



Legislation Details (With Text)

File #: 15-0308 **Version:** 1 **Name:**
Type: Agendas **Status:** Passed
File created: 8/26/2015 **In control:** Board of Aldermen
On agenda: 9/1/2015 **Final action:** 9/1/2015
Title: A Resolution Making an Appointment to the Carrboro Tourism Development Authority

PURPOSE: The purpose of this item is for the Board of Aldermen to appoint a member to the Carrboro Tourism Development Authority (CTDA).

Indexes:

Code sections:

Attachments: 1. A Resolution Making Appointments to the Carrboro Tourism Development Authority

Date	Ver.	Action By	Action	Result
9/1/2015	1	Board of Aldermen	approved	Pass

TITLE:

A Resolution Making an Appointment to the Carrboro Tourism Development Authority

PURPOSE: The purpose of this item is for the Board of Aldermen to appoint a member to the Carrboro Tourism Development Authority (CTDA).

DEPARTMENT: Town Clerk

CONTACT INFORMATION: Cathy Wilson - 918-7309

INFORMATION: The CTDA was established by Section 8A of the Carrboro Town Code. The Board made the initial appointments to the CTDA in June of 2013. Barbara Leedy, a current member of the CTDA, is leaving the Hampton Inn and has resigned from the CTDA. Per the Town's Charter, since the Hampton Inn is currently the only business in Town that collects the tax, the Hampton Inn must have at least one member on the CTDA. Alvin Sellers, the GM of the Hampton Inn and Suites in Carrboro and representative of the ATMA Hotel Group, has submitted his application to serve on the CTDA.

Section 3.8 Tourism Development Authority.

- (a) Appointment and Membership. When the governing body of the Town of Carrboro adopts a resolution levying a room occupancy tax under this Part, it shall also adopt a resolution creating a Tourism Development Authority, which shall be a public authority under the Local Government Budget and Fiscal Control Act. The resolution shall provide for the membership of the Authority, which shall be a public authority under the Local Government Budget and Fiscal Control Act. The resolution shall provide for the membership of the Authority, including the members' terms of office, and for the filling of vacancies on the Authority. **At least one-third of the members must be individuals who are affiliated with businesses that collect the tax in the town, and at least**

three-fourths of the members must be individuals who are currently active in the promotion of travel and tourism in the town. The governing body of the Town shall designate one member of the Authority as chair and shall determine the compensation, if any, to be paid to members of the Authority. The Authority shall meet at the call of the chair and shall adopt rules of procedure to govern its meetings. The Finance Officer for the Town of Carrboro shall be the ex officio of the Authority.

FISCAL & STAFF IMPACT:

The Hotel/Motel Room Occupancy Tax is a tax for the Town of Carrboro and the distribution of the tax is outlined in Section 8A-4 of the Carrboro Town Code:

Section 8A-4. Distribution and Use of Tax Revenue.

The town shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Carrboro Tourism Development Authority (CTDA). The CTDA shall use at least two-thirds of the funds remitted to it under this section to promote travel and tourism in Carrboro and shall use the remainder for tourism-related expenditures. The following definitions apply in this section:

- (1) Net Proceeds. Gross proceeds less the cost to the town of administering and collecting the tax, as determined by the finance officer, not to exceed three percent (3%) of the first five hundred thousand dollars (\$500,000) of gross proceeds collected each year and one percent (1%) of the remaining gross receipts collected each year.
- (2) Promote travel and tourism. To advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, or engage in similar promotional activities that attract tourists or business travelers to the area. The term includes administrative expenses incurred in engaging in these activities.
- (3) Tourism-related expenditures. Expenditures that, in the judgment of the CTDA, are designed to increase the use of lodging facilities, meeting facilities, and convention facilities in the town by attracting tourists or business travelers to the town. The term includes tourism-related capital expenditures.

RECOMMENDATION: Staff recommends that the Board of Aldermen review the application and make the appointment to the CTDA.