Board, or a majority of the Board, be and is hereby authorized to execute that document entitled "INTERLOCAL COOPERATION ACT AGREEMENT FOR ESTABLISHMENT OF SPOKANE CUNTY TOURISM PROMOTION AREA" pursuant to which, under certain terms and conditions the City of Spokane, City of Spokane Valley, and Spokane County will agree to the formation of a Tourism Promotion Area to include properties within the City of Spokane, City of Spokane Valley and unincorporated area of Spokane County, the imposition of a charge on the furnishing of lodging by a Lodging Business located in the Tourism Promotion Area, the collection of the charge, and other matters related thereto.

PASSED AND ADOPTED this 9th day of March, 2004.



BOARD OF COUNTY COMMISSIONERS
OF SPOKANE, COUNTY, WASHINGTON




PHILLIP D. HARRIS



M. KATE MCCASLIN

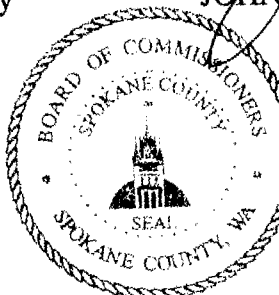
ATTEST:
VICKY M. DALTON
CLERK OF THE BOARD

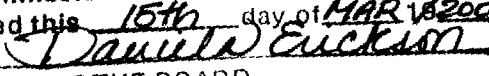
BY: 

Daniela Erickson, Deputy



JOHN ROSKELLEY



This is to Certify this is a true and correct copy of the original document NO. 4-0212 on file in the County Commissioners minutes of 3-9-2004 dated this 15th day of MAR 15 2004
BY: 

CLERK OF THE BOARD

NO. 04-0170

BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

IN THE MATTER OF ADOPTING A)
RESOLUTION OF INTENTION TO ESTABLISH)
A TOURISM PROMOTION AREA HAVING)
CERTAIN BOUNDARIES)

DECISION

THIS MATTER, being the consideration by the Board of County Commissioners ("the Board") of the adoption of a Resolution of Intention to establish a Tourism Promotion Area having certain boundaries, and the Board, as required RCW 35.101.030, having held a public hearing on Tuesday, March 2, 2004, at 5:00 p.m. to consider those items more particularly set forth in Spokane County Resolution No. 2004-0140, and the Board having considered all public testimony submitted at said public hearing does hereby make the following decision and findings in support thereof:

DECISION

Approve the Resolution of Intention to establish a Tourism Promotion Area having certain boundaries as set forth in Spokane County Resolution No. 2004-0140.

In making the above decision the Board does hereby enter the following Findings of Fact in support thereof:

FINDINGS OF FACT

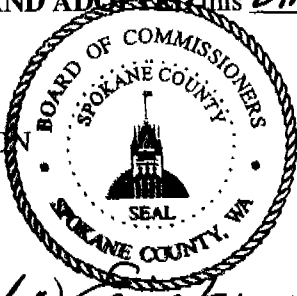
1. On November 4, 2003, an Initiation Petition ("the Petition") to establish a Tourism Promotion Area as provided in chapter 35.101 RCW was presented to the Board.
2. The Petition was accompanied by correspondence dated October 22, 2003, from LeMaster & Daniels, PLLC, wherein it certified that the Petition contained "...signatures of authorized operators of lodging businesses in the proposed area who would pay sixty percent or more of the proposed Special Assessment revenues were obtained. This letter was subsequently supplemented by a new attachment, which indicated that 72.21% of those persons who operate lodging business in the proposed area supported the establishment of a tourism promotion area.
3. As required by RCW 35.101.030 the Board held a public hearing on March 2, 2004, at 5:00 p.m. to consider a Resolution of Intention to establish a Tourism Promotion having certain boundaries as advertised under Spokane County Resolution No. 2004-0140. The notice of public hearing was published in a newspaper of general circulation at least ten (10) days prior to the date and time of hearing. Additionally, a complete copy of Resolution No. 2004-0140 was mailed to each lodging business within the proposed Tourism Promotion Area at least ten (10) days prior to the date and time of hearing. Provided, however that seven (7) of the lodging business were mailed a complete copy of Resolution No. 2004-0140 by certified mail.

days

4. No individuals appeared at the advertised public hearing referenced in Finding of Fact No. 3 and filed a protest in opposition to the Board's intent to establish a Tourism Promotion Area having certain boundaries as advertised under Spokane County Resolution No. 2004-0140.
5. All individuals appearing at the advertised public hearing referenced in Finding of Fact No. 3 testified in support of Board's intent to establish a Tourism Promotion Area having certain boundaries as advertised under Spokane County Resolution No. 2004-0140.

PASSED AND ADOPTED this 2nd day of March, 2004.

ATTEST:
 VICKY M. DALTON
 Clerk of the Board



BOARD OF COUNTY COMMISSIONERS
 OF SPOKANE, COUNTY, WASHINGTON

By: Daniela Erickson
 Daniela Erickson, Deputy

[Signature]
 PHILLIP D. HARRIS, Chair

[Signature]
 M. KATE MCCASLIN, Vice-Chair

[Signature]
 JOHN ROSKELLEY



This is to Certify this is a true and correct copy of the original document NO. 4-0170 on file in the County Commissioners minutes of 3/2/2004 dated this 15th day of MAR 2004 BY: Daniela Erickson CLERK OF THE BOARD

NO. 4 0211

BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

IN THE MATTER OF AN)
ORDINANCE ESTABLISHING A)
TOURISM PROMOTION AREA)
HAVING CERTAIN BOUNDARIES)
AND OTHER MATTERS RELATED)
THERE TO)

RESOLUTION

WHEREAS, pursuant to the provisions of RCW 36.32.120(6), the Board of County Commissioners of Spokane County has the care of County property and the management of County funds and business; and

WHEREAS, pursuant to the provisions of chapter 35.101 RCW, the legislature set forth a mechanism to establish a tourism promotion area and imposed a charge on the furnishing of lodging by lodging businesses located in the area, the proceeds of which are to be used for the sole purpose of tourism promotion; and

WHEREAS, pursuant to the provisions of RCW 35.101.030, the Board of County Commissioners held a public hearing on March 2, 2004 at 5:00 P.M. to consider a Resolution of Intention to Establish a Tourism Promotion Area Having Certain Boundaries as advertised under Spokane County Resolution No. 04-0140. Pursuant to Spokane County Resolution No. 04-0170, the Board of County Commissioners adopted a Resolution of Intention to Establish a Tourism Promotion Area Having Certain Boundaries; and

WHEREAS, pursuant to the provisions of RCW 35.101.080, the Board of County Commissioners held a public hearing on March 9, 2004 at 2:00 P.M. to consider public testimony and take action on an Ordinance Establishing a Tourism Promotion Area Having Certain Boundaries and Other Matters Related Thereto as more particularly set forth in the Notice of Public Hearing under Resolution No. 04-0141; and

WHEREAS, after considering all public testimony submitted at the March 9, 2004 2:00 P.M. public hearing and as authorized by RCW 35.101.080, the Board of County Commissioners is desirous of adopting the Ordinance as advertised under Resolution No. 04-0141.

4 0211

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Spokane County, as authorized under chapter 35.101 RCW, that the Board does hereby adopt that Ordinance as set forth in Spokane County Resolution No. 04-0141, a copy of which is attached hereto as Attachment "A," and incorporated herein by reference. In taking such action, the Board does further adopt each and every recital set forth hereinabove in support of such action. The Clerk of the Board of County Commissioners of Spokane County, or legal counsel, is requested to direct a copy of this Ordinance to the Washington State Department of Revenue.

PASSED AND ADOPTED this 9th day of March, 2004.



BOARD OF COUNTY COMMISSIONERS
OF SPOKANE, COUNTY, WASHINGTON

ATTEST:
VICKY M. DALTON
CLERK OF THE BOARD



PHILLIP D. MARRIS, Chair



M. KATE MCCASLIN, Vice Chair

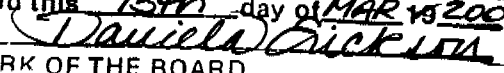
BY: 

Daniela Erickson, Deputy



JOHN ROSKELLEY



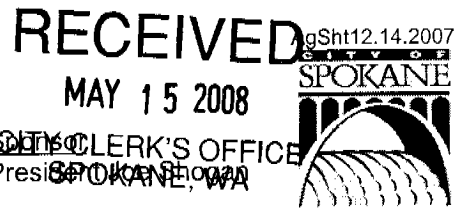
This is to Certify this is a true and
correct copy of the original document
NO. 4-0211 on file in the County
Commissioners minutes of 3-9-2004
dated this 15th day of MAR 15 2004
BY: 

CLERK OF THE BOARD

02/10/08
3:53

27

AGENDA SHEET FOR COUNCIL MEETING OF: May 28, 2008



Submitting Dept.
Office of the City Attorney

Contact Person/Phone No.
Mike Piccolo 625-6225

Council Clerk's Office
Council President

ADMINISTRATIVE SESSION

- Contract
- Report
- Claims

LEGISLATIVE SESSION

- Emergency Ord
- Resolution
- Final Reading Ord
- First Reading Ord
- Special Consideration
- Hearing

CITY PRIORITY

- Communications
- Economic Development
- Growth Management
- Human Services
- Neighborhoods
- Public Safety
- Quality Service Delivery
- Racial Equity/Cultural Diversity
- Rebuild/Maintain Infrastructure

CLERK'S FILE
RENEWS
CROSS REF
ENG
BID
REQUISITION

OPR 2003-0982

RES 07-148

STANDING COMMITTEES

(Date of Notification)

- Finance
- Neighborhoods
- Planning/Community & Econ Dev

- Public Safety
- Public Works

Neighborhood/Commission/Committee Notified:
Action Taken:

AGENDA

WORDING:

(If contract, include the term.)

Amendment No. 1 to Interlocal Cooperation Act Agreement for Establishment of Spokane County Tourism Promotion Area.

BACKGROUND:

(Attach additional sheet if necessary)

In March of 2004, the City of Spokane entered into an interlocal agreement with Spokane County and the City of Spokane Valley regarding the establishment of a Tourism Promotion Area. The Agreement and the corresponding Spokane County ordinance had a termination clause of December 31, 2008 unless all three governmental entities agreed to a continuance and an additional three year period. In September of 2007, the Tourism Promotion Area Commissioners requested that the governmental entities amend the County ordinance and interlocal agreement to remove the termination clause so that the interlocal agreement and the TPA would continue without a sunset clause unless terminated pursuant to other provisions of the agreement. The City Council passed Resolution 07-0148 on January 7, 2008 supporting the proposed amendment set forth in Amendment No. 1.

RECOMMENDATION: APPROVE

Fiscal Impact:	<input type="checkbox"/> N/A	Budget Account:	<input type="checkbox"/> N/A
<input type="checkbox"/> Expenditure: \$		#	
<input type="checkbox"/> Revenue: \$		#	
<input type="checkbox"/> Budget Neutral			

ATTACHMENTS: Include in Packets: AGREEMENT, RES 07-148
On file for Review in Office of City Clerk:

SIGNATURES:

Department Head
Michael Piccolo
Legal

Division Director
David M. Wilson
Chief Administrator

Finance

Council President

DISTRIBUTION: Harry Sladich - Spokane Regional C&VB

COUNCIL ACTION:

APPROVED BY
SPOKANE CITY COUNCIL:
May 27, 2008
Lerrin H. Bledsoe
CITY CLERK

8 0644

**AMENDMENT NO. 1 TO INTERLOCAL COOPERATION ACT AGREEMENT FOR
ESTABLISHMENT OF SPOKANE COUNTY TOURISM PROMOTION AREA**

THIS AMENDMENT NO. 1 AGREEMENT, made and entered into among **Spokane County**, a political subdivision of the State of Washington, having offices for the transaction of business at 1116 West Broadway Avenue, Spokane, Washington 99260, hereinafter referred to as the "County," the **City of Spokane**, a municipal corporation of the State of Washington having offices for the transaction of business at 808 West Spokane Falls Blvd. Spokane, Washington 99201, hereinafter referred to as the "City", and the **City of Spokane Valley**, a municipal corporation of the State of Washington, having offices for the transaction of business at the Redwood Plaza, 11707 East Sprague Avenue, Suite 106, Spokane Valley, Washington 99206, hereinafter referred to as "Spokane Valley" jointly referred to as the "Parties."

WITNESSETH:

WHEREAS, pursuant to the provisions of RCW 36.32.120(6), Spokane County, through the Board of County Commissioners of Spokane County, has the care of county property and the management of county funds and business; and

WHEREAS, in 2003, the Washington State Legislature recognized the importance of tourism promotion and passed Engrossed Substitute Senate Bill No. 6026, now codified as chapter 35.101 RCW. That legislation authorized the establishment of a Tourism Promotion Area by a county and the levy of special assessments on lodging businesses to fund tourism promotion therein; and

WHEREAS, pursuant to the provisions of RCW 35.101.080, the Board of County Commissioners of Spokane County adopted an Ordinance No. 04-0211 which established a Tourism Promotion Area having certain boundaries to include the unincorporated area of Spokane County, the City of Spokane, and City of Spokane Valley. Ordinance No. 04-0211 addressed the termination of the Tourism Promotion Area and provided as follows:

SECTION NO. 13. TERMINATION

This Ordinance shall continue in full force and effect until December 31, 2008, at which time it shall automatically sunset, unless the Spokane County Tourism Promotion Area is disestablished in whole or part as provided for in Section No. 6 hereinabove prior to such date. The Ordinance will automatically be extended in three (3) year increments beyond December 31, 2008 if all three legislative bodies evidence their joint intention to have their boundaries, or in the case of Spokane County the unincorporated area, remain in the Spokane County Tourism Promotion Area. Evidence of such intention to remain in the Spokane County Tourism Promotion Area and extend the provision of this Ordinance shall be in the form of a resolution signed by the legislative body/mayor or written approval of its chief executive officer/administrator/manager sent by certified mail to the

Clerk of the Board of Spokane County. Such resolution or written approval must be received by the Clerk of the Board on or before July 1, 2008, for the initial term, or six (6) months prior to the expiration date of any three (3) year extension. In the event this Ordinance is extended as provided for herein it shall not be necessary to conduct another Notice of Intention Hearing as provided for in RCW 35.101.030 or adopt a new Ordinance as provided for in RCW 35.101.080.

WHEREAS, pursuant to the provisions of RCW 35.101.040(2), the Parties entered into an interlocal agreement dated March 9, 2004 entitled "INTERLOCAL COOPERATION ACT AGREEMENT FOR ESTABLISHMENT OF SPOKANE COUNTY TOURISM PROMOTION AREA" (the "Agreement") wherein a Tourism Promotion Area was formed to include properties within the boundaries of the unincorporated area of Spokane County, City of Spokane, and City of Spokane Valley. Section 8 (A) of Agreement addressed termination and provided as follows:

8. Miscellaneous Provisions:

- A. Duration and Termination of this Agreement. (1) This Agreement shall continue in full force and effect until such time as the Spokane County Tourism Promotion Area is disestablished by action of the Board of County Commissioners of Spokane County as provided in Section 7 above. (2) This agreement shall expire December 31, 2008, PROVIDED, it may be extended in increments of three years by consent of Spokane County, City of Spokane, and City of Spokane Valley, expressed either by resolution of the legislative body or written approval of its chief executive officer. The timing of such consent should be coordinated with the needs of the Washington State Department of Revenue. (3) Following termination of this Agreement, Spokane County shall be responsible for utilizing any remaining unallocated revenue from Special Assessments for use for tourism promotion in Spokane County.

WHEREAS, the Spokane Hotel and Motel Commission, governing board of the Spokane County Tourism Promotion Area, recommended to the Board of County Commissioners, City of Spokane and City of Spokane Valley that SECTION NO. 13. TERMINATION within the Ordinance as well as Section 8A of the Agreement be modified to provide as follows:

(Ordinance No. 04-0211 modification.)

(Underlined language added, lined out language deleted.)

SECTION NO. 13. TERMINATION

This Ordinance shall continue in full force and effect until ~~December 31, 2008, at which time it shall automatically sunset, unless the Spokane County Tourism Promotion Area is modified or disestablished in whole or part as provided for in Section No. 6 hereinabove. prior to such date. The Ordinance will automatically be extended in three (3) year increments beyond December 31, 2008 if all three legislative bodies evidence their joint intention to have their boundaries, or in the case of Spokane County the unincorporated area, remain in the Spokane County Tourism Promotion Area. Evidence of such intention to remain in the Spokane County Tourism Promotion Area and extend the provision of this Ordinance shall be in the form of a resolution signed by the legislative body/mayor or written approval of its chief executive officer/administrator/manager sent by certified mail to the Clerk of the Board of Spokane County. Such resolution or written approval must be received by the Clerk of the Board on or before July 1, 2008, for the initial term, or six (6) months prior to the expiration date of any three (3) year extension. In the event this Ordinance is extended as provided for herein it shall not be necessary to conduct another Notice of Intention Hearing as provided for in RCW 35.101.030 or adopt a new Ordinance as provided for in RCW 35.101.080.~~

(Agreement modification.)

(Underlined language added, lined out language deleted.)

8. Miscellaneous Provisions:

A Duration and Termination of this Agreement. (1) This Agreement shall continue in full force and effect until such time as the Spokane County Tourism Promotion Area is modified or disestablished by action of the Board of County Commissioners of Spokane County as provided in Section 7 above. ~~(2) This agreement shall expire December 31, 2008, PROVIDED, it may be extended in increments of three years by consent of Spokane County, City of Spokane, and City of Spokane Valley, expressed either by resolution of the legislative body or written approval of its chief executive officer. The timing of such consent should be coordinated with the needs of the Washington State Department of Revenue. (3) Following termination of this Agreement, Spokane County shall be responsible for utilizing any remaining unallocated revenue from Special Assessments for use for tourism promotion in Spokane County.~~

WHEREAS, the Board of County Commissioners held a public hearing on May 13, 2008 to consider amending SECTION NO. 13. TERMINATION of the Ordinance as provided herein above. After said public hearing the Board of County Commissioners adopted Resolution No. 08-0465 modifying the Ordinance as provided for herein above. The Parties, consistent with the County's action under Resolution No. 08-0465, desire to modify Section 8 (A) of Agreement as provided for herein above.

NOW, THEREFORE, BE IT HEREBY AGREED among the Parties hereto that the agreement entered into among the Parties dated March 9, 2004 and entitled "INTERLOCAL COOPERATION ACT AGREEMENT FOR ESTABLISHMENT OF SPOKANE COUNTY TOURISM PROMOTION AREA" be and is hereby modified in Section 8 (A) to provide as follows:

(Underlined language added, lined out language deleted.)

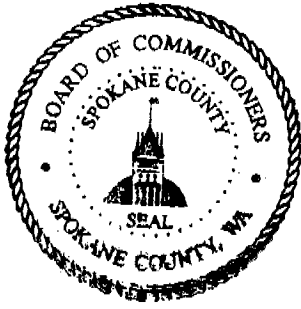
8. Miscellaneous Provisions:

A. Duration and Termination of this Agreement. (1) This Agreement shall continue in full force and effect until such time as the Spokane County Tourism Promotion Area is modified or disestablished by action of the Board of County Commissioners of Spokane County as provided in Section 7 above. ~~(2) This agreement shall expire December 31, 2008, PROVIDED, it may be extended in increments of three years by consent of Spokane County, City of Spokane, and City of Spokane Valley, expressed either by resolution of the legislative body or written approval of its chief executive officer. The timing of such consent should be coordinated with the needs of the Washington State Department of Revenue.~~ (3) Following termination of this Agreement, Spokane County shall be responsible for utilizing any remaining unallocated revenue from Special Assessments for use for tourism promotion in Spokane County.

BE IT FURTHER RESOLVED among the Parties hereto, that but for that change to Section 8 (A) as set forth herein above, all other terms within the agreement dated March 9, 2004 and entitled "INTERLOCAL COOPERATION ACT AGREEMENT FOR ESTABLISHMENT OF SPOKANE COUNTY TOURISM PROMOTION AREA" shall remain in full force and effect without any change or modification whatsoever.

IN WITNESS WHEREOF the Parties have caused this Agreement No. 1 to be executed on the date and year opposite their respective signature blocks. This Agreement No. 1 may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same. The effective date of Agreement No. 1 shall be the last signature date.

(This Space Intentionally Left Blank.)



ATTEST:

BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

By: *Daniela Erickson*
DANIELA ERICKSON
Clerk of the Board

Bonnie Mager
BONNIE MAGER, Chair

Todd Mielke
TODD MIELKE, Vice-Chair

DATED this 18th day of July, 2008

Mark Richard
MARK RICHARD, Commissioner

DATED: May 29, 2008

CITY OF SPOKANE



By: *[Signature]*

Its: City Administrator

Approved as to form:

City Clerk

Michael D. [Signature]
Assistant City Attorney

SPOKANE VALLEY

By: *Mike Jackson*

Title: Deputy City Manager

Approved as to form:

ATTEST:

Christine Bamberly
City Clerk

Cary P. [Signature]
City Attorney

RESOLUTION NO. 2007-0148

A resolution regarding the Tourism Promotion Area.

WHEREAS, in March of 2004, the City of Spokane entered into an interlocal agreement with Spokane County and the City of Spokane Valley for the establishment of a Tourism Promotion Area (TPA) in conjunction with Spokane County adopting a tourism promotion area ordinance;

WHEREAS, the TPA was formed in order to create the opportunity for Spokane hoteliers to assess a fee on occupied hotel rooms in order to generate additional funding for tourism marketing;

WHEREAS, the interlocal agreement provides that the agreement expires on December 31, 2008 but that the agreement may be extended for an additional three year period upon the approval of all three governmental entities;

WHEREAS, the regional marketing associations that work with the TPA are routinely working to schedule events that go far beyond the three years term of the interlocal agreement;

WHEREAS, the TPA has requested that the three governmental entities amend the interlocal agreement to renew the agreement and to eliminate the automatic sunset clause provision so that the TPA and its marketing associates and can pursue more longer term events and plans; and

WHEREAS, the Spokane County Commissioners have indicated their support for amending the ordinance and interlocal agreement to remove the sunset clause and that upon notification that both the City of Spokane and the City of Spokane Valley also support the revision, the Commissioners would initiate the required public hearing to amend the ordinance.

NOW, THEREFORE, BE IT RESOLVED that the City Council for the City of Spokane supports the revision of Spokane County ordinance and interlocal agreement establishing the tourism promotion area to renew the term of the agreement and of the tourism promotion area and to eliminate the automatic sunset clause provision.

Adopted this 7th day of January, 2008.

[Signature]
City Clerk

Approved as to form:

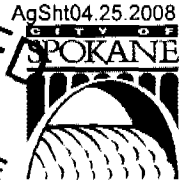
[Signature]
Assistant City Attorney



09/02/09

AGENDA SHEET FOR COUNCIL MEETING OF: August 24, 2009

RECEIVED
AUG 13 2009
CITY CLERK'S OFFICE
SPOKANE, WA



Submitting Dept.
Economic Development

Contact Person/Phone No.
Teresa Brum 625-6987

Council Sponsor
President Joe Shogan

ADMINISTRATIVE SESSION

- X Contract
- o Report
- o Claims

LEGISLATIVE SESSION

- o Emergency Ord
- o Resolution
- o Final Reading Ord
- o First Reading Ord
- o Special Consideration
- o Hearing

CITY PRIORITY

- o Communications
- X Economic Development
- o Growth Management
- o Human Services
- o Neighborhoods
- o Public Safety
- o Quality Service Delivery
- o Racial Equity/Cultural Diversity
- o Rebuild/Maintain Infrastructure

CLERK'S FILE
RENEWS
CROSS REF
ENG
BID
REQUISITION

OPR 2003-0982

STANDING COMMITTEES

(Date of Notification)

- o Finance _____
- o Neighborhoods _____
- o Planning/Community & Econ Dev _____

- o Public Safety _____
- o Public Works _____

Neighborhood/Commission/Committee Notified:
Action Taken:

AGENDA

WORDING:

(If contract, include the term.)

Amendment No. 2 to Interlocal Cooperation Act Agreement for Establishment of Spokane County Tourism Promotion Area.

BACKGROUND:

(Attach additional sheet if necessary)

In February of 2004, Spokane County, with the concurrence of both the cities of Spokane and Spokane Valley, enacted an ordinance creating a Tourism Promotion Area (TPA) encompassing the unincorporated area of Spokane County and the two cities pursuant to Chapter 35.101 RCW. The creation of the TPA was brought on by the submission of an initiating petition by the operators of lodging businesses in Spokane County. The County and the cities of Spokane and Spokane Valley subsequent entered into an interlocal agreement in March of 2004 regarding the operation of the TPA. Section 3 of the TPA ordinance enacted by the County sets the special assessment rates to be levied to fund the TPA program. The Spokane Hotel and Motel Association and the Spokane Hotel and Motel Commission have both requested that the assessment rates be increased in Zones A, B and C from \$1.00, \$1.25 and \$1.50 respectively to \$2.00 for each zone. The County has taken the required action to adjust their ordinance accordingly. Amendment No. 2 of the Interlocal Agreement will provide the required approval from the City and amend the agreement to match the County's Ordinance.

RECOMMENDATION:

Fiscal Impact: o N/A	Budget Account: o N/A
o Expenditure: \$	#
o Revenue: \$	#
o Budget Neutral	

ATTACHMENTS:

Include in Packets:
On file for Review in Office of City Clerk:

SIGNATURES:

Alexander J. Shogan, Jr.
Department Head

[Signature]
Division Director

Alexander J. Shogan, Jr.
Finance
Council President

Michael P. Scobol
Legal

[Signature]
For the Mayor

DISTRIBUTION:

County Commissioners
Lodging Tax Advisory Committee

APPROVED BY
SPOKANE CITY COUNCIL:

August 24, 2009
[Signature]
Acting CITY CLERK

9-0586

AMENDMENT NO. 2 TO INTERLOCAL COOPERATION ACT AGREEMENT FOR ESTABLISHMENT OF SPOKANE COUNTY TOURISM PROMOTION AREA

THIS AMENDMENT NO. 2 AGREEMENT, made and entered into among **Spokane County**, a political subdivision of the State of Washington, having offices for the transaction of business at 1116 West Broadway Avenue, Spokane, Washington 99260, hereinafter referred to as the "County," the **City of Spokane**, a municipal corporation of the State of Washington having offices for the transaction of business at 808 West Spokane Falls Blvd. Spokane, Washington 99201, hereinafter referred to as the "City", and the **City of Spokane Valley**, a municipal corporation of the State of Washington, having offices for the transaction of business at the Redwood Plaza, 11707 East Sprague Avenue, Suite 106, Spokane Valley, Washington 99206, hereinafter referred to as "Spokane Valley" jointly referred to as the "Parties."

WITNESSETH:

WHEREAS, pursuant to the provisions of RCW 36.32.120(6), Spokane County, through the Board of County Commissioners of Spokane County, has the care of county property and the management of county funds and business; and

WHEREAS, in 2003, the Washington State Legislature recognized the importance of tourism promotion and passed Engrossed Substitute Senate Bill No. 6026, now codified as chapter 35.101 RCW. That legislation authorized the establishment of a Tourism Promotion Area by a county and the levy of special assessments on lodging businesses to fund tourism promotion therein; and

WHEREAS, pursuant to the provisions of RCW 35.101.080, the Board of County Commissioners of Spokane County adopted Ordinance No. 04-0211 which established a Tourism Promotion Area having certain boundaries to include the unincorporated area of Spokane County, the City of Spokane, and City of Spokane Valley. Ordinance No. 04-0211 also established a Special Assessment on operators of Lodging Business within the Tourism Promotion Area on the furnishing of lodging. Ordinance No. 04-0211 was amended to modify the Special Assessments on operators of Lodging Business within the Tourism Promotion Area on the furnishing of lodging as follows:

(Underlined language added, lined out language deleted.)

Zone A:	\$1.50 <u>\$2.00</u> per room/day
Zone B:	\$1.25 <u>\$2.00</u> per room/day
Zone C:	\$1.00 <u>\$2.00</u> per room/day

WHEREAS, pursuant to the provisions of RCW 35.101.040(2), the Parties entered into an interlocal agreement dated March 9, 2004 entitled "INTERLOCAL COOPERATION ACT AGREEMENT FOR ESTABLISHMENT OF SPOKANE COUNTY TOURISM PROMOTION AREA" (the "Agreement") wherein a Tourism Promotion Area was formed to include properties within the boundaries of the unincorporated area of Spokane County, City of Spokane, and City of Spokane Valley. Section No 3 (Rate) of Agreement established a Special Assessment on operators of Lodging Business within the Tourism Promotion Area on the furnishing of lodging. Consistent with Ordinance No. 04-0211, the Parties desire to modify the Agreement to recognize the new rates approved under said Ordinance No. 9-0585.

NOW, THEREFORE, BE IT HEREBY AGREED among the Parties hereto that the agreement entered into among the Parties dated March 9, 2004 and entitled "INTERLOCAL COOPERATION ACT AGREEMENT FOR ESTABLISHMENT OF SPOKANE COUNTY TOURISM PROMOTION AREA" as amended by that agreement entered into among the Parties and entitled "AMENDMENT NO. 1 TO INTERLOCAL COOPERATION ACT AGREEMENT FOR ESTABLISHMENT OF SPOKANE COUNTY TOURISM PROMOTION AREA" be and is hereby modified as follows:

(Underlined and highlighted language added, Lined out and highlighted language deleted.)

3. Levy of Special Assessments on Lodging Businesses within the Spokane County Tourism Promotion Area.

A. The Board of County Commissioners of Spokane County will levy Special Assessments on the Operators of Lodging Businesses within the Spokane County Tourism Promotion Area in accordance with the zones and levels of Special Assessments as set forth in Resolution No. 04-0140.

B. It is understood and agreed by and between Spokane County, Spokane and Spokane Valley that the Spokane County Tourism Promotion Area shall include the following five (5) zones:

Zone A. Zone A encompasses those Lodging Businesses located within the area of the incorporated city limits of the City of Spokane defined as follows: Downtown core bordered by Interstate 90 to the south, Hamilton Street to the east, Indiana Avenue to the north, and Monroe Street to the west.

Zone B. Zone B encompasses those Lodging Businesses located within the area of the incorporated city limits of Spokane and the City of Spokane Valley except those Lodging Businesses located in Zone A.

Zone C. Zone C encompasses all Lodging Businesses located outside Zones A and B, but within the unincorporated area of Spokane County.

Zone D. Zone D encompasses all Lodging Businesses with room revenue under \$500,000 per year, situated within the Spokane County Tourism Promotion Area, regardless of their specific location.

Zone E. Zone E encompasses Lodging Businesses located within the Tourism Promotion Area, as that term is addressed in WAC 458-20-166 as it presently exists or may be hereinafter amended, other than hotels, motels, and bed and breakfast facilities. Lodging Businesses within this zone, as addressed in WAC 458-20-166, would include only (i) trailer camps and recreational vehicle parks which charge for the rental of space to transients for locating or parking house trailers, campers, recreational vehicles, mobile homes, and tents; (ii) educational institutions which sell overnight lodging to person other than students; (iii) private lodging houses, dormitories and bunkhouses operated by or on behalf of businesses and industrial firms or schools solely for the accommodation of employees of such firms or student which are not held out to the public as a place where sleeping accommodations may be obtained; and (iv) guest ranches or summer camps which, in addition to supplying meals and lodging, offer special recreational facilities and instruction in sports boating, riding, outdoor facilities and instruction in sports, boating, riding, and outdoor living.

The charge(s) imposed under this section are not a tax on the “sale of lodging” for the purposes of RCW 82.14.410

C. It is understood and agreed by and between Spokane County, Spokane and Spokane Valley that the Operators of Lodging Businesses within the Spokane County Tourism Promotion Area operating in the above-described zones will be subject to Special Assessments to be levied as follows:

Zone A: ~~\$1.50~~ \$2.00 per room/day

Zone B: ~~\$1.25~~ \$2.00 per room/day

Zone C: ~~\$1.00~~ \$2.00 per room/day

Zone D: \$0.50 per room/day

Zone E: \$0.00 per room or space /day

D. Any change in the Special Assessment rates for any zone as set forth hereinabove shall be made only by amendment of the resolution by the Board of County Commissioners, with the approval of the City Council of the City of Spokane and the City Council of the City of Spokane Valley. No increase in the Special Assessment rates for any zone or change in the boundaries of any zone shall be made by the Board of County Commissioners of Spokane County except upon the affirmative recommendation of the Spokane Hotel and Motel Commission.

BE IT FURTHER RESOLVED among the Parties hereto, that but for that change to Paragraph 3 as set forth herein above, all other terms and conditions within the agreement dated March 9, 2004 and entitled "INTERLOCAL COOPERATION ACT AGREEMENT FOR ESTABLISHMENT OF SPOKANE COUNTY TOURISM PROMOTION AREA" as amended by that document entitled "AMENDMENT NO. 1 TO INTERLOCAL COOPERATION ACT AGREEMENT FOR ESTABLISHMENT OF SPOKANE COUNTY TOURISM PROMOTION AREA" shall remain in full force and effect without any change or modification whatsoever.

IN WITNESS WHEREOF the Parties have caused this Agreement No. 2 to be executed on the date and year opposite their respective signature blocks. This Agreement No. 2 may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same. The effective date of Agreement No. 2 shall be the last signature date.

ATTEST:

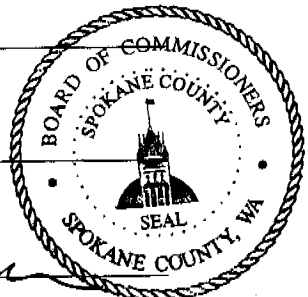
BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

By: *Daniela Erickson*
DANIELA ERICKSON
Clerk of the Board 9-0586

Todd Mielke
TODD MIELKE, Chair

Mark Richard
MARK RICHARD, Vice-Chair

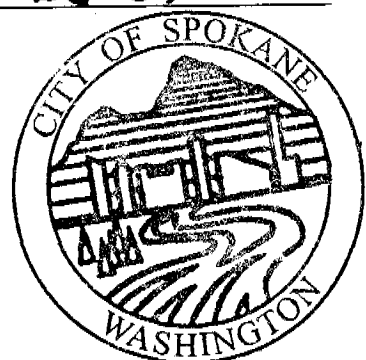
Bonnie Mager
BONNIE MAGER, Commissioner



DATED 6-23-09

DATED: 8-26-09

CITY OF SPOKANE



By: *Thomas E. Danek, Jr.*
Thomas E. Danek, Jr.
City Administrator
City of Spokane

NO. 9-0586

BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF SPOKANE COUNTY, WASHINGTON

IN THE MATTER OF EXECUTING)
AMENDMENT NO. 2 TO INTERLOCAL) **RESOLUTION**
COOPERATION ACT AGREEMENT FOR)
ESTABLISHMENT OF SPOKANE)
COUNTY TOURISM PROMOTION AREA)

WHEREAS, pursuant to the provisions of RCW 36.32.120(6), Spokane County, through the Board of County Commissioners of Spokane County, has the care of county property and the management of county funds and business; and

WHEREAS, in 2003, the Washington State Legislature recognized the importance of tourism promotion and passed Engrossed Substitute Senate Bill No. 6026, now codified as chapter 35.101 RCW. That legislation authorized the establishment of a Tourism Promotion Area by a county and the levy of special assessments on lodging businesses to fund tourism promotion therein; and

WHEREAS, pursuant to the provisions of RCW 35.101.080, the Board of County Commissioners of Spokane County adopted Ordinance No. 04-0211 which established a Tourism Promotion Area having certain boundaries to include the unincorporated area of Spokane County, the City of Spokane, and City of Spokane Valley. Ordinance No. 04-0211 also established a Special Assessment on operators of Lodging Business within the Tourism Promotion Area on the furnishing of lodging. Ordinance No. 04-0211 was amended to modify the Special Assessments on operators of Lodging Business within the Tourism Promotion Area on the furnishing of lodging as follows:

(Underlined language added, lined out language deleted.)

Zone A:	\$ 1.50 <u>\$2.00</u> per room/day
Zone B:	\$1.25 <u>\$2.00</u> per room/day
Zone C:	\$ 1.00 <u>\$2.00</u> per room/day

Attest:

Approved as to form:

Acting Sanjiv
City Clerk

Michael Roberts
Assistant City Attorney

DATED: 8/27/09

CITY OF SPOKANE VALLEY
By: Paul Mercier

Title: City Manager

ATTEST:
Christine Beindorf
City Clerk

Approved as to form:
Michael Roberts
City Attorney